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OF THE

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PROCEEDINGS AND DEBATES OF THE SIXTY-FIFTH CONGRESS, FIRST SESSION.

SENATE.

SATURDAY, *May 12, 1917.*

(Legislative day of Friday, May 11, 1917.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

Mr. JONES of Washington and Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brandegee	James	Myers	Sheppard
Chamberlain	Johnson, Cal.	Nelson	Sherman
Colt	Jones, N. Mex.	New	Smith, Ga.
Culberson	Jones, Wash.	Norris	Smoot
Cummins	Kellogg	Overman	Sterling
Curtis	Kendrick	Page	Stone
France	Kenyon	Pittman	Thomas
Frelinghuysen	King	Poindexter	Thompson
Gallinger	La Follette	Ransdell	Trammell
Gerry	McCumber	Reed	Vardaman
Hale	McKellar	Robinson	Weeks
Hardwick	McLean	Saulsbury	Williams
Husting	Martin	Shafroth	Wolcott

Mr. FRELINGHUYSEN. I desire to announce the necessary absence of my colleague [Mr. HUGHES] on account of illness. I ask that this announcement may stand for the day.

Mr. KENYON. I wish to announce the absence on official business in the Committee on Agriculture and Forestry of the Senator from Oklahoma [Mr. GORE], the Senator from Idaho [Mr. BRADY], the Senator from South Carolina [Mr. SMITH], and the Senator from North Dakota [Mr. GRONNA].

Mr. CURTIS. I desire to announce that the senior Senator from Vermont [Mr. DILLINGHAM] is absent on account of illness in his family. I will let this announcement stand for the day.

Mr. GERRY. I desire to announce the absence for the day of the Senator from Michigan [Mr. TOWNSEND], due to his attendance on Finance Committee meetings.

Mr. THOMPSON. I have been requested to announce that the Senator from Kentucky [Mr. BECKHAM] is detained from the Senate on official business.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present.

Mr. SMITH of Georgia. I wish again to announce that the Finance Committee is engaged in public hearings on the revenue bill, and I ask leave of absence for the members of the committee for to-day.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the members of the Finance Committee are excused.

THE COMMITTEE ON FINANCE.

Mr. THOMPSON. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with an amendment Senate resolution 59, submitted by the chairman of the Finance Committee. It is a matter of some importance, and I ask unanimous consent for its present consideration.

Mr. OVERMAN. I yield for that purpose.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment was, in line 4, after the word "clerk," to insert "for not to exceed 60 days," so as to make the resolution read:

Resolved, That the Committee on Finance, or any subcommittee thereof, be, and hereby is, authorized, during the Sixty-fifth Congress, to administer oaths; to employ a temporary clerk for not to exceed 60 days, at $4 per diem, and a stenographer, at a cost not exceeding $1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recess of the Senate.

The resolution as amended was agreed to.

The amendment was agreed to.

THE PANAMA CANAL (S. DOC. NO. 29).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of War submitting an urgent estimate of appropriation in the sum of $428,900 for extraordinary expenses heretofore and hereafter incurred by the Panama Canal in protecting the canal and canal structure, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

ADDITIONAL QUARTERS FOR NAVY DEPARTMENT (S. DOC. NO. 28).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Navy submitting an estimate of appropriation in the sum of $75,000 for rent of additional quarters for the use of the Navy Department for the fiscal year ending June 30, 1918, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, informed the Senate that the House of Representatives has recommitted to the committee of conference the report of the committee on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 1006. An act authorizing the county of Morrison, Minn., to construct a bridge across the Mississippi River in said county; and

S. 1007. An act authorizng the city of Bemidji, Minn., to construct a bridge across the Mississippi River at or near that place.

INCREASE OF MILITARY ESTABLISHMENT.

Mr. CHAMBERLAIN. Mr. President, I desire to withdraw the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, which I submitted a few days ago, in view of the fact that the House has recommitted the report to the committee of conference, and let the bill go back to conference.

The VICE PRESIDENT. Without objection, the conference report is withdrawn.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a telegram from Antonio Lucero, secretary of state of New Mexico, embodying a joint memorial of the legislature of that State, which will be incorporated in the RECORD.

The telegram is as follows:

SANTA FE, N. MEX., *May 10, 1917.*

The honorable PRESIDENT OF THE SENATE,
Washington, D. C.:

I have been directed by the State legislature to forward to you the following joint memorial adopted by the same:

"To the Congress of the United States:

"The Legislature of the State of New Mexico respectfully memorializes and requests the Congress of the United States to adopt the amendment to the Army bill proposed by Senator ALBERT B. FALL, providing for organizing three regiments of volunteer Cavalry, to be recruited in the States of Arizona, New Mexico, and Texas, for service along the Mexican border."

ANTONIO LUCERO,
Secretary of State.

The VICE PRESIDENT presented petitions of the congregation of the Reformed Presbyterian Church of Clarinda, Iowa, and the clerical and lay delegates representing the church in the diocese of Harrisburg, Pa., praying for national prohibition

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as a war measure, which were referred to the Committee on the Judiciary.

He also presented resolutions of the Grand Igloo, Pioneers of Alaska, in convention assembled at Juneau, Alaska, remonstrating against the passage of the so-called Alexander bill for the protection, regulation, and conservation of the fisheries of Alaska, which were referred to the Committee on Territories.

He also presented a petition of the Ladies' Auxiliary of the Ancient Order of Hibernians of Canonsburg, Pa., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a memorial of the National Jewelers' Board of Trade, remonstrating against newspaper statements purporting to come from high Government officials advising the practice of extreme and abnormal economy, etc., and praying that normal conditions of business be maintained, which was referred to the Committee on Education and Labor.

He also presented resolutions of the City Council of Chicago, Ill., praying for the regulation of the interstate shipment of foodstuffs and other necessaries of life, and the prices thereof, which were referred to the Committee on Interstate Commerce.

Mr. GALLINGER presented a petition of the congregation of St. Paul's Methodist Episcopal Church, of Manchester, N. H., praying for national prohibition, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Metz Automobile Co., of Manchester, N. H., remonstrating against a tax on the gross sales of automobiles, which was referred to the Committee on Finance.

He also presented a memorial of the Batchelder Poster Advertising Co., of Concord, N. H., remonstrating against a tax on bill posting, which was referred to the Committee on Finance.

He also presented the memorial of Charles L. Jackman, of Concord; F. W. Sargeant, of Manchester; and A. F. Howard, of Portsmouth, all in the State of New Hampshire, remonstrating against an increased tax on fire-insurance companies, which was referred to the Committee on Finance.

Mr. JONES of Washington presented a petition of the Woman's Christian Temperance Union and sundry missionary organizations of Olympia, Wash., praying for the enactment of legislation to prohibit the shipment of intoxicating liquors to Africa, which was referred to the Committee on Foreign Relations.

He also presented petitions of the Commercial Club, of Ridgefield, Wash., and of sundry citizens of Kent, Wash., praying for Government control of food supplies, which were referred to the Committee on Agriculture and Forestry.

Mr. PHELAN presented a petition of the Central Labor Council of San Pedro and Wilmington, in the State of California, praying for the enactment of legislation providing for the retirement of superannuated Government clerks, which was referred to the Committee on Civil Service and Retrenchment.

He also presented a memorial of the Women of the Allied Interests, of Oakland, Cal., remonstrating against the enactment of prohibition legislation as a war measure, which was referred to the Committee on the Judiciary.

Mr. NELSON presented telegrams in the nature of memorials from the Grocers' Association of St. Paul and the Grocers' Association of Minneapolis, in the State of Minnesota, remonstrating against the proposed exemption of retail dealers in coffee and tea from taxation; which were referred to the Committee on Finance.

Mr. LODGE presented the petition of Erving Winslow, of Boston, Mass., praying for the removal of the statue of Frederick the Great, which was referred to the Committee on the Library.

Mr. HALE. I present resolutions adopted by the Congregational Conference and Missionary Society of Maine, in annual session at Calais, which I ask to have printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

CALAIS, ME., *May 10, 1917.*

To WOODROW WILSON,
President of the United States of America:

The Congregational Conference and Missionary Society of Maine, in annual session at Calais, hereby pledges to the President of the United States the loyalty of Maine Congregationalists in the fight for freedom.

Deploring with you the need of strife, we yet accord our hearty indorsement to the inspired sentiments so nobly voiced in your memorable utterance upon the world war.

Eminently worthy of our Pilgrim heritage, they touch the highest ideals of altruistic Christian service, and we can do no less than pledge our "last full measure of devotion" "to make democracy safe upon the earth" and to win the fight against ruthless autocracy. To this end we cordially approve the principles of selective draft and universal service.

II.

We beg you to declare at once for absolute national prohibition during the war. First, thus to secure the sobriety and increase the efficiency of our manhood during the present stress; second, as an effective means of conserving our food supply.

III.

As the struggle has now become world-wide, we beg you to command the strongest men of our land as advisors, and as soon as in your judgment it may seem wise to accept the offer of our distinguished citizen, Col. Theodore Roosevelt, and his fellow patriots, to enter the fields of France, in payment of an age-long debt and as a signal contribution to the cause of human freedom and human rights.

W. G. MALLETT, *President.*
GEO. E. KINNEY, *Clerk.*

Mr. SUTHERLAND presented a telegram embodying resolutions adopted by the Rotary Club, of Wheeling, W. Va., favoring the adoption of the so-called Roosevelt amendment to the Army bill to raise a volunteer force for service in France, which was ordered to lie on the table.

REPORTS OF COMMITTEE ON AGRICULTURE.

Mr. GORE. From the Committee on Agriculture and Forestry I report back favorably with an amendment the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes. I desire to state that I shall submit a report (No. 37) to accompany the bill at a later day.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. GORE, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 53) authorizing the President to appoint two additional Assistant Secretaries of Agriculture, and for other purposes, reported it with an amendment and submitted a report (No. 40) thereon.

He also, from the same committee, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

S. J. Res. 39. A joint resolution to appropriate $3,000,000 to enable the Secretary of Agriculture to prosecute the work of eradicating the southern cattle tick (Rept. No. 38); and

S. J. Res. 40. A joint resolution to appropriate $500,000 for the encouragement of the production of foodstuffs (Rept. No. 39).

PUNISHMENT OF ESPIONAGE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes.

The VICE PRESIDENT. The pending question is on the motion of the Senator from California [Mr. JOHNSON] to strike out subsection (c) as amended.

Mr. CUMMINS. Mr. President, the amendment which was adopted yesterday is one which in substance was prepared and presented by myself. It was presented at a time when the Senate had refused to strike out subsection (c). It was presented in the hope that the rigors of the bill as reported by the committee might be in some measure mitigated.

I am very glad that the amendment was adopted, because if any legislation upon this subject is to be had it is gratifying to know that the restrictions upon speech and publications are such that the rules and regulations must be confined to military operations.

But, Mr. President, I am opposed to any legislation on the subject at this time. I have been opposed to it from the beginning. When the bill was reported and under consideration in the Senate during the last session of Congress I happened to be one of a very few Senators who urged the reasons which have since been amplified against legislation of this character. When we were considering the Senate bill some days ago, which had the same language, I gave my reasons somewhat fully both from the standpoint of the Constitution and the standpoint of policy with regard to legislation of this character wholly apart from the constitutional aspect of the matter, and I have not a word to say in addition to the argument I have already made upon that subject. I regard it as extremely unwise and entirely unnecessary to adopt legislation of this kind at this time.

I believe profoundly that it will do vastly more harm than good. I recognize that there are instances which ought to be controlled by restrictive rules or regulations, but there are so many more instances when it would be injurious to the public welfare to enforce such legislation that I am impelled to say, as I have often before said, that the cause we are now fighting for, the war we are now prosecuting will be more successfully carried to a triumphant conclusion without legislation of this character than with it.

I intend to vote heartily for the amendment proposed by the Senator from California [Mr. JOHNSON]. I felt that I ought to

say so much in order that any seeming inconsistency between my position upon the amendment I prepared, but which was offered by the Senator from Colorado [Mr. THOMAS], and the vote that I now cast may be fully understood.

Mr. REED. Mr. President, a parliamentary inquiry. What is the pending motion?

The VICE PRESIDENT. The pending motion is that of the Senator from California [Mr. JOHNSON] to strike out the amended subsection (c).

Mr. SMITH of Georgia. Mr. President, my recollection is that I voted for this bill when it passed the Senate at the last session, before this called session. With a good deal of doubt, if I had been called on to vote on yesterday, and with a great deal of hesitation I would have voted for the substitute that we placed in the bill known as the Cummins substitute.

Last night I gave my most earnest consideration to the question, and I do not believe it is necessary to embody any provision of censorship just at this time. Later on we may find it necessary. I do not mean that I would not vote for a provision later on; but I do not see sufficient danger to require it now. I believe it is wiser at this time to permit the fullest and freest of publication than to risk the possible harm which might come from restriction.

There will necessarily be many blunders made by those upon whom we place responsibility in the large and, to a great extent, new work in which they are engaged. I believe that the calling of public attention to what is being done, the fullest publicity about it, is calculated to correct errors and to add to the effort to avoid them, and that benefits may come from such a line of publication.

I see it is suggested that pressure is to be brought at once to send our boys across the water. I have no idea that any considerable number could be properly prepared to go in 12 months, and the freest publication with reference to their want of preparation and the time which should be required to fit them might be considered beneficial to the enemy, but I would rather see the publications made than to see a blunder upon any such line followed.

So, Mr. President, my conclusion, with a great deal of hesitation, with the most earnest effort to find out what is my real duty, is that I should vote against any provision for censorship at the present time.

Mr. REED. Mr. President, I am very much in the same frame of mind as the Senator from Georgia, who has just spoken. I recognize the fact that reckless and conscienceless men may, through an abuse of the privileges of the press, work very great injury to our country in time of war; that there are many things necessary to the conduct of war which must be carried on in secrecy; and that there are newspaper men in this country so base that they might print matter of that kind when inimical to the public welfare. So, too, there are individuals in our land who do not run newspapers who might be guilty of similar base conduct. I fully appreciate that there are evils of the character referred to against which all of us naturally desire to guard the country. But I also recognize two facts: First, that there is very much truth in the statement which was made on the floor yesterday that any information of the character to which I have been referring is very likely to have reached the agencies of the enemy as soon as it can be reached by the newspaper men of our country; that anything that lies so near the surface that the newspaper reporter can pick it up, will also lie so near the surface that it may be discerned by those agencies which undoubtedly are employed in our country for the purpose of gaining information for the benefit of the enemy.

The second proposition is that the real method of guarding must be calculated to prevent the information leaving the shores of this country. To do this we must gain control of all means of communication beyond the borders of our land. The telephone, the telegraph, and all such instrumentalities must be controlled. It is not the information that is existent within the borders of our own country that is dangerous; it is the information that gets to the enemy which is dangerous.

Realizing these two propositions I also realize the weight of a third, which is that against whatever advantages may come through the control of the press and the suppression of information which ought not to be given out, there is the grave danger of suppressing information that should be given out.

Mr. President, I have examined the amendment offered by the Senator from Colorado [Mr. THOMAS], of which the Senator from Iowa states he was the author, or that he was the author of a similar amendment. I can take that amendment and write one rule under it which, in my own opinion, will set up a censorship in the land. I can write a rule which will provide that "no mention whatsoever shall be made of the 'numbers, description, or disposition of any of the armed forces of the United States or of the plans of naval or military operations' until and unless the article shall have been submitted to the censor located in the city of Washington"; and that sort of rule would be absolutely within the law, and it would absolutely make a censor supreme. If we could have a censor who was not only supreme, but who was at the same time infallible in his judgment and possessed of that fairness of mind which always made him render a decision that was indubitably just, the difficulty would not be so great; but whoever is censor will be a human being; he will be merely one man, with the limitations of one man. He may be a very superior sort of man; he may be a very good man, or he may be a very bad or foolish man; but he will be only one man. Mr. President, I can not give my consent to the setting up in this Republic at this time of any such power.

I have this further to say: We need not make the mistake of thinking that we must do in America everything that has been done in Europe. They find the enemy at their gates. He is 3,000 miles from our shores. They find means of communication so close and so intimate that every sort of precaution must be taken, and yet the same kind of precaution may not be necessary here. They find, with their crowded population, with the enemy surrounding them, and within a days march of their capitals, that it is necessary for them to do many things which it is not necessary for us to do, and which have not been done in those parts of the world at war that lie remote from the scene of conflict. I do not think you will find in Australia, which is thoroughly loyal to the British Government, that the Australians have done all of those things which have been found necessary in Germany or which have been found necessary in France. They take into consideration the vast stretch of miles between the scene of conflict and their homes. We do not need to lose our heads or to grow excited.

Somehow or other I believe that the press of this country will be loyal; somehow or other I believe that our press will give their columns and the brain and the ability of their writers for the purpose of aiding the Government in this great struggle; and until they have proven otherwise, I am not willing to undertake to break down our traditions, our laws, our customs, even possibly our constitutional guaranties. For the present, I am willing to abide existing conditions.

The VICE PRESIDENT. The Senator's time has expired.

The question is on the amendment proposed by the Senator from California [Mr. JOHNSON] to strike out all of section 2 of chapter 2, after the word "years," in line 5, page 37, as amended.

Mr. OVERMAN and Mr. VARDAMAN called for the yeas and nays; and they were ordered.

The Secretary proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the Senator from Michigan [Mr. SMITH], who, I understand, is compelled to be absent from the city to-day. I understand, however, that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote and vote "yea."

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). I desire to announce the absence of my colleague [Mr. SMITH of Michigan] and his pair with the junior Senator from Missouri [Mr. REED]. I also desire to state that if my colleague were present he would vote "yea" on this question.

Mr. WILLIAMS (when his name was called). Transferring my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from New Jersey [Mr. HUGHES], I vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX]. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and vote "yea."

Mr. SUTHERLAND. I have a general pair with the junior Senator from Kentucky [Mr. BECKHAM], which I transfer to the senior Senator from Michigan [Mr. SMITH] and vote "yea."

I desire further to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is absent on account of illness. I will ask that this announcement stand for the day.

Mr. HUSTING. I desire to announce that the junior Senator from South Dakota [Mr. JOHNSON] is necessarily absent, and that the junior Senator from Kentucky [Mr. BECKHAM] is detained on official business.

Mr. CURTIS. I have been requested to announce the pair of the Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH].

Mr. PITTMAN. I desire to announce that the Senator from California [Mr. PHELAN] is detained from the Senate on official business.

Mr. CHAMBERLAIN. I desire to announce the absence of my colleague [Mr. LANE] on account of illness. I fear his

illness is so severe that he will not be able to return for some days. I ask that this announcement may stand of record until he is able to appear and answer for himself.

Mr. LA FOLLETTE. I desire to announce that if present the junior Senator from Oregon [Mr. LANE] would vote "yea."

Mr. FERNALD. I transfer my pair with the Senator from South Dakota [Mr. JOHNSON] to the Senator from New York [Mr. WADSWORTH] and vote "yea."

Mr. KENDRICK (after having voted in the negative). I have a general pair with the Senator from New Mexico [Mr. FALL]. I transfer that pair to the Senator from Nevada [Mr. NEWLANDS] and will allow my vote to stand.

The result was announced—yeas 39, nays 38, as follows:

YEAS—39.

Ashurst	France	Kenyon	Shields
Bankhead	Frelinghuysen	La Follette	Smith, Ga.
Borah	Gallinger	McKellar	Smoot
Brandegee	Gore	Martin	Sutherland
Broussard	Gronna	New	Thomas
Calder	Harding	Norris	Townsend
Chamberlain	Hardwick	Page	Underwood
Cummins	Johnson, Cal.	Reed	Vardaman
Curtis	Jones, Wash.	Saulsbury	Watson
Fernald	Kellogg	Sherman	

NAYS—38.

Brady	Kendrick	Poindexter	Stone
Colt	King	Pomerene	Thompson
Culberson	Kirby	Ransdell	Trammell
Fletcher	Lodge	Robinson	Walsh
Gerry	McCumber	Shafroth	Warren
Hale	McLean	Sheppard	Weeks
Hollis	Myers	Simmons	Williams
Husting	Nelson	Smith, Ariz.	Wolcott
James	Overman	Smith, S. C.	
Jones, N. Mex.	Pittman	Sterling	

NOT VOTING—19.

Beckham	Hughes	Newlands	Smith, Mich.
Dillingham	Johnson, S. Dak.	Owen	Swanson
Fall	Knox	Penrose	Tillman
Goff	Lane	Phelan	Wadsworth
Hitchcock	Lewis	Smith, Md.	

So the amendment of Mr. JOHNSON of California, to strike out subdivision (c) of section 2, Chapter II, as amended, was agreed to.

The VICE PRESIDENT. The bill is still before the Senate as in Committee of the Whole and open to further amendment.

Mr. GORE. Mr. President, I ask the Secretary to read the amendment which I submitted yesterday and had printed. It is an amendment to Chapter XII.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In Chapter XII, the last chapter in the bill, it is proposed to insert a new section, to be known as section 5, as follows:

Whenever the Postmaster General shall exclude from the mails any of the matter or things enumerated in sections 2 and 3, Chapter XII, of this act, it shall be unlawful for any person, firm, company, or corporation engaged in the transmission of telegraphic messages by wireless or otherwise to receive, transmit, or deliver any such communication, or the substance of any such communication, or the information contained in such forbidden matter or thing. Any person convicted of violating the provisions of this section shall be punished by a fine not exceeding $5,000, and in the case of a natural person, by imprisonment not exceeding five years.

Mr. GORE. Mr. President, I will merely say that I have no disposition to discuss this amendment. If Chapter XII is desirable in itself, then this amendment is desirable. It rests on the same principle and seeks to accomplish the same object. It seems to me that it might be even more necessary to interdict certain communications by wireless than through the post office. It has occurred to me, however, that it ought at least to go to the committee of conference. For that reason I have offered it.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oklahoma.

Mr. OVERMAN. Mr. President, if the amendment goes to conference, I expect to stand by it. I do not want it to go to conference and then be expected to give it up right away. I am not that sort of a conferee.

Mr. GORE. Mr. President, I had not expected the amendment to be treated in such a summary way when I sent it to the desk. I thought the committee could consider it in connection with the other provisions of the bill, and if it should be necessary for the accomplishment of the objects of Chapter XII, it could be accepted. It seems to me that it is necessary. You exclude certain matters from the mail, but permit the same information to be transmitted by telegraphic communication. The wireless can send it to other countries. It seems to me we ought to have control of wireless stations transmitting treasonable matter or undesirable matter to foreign lands.

Mr. LA FOLLETTE. Mr. President, I ask that the amendment be stated again. There was considerable confusion in the Chamber when it was read, and I was not able to understand it fully.

The VICE PRESIDENT. The Secretary will again state the amendment.

The Secretary again stated the amendment.

Mr. OVERMAN. Mr. President, I call the attention of the Senator from Oklahoma to the fact that section 3 of Chapter XII is not in the bill at all.

Mr. LA FOLLETTE. Mr. President, if the Senator will pardon me, there is no provision in the bill upon which to rest any such authority as is proposed to be invested in the Postmaster General by this amendment.

Mr. OVERMAN. None whatever.

Mr. LA FOLLETTE. That has all been stricken out of the bill.

Mr. GORE. I was not aware of that. I withdraw the amendment, then.

Mr. REED. Mr. President, I offer the amendment which I send to the desk, and call the attention of the chairman of the committee especially to it. I think he will perhaps accept it.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. At the end of the bill it is proposed to insert a new section, to be known as section 4, as follows:

Whenever the present war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and from and after the date of said proclamation the provisions of this act shall cease to be of force and effect.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KIRBY. Mr. President, I desire to call up the amendment offered by me the other day, to follow subsection (b) in section 2 of Chapter II. It relates to the establishment of a press censorship. I will read the amendment proposed:

A press censorship is hereby established, for the period of the war, with the Secretaries of the Navy and War as directors thereof. They or either of them, by written order, may summarily suspend for 30 days any newspaper or magazine making publication of any information concerning the plans or conduct of any military or naval operations or movement of ships or troops, or with respect to any works or measures undertaken for fortification or defense, or any other information relating to the public defense which might be useful to the enemy, unless the matter has been given out for publication by one or the other of said directors, or its publication consented to. It shall also be unlawful for the owner or publisher of any newspaper or magazine to make the publications aforesaid or to fail to obey the said order of suspension, and upon conviction of either of said offenses in any court of competent jurisdiction the managing editor thereof shall be punished by a fine of not more than $5,000 and the publication suspended for a further period of six months as part of the judgment against the offender.

That is offered, Mr. President, as following subdivision (b) of section 2 of the chapter we have been discussing. It avoids the objection that was raised by the Senator from California [Mr. JOHNSON] to the provisions of the bill as originally drawn. This is definite and specific. This does not leave to regulation by anyone the definition of what the offense shall be. The Congress itself declares that it shall be unlawful to publish information about the movement of troops, the movement of ships, or the progress of any works of defense; and those are the only matters about which the press is proposed to be limited or restricted in the publication of.

Mr. President, all of us recognize that the press is the most powerful agency in the Government. All of us recognize that it is the most irresponsible, and it can be the most dangerous. There ought not to be any objection by the press to this much regulation. They say, "We are strong; we are powerful; we are patriotic; we ought to be trusted. We can be trusted to do this thing." Yet the press was insistent that at the beginning of this war we should adopt conscription, and, more than any other force in the United States of America, it compelled the adoption of conscription by this Congress in the beginning of a war.

Now, Mr. President, I say that the press can be trusted. The press can be trusted to do certain things. It can be trusted to tear away the mask of hypocrisy, when it does not conflict with its interests to do so. It can be trusted to uncloak incompetency and inefficiency and let it stand forth naked in hideous ugliness and deformity, but never when it is contrary to its interest to do so.

They ought not to be allowed to publish the movement of troops, to publish the movement of ships, or to publish information regarding the works of defense when it might result to our injury. This is definite, plain, and specific. They know what they are allowed and they know what they are not allowed to publish, and they may even publish this by the consent of the directors. I believe this ought to be done and at this time. All admit that a press censorship may become necessary a little later on. Nobody can be injured, and the Government might

be protected in some of its important movements; and I insist that this amendment ought to be adopted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Arkansas.

Mr. KIRBY. I should like to have the yeas and nays on that amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I am paired with the junior Senator from South Dakota [Mr. JOHNSON], and therefore withhold my vote. If at liberty to vote, I would vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN] and withhold my vote.

Mr. WILLIAMS (when his name was called). I wish to make the same announcement that I made upon the last roll call and vote "nay." I want to ask now that that announcement may stand for the balance of the day.

The roll call was concluded.

Mr. OVERMAN. I wish to announce that my colleague [Mr. SIMMONS] is absent from the Senate on official business.

Mr. CHAMBERLAIN (after having voted in the negative). I see that my pair is not in the Chamber. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and will let my vote stand.

The result was announced—yeas 5, nays 65, as follows:

YEAS—5.

Hollis	Myers	Poindexter	Stone
Kirby			

NAYS—65.

Ashurst	Gerry	McCumber	Smith, Ga.
Bankhead	Gore	McKellar	Smith, S. C.
Beckham	Gronna	McLean	Sterling
Borah	Hale	Nelson	Sutherland
Brady	Harding	New	Thomas
Brandegee	Hardwick	Norris	Thompson
Broussard	Husting	Page	Townsend
Calder	James	Pomerene	Trammell
Chamberlain	Johnson, Cal.	Ransdell	Vardaman
Colt	Jones, N. Mex.	Reed	Wadsworth
Culberson	Jones, Wash.	Robinson	Walsh
Cummins	Kellogg	Saulsbury	Watson
Curtis	Kendrick	Shafroth	Williams
Fletcher	Kenyon	Sheppard	Wolcott
France	King	Sherman	
Frelinghuysen	La Follette	Shields	
Gallinger	Lodge	Smith, Ariz.	

NOT VOTING—26.

Dillingham	Knox	Penrose	Swanson
Fall	Lane	Phelan	Tillman
Fernald	Lewis	Pittman	Underwood
Goff	Martin	Simmons	Warren
Hitchcock	Newlands	Smith, Md.	Weeks
Hughes	Overman	Smith, Mich.	
Johnson, S. Dak.	Owen	Smoot	

So Mr. KIRBY's amendment was rejected.

Mr. CUMMINS. Mr. President, I offer the amendment which I send to the desk. I propose to add a new chapter by the amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add a new chapter and section, as follows:

CHAPTER XIII.

SECTION 1. On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, and for one year thereafter it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, or other edible thing in the production of intoxicating liquor in any form or of any kind: *Provided, however*, That this section shall not be construed to make unlawful the manufacture of alcohol for mechanical, medicinal, or scientific purposes under rules and regulations to be prescribed by the Secretary of the Treasury. A violation of this section shall be punished by a fine of not more than $5,000, or imprisonment of not more than three years, or both.

The VICE PRESIDENT. The question is on the amendment of the Senator from Iowa.

Mr. CUMMINS. Mr. President, I recognize that within the limitation of the unanimous-consent agreement it will be impossible to discuss this subject as fully as its importance demands.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. CUMMINS. I yield.

Mr. NORRIS. I will ask the Senator if he will not agree to omit from his amendment the words "or other edible thing," because alcohol is a product in the manufacture of wine and in the manufacture of cider and other fruit juices. Many of these would otherwise spoil. It seems to me that it would add a great deal of strength and possibly get a good many more votes for the amendment if the Senator confined it entirely to cereals.

Mr. CUMMINS. I will consider that a little later. I have no great objection to that change, although, Mr. President, I should be very glad to see the amendment adopted just as it is. I believe in national prohibition. I would, if I could, prevent the manufacture of intoxicating liquor in time of peace as well as in time of war. I would, if I could, prevent the consumption of intoxicating liquor at all times and under all circumstances; but, Mr. President, I would not have presented this amendment simply in the cause of prohibition. I think we ought to pay some regard to the proprieties of legislation, and therefore the first question that one needs to ask himself here is whether the present bill is an appropriate place for such legislation. I answer that by saying that it is a compound of 12 independent chapters, which have no relation to each other whatever, and which are supposed to cover subjects which need legislation in view of the existing war. I have reached the conclusion therefore that this bill is an appropriate place to consider matters of this sort.

The second inquiry is this: Does the situation demand legislation of this kind during the existing war? Mr. President, within one year of this time, if we may believe those who have the most comprehensive information upon the subject, the people of this country taken together with the people of the countries with which we are in alliance will be starving. They may have barely enough to sustain life, but they will not have enough to sustain the strength which will make them a vigorous and efficient fighting force. The situation, Mr. President, is that we will either have to do without booze or will have to do without bread; one or the other of these things we must get along without. So far as I am concerned, I prefer that the people of this country and our allies in Europe shall have enough to eat before they have recourse to drink. I believe it is more necessary that we shall have food than whisky. I believe it is more necessary that we shall have bread than either beer or wine. I think it is in the highest degree patriotic, and I believe it is absolutely essential that we conserve every pound of foodstuffs in whatever form it may be found.

Now, let us see. For the year ending June 30, 1916, in the production of distilled spirits we consumed 32,000,000 bushels of corn; we consumed 3,000,000 bushels of rye; and 4,480,000 bushels of malt. I will pass over barley and oats and other materials because I shall ask to offer and have printed the table that I have in my hand. We consumed in the manufacture 152,142,232 gallons of molasses, one of the most necessary and sustaining elements in all the category of foodstuffs.

Passing over other statistics which I can not read, I present just this startling fact, that in the production of fermented liquor we used last year 3,390,399,219 pounds of foodstuffs. Taking it all together, we used last year in the production of distilled liquor and fermented liquor more than 7,000,000,000 pounds of various kinds of foodstuffs; and we need them all.

Mr. REED. Mr. President, will the Senator tell us who is the author of those figures?

Mr. CUMMINS. This is published over the signatures of T. N. Carver, Edmund E. Day, William Z. Ripley, Edwin T. Gay, and Irving Fisher. The first four persons are professors in the department of economics of Harvard University and the last named is professor of political economy in Yale University. I think, therefore, the information I have given is fairly well authentic.

Mr. REED. I do not want to take the Senator's time, but I would like to inquire whether he has had these figures verified by any department of the Government?

Mr. CUMMINS. I have not, although they seem to come directly from two departments of the Government.

Mr. WEEKS. Mr. President——

Mr. CUMMINS. Just a moment. My time will be exhausted in a few minutes, and I want to read the certificate of Percy G. Stiles, assistant professor of physiology in Harvard University:

We have reviewed the statistics submitted in regard to the 7,000,000,000 pounds of foodstuffs used in the manufacture of malt and distilled liquors in the United States. It is probable that as much as one-sixth of the total may be necessary for the production of denatured alcohol. At a low estimate of its calorific or fuel value, the remaining five-sixths would supply the energy requirement of 7,000,000 men for a year.

One further suggestion, and my time will be consumed. One of the objections is that we will lose some revenue. Certainly we will, Mr. President, if this provision is adopted, but as between revenue and necessary foodstuffs there can be but one choice. If we had enough foodstuffs to use in making intoxicating liquor there might be some argument in the revenue matter, although there would not be to me; but as between revenues and the things that will sustain life during this mighty war we ought not to hesitate for a single moment.

Now, in answer to the question of the Senator from Nebraska [Mr. NORRIS], I recognize that there may be edible things which could be used without serious invasion of the principle I have invoked.

The VICE PRESIDENT. The Senator's time has expired.

Mr. CUMMINS. But I have no time to enter into the question now.

The table referred to is as follows:

NOTED ECONOMISTS AND FOOD EXPERTS CALL ATTENTION TO THE FOODSTUFFS USED IN LIQUOR.

According to the report of the Commissioner of Internal Revenue for the year ended June 30, 1916 (p. 138), there were used during that year for the production of distilled spirits in the United States the following materials:

Corn	bushels	32,069,542
Rye	do	3,116,612
Malt	do	4,480,588
Wheat	do	3,373
Barley	do	148
Oats	do	9,807
Other materials	do	68,822
Molasses	gallons	152,142,232

Omitting wheat, oats, barley, and "other materials," and reducing corn, rye, malt, and molasses to pounds, we get a total of 3,603,911,916 pounds of grain and molasses.

The census for 1900, volume 9, page 602, gives the following figures as to materials used in the manufacture of fermented liquors:

Corn	pounds	483,998,984
Malt	bushels	36,385,365
Barley	do	11,232,599
This amounts to a total of	pounds	2,260,266,146

These seem to be the latest positive figures available. The materials used in 1916 may be estimated as follows, though there is a possible margin of error. The production of fermented liquors for the year 1900 was 38,664,584 barrels. By 1916 it had risen to 58,633,624 barrels (see Report of Commissioner of Internal Revenue for 1916, p. 145). The production increased 51.6 per cent. Assuming an increase of at least 50 per cent in the materials used, we get 3,390,399,219 pounds.

Combining the figures for the manufacture of fermented liquors and distilled spirits, we get a total of 6,994,311,135 pounds of grain and molasses.

This omits all minor ingredients and says nothing about the fruit and glucose used in the production of various other alcoholic beverages.

In a time of food shortage, when conservation of foodstuffs is an important public question, the 7,000,000,000 pounds of food materials which are used in these industries form an item which is worth considering.

T. N. CARVER,
EDMUND E. DAY,
WILLIAM Z. RIPLEY,
EDWIN T. GAY,
Professors in Department of Economics, Harvard University.
IRVING FISHER,
Professor of Political Economy, Yale University.

We have reviewed the statistics submitted in regard to the 7,000,000,000 pounds of foodstuffs used in the manufacture of malt and distilled liquors in the United States. It is probable that as much as one-sixth of the total may be necessary for the production of denatured alcohol. At a low estimate of its calorific or fuel value the remaining five-sixths would supply the energy requirement of 7,000,000 men for a year.

PERCY G. STILES,
Assistant Professor of Physiology in Harvard University.
WALTER B. CANNON,
George Higginson Professor of Physiology in Harvard University.
IRVING FISHER,
Professor of Political Economy, Yale University.

Mr. GALLINGER. Mr. President, I am very earnestly in favor of the amendment submitted by the Senator from Iowa, modified or unmodified. This is a matter of the greatest possible consequence to the people of the United States at the present time.

I turn to Senate Document No. 11 of the present Congress, and I find in a letter from the Secretary of Agriculture these words:

Some of the European nations have secured a considerable addition to the food supply either by reducing the production of malt liquors or by reducing or prohibiting the production of distilled liquors. It has been roughly estimated that the value of food materials entering into the manufacture of alcoholic beverages in this country in one year, on the basis of prices lower than those now prevailing, is approximately $145,000,000.

That, Mr. President, comes over the signature of the Secretary of Agriculture, and I assume that that official made a very careful inquiry into the matter. He tells the country, he tells the Congress of the United States, that the material used in the manufacture of liquors in this country in a single year amounts to $145,000,000.

The Senator from Iowa has called attention to the document signed by noted economists, in which they give the startling facts that 7,000,000,000 pounds of food materials are used in these industries every year.

Mr. President, if it be true that there is danger of a shortage of food in this country, a danger of a shortage of food supply of our allies, who are fighting the battles in Europe, it seems to me it is nothing short of a crime for the United States to sit idly by and allow this enormous consumption of food material in the manufacture of liquor, which is disastrous to the people of the United States rather than beneficial to them.

I trust, Mr. President, that this amendment may be agreed to.

Mr. OVERMAN. Mr. President, the Senator from Iowa offered this amendment in the committee. The members of the Committee on the Judiciary were favorable to this kind of legislation, but after considering the matter thoroughly the committee thought it was not proper to put it on this bill. There is a similar amendment now pending in the Committee on Agriculture and Forestry on an agricultural bill—a food-conservation bill that is now pending—and the proper place for this amendment is on that bill.

The committee were against it on this bill. I do not know how the committee stand to-day. Because they change their minds so often since this bill has been reported by them to the Senate I do not know how they stand to-day. As far as I am concerned, I do not think the amendment ought to go on this bill.

Ordinarily I would favor the provisions of the amendment. I have always felt that way. The Agricultural Committee has been having hearings. The hearings are going on now in this matter, and I do not think the amendment ought to go on this bill. I favor it, but I do not think that the Senate will put it on this war measure, but wait until we have a report from the Committee on Agriculture and Forestry, who will report it in a few days, and I learn we will have all the information on this subject. Now, we have only 10 minutes' debate on this question, and I think the Senate ought to be in the possession of all the facts before it votes on it. If you stop making rum out of molasses I do not know what will become of our tobacco people. They have to use rum in the manufacture of tobacco. All those things ought to be considered. I should like to know the facts about it before I vote for it, although generally I am in favor of such legislation.

Let us wait until the Agricultural bill comes here with the report of the Committee on Agriculture and Forestry and with its testimony printed on this subject. Then we can act with the light before us, and do whatever is best in this matter. Now we would act hastily if we put it on this bill.

Mr. CURTIS. Mr. President, I am very heartily in favor of this amendment, and I think it should be placed upon the pending bill. The bill is made up of 10 or 12 separate and distinct measures, and there should be no objection to adding another provision.

This is an important amendment. It will save millions of bushels of grain, to be used in the making of bread and other food products, now used, as the Senator from Iowa said, in the making of liquor, and our people need the bread. They are entitled to have the wheat, the barley, the rye, and the corn now used in the manufacture of intoxicating liquors saved for food purposes.

Mr. President, I desire to offer an amendment to the amendment, which I think the Senator from Iowa will accept. After the word "medicinal" I want to add the word "sacramental." I think that word should be added in the Senator's amendment.

Mr. CUMMINS. I have no objection to that. I do not believe it ought to be used for sacramental purposes, but it is so slight a matter that I have no objection to it.

The VICE PRESIDENT. The amendment to the amendment is accepted and agreed to.

Mr. WADSWORTH. Mr. President, in confirmation of what the Senator from North Carolina [Mr. OVERMAN] has said, permit me to say it is true that the Committee on Agriculture and Forestry are holding hearings on this question and collateral questions at this time, and according to my understanding will be able to conclude its work in a few days. We have had some exceedingly interesting testimony on absolute prohibition or the control to a greater or less degree of the traffic in alcoholic beverages in European countries.

I think I ought to call the attention of the Senate, if this amendment passes in its present form, to the fact that practically all the vineyards now existing in the United States will be destroyed. It prohibits the use of any edible thing in the manufacture of alcoholic beverages.

Mr. President, of course we would attain a higher degree of efficiency if we should reduce and control and perhaps in some direction abolish the use of alcoholic beverages entirely; but it is a pretty big project which this amendment has in contemplation. It starts out by destroying great industries at the very ouset of the war instead of by graduated methods controlling them and reducing the evils which may spring from them and in the light of experience perhaps abolishing those evils entirely.

But the amendment makes no distinction between the harmful and the harmless. It simply says flatly that no food product shall be used in the manufacture of any alcoholic beverage. That, of course, includes wine and reaches grapes and would utterly destroy the business of every farmer, and there are hundreds and hundreds of them, yes thousands, who have all they own invested in vineyards, beautifully cultivated, highly developed. They are perfectly decent people. They are not sinning against society in any way whatsoever when they cul-

tivate their vines, and they are doing no injury to anybody. This amendment will absolutely bankrupt them, for they can not market their grapes if it is passed.

One might continue the same argument and point out the same condition of affairs with respect to other fruits, such as apples and peaches.

I think myself that we ought to give this matter a good deal of careful consideration before we take this jump. No other nation in this war, and the war is now nearly three years old, has attempted any such thing as this.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from New York yield to the Senator from Tennessee?

Mr. WADSWORTH. I yield.

Mr. SHIELDS. Will the Senator support the amendment if the words "any edible thing" are stricken out, so that it would not include grapes and fruits?

Mr. WADSWORTH. Mr. President, I can not say that I would support it if those words were taken out. I point to that particular phase of it as the most drastic one in its effect. To be perfectly frank, I want more light on this very difficult question. If I had my way, and perhaps I shall never have it in this respect, I would eventually bring this country to a condition, under statute if necessary, where hard liquors could not be manufactured or sold, but I have not yet reached the point where I would forbid the manufacture of wines and beers.

I should like to have the chance as a member of the Committee on Agriculture and as a Member of the Senate to understand more about this matter and just what its real effect will be during this war.

Mr. NELSON. I am in hopes that some of the friends of the Constitution will discuss this question from a constitutional standpoint as to our power to enact the legislation.

Mr. WADSWORTH. Mr. President, I do not feel competent to do that at this time, and certainly I have not the time in which to do it now.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. WADSWORTH. I yield for a question.

Mr. CUMMINS. Is the Senator from New York familiar with what is going on now in England in regard to this subject?

Mr. WADSWORTH. I am familiar with it so far as the testimony which has been given to the Agriculture Committee has thrown light upon it. I beg to say in reply to the question that England has not attempted anything like this. She has controlled the amount of grain that is used in the manufacture of alcoholic beverages and has gradually, step by step, reduced it; but she has not yet reached the point, and the testimony is most clear upon it, where she is ready to say to her workingmen, "You shall not have a glass of beer."

Mr. CUMMINS. I am not referring to the action that has been taken by England, but to the demands that are now being made—the agitation now going on.

Mr. WADSWORTH. Undoubtedly agitation has gone on.

Mr. CUMMINS. The Senator from New York will observe that the amendment is limited to the period of the war and one year thereafter. The vineyards would not be destroyed. They would simply be suspended during that time.

Mr. WADSWORTH. Well, Mr. President, what would the owner of a vineyard do? What would he live on during this interval? He could not live on air.

Mr. WOLCOTT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Delaware?

Mr. WADSWORTH. I do.

Mr. WOLCOTT. I know the Senator from New York can not speak for the Agricultural Committee, but I should like to ask him whether or not he is reasonably certain that there will be a report of some nature from the Agricultural Committee of a bill which will give the Senate an opportunity to consider this question later on at this session?

Mr. WADSWORTH. I can only express my personal opinion.

Mr. WOLCOTT. That is what I am asking for.

Mr. WADSWORTH. My own judgment is that they will. Personally, I think that legislation on this subject is necessary, and I hope it will be had; but I think we should proceed in reason and with the greatest care, otherwise we shall do more harm than good.

Mr. REED. Before the Senator takes his seat I should like to ask him a question.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Missouri?

Mr. WADSWORTH. I do.

Mr. REED. The Agricultural Committee is going to report an agricultural bill to the Senate in any event, is it not?

Mr. WADSWORTH. Well, Mr. President, it is my judgment that the Committee on Agriculture will report a bill to the Senate having to do with the conservation of the food supply generally, and somewhat in detail. This matter is distinctly germane to it, and is under discussion.

Mr. REED. And could be offered upon the floor if you bring the subject matter in?

Mr. WADSWORTH. Absolutely; when discussion will be open upon the entire subject.

Mr. GALLINGER. Mr. President, I will ask the Senator from New York if he is not of the opinion that that bill, if it ever comes before the Senate, will lead to a very long and somewhat acrimonious debate? It is a very drastic measure, as I understand it. I do not know what the committee will do with it.

Mr. WADSWORTH. The Senator from New Hampshire is referring to the food-conservation bill, which was introduced in the other House, and I think perhaps a duplicate of which was introduced in the Senate?

Mr. GALLINGER. Yes; a duplicate was introduced in the Senate.

Mr. WADSWORTH. I do not know in what form the bill will be passed so far as it relates to granting the power to the Government of fixing the prices on all food, articles of clothing, and minerals; but this particular topic will be under discussion at that time, and undoubtedly, sooner or later in this session, it will be brought up for legislation.

Mr. GALLINGER. But if the bill does not pass, as some of us hope it never will, this amendment will not become a law.

Mr. KENYON and Mr. PHELAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. KENYON. Mr. President, I rose to make a suggestion to the Senator from New Hampshire [Mr. GALLINGER] and the Senator from New York [Mr. WADSWORTH] in their time. I have the floor now and presume had better hold it.

In reply to the question of the Senator from Missouri [Mr. REED], I will say that the Committee on Agriculture is considering to-day, practically at this time, a bill which was introduced on yesterday by the Senator from Oklahoma [Mr. GORE] bearing on one phase of the food situation, but not particularly on the phase of the conservation of food. It is rather directed to the speculation that is now going on. That committee hopes to report the bill this afternoon and to urge its consideration.

The other phase of conservation, the one which is embraced in the Lever bill, which was introduced in the other House, which has also been introduced here, and which is now before the committee, is so full of troublesome questions that it will be a very long time, I think, before the bill is presented to the Senate by the committee.

The Senator from North Dakota has a bill referring distinctly to this question, which is also before the committee, and on which hearings have been had.

Mr. REED. May I ask the Senator a question?

Mr. KENYON. Yes.

Mr. REED. I ask if it is not a fact that hearings have been had with reference to the amount of grain which is actually consumed and with reference to the disposition that is made of what is left of grain after it has been used to manufacture liquor, and so forth?

Mr. KENYON. Yes.

Mr. REED. The committee has gone into that?

Mr. KENYON. That question is before the committee, and the hearings are concluded. I want to say as to that, as everybody knows, that if the bill of the Senator from North Dakota comes out and stands by itself, it will be very difficult to secure action on it at this session. So, notwithstanding the fact that I am a member of the Committee on Agriculture and a member of the subcommittee which is considering the bill of the Senator from North Dakota, I feel that if the result which we desire to accomplish can be accomplished now we ought to do it. It will save time and make it certain. I would advocate it also, of course, as a prohibition measure, because I am one of those who believe in national prohibition, either in peace or war. I think national prohibition is properly a war measure; but the other ground upon which it is advocated, which it seems to me no one can have a legitimate argument against, is the food-conservation proposition.

Mr. President, we might as well wake up, as a Congress, to the fact that, if we are to believe the testimony which has been introduced before the Committee on Agriculture, the food question in this country will become a serious one. I think there is grave danger of hysteria also along that line. Experts going out to tell the farmers how to act, how to conserve, how to stop

waste, and all of that; there is a good deal of foolishness in such business; but the food question, largely through the manipulation of speculators, will become a most serious proposition. We must have food. Is it not a perfectly silly thing to be taking the cereals of this country, whether in great quantity or in small quantity, and using them for the making of things that weaken us as a Nation in times of war as well as in times of peace? Drunken nations do not win wars.

Reference has been made here to England. England has gone a long way on this question; and, if I remember correctly the testimony of witnesses before the committee, some of whom have been over there, England has gone on lessening the consumption of alcoholic liquors and malt liquors until now, one witness stated to us—I do not know that the Senator from New York was present at the time—that after September, after the malt on hand is used up in the brewing of beer, England practically will become a prohibition nation. The King of England has given up his alcoholic drinks, at least for a while. Lloyd-George has stood for prohibition in England as a war measure; so has Kitchener.

The fact is that England would have had three and one-half million tons more of food if there had been no drink trade. That means a mighty thing to England. Suppose she had that food now. London would have been fed during this war by the foodstuffs that have gone into liquor. It is not a question of prohibition, but it is a question of good, common horse sense.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Montana?

Mr. KENYON. I yield.

Mr. WALSH. I should like to inquire of the Senator from Iowa if he can give us any information as to the amount of cereals that go from this country to the countries of Europe that are there consumed in the manufacture of drink?

Mr. KENYON. I can not; but I will say to the Senator that there is a considerable quantity of barley which goes abroad. We are met with the argument before our committee by the brewers that barley is not a food product or that it does not amount to much as a food product, although some years ago they advocated before the farmers that their business was helping the farmer along by using his barley and making a market therefor. Barley is a food product. Barley is used abroad in the debasement of flour. It was testified by Dr. Taylor before the Agriculture Committee that it was most satisfactory as a food and that the people were glad to get it.

There has been enough sugar consumed in England in the drink manufacture to feed the nation for 100 days. Those are merely incidental propositions, Mr. President. I am not going into detail along this line, but drink has done no good to any foreign nation. France is moving along the line now of getting rid of spirituous liquors. Gen. Joffre has called the alcohol question in France a "crime against national defense."

Mr. LEWIS and Mr. WADSWORTH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. KENYON. I yield to the Senator from Illinois. Let me say, however, before so doing that I object not only to using our grain and food supply in the making of intoxicating liquors in this country, but I also strenuously object to sending it abroad for such purpose. That is a crime against our people.

Mr. LEWIS. Mr. President, without entering at all upon the discussion of the merits of the prohibition question or as to the advisability, and certainly the virtue, of preventing the food supply from being lessened by alcohol, I wish to ask the Senator from Iowa—and particularly to him I address this question—what is his judgment as to whether such an amendment as that tendered by his eminent colleague [Mr. CUMMINS] could be sustained under the recent opinion of the Supreme Court of the United States last month in what is known as the Webb-Kenyon Act case, where the observation was—unless I misquote the court—that the act of which the eminent Senator was part author was constitutional in so far as it was an act for the regulation of the liquor traffic; but if it were true, as was argued, that it was an attempt to regulate the purely internal concerns of a State, that it had nothing to do with the regulation of that which our National Government, through its excise laws, had exercised jurisdiction over, it would be invalid? I ask the Senator does he think we could pass a law now, even though upon this military bill, that attempted to prevent a certain number of ounces of wine entering into vinegar or into the making of crackers in a State, limited purely for local use, and where the food product was the superior ingredient and alcohol simply incidental?

Mr. KENYON. Mr. President, of course that gets back to the question we have been discussing here so many times concerning the power of Congress during time of war.

Mr. GALLINGER. Mr. President, if the Senator will permit me, a somewhat similar contention arose as to the Webb-Kenyon bill. It was stated that it was clearly unconstitutional, but the Supreme Court did not find it so.

Mr. KENYON. It was very strenuously contended by eminent lawyers in this body that there was no question of doubt about the Webb-Kenyon Act being unconstitutional.

Mr. LEWIS. I remember that the then Senator from New York, Mr. Root, insisted that it was unconstitutional, if I recall his argument aright.

Mr. KENYON. If I grasp the Senators question, I understand he was directing it to the point that the amendment of my colleague is an unconstitutional exercise of congressional power.

Mr. LEWIS. In a matter purely internal within a State, where the subject matter is not of an interstate character and is not a regulation of the liquor traffic per se.

Mr. KENYON. I do not know the exact language of this amendment.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. LEWIS. I fear that I have taken too much of the Senators time because of my interruptions, and I will take the floor and yield to the Senator in a few moments so that he may have his time returned.

Mr. MYERS. Mr. President, with flour at $16 a barrel, and expected to be $20 a barrel in a very short time, with the cost of living constantly rising in this country and getting beyond the reach of hundreds of thousands of our people, and already beyond the reach of thousands of them; with bread riots, which have already actually occurred in this country, in New York City, Chicago, and other cities, where hungry women and children were rioting to be permitted to have bread at a reasonable price to appease their hunger, it is inconceivable to me that this Government will go very far into this war without prohibiting the manufacture of cereals into whisky. It is so inconceivable that I can not believe it.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Carolina?

Mr. MYERS. With great pleasure.

Mr. OVERMAN. This amendment goes further than that. It proposes to prevent the manufacture of any alcoholic liquors out of anything that is edible. Take molasses, for instance. I do not know how tobacco, cigars, and cigarettes are going to be manufactured without molasses. We want the revenue; and it is absolutely necessary to have rum to cure tobacco and to manufacture cigars and tobacco. To adopt such an amendment will work a very serious hardship in that industry. I do not know where we are going to get all the money for the needs of the Government if we deprive people of having tobacco as well as whisky. We obtain $400,000,000 from whisky and three or four hundred million dollars from tobacco. If you absolutely stop, for instance, the distillation of rum from molasses, you indirectly interfere with the manufacture of tobacco.

As to grain, that is another question; but would the Senator go as far as this amendment seeks to go and stop the distillation of every article which may be at all edible?

Mr. MYERS. Yes; of every article which may be edible. I have no fight to make, however, on tobacco. That is not my object in speaking.

Mr. OVERMAN. No; I am talking now about rum obtained from molasses.

Mr. MYERS. Is it necessary to use molasses in the manufacture of tobacco?

Mr. OVERMAN. Not molasses, but rum is manufactured from it.

Mr. MYERS. Well, if it is necessary to use rum in the manufacture of tobacco, then let the Senator offer some amendment to the proposed amendment so as to modify the pending amendment.

Mr. OVERMAN. I was asking the Senator whether he was willing to go as far as this amendment goes?

Mr. MYERS. Yes; I am willing to go as far as this amendment goes, or I am willing to have it modified. As I said, I have no fight to make on tobacco.

Mr. VARDAMAN. Mr. President, will the Senator yield to me for a suggestion?

Mr. MYERS. With great pleasure.

Mr. VARDAMAN. If grain or any other product is needed for foodstuffs, it can very well be taken for that purpose instead of being used in connection with the manufacture of tobacco.

Mr. MYERS. I think so, yes; I think food is more necessary than tobacco.

Mr. OVERMAN. I am not talking about anything but molasses. Grain, rye, oats, and such products constitute another question.

Mr. MYERS. With women and children already clamoring in the cities of this country for bread, and crying that they are hungry, and with the price of bread beyond their reach, I say it is inconceivable to me that we are going to go very far into this war without prohibiting the manufacture of cereals into whisky, beer, or wine. With our armies to feed and our people to feed, and the armies of the entente allies largely to feed, it is inconceivable to me that the Members of this Congress are going to sit here and allow hundreds of millions of bushels of this year's grain crop to go into whisky and beer. I can not believe it.

If we are going to remedy the situation; if we are going to enact a law providing that these articles shall be manufactured into something which will sustain our people and sustain our armies and help us to win this war, why not do it right now? Why wait until some other bill comes along? The objection that this bill is not a proper place for the proposed amendment is not a tenable or valid objection. If this is a good provision, if there is any sense in it, if we need it, we might just as well put the amendment in this bill as in any other. If we wait until some other bill is presented some Senator may say that that bill is not an appropriate place on which to place it.

I understand that a bill to control food products has already been introduced in the Senate, having been introduced yesterday by the Senator from Oklahoma [Mr. GORE]. I do not know whether or not it has any such provision in it as this. I have not yet had time to examine it. If it has such a provision, well and good, but it is no better there than here. It might just as well be in this bill as in that bill, if it is a good thing.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. MYERS. With great pleasure.

Mr. GRONNA. I think it is only fair to the Senator and to the Senate to state that there is no such provision as this in what is commonly known as the food bill. That bill has nothing whatever to do with the limitation of the manufacture of grain or any edible food into alcoholic drinks.

Mr. MYERS. I am glad to have the Senator's statement. Then this is our opportunity to do this necessary thing. The time to act on a matter of this kind is now. It can not be acted upon too soon. The food question in this country is becoming serious; the cost of living is getting beyond the reach of many working people, and our working people must be sustained in order to win this war. There are wholesale predictions of hunger and starvation in this country and in the European countries which are allied with us in the conduct of this war. I read nearly every morning in the papers about the probable employment of a food dictator. It is stated that Mr. Hoover will probably be appointed food dictator to control the output of the food of the country. If we are really in that serious condition, then we ought to take note of it; and this is the way in which to take note of it.

There has been a good deal said about England. If England had enacted absolute prohibition at the beginning of this war she would be infinitely better off than she is now. She would be hundreds of millions of dollars better off in food products; would have more food for her people and for her soldiers, and would not now be, as it is seriously reported in the dispatches that come from across the water, right on the verge of starvation before this year's food crop can be harvested. I think if things are becoming that serious, that imminent, we ought to act on this matter at once and not put it off until some other bill is brought along and some other objection is made.

I believe that legislation of this kind ought to be enacted right now, in time to save hundreds of millions of bushels of this year's grain crop from going into whisky, which would weaken us in this war, instead of going into bread which would strengthen us. If we are going to do it in time to save this year's crop from that sort of despoliation, waste, and ruination, now is the time. I am in favor of putting the amendment on this bill here and now.

Senators talk about wanting a thorough understanding of the matter. There is nothing to understand except one thing, and that is that bread will help us win this war more than whisky. That is the only thing that it is necessary to understand. We must have bread to win the war, but do not have to have whisky to win. That is all there is to it.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. PHELAN. Mr. President, I should like to ask the Senator from North Carolina to what extent the tobacco-manufacturing industry depends upon rum made from molasses?

Mr. OVERMAN. I do not know the extent, and therefore I must say that I am not informed. I know that a great deal of rum is used in the manufacture of tobacco. Whether they can use alcohol or cider, I am not sure. They might be able to do that. I know that a great deal of rum is used in the manufacture of tobacco, cigarettes, and cigars.

Mr. PHELAN. There is no law against the importation of rum for that or for any other purpose, is there?

Mr. OVERMAN. Not that I know of.

Mr. PHELAN. So it is not quite true that the tobacco industry depends upon the production of rum out of molasses in this country.

It seems to me that the Senator from Iowa in preparing his amendment overlooked one or two important considerations. It does not appear quite clear whether the amendment is intended for the conservation of the food supply or whether it is intended to prohibit the manufacture of intoxicating liquors. It may be claimed that it will serve both purposes; but in trying to accomplish the purpose of prohibition the language of the amendment, forbidding the production of intoxicating liquor, directly or indirectly, out of any cereal, grain, or other edible thing, strikes at many industries which are in themselves innocent, which give employment to a great number of people, and whose product is of great value as a food, and hence should not be disturbed.

In the State of California there are 350,000 acres under vine. There are $150,000,000 invested in the industry. Of course, the product of the grape is susceptible of being converted into alcohol; but those vineyards are used for the production of light wines which are regarded by the Department of Agriculture as being of food value, and hence they have been particularly diligent in that department to prevent the sophistication or adulteration of our native wines.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from North Dakota?

Mr. PHELAN. I do.

Mr. GRONNA. Will the Senator inform the Senate what percentage of the people of the United States can afford to use wine as food, and do use it now?

Mr. PHELAN. Of course, the United States was not settled exclusively by people from the colder countries, who have no taste for light wines, but who indulge in spirituous and alcoholic liquors that are more ardent; but the people of France and of Italy and of southern Europe who came to the United States, and their progeny, used wine, I am safe in saying, in their daily diet as a matter of custom of a lifetime, and it conduces not to their detriment, but actually to their health.

Drink no longer water—

Says the Good Book—

but use a little wine for thy stomach's sake.

That injunction has been placed upon them, and it has been their practice for generations to indulge in table wines. I can not say how many can afford it.

Mr. GALLINGER. Mr. President, I will ask the Senator if he is familiar with that other text:

Look not thou upon the wine when it is red.

Mr. PHELAN. I have always wondered why there was a discrimination made between wine when it is red and when it is white. My personal experience is that it is equally good, and that probably the more wholesome drink of the two is the red or claret wine, which has given to the French people very largely their élan, their spirit, not only their convivial life, which has been so attractive to Americans, but their endurance and their courage, and their spirit particularly—their esprit, as they call it—in time of war. I was told by a gentleman who has just come from the front that the difference between the action of the Latin people in war, as contrasted with that of the people from the colder nations, was rather surprising; that the latter were slow, and the wily enemy took advantage of them, whereas the dash and brilliance of the French has led to many unexpected victories. I do not know how far that is due to their practice of daily drinking wine in their families, not for the purpose certainly of intoxication, or even of exhilaration, but as a part of their daily diet.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from North Dakota?

Mr. PHELAN. I do.

Mr. GRONNA. Speaking of the efficiency of the armies in Europe, the Senator knows, of course, that the Canadian Army

has shown itself to be especially efficient. Does he think that they have been brought up on a wine diet?

Mr. PHELAN. I am not going to pretend to make an argument to the effect that the valor and courage of all nations is due entirely to their diet. Brillat-Savarin said, "You tell me what a man eats and drinks, and I will tell you what he is." The Canadians possibly indulge in wine; possibly they indulge in ardent spirits; but I believe—I am no advocate of ardent spirits—that in so far as they indulge in ardent spirits their efficiency is diminished.

But I do not wish to be diverted from the very few remarks I am allowed to make under the rule. I desire to say that this country must look, for instance, to the great production of grapes in California as one of the sources of its revenue and one of the means for giving employment to its people. If we abolish every industry which depends entirely upon the alcoholic use of the products, such as grapes, used in the making of light wines, then we destroy the industry and throw these people out of employment. But if you apply that rule to grains and cereals, it is not subject to this objection, because grains and cereals may be used for many other and possibly more wholesome purposes. So there can be no parity of reason as between the one and the other, unless the Senators are indirectly striking at any product which results in the making of alcohol. I do not think they claim that. They are for the conservation of food. We are all for the conservation of food, and therefore I say, for the purposes of this act and for the emergency of the war, it would be wise to require cereals and grains to go into actual food, and not into ardent spirits.

Therefore I am in favor of the amendment, so far as its limitations are confined to cereals and grains, and I would move, as an amendment, therefore, that the words "or other edible thing" be stricken out, and that there be inserted after the word "grain," in line 5, the words "sugar, or molasses," so that it will read:

It shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or molasses in the production of intoxicating liquor.

Mr. VARDAMAN. Mr. President, I think it is the consensus of the scientific opinion of the world that alcohol when taken to excess is detrimental to the human system. It has been suggested that it makes the French soldier fight with more dash and daring. As to that I have no information. It may probably temporarily excite the imagination and liven up the intellect. Robert Burns says:

Leeze me on drink! it gies us mair
Than either school or college;
It kindles wit, it waukens lear,
It pangs us fou o' knowledge:
Be 't whisky-gill or penny wheep,
Or onie stronger potion,
It never fails, on drinkin deep,
To kittle up our notion,
By night or day.

That all may or may not be true; I do not know. I have been told that wine or whisky develops the power of oratory, kindles the divine afflatus, fires the imagination and promotes the writing of poetry, gives elasticity to the step, and paints landscapes upon the brain. Yes; it might do all of this, but I do not think it contributes to the stability of the laborer or makes for the lasting efficiency of the soldier. In truth, I do not think it does anybody any good under any circumstances. In my judgment, it is an unmitigated curse—dark, deep, and damnable.

The figures that have been submitted by the able Senator from Iowa [Mr. CUMMINS] I think are correct. The subject matter has been discussed at great length in the newspapers, and every opportunity has been given to interested persons to refute them. But if there is any doubt about their correctness, I am willing to give the figures the benefit of the doubt. Personally I am satisfied with their correctness. Grain as it comes from the field is an asset to the Nation at this time—a positive, essential benefit to mankind. Turned into whisky, it becomes a very serious liability and an unlimited curse. Rather than convert grain into alcohol for beverage purposes, it would be better to destroy it absolutely. I think this legislation is good for peace and very much better for war; and I think the time to enact such legislation is right now. Now is the accepted time. It fits in, and it is the one redeeming item that will make the measure we are now considering not altogether bad. It will be the one mitigating, commendable feature in this bill.

As a revenue producer, let me inquire, who pays the revenue? The individual who buys the whisky. You had better tax him outright, because where the State gets one dollar from the sale the man who sells the liquor gets about seven. There is nothing of merit in the contention that this amendment will affect the Nation's Treasury revenue. It is the old argument that more information or light before acting is needed. Senators and people generally who are opposed to this character of legislation are never ready to act upon it. It is always convenient to postpone the consideration of measures of this character. More "information" is desired; "just wait a while and see if we can not get some light upon the subject."

There is no question before the American people to-day so thoroughly understood and about which thoughtful men so universally agree as the question of the effect of alcoholic stimulants on the human system. It is one of the great lessons that have been taught by the bloody war that is being waged in Europe to-day, and it is one that the American people can not afford to ignore at this time. The idea of taking grain, needed to feed the hungry women and children of this country, and converting it into a beverage which destroys the body and damns the soul is simply monstrous. The line of duty is so clearly marked out that I feel that it is an insult to the intelligence of the Senate to discuss it at all.

I hope the amendment will be adopted.

Mr. McKELLAR. Mr. President, I am heartily in favor of this amendment. I would be in favor of such an amendment to our National Constitution in time of peace. I have been in favor of it for many years. I voted for substantially the same constitutional amendment while a Member of the House. I believe that the best thing for this country in times of peace is an absolute prohibition of the liquor traffic; but surely, now that we are in war, now when we need all our resources, when we ought to have every possible efficiency in conserving our resources, it is the wise thing and the best thing for all the people to abolish the use of liquors and save our grain for food; and, in my judgment, this provision will do it.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I do.

Mr. REED. The Senator states that he would be in favor of this measure in time of peace.

Mr. McKELLAR. Yes, sir. I voted for the nation-wide prohibition amendment a year or two ago.

Mr. REED. The Senator does not mean by that that he thinks in time of peace we could pass a Federal statute prohibiting the sale of liquor or the manufacture of liquor within the States, does he?

Mr. McKELLAR. No; but I think——

Mr. REED. That would require a constitutional amendment?

Mr. McKELLAR. Yes.

Mr. REED. Yes. Now, I want to ask the Senator a question.

Mr. McKELLAR. Surely.

Mr. REED. If it would require a constitutional amendment in time of peace in order to do the thing that is now attempted to be done by a statute, where does the Senator find the authority for saying that in time of war the constitutional limitations are abolished?

Mr. McKELLAR. I think that in a time of war, in a time of great national emergency, the common-defense and general-welfare clause of the Constitution of the United States would be ample authority for the enactment of this legislation. This clause is found both in the preamble and in the body of the Constitution, and surely being put in the instrument twice, the clause must have some meaning.

Mr. REED. Does not the Senator know that the general-welfare clause has been made a joke?

Mr. McKELLAR. But this is not a time to make it a joke. I think this is a time to apply it. I think this is a time when it was intended by its makers that it should be used. It is in the Constitution. It is there twice. It means something. If it does not mean that we can exercise this authority to make this Nation an efficient Nation in time of war, if it does not mean that in a great war emergency like this when our every resources should be conserved and used for successfully carrying on this war, then I do not know of any reason for its being there; and it would be a joke under such circumstances if it could not be used. While there has been much division of opinion by the courts as to what this provision does mean, still I am confident that in this emergency our courts would give it a real meaning.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. Of course I yield.

Mr. KING. Does not the Senator know that under the general-welfare clause, as it has been construed repeatedly by the Supreme Court, there could be in time of peace no authority whatever for the passage of this legislation; that the general-welfare clause has been construed to mean merely the authority to carry out the powers that have been expressly or impliedly delegated to the Federal Government by the States?

Mr. McKELLAR. In the first place, this is not a time of peace. It is a time of the most serious war that we have ever had. In addition, if that is so, then this legislation could be upheld for the reason that the United States Government has the implied right, at any rate, to protect itself in time of war in the best possible manner, and I believe that the best possible way of this Nation protecting itself in this great emergency is to have a sober Army and a sober people, and to use its grain for the appeasing of hunger of the people rather than for the appeasing of an abnormal appetite on the part of a portion of our people for intoxicating and injurious liquors. This is a war measure. This is for the protection of the Government itself. It specifically provides that it is only for the period of the war.

Mr. REED. May I ask the Senator one question?

Mr. McKELLAR. I have not much time, but I yield.

Mr. REED. I wish to ask the Senator if he has examined the case of Ex parte Milligan, read here in the Senate several times, in which in express terms the Supreme Court stated that in time of war the Constitution of the United States still stands, and it is the supreme law of the land?

Mr. McKELLAR. I am familiar with that case, and I think there is no question in the world about the soundness of the decision in that case; but at the same time, as we all know, in times of war the general clauses of the Constitution are usually invoked to uphold legislation the purpose of which is the common defense and the general welfare, and according to my recollection such statutes have invariably been upheld by our Supreme Court. I have no doubt our Supreme Court would uphold this enactment. For my part, I am willing to resolve the doubt in favor of sobriety and morality, in favor of efficiency, in favor of a guaranty of a full food supply for the people of our country in this time of great emergency. We ought to fight this war as a sober Nation.

Mr. STONE. Has the Senator considered the revenue feature?

Mr. McKELLAR. Of course I have considered the revenue feature. It will take away a great deal of revenue, but it will make a better Nation, a happier Nation, a more efficient Nation, a richer Nation, a Nation more able to bear the tax burdens that must be placed upon it in this great crisis. If this Government must depend upon the revenue derived from liquor to uphold it, we ought to change our methods and subjects of taxation. We ought to raise the revenue in some other way. We ought to use these grains for the purpose of giving sustenance to our people, of giving the bread of life to our people, so that they can be efficient and sober, and so enable them to raise money to pay the taxes that are imposed. Let us impose taxes on some other subjects of taxation.

I am unwilling as one man to debauch the American people in order to raise revenue for the Government. I would gladly vote to-day to abolish the sale of liquors throughout the United States and lose every dollar of the revenue. We have thrashed this revenue argument out time and time again. We have had it up in Tennessee time and time again. There we have lost all the revenue that came from liquor, but at the same time our State is more prosperous and the people are happier and better and more able to pay taxes than they have ever been before. The same rule which applies to a State applies, in my judgment, to the United States. I believe that if we had no liquor and no revenue from liquor our Nation would be happier and more prosperous and a better Nation, and more able to pay these extraordinary taxes that we must impose. In taxing liquor we merely tax the people who drink liquor, and make the liquor dealer our tax collector. It has been estimated that we pay the liquor dealer $4 out of every $5 for collecting our Federal taxes. At the same time our people are debauched, corrupted, and sometimes ruined.

Mr. STONE. Mr. President——

Mr. McKELLAR. I yield.

Mr. STONE. We are all familiar with those arguments; they have been made a hundred times; but now we are engaged in framing a revenue bill that is to raise substantially $2,000,000,000 in taxes to be collected in the current year. I am asking the Senator—I am not sure I am right, but I am asking the Senator if I am right—if this amendment should be agreed to and you close all this source of revenue, then we would have to go about some way to find some means of raising several hundred million dollars of revenue which in the bill we are preparing would come from this source.

Mr. McKELLAR. I am perfectly willing to find some other way of raising the revenue. I am perfectly willing that the Government should lose the revenue that comes from this source if the traffic is abolished. I believe it would be better for the American people if that were so. I believe it would make us more efficient as a Nation in the time of this emergency. I believe further it would make our Army better when we send it abroad. We should not put our young men in training camps and allow them to injure or destroy their military efficiency, and perhaps their lives, by allowing them the use of intoxicating liquor. All the other nations which are at war have either forbidden or restricted the use of intoxicating liquor. In this matter, at any rate, I think we might well follow the examples of our allies. No drunken man was ever efficient in civil or military life. We need efficiency now as never before. We have before us the greatest task that ever confronted our people.

Mr. STONE. The Senator says he would wipe out these evil influences and these institutions that are evil influences and take some other means of raising the three or four hundred million dollars. Would the Senator agree to levy as a tax $2 a bale on cotton as a substitute? Would the Senator favor that?

Mr. McKELLAR. I have not figured out whether $2 per bale on cotton would make up this deficiency in revenue or not; but I say I would rather see an ad valorum tax levied on all property, cotton as well as all other kinds of property, rather than to see a license given to the liquor dealers to sell our young men liquors, and thus make the liquor dealers tax collectors for our National Government, which system does nothing in the world except debauch the people of our country. I had rather tax cotton and other property than to tax those whose lives and fortunes are ruined by the legalized use of intoxicating liquors. The liquor dealers do not pay the liquor taxes. These taxes are paid by those who drink the liquors. A tax of $2 a bale on cotton would produce but $30,000,000. I do not single out any one subject for taxation, but I say we have sufficient legitimate property in this country to tax rather than to get the money in this way.

Mr. CUMMINS rose.

Mr. McKELLAR. I yield to the Senator.

Mr. CUMMINS. Just one question. Of what use will revenue be to the United States if we have not enough to eat?

Mr. McKELLAR. The question answers itself. The Senator is exactly right. In addition to that, not only do we need this grain to furnish our people with something to eat, but if the amendment is adopted it will secure us a better and a more efficient army, because the young boys that we are to conscript into the Army would not be debauched when they go to fight for our country. At the same time it would give us a more efficient Nation.

Our country needs this grain to feed our own citizens. It needs it to feed our suffering allies. It needs the conservation of our every resource. Unless I am greatly mistaken, we have the fight of our life before us. We must take no chances. We must not at this time waste our substance in riotous living or more riotous drinking. Every man must make a sacrifice. There is no more beneficial service that a citizen can give than that of giving up drink during this crisis. There is no higher duty that this Congress can perform at this time than that of making our people a sober people during this war.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. HOLLIS. Mr. President, I occupy a middle ground on the question of prohibition. The open saloon is offensive to me, but I am not a prohibitionist. I have been familiar from boyhood with the prohibitory law. It was on the books in the State of New Hampshire for about 50 years, but it was not enforced. In our larger cities, like the city of Manchester, there were open saloons most of the time under a strict prohibitory law. In one of our principal railroad stations beer barrels were in plain view of the traveling public, and in Portsmouth beer was manufactured openly. The prohibitory law was not enforced. I came to the conclusion that public opinion in New Hampshire was not back of it.

In 1902, when I was the candidate of my party for governor, I made a campaign against the prohibitory law and in favor of local option, and partly as a result of that campaign the prohibitory law was amended in New Hampshire in 1903, and a local-option amendment was passed. That has worked admirably in New Hampshire up to this time. But the prohibitory sentiment has been growing in New Hampshire, as it has all over the country, and at the last session of the legislature, about a month ago, the prohibitory law was reenacted; that is, it was brought into effect by repealing the local-option amendment. I have watched that movement with interest. I took no part. I exerted no influence, if I had any, with respect to the handling of the liquor problem in the New Hampshire Legislature. I was interested in seeing how the State stood.

I believe that the sentiment in favor of prohibition has advanced to such a point that the prohibitory law will probably be enforced very much better in New Hampshire than it was 20 years ago. But we did not in New Hampshire, in reenacting

the prohibitory system, put it into force immediately. It takes effect May 1, 1918. We have given more than a year in which to readjust the business, so that on the 1st of May just passed liquor licenses were issued just as they were a year ago.

Now, I do not altogether agree with my prohibitory friends. I think they are apt to be fanatical and extreme. Nor do I altogether agree with my friends on the other side of the problem. They are very likely to be somewhat specious in their arguments. But I do feel that there is an inclination toward national prohibition as a war measure, and I hope that the matter will be handled in Congress at this session in such a way that we may have a reasonable law to that effect. If the President recommends it, if any committee charged with the purpose of investigating the food supply will recommend it and bring in a well-considered bill by which we can go to national prohibition as a war measure, without doing too much violence to anyone, I shall be glad to vote for it. Then if it works well as a war measure I shall be glad to vote to retain it as a peace measure. But I do beg the friends of prohibition not to chill off and alienate the support of men who take a middle ground by offering suddenly, without notice, such a very extreme amendment as this. I do not feel that I can vote for it.

To illustrate it by the tariff: The Democratic Party was in favor of a tariff for revenue only, but when they came to revise the tariff they decided that they could not fairly injure any existing legitimate industry. So far as the liquor interest is to-day under the protection of the law it is a legitimate industry. You may have to hurt it, you undoubtedly will hurt it if you go to national prohibition, but you should hurt it as little as possible, because there are many excellent men and women who depend on that industry for their support.

I wish that the matter might go over at this time that we might have the advice of the Committee on Agriculture and Forestry on the subject. We have to-day voted down the censorship provision of the bill not because the majority of the Senate are opposed to a reasonable censorship but because they do not favor as drastic a provision as was offered. Later, I have no doubt, if conditions are such that there should be authority to impose a more severe censorship, the Senate will vote for it by a large majority. So if it shall appear later, on mature consideration, that a reasonable and gradual imposition of prohibition should be applied by the Congress of the United States, a large majority will vote for it. I do not know but that a large majority will vote for the proposed provision now, but I can not vote for it myself.

We are more like England than any other country in Europe, and England has been imposing national prohibition gradually. I believe we can follow the experience of England in the matter of food control and prohibition with profit, as we are following the example of England in many other things connected with the war.

So, to restate my position, I can not vote for this drastic provision, which has not been adequately considered by a committee of the Senate, and I vote against it rather reluctantly, because I am aware that the arguments that I employ will be used by those who are very violently on the liquor side.

Mr. CUMMINS. Mr. President——

Mr. HOLLIS. I yield to the Senator.

Mr. CUMMINS. May I ask the Senator from New Hampshire why he says that it has not been adequately considered by a committee?

Mr. HOLLIS. Because it has not been reported by a committee, perhaps I should say.

Mr. CUMMINS. It was offered in the Committee on the Judiciary. I do not know how seriously its members considered it, but it was voted on there, and I gave notice two weeks ago that the amendment would be offered at this time.

Mr. HOLLIS. When I said considered by a committee I meant, of course, favorably considered and reported. I should not think that an amendment of this kind ought properly to come from the Judiciary Committee. It should come from the committee that has charge more particularly of the food problem in all its aspects, and that would naturally be the Committee on Agriculture.

Mr. CUMMINS rose.

Mr. HOLLIS. I yield to the Senator.

Mr. CUMMINS. Would the Senator from New Hampshire apply that same rule to all the chapters of this bill?

Mr. HOLLIS. No; I am not applying any rule. I state my own personal view of it that this matter is closely connected with the matter of food supply and distribution, and I think it should come from the committee more particularly charged with the consideration of such matters.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California [Mr. PHELAN] to the amendment of the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. Mr. President, I desire to say just a word upon the amendment proposed by the Senator from California. I do not feel that his argument has changed my convictions, and yet I do feel that there is a sentiment among certain Members of the Senate that the phrase "other edible things" is too broad. I am so anxious to have legislation upon the subject to meet the three great things, namely, grain, sugar, and molasses, that I am inclined to accept the amendment proposed by the Senator from California. I think it will accomplish, as far as the war is concerned, the immediate purpose in view, and, in so far as I can do so, I intend to accept it.

Mr. BROUSSARD. Let me suggest to the Senator from Iowa that the word "molasses," perhaps, is not the word to be used, if he intends to exclude from the manufacture of alcoholic liquors edible molasses. The molasses out of which alcohol is made is not edible; it is the refuse of refined sugar, and up to the time that it was manufactured into alcohol it was thrown away. It would be thrown away now if not used in the manufacture of alcohol. It is not for human consumption. The word "sirup" probably would apply, because alcohol is made out of sirup also; but the word "molasses" is not the proper word. Sirup is edible. I understood the Senator from Iowa to accept the amendment of the Senator from California to add the words "sugar and molasses."

Mr. CUMMINS. I so stated.

Mr. BROUSSARD. I suggest to the Senator the word "molasses" ought not to be used if the purpose is to conserve matters like sirup, that enter into the consumption of food.

Mr. CUMMINS. That is my purpose.

Mr. BROUSSARD. Quite a number of factories manufacture alcohol out of molasses, and that molasses is the refuse of refined sugar and does not enter into human consumption. Not very long ago, I may say to the Senator, it was customary to throw it away, and the Government was put to a great deal of trouble to prevent the dumping of this molasses into navigable streams, thereby destroying the fish.

Mr. CUMMINS. There is no prohibition against the manufacture of alcohol for mechanical, scientific, and medicinal purposes.

Mr. BROUSSARD. I understand; and my suggestion to the Senator is to substitute "sirup" for "molasses." In this way he will reach his point.

Mr. CUMMINS. I am quite willing to accept the Senator's better knowledge upon that subject. I assumed that molasses would cover the article I had in mind, but I am quite willing to have it read "grain, cereal, sugar, or sirup." So far as rum is concerned, in the curing of tobacco I do not believe it is used in curing any other tobacco than what is known as plug tobacco.

Mr. BROUSSARD. I merely wish to say to the Senator in all fairness to myself I am merely making the suggestion; I do not favor the amendment at all.

Mr. CUMMINS. I understand that.

Mr. BROUSSARD. I am making the suggestion to carry out the idea properly, which the amendment as presented did not do.

Mr. CUMMINS. If the Senator believes that the idea that I have expressed is better interpreted by using the word "sirup" than the word "molasses" I am quite willing to accept it, and do accept it. I am not willing, however, to strike out the saccharine elements which are used for the purpose of making alcohol or rum. If we need rum for the manufacture of tobacco we can import all that we need of it.

The PRESIDING OFFICER. Does the Senator from California modify his amendment to the amendment?

Mr. PHELAN. That is agreeable to me.

The PRESIDING OFFICER. The Secretary will read the amendment as modified.

The Secretary read as follows:

CHAPTER XIII.

SECTION 1. On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, and for one year thereafter——

Mr. CUMMINS. May I say there we have already adopted an amendment proposed by the Senator from Missouri which limits the entire act to the period of the war? This amendment was drawn before that was adopted, and I desire to strike out the words "and for one year thereafter."

The SECRETARY. Strike out the words "and for one year thereafter."

Mr. OVERMAN. So it will read "during the period of the war."

Mr. CUMMINS. "During the period of the war."

The Secretary read as follows:

On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, sirup, or other edible thing in the production of intoxicating liquor in any form or of any kind.

Mr. CUMMINS. The words "or other edible thing" were stricken out on motion of the Senator from California; at least he proposed that they be stricken out, and there was substituted for that "any cereal, grain, sugar, or sirup."

Mr. PHELAN. Strike out the words "or other edible thing," so as to read "any cereal, grain, sugar, or sirup."

The PRESIDING OFFICER. The Chair will state to the Senator from California that that is the way the present occupant of the chair understood the amendment, but the memorandum which he sent to the desk did not embrace the words to be stricken out.

The SECRETARY. So that it will read:

On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, it shall be unlawful to use or employ directly or indirectly any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind: *Provided, however,* That this section shall not be construed to make unlawful the manufacture of alcohol for mechanical, medicinal, sacramental, or scientific purposes, under rules and regulations to be prescribed by the Secretary of the Treasury. A violation of this section shall be punished by a fine of not more than $5,000 or imprisonment of not more than three years, or both.

Mr. REED. Mr. President, I think it exceedingly unfortunate that an amendment of this kind should be offered at this period of the debate on the general bill which has been before us. We are confined to 10 minutes' discussion. There is no time to discuss the constitutionality of the measure. There has been no investigation by any committee; there has been no report. No human being can tell at this moment what the effect may be of this legislation. There is no time for the Senate to give it that mature consideration which ought to be given to any measure which will affect property of the value of hundreds of millions of dollars, which will affect the market for grain, which will affect the use or the manufacture of liquors for medicinal purposes. There is no opportunity to arrive at anything like a carefully considered conclusion.

I shall illustrate this in the moments I have. The Senator from Iowa drew this amendment and offered it. He has already been obliged to amend it three times. The Senator, we all know, is an able lawyer, but in the brief discussion that has come three amendments have been accepted to this short provision.

I call his attention to another, and I think he will accept that. The language of the section first prohibits the manufacture of any kind of intoxicating liquors and then excepts only the manufacture of alcohol. It does not permit the manufacture of an ounce of brandy to be served to a dying soldier on the field of battle or to a man needing a stimulant in a hospital. I do not believe the Senator meant that. I think the Senator meant to permit the manufacture of liquors for medicinal purposes in good faith.

Mr. President, where is the constitutional authority for the enactment of this law? Is there any use to appeal to the Senate to guard the Constitution? Every man in this body swore to maintain that old Constitution, and in his oath there was no provision to the effect that he could disregard the Constitution when it ran counter with his prohibition ideas.

I am not going to say here absolutely that this measure is unconstitutional, but I am going in the moment I have to point out some reasons which I think ought to give us pause. First, it is admitted that the right to enact legislation of this character does not exist in time of peace. It is admitted and has always been admitted by the advocates of prohibition that in order to enact a general national prohibitory law we must first amend the Constitution of the United States. This Government of ours is not a government of unlimited power. As long ago as the days of John Marshall it was declared that—

The Government of the United States can claim no powers which are not granted to it by the Constitution; and the powers actually granted must be such as are expressly given or given by necessary implication.

Again, it is said that—

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

Again, it is said that—

The fourteenth amendment does not take from the States police powers reserved to them at the time of the adoption of the Constitution.

So it stands and must stand as admitted that in time of peace the Federal Government has no authority whatsoever to enact a statute of this character, and that that power can never be exercised by the Federal Government until by an amendment to the Constitution the power has been expressly conferred; and up to this hour it has been conceded by the advocates of prohibition that the Constitution must be amended in order to achieve this result.

Mr. President, that brings us to the next question. Does the mere fact that the United States Government is at war abrogate the provisions of the Constitution of the United States, or, to state it differently, is there to be found in the war powers of the Federal Government a general power to disregard the Constitution of the United States in all respects?

Mr. BRANDEGEE. Mr. President——

Mr. REED. Because if there is not found in that war power an authority to do things that have not hitherto been regarded as within the power of the Congress, then we do not possess the power.

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. REED. I have only about one minute. I wish the Senator, therefore, would kindly make his suggestion when I have concluded; otherwise I would be glad to yield. I can not in this time finish my statement. I am not prepared to say that there may not an emergency arise during the existence of a war which, having arisen, may not give to the Federal Government almost undreamed-of power; but I do not believe at the present time and under the existing conditions that this Government has the authority to pass a law of this kind.

That is my opinion; but under the circumstances confronting us—the amendment is offered here, the 10-minute rule is on, with no time to examine authorities, with no time to examine history or precedent—I say we ought not to be forced to vote upon this question; we ought not to exercise this doubtful authority.

As a final word—if I may have the privilege of talking for a moment all by myself—as a final word, I say that every argument that the Senator from Iowa has made in defense of the Constitution rises up now to condemn this proposition, which is clearly an offense against the Constitution, if any of these matters against which he inveighed so eloquently a few days ago were against the Constitution.

Mr. President, Congress ought to pause; we ought not to do this hasty thing. I am willing to go as far as the Constitution will permit me to go in order to conserve the foodstuffs of this country——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BRANDEGEE and Mr. WOLCOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BRANDEGEE. I rise simply for the purpose of asking the Senator from Missouri [Mr. REED] a question in my time, if he will be kind enough to give me his attention. He has referred several times to what he designates as "war powers." The inquiry, I suppose, in his mind being whether we can do things because we have declared war under some war power that is greater than the power of Congress in time of peace. What does the Senator mean by the words "war power"?

Mr. REED. Well, I used that term for want of something better. I meant to refer by that to the power which is vested in the Congress of the United States to declare war, to grant letters of marque and reprisal, to make rules concerning captures on land and water, to raise and support armies, to provide navies, to make rules for the government and regulation of the land and naval forces, to provide for calling forth the militia, and so forth. Those are the enumerated war powers of Congress. In the execution of those powers there are certain things, of course, the Government can do in carrying them out. My own notion about it is—and I hesitate to give it without time to consider the matter and time to examine authorities, but stated under these limitations and almost hardships—I would say that my own notion is that until our country is actually invaded, so that the civil powers have broken down, there is no law in this country, save the laws passed pursuant to the Constitution of the United States and of the constitutions of the several States; that the Constitution of the United States stands unimpaired and unimpeached; and that the only authority which can be exercised during a time of war that can not be exercised during a time of peace is within a zone where the civil power has broken down.

Under the authority of Congress to raise armies and to raise navies and to provide for the defense of the country, I think that the power of Congress with reference to the armed forces is

almost supreme—perhaps quite supreme; but that authority must be limited, in my judgment, to the armed forces. For instance, we can undoubtedly prohibit the use of liquor among the troops or in the Navy, because they are expressly placed under the power of Congress; but I very much doubt the right of this Government to go outside the Military Establishment and to enter the domain of the several States, and there undertake to regulate the habits of the people or the use of the property of the people within those States.

Mr. BRANDEGEE. Mr. President, if I may take the rest of my time myself—I only have two minutes now left——

Mr. KENYON. I should like——

Mr. BRANDEGEE. I will yield to the Senator from Iowa if he wants to read something from the Constitution.

Mr. KENYON. I was going to ask the Senator from Missouri if he gave any force and effect to subsection 8 of Article I of the Constitution on the question of the war power; but I shall not take the time of the Senator from Connecticut to do so.

Mr. BRANDEGEE. I am perfectly willing that the Senator should put that in in my time or in his time, either.

Mr. President, the Senator from Missouri [Mr. REED], who has just taken his seat, has made a statement which I think will be questioned by no Senator; that is, that this proposed amendment would be utterly unconstitutional were it enacted in time of peace. This is, perhaps, not the first question, but it is one of the questions that are coming before us in a series of questions as we progress with legislation that is going to be proposed to us. I think it is of some importance that some proper and fair discussion should be given to the very weighty questions that arise on an amendment of this kind before it is acted on by the Senate. I think that consideration alone would be sufficient to warrant any Senator in voting against this amendment. The question of whether or not Congress, having exercised its power to declare war—and the President being under the Constitution the Commander in Chief of the Army and Navy—whether, those two things existing, they absolutely suspend or repeal every constitutional guaranty and limitation in the Constitution of the United States is a very serious question, to which this Congress ought to give its attention before it establishes the precedent of enacting legislation of this kind.

It has heretofore been supposed that private property could not be taken for public use without just compensation and without due process of law; and yet here is an amendment proposed—whatever may be the merit of it or the cause that it represents—which will destroy millions and millions of dollars' worth of property, legitimately earned and legitimately invested, which at present, or a few days ago, was supposed to be under the protection of the constitutional guarantees of this country. It is proposed to pass lightly, under a 10-minute debate, a proposition which any time before the last 60 days would have taken weeks of debate in this Senate, and an examination of the cases which have been decided by the Supreme Court of the United States, and which would have been, when proposed, accorded a lengthy hearing before committees of both branches of Congress, to ascertain not only whether we have the legal power to enact such legislation, but what would be its effect upon the vast industries of this country, the commerce of the country, and the investments of the people; the question how the enormous amount of revenue gathered from the liquor business not only into the National Treasury but into all the State and municipal local treasuries of the various parts of the country is to be supplied; the amount of property that would be destroyed in real estate, the amount of property that would be destroyed in agriculture and on the farms. Those things surely ought to be given some fair consideration, whatever a man may think about the wisdom or the policy, if he could have his way regardless of law, of establishing Nation-wide prohibition. It seems to me that no Senator, unless he is prepared to take advantage of the abnormal and unusual condition existing now internationally, unless he is prepared to take advantage of that situation for promoting the prohibition propaganda, would want to vote for an amendment of this kind.

This is not all in the interest of prohibition against the use of intoxicating liquors, but it is offered, nominally at least, as a proposition to conserve the food supply. However, it ought to be known in advance what the effect of the proposition as a conservator of food would be—whether it is really going to result in the planting of more cereals and in the cultivation of more food products or not.

The Senator from New York [Mr. WADSWORTH], I thought, made a very fair appeal to the Senate when he said that this great question of the conservation of the food supply was now being examined and the testimony of experts was being taken before the Committee on Agriculture and Forestry of this body. Only yesterday the Senator from Oklahoma [Mr. GORE] introduced a prepared bill, which has had the consideration of the Agricultural Department to carry out the conclusions arrived at.

Mr. GALLINGER. Mr. President, will the Senator from Connecticut permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New Hampshire?

Mr. BRANDEGEE. I do.

Mr. GALLINGER. The Senator from Oklahoma introduced the bill by request.

Mr. BRANDEGEE. Then I shall have to modify my remarks to that extent. I did not know the bill was introduced by request; but there is either a bill or a proposition of some kind pending in the Committee on Agriculture of the Senate, which that committee has taken days to investigate, and on which expert testimony has been had. I think this subject could fairly await the investigation of that committee.

Mr. STONE. Mr. President, I want to discuss two features of this matter. One relates particularly to the amendment of the Senator from California [Mr. PHELAN]. That Senator is not here and I should be glad if he were present before I say what I have to say. I will therefore make the point that there is no quorum present.

The PRESIDENT pro tempore. The Senator from Missouri suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gallinger	Lewis	Shields
Bankhead	Gerry	Lodge	Smith, Md.
Beckham	Gronna	McKellar	Smith, S. C.
Borah	Hale	Myers	Smoot
Brady	Hardwick	Nelson	Sterling
Brandegee	Hollis	New	Stone
Broussard	Husting	Norris	Sutherland
Calder	James	Overman	Thomas
Chamberlain	Johnson, Cal.	Page	Townsend
Colt	Jones, N. Mex.	Phelan	Vardaman
Culberson	Jones, Wash.	Pittman	Wadsworth
Cummins	Kellogg	Pomerene	Watson
Curtis	Kendrick	Reed	Weeks
Fernald	Kenyon	Robinson	Wolcott
Fletcher	King	Shafroth	
France	Kirby	Sheppard	
Frelinghuysen	La Follette	Sherman	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

Mr. STONE. Mr. President, I have no intention of discussing what is ordinarily called the prohibition question in its usual and larger aspects. That subject has been debated in the Senate, in the House, in the press, and in the country for a time so long that I think all the arguments that have ever been made or ever can be made for or against prohibition are as well understood by everybody as our language alphabet. I have no thought, therefore, of repeating, either in abbreviated or amplified form, what I have said on former occasions relating to that subject; but there are two things connected with the amendment now pending before the Senate to which I think Senators should give attention.

The first of these is the amendment proposed by the Senator from California [Mr. PHELAN] to the amendment offered by the Senator from Iowa [Mr. CUMMINS]. The amendment of the Senator from California proposes, as I caught it in the reading from the desk, to strike out, in line 5 of the Cummins amendment, the words "or other edible thing" and to insert the words "sugar or sirup."

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Missouri to the fact that that amendment was accepted by the Senator from Iowa and has been agreed to by the Senate.

Mr. STONE. Well, if it has been agreed to as an amendment to the amendment, at least the whole amendment has not been agreed to, but is still pending.

I desire to call attention to the fact that as the amendment now stands it is proposed to prevent the use of any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind. "Sugar or sirup" are the words that have been put into the so-called Cummins amendment by the Senator from California; and that is what I want to talk about.

Here is what I think that amendment means—and I have requested the presence of the Senator from California that he may correct me, not in my time, for my time is not sufficient for that, but that he may correct me in his own time if he thinks I am in error. We had a long fight in the Senate and in the Congress, not only through one session but through several sessions, over the wine schedule. The struggle was between the California producers of wine, on the one hand, and the Ohio, Michigan, and Missouri producers of wine—I mean the States produc-

ing wine this side of the Rocky Mountains in competition with the wine production of the State of California—on the other hand. Now, among the things fought over here in the Senate and in the other House was this, whether sugar might be used by the wine makers of the Middle States, upon whom the grape growers of that section depend, for ameliorating purposes in the manufacture of wine, and to what extent it might be used for ameliorating purposes. That question was fought out and settled by the enactment of a statute now on the statute books of the Nation, adopted after a long and somewhat acrimonious fight in the Senate and in the other House.

Now, the Senator from California, who represents a California wine-growing constituency, proposes to make it a crime to use sugar in any alcoholic production. What would be the effect of that? The effect would be to nullify the statute I refer to. The effect would be to destroy the manufacture of grape wine in the Middle Western and Eastern States in the interest of the manufacturers of wine in California. This proposal is merely to revive the same old fight. That is all I have time to say on this subject at this time. The Senator from California can answer if I am wrong. I protest against opening up this old fight again, especially in this way.

There is one other point—and I have to hurry—to which I wish to attract the attention of Senators, if I can, with respect to the main body of the Cummins amendment. Mr. President, suppose this amendment is written into the law—and I do not care the snap of my finger any more than you do whether it is or not, except as it involves certain great public interests of immediate moment. We are framing a revenue bill now. If you will go down to the Finance Committee room, you will see a great swarm of men assembled there from all over the country, protesting, every one of them, in some form or other against particular taxes severally affecting them, and some of them seem to be making out what at first blush appears on the surface to be pretty good cases.

Mr. President, it is proposed by this revenue bill to raise one thousand eight hundred and odd million dollars, to be levied on the taxpayers of the country, which is in addition to the already enormous war taxes and the normal peace taxes the people are already bearing. If this amendment is put on this bill, do you know what you would cut out of this revenue bill? You would eliminate from it approximately $350,000,000, or about one-fifth of the entire amount we have got to raise by the bill by further burdening the industries and the taxpayers of the land. The present revenue derived from alcoholic drinks is approximately $200,000,000, and we are proposing by the pending revenue bill to add to the tax paid by this class of manufacturers another $150,000,000, making the total, as I have said, approximately $350,000,000. Now, wipe this out, and we have got to get it somewhere else. I asked the Senator from Tennessee [Mr. McKELLAR] when he was on the floor, calling his attention to this fact, what he would do, and he said, "I believe in morality, sobriety," and so on—making the old argument usually made—"and," he said, "I would rather shift this burden somewhere else and shut off the manufacture of alcoholic drinks at all hazards." Well, but upon whom would you shift the burden? Here is this bill made up and reported, and we are now considering it in our committee.

Mr. GALLINGER. Mr. President——

Mr. STONE. No; I can not yield.

Mr. GALLINGER. Not for a question?

Mr. STONE. With all due respect, no. I would yield to the Senator as quickly as I would to any Senator, as he knows, but my time is nearly up and I want to finish this statement.

Mr. GALLINGER. I know the Senator has not much time.

Mr. STONE. Now, Mr. President, the revenue bill is being made up. The Senator from New Hampshire is one of the most distinguished members of the Finance Committee, and he sees the crowd and he sees the difficulties we are in. Where are we going to shift this $350,000,000? Upon whom is it to fall? I asked the Senator from Tennessee if he would be willing to place it largely upon the cotton States, imposing a tax of so much per bale on cotton. He rather evaded a direct reply to that question, but said that he was willing to put it upon property generally. Mr. President, when you come——

Mr. McKELLAR. Mr. President——

Mr. STONE. No; I can not yield. When you come to the question of shifting this vast sum of $350,000,000 on to property generally, on what property are you going to shift it? I lay these questions before you, Senators.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. PHELAN. Mr. President, the Senator from Missouri states that one of the objects which the amendment would accomplish would be to discriminate against the wine producers of the East and the Middle West, and in favor of those of California.

Mr. STONE. I expressed that as a grave suspicion.

Mr. REED. Mr. President, a point of order. I do not want to take the Senator from California off his feet, but I want to inquire if the Senator has not spoken once on this matter.

The PRESIDING OFFICER. The Senator has not. He spoke on his own amendment, which was subsequently agreed to; and the Chair assumes that he is speaking now on the amendment as amended.

Mr. REED. On the main amendment? I was curious to know.

Mr. PHELAN. The Senator from Missouri must not be aware that I was challenged by his colleague to make a reply.

Mr. REED. I am. Let me say, without taking it out of the Senator's time——

The PRESIDING OFFICER. The Senator from California is within his rights.

Mr. REED. That was not my object. I wanted to get at the point of the discussion, if I might be permitted, as a matter of personal privilege. I wanted, not to take the Senator off his feet, but to get at the point we had reached in the discussion as to what amendment we were discussing.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Iowa as amended. The Senator from California has the floor.

Mr. PHELAN. The Senator from Missouri says there is a grave suspicion that the amendment to the amendment, which reads—

> It shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind—

Will have the effect of discriminating in favor of the wine producers of California as against those of the East and the Middle West. It is true, as he states, that in the making of wine in California, where the sunshine accomplishes the work, there is no necessity for adding sugar in order to make a palatable beverage, but it is the practice in Missouri and Ohio and possibly other States to add sugar for the purpose of supplying the deficiencies of the natural saccharine matter contained in the grape. This was all thrashed out last year, and I am merely stating a fact. I do not desire to make any reflection whatever upon the merits of the wines produced in these States, because our cause here to-day is a common cause. Of course, I had no purpose whatever to discriminate against the wines of Missouri, and if this language admits of any such interpretation, for my part I will accept any language that will accomplish the purpose recommended by the Senator from Missouri. But it makes it unlawful, directly or indirectly, to employ any cereal, grain, or sugar in the production of intoxicating liquor.

Now, in common practice liquor is always distinguished from wine. The vendor advertises "wines and liquors"; and I do not know that, colloquially or commercially, wine is classified as intoxicating liquor. Thus the very language of the orignal amendment would protect the wines of Missouri, unless it is admitted that the wine of Missouri, or of California, for that matter, is "intoxicating liquor." If that be a true interpretation, that wine is not contemplated at all by the proponents of the original amendment, but only intoxicating liquor, there would be no danger; but this speaks of the use of sugar in the production of intoxicating liquor. This sugar, as I understand, is not used for the purpose of increasing the alcoholic content of the wines of the Middle West. It is used merely for the purpose of sweetening, and therefore it possibly diminishes the intoxicating quality of the wine, if it has any at all. So I say a fair construction would be that the sugar is not used in the production of intoxicating liquor and that the wine itself can not be classified as intoxicating liquor.

If the Senators have any suggestion as to any language which would better protect their industry, I am quite agreeable to its acceptance.

Mr. WOLCOTT. Mr. President, I desire to move an amendment: In line 8 of the typewritten copy which I have in my hand I move to insert, between the words "alcohol" and "for," the words "or intoxicating liquor," so that, if amended, the proviso will read as follows:

> *Provided, however,* That this section shall not be construed to make unlawful the manufacture of alcohol or intoxicating liquor for mechanical, medicinal, sacramental, or scientific purposes.

My purpose in offering that amendment, Mr. President, is as follows: Unless those words be inserted we will have a provision excepting from the unlawful act the manufacture of alcohol for mechanical, medicinal, sacramental, or scientific

purposes. Now, it is a well-recognized fact that alcohol certainly is not manufactured for sacramental purposes, nor, I submit, is alcohol manufactured very extensively for medicinal purposes, but intoxicating liquors are manufactured for both medicinal and sacramental purposes.

I think, therefore, it is very necessary, if the amendment is going to become a law, that the words "or intoxicating liquor" be inserted at the point I have suggested.

Mr. BECKHAM. Mr. President, it seems that there have been but two arguments presented against this amendment. One is as to its constitutionality and the other is as to the matter of revenue.

The liquor interests of this country have been driven to their last stand in their fight against prohibition. The only argument now upon which they rely is the argument of revenue and taxation. They would have us believe, both in State and in Nation, that it is important, if not essential, that we should have this product as a means of raising revenue. They have had to abandon every other argument. The progress of scientific and medical investigation has proven every other argument that they have advanced fallacious, and I believe that this is equally fallacious with the others.

Many are inclined to think that the liquor industry pays a revenue in this country, in Nation, in State, in county, and in municipality. As a matter of fact, the liquor industry pays no revenue at all. It is merely, to a small extent, a tax collector, and it is the worst tax collector ever known. Those engaged in the manufacture and in the sale of alcoholic liquors pay no taxes except what they collect from the consumers.

If this amendment should go through, it might be true that the Committee on Finance would have to find some other method of raising this revenue; but you are not destroying a source of revenue when you wipe out this industry. The revenues turned in by the liquor interests in this country are paid by the consumers, indirectly. You would have to change the tax system to some extent to get that much money in some other way, but I believe that the consumer would be in a much better position to pay this revenue in some other way than to pay it through the liquor process.

I do not know just what the percentage is, but it has been estimated that a very small percentage of the money that is paid over the counter in a saloon by the consumer goes into the Treasury either of the State or of the Nation. I have heard it stated that it was not over 20 per cent. It would be much better to leave in the hands of the consumer all of the money that he pays for liquor and send your tax collector to him direct, or in some other way than this way, to collect what you may need from him. It would be infinitely better for the consumer and for the taxpayer that you should shift this burden, even though it may reach the enormous figures suggested by the distinguished Senator from Missouri of $350,000,000, to some other source of revenue. I do not think the Senate should hesitate for one minute on the mistaken idea that the liquor industry is a valuable or legitimate or profitable source from which to raise revenue.

The other argument that has been advanced is one of constitutionality. Have we a right under the Constitution to adopt such an amendment as this? I am frank to say that there may be some doubt about it, but I am inclined to think that we have such a right. The section of the Constitution referred to by the distinguished Senator from Iowa [Mr. KENYON]—section 8, of Article I—says:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States.

It is recognized to-day, especially since the outbreak of the European war, that one of the most important features of national defense and safety is the question of liquor regulation or prohibition. We have seen the Governments of Europe, one by one, since this war began, adopt laws to prohibit entirely, or to restrict to some extent, the use of alcoholic stimulants during the war. I believe, therefore, that this is a matter of common defense.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. BECKHAM. I yield to the Senator.

Mr. REED. The Senator gives to the words "provide for the common defense" the wide meaning now attributed to them, namely, that under the term "provide for the common defense" you can stop the use in the United States of grains or of fruits by the owners in a manner which is perfectly lawful under the laws of the communities where the food exists. Then why, under the term "common defense," may not the Federal Government take over every single power it sees fit to exercise, without any limitation whatsoever, and say that it has the right to do it as a matter of common defense? If that be true, then it means, does it not, that the Constitution of the United States is set aside the minute we declare war? And is not that what the Supreme Court of the United States, in the Milligan and in other cases, expressly said did not take effect?

Mr. BECKHAM. I think, Mr. President, that under that section we do not have to set aside the Constitution in time of war to justify the adoption of this amendment.

Mr. KENYON and Mr. HARDWICK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and to whom?

Mr. BECKHAM. I yield first to the Senator from Iowa.

Mr. KENYON. If the Constitution itself expressly provides that certain things may be done, then you are not setting aside the Constitution when you do them.

Mr. BECKHAM. Certainly not. You are acting within the Constitution.

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Georgia?

Mr. BECKHAM. I do.

Mr. HARDWICK. The Senator has given to section 8 of Article I a construction that I do not think has ever been given to it by any Democrat in the history of the country before. The Senator says, reading the section—

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States—

Construing the latter section of the paragraph separate and alone. The truth is, as a matter of history and as a matter of constitutional law, that the general power of Congress is to lay and collect taxes, duties, imposts, and excises for the purpose of paying the debts and providing for the common defense and general welfare of the country. The last clause does not stand alone, and never anywhere has any such power been conferred on Congress as the Senator from Kentucky suggests, in my judgment.

Mr. BECKHAM. Mr. President, if that means anything at all, it certainly means that Congress has necessary discretion in determining what shall be done for the common defense.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. HUSTING. Mr. President, in the few moments that I speak upon this very important measure I am not going to discuss it from the constitutional standpoint or the standpoint of revenue. I want to speak upon it from the standpoint of right and of common, ordinary fair play.

I am against prohibition, although I have never taken occasion to say a word upon that subject in the Senate, and I am not going to talk about that now. In fact, I do not think the adoption of this amendment should turn upon that question. I do not think, when we are discussing war measures that under the guise of war measures the advocates of prohibition should take advantage of the situation to press that question. This matter ought to be decided from the standpoint of sound public policy at this time.

Now, whether it is constitutional or not, whether we will need the revenues or not, the question seems to me to be, Is it necessary at this time to do a thing which will carry in its train untold hardship and suffering on the part of a large number of people and disaster and ruin on a business that has been fostered under Government license? I take the position that the presumption is in favor of the power of the Government to do everything that is reasonably necessary to carry on the war. That is the attitude that I have taken and that I propose to take on measures touching the carrying on of this war generally; but here the question is, Are you going to do something that is not necessary, at the expense, to the injustice, and to the ruin of a great many people of the United States.

I subscribe to the remarks made by the distinguished junior Senator from New Hampshire [Mr. HOLLIS], and it will not be necessary to repeat what he has already so well said. Here, in about three hours' talk under the 10-minute rule, we are asked to take a position that may mean the confiscation of hundreds of millions of dollars' worth of property, the ruination of business, the throwing out of employment of hundreds of thousands of people, not because it is necessary to do it at this time or expedient to do it at this time, but because, forsooth, some of the advocates of prohibition want to take advantage of this opportunity to do it. I say that I do not think that is fair play.

For instance, take the situation in my State. In the city of Milwaukee there are hundreds of millions of dollars invested in

property connected with this industry. There are tens of thousands of people employed in this industry. It does not touch the beer-manufacturing industry alone. It goes into the malting business, and from that business it ramifies into a great many other businesses that you in the twinkling of an eye, without consideration, are absolutely without proper consideration and without a hearing going to destroy. The amount and value of property affected by this amendment throughout the country must run into billions of dollars, and millions of people are employed and earn their livelihood in the same.

Now, it is said here that this shall be only for the period of the war. You might just as well make it forever, because if you interrupt for the period of two or three years the manufacturing industries of this country engaged in the production of beer, or business connected therewith, you have destroyed them forever. So it is not just a momentary putting out of business. It means the absolute destruction of this line of business.

Now, I am not narrow enough, I hope, to oppose measures harmful for my State when such injury is suffered by us because of necessity for the serving of our country, but because we make sacrifices I want to know that they are necessary, that the sacrifice is not in vain but merely in the promotion of a sentiment which has nothing to do with war.

As far as revenues are concerned, and as far as they are connected with the consideration of this matter, I beg to state that the fact that we have been receiving these revenues from this industry shows that we recognize it as a legitimate industry; that we are receiving the revenues by permitting them to continue in this business. Therefore they are entitled to this consideration—that they should not be deprived of their business without warning, without hearing, without discussion, without consideration by Congress; that they and their fortunes and their properties, their welfare, shall not be put absolutely out of existence without warning and without notice.

I say again, that if this matter were being considered, and it appeared necessary or vital for the safety of this country, for the success of our arms, to do this I do not think anyone is in a mood to say that, hard and harsh as it may be, it might not be wise to do that; but I say that the burden of proving that it is necessary is upon those who propose to commit this drastic and harsh act, constitutional though it may be. But no showing has been made to prove that this drastic, confiscatory remedy is necessary, nor that the injury, devastation, and ruin, and that the suffering amongst the millions of your people is not beyond reason above the advantages that the country would enjoy as a result of such prohibition. They are not giving the consideration that they should to respectable and decent men and women in this country who have engaged and are engaging in this business under permission and sanction of the law and society. This business is legalized. These men are entitled, at least for the time being, to carry on this business, and the right ought not to be interfered with except upon the grounds of supreme public importance, as a war measure and vitally necessary for a proper conservation of our food supply.

This question, as I said before, involves hundreds of millions, if not billions, of dollars in this country; it affects the livelihood, welfare, and happiness of hundreds of thousands of citizens of this country who are to be discriminated against without a show of necessity and without notice, warning, or hearing. I am not talking now in behalf of those who like to indulge in these beverages but of those who are engaged in this business as a matter of right. They are entitled to fair and proper consideration here. If, upon full investigation, and in the wisdom of this Congress, it decides that on the matter of general principle we should go into prohibition that is another proposition; but here is a war measure. Without any evidence brought here before the Senate or without any discussion or consideration worthy of name, because of the shortness of the time, I say that we have no business, we have no right as a matter of fair play, to put into effect this drastic legislation that may mean—yes, will mean disaster and ruin—to hundreds of thousands, yes, millions of people in this country.

Now, we have talked about war and about sharing the burdens of war. Let us not, right at the outset, make this burden rest or put the penalty upon a particular class who are engaged in a business in which, perchance, some of the Members of Congress do not believe. That is not the question. The question is whether you want to do unto others as you would have them do unto you, and whether we, without, I say, consideration worthy of the name, are going to pass this law, which means the practical destruction of this industry throughout the United States and the ruination and suffering of millions of people. There are bills now before the Agricultural Committee bearing upon this question. These committees have held hearings and will make a report to the Senate, and the Senate will then have the time to give this tremendously fateful bill the consideration it deserves and to which those interested are entitled. I could only vote for an amendment like this at this time when I am convinced that it is necessary. I can not and will not do so on mere conjecture and to satisfy what I conceive to be the desire of those who are quick to take an undue advantage of the situation and to encourage their desire for nation-wide prohibition.

Mr. GRONNA. Mr. President, I am very sorry that the Senator from Iowa [Mr. CUMMINS] has accepted the amendment offered by the Senator from California [Mr. PHELAN]. I was also sorry to hear the statement made by the junior Senator from Iowa [Mr. KENYON] that, in his opinion, the conservation prohibition bills, which are now pending before the Agricultural Committee, stand very little show of being reported out of that committee. I am a member of that committee, and I had hoped that it would be possible to report out some measure that would not only prohibit the manufacture of cereals into alcohol, but that would provide for redistillation of whisky into alcohol for war purposes, and I want to say to the Senators here that that is a big question.

There is to-day in bond more than 250,000,000 gallons of whisky. There is perhaps about 50,000,000 gallons more on the shelves and in the houses of the saloon keepers; so that in all we have at least 300,000,000 gallons of manufactured whisky. That alone will supply the people of this country for at least two years; and unless we provide for redistillation of all this liquor on hand, I do not believe that this can be said to be a prohibition measure, although I shall vote for it.

Now, the Senator from California has offered his amendment and it has been accepted by the Senator from Iowa. The Senator from California has, of course, in good faith represented the wishes of the people of his State to protect the grape industry, and I believe it will be only fair to say that grapes may be used for something besides drink. Grapes can be manufactured into food as well as grain may be manufactured into food.

I come from a State, Mr. President, where the principal industry and practically the only industry is the production of grain. North Dakota is the largest grain-producing State in the Union. Yet, Mr. President, in the bill which I offered I did not attempt to except any agricultural product in my own State. On the contrary, grain was the first article that I specified in my bill. I provided that no cereals should be used; and I want to say for the information of those who have not looked it up that the word "cereal" includes all grain. It includes rice. There is no necessity for having the word "grain" together with the word "cereal." If you strike out the comma between the two words, you will place a limitation upon the language and you will simply authorize that no grain shall be manufactured into alcoholic liquors, but rice, millet, and other cereals may be used in the manufacture of alcohol. You may take rice or you may take any other farm product and manufacture it into beer. Anyone who has looked into this question knows that millions of bushels of rice are being used in the manufacture of beer.

More than that, Mr. President, you may use all the fruits of this country and manufacture them into brandy. So you could supply the country with the quantity which is now on hand for two years. It will not be difficult for the manufacturer of brandy to manufacture all the brandy that can be used in the United States out of the fruit raised in this country.

Mr. President, being a layman, I shall not argue the constitutionality of the question. I simply want to state that I believe when the very life of the Nation is at stake we have a right to conserve the food products. You provide in this bill for a censorship of the press. You at least place a limitation upon the rights of the people guaranteed by the first amendment of the Constitution and say that they shall not be allowed free speech. But you are afraid that this measure here is unconstitutional in placing a limitation on what shall be manufactured when that very article, as I said, might be the very means which will sustain the Nation and save the Nation from calamity.

Mr. President, we have had before the Committee on Agriculture and Forestry hearings for weeks. We have all the information that has been sought by the committee, and we have given people representing these various industries an opportunity to be heard. We have had the brewers before the committee; we have had the distillers before the committee; and we have had the prohibition people before the committee.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. GRONNA. I do.

Mr. POMERENE. May I ask the Senator has the Committee on Agriculture and Forestry made a report upon its hearings?

Mr. GRONNA. No; I will say to the Senator it has not. I am in hopes that it will make a report soon.

Mr. WADSWORTH. Mr. President, may I interrupt to say that the hearings are not even printed?

Mr. GRONNA. I will state that not all of them have been printed, but a part of the hearings have been printed.

Mr. President, the Senator from Missouri [Mr. STONE] called attention to the large sums of money to be raised as taxes, and he asked the Senator from Tennessee [Mr. MCKELLAR] if he would be willing to have the cotton of the country taxed. I believe it would be better for the people of this couptry to go into their pockets to pay the $350,000,000. I do not say in which way you shall levy this tax. Anything that will produce efficiency, anything that will conserve the food products of this Nation which must be conserved, should be done, because, based upon the report made the other day by the Agricultural Department, we know that the production will be less than 400,000,000 bushels of winter wheat. We know that never in the history of this country have we produced as much as 250,000,000 bushels of spring wheat. That makes a total of less than 650,000,000 bushels—less than the amount we consume in the United States in a single year.

But regardless of that, I believe we should do all that is in our power to conserve the 110,000,000 bushels of grain used in the manufacture of alcoholic liquors. That is the amount that the brewers and the distillers admit is used in the United States, to say nothing about what is exported and manufactured into alcoholic liquors in other countries. That question was raised by the Senator from Montana, and it is a very important question.

Mr. President, I have a bill pending before the Committee on Agriculture and Forestry, and I ask unanimous consent to print the bill as an appendix to my remarks.

The PRESIDING OFFICER. Without objection, it will be granted. The Chair hears none, and it is so ordered.

The bill introduced by Mr. GRONNA and referred to the Committee on Agriculture and Forestry is as follows:

A bill to conserve the agricultural food products of the United States and to prohibit their manufacture into alcoholic liquors, except in certain cases, and for other purposes.

Be it enacted, etc., That for the purpose of conserving during the present war all agricultural food products and to prohibit the manufacture of said food products into alcoholic liquors it shall be unlawful during such period for any person, firm, corporation, or association to use for manufacture into alcohol or alcoholic liquors any cereals, vegetable, fruits, or any agricultural food product: *Provided*, That nothing in this act shall be construed to prohibit the Government of the United States, through the Secretary of Agriculture, from issuing to any person, firm, corporation, or association a license to use any such agricultural food products in the manufacture of alcohol for use in the manufacture of high explosives, or for any other purpose necessary to carry on the war, or for sacramental or mechanical purposes.

SEC. 2. That the manufacture, sale, or gift of any alcohol or alcoholic liquors for beverage purposes is hereby prohibited, but it shall be lawful for any person, firm, corporation, or association to use, manufacture, or redistill into alcohol for manufacture of explosives or other military, industrial, or scientific purposes any and all intoxicating liquors now in existence and which may have been manufactured or distilled prior to the passage and approval of this act; and when such liquor is so used, manufactured, or redistilled the tax thereon, as now provided for, shall be waived or refunded. All the provisions of this act shall be carried out under such rules and regulations as the Secretary of the Treasury shall prescribe.

SEC. 3. That any person, firm, corporation, or association who shall violate the provisions of this act shall be guilty of felony and shall be punished by a fine not exceeding $5,000 or by imprisonment at hard labor not exceeding one year, or by both such fine and imprisonment.

Mr. GRONNA. If I understand the parliamentary situation, there is now an amendment pending to the amendment of the Senator from Iowa. Am I correct in that?

The PRESIDING OFFICER. The Senator is correct. The pending question is on the amendment of the Senator from Delaware [Mr. WOLCOTT] to the amendment of the Senator from Iowa [Mr. CUMMINS].

Mr. GRONNA. After that amendment shall have been disposed of I shall offer my bill as an amendment to the amendment offered by the Senator from Iowa.

Mr. GORE. Mr. President, I desire to state that two measures of this character have been introduced into the Senate and referred to the Committee on Agriculture and Forestry, one by the Senator from North Dakota [Mr. GRONNA], the other by the Senator from Iowa [Mr. KENYON]. The Committee on Agriculture and Forestry will report one or the other of those bills at an early date, if the pending amendment is not adopted. I have referred both bills to the Secretary of War, the Secretary of Agriculture, and the Secretary of the Treasury, requesting suggestions that would render the measures capable of administration. I do not mean to say that they are not properly drafted, but it is a matter of the highest importance to permit the continued manufacture of distilled liquors for use in the manufacture of explosives. I desire to have the bill as carefully drawn as possible before reporting it to the Senate. I expect a report from these Secretaries in a few days, and when received the committee will be ready to report upon one or the other of the measures.

While I am on my feet I will say that I favor legislation of this character designed to conserve the grain, the cereals, now used in the manufacture of this sort of liquors. The hearings revealed the fact that some 110,000,000 bushels of grain and cereals are devoted to this purpose. That aggregates 6,000,000,000 pounds—enough, it is estimated, to feed 20,000,000 human beings for an entire year. Lloyd-George is reducing the amount of grain or cereals permitted to be used in the manufacture of such liquors in England. He expects to effect a total saving of some 600,000 tons—enough to feed the entire population of Great Britain for a full month.

There is some doubt as to the constitutionality of a measure looking purely to prohibition. Based upon conservation, however, and upon the exigencies of war, it might possibly survive the constitutional test. For my own part, I am in favor of approaching the problem from every standpoint—through the taxing power, through the commerce clause of the Constitution, and from the standpoint of conservation—in a measure similar to the amendment now pending. The present war may become a battle of bread, a contest of commissaries.

I wish to call to the attention of the Senator who introduced this amendment this possibility: Liquor could be manufactured from grain in other countries and be shipped into the United States. Liquor could be manufactured, from sugar and molasses in Cuba and shipped into the United States, or manufactured in some of the other countries. Liquor could be manufactured from grain, even in the allied countries, and shipped into the United States.

It seems to me that we ought to change the amendment so as to prevent the importation of intoxicating liquors manufactured from grain or cereals, molasses, and sirups subsequent to the approval of this act. Otherwise 100,000,000 bushels might be shipped into Mexico, manufactured into intoxicating liquors, and shipped into the United States. It seems to me that that at least is worthy of the Senator's attention.

I should like to see the word "military" inserted after the words "mechanical, scientific," and so forth. It is a matter of the first importance to permit the manufacture of sufficient distilled liquors to provide for the manufacture of an adequate supply of explosives. I think every doubt on that point ought to be removed.

Mr. CUMMINS. Mr. President, allow me to inquire whether the pending question is on the amendment proposed by the Senator from Delaware [Mr. WOLCOTT] to my amendment.

The PRESIDING OFFICER. It is.

Mr. CUMMINS. Mr. President, I am opposed to that amendment. That is all I need to say about it. But I wish to reply for a moment to the Senator from Oklahoma [Mr. GORE]. I recognize that liquor may be imported from other countries into the United States, so far as this legislation is concerned. It seems to me that the proper place to deal with that subject is when we come to revise the revenue laws, which we are about to do. I understand we are about to revise the tariff law of the United States, and we can very easily provide with respect to the importation of liquor.

I am perfectly willing to add the word "military," although I do not think it essential. I think "mechanical" and "scientific" would cover the purposes which the Senator from Oklahoma has in mind; but there is no objection on my part at all to the addition of the word "military." I am trying to do an obvious thing. I am trying to do the thing that is immediately before us, namely, to prevent the conversion of grain or cereals of any kind into intoxicating liquor pending this war. If we accomplish that much, we will have done a great deal; and if the Committee on Agriculture and Forestry is able to report a more comprehensive measure, one that better cares for the situation, and Congress shall pass it, no one will rejoice more than I.

Mr. REED. Mr. President, before the Senator from Iowa takes his seat I wish to ask him a question. I wish to ask him frankly if he believes this amendment of his is constitutional.

Mr. CUMMINS. Mr. President, that is a pretty hard question. If the Senator from Missouri had asked me that question before we began upon the war legislation, I would have expressed a great deal of doubt upon it; but the Senate has taken a position with regard to the Constitution and with regard to the legislation which we may pass under it in view of the fact that we are in war that I am willing to accept for the time being, anyhow, that, tested by the standards which the Senate—and House,

too, for that matter—have established, the amendment is constitutional.

Mr. REED. You mean the standards that are established in the pending bill?

Mr. CUMMINS. The standards that seem to be established everywhere and accepted everywhere, namely, that we can do whatsoever is necessary to preserve this country from destruction.

Mr. REED. That is a little indefinite, and I really want to get an answer. I regard the Senator's opinion on a constitutional proposition as of great value. There is a pending bill. It has a lot of things in it. Against most of them the Senator has protested that they were unconstitutional. Am I to understand that because the Senate has voted to accept many of the provisions of the bill the Senator has changed his mind in regard to the constitutional question?

Mr. CUMMINS. No; I have not; nor do I say that this is unconstitutional. The Senator from Missouri himself said a few moments ago that he had doubts with regard to the matter, that under the war power of Congress we might pass legislation of this character. I am in very much the same state of mind. I have never had occasion before to survey the field nor determine just what a nation could do in the throes of war. The subject is a new one to me. I have already expressed my opinion about it at very great length, and I see no reason to change the opinions I have expressed. All that I say is that if a tithe of what has been said with regard to the constitutionality of things we have already adopted is true, there can be no doubt about the constitutionality of this amendment.

Mr. GALLINGER. May I ask the Senator from Iowa a question before he takes his seat?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New Hampshire?

Mr. CUMMINS. I yield.

Mr. GALLINGER. I ask the Senator if he has given careful thought, knowing as I do that he gives careful thought to all the questions that come to his attention, to the question of the constitutionality of the bill we are now considering, in view of the provisions contained in the first amendment of the Constitution of the United States, which reads as follows:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

Mr. CUMMINS. I have given somewhat careful thought to that point.

Mr. GALLINGER. Does the Senator not think that the bill we are considering absolutely violates the provisions of the first amendment?

Mr. CUMMINS. I have so said several times, that there were certain parts of the bill which do violate the first amendment of the Constitution as well as the fourth and fifth amendments.

Mr. GALLINGER. Yet it does not seem to phase the Senators who are disclaiming against the constitutionality of the Senator's amendment.

Mr. CUMMINS. No. I have become perfectly numb about the Constitution. I have been trying to sustain it as best I could, but the argument seems to have fallen upon deaf ears, and I regard this amendment as the least invasion of the Constitution that has been proposed——

Mr. GALLINGER. I think so, too.

Mr. CUMMINS. If it is an invasion at all.

Mr. REED. As I understand that argument it amounts to this, that the Constitution having already been ravished we are now proceeding, having established the right under custom, to utterly disregard it. It is the first time I have ever heard announced in the Senate of the United States the doctrine that because the Constitution has been invaded thereby an excuse is afforded to Senators to utterly disregard the instrument.

Mr. GALLINGER. If the Senator will permit me, I do not profess any knowledge of constitutional law, as the Senator knows; I am very modest even in what I think I do understand in asserting; but what I meant to say was that it is surprising to me that Senators accept the provisions of this bill in view of the inhibition in the first amendment to the Constitution, without question apparently, and yet they are horrified apparently over this amendment on the ground of unconstitutionality. That was the point I intended to make.

Mr. REED. I do not think the two questions are in any respect parallel. Those who have voted for the provisions of the bill which have now been accepted by the Senate have done so in the belief that those provisions can be justified under express powers granted by the Constitution. Now, there arises a question, however, of a different character.

Let me say, Mr. President, while I am on my feet, that so far as I am concerned I want to see the food of this country preserved. I am not discussing this question at all from the standpoint of the liquor interests—nothing of that kind—but I am protesting that we ought not to enter upon a vast field such as this opens up under a 10-minute rule of the Senate, without time to examine the Constitution or the precedents, and that we are to have this provision hung on here regardless of the fate of the bill itself. You may concentrate so much opposition to the bill that when we come to a final vote it will be defeated either here or in the other House. We might be a good deal wiser if we attempted less at one time. I should like to have an opportunity before this matter is disposed of to spend an hour or two in the law library and look at the authorities. I have one here before me that appears to go squarely against the doctrine which was announced by the junior Senator from Iowa [Mr. KENYON] a short while ago, yet I am not prepared from my hasty examination of it even to submit it to the Senate. I intend to hand it to the Senator from Iowa too look it over.

Mr. WOLCOTT. Mr. President, I said a few words when I introduced the amendment. I suppose my time now will come under a discussion of the bill. I do not propose to speak more than a minute.

I wish to say that I offered the amendment because it seemed to me in the interest of sanity and reasonable language. The Senator from Iowa says he is opposed to it without giving any reasons. I can not understand what real reason there can be against the adoption of the amendment to the amendment.

I want to call the attention of the Senate to the fact that if the amendment of the Senator from Iowa as it now stands becomes a law the Senate of the United States will have written into law a provision that it is lawful to manufacture alcohol for sacramental purposes. It seems to me it is the height of absurdity to suppose that in taking sacred sacrament pure alcohol is used, or that they take intoxicating liquor at the sacrament. They do not take, so far as I am advised, pure alcohol as a medicine. They take intoxicating liquor in some form as a medicine. Therefore the amendment should read:

> *Provided*, That this section shall not be construed to make unlawful the manufacture of alcohol or intoxicating liquor except for mechanical, medicinal, sacramental, or scientific purposes.

I want to vote for the amendment in some form, Mr. President, but if the absurdity I have pointed out remains in it I shall not vote for it.

Mr. WALSH. Mr. President, when the amendment now offered was pending before the Judiciary Committee I voted, as a member of that committee, against incorporating it in the bill which was to be reported to the Senate. Since that time information has come to me which has given me the greatest concern about the food supply for the immediate future, both for our own people and for the people of the nations allied with us in the prosecution of the war in which we are now engaged. I feel entirely satisfied that the successful prosecution of the war depends in no small degree on the conservation of every available supply of food. I am accordingly constrained to vote in favor of the amendment offered by the Senator from Iowa as a part of the pending bill.

I want to say a word, Mr. President, concerning the constitutional aspect of this matter. Of course no one can feel that the question of the power of Congress to legislate as is now proposed is entirely free from doubt. Confessedly there is no right in Congress thus to legislate unless it springs from the exercise of the war power. The advocates of national prohibition have long recognized that in order to invest Congress with power in time of peace an amendment to the Constitution is necessary. It becomes a question, then, as to whether this legislation fairly falls within the power of Congress arising from its authority to wage war.

If, Mr. President, at any time in the discussion of this bill or any other measure the idea has been advanced upon the floor of the Senate that in time of war the Constitution or any of its provisions are suspended or inoperative, I desire to have it distinctly understood that I subscribe to no such doctrine. I do not recall, notwithstanding the assertions to that effect, that any Senator has announced any such doctrine. Nor, Mr. President, are we required by any means to arrive at the conclusion that in order to sustain legislation of this character we must subscribe to the doctrine that the Constitution is suspended or inoperative in time of war.

That the Constitution authorizes the National Government to wage war against a foreign enemy is a proposition which no one will controvert. It is unnecessary to advert to the specific provisions of the Constitution from which springs that power. Perhaps it would follow as some other powers follow from the

mere existence of this country as a Nation. But, Mr. President, I think the attention of the Senate might appropriately be directed to a provision of the Constitution which is to be considered in connection with the war power to which reference has not been made heretofore in the present discussion. I refer to section 4 of Article IV of the Constitution, which provides that—

> The United States shall guarantee to every State in this Union a republican form of government, and shall protect each of them against invasion.

Mr. President, we entered this war because of a profound conviction which had seized hold of the minds of our people that we were not entirely free from invasion by an enemy upon the other side of the water, and it is to protect our people against an invasion from a great military power which without our intervention threatened to overwhelm Europe that we were finally prevailed upon to cast our fortunes with those in arms against that great power.

This is declared to be a war of democracy against autocracy. We are not knight-errants going into the controversies of another continent merely for the vindication of an abstract principle. We recognize in this war of autocracy against democracy that democracy in this country may be overwhelmed by triumphant autocracy, and that is the only justification for our entrance into the war at all.

Now, Mr. President, every one of the great nations engaged in this war upon the other side of the water is brought face to face with the proposition that they must conserve and regulate their supply of food as the most essential condition of triumphing in the war. Even this morning we are told by the commissioners who are here from Italy that Italy asks ships and food, not men. Every one of the warring countries allied with us is looking to this country to augment their food supply in order that they may prosecute vigorously this war.

Then, Mr. President, I submit that it is not an unreasonable proposition to say that the conservation of the food supply in this great emergency is so intimately related to the successful conduct of the war as that the preservation of it comes fairly within the power granted to the National Government to wage war and to protect the States of the Union against invasion by a foreign foe.

Mr. President, it is not free from doubt, but why should we hesitate in this great emergency because some one may have some doubts with respect to the constitutionality of it? It will be tested out quickly. This act will hardly have passed when some appropriate proceedings will be taken by the great interests that are affected by this legislation to test before the courts the power of Congress in the premises. What the outcome will be I do not, of course, undertake to predict, but I feel easily justified in disregarding any suggestion that the act will be in violation of the Constitution of the United States.

I do not care to discuss the merits of the question. I think that the Senator from Iowa acted wisely in not subjecting this provision of the bill to the chance of being declared unconstitutional, by taking out the clause which made it effective for a year after the war; because, as I said, if it is to be justified at all, it must be justified as an exercise of the war power.

Mr. POMERENE. Mr. President, in view of the amendment which was offered by the Senator from California, I desire to say a few words with reference to the pending question.

The amendment as it now reads makes it "unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind." This has been so framed, with the amendment included in it, which was offered by the Senator from California, that the wine interests of California will be protected and those in the States east of the Rocky Mountains will be entirely destroyed, because in the manufacture of wine, and particularly sweet wine, it is found that the grapes which are grown east of the Rocky Mountains are lacking in sugar and have a little too much acid. The grapes in California have too much sugar and not enough acid. The manufacturer of wine east of the Rocky Mountains uses sugar and water; the manufacturer of wine in California uses acid and water. Without the use of the acid, the wine would not be used as a beverage, or at least it would not be used to the same extent.

Dr. Johnson, I believe it was, defined oats as being a food for men in Scotland and for horses in England. If he were to define California wine he would say the wine with the acid added would be good for men, but without the acid it would not be good for men.

I allude to the situation for the purpose of showing the utter unfairness of the provision as applied to sections of the country east of California. It seems to me that if you are going to prevent the manufacture or use of intoxicating liquors the law should be so framed as to prohibit it absolutely and not to give to my very good friend from California and his constituents a monopoly of the manufacture of intoxicating liquors. I think the pending amendment should be changed in some way so as to wipe out this distinction.

There is another feature of this amendment to which I desire to call attention. It forbids after September 1 the use of any cereal in the manufacture of intoxicating liquors. I am informed that a large amount of cereal is always existent in the form of a malt. That malt clearly can not be used for human food if this amendment to the bill is to be adopted; and it will be a complete loss unless it can be used in part for animal food.

There is another thought that I wish to call to the attention of the Senate. If it shall be demonstrated that there is any lack or that there is likely to be any lack of cereals for food purposes any man, no matter what his views might be upon this subject, would take a given position with respect to the food supply. There clearly can be no doubt as to what a man's duty would be if it were a question between having sufficient food and of having intoxicating liquor. I think we could all agree upon that proposition; but to-day I do not have reliable information as to what the real food supply is. I listened very attentively to the debates here to-day upon this subject. It has been asserted that there is not a sufficient food supply; but I differentiate between assertion and fact. If it can be shown to me that, as a matter of fact, there is not a sufficient food supply, I will vote one way——

Mr. SHIELDS. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Tennessee?

Mr. POMERENE. I do.

Mr. SHIELDS. Does not the Senator think the declaration of the Agricultural Department and the report of bills for the purpose of limiting the use of food and fixing its price furnish some evidence on this subject of a lack of supply; and is not that true also when we consider the prevailing prices of articles in this country?

Mr. POMERENE. No; the prevailing prices have very little to do with it, as I shall demonstrate in a moment. It has not been reported to the Senate what is the Agricultural Department's view. Only yesterday, or the day before, I saw a statement purporting to come from the Agricultural Department to the effect that in Canada and in the United States there were 40,000,000 bushels of wheat more than were needed for our own consumption and for the purpose of feeding the allies until the new grain crop is available. Whether or not that is true I do not know.

Mr. SHIELDS. What, then, is the necessity for this legislation and for this agitation about increased prices and the conservation of food?

Mr. POMERENE. If the Senator from Tennessee will content himself for a moment, I will have something to say upon that subject.

Mr. SHIELDS. I thought it was very pertinent in connection with what the Senator was saying.

Mr. POMERENE. If the Senator will wait, I am about to dwell upon that subject. I have been trying to investigate this subject as best I could in connection with other duties that I have had to perform. I am satisfied that the question of supply and demand has something to do with the present prices, but it has not all to do with it, by any means. There are attempts to corner the grain market and other food supplies of this country, and that has had more to do with the price of cereals than has the question of supply and demand. There is no doubt about it, and I am eager to find a way to bring those men to book.

Again, I think that present prices are due to some extent to psychological causes. Everybody is advancing prices everywhere on every article of manufacture. There has been talk about the lack of a food supply until people begin to believe it and to fear it, although they do not have the necessary proof upon the subject.

Again, I am satisfied that the one influence that has had more to do with the present prices of grain and of cereals is the lack of transportation facilities. Let me give you a few instances which have come to my attention within the last few days. I have here on my desk to-day a letter received from the Carr Milling Co., of Hamilton, Ohio, in which they say that at present they have large quantities of grain—wheat—in the elevators at Toledo. Another gentleman, in talking to me on this subject—I think it was the Representative from that district—said to me that they had 50,000 bushels of wheat in the elevators at Toledo, but they could not get a car to move it to Hamilton, a

distance of perhaps a little over 200 miles. Of course, that has something to do with the increased price of foodstuffs.

The other day, before a subcommittee of the Interstate Commerce Committee, one of the members of the Public Utilities Commission of the State of Minnesota testified that at that time there were 25,000,000 bushels of wheat which had been sold in the State of Minnesota and were ready for delivery—5,000,000 bushels of it to the allies and 20,000,000 bushels to the American millers—but that there was not a car in sight with which to move this grain. From information which I have received from other sources, I am led to believe that the condition which exists in Minnesota to-day prevails in nearly all the other wheat-producing States of the country. I hope that we shall soon have some method by which we can handle this car-shortage proposition.

The VICE PRESIDENT. The Senator's time has expired.

Mr. WADSWORTH. Mr. President, I desire to offer an amendment to the amendment which has been submitted by the Senator from Iowa.

The VICE PRESIDENT. There is now a pending amendment which has been offered by the Senator from Delaware.

Mr. WADSWORTH. Mr. President, am I in order to offer an amendment which does not affect the amendment offered by the Senator from Delaware?

The VICE PRESIDENT. Not until we dispose of the amendment of the Senator from Delaware. We have reached the third degree, which is only permissible under Rule XVIII.

Mr. STONE. Mr. President——

Mr. REED rose.

Mr. STONE. The Senator will pardon me for a moment. I desire to present an amendment which I will offer when it is in order, and I am asking to do so in order that the Senator from California, the Senator from Iowa, and others who are interested may take occasion to examine it either in the RECORD or otherwise.

I wish to amend the amendment of the Senator from Iowa by inserting, after the word "kind," in line 11, the following:

Provided, That nothing in this section shall prevent the use of sugar or sirup in the manufacture of wine, as now authorized by existing law.

That would necessitate a slight change in the second proviso, merely by adding after what I have suggested the words "*And provided*," and striking out the word "*however*" and inserting "*further*."

The VICE PRESIDENT. If the Senator from New York [Mr. WADSWORTH] simply desires to state an amendment which he proposes to offer, it will be in order, of course, to do so, although it can not be considered until the amendment of the Senator from Delaware shall have been disposed of.

Mr. WADSWORTH. I am willing to wait until the Senator from Delaware has his amendment disposed of.

Mr. REED. Mr. President——

The VICE PRESIDENT. The Senator from Missouri has spoken on this amendment, according to the record.

Mr. REED. I do not so understand. I asked a question of another Senator. I do not desire to trespass on the rule, but I am very confident I have not spoken on this amendment.

The VICE PRESIDENT. The Chair will recognize the Senator from Missouri under his statement of the facts.

Mr. REED. Mr. President, I do not want to weary the Senate, but there is nothing so useless and so senseless as to pass an unconstitutional law, which simply results in consuming time that might be employed to do something of a practical character. If we do not possess the power to enact this law, and we enact it believing that we are going to accomplish something, and weeks and months are consumed in testing its constitutionality, and then it is found to be unconstitutional, we have lost that much time which might be employed in enacting a measure that would have been constitutional. For instance, if there is a real shortage of food, and if we adopt this as the means of meeting that difficulty, and then find out that all we have done is valueless, we have lost the time that might have been employed in providing some device or scheme which would have conserved the food supply. So I appeal to Senators to give this matter very serious consideration.

Mr. WALSH. Mr. President, will the Senator pardon me for an interruption?

Mr. REED. Yes; but I will ask the Senator to be very brief, as my time is so limited.

Mr. WALSH. I direct the attention of the Senator to this thought: That any kind of legislation that we adopt for the regulation of the entire food supply of the country would be equally obnoxious to the objection now made.

Mr. REED. I understand that proposition very clearly. I agree with the Senator. Therefore I am saying that we ought not to thrust this matter in now, to debate it halfway under the 10-minute rule. I have been looking up some authorities here, although I have not gone into them to the length that I should like; but I call the attention of Senators, and particularly the attention of the junior Senator from Iowa [Mr. KENYON], who in a conversation with me stated—indeed, he so stated on the floor—that he thought possibly that in section 8 of Article I of the Constitution, which reads—

SEC. 8. The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States—

A power could be found to authorize this legislation.

Mr. KENYON. May I interrupt the Senator for a moment?

Mr. REED. Yes.

Mr. KENYON. I should want to couple also with that the provision with reference to raising and supporting armies.

Mr. REED. Yes; I want, first, to discuss section 8 by itself. The power to raise and support armies is given in a separate clause. The Senator specifically called my attention to section 8.

Mr. President, I do not claim to have gone to the bottom of this question; but, so far as I have gone, the authorities seem to indicate that the power to provide for the common defense is coupled with the power to levy taxes, and that the clause means that the Congress for the common defense shall have the power to levy taxes; and that is all that it means.

Mr. McKELLAR. Will the Senator yield to me for a suggestion?

Mr. REED. I would if I had the time.

Mr. McKELLAR. I merely want to call the Senator's attention to the fact that the words "for the common defense and general welfare," in section 8, are the same as the general words in the preamble.

Mr. REED. Oh, very well; but I do not know the import of that suggestion. Here is the construction that high authorities have placed upon this language. I read from Story on the Constitution. He quotes section 8 of the Constitution, which I ask to insert without reading.

The VICE PRESIDENT. Without objection, permission is granted.

The section referred to is as follows:

SEC. 8. The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

Mr. REED. The author then says:

Before proceeding to consider the nature and extent of the power conferred by this clause, and the reasons on which it is founded, it seems necessary to settle the grammatical construction of the clause, and to ascertain its true reading. Do the words, "to lay and collect taxes, duties, imposts, and excises," constitute a distinct substantial power; and the words, "to pay the debts and to provide for the common defense and general welfare of the United States," constitute another distinct and substantial power? Or are the latter words connected with the former so as to constitute a qualification upon them? This has been a topic of political controversy, and has furnished abundant materials for popular declamation and alarm. If the former be the true interpretation, then it is obvious that under color of the generality of the words to "provide for the common defense and the general welfare," the Government of the United States is, in reality, a Government of general and unlimited powers, notwithstanding the subsequent enumeration of specific powers; if the latter be the true construction, then the power of taxation only is given by the clause, and it is limited to objects of a national character, "to pay the debts and provide for the common defense and the general welfare."

The former opinion has been maintained by some minds of great ingenuity and liberality of views. The latter has been the generally received sense of the Nation, and seems supported by reasoning at once solid and impregnable. The reading, therefore, which will be maintained in these commentaries is that which makes the latter words a qualification of the former.

I ask to insert in the RECORD at this point, without reading, the remainder of that paragraph.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

And this will be best illustrated by supplying the words which are necessarily to be understood in this interpretation. They will then stand thus: "The Congress shall have power to lay and collect taxes, duties, imposts, and excises, in order to pay the debts and to provide for the common defense and general welfare of the United States;" that is, for the purpose of paying the public debts, and providing for the common defense and general welfare of the United States. In this sense Congress has not an unlimited power of taxation; but it is limited to specific objects—the payment of the public debts and providing for the common defense and general welfare. A tax, therefore, laid by Congress for neither of these objects would be unconstitutional, as an excess of its legislative authority. In what manner this is to be ascertained or decided will be considered hereafter. At present the interpretation of the words only is before us, and the reasoning by which that already suggested has been vindicated will now be reviewed.

Mr. REED. A little further on the author says:

The Constitution was, from its very origin, contemplated to be the frame of a national government of special and enumerated powers and not of general and unlimited powers.

I ask that the remainder of that paragraph and the subsequent paragraph be inserted in the RECORD without reading.

The VICE PRESIDENT. Without objection it is so ordered. The matter referred to is as follows:

This is apparent, as will be presently seen from the history of the proceedings of the convention which framed it; and it has formed the admitted basis of all legislative and judicial reasoning upon it ever since it was put into operation by all who have been its open friends and advocates as well as by all who have been its enemies and opponents. If the clause, "to pay the debts and provide for the common defense and general welfare of the United States," is construed to be an independent and substantive grant of power, it not only renders wholly unimportant and unnecessary the subsequent enumeration of specific powers, but it plainly extends far beyond them and creates a general authority in Congress to pass all laws which they may deem for the common defense or general welfare. (President Monroe's message, May 4, 1822, pp. 32, 33.) Under such circumstances the Constitution would practically create an unlimited National Government. The enumerated powers would tend to embarrassment and confusion, since they would only give rise to doubts as to the true extent of the general power, or of the enumerated powers.

One of the most common maxims of interpretation is, as has been already stated, that, as an exception strengthens the force of a law in cases not excepted, so enumeration weakens it in cases not enumerated. But how could it be applied with success to the interpretation of the Constitution of the United States if the enumerated powers were neither exceptions from nor additions to the general power to provide for the common defense and general welfare? To give the enumeration of the specific powers any sensible place or operation in the Constitution it is indispensable to construe them as not wholly and necessarily embraced in the general power. The common principles of interpretation would seem to instruct us that the different parts of the same instrument ought to be so expounded as to give meaning to every part which will bear it. Shall one part of the same sentence be excluded altogether from a share in the meaning; and shall the more doubtful and indefinite terms be retained in their full extent and the clear and precise expressions be denied any signification? For what purpose could the enumeration of particular powers be inserted if these and all others were meant to be included in the preceding general power? Nothing is more natural or common than first to use a general phrase and then to qualify it by a recital of particulars. But the idea of an enumeration of particulars which neither explain nor qualify the general meaning and can have no other effect than to confound and mislead is an absurdity which no one ought to charge on the enlightened authors of the Constitution. (The Federalist, No. 41.) It would be to charge them either with premeditated folly or premeditated fraud.

Mr. REED. Then, further in the same connection, in paragraph 911, Judge Story says:

On the other hand, construing this clause in connection with and as a part of the preceding clause giving the power to lay taxes, it becomes sensible and operative. It becomes a qualification of that clause, and limits the taxing power to objects for the common defense or general welfare. It then contains no grant of any power whatsoever, but it is a mere expression of the ends and purposes to be effected by the preceding power of taxation.

That was the conclusion of Judge Story, and the conclusion of Judge Story is concurred in by Watson, in his work on the Constitution. I ask to insert the language on pages 392 and 393 and a portion of the language on page 394, which I will indicate to the Reporter.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

St. George Tucker has said: "The principle on which the right of taxation is founded is here shortly expressed, namely, 'to pay the debts and provide for the common defense and general welfare of the United States'" (1 Tucker's Blackstone, App. 231), thus limiting, in his opinion, the purposes of the taxes, duties, etc., which the preceding clause of the Constitution authorized to be collected, to the payment of the debts and providing for the common defense and general welfare of the country.

But perhaps the most exhaustive and philosophical discussion of this question is found in President Monroe's message to Congress of May 4, 1822, in which he gives his reasons for vetoing an act of Congress "for the preservation and repair of the Cumberland Road." (This message contains the most exhaustive discussion extant on the power of Congress, under the expressed and implied provisions of the Constitution, and is, therefore, one of the most valuable contributions to our constitutional literature, and has been quoted from freely.) "It is not claimed by the friends of this bill," said President Monroe, "that any direct authority exists for passing it, but that such authority is implied from various expressions of the Constitution, and, among others, the power conferred upon Congress 'to pay the debts and provide for the common defense and general welfare of the United States.' This claim has less reason on its side than either of those which we have already examined. The power of which this forms a part is expressed in the following words: 'Congress shall have power to lay and collect taxes, duties, imposts, and excises; to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.' That the second part of this grant gives the right to appropriate the public money, and nothing more, is evident from the following considerations: First. If the right of appropriation is not given by this clause, it is not given at all, there being no other grant in the Constitution which gives it directly or which has any bearing on the subject, even by implication, except the two following: First, the prohibition, which is contained in the eleventh of the enumerated powers, not to appropriate money for the support of armies for a longer term than two years; and, second, the declaration of the sixth member or clause of the ninth section of the first article that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Second. This part of the grant has none of the characteristics of a distinct and original power. It is manifestly incidental to the great objects of the first part of the grant, which authorizes Congress to lay and collect taxes, duties, imposts, and excises, a power of vast extent, not granted by the Confederation, the grant of which formed one of the principal inducements to the adoption of this Constitution. If both parts of the grant are taken together (as they must be, for the one follows immediately after the other in the same sentence), it seems to be impossible to give to the latter any other construction than that contended for. Congress shall have power to lay and collect taxes, duties, imposts, and excises. For what purpose? To pay the debts and provide for the common defense and general welfare of the United States, an arrangement and phraseology which clearly show that the latter part of the clause was intended to enumerate the purposes to which the money thus raised might be appropriated. Third. If this is not the real object and fair construction of the second part of this grant, it follows either that it has no import or operation whatever or one of much greater extent than the first part.

"This presumption is evidently groundless in both instances. In the first because no part of the Constitution can be considered useless; no sentence or clause in it without a meaning. In the second because such a construction as made the second part of the clause an original grant, embracing the same object with the first, but with much greater power than it would be in the highest degree absurd. The order generally observed in grants, an order founded in common sense, since it promotes a clear understanding of their import, is to grant the power intended to be conveyed in the most full and explicit manner, and then to explain or qualify it, if explanation or qualification should be necessary. This order has, it is believed, been invariably observed in all the grants contained in the Constitution. In the second because if the clause in question is not construed merely as an authority to appropriate the public money, it must be obvious that it conveys a power of indefinite and unlimited extent; that there would have been no use for the special powers to raise and support armies and a navy, to regulate commerce, to call forth the militia, or even to lay and collect taxes, duties, imposts, and excises. An unqualified power to pay the debts and provide for the common defense and general welfare, as the second part of this clause would be if considered as a distinct and separate grant, would extend to every object in which the public could be interested. A power to provide for the common defense would give to Congress the command of the whole force and of all the resources of the Union; but a right to provide for the general welfare would go much further. It would, in effect, break down all the barriers between the States and the General Government and consolidate the whole under the latter.

"The powers specially granted to Congress are what are called the enumerated powers, and are numbered in the order in which they stand, among which that contained in the first clause holds the first place in point of importance. If the power created by the latter part of the clause is considered an original grant, unconnected with and independent of the first, as in that case it must be, then the first part is entirely done away, as are all the other grants in the Constitution, being completely absorbed in the transcendent power granted in the latter part; but if the clause be construed in the sense contended for, then every part has an important meaning and effect; not a line, a word, in it is superfluous.

Mr. REED. I simply state, in passing, that Watson reaches exactly the same conclusion as Judge Story did, that the words "provide for the common defense" do not grant a distinct and new power, but that they are qualified by the words "levy taxes," and that the clause means the same thing as though it read "the Congress shall have power to provide for the common defense by levying taxes for that purpose." Now, to the same effect——

Mr. BECKHAM. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Kentucky?

Mr. REED. I am afraid my time is about up. Let me put this in the RECORD, and then I will yield.

Mr. BECKHAM. Very well.

Mr. REED. To the same effect is Willoughby on the Constitution, volume 1, paragraph 22, page 39. The author there states:

22. "Common defense and general welfare."

The declaration in the preamble that the new Union is established for the common defense and general welfare, and the grant by Artile I, section 8, of the Constitution to Congress of the power "to levy and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States," has at times been argued to be equivalent to a grant to the General Government of all powers, the exercise of which may in any way contribute to the effectuation of either of these ends.

Especially by those who desire to magnify the powers of the Federal Government it has been argued that instead of construing section 8 of Article I as simply the grant of an authority to raise revenue in order to pay the debts and provide for the common defense and general welfare of the United States, it should be interpreted as conferring upon Congress two distinct powers, namely, (1) the power of taxation and (2) the power to provide for the common defense and general welfare. And under the latter of these two grants, it has been argued that the Congress has the authority to exercise any power that it may think necessary or expedient for advancing the common defense or the general welfare of the United States. It scarcely needs be said that this interpretation has not been accepted by the courts. Were this view to be accepted the Government of the United States would at once cease to be one of enumerated powers, for it would then be possible to justify the exercise of any authority whatsoever upon the ground that the general welfare would thereby be advanced.

The VICE PRESIDENT. The time of the Senator from Missouri has expired.

Mr. BECKHAM. Mr. President, I desire to ask the Senator a question.

Mr. REED. Mr. President, I could answer it in the Senator's time, if he has any.

Mr. BECKHAM. I have exhausted my time, I think.

The VICE PRESIDENT. Well, we will have to keep somewhere near the rule.

Mr. SHAFROTH. Mr. President, I did not expect to say anything on this amendment until I heard the discussion that has been going on with relation to the shortage of crops and the amount of cereals which we export to foreign countries. I

sent for the World Almanac, a publication that contains numerous statistics, generally taken from the reports of the Agricultural Department of the United States Government. It is said that there is no shortage, or at least that there is no certainty that there will be this year, and there is a large quantity in storage.

Mr. President, I turn to page 283 of the World Almanac for 1917, and I find these figures as to the production of cereal crops in the United States during the last two years:

In 1916 we produced 2,717,000,000 bushels of corn; the year before, 1915, we produced 3,054,000,000 bushels—I leave off the thousands. So, Mr. President, it will be seen that there was a shortage in last year's corn crop compared with that of the preceding year of about 337,000,000 bushels.

I take the next item—wheat. There were produced last year in the United States 607,000,000 bushels. There were produced the year before, 1915, 1,011,000,000 bushels of wheat, which shows that the crop of 1916 was 404,000,000 bushels less than the crop of 1915.

I find as to oats that the amount raised last year, 1916, was 1,229,000,000 bushels, while the year before the production was 1,540,000,000 bushels, showing a shortage in the oat crop of last year, as compared with the preceding year, of 311,000,000 bushels.

The barley crop last year amounted to 183,000,000 bushels, and the year before, 1915, to 237,000,000 bushels, showing that the barley crop last year was 54,000,000 bushels less than the barley crop of 1915.

In the case of oats there was a shortage of 8,000,000 bushels last year, as compared with the crop of the year before.

Of buckwheat there were 2,000,000 bushels less produced last year than in the year 1915.

Mr. President, when we find this enormous shortage existing in the year 1916, when we find that the total amount of these crops is so much less than in 1915, you may know that we can not have a great quantity in storage. As a necessary result, if their was not a shortage, it would be gotten out, and in that event the price of wheat and other products would not run so high as the price that now prevails.

We find another thing, Mr. President: We find, in regard to the export of wheat from the United States that last year we exported to the world 173,000,000 bushels. There was an enormous demand made by all the nations at war for wheat last year, and yet but 173,000,000 bushels were exported. Only that amount could be spared by us. It has been stated here, and I have no doubt it is true, that the amount of cereals used annually in the production of whisky and alcoholic liquors is 110,000,000 bushels. In other words, more than half of what was exported as wheat was used in this country at the same time for the manufacture of alcoholic drinks. Now, in view of those figures, can it be possible that we can say that there is not a demand here from the standpoint of war necessity? This cereal, which has been used in the production of intoxicating liquors, should be used and must be used, if we are going to win the war, in the proper feeding of the people, instead of consuming it in the form of drinks?

Mr. President, this is not upon the question as to whether liquor is deleterious or not, and as to what its effect will be upon the soldiers or upon the community in general. Purely from a war standpoint, when we find that the production last year was so much less than the year before, and that the production of wheat this year will be 150,000,000 bushels less, it seems to me that it is nothing but a precaution that is wise that we should stop the use of these cereals in the manufacture of something that is detrimental to the health of the soldiers and deleterious to the health of the people.

It is predicted by the Agricultural Department that the shortage of wheat this year will be 150,000,000 bushels; and yet last year the men who manufactured intoxicating liquors used 110,000,000 bushels of cereals. In view of those figures, I can not see how anyone can say that there is not a necessity arising for the United States Government to conserve these products for the purpose of having that supply necessary for life itself kept either in this country or exported to our allies in Europe.

Mr. WADSWORTH. Mr. President——

Mr. SHAFROTH. I yield to the Senator from New York.

Mr. WADSWORTH. The Senator states that the department reports a shortage of wheat, which it estimates at 150,000,000 bushels.

Mr. SHAFROTH. That is what I understand.

Mr. WADSWORTH. Then the Senator proceeds to say that the consumption of cereals in the manufacture of alcoholic beverages last year was 110,000,000 bushels.

Mr. SHAFROTH. It has been so stated.

Mr. WADSWORTH. It must be remembered that that 110,000,000 bushels is not wheat.

Mr. SHAFROTH. Not altogether.

Mr. WADSWORTH. Only 3,000 bushels of wheat. I interject this observation in the interest of accuracy.

Mr. SHAFROTH. Well, let us take it all in all. I did not read the balance, because I supposed that in wheat there was more than in other things; but take the amount of exports that we made in corn—48,000,000 bushels last year. In the case of oats the amount was 95,000,000 bushels last year.

Mr. REED. Of exports?

Mr. SHAFROTH. Of exports, yes, sir; and in the case of wheat it was 173,000,000 bushels. That was in a year when Europe was screaming for our wheat and for our cereals in every way possible. Adding those three together, they would make about 316,000,000 bushels, and yet here is a proposition of not stopping the manufacture of liquor, in which is consumed 110,000,000 bushels of cereals.

I do not care what way you take it, there was a shortage in all the crops; there was a shortage in the exports; and yet you can see from that what an enormous amount is consumed in the manufacture of alcoholic liquors as compared to the amount which we export. When we consider that last year there was more than a normal demand upon the part of Europe for the shipment of wheat and the shipment of barley and the shipment of rye, whatever else we had to export, you can readily see the necessity for the adoption of this amendment.

The VICE PRESIDENT. The time of the Senator from Colorado has expired.

Mr. NEW. Mr. President, I have listened with patience, with interest, and I think with profit to-day to all that has been said on this subject by the able Senators who have discussed it; and after hearing all that has been spoken I am convinced that whatever the merits of this question may be this is not the place to raise it.

I have been much impressed by what I understood the Senator from Oklahoma [Mr. GORE] to say, as chairman of the Committee on Agriculture and Forestry, that that committee has been considering this question; that it has before it certain bills, one of which at least will be reported, so that the question is bound to come up again, and that pending that report the matter has been submitted to the Secretary of War and to the Secretary of Agriculture for opinions from them and such expressions as they may care to make concerning the adoption of an amendment of this kind, and how best to work it out. Before I vote upon this question I should like very much indeed to know what the heads of those departments have to say. That would exercise very great influence on my mind in determining just how I should cast my vote.

Mr. President, there is not another Senator on this floor, perhaps, except my own colleague, who approaches this question from the same angle that I do. The State of Indiana, as the Vice President very well knows, has, through its last legislature, enacted a statutory prohibition law. Indiana is to go dry on the 2d day of April next. From that time forth Indiana is to be freed from the evils of the saloon influence, whatever they may be. Mr. President, I do not know just how much money is invested in the liquor business in the State, but in the breweries and distilleries of Indiana there must be not less than $30,000,000 invested, and probably more. The people who have those investments are adjusting their affairs to meet the day prescribed by the last session of the legislature for winding up their business. If, in the view of the Department of Agriculture and the Department of War, it is necessary to curtail the time that has been allotted them for going out of business, I might, and probably would, vote one way on this question. My vote, in other words, would be very largely influenced by the information that might come to me as a result of these inquiries which the Senator from Oklahoma, as chairman of the Committee on Agriculture and Forestry, tells us have been instituted, and answers to which are expected. If the administration and the departments have any recommendations to make, I shall probably follow them, but I would like to know what they are before casting my vote.

I doubt, therefore, as I remarked, that this is the time and place for the consideration of this question.

Mr. SHIELDS. Mr. President, I am going to vote for the amendment of the Senator from Iowa [Mr. CUMMINS]. The constitutionality of it has been challenged by a number of Senators. Within that short time since it was offered I have given it such examination as I could, and I have come to the conclusion that the Congress has the power to legislate upon this subject. In other words, when this Nation is at war I believe that Congress has the power to provide for the conservation of the supply of foodstuffs under the control of the Nation, and to use them for the benefit of the country in supporting and maintaining not only its armies but its inhabitants and its allies.

Under Article I, section 8, paragraph 11, of the Constitution we find that Congress is authorized to declare war. That does not have so much bearing upon the question, but is preliminary to the other paragraphs to which I will refer.

Paragraph 12 provides that Congress has the power to raise and support armies.

Paragraph 13 vests in Congress the power to provide and maintain a navy, and paragraph 15 the power to provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions.

Paragraph 18 of the same section of Article I authorizes Congress "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers."

Whatever is necessary, or some of our cases say convenient, to carry into effect and execute any power vested in the Congress by the Constitution may be resorted to by Congress for that purpose. All means that have a natural and reasonable connection with the power vested, according to the language of some of our cases, are within the power of Congress. I can not give a better illustration than the construction that has been given the commerce clause of the Constitution, which is the third paragraph of section 8 of Article I, which ordains that Congress may "regulate commerce with foreign nations and among the several States."

The Supreme Court of the United States has held that Congress under this clause has the right to control transportation and navigation, and, thirdly, to improve rivers for that purpose. Now, in defining the powers vested by this clause the court has frequently held that the Congress is the sole judge of what is necessary to carry that power vested into effect, by any means convenient or necessary, provided it has a reasonable and natural connection with or relation to the end to be attained or the power vested.

Mr. BRANDEGEE. Mr. President, will the Senator allow me to ask him a question at that point?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Connecticut?

Mr. SHIELDS. Certainly.

Mr. BRANDEGEE. Even if it be conceded that Congress in time of war has the power to enact this amendment, does the Senator think it could put it into operation without compensating those whose property may be taken or whose business may be injured?

Mr. SHIELDS. Generally speaking, when private property is taken for a public purpose compensation must be made. Such is the Constitution, and every clause of the Constitution is to be construed with relation to every other clause.

Now, Mr. President, I think Congress, having the right to raise and support armies, to provide and maintain a navy, to provide for calling forth the militia to enforce the laws of the Union, suppress insurrections, and repel invasions, has the right to control the food supply of the country when it deems it necessary for those purposes.

I believe that Congress has the right to take charge of the food supply of the country. If it has not, then all the legislation for which there are bills now pending before both Houses to conserve the food supply of this country and regulate its use and its prices is beyond the power of Congress to pass.

I have no time to elaborate these thoughts. I have not heard the necessity of this legislation controverted by anyone except the Senator from Ohio [Mr. POMERENE]. That has been generally conceded. In fact, Mr. President, it is a matter of common opinion or common knowledge throughout the United States that there is a great shortage in the supply of foodstuffs in this country, and various propositions have been made for an embargo upon their exportation, and bills have been introduced in both Houses for that purpose. Any man who knows that flour is now selling for $16 a barrel, that bacon is selling at from 25 to 30 cents a pound, that corn is $2 a bushel, that there are thousands of homes throughout this land where those common articles of food are unknown, knows that there is a shortage. Not only is there a shortage here, but we are now in alliance in the pending war with nations across the ocean that are almost starving and whose representatives are here begging us for food, and we are building a thousand wooden ships to take it to them. These facts indisputably show the necessity of conserving our foodstuffs. While this is the purpose of this legislation, it is fortunate that it also tends to the cause of temperance and the suppression of the manufacture and use of intoxicating beverages.

The VICE PRESIDENT. The time of the Senator from Tennessee has expired.

Mr. SUTHERLAND. Mr. President, as bearing upon the question which is before the Senate for consideration, I take occasion to present and have read at the desk a letter from the Central West Virginia Coal Operators' Association. I will say that the testimony offered by this association comes from a group of business men in my State, and their experience is in line with that of other business associations of similar character throughout the State after nearly two years' experience with prohibition, which has been in operation in our State for almost two years.

The VICE PRESIDENT. In the absence of objection the Secretary will read as requested.

The Secretary read as follows:

THE CENTRAL WEST VIRGINIA COAL OPERATORS' ASSOCIATION,
Fairmont, W. Va., May 7, 1917.

Hon. HOWARD SUTHERLAND,
United States Senator, Washington, D. C.

DEAR SIR: I am quoting below a resolution passed at a recent general meeting of this association and will thank you to bring this to the attention of the Congress of the United States at an early date:

"*Resolved*, That this association, representing a membership of coal operators producing annually more than 15,000,000 tons of coal in the counties of Monongalia, Marion, Harrison, and Taylor, in the State of West Virginia, do request our Members of Congress and United States Senators to use all their influence and every effort to further the cause of national prohibition, in order to conserve the supply of grain and also to promote greater industrial efficiency; and

"*Resolved further*, That the secretary of this association be, and he is hereby, instructed to forward copies of this resolution to our Members of Congress and United States Senators."

Very truly, yours, D. R. LAWSON, *Secretary.*

The VICE PRESIDENT. The question is on the amendment of the Senator from Delaware [Mr. WOLCOTT] to the amendment of the Senator from Iowa, [Mr. CUMMINS].

The amendment to the amendment was agreed to on a division.

Mr. WADSWORTH. Mr. President, I offer the amendment which I send to the desk to the amendment of the Senator from Iowa.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On line 6 of the amendment of the Senator from Iowa it is proposed to strike out "intoxicating liquors" and insert "distilled spirits."

Mr. WADSWORTH. Mr. President, I beg the attention of the Senators to a very serious phase of this problem, which I think is entitled to consideration at this time, if we are going to legislate at all on this question.

The amendment of the Senator from Iowa will have this effect: It will close down all the distilleries and all the breweries in the United States, as, of course, it is conceded that if grains and cereals are not permitted to be used in the manufacture of alcoholic beverages it will be impossible to manufacture those beverages, either in the form of distilled spirits or in the form of beers, with very, very few exceptions.

Mr. President, my information is, and it was so testified before the Committee on Agriculture and Forestry, that there is about a three years' supply of whisky and distilled spirits in the United States, which, under this amendment, can be sold at any time in those portions of the country that are still permitting the sale of alcoholic beverages. Of beers, however, there is not to exceed three months' supply. That is largely because beer, as it is ordinarily brewed and placed upon the market, will not keep for more than three or four or five months. It is safe to say, then, that after the expiration of four or five months, dating from the passage of this act, if it shall be passed, there will be no more beer in the United States. There will be all the whisky that anybody wants, and consequently this amendment, if it is agreed to in this form, will, in my humble judgment, Senators, convert our people into a whisky-drinking people during this war.

The workingman or mechanic who now is satisfied with a glass of beer at the end of his day's work, and who, incidentally, can not understand why anyone should attempt to prevent his having it, for it does him no harm, will be strongly tempted, if this law is placed upon the statute books, to substitute for that glass of beer, which he can no longer get, a stiff drink of whisky, and there is not a Senator upon this floor who does not know that that will injure his efficiency and will cause more trouble and more distress than any other element that you can inject into the social and industrial life of America.

I think any man who employs large numbers of men and who relies upon their good habits and upon their health and their contentment for the successful operation of his business will testify that he has no particular objection to his workingmen being enabled to purchase a glass of beer. What he does dread, and rightfully, is the cultivation of the habit amongst his workingmen for distilled spirits—whisky, gin, brandy, and rum. That is where the trouble always arises.

I have been convinced for many years while this agitation for prohibition has been going on that if we want to cure the evils of drinking in this country—and we certainly do—we can

do it better by educating, if possible, the great masses of our people to the advantage of drinking beer and wine and cutting out distilled liquors. It would be a blessing to America if our people could cultivate and establish the habits of the French and Italians in their countries, where wines and beers are the common daily beverage, where men and women of all ages down to little children drink the harmless red wines and light malt beers.

Mr. WOLCOTT. Mr. President, I should like to ask the Senator from New York his understanding of the meaning of the phrase "distilled spirits." Does it mean anything more than alcohol?

Mr. WADSWORTH. I certainly intended it to mean more than that, but I may have expressed it badly.

Mr. WOLCOTT. My recollection is from my general reading upon the liquor question that the phrase "distilled spirits" would mean alcohol, and that the phrase which the Senator has in mind would be "spirituous liquors"—whisky, brandy, and rum.

Mr. WADSWORTH. If my phrase is inaccurate and misleading, certainly I want to correct it, and if the phrase suggested by the Senator from Delaware is the proper one I will promptly accept it.

Mr. UNDERWOOD. If the Senator from New York will yield——

Mr. WADSWORTH. My time is very limited. I hope the Senator will make his question brief.

Mr. UNDERWOOD. I simply want to say I think the phrase "distilled spirits" is correct and is recognized by the internal-revenue laws of the country.

Mr. WADSWORTH. That was my understanding when I wrote the amendment.

But, Mr. President, this is a very serious sociological and industrial problem that we are approaching here this afternoon in a manner which I regard as absurd under a rule limiting debate to 10-minute speeches and without any exhaustive investigation by any committee of the Senate.

I am thoroughly convinced that if the amendment of the Senator from Iowa is adopted we will turn thousands upon thousands of laboring men in the United States into whisky drinkers. I do not need to remind Senators upon this floor that there are mighty few crimes of violence in the United States but that whisky is at the back of them.

Mr. CALDER. Will the Senator yield?

Mr. WADSWORTH. I yield to my colleague.

Mr. CALDER. Has my colleague taken into consideration the immense rise in the value of whisky which will take place if the amendment is agreed to?

Mr. WADSWORTH. This amendment will make the fortunes of distillers. They will have an absolute monopoly of all alcoholic beverages with the exception of wine.

Mr. REED. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Missouri.

Mr. REED. The clientele of the Senator from California will have the monopoly in wine.

Mr. WADSWORTH. I so understand, but that is not the point I am driving at.

Mr. PHELAN. Mr. President——

Mr. WADSWORTH. I can not yield to the Senator. I hope the Senator will not misunderstand me.

My amendment limits the prohibition of the use of cereals and grain to the manufacture of distilled spirits. I mean by that hard liquors—whisky, rum, gin, and brandy.

By that same amendment the brewing of beer would still be permitted. We would save the grain which is used in the manufacture of hard liquor, and that, of course, is in line with the conservation of the food supply. In my judgment it is well worth our while to permit the use of grain in the manufacture of beers while this war is going on, for if we do not nothing will be left to drink but whisky, and that will go far toward demoralizing the great labor centers of the country.

There is another element in this situation which, if we are to legislate in a statesmanlike spirit in the face of this great war, we should take into consideration, and that is the element of public contentment. We in effect to-day are asking the workingmen of this country, the mechanics and the laborers in the great steel plants, in the munition factories, in the coal mines, to work their hardest, if necessary to work overtime, for their country. We are placing an additional burden of work upon them. We expect that they will perform that additional burden cheerfully; and cheerfulness is an element of tremendous importance while this war is being waged. Yet in the very same breath that we are asking these men to work overtime, to work to the limit of their endurance, it may be, we say to them, "You shall not have a glass of beer." Now, whether we think a glass of beer is an injurious thing to the workingman or not, it is not the sole question that confronts us. Thousands of them want it and can see no harm in it. They will resent the action of the Government in taking it away. Let us control it and gradually reduce it, if necessary, but let us take care that we do not create discontent or make this war unpopular.

The VICE PRESIDENT. The Senator's time has expired.

Mr. CUMMINS. Mr. President, more than once it has been suggested that we ought not to consider an amendment of this sort under the rule which is now governing the debate. We are now limited to speeches of 10 minutes. But I want the Senator from New York and all other Senators to remember that this amendment was before the Senate at the time the unanimous-consent agreement was proposed, and if any Senator believed that we could not consider such a question very well under the restrictions proposed he ought to have objected to the unanimous-consent agreement. This amendment was proposed before the Judiciary Committee, and was presented immediately after the bill itself was reported, and has been lying printed throughout the debate upon the desks of Senators for two weeks or more. I think, therefore, that the objection first made by the Senator from New York is not sound or tenable.

With regard to the second objection, no one pretends that this measure cures all the evils that are involved in the liquor traffic. I have sedulously attempted to eliminate the prohibition feature from it, and, at the suggestion of several Senators, I consented that the words "other edible things" might be eliminated in order that it could not be said that we were using this emergency in order to advance the cause of prohibition, no matter how devotedly I am attached to that cause.

The sole question here is whether it is better that the people who are working in the munition plants and other industrial centers of the country should have beer or bread. The Senator from New York apparently thinks that if they must work without one or the other they should work without bread and should have beer. I do not question his conclusion that, if we must choose in organizing the habits of the people of America between hard liquor and the lighter drinks, we should use the latter—I have no doubt of that—but this is not intended to regulate the habits of the American people. It is intended to make it reasonably sure that this year and next year and during the war they will have something to eat.

Mr. President, if we have 300,000,000 gallons of whisky on hand, and the use of that whisky will destroy the efficiency or corrupt the morals and manners of the people of this country, as I am sure it will, it is not difficult to have it destroyed; it is not difficult to prevent the people of this country under the war power as now urged from having access to the 300,000,000 gallons of whisky. I have no doubt that some one having that end in view will bring forward a measure that will prevent the accumulation of these spirits having the effect upon the people of the country predicted by the Senator from New York. I can not deal with the subject here. We are simply attempting to conserve the food supply. In some other measure I hope we will be able to deal with the accumulated liquor of the country.

I for one do not believe the workers of America are so insistent upon their glass of beer at night. Some of them are, of course, unfortunately so; but, I believe, looked at from the economic as well as the social standpoint, America would be vastly better off if there was not a single drink of intoxicating liquor anywhere within our borders during that time, confining myself, of course, to the war; but I would make the same assertions as far as peace is concerned. I have no fear of converting the men and women of America into whisky drinkers beyond the stage at which they have already arrived.

Mr. REED. Would the Senator, then, be willing to accept an amendment prohibiting absolutely the sale of intoxicating liquors of any kind during the war?

Mr. CUMMINS. I would. I would not accept the amendment because I do not want to destroy what I am trying to do—namely, to preserve the food for the country—but as an independent measure I would vote for such a proposal at any time, and I would vote for it in time of peace as well as war.

Mr. REED. I am asking the Senator if he would not accept that amendment to his amendment so that it would meet the objection of the Senator from New York?

Mr. CUMMINS. Mr. President, I can not yield to the Senator for an argument——

Mr. REED. Oh, no; I am not arguing; I am asking the Senator——

Mr. CUMMINS. Frame the question, then, please.

Mr. REED. I ask the Senator if he would not, in order to meet the objection of the Senator from New York and also to reach all these moral phases of the question, accept an amendment making it illegal to sell or drink intoxicating liquors of any kind?

Mr. CUMMINS. Mr. President, I will not accept an amendment of that character, because I do not intend to imperil the adoption of this amendment. If I were sure that an amendment of that kind proposed by the Senator from Missouri would have the same happy fate that attended another amendment which he proposed at a previous time I would have no hesitation about accepting it, but I am not convinced that it would have that result, and therefore I would not accept it.

Mr. UNDERWOOD. Mr. President, the proponent of this amendment, the Senator from Iowa, has just stated it is not a prohibition measure, and I take it that he has correctly stated its status; that it is an economic question involved and not a prohibition question involved; that it is really proposed as a question of conserving the food supply of America. I think that is manifestly true, because it is apparent, to begin with, that this amendment can not affect conditions in prohibition States. If there is any liquor sold in prohibition States, it is hard liquor. There is an ample supply of whiskies and brandies in this country to outlast the war, and there is certainly no beer sold within the prohibition States, or a very small quantity of it.

In the States that are not prohibition it seems to me manifest that no severer blow could be proposed to the cause of prohibition than for the advocates of prohibition to pass a law that would drive the people of those States who desire to drink at all to the drinking of whiskies and brandies instead of beer or light malt liquors. The resultant effect of the sentiment, in my judgment, if the nonprohibition States had to face this law if it goes on the statute books, would be against the cause of prohibition and not in favor of it. Therefore I will not argue the question from that standpoint at all.

But, looking at it entirely from the standpoint of the Senator from Iowa, as he presents his case—and that is that this is an economic question, intended to conserve the food supply of the country—I do not believe it will accomplish that result. I have in mind an illustration that is somewhat in point. Cotton seed is used to make oil, and after the oil is crushed out of the seed it is used to feed cattle. I have seen reports in which it has been stated that after you crush the oil out of the cotton seed its food value is nearly as great as it was before you removed the oil, and that by feeding the cotton seed directly to cattle without removing the oil you are making an economic mistake. The same thing is true in reference to corn and grain that is used to make either distilled spirits or malt liquors. Everyone knows that the mash, I think they call it, that comes out of the distillery or the brewery after the alcohol has been extracted is used for the purpose of feeding cattle; and there are vast numbers of cattle that are fed in this country on the mash from breweries.

Now, what is the result? We are in need of cattle for food equally as well as grain for bread. When you stop the use of corn and grain to make malt liquors or distilled liquors out of it you have to carry the cattle that are now fed in that way to the fields and to the barns, and you have got to feed them on grain, to a large extent, or you have got to carry those cattle to the slaughterhouse.

Mr. OVERMAN. And hogs.

Mr. UNDERWOOD. And hogs, to a large extent, as suggested by the Senator from North Carolina. So in the end the actual saving and conservation of a food supply, should this amendment be adopted, in my judgment, will be very small. It will be the minimum. On the other hand, you will destroy the present business of feeding cattle. You will interfere and draw on the food supply of other men who are feeding cattle to-day and disrupt the economic conditions of producing food for the people of the United States.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. UNDERWOOD. I have only a moment, but I will yield for a question.

Mr. CUMMINS. Just for a statement, and then a question. Those who claim to know say that 70 per cent of the food value of grain is lost in the conversion mentioned by the Senator from Alabama. The cattle or hogs get the benefit of 30 per cent—only one-third—of the amount of grain fed the cattle or hogs.

Mr. UNDERWOOD. Can the Senator refer me to an official statement of that fact?

Mr. CUMMINS. I think so.

Mr. UNDERWOOD. I would be glad to have it, because, as I stated in the beginning, I have not an official statement, but I know there are official statements in reference to the pressing of cotton seed, and the results of those statements is to the contrary.

I have no doubt that in the brain of some one who desires this legislation passed for some other motive the idea may have been conceived that 70 per cent of the food value is lost. I am not informed; and without direct information from some one who has tested the matter, some governmental or other authority that can be relied on, I would not credit that statement; I would not believe it, because I do not think the facts justify it.

In the first place, we all know, without any scientific inquiry, that alcohol is not a producer of fat; that it is the starch in the grain that produces fat. You might feed the human being or the cattle on alcohol forever, and you would not produce fat, though you might produce a bloated condition. It is the fats that we need to sustain human life. We know, without being informed scientifically, that it is the starch in the grain that produces fat, and it is the starch in the grain that is left after distillation that goes to the cattle for that purpose. Therefore, without intending in any way to reflect on the authority of the Senator from Iowa, I discredit entirely the statement he has made in reference to the large percentage of food value being taken away from this grain when it is distilled. I believe that a scientific inquiry would disclose the fact that there is very little of food value that is removed from the grain when you distill it and take out the alcohol.

Mr. GRONNA. Mr. President, will the Senator from Alabama yield to me?

Mr. UNDERWOOD. I yield for a question. I have only 10 minutes in which to speak, and I hope the Senator from North Dakota will not occupy much of that time.

Mr. GRONNA. I simply wish to emphasize what the Senator from Iowa has just stated. The distillers of the country were before the Agricultural Committee; they have been before the committee during the last week; and they admitted that there was from 30 to 33⅓ per cent of the food value of the grain left after it had been distilled.

Mr. UNDERWOOD. But the Senator from Iowa stated that it was 70 per cent.

Mr. CUMMINS. I said that there was 30 per cent left.

Mr. UNDERWOOD. I understood the Senator to say that there was 70 per cent taken out. I beg the Senator's pardon.

Mr. CUMMINS. Yes; there is 70 per cent taken out, and 30 per cent left.

Mr. UNDERWOOD. Well, I misunderstood both Senators, and I beg their pardon.

Of course, I can realize that there is a greater proportion of food value taken out in the manufacture of malt liquor than there is in the manufacture of distilled spirits, because they are manufactured in a different way. A part of the food value goes into the malt liquor, while none of the food value goes into the distilled spirits; but I still think that the estimate is a large one.

The VICE PRESIDENT. The time of the Senator from Alabama has expired.

Mr. REED. Mr. President, the Senator from New York [Mr. WADSWORTH] undoubtedly has pointed to a very bad result which may come from the enactment of this proposed statute in its present form. We know—and there is no use in our sitting here and trying to fool ourselves—that if you were to eliminate the prohibition sentiment that is here present in the Senate not a single moment's consideration would be given to the amendment of the Senator from Iowa at this time. We would set it aside and take it up as a separate bill or take it up in connection with some bill that had to do with the conservation of food products. We all know that the reason the attempt is being made to hang the proposition onto this bill is, if possible, to gain that much ground at this time for prohibition. Nobody need fool himself about that. There is no use in people standing here and protesting to the contrary; that is the fact. If it were not the fact, then Senators would all be perfectly willing to wait until the agricultural bill came in. They would be unwilling to delay the passage of this bill at this time, but would allow the bill to go through and to become a law, and then take up this separate subject at a different time.

Mr. President, I call attention to this in connection with what the Senator from New York has said. The Senator from New York charged you with the information that if this bill is passed there will be a destruction of the manufacture of beer, but there will be a large amount of distilled liquors—hard liquors, we

commonly call them—left in the community. I call attention to the fact that under this bill hard liquors would be manufactured without limit. The only difference is that instead of making them out of grain, which may produce a liquor that is not absolutely a poison, you have closed that door; but you propose under this bill, as now amended, to allow the manufacture of any kind of fruits into liquors; in other words, there would be manufactured an unlimited supply of brandy. Every grape in the country, every apple in the country, every pear and peach and every berry of every kind in the country can be manufactured into brandy of one kind or another.

Mr. President, that is not the kind of way to promote temperance; that is not the kind of temperance bill to pass. If you propose in this bill to simply conserve the grains of the country, then let us take that up as a separate proposition and get the facts. We do not know what the facts are to-day. I am informed that the testimony before the Agricultural Committee was to the effect that there were only about 88,000,000 bushels of grain employed in the manufacture of liquor. I am informed that the evidence showed that there was almost no wheat whatever used in the manufacture of liquor; that the wheat so used was a negligible quantity.

Mr. WOLCOTT. Will the Senator yield to me?

Mr. REED. In just one moment. I am informed that the greater part of the grain used is barley, a grain that is not much used in this country for food. I am informed that there is a large salvage from this grain in the shape of food products for animals. So a very different question is presented than was indicated by the remarks of the Senator from Iowa.

All that I am asking is that we shall proceed here in a way so that we may know what we are doing; that we shall have regard for the Constitution; and that we shall not in a haphazard and hasty way rush on here and enact a statute simply because somebody wants to hang a prohibition amendment onto this war measure. If we are going to pass on the prohibition amendment in connection with the war, let us do it in a measure that has been duly considered. I promised to yield to the Senator from Delaware.

Mr. WOLCOTT. Did I understand the Senator to say that his information was that there were 8,000,000 bushels of grain employed in the manufacture of liquor?

Mr. REED. No; I said 88,000,000 bushels.

Mr. WOLCOTT. I misunderstood the Senator.

Mr. GRONNA. If the Senator from Missouri will permit me, I desire to state, merely in the interest of accuracy, that the testimony before the Committee on Agriculture was that 58,000,000 bushels of barley and about 15,000,000 bushels of corn were used for this purpose, and that the balance was made up of wheat, rye, and rice.

Mr. REED. But the Senator from North Dakota ought to say, in the interest of accuracy, that that evidence shows that the amount of wheat used was practically negligible.

Mr. GRONNA. I simply wanted to substantiate what the Senator from Missouri said.

Mr. POMERENE. It was about 3,000 bushels.

Mr. REED. About 3,000 bushels. What I complain about is the attempt to push a matter through in this way. I am willing to take up the question of the conservation of our grain, but I want to take it up in orderly course, and not under a 10-minute debate. I want to take it up when we can get the evidence which has been given before the Agricultural Committee and digest it and understand it; I want to take it up when we can have the report of the Secretary of Agriculture and digest it and understand it; I want to take it up under circumstances where we may know what we are doing, where we can take the Constitution into consideration, and have some time to examine that. There is no necessity for tying this amendment on at this time; but if it is to go on, then I insist that it shall be a real prohibition amendment. If the amendment of the Senator from New York is voted down I shall then offer an amendment to make this a real prohibition amendment.

Mr. WOLCOTT. Mr. President, I should like the attention of the Senator from New York [Mr. WADSWORTH]. I have made a very hasty examination in an effort to ascertain the exact meaning of the phrase "distilled spirits" used by him in his amendment, and from that hasty examination I am convinced in my mind that the phrase does not mean what the Senator from New York intends by it.

It is very true, as has been pointed out by the Senator from Alabama [Mr. UNDERWOOD], that the phrase "distilled spirits" as used in the internal-revenue law does embrace brandies, whiskies, rum, and gin; but that, Mr. President, is because of the fact that the internal-revenue law itself defines the phrase. Section 3247 of the United States Compiled Satutes, 1901, defines first "distiller" in the following language:

> Every person who produces distilled spirits, or who brews or makes mash, wort, or wash fit for distillation or for the production of spirits, or who, by any process of evaporization, separates alcoholic spirit from any fermented substance, or who, making or keeping mash, wort, or wash, has also in his possession or use a still, shall be regarded as a distiller.

The next section, being section 3248, proceeds to define distilled spirits, and employs this language:

> Distilled spirits, spirits, alcohol, and alcoholic spirit, within the true intent and meaning of this act, is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation of grain, starch, molasses, or sugar including all dilutions and mixtures of this substance; and the tax shall attach to this substance as soon as it is in existence as such, whether it be subsequently separated as pure or impure spirit, or be immediately, or at any subsequent time, transferred into any other substance, either in the process of original production or by any subsequent process.

Now, I think, inasmuch as the statute thus specifically defines "distilled spirits," that it is not safe in ascertaining the meaning of the phrase to follow its meaning as it is given by the United States courts in administering the internal-revenue law. I am sure the Senator from New York wants to keep his language well within the scope of his meaning, and does not want, if this amendment be adopted, to have it come out of the courts in such shape that the phrase "distilled spirits" will be interpreted into the word "alcohol." I am sure he does not want that. So I suggest that, in order to be safe, he employ the phrase, "spirituous liquor," which has a well-defined meaning.

The expression "distilled spirits" is not confined within the meaning of the internal-revenue act to alcohol; but I think that if there were an opportunity to search the authorities which do not undertake to construe the internal-revenue act, it would be found that certainly in a considerable number of courts the phrase "distilled spirits" is held to mean alcohol, there being in those jurisdictions no statutory definition of the term. But I am convinced also that if the term "spirituous liquors" be used, it will certainly, safely, and squarely cover the ground that the Senator from New York is endeavoring to cover. The definition in the Cyclopedia of Law and Procedure of the phrase "spirituous liquors" is this:

> The latter term—
>
> That is, spirituous liquors—
>
> The latter term is properly restricted to such liquors as are produced by the process of distillation, and does not include wine, ale, beer, or other liquors which are not the product of the still, unless the terms of a statute extend its signification so as to make the term cover liquors which are not etymologically within the meaning.

I call this matter to the attention of the Senator from New York, so that if he feels that the suggestion is sound he may change his amendment so as to conform with what I think he has in mind.

Mr. WADSWORTH. I accept the amendment suggested by the Senator from Delaware.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York as modified to the amendment proposed by the Senator from Iowa.

Mr. CUMMINS. Mr. President, I ask for the yeas and nays.

Mr. JONES of Washington. I suggest the absence of a quorum.

Mr. OVERMAN. There is a quorum here.

Mr. JONES of Washington. No; there is not. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McLean	Shields
Beckham	Harding	Martin	Smith, Ga.
Brady	Hardwick	Nelson	Smith, S. C.
Brandegee	Hollis	New	Smoot
Broussard	Husting	Norris	Sutherland
Calder	James	Overman	Swanson
Chamberlain	Johnson, Cal.	Page	Thomas
Culberson	Jones, Wash.	Phelan	Thompson
Cummins	Kellogg	Pittman	Trammell
Curtis	Kendrick	Poindexter	Underwood
Fernald	Kenyon	Pomerene	Wadsworth
Fletcher	King	Ransdell	Walsh
France	Kirby	Reed	Warren
Frelinghuysen	La Follette	Robinson	Wolcott
Gallinger	Lewis	Shafroth	
Gerry	McKellar	Sheppard	

Mr. WOLCOTT. I wish to announce that my colleague, the senior Senator from Delaware [Mr. SAULSBURY], is necessarily absent from the Chamber on business. I will let this announcement stand for the day.

The VICE PRESIDENT. Sixty-two Senators have answered to the roll call. There is a quorum present. The pend-

ing question is the amendment of the Senator from New York [Mr. WADSWORTH] to the amendment of the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. Upon the amendment of the Senator from New York, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THOMAS. Mr. President, before the roll is called I desire to ask what the amendment is. I have been detained on committee work and was not here when it was offered.

The VICE PRESIDENT. The Secretary will state the amendment to the amendment.

The SECRETARY. The original amendment reads:

On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquors.

The Senator from New York proposes to strike out the words "intoxicating liquors," and to insert in lieu thereof the words "spirituous liquors."

Mr. THOMAS. Mr. President, just a word before the vote is taken. I have not been present during the discussion because of my detention elsewhere.

I approve the principle of this amendment, but I observe in it no provision whereby the institutions which have procured large quantities, as they doubtless have, of material for the manufacture of spirituous liquors are protected. I believe in the principle of compensation. I do not believe that it is within our power to make a general inhibition, even in war times, without the recognition and provision of means for the enforcement of the principle of compensation.

Mr. CUMMINS. Mr. President, let me remind the Senator from Colorado, in view of the fact that this amendment does not take effect until the 1st of September, that if these concerns have accumulated any grain or cereal and have it on hand they can sell it for bread.

Mr. THOMAS. Well, they might, and probably could, if conditions remain as they are now.

The VICE PRESIDENT. The yeas and nays have been requested and ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX]. In his absence I am compelled to withhold my vote. If at liberty to vote, I would vote "nay."

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON], and therefore withold my vote. If at liberty to vote, I would vote "nay."

Mr. REED (when his name was called). I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the senior Senator from Nevada [Mr. NEWLANDS] and vote "yea."

Mr. WOLCOTT (when Mr. SAULSBURY'S name was called). I desire to repeat the announcement made a while ago concerning the absence of the senior Senator from Delaware [Mr. SAULSBURY] and to state, in addition, that he is paired with the senior Senator from Rhode Island [Mr. COLT]. I will let this announcement stand for the day.

Mr. THOMAS (when his name was called). In the absence of my pair I withhold my vote.

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the junior Senator from Oklahoma [Mr. OWEN] and vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. I transfer my pair to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. COLT. Has the senior Senator from Delaware [Mr. SAULSBURY] voted?

The VICE PRESIDENT. He has not.

Mr. COLT. In the absence of that Senator I withhold my vote. If at liberty to vote, I would vote "yea."

Mr. THOMAS. I transfer my pair with the senior Senator from North Dakota [McCUMBER] to the junior Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. WOLCOTT. I desire to announce the unavoidable absence of the senior Senator from Maryland [Mr. SMITH]. He is paired with the senior Senator from Vermont [Mr. DILLINGHAM].

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS].

The result was announced—yeas 31, nays 42, as follows:

YEAS—31.

Bankhead	Gerry	Lewis	Reed
Brandegee	Harding	Lodge	Robinson
Broussard	Hardwick	McLean	Stone
Calder	Husting	Nelson	Underwood
Culberson	James	New	Wadsworth
Fletcher	Johnson, Cal.	Phelan	Warren
France	Kellogg	Pomerene	Weeks
Frelinghuysen	La Follette	Ransdell	

NAYS—42.

Ashurst	Jones, Wash.	Pittman	Sutherland
Beckham	Kendrick	Poindexter	Swanson
Brady	Kenyon	Shafroth	Thomas
Chamberlain	King	Sheppard	Thompson
Cummins	Kirby	Sherman	Townsend
Curtis	McKellar	Shields	Trammell
Gallinger	Martin	Simmons	Vardaman
Gore	Myers	Smith, Ga.	Walsh
Gronna	Norris	Smith, S. C.	Wolcott
Hale	Overman	Smoot	
Hollis	Page	Sterling	

NOT VOTING—23.

Borah	Hitchcock	McCumber	Smith, Md.
Colt	Hughes	Newlands	Smith, Mich.
Dillingham	Johnson, S. D.	Owen	Tillman
Fall	Jones, N. Mex.	Penrose	Watson
Fernald	Knox	Saulsbury	Williams
Goff	Lane	Smith, Ariz.	

So Mr. WADSWORTH'S amendment to the amendment of Mr. CUMMINS was rejected.

Mr. REED. Mr. President, I move to amend the amendment of the Senator from Iowa by adding, after the word "kind," in the seventh line, the words "or to sell as a beverage intoxicating liquors of any kind."

The VICE PRESIDENT. The question is on the amendment of the Senator from Missouri to the amendment of the Senator from Iowa.

Mr. JONES of Washington. I call for the yeas and nays.

Mr. UNDERWOOD. Mr. President——

Mr. GALLINGER. Mr. President, I ask that the amendment, as it would read if this amendment were agreed to, be stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. After the word "kind," it is proposed to insert the words "or to sell as a beverage intoxicating liquors of any kind," so that, if amended, the amendment would read:

On and after September 1, 1917, and during the period of the war with the Imperial Government of Germany, it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquors in any form, or of any kind, or to sell as a beverage intoxicating liquors of any kind: *Provided, however,* That this section shall not be construed—

And so forth.

Mr. WADSWORTH. Mr. President, may I call the attention of the Senator from Missouri to this condition of affairs that would arise were his amendment to be adopted? The amendment of the Senator from Iowa does not prohibit the manufacture of wine.

Mr. REED. I understand that it does not, and I understand that the manufacture of wine is just as wicked and the manufacture of brandy is just as villainous as the manufacture of beer and Bourbon whisky; that there is no more sense in destroying good grapes and good apples and good peaches in a time of food shortage than there is in destroying grain.

Mr. PHELAN. Mr. President, I do not intend to delay the vote, but I submit that grapes are not a food to be conserved, whereas grain possibly is.

Mr. VARDAMAN. I call for the yeas and nays.

Mr. REED. Mr. President——

The VICE PRESIDENT. The Senator from Missouri has spoken once.

Mr. REED. I desire to say a word in regard to this amendment.

The VICE PRESIDENT. The Senator has spoken on his amendment.

Mr. REED. Oh, no; I answered a question.

The VICE PRESIDENT. Well, the Senator has spoken on the amendment.

Mr. REED. The Senator from New York [Mr. WADSWORTH] rose and asked me a question. I answered in the time of the Senator from New York. Surely the Vice President is in error; that is all. The Senator from New York had the floor, and not I. The Senator from New York has used up his time to speak.

The VICE PRESIDENT. There is no way to prevent the Senator from Missouri from talking when he wants to. [Laughter.]

Mr. REED. Not when the Senator is within his rights.

The VICE PRESIDENT. Or out of them.

Mr. REED. The Vice President's mind, I think, was on some other matter when this little occurrence happened.

Mr. President, I offer this amendment, as I offered one on a former occasion, in good faith. If we have the right to adopt the amendment offered by the Senator from Iowa [Mr. CUMMINS], we have the right to adopt this amendment. If it is right to stop the manufacture of grains into whisky and into beer, it is right to stop the waste of fruits in the manufacture of wines and of brandies. If it is right to enact these laws in the interest of the health of our soldiers, and if it is desirable to enact them to the end that our fighting men may be sober and the people at home may be sober, then I protest that it is equally right to insist that they shall not become drunken upon brandy or wine. If we enact these laws in the interest of the preservation of food products, then I say that it is almost as essential to prevent the destruction of apples and of peaches and of grapes as it is to prevent the destruction of barley—a thing that is used only to a slight extent in this country for food.

If it is desired now that this war shall be waged by a sober Nation—that the evils due to the use of intoxicants shall be suspended and cut off during this great conflict—if the arguments that have been made here by gentlemen who are advocates of prohibition are sound arguments, then this is the time and this is the occasion to carry them into effect, and not to adopt a miserable subterfuge that will permit everybody in the country to get drunk on wine or to become intoxicated upon brandy. Let us, if we are going to have prohibition in this country, have it. Let us have its blessings. Let us make it so that there will be no drunkenness and no destruction of food products.

Mr. President, if the constitutional authority exists for the amendment of the Senator from Iowa, then the constitutional authority indubitably exists for the amendment I have offered; and I am curious to know how many men there are now who really are willing to cut off grog and cut it off completely.

Mr. VARDAMAN. I ask for the yeas and nays on the amendment to the amendment.

Mr. KENYON. May I ask the Senator from Missouri a question? He can answer it in my time. I should like to ask the Senator if he considers his amendment to be constitutional?

Mr. REED. Undoubtedly, if the main amendment is constitutional. I am offering it to the amendment. I say it stands on an exact parity with the amendment, and I am dealing with that question now. If that amendment be constitutional this amendment to the amendment is constitutional.

Mr. KENYON. If the Senator's amendment will bring about national prohibition during the war I shall be glad to see it adopted. I am inclined to think that it is constitutional and shall vote for it.

Mr. GALLINGER. Mr. President, when the Greeks come bearing gifts it is a good idea to beware of them.

The VICE PRESIDENT. The yeas and nays are requested on agreeing to the amendment to the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. COLT (when his name was called). I announce my pair with the senior Senator from Delaware [Mr. SAULSBURY] and withhold my vote.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON], and I therefore withhold my vote. If permitted to vote I would vote "yea."

Mr. REED (when his name was called). Making the same transfer of my pair as on the last vote, I vote "yea."

Mr. THOMAS (when his name was called). In the absence of the Senator from North Dakota [Mr. MCCUMBER], with whom I am paired, I withhold my vote.

Mr. WOLCOTT (when his name was called). I make the same announcement of my transfer as on the last vote and vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. Making the same transfer of my pair with the Senator from Pennsylvania [Mr. KNOX] as heretofore, I vote "yea."

Mr. HUSTING. I wish to announce the necessary absence of the junior Senator from South Dakota [Mr. JOHNSON]. I will let this announcement stand for the day.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS].

The result was announced—yeas 25, nays 47, as follows:

YEAS—25.

Ashurst	Jones, Wash.	Myers	Sutherland
Beckham	Kendrick	Poindexter	Thompson
Brady	Kenyon	Reed	Trammell
Chamberlain	Kirby	Shafroth	Vardaman
Cummins	La Follette	Sheppard	
Curtis	Lewis	Sherman	
Gronna	McKellar	Stone	

NAYS—47.

Bankhead	Harding	New	Smith, S. C.
Brandegee	Hardwick	Norris	Smoot
Broussard	Hollis	Overman	Sterling
Calder	Husting	Page	Swanson
Culberson	James	Phelan	Townsend
Fletcher	Johnson, Cal.	Pittman	Underwood
France	Kellogg	Pomerene	Wadsworth
Frelinghuysen	King	Ransdell	Walsh
Gallinger	Lodge	Robinson	Warren
Gerry	McLean	Shields	Weeks
Gore	Martin	Simmons	Wolcott
Hale	Nelson	Smith, Ga.	

NOT VOTING—24.

Borah	Hitchcock	McCumber	Smith, Md.
Colt	Hughes	Newlands	Smith, Mich.
Dillingham	Johnson, S. Dak.	Owen	Thomas
Fall	Jones, N. Mex.	Penrose	Tillman
Fernald	Knox	Saulsbury	Watson
Goff	Lane	Smith, Ariz.	Williams

So Mr. REED's amendment to the amendment was rejected.

Mr. WEEKS. I offer the following amendment to the amendment.

The VICE PRESIDENT. It will be stated.

The SECRETARY. Add the following proviso:

Provided further, That the provisions of this section shall not apply to the manufacture of rum used exclusively in the preparation of tobacco for the market.

Mr. WEEKS. Mr. President, I do not pretend to be an expert in the curing of tobacco, but I am informed that practically all the rum that is produced in this country is produced from molasses brought from Santa Cruz and other West Indian Islands, and that that rum is used in the curing of tobacco, not only plug tobacco, but tobacco used for cigars and other purposes. It does not seem to me that it comes within the intent or the spirit of this legislation, and therefore I think the amendment should be adopted.

Mr. CUMMINS. Mr. President, I do not know just how much rum is used in curing tobacco. I have always been led to believe that a small quantity of it is used in certain forms of chewing or plug tobacco, but not in other forms of tobacco. However that may be, the manufacturers of tobacco will have no difficulty in importing enough rum to supply their needs in the manufacture of tobacco. What I am trying to do is to preserve the food supply, and I do not want any of the sugar or molasses or sirup that we have in this country which can be used for food converted into rum, even though it may be very desirable in the production of some forms of tobacco. Everybody knows that these manufacturers will have access to enough rum to use in their factories for the next year.

Mr. WEEKS. Before the Senator takes his seat, I should like to ask him if he knows where the molasses comes from that is used in the manufacture of rum in this country?

Mr. CUMMINS. The Senator from Massachusetts stated in his remarks a moment ago where it came from. I did not dispute him, and it may be inferred that I accepted his statement.

Mr. WEEKS. Therefore I conclude that we are not using molasses or any similar product that is produced in this country for making rum to any considerable extent.

Mr. SMITH of Georgia. I ask that it be once more stated by the Secretary.

The VICE PRESIDENT. The Secretary will read the amendment to the amendment.

The Secretary read as follows:

Provided further, That the provisions of this section shall not apply to the manufacture of rum used exclusively in the preparation of tobacco for the market.

Mr. CUMMINS. Upon the amendment to the amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CHAMBERLAIN (when his name was called). Making the same transfer of my pair as heretofore, I vote "nay."

Mr. FERNALD (when his name was called). I make the same announcement of my pair as before and withhold my vote. If permitted to vote, I would vote "nay."

Mr. WOLCOTT (when his name was called). I make the same transfer of my pair as on the last two votes and vote "yea."

The roll call having been concluded, the result was announced—yeas 37, nays 39, as follows:

YEAS—37.

Bankhead	James	New	Thomas
Brandegee	Johnson, Cal.	Overman	Underwood
Broussard	Jones, N. Mex.	Pomerene	Wadsworth
Calder	Kellogg	Ransdell	Warren
France	King	Sherman	Watson
Frelinghuysen	Lodge	Simmons	Weeks
Gerry	McCumber	Smith, Ga.	Wolcott
Harding	McLean	Stone	
Hollis	Martin	Sutherland	
Husting	Nelson	Swanson	

NAYS—39.

Ashurst	Gronna	Myers	Shields
Beckham	Hale	Norris	Smith, S. C.
Brady	Hardwick	Page	Smoot
Chamberlain	Jones, Wash.	Phelan	Sterling
Culberson	Kendrick	Pittman	Thompson
Cummins	Kenyon	Poindexter	Townsend
Curtis	Kirby	Reed	Trammell
Fletcher	La Follette	Robinson	Vardaman
Gallinger	Lewis	Shafroth	Walsh
Gore	McKellar	Sheppard	

NOT VOTING—20.

Borah	Goff	Lane	Smith, Ariz.
Colt	Hitchcock	Newlands	Smith, Md.
Dillingham	Hughes	Owen	Smith, Mich.
Fall	Johnson, S. Dak.	Penrose	Tillman
Fernald	Knox	Saulsbury	Williams

So Mr. WEEKS's amendment to the amendment was rejected.

Mr. STONE. I propose the amendment which I send to the desk.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Secretary will report the amendment to the amendment.

The SECRETARY. After the word "kind," before the first proviso, it is proposed to insert the following:

Provided, That nothing in this section shall prevent the use of sugar or sirup in the manufacture of wine as now authorized by existing law.

And also to strike out the words "*Provided, however,*" in line 7, and in lieu thereof to insert the words "*Provided further,*" so that the section will read:

That on and after September 1, 1917, and during the period of the war with the Imperial Government of Germany it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind: *Provided*, That nothing in this section shall prevent the use of sugar or sirup in the manufacture of wine as now authorized by existing law: *Provided further*, That this section shall not be construed—

And so forth.

Mr. STONE. Mr. President, I ask the attention of Senators for a few moments, that I may endeavor to make plain what is intended by this amendment. The prohibition question is in no sense involved in the amendment. I wish to make that statement emphatic and to have it understood.

The Senate has just voted upon an amendment to include wine in the provisions of this section proposed by the Senator from Iowa, and voted it down. So wine, in any event, will continue to be manufactured.

Mr. President, for 20 years or more there has been a struggle going on between the manufacturers of wine in California and the manufacturers of wine in the States east of the Rocky Mountains. This latter class embraces a number of States. The contest grew out of this state of facts: In California, by reason of climate and soil conditions, grapes produced there contain a sufficient quantity of saccharine to enable the California wine makers to dispense with the use of artificial amelioration. I mean the addition of sugar. On the contrary, the manufacturers of wine in California are required to add acid to their wine instead of sugar. The very reverse of that is true in the Middle Western and Eastern States. The grapes produced in those States do not ordinarily possess an adequate amount of saccharine matter to enable the wine producers in those States to make a commercial wine without the addition of sugar and water.

That old contest—I have not the time at my disposal to enable me to go into the details of it and to make it understood by those who are not familiar with it, but it is an old struggle—was fought out here for years and years in Congress. At the last Congress we passed a bill, after a heated contest, providing, as a sort of compromise between the California grape growers and wine makers and the grape growers and wine makers of the balance of the country, that a certain amount of sugar might be used in our middle western and eastern wines, to ameliorate them so as to make them merchantable. That was agreed upon and it was passed here into law.

Senators, if this provision that no sugar shall be used in the manufacture of any kind of alcoholic drinks is adopted, then the wine manufacturers of every State this side of the Rocky Mountains will be put out of business, because it will nullify the very law of which I have spoken, which we passed here as a matter of compromise between the parties in this contest, and it would give, as the Senator from Ohio [Mr. POMERENE] suggests to me, an absolute monopoly to California in wine production in the United States.

The percentage of sugar used in the manufacture of wines in the Middle Western and Eastern States is but a small percentage of the aggregate production. I am not able at this moment to state—because the thing has come up here in such a way that I have not had an opportunity to try to ascertain it, if it is possible to do so—but it is bound to be an infinitesimal percentage of the total.

I think, Senators, you do not want to overturn what we did here after long years of struggle. I say "we did," but I should say, what the Congress of the United States did after long years of patient investigation and discussion of this question and settled it.

Now, here, in the pressure of this moment, in the circumstances of this time, this proposition is injected by the Senator from California as an amendment to the amendment of the Senator from Iowa. So if you include sugar and sirup, without the qualifying amendment which I have offered, then you wipe out the grape-growing and wine-making industry of every State outside of California. Do you want to do that? I hope you do not.

What I have offered as a proviso is that nothing in this section shall prevent the use of sugar or sirup as now provided by law for the amelioration of wine, and that is all there is to it.

Mr. PHELAN. Mr. President, there is no necessity for any heat in a discussion of this kind, for earlier in the day I took occasion to state that there is no intention whatever on my part to bar the wines of Missouri and of Ohio from the benefits of this act. I am opposed to monopoly—even to a California monopoly—and the amendment proposed by the Senator from Missouri to the amendment is therefore entirely agreeable to me. I believe it should be adopted because it removes a suspicion which hovers over the amendment of the Senator from Iowa in that respect. There is no intention on the part of anybody to discriminate against the wines of Missouri and Ohio.

It is an error to state that acid is added to California wine. It naturally matures.

Mr. WILLIAMS. Mr. President, I agree with the Senator from Missouri [Mr. STONE] that this is quite an old question. The truth is that California makes a wine grape, and very few parts of the remainder of the United States do; and that, in order to make something that may be sold as wine, those outside of California have to put a whole lot of sugar in their product; but I agree with the Senator from California [Mr. PHELAN] that that question ought not to present itself just now. I shall, therefore, vote for the amendment offered by the Senator from Missouri, partially for that reason and partially because the matter was settled by compromise when we drew up the last revenue bill.

Now, I want to go back to the main amendment, which is the amendment offered by the Senator from Iowa [Mr. CUMMINS]. I am about as little of a fanatic upon the liquor question, I suppose, as anybody in the world. I have never pretended to be a saint in the way of abstinence, or to be a very strong and strenuous prohibitionist, except in so far as Mississippi has instructed me by her action, which I consider myself in honor bound to obey and sincerely to represent; but I do think, Mr. President, that while the whole world is in a conflict unprecedented in the history of the world—for absolutely there has been nothing like it in the history of recorded events, and nothing like it in prophecy, except the prophecy of Armageddon—that now when speculators are driving up the prices of foodstuffs every day, when the real and genuine demand is making them go up, and when the paucity of the supply is also making the prices go up, owing to the fact that some 12,000,000 men are now under arms, many of whom were producers of foodstuffs, it is madness to be wasting anything that can feed man or beast merely to make something to drink, which, after all, is a luxury—a very stimulating luxury and a very welcome one now and then, but after all a luxury, and without which a man of any degree of stamina and courage when actuated by the proper patriotism can very well afford to do.

That is not all, Mr. President. We want to help our allies across the sea; and if anything in the world will have an effect

right now upon the price of corn and wheat and barley and rice in the way of making them go down in price or else in the way of making them cease to go up in price so rapidly as they are now going, it would be the announcement of the fact that they can not be used for these purposes.

One more thing, and I shall have finished. If there is anybody who thinks that mankind is going to suffer for whisky or rum or anything else of that sort during the war period, he is mistaken. The number of barrels of whisky piled up in bond to-day would carry the American people through their drinking habits if this war lasted four more years without even rationing them—putting them upon short rations—as they do put human beings upon short rations in Europe with regard to things very much more essential; in fact, with regard to things absolutely necessary for human existence—bread and meat.

Now, it does seem to me that we ought to rise to the occasion regardless of our view upon the liquor question and say that during this war nothing that is fit for food for man or beast, to help win the war, shall go into intoxicating liquors except so much of it as may be absolutely necessary, perhaps, to manufacture neutral alcohol for the arts, and I think none will be necessary, because it can be manufactured from distilled alcoholic liquors already in existence.

Mr. President, it seems to me that we owe that to our population; we owe it to the population of France and of Great Britain and of the world; we owe it to the cause as it is now. There is no sacrifice about it that is worth anything particularly; and if there were we still ought to make it. Therefore I am in favor of the amendment offered by the Senator from Iowa.

Mr. CUMMINS. Mr. President, my sole purpose in bringing forward this amendment was to preserve the food supply of the country, to prevent its waste by being used in the manufacture of intoxicants. I consented to the change suggested by the Senator from California [Mr. PHELAN] because it was represented to me—and I could recognize the force of the representation—that it was impossible to preserve the fruits of the country; and to insist that they should be included in the prohibition would indicate that I was endeavoring to advance the cause of prohibition instead of endeavoring to preserve the food we have for the sustenance of our people and of the people across the sea. But I can recognize the force of the argument made by the Senator from Missouri [Mr. STONE]. I understand that situation, because we have fought it out here in times past, so that every Member knows the relation between the wine-producing districts of the western and eastern parts of the country and of California.

The amount of sugar that will be consumed in the production of wine in the western and eastern parts of the country is so small that it is practically negligible from the standpoint I am now occupying, and I do not intend to oppose the amendment offered by the Senator from Missouri.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator of Missouri to the amendment proposed by the Senator from Iowa.

The amendment to the amendment was agreed to.

Mr. BRANDEGEE. Mr. President, I should like the attention of the Senator from Iowa, the author of the amendment, for a moment to ask him a question. I notice in the first two lines of the amendment the following:

That on and after September 1, 1917, and during the period of the war with the Imperial Government of Germany—

I suggest that the word "and" be stricken out. It would seem as though there were two impressions conveyed. If the words "during the war with Germany" were not in it, the act would be a permanent act; and it seems to me that by using the word "and" the same impression might be created.

Mr. CUMMINS. Will the Senator read it as it would be if the word "and" were stricken out?

Mr. BRANDEGEE. It would then read:

That on and after September 1, 1917, during the period of the war with the Imperial Government of Germany—

Mr. CUMMINS. Mr. President, I have no objection to that at all.

While I am on my feet I want to insert the word "industrial" after the word "mechanical." I do it at the suggestion of the Senator from Oklahoma [Mr. GORE]. It is thought that the word "mechanical" might not cover the use of alcohol or spirits in the manufacture of powder, munitions, and the like; and I do not want any possibility of that interpretation. I think the Senator from Delaware [Mr. WOLCOTT] also suggested that amendment.

Mr. WALSH. Mr. President, because the question is very likely often to arise in the immediate future, as well as in connection with this particular bill under consideration, I send to the desk and ask the Secretary to read section 715 in the second volume of Willoughby on the Constitution, which expresses in general terms the power of Congress under the war authority. I commend it particularly to the Senator from Missouri [Mr. REED] in connection with the case of ex parte Milligan.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

The constitutional power given to the United States to declare and wage war, whether foreign or civil, carries with it the authority to use all means calculated to weaken the enemy and to bring the struggle to a successful conclusion. When dealing with the enemy all acts that are calculated to advance this end are legal. Indeed, the President in the exercise simply of his authority as Commander in Chief of the Army and Navy, may, unless prohibited by congressional statute, commit or authorize acts not warranted by commonly received principles of international law; and Congress may by law authorize measures which the courts must recognize as valid, even though they provide penalties not supported by the general usage of nations in the conduct of war. Thus during the Civil War in certain cases the provision by congressional statute for the confiscation of certain enemy property or land was enforced, though such confiscation was not in accordance with the general usage of foreign States.

Even in dealing with its own loyal subjects, the power to wage war enables the Government to override in many particulars private rights which in time of peace are inviolable.

The power to wage war carries with it the authority not only to bring it to a full conclusion but, after the cessation of active military operations, to take measures to provide against its renewal. As the court says in Stewart *v.* Kahn: "The measures to be taken in carrying on war and to suppress insurrection are not defined. The decision of all such questions rests wholly in the discretion of those to whom the substantial powers involved are confided by the Constitution. In the latter case the power is not limited to victories in the field and to the dispersion of the insurgent forces. It carries with it inherently the power to guard against the immediate renewal of the conflict, and to remedy the evils which have arisen from its rise and progress."

Mr. STONE. Mr. President, there is one matter that I want especially to lay before the Senator from Iowa and generally before the Senate.

The Senator from Mississippi [Mr. WILLIAMS] a few moments ago stated a fact—at least, I agree with him in believing it to be a fact—which is of special significance at this time, namely, that the distillery warehouses now have piled up a supply of whisky sufficient to carry their trade for two or three years; and I am told that there is not a whisky distiller in the United States who objects to this kind of legislation. Why do not they object? They do not object because this kind of legislation would close the door against all competition with them and afford them an opportunity to bull the market and put up prices on their stored products. You are simply about to legislate millions into the pockets of these men. After the war, and after they have worked off their stored surplus, they will open their distilleries again, as they can do under this bill. You are playing into their hands.

Now, I want to speak about the manufacturers of beer, and on this I ask the attention of Senators. I want you to work your brains a little bit and say to yourselves whether the thing I am going to say to you is worth thinking about.

A lawyer of prominence in St. Louis, who represents a brewery, sent me a document which I have in my hand. I can not personally vouch for the accuracy of the figures in this document. He does vouch for them. He says that they are taken from the official reports of the United States, and in the manufacture of beer this document says the amount of grain used is as follows:

Wheat, none.
Oats, none.
Rye, none.
Barley, bushels, 52,439,000.
Corn products, bushels, 15,711,000.
Rice, bushels, 2,354,000.

And that is all that is used in the manufacture of beer, according to this statement, the accuracy of which is vouched for by one of the most prominent and respectable lawyers and citizens of St. Louis. I do not vouch for the figures, for I have had no time to verify them. But they are vouched for as being officially correct by a man of high character, as I have stated. Will anyone here contradict the accuracy of this statement?

Now, what is the meaning, the significance of this? It means that of the entire grain product of the United States, only three-fourths of 1 per cent, according to this statement, is used in the manufacture of beer, and that consists altogether of barley, corn, and rice, and the amount of corn and rice so used is negligible.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. STONE. I would like to, if I do not——

Mr. BRANDEGEE. I merely wanted to suggest that one-third of that goes back again into the food product of the country by being fed to cattle.

Mr. STONE. I know that, and took that into account. I have not time to go into the details. Counting in what goes back as cattle feed, the total consumption, or what some of you call food waste because used in the manufacture of beer, would be only three-fourths of 1 per cent of the grain product of the country. The consumption therefore is too small to think about or care about from that viewpoint.

Now, here is what I particularly want you to think about: How many thousands of men with families in the United States are employed in the brewing business? I can not say; but there are many thousands. There are thousands in my State, and greater numbers in other States. Altogether, I suspect, there may be a hundred thousand men in the United States employed in this way, most of them with families. If you close the breweries, you will put these people out of employment; you will send in this time of war thousands of men with families into the streets without employment, to say nothing of the loss to those whose money is invested. These people must have some way of supporting themselves, or else they become vagabonds and a charge upon public charity. Is that view of this subject worth thinking about? I merely suggest this view for your serious consideration—if only you will consider it seriously—and leave it at that. I have not time to discuss it.

Mr. GRONNA. Mr. President, I shall occupy but a moment in the discussion of the pending amendment. The amendment offered by the Senator from Iowa is not a prohibition measure, and the Senator himself has so stated. I do not think it is a great conservation measure—that is, in the form in which it is now. I proposed an amendment a short time ago, but I was unable to get a record vote upon it.

The PRESIDING OFFICER. The Chair inquires of the Senator from North Dakota whether or not he submits an amendment, and calls his attention to the fact that he has already spoken on the pending amendment.

Mr. GRONNA. For the purpose of speaking to the bill, I will offer an amendment as a substitute for the amendment of the Senator from Iowa.

The PRESIDING OFFICER. The Senator from North Dakota offers an amendment, which the Secretary will state.

Mr. GRONNA. I offer it as a substitute for the amendment of the Senator from Iowa, and ask to have it read before I proceed to speak.

Mr. OVERMAN. It has been read once.

Mr. GRONNA. Not this one.

The SECRETARY. It is proposed to insert, in the proper place, the following——

Mr. OVERMAN. I ask the Senator if he will not consent to have his amendment printed in the RECORD, unless he is going to insist on it.

Mr. GRONNA. It is very important to have the Senators know what it is.

Mr. OVERMAN. It can be printed in the RECORD.

The PRESIDING OFFICER. The Secretary will read the proposed substitute.

The Secretary read as follows:

That for the purpose of conserving during the present war all agricultural food products and to prohibit the manufacture of said food products into alcoholic liquors it shall be unlawful during such period for any person, firm, corporation, or association to use for manufacture into alcohol or alcoholic liquors any cereals, vegetable, fruits, or any agricultural food product: *Provided*, That nothing in this act shall be construed to prohibit the Government of the United States, through the Secretary of Agriculture, from issuing to any person, firm, corporation, or association a license to use any such agricultural food products in the manufacture of alcohol for use in the manufacture of high explosives, or for any other purpose necessary to carry on the war, or for sacramental or mechanical purposes.

SEC. 2. That the manufacture, sale, or gift of any alcohol or alcoholic liquors for beverage purposes is hereby prohibited, but it shall be lawful for any person, firm, corporation, or association to use, manufacture, or redistill into alcohol for manufacture of explosives or other military, industrial, or scientific purposes any and all intoxicating liquors now in existence and which may have been manufactured or distilled prior to the passage and approval of this act; and when such liquor is so used, manufactured, or redistilled the tax thereon, as now provided for, shall be waived or refunded. All the provisions of this act shall be carried out under such rules and regulations as the Secretary of the Treasury shall prescribe.

SEC. 3. That any person, firm, corporation, or association who shall violate the provisions of this act shall be guilty of felony and shall be punished by a fine not exceeding $5,000 or by imprisonment at hard labor not exceeding one year, or by both such fine and imprisonment.

Mr. GRONNA. Mr. President, I beg the attention of the Senators for just a moment.

Section 2 of this substitute provides for redistillation of the whisky now on hand. It has been stated upon this floor that we have at least 300,000,000 gallons of whisky on hand. If redistilled and used in the manufacture of high explosives—and I think every Senator here realizes the need of alcohol in the manufacture of explosives—that would be the means of conserving 75,000,000 bushels of grain. This is a real conservation measure and prohibition measure during the war. I trust that the Senators who are here will take enough time to consider this matter, even if it is late, because I believe that this provision is worthy of your consideration.

We know that we are going to have a short crop this year. I know that an enormous amount of grain is being asked by the allies. I know that we can not furnish it to them. I know that millions of bushels of grain must be used in the manufacture of alcohol to be used in the manufacture of high explosives. We can take this liquor, pay for it, convert these distilleries into munition factories, and these men need not lose a dollar, and the Government of the United States will have saved, for the allies and for itself, at least 75,000,000 bushels of grain.

Now, I do not want to delay the Senate any further. Section 1 is practically the same as the amendment of the Senator from Iowa, except that I have not parceled out any particular locality. I do not believe that in times of war any particular industry should be favored. You have protected the grape industry, you have protected the fruit industry, you have protected the molasses industry in the amendment offered by the Senator from Iowa. My bill does not except anything that is fit for food, because I believe it is more important to successfully carry on and prosecute this war, to conserve it all for food, rather than to have it manufactured into drink.

Upon the substitute I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Dakota in the nature of a substitute for the amendment of the Senator from Iowa. On that the yeas and nays are demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when Mr. CHAMBERLAIN'S name was called). The Senator from Oregon [Mr. CHAMBERLAIN] has been called from the Chamber on official business. He is paired with the junior Senator from Pennsylvania [Mr. KNOX]. If the Senator from Oregon were here and at liberty to vote, he would vote "yea."

Mr. FERNALD (when his name was called). I make the same announcement as before and withhold my vote.

Mr. MYERS (when his name was called). My pair, the Senator from Connecticut [Mr. MCLEAN], is absent. I transfer that pair to the Senator from Oklahoma [Mr. OWEN] and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN] and withhold my vote.

Mr. REED (when his name was called). I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the senior Senator from Nevada [Mr. NEWLANDS] and vote "yea."

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). I announce the absence of my colleague [Mr. SMITH of Michigan] on important business and his pair with the junior Senator from Missouri [Mr. REED]. This announcement may stand for all votes to-day.

Mr. THOMAS (when his name was called). In the absence of my pair, the Senator from North Dakota [Mr. MCCUMBER], I withhold my vote.

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

The roll call was concluded.

Mr. OVERMAN. I transfer my pair with the Senator from Wyoming [Mr. WARREN] to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH]; and

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 24, nays 46, as follows:

YEAS—24.

Ashurst	Hale	La Follette	Reed
Beckham	Husting	McKellar	Shafroth
Brady	Jones, Wash.	Myers	Sheppard
Curtis	Kendrick	Norris	Sherman
Gallinger	Kenyon	Page	Thompson
Gronna	Kirby	Poindexter	Townsend

NAYS—46.

Bankhead	Fall	Harding	Jones, N. Mex.
Brandegee	Fletcher	Hardwick	Kellogg
Broussard	France	Hollis	King
Calder	Frelinghuysen	James	Lewis
Cummins	Gerry	Johnson, Cal.	Lodge

Martin	Ransdell	Sterling	Wadsworth
Nelson	Robinson	Stone	Walsh
New	Shields	Sutherland	Weeks
Overman	Simmons	Swanson	Williams
Phelan	Smith, Ga.	Trammell	Wolcott
Pittman	Smith, S. C.	Underwood	
Pomerene	Smoot	Vardaman	

NOT VOTING—26.

Borah	Gore	McLean	Smith, Mich.
Chamberlain	Hitchcock	Newlands	Thomas
Colt	Hughes	Owen	Tillman
Culberson	Johnson, S. Dak.	Penrose	Warren
Dillingham	Knox	Saulsbury	Watson
Fernald	Lane	Smith, Ariz.	
Goff	McCumber.	Smith, Md.	

So Mr. GRONNA's amendment in the nature of a substitute for the amendment of Mr. CUMMINS was rejected.

The VICE PRESIDENT. The question recurs on the amendment of the Senator from Iowa as amended.

Mr. STERLING. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARDING. Mr. President, I am not going to detain the Senate. I only want to say that I have refused to vote for these amendments, because I have a very strong conviction, without criticizing the Senator who is responsible for the amendment or any who have supported it, that it is a very inconsistent and a very unreasonable and a very unwise thing to do, to bring a measure of such transcendent importance as this and hook it on a bill which has nothing to do with the question. Because of that I have refused to support it. I am not sure that I would not be willing to vote for a genuinely grain-conserving proposition in dealing with the question in time of war, but before I consent to vote for it I want very much to know more than has been developed in this one debate, limited to 10 minutes. I think I ought to say this in justice to myself.

Mr. GALLINGER. Mr. President, having occupied very little time in the discussion of this important bill, I feel justified, notwithstanding the impatience of the Senate to vote, to occupy possibly five minutes in presenting one phase of the subject to the Senate.

Mr. President, on the 7th day of May I submitted to the Senate a table prepared by the Old Dutch Market Co., covering 60 items, including groceries, beef, pork, lard, vegetables, and fruits, which table showed that from April, 1914, to April, 1917, the increase in prices averaged 85.32 per cent.

I now beg to submit another table prepared by the same authorities showing that from October, 1916, to May, 1917, there has been an average increase of 54 per cent in the same products, covering 79 items. The upward swing in prices goes on uninterruptedly, and no man is wise enough to suggest when it will come to an end unless it can be reached through some form of legislation.

I ask unanimous consent to have the table to which I have alluded printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The table referred to is as follows:

Comparison of retail prices of foods October, 1916, and May, 1917.

Articles.	October, 1916.	May, 1917.	Increase, per cent.
Granulated sugar, pound	$0.07	$0.10	43
Gold medal flour, barrel	10.00	15.20	52
Pride of Columbia, barrel	8.16	13.20	62
Challenge milk	.10	.15	50
Evaporated milk, tall	.09	.13	44
Evaporated milk, small	.04	.06	50
Standard tomatoes, No. 3 can	.12	.18	50
Maine corn	.13	.17	30
Sugar corn	.09	.15	66
Sifted E. J. Peas	.13	.19	46
E. J. Peas	.10	.15	50
Wagner's baked beans, No. 2	.10	.15	50
Ritter's baked beans, No. 2	.09	.15	66
Campbell's baked beans, No. 2	.09	.18	100
White corn meal	.04	.06	50
Hominy	.04	.05	25
Head rice	.08	.10	25
Broken rice	.04	.06	50
Oatmeal	.04½	.06	33
Macaroni, bulk	.09	.13	44
Spaghetti, bulk	.09	.13	44
Prunes, small	.05	.08	60
Prunes, large	.12	.16	33
Chum salmon	.09	.16	77
Pink salmon	.12	.18	50
Red salmon	.18	.25	39
Navy beans	.09	.19	111
Lima beans	.10	.20	100
Wagner's catsup	.09	.12	33
Campbell's soup	.09	.13	44
Split peas	.07	.12	71
Black eyed peas	.07	.08	14
Asparagus	.17	.23	35
Asparagus tips	.20	.25	25

Comparison of retail prices of foods October, 1916, and May, 1917—Contd.

Articles.	October, 1916.	May, 1917.	Increase, per cent.
Beets, canned	$0.12	$0.18	50
Cream of wheat	.15	.20	33
Brooms, No. 7, parlor	.45	.65	44
Domestic sardines	.04	.06	50
Molasses, No. 3 can	.09	.18	100
Table sirup, G. C.	.09	.13	44
Table sirup, Karo	.10	.13	30
California peaches, cans No. 3, seconds	.12	.16	33
California peaches, extra standard No. 3	.14	.20	43
Plantation pineapple, No. 2 can	.13	.18	39
Peanut butter, bulk	.10	.15	50
Lump starch	.04	.06	50
Cornstarch	.05	.07	40
Canned spinach, large can	.12	.18	50
Rib roast	.18	.25	40
Chuck roast	.15	.22	46
Plate beef	.13	.16	23
Porterhouse steak	.24	.37	54
Sirloin steak	.22	.34	54
Round steak	.20	.32	60
Chuck steak	.16	.25	56
Hamburg steak	.14	.20	43
Butter, extra creamery	.42	.55	31
Fresh hams	.21	.27	29
Fresh shoulders	.17	.22	30
Fresh pork chops, shoulder	.22	.28	27
Fresh pork chops, loin	.26	.32	23
Fresh pork roast, blade	.21	.28	33
Fresh pork roast, loin	.25	.30	20
Corned shoulders	.15	.20	33
Corned hams	.20	.24	20
Smoked hams	.21	.25	19
Smoked hams, sliced	.35	.45	28
Smoked shoulders	.15	.21	40
Smoked bacon	.25	.34	36
Smoked sausage	.18	.25	39
Pure lard	.18	.25	39
Compound lard	.15	.20	33
Potatoes, peck	.42	1.00	138
Onions, pound	.03½	.10	186
Lettuce, each	.08	.10	25
Sweet potatoes, peck	.30	.75	150
Cabbage, pound	.05	.15	200
Apples, peck	.35	.60	71
Bananas, dozen	.20	.25	25
Lemons, dozen	.15	.20	33
Total of items, 79	29.48	45.30	

Average net increase, 54 per cent.

Mr. GALLINGER. It seems to me, Mr. President, that if we can prevent cereals and grains from being converted into alcoholic beverages the food supply will be greatly added to and possibly that fact may tend to prevent any further enhancement of food prices.

For that reason, Mr. President, believing that we ought to conserve our food supply as much as possible, and feeling that it is much better to use the products of the farm for food purposes rather than to convert them into alcoholic beverages, I warmly support the amendment submitted by the Senator from Iowa.

Mr. LA FOLLETTE. Mr. President, I voted for the amendment offered by the Senator from North Dakota [Mr. GRONNA] because it would conserve effectively a great food supply, not less than 75,000,000 bushels of grain, of which not less than 15,000,000 bushels is wheat. Had that substitute been adopted it would have conserved the food supply of this country for the next year.

I shall vote against the pending amendment because, in my judgment, it is not a real conservation measure. It will not conserve the food supply of the country. No rye, which is a grain food, enters into the manufacture of beer. No wheat enters into the manufacture of beer. The corn used in the manufacture of beer is a negligible quantity. Fifty-two million bushels of barley were consumed in the manufacture of beer last year. Under the terms of this amendment you will destroy the market for this year's barley crop. The farmers have planted this year's crop with the expectation of the usual market, but this proposition destroys any hope of return. It is a blow at the farmers of Iowa, Minnesota, and Wisconsin, the great barley-producing section. Barley is not a human food. It can be fed to hogs. But the farmers of this country would not sow it unless they expected to be able to market it. Because of the great injustice which this amendment will work, because it is not a real conservation measure, because it is unfair and discriminates against these farmers who have planted in good faith, I shall vote against it.

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when Mr. CHAMBERLAIN's name was called). The Senator from Oregon [Mr. CHAMBERLAIN] has

been called from the Chamber on official business. He is paired with the junior Senator from Pennsylvania [Mr. KNOX]. If the Senator from Oregon were here and at liberty to vote, he would vote "yea."

Mr. FERNALD (when his name was called). I make the same announcement of my pair as before, and therefore withhold my vote. If permitted to vote I would vote "yea."

Mr. MYERS (when his name was called). I make the same announcement of my pair and its transfer that I made on the last vote, and I vote "yea."

Mr. REED (when his name was called). Making the same transfer of my pair as was announced on the last vote, I vote "nay."

Mr. SAULSBURY (when his name was called). Has the senior Senator from Rhode Island [Mr. COLT] voted?

The VICE PRESIDENT. He has not.

Mr. SAULSBURY. I have a pair with that Senator and withhold my vote.

Mr. THOMAS (when his name was called). In the absence of the Senator from North Dakota [Mr. MCCUMBER], with whom I am paired, I withhold my vote.

Mr. WILLIAMS (when his name was called). Repeating the announcement of my pair and its transfer, I vote "yea."

Mr. WOLCOTT (when his name was called). Making the same transfer of my pair as on the last vote, I vote "yea."

The roll call was concluded.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH]; and

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

Mr. OVERMAN (after having voted in the negative). Noting the absence of the Senator from Wyoming [Mr. WARREN], with whom I have a general pair, I transfer my pair to the Senator from Arizona [Mr. SMITH] and allow my vote to stand.

The result was announced—yeas 38, nays 32, as follows:

YEAS—38.

Ashurst	Kendrick	Pittman	Swanson
Beckham	Kenyon	Poindexter	Thompson
Brady	King	Shafroth	Townsend
Cummins	Kirby	Sheppard	Trammell
Curtis	McKellar	Sherman	Vardaman
Gallinger	Martin	Shields	Walsh
Gore	Myers	Smith, Ga.	Williams
Hale	Norris	Smoot	Wolcott
Johnson, Cal.	Page	Sterling	
Jones, Wash.	Phelan	Sutherland	

NAYS—32.

Bankhead	Gerry	La Follette	Reed
Brandegee	Harding	Lewis	Robinson
Broussard	Hardwick	Lodge	Simmons
Calder	Hollis	Nelson	Smith, S. C.
Fall	Husting	New	Stone
Fletcher	James	Overman	Underwood
Francc	Jones, N. Mex.	Pomerene	Wadsworth
Frelinghuysen	Kellogg	Ransdell	Weeks

NOT VOTING—26.

Borah	Gronna	McLean	Smith, Mich.
Chamberlain	Hitchcock	Newlands	Thomas
Colt	Hughes	Owen	Tillman
Culberson	Johnson, S. Dak.	Penrose	Warren
Dillingham	Knox	Saulsbury	Watson
Fernald	Lane	Smith, Ariz.	
Goff	McCumber	Smith, Md.	

So Mr. CUMMINS's amendment as amended was agreed to.

Mr. BRANDEGEE. I call the attention of the Senator managing the bill to page 36. I should like to have order so that the Senator may hear me.

Mr. GALLINGER. Mr. President, I will ask the Senator from Connecticut to yield to me for a moment. I rise to inquire of the Senator in charge of the bill if it is his thought or purpose to get a final vote on the bill to-night.

Mr. OVERMAN. I should like to do so, but I think it is impossible. However, I should like to get the bill into the Senate. There are no other amendments that I know of.

Mr. THOMAS. I have an amendment to offer, a very important one, and it will be controverted also.

Mr. GALLINGER. If the bill is to go over until Monday, I think we might as well adjourn or take a recess at the present time.

Mr. OVERMAN. If there are no considerable amendments to be presented, I should like to have the bill reported to the Senate, and then we can discuss amendments in the Senate, and notice can be given of amendments to be reserved, if any reservations are to be made.

Mr. GALLINGER. I will say that I personally want to do what I can to expedite the passage of the bill, but if it is to go over it seems to me that it might as well go over now.

Mr. OVERMAN. It will go over, but I am going to notify the Senate that I shall ask to have a night session on Monday unless we finish the bill before a night session on Monday becomes necessary.

I move that the Senate take a recess until 11 o'clock on Monday.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m., Saturday, May 12, 1917) the Senate took a recess until Monday, May 14, 1917, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 12, 1917.*

The House met at 10.30 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal and everliving God, our Heavenly Father, we thank Thee for that sublime faith which in all the past has brought men to Thy feet in prayer, where they have found strength, consolation, hope, and guidance; for every thought evolved, for every truth discovered which holds us close to Thee and makes for righteousness in the soul. Grant that each of us may be able to say now and always, "Surely goodness and mercy shall follow me all the days of my life; and I shall dwell in the house of the Lord forever." We need in this hour of trial the faith, hope, and confidence of all the great men of the past to insure a successful issue of the war in which we have been plunged; that truth, liberty, justice, and righteousness may find full fruition in a world-wide peace which shall endure; for Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 33. Joint resolution to relieve the owners of mining claims who have been mustered into the military or naval service of the United States as officers or enlisted men from performing assessment work during the term of such service.

INCREASE OF THE MILITARY ESTABLISHMENT.

Mr. DENT. Mr. Speaker, I call up the conference report on the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

The SPEAKER. The gentleman from Alabama calls up the conference report which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. DENT. Mr. Speaker, I renew the request that I made yesterday, that debate on this report be limited to two hours, one half to be controlled by myself and the other half by the gentleman from California [Mr. KAHN], and that at the end of that time the previous question be ordered on the adoption of the report.

The SPEAKER. The gentleman from Alabama asks unanimous consent that debate on this conference report be limited to two hours, one half to be controlled by himself and the other half by the gentleman from California [Mr. KAHN], and that at the end of the two hours' debate the previous question shall be considered as ordered. Is there objection?

Mr. MANN. Reserving the right to object, so far as I am concerned I have no objection to the proposition unless it involves something else. It was stated yesterday that a point of order might be made upon this report, and there may be a motion to recommit the report. I have not examined the precedents to know whether a motion to recommit would be in order after the previous question is ordered, or what would be the effect upon a point of order against the conference report if the House now agrees to order the previous question.

The SPEAKER. The Chair suggests that if any gentleman has any point of order to make, he had better make it now.

Mr. MANN. I shall not make any point of order. It is not time to make the point of order now. You can not make a point of order until the conference report is laid before the House.

The SPEAKER. The Chair understands that. The Clerk will read the conference report. The Chair will put the gentleman's request after the statement has been read.

Mr. GARDNER. Mr. Speaker, the gentleman's request has not been put.

The SPEAKER. No; and the Chair is not going to put it until after this report is read.

Mr. GARDNER. Is it not in order for the gentleman to ask unanimous consent at any time?

The SPEAKER. Certainly; but everybody seems to be sort of mixed up about this thing, and the Chair thought that gentlemen, all of them, might collect their thoughts while the Clerk was reading the conference report. The Clerk will read the report. Nobody will lose any rights while I am in the chair.

The Clerk began the reading of the conference report.

Mr. MANN. Mr. Speaker, the conference report itself, I presume, is quite long, and I do not believe there will be any objection if the gentleman asks unanimous consent to read the statement in lieu of the conference report, with the same rights reserved——

The SPEAKER. Of course.

Mr. MANN. With the same rights reserved at the end of the reading of the statement that the House would have at the end of the reading of the report.

Mr. DENT. I make that request; but I will state that the conference report contains the bill itself. It is the bill as agreed upon by the conferees of the two Houses.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the statement be read in lieu of the report, with all rights reserved. Is there objection?

There was no objection.

The Clerk read the statement of the House conferees.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 49).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national defense act approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stat. L., p. 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the Volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion, recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promo-

tions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except, any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft.

"'Persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district. Such district boards shall review on appeal and affirm, modify or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final except that in accordance with such rules and regulations as the President may prescribe, he may affirm, modify or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder, who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency, shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the force other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national defense act approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, and sixth paragraphs of section one and by section eight of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June one, nineteen hundred and seventeen, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $10 per month; those whose base pay is $24, an increase of $8 per month; those whose base pay is $30, $36, or $40, an increase of $6 per month; and those whose base pay is $45 or more, an increase of $5 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
Managers on the part of the House.

GEO. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, submit the following written statement explaining the effect of the action agreed on:

The differences between the two Houses are found in one amendment, which is a substitute of the Senate bill for the House bill, after the enacting clause.

Through the entire bill, as agreed to in conference, the Senate accepted the House language using the period of the existing emergency instead of the period of the war.

The organization of the Army was changed so as to authorize the President to increase or decrease the number of organizations for typical divisions, brigades, or army corps, and to prescribe new organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries. The object of this was, of course, to allow an increase of the war strength of these various branches of the service beyond that now provided by law. It is provided, however, that the number of organizations in a regiment shall not be increased nor the number of regiments decreased. The President is also authorized to organize for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, in addition to those now authorized. The President is also authorized to organize for each division one armored motor-car machine-gun company.

The House also adopted a provision, with some slight changes in the language, of the Senate authorizing the recommission in the Coast Guard of persons who have heretofore held commissions in the Revenue-Cutter Service or Coast Guard.

The House receded from its position reinstating the present law authorizing voluntary enlistment of persons over 18 years of age without the consent of the parent or guardian.

The age limit of persons subject to draft was fixed at not less than 21 nor more than 31. The House language providing for the exemption of regular or duly ordained ministers was adopted, and the House agreed to the Senate provision extending to students who at the time of the passage of this act are preparing for the ministry in recognized theological or divinity schools. To those who may be exempted from selected draft, or selected for partial military service only, the conferees added county and municipal officials.

The President is authorized to establish throughout the several States, Territories, and the District of Columbia local boards. As far as practicable they shall be created in each county or similar subdivision of each State, and also one for approximately each 30,000 of population of each city of 30,000 population or more, according to the last census taken or the estimates furnished by the Bureau of Census, Department of Commerce. Such boards shall be appointed by the President, shall consist of three or more members not connected with the Military Establishment, and chosen from the local authorities or other citizens resident in the subdivision in which the board will have jurisdiction, under rules and regulations prescribed by the President. Such local boards shall have power to determine all exemptions, under rules and regulations prescribed by the President, except the exemption of those engaged in industries, including agriculture. An additional board or boards is or are authorized in each judicial district of the United States, the members to be residents of such district, to be appointed by the President, and not connected with the Military Establishment. This board will have appellate jurisdiction of all matters coming before the local boards, and original jurisdiction of exemptions of persons engaged in industries, including agriculture, necessary to the maintenance of the Military Establishment or the national interest during the emergency. Decisions of the district board shall be final, except that the President may, under such rules and regulations as he may prescribe, affirm, modify, or reverse the same. The President is authorized to make rules and regulations to carry out the terms and provisions of this section and to provide for the issuance of certificates of exemption and partial or limited exemptions.

The conferees excluded from registration officers and enlisted men of the Regular Army and Navy and of the National Guard and Naval Militia, while in the service of the United States. It is also provided that those absent from their legal residence shall have the right to register by mail under such regulations as may be prescribed by the President.

The President is authorized to utilize the services of all departments, officials, and agents of the United States and of the several States, Territories, and the District of Columbia in the execution of the act, and a penalty is provided for failure or neglect of duty.

The Senate receded from its provision authorizing all voluntary enlistments to be in the Army of the United States and their assignment to any force not raised exclusively by selective draft.

The Senate also receded from its provision making each chief of bureau a major general.

The Senate also receded from its provision authorizing the organization of four Infantry divisions by voluntary enlistment, as well as the provision authorizing the enlistment of three or more regiments of mounted volunteers to be used in protecting property and citizens along the southern border.

The conferees agreed upon an increase of the pay of enlisted men of the Army as follows: Those whose base pay does not exceed $21 per month, an increase of $10; those whose base pay is $24 per month, an increase of $8; those whose base pay is $30, $36, or $40 per month, an increase of $6; those whose base pay is $45 or more per month, an increase of $5. This increase is not to be taken into consideration, however, in computing continuous-service pay.

The House receded from the Senate provisions as to the sale, etc., of alcoholic liquors, and the maintenance of brothels, etc., at military posts, camps, forts, etc.

The conferees agreed to the provision of the House bill requiring organizations or units of the National Guard, so far as practicable, to retain the States designations of their respective organizations.

The conferees also retained the House provision that organizations of all forces provided for, except the Regular Army, shall, as far as the interests of the service permit, be composed of men who come and of officers who are appointed from the same State or locality.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
Managers on the part of the House.

The SPEAKER. The gentleman from Alabama [Mr. DENT] asks unanimous consent that debate on this conference report be limited to two hours, one half the time to be controlled by himself and the other by the gentleman from California [Mr. KAHN], and that at the end of the two hours the previous question shall be considered as ordered. Is there objection?

Mr. MANN. Reserving the right to object, I believe there is to be a motion to recommit the conference report to the conference committee. It might be well to have the agreement cover the previous question on the motion to recommit, so that debate on all would be ended at the time fixed.

Mr. DENT. I will add that to my request, Mr. Speaker, that the previous question be considered as ordered on the adoption of the report and any motion to recommit.

Mr. MANN. Any motion to recommit with instructions, I think, might properly be presented to begin with, so that every one would know what it is. I do not intend to present it myself, if the previous question is ordered in this way, but if the gentleman will yield to have the motion to recommit made, it may be pending.

Mr. DENT. I agree to that.

The SPEAKER. Now, let us have a fair agreement about that. We do not want to get into any hole or misunderstanding. The request that I am to put is that debate run for not more than two hours, half the time to be controlled by the gentleman from Alabama [Mr. DENT] and half by the gentleman from California [Mr. KAHN]; that at the end of that time the previous question be considered as ordered, not only on the conference report but on a motion to recommit, if any there be. Is that the request?

Mr. DENT. That is the request.

Mr. LENROOT. Reserving the right to object, I understood the gentleman from Alabama to agree that the motion to recommit might be made now and be pending.

Mr. MANN. He stated that he would yield for that purpose.

The SPEAKER. The further agreement is that the motion to recommit may be made now.

Mr. KAHN. Mr. Speaker, I want to suggest to the gentleman from Alabama that the gentleman from Kansas [Mr. ANTHONY] take charge of the time on this side.

The SPEAKER. The gentleman from California [Mr. KAHN] asks unanimous consent that the gentleman from Kansas [Mr. ANTHONY] be substituted for himself to control half the time. Is there objection to that?

Mr. DENT. I have no objection to that.

The SPEAKER. The Chair hears no objection. Is there objection to the request of the gentleman from Alabama [Mr. DENT].

There was no objection.

Mr. CHANDLER of New York. Mr. Speaker, I ask unanimous consent to extend in the RECORD a copy of a letter addressed by Dr. Nicholas Murray Butler, president of Columbia University, to Hon. JAMES R. MANN, Republican leader of the House. It has reference to the pending war-revenue bill. Dr. Butler is one of the greatest educators and publicists in the world, and this letter will be of peculiar interest to the Members of the Congress, both House and Senate. I ask unanimous consent to have it extended in the RECORD.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The letter referred to is as follows:

COLUMBIA UNIVERSITY,
New York, May 11, 1917.

Hon. JOHN R. MANN,
House of Representatives, Washington, D. C.

MY DEAR MR. MANN: I write to offer a very urgent suggestion that no matter what may be the final provisions of the war-tax bill now pending in the House, it contains a specific provision limiting its operation either to a definite stated time or, at most, to the duration of the war. It seems clear that the bill will contain many provisions that are objectionable on economic and public grounds. There will hardly be either time or opportunity fully to debate and to consider these. It is therefore doubly important that they be not included as part of our permanent taxing policy, even by inference.

Faithfully, yours,

NICHOLAS MURRAY BUTLER.

Mr. ANTHONY. Mr. Speaker, I desire to offer the following motion to recommit.

Mr. DENT. I understand that this is offered at this time simply for information.

The SPEAKER. Simply that Members may know what is in it.

The Clerk read as follows:

Motion to recommit by Mr. ANTHONY: I move to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to agree to that part of section 1 of the Senate amendment which reads as follows:

"7. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division."

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point that no quorum is present.

The SPEAKER. The gentleman from Tennessee makes the point that no quorum is present, and the Chair will count. [After counting.] Two hundred and eleven Members present, not a quorum.

Mr. DENT. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Doorkeeper was directed to close the doors and the Sergeant at Arms to notify absentees.

The Clerk called the roll, and the following Members failed to answer to their names:

Borland	Focht	McAndrews	Rucker
Buchanan	Francis	McLaughlin, Mich.	Saunders, Va.
Capstick	Gandy	Martin, Ill.	Scott, Pa.
Carew	Graham, Pa.	Meeker	Scully
Clark, Fla.	Harrison, Va.	Miller, Minn.	Shackleford
Clark, Pa.	Hawley	Montague	Shouse
Davis	Hayes	Moore, Pa.	Smith, Idaho
Dewalt	Huddleston	Mudd	Steenerson
Doremus	Hulbert	Nelson	Sullivan
Drukker	Key, Ohio	Nichols, Mich.	Talbott
Dupré	Kitchin	Platt	Taylor, Colo.
Eagle	Kreider	Pou	Thomas
Edmonds	Lee, Ga.	Price	Tilson
Ellsworth	Linthicum	Rainey	Wason
Estopinal	Littlepage	Rodenberg	Webb
Flynn	London	Rowland	Winslow

The SPEAKER. On this call 367 Members have answered to their names, a quorum.

Mr. DENT. Mr. Speaker, I move to suspend further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. GOOD. Mr. Speaker, I desire to ask unanimous consent to be permitted to offer an amendment to the motion to recommit.

Mr. DENT. Reserving the right to object, I would like to know what it is.

Mr. GOOD. It is an amendment in regard to the increase of pay. The amendment I want to suggest is that the figures "$10" be stricken out and "$15" inserted; the figure "$8" sticken out and "$12" inserted; the figure "$6" stricken out and "$8" inserted; the figure "$5" stricken out and "$6" inserted. That is in section 10 of the conference report.

Mr. DENT. Mr. Speaker, the conferees went fully into that question, and I will have to object.

The SPEAKER. The gentleman from Alabama objects.

Mr. DENT. Mr. Speaker, there has been considerable criticism of the conferees on the part of the Senate and the House in delaying action on this bill. This bill passed the Senate after having passed the House, in final shape so as to go to conference, last Monday a week ago. After the conference was agreed upon between the two Houses, they immediately went into session with three separate bills to pass and agree upon—the Military Academy bill, which, of course, did not take much time; the Regular Army appropriation bill, carrying two hundred and seventy-odd million dollars, which took us practically a solid week to iron out, if I may use that expression—this appropriation bill. So that the conferees did not go into conference on the bill to temporarily increase the Military Establishment until one week ago to-day.

The War Department was urging us to pass the annual Army appropriation bill, which carried with it certain items that became immediately available, because they claimed that they were absolutely in need of that money now. So that the conferees took that matter up first and went into conference on this particular measure just one week ago to-day. By noon of Thursday the conferees had agreed upon a bill. In writing this bill, Mr. Speaker, the conferees were face to face with an entirely new situation—a new proposition to put into effect the method of raising an Army in this country. I may say—and, I think, without hurting anybody's feelings and without violating any confidence—that the War Department itself came to the conferees with different propositions as to the tribunals or boards to pass upon the question of exemption. They would come one day with a proposition and, after discussion with the conferees, they themselves would admit that the proposition contained defects, and ask for another nights' sleep over the proposition, and then come back again with a new and different proposition as to the creation and establishment of these boards.

That proposition alone took several days to finally perfect. It may be yet that the conferees, with the aid and assistance of the Judge Advocate General's department and the special counsel that they have assisting them in this matter, have not worked out as perfect a system as could be devised. We believe, however, that if there is nothing else in the bill to commend it to the House, to the Congress, and to the Executive, that that feature alone is sufficient to at least make this bill in a measure popular in the country. We provide that there shall be created local boards substantially and as far as practical in every county in each State of the Union, or in similar subdivisions of the different States of the Union; that this board shall be composed, if practicable, of local county officials; that if it can not be composed of such county officials it shall be selected from resident citizens of the particular county involved. Each member of this board must, therefore, be a civilian, and it is expressly provided that he shall in no way be connected with the Military Establishment of this country. [Applause.] That local board has the authority to pass upon all questions of exemption, except the exclusion of those persons engaged in industries and in agriculture necessary to the maintenance of the Military Establishment or the efficiency of its administration. The conferees thought—and in that I may say they had the approval of the War Department—that that particular question should be taken away from the local communities for fear that favoritism would be used in its administration. Therefore the conferees provided another and an additional board, to be appointed in each judicial district of the United States by the President, which board shall have original jurisdiction of all claims of exemption of those persons engaged in industries and agriculture necessary to the efficiency of the Military Establishment. The conferees further gave to this board in each

Federal judicial district appellate jurisdiction over the local boards in each county and in each city. I neglected to mention the fact that the bill provides also for a local board in each city of at least 30,000 inhabitants, and as many additional boards for each 30,000 in the larger cities as the President may determine to be necessary; so that the administration of this draft law, as agreed on in conference, is brought home to the people themselves. [Applause.]

Mr. Speaker, I do not consider that it is necessary that I should go into each detail of this report. I am sure that each Member of the House is familiar with what the conference report contains. It was printed in the RECORD yesterday as a part of the proceedings of the Senate. I may add, however, that the conferees on the part of the House retained in the bill the House provision providing that State designations in the different organizations should be preserved, and providing, as far as practicable, that officers and men should come from the same localities and communities [applause], so that really, if you will examine the report, you will find that the House conferees gained a large majority of the points of difference between the two Houses.

We went into that conference instructed by a vote of 170 to 106 not to incorporate the so-called Roosevelt amendment. The conferees on the part of the House stood by the instructions of the House, and although personally I favored from the beginning and personally I still favor the volunteer system, yet after this House, by an overwhelming majority, told me that I was wrong, I have stood logically by the position of the House. [Applause.] I consider it absolutely illogical. I can not understand how any man can logically defend the position which he takes here on the floor that the volunteer system is wrong and that the draft or conscript system is right, when he then turns around and says that we shall make a special privilege in favor of some particular volunteer. [Applause.]

Mr. GARDNER. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. GARDNER. Is there any more inconsistency between conscription and volunteering in the National Guard, or is it merely that the gentleman has invented an argument that the National Guard is an existing arrangement?

Mr. DENT. There is no inconsistency in that, because my position and the position that I took on the floor of this House when this bill was here several weeks ago was that you could resort to the draft as a matter of last resort, and to give the privilege to volunteer first, and that is the law with reference to the National Guard now. [Applause.]

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. CRAMTON. Inasmuch as there is an opportunity for several hundred thousand to volunteer now in the National Guard, why not let just a few more volunteer under Col. Roosevelt?

Mr. DENT. Mr. Speaker, the answer to that is, if you are going to allow a few to volunteer, why not allow everyone to volunteer? [Applause.]

Mr. SANFORD. And I would like to suggest to the gentleman that a distinguished ex-governor of New York State, Mr. Sulzer, would also like to have a division.

Mr. DENT. Yes; and I would like also to state in this connection that the Senate inserted what is known as the Fall amendment, by which the States of New Mexico, Arizona, and Texas—the border States—would be permitted to organize four regiments of mounted volunteers, but the conferees rejected that on the same proposition, because it was not consistent with what both the House and the Senate, by an overwhelming majority, said should be the system by which you would raise an additional army.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. DENT. For a question.

Mr. DENISON. If the military age for these volunteers were placed at above 31 years, would the gentleman still think it inconsistent?

Mr. DENT. Why, certainly, I think it is inconsistent. I do not see how I could make myself any plainer, when I make the statement that this House has decided that the volunteer system is a failure, and yet the gentleman wants to turn around and recognize it in some special form.

Mr. DENISON. Perhaps the gentleman did not understand me. If the conference report is accepted, then no one over 31 years of age can get in under any system unless we adopt this amendment. If the age for volunteers is placed at above 31 years——

Mr. DENT. Mr. Speaker, I will say to the gentleman that I understood him, and I answered him as I intended to answer him, that the House has declared the volunteer system was a failure, and that the draft was the proper system, and that to make an exception to that is to go against your own declaration.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DENT. Mr. Speaker, in conclusion I wish to state that the House conferees, as is well known, did finally agree to the age limit of 21 to 31 years. We came down nine years and the Senate conferees went up four years. There is some criticism of that, but when conferees are selected, when they go into a conference, it is a question of compromise. It is a question of give and take. We can not expect to get everything, and when the conferees get a large majority of their propositions I think the House ought to be satisfied.

Mr. McCORMICK. Will the gentleman yield?

Mr. DENT. For one question.

Mr. McCORMICK. The gentleman pointed out that the House, by a vote of 170 to 106, instructed the conferees against the Harding amendment. If the gentleman will refer to the RECORD, he will see that the House, by a vote of 276, instructed the House conferees in favor of the age limit of 40 years. [Applause.]

Mr. DENT. That is very true; but, as I said a moment ago, we had to compromise a matter of that kind. The question of age limit was a matter that was in conference between the two Houses, and we could not sit there and say, "You have got to stand by 40 years."

Mr. FIELDS. If the gentleman will permit, on the point the gentleman from Illinois just raised, the question of whether it should go back to 19 instead of 21 was also involved in that vote.

Mr. GOOD. Will the gentleman yield?

Mr. DENT. I will yield.

Mr. GOOD. The House also by a unanimous vote adopted $30 as the minimum pay of the enlisted man, and the Senate adopted $29, and this conference report is in violation of the almost unanimous action of both Houses reduces it to $25, $4 lower than the Senate amendment and $5 lower than the House amendment. There was no give and take there.

Mr. DENT. I understand what the gentleman refers to. All questions of policy with reference to age limit and amounts that should be paid are not matters of principle; they are questions of policy. The other was a matter of principle.

Mr. RUSSELL. Will the gentleman yield?

Mr. DENT. I will yield.

Mr. RUSSELL. As the bill now stands, what is the rule going to be about exemptions of men who are poor and have large dependent families? Who is going to determine that?

Mr. DENT. By local boards in each county. Now, Mr. Speaker, I will have to reserve the balance of my time, as I notice that I have consumed more time than I had intended to use. How much time have I remaining?

The SPEAKER pro tempore. The gentleman has used 19 minutes.

The gentleman from Kansas [Mr. ANTHONY] is recognized for one hour. [Applause.]

Mr. ANTHONY. Mr. Speaker and gentlemen of the House, as one of the conferees on the pending bill I want to add my statement to the fact that the conferees did their work patiently and faithfully as far as they went. They have perfected well the details of the task which was intrusted to them, but in my judgment they have not gone far enough. They have failed to recognize, in what would appear to be the most practical way, the demand which has been made upon this country in the last two weeks by the commissioners of two of our great allied powers that an American army be sent to the battle lines of France at the earliest possible opportunity. I believe there is a strong sentiment, not only in the House and in the Senate but in the country, that a force be sent to the battle lines in France at the earliest possible opportunity.

Mr. HARDY. Will the gentleman yield?

Mr. ANTHONY. I regret I can not in the few minutes I have. Such a force can not be sent within the time which I believe Marshal Joffre, the French commissioner, has recommended to the War Department unless we resort to the plan of accepting the services of the 100,000 men who, with hearts bursting with patriotism and from every State in the Union, stand ready to-day to enlist under the banner of the one great American competent and capable of leading such an army in France—Theodore Roosevelt. [Applause.] Under the plans of the War Department, it is their idea to take over the first levy of a half a million drafted men, but their idea is to keep them in intensive training in this country one year and then send them abroad. Marshal Joffre has said, and we know it, in spite of the expurgated part of his statement that has been given to the public, that such a force as he desires can be quickly organized in this country, and that with not more than a month

or two of preliminary training here at home can be sent to the great training camp at Chalons, France, and with four months' training there, just back of the trenches, be made into the best fighting soldiers that can be found on the battle lines.

Mr. SHERLEY. Will the gentleman yield?

Mr. ANTHONY. I do.

Mr. SHERLEY. Does not the gentleman know that Marshal Joffre said that he desired trained troops sent over there?

Mr. ANTHONY. No; I know Marshal Joffre did not say that. He said——

Mr. SHERLEY. He said that in my presence.

Mr. ANTHONY. He said that in four months' time they could do with Americans as they had done with the raw levy of Russians now in France in four months' time. In four months after their arrival they were trained and sent to the trenches, where they acquitted themselves as well as the best soldiers anywhere.

Mr. McCORMICK. If the gentleman will permit, the Russians were trained in six weeks—the raw levies—the marshal told me.

Mr. ANTHONY. I am glad to hear it.

Mr. BRITTEN. Is the General Staff of the Army in favor of the Roosevelt movement?

Mr. ANTHONY. I do not know what the General Staff of the Army thinks about it, but I know the American people are in favor of this Roosevelt movement. [Applause.]

Mr. NICHOLLS of South Carolina. Will the gentleman yield for a question?

Mr. ANTHONY. Yes.

Mr. NICHOLLS of South Carolina. Does the gentleman think it would be fair to designate any one man to raise volunteers and allow him to go with them when any other organizations would not be allowed to go?

Mr. ANTHONY. I do not think it would be entirely fair, and the bill will not designate such a man, as I understand. The pending amendment will not so designate him. But yet there is but one such man in the United States who can so well fill this bill of leadership. [Applause and laughter.] It has been said that it would not be proper or consistent for this House to adopt the volunteer principle in this one instance at this time. I want to remind the House that the War Department itself to-day is adopting the principles of the volunteer system in raising the additional increments in the National Guard in many of the States of the Union. They are being raised by regiments in the different States and in local units exactly as Col. Roosevelt would raise his force of 100,000 men. The War Department is going ahead without authority from this body and is raising nine regiments of technical troops out in the various States in exactly the same way that these additional men proposed in the pending amendment would be raised. There is absolute consistency in the proposition.

Mr. SABATH. Will the gentleman yield?

Mr. ANTHONY. I have but a minute more.

I believe that the House would be entirely consistent if it adopted the motion to recommit, trusting to the conference to work out a proper measure back to the House, and it will be reported back without delay, so that the country can have this needed legislation within the next two or three days at the most. [Applause.]

Does the gentleman from Alabama [Mr. DENT] desire to use his time now or shall I use some?

Mr. DENT. I ask the gentleman to use as much time as I have used this morning.

Mr. ANTHONY. I yield to the gentleman from Tennessee [Mr. AUSTIN]. [Applause.]

Mr. AUSTIN. Mr. Speaker, the United States Senate, with a Democratic majority of 12, passed this amendment to the Army bill by 25 majority. Eight of those Democratic votes represented Southern States. So if a Democratic Senate can give this proposition a majority of 25, there ought to be enough patriotic Democrats in this House to put this proposition over with a united Republican side. [Applause.]

Who are the conferees on the part of the Senate? Three Senators, two of whom voted against this proposition, and one of them failing to vote. So they surrendered that provision, put in the Senate by 25 majority, without consulting their colleagues in the Senate. What have the conferees on the part of the House done? Voted against this proposition when I offered it as an amendment, but failed to give us an opportunity to go on record by a yea-and-nay vote.

Now, the American people favor this amendment. If we are to have no politics in this war, then I appeal to you to give this great typical American, Theodore Roosevelt, a chance to make good on the western front. [Applause.] He was the leader for preparedness; he was the leader for universal military training. Had his advice been followed on preparedness the Stars and Stripes would have been in France 30 days ago. Pass this amendment, and we will have a division of American soldiers in Europe before you complete the census under the draft system of this bill. [Applause.]. O my countrymen, let us forget personal dislikes; let us forget partisanship; let us think alone of our country and its future and its glory. Let us do what we ought to do; obey the voice of the American people. We are here to represent them. Let us do it by passing this resolution. [Applause.]

Why, the gentleman from Alabama [Mr. DENT] says they obeyed the mandates of this House. Why did he and the other House conferees fail to obey our mandate when we voted unanimously my amendment giving the men fighting in the trenches $30 a month.

Mr. DENT. I answered the gentleman.

Mr. AUSTIN. We gave you a unanimous vote in this House and the Senate gave you one, and yet you are compelling these men from your district and my district to accept $25 a month when the unanimous vote of both Houses favored $30.

Mr. DENT. I will answer the gentleman.

Mr. AUSTIN. No.

Mr. DENT. The gentleman asked me a question.

Mr. AUSTIN. I have but five minutes. If I had the time I would let you answer.

I hope every Republican and every patriotic Democrat will vote for this motion. [Applause.]

Mr. ANTHONY. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. GARDNER]. [Applause.]

Mr. GARDNER. Mr. Speaker, I notice that those who were the most fervent advocates of the volunteer system have to-day become its fiercest opponents.

Mr. CARTER of Oklahoma. Will the gentleman yield?

Mr. GARDNER. No; this gentleman will not yield. He knows the answer. [Laughter.]

But what difference does it make whether we are consistent or not, provided we do the right and sensible thing? [Applause.] As to this question of politics, there is no more politics in the Anthony motion than there was when William McKinley appointed Joe Wheeler a general in the Spanish War. [Applause.] Talk about politics, if we could rise above politics in those days, rise you above politics now. [Applause.] Since we met at the beginning of April, this House has risen above party politics. To-day for the first time since this session began I have heard the political note sounded.

To those of you who talk about consistency, let me recall the fact that at the outbreak of the Civil War the old pipe-clay idea was gospel to many officers, Union and Confederate alike. When it was proposed in the South to raise irregular troops the pipe-clay men said "What? Shall we have cavalry commanded by irregulars, cavalry whose horses do not match, whose guns do not match, and whose uniform consists of ragged pantaloons and a butternut shirt"? "We want regular cavalry," said they, "and properly organized at that." And they were right. But supposing in following out that sound principle the Confederacy had refused to make exceptions. Suppose that the pipe-clay men had denied a commission to John S. Mosby because he was an irregular? My southern brethren, let me tell you that human nature has not changed since John S. Mosby roamed at will over northern Virginia. Small bodies of adventurous men can still inspire the people. Individual leadership can still exert its old-time moral influence. Men like Roosevelt, even if they are followed only by a handful of adventurers, bring cheer and courage to millions of hearts. As Mosby and his men were to the southern cavalry, which followed Stuart, so would Roosevelt and his followers stand in relation to American Regulars. [Applause.]

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Vermont [Mr. GREENE].

The SPEAKER pro tempore. The gentleman from Vermont is recognized for five minutes.

Mr. GREENE of Vermont. Mr. Speaker, I think I realize as keenly as we all do the part that sentiment must play in a great war, and I think I sympathize as keenly as we all do in the idea that there are men in this country whose personality and whose genius for embodying in that personality and their actions something of the most elevating spirit of Americanism is a great asset, a great moral factor in a war. I do not want anything that I may say at this time to be construed as in any sense criticizing the intention of men who in this proposition now want to rely seriously upon those elements for our part in, or at least for a portion of our contribution to, the cause of the allies and our own country in the European war.

But it seems to me that this thing resolves itself more into a practical matter, a most solemnly serious, practical matter, rather

than one entirely of sentiment. If sentiment alone is to prevail, then perhaps there might be something to be said of this proposition to recommit. But if we are to be practical men and be guided by the light of experience, then we must take into consideration other factors which, however reluctantly, make us put sentiment for the time being at one side and look solemn and serious facts sternly in the eye.

If there was one lesson of the Civil War which we in this generation should remember, it lies in pointing out to us the necessity for taking the middle ground between two great conditions which arose during that unhappy struggle. They were representative of two extremes. The first was what was known as the McClellan policy of most systematic unreadiness, always waiting until one more stitch was taken, always waiting until we could get a little bit more carefully prepared and organized; and delay in that case, as you know, finally became well-nigh fatal, although it was inspired by the highest impulses and the utmost good intentions. On the other hand, for the other extreme, as older men in this Chamber will remember, we were face to face with that same sentimental cry that echoes in this House to-day, "On to Richmond!" "On to Richmond!" Newspapers, platforms, people all over the country, took up that cry because they thought that if we could once capture the Confederate capital the very sentimental effect of it would be dismaying and terrorizing and demoralizing to our neighbors across Mason and Dixon's Line. But it meant that in the attempt to carry out that sentiment and realize it in war we slaughtered thousands and thousands of brave men whose courage and efficiency might well have been husbanded and put into better effect and operation under some careful, cool, deliberate plan of warfare.

With all respect to the good folks who are making this proposition now, and sharing, as I hope every American man does, something of the tingle and inspiration of romance and sentiment in war time, warfare in modern times has entirely changed. I would like to discuss somewhat in detail the practical military considerations that are involved in this proposition, but I can not hope to do so in the five minutes allotted to me.

It is said that one man, by reason of his personal magnetism and inspiration, could bring courage to the armies of our allies across the water. I ask you in all seriousness, do those wonderful men of the allied nations of Europe to-day who for more than two years and a half have stemmed the tide of Prussian militarism need any lessons in courage from the American people? [Applause.]

I fancy—and I do not mean to discredit their good intentions—I fancy that our friends are asking us, after all, under the color of this proposition simply to write one more romantic novel of the Alexander Dumas "Three Guardsmen" type, that poor Dumas did not live long enough to write for himself. There is too much of the romance and the glitter and the beautiful glamor of that situation about the proposition to make me think it makes for real war. In the language of a celebrated Frenchman in days gone by, "It is magnificent, but it is not war." [Applause.]

The SPEAKER. The time of the gentleman from Vermont has expired.

Mr. ANTHONY. Mr. Speaker, I yield three minutes to the gentleman from Mississippi [Mr. SISSON].

The SPEAKER. The gentleman from Mississippi is recognized for three minutes.

Mr. SISSON. Mr. Speaker and gentlemen of the House, it is utterly impossible for a man constructed on my build to say anything adequate to the subject in three minutes. I expected to get five. [Laughter.] I shall vote, gentlemen of the House, to permit Mr. Roosevelt, and, if I could do so, three or four others like him, to go to the front with volunteers. [Applause.]

I have heard a great deal about expert military training in these debates, and the gentleman from Massachusetts [Mr. GARDNER] did well in using Col. Mosby as an example of an irregular command and the great service rendered by him, but may I not appeal to the pride of the Mississippians, the Arkansans, the Texans, and the Alabamians and point to the greatest cavalry leader that was produced by the Confederate States, and no greater produced on the other side, and no greater in the world, Nathan Bedford Forrest, the wizard of the saddle? [Applause.] It is related of Forrest that he said, "I thank God that I never rubbed my back against a college wall." [Laughter.]

I am also at a considerable loss to know how gentlemen will square themselves with their constituents if they now vote against letting Roosevelt and the 200,000 men who want to go with him, go to France, when everyone with common sense knows that you must have men willing to fight to win a war. Here is a division of over a hundred and fifty thousand or perhaps 200,000 men ready to go, within three months, to France. If we do not render the assistance now, it may be too late to help our allies. It is quite possible that if Germany should break through the French line it would put an immensely greater burden upon the people of the United States than we would dream of. Now is the time. This is the hour. Do not delay. Put an army now in France who want to go and you may win the war ere the conscription goes into effect. [Applause.]

Mr. CARAWAY. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Mississippi yield to the gentleman from Arkansas?

Mr. SISSON. I regret I have not the time.

The SPEAKER. The gentleman declines to yield.

Mr. SISSON. I say it is quite possible that if Germany should break through the French line this great conflict would be in such an attitude that the Germans would be able to win over France and England, whereas they would not be able to win if at once you can put a few divisions of troops from the United States over there, because a few men at the right time and at the right place, irrespective of what the gentleman from Vermont [Mr. GREENE] said, might turn the scale.

You may laugh at sentiment in war as much as you please, but the human heart is filled with sentiment, and courage is but a form of sentiment; and what we need at this time in this Nation is to popularize this war among the masses of the people. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ANTHONY. I yield to the gentleman one minute more.

Mr. SISSON. Whatever may be said about Col. Roosevelt, and I have no brief to speak for him, never voted for him in my life, never admired his style of politics; but whatever you may say of him, he has a magnificent following in the United States, and in unity you find strength, while in division you find weakness. Let us unify his following and put them also behind the President of the United States and the Regular Army. It is good sense to do it. Let us have it. [Applause.]

Mr. DENT. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Speaker, this matter is too important to permit any petty partisan influence to affect anyone's vote. We are asked to authorize the President to organize four divisions of volunteers, upon the theory that they will be sent immediately to France in order to bolster up the allied cause. Four divisions of troops will amount to 80,000 men, and the most absurd and preposterous suggestion that can be made is that 80,000 men can in any way bolster up or help upon a battle line where 5,000,000 men are now engaged on the allied side, with 1,500,000 men in reserve.

If Theodore Roosevelt were a man of marvelous military genius, if he had had an extended and comprehensive experience in military matters, if he were recognized as a military man whose advice and judgment would be of value at this time to the allied cause, it would be desirable to send him to Europe at once. Anyone who knows him, who knows his wonderful personality and the great prestige resulting from his marvelous career, realizes that if he were sent as he himself suggested, ranking ninth in the brigadier generals who would go with these four divisions, he would completely demoralize the organization inside of two weeks. [Laughter.] It is not a joke. Any man of his personality, any man with his prestige, ranking not ninth but thirteenth in the list of major generals and brigadier generals, when called into consultation would absolutely demoralize the American forces to which he would be assigned. If it be desirable to send a division of troops to France, we should not take the enthusiastic volunteers who are willing to go because some one particular individual is anxious to go. We ought to take Pershing's brigade. [Applause.] We ought to take a division of the Regular troops, who have been trained for years, and been hardened by discipline and experience, and who could, with a few months' training behind the lines in France, be a valuable force perhaps, if inspiration were desired. But to take a nondescript lot of volunteers from all over the country, officered by incompetent men—and it will take 3,600 officers to officer four divisions—and put them over there in France will be to send 80,000 Americans to sure slaughter. I have talked with a physician who spent eight months in a base hospital in France, and who spent considerable time behind the allied lines. He told me that seven or eight months ago the British themselves were losing 3,000 to 4,000 men every day in ordinary trench skirmishing, because of the absolute incapacity and inexperience of the junior officers who were in those organizations. In order to officer an army of a million men we require 45,000 officers; we must train 27,000 officers additional to those we

now have. If we are to take out of the trained officers we have to-day 3,600 of them to send over with this nondescript element, we will commit the most colossal blunder that the American Congress can commit at this time. We should subordinate and put aside the preference of every individual in the United States, and do the things that are essential and best for the American people. No one contends that to send Col. Roosevelt abroad with an untrained force will do so. I wish to express this hope, that if the Congress of the United States commits this colossal blunder of authorizing the organization of these four divisions, the President of the United States will have the moral courage to withstand public clamor, and will refuse to send Col. Roosevelt on such a foolhardy expedition. [Applause.]

Mr. ANTHONY. I yield five minutes to the gentleman from Wisconsin [Mr. LENROOT]. [Applause.]

Mr. LENROOT. Mr. Speaker, as the House knows, I supported the conscription policy. I voted against the Roosevelt amendment at that time. But, Mr. Speaker, true consistency demands that each situation be met with but one purpose in mind, and that is to do that which is best for the country at the particular time, and I shall vote for this motion to recommit, because I believe that by a division with Col. Roosevelt going to France at the earliest possible moment, he can render the country the best possible service now. [Applause.] I say that for two reasons, Mr. Speaker. It has been whispered from time to time during the past three or four days that we will very shortly send troops to France, but that they will be untrained troops, because we need the Regulars here to train the army to be raised. Mr. Speaker, if I had believed for a moment that there would ever be contemplated the sending by forced draft of raw, untrained troops to Europe I would have voted against the bill. [Applause.] If we must send untrained troops to Europe, they ought to be volunteer troops, men who are willing to go. [Applause.] And I do not want it upon my conscience in the future that by voting against this amendment now I forced untrained, raw, drafted troops to be sent to Europe to be murdered, as officers have time and again told us would be the case, under such circumstances. I do not want it to be said of me that I voted against this Roosevelt amendment now, and thus forced that thing.

In the second place, there is but one purpose in sending troops to Europe now, and that is to furnish an inspiration to the French Armies now at the front. I had the privilege of listening to Marshal Joffre for an hour and a half one evening, as the gentleman from Kentucky [Mr. SHERLEY] did, and he had but one object in view in asking for one division. It was not the fighting that that small division of 20,000 or more men could do. It was the inspiration that would be given to the French soldiers at the front to see the Star-Spangled Banner flying there. [Applause.] That is what he wanted them for, and that is the only purpose, and he did not ask or suggest that more than one division be sent now.

Mr. CALDWELL. Will the gentleman yield?

Mr. LENROOT. No; I can not yield. What greater inspiration could be given to the French troops now fighting in the trenches, if we must send men over there, than to have with them Theodore Roosevelt? [Applause.] Ah, some men—I am sorry to say it—say that there is politics involved in this, and when the gentleman from Massachusetts [Mr. GARDNER] suggested that there was no politics involved in it I was very sorry that there were some jeers upon the Democratic side of the aisle. Mr. Speaker, any man in this House who will for one moment permit political considerations to enter into the consideration of this question is unworthy to sit in this House to-day. [Applause.] Politics! Why, what are we on the Republican side of the aisle doing here? Are we not supporting your President in this very bill? Was it not a Republican [Mr. KAHN] who took charge of it and led the fight for it? [Applause.] We are not considering politics. Republicans in assisting the President may give him another term, may mean his reelection; but anything that President Wilson can do, and any glory that he can secure in winning this war, we Republicans are glad to give him, and to assist him. [Applause.]

And let me suggest that there can be no politics in this situation for President Roosevelt. If he goes to France, he will render a signal service to his country; otherwise there can be no politics and no glory in it. If Mr. Roosevelt does succeed in rendering a signal service to his country, gentlemen, ought not you on the Democratic side be as patriotic as we upon the Republican side, and say if there be glory for Roosevelt if he serves his country, let him have it. [Applause.]

Mr. DENT. Mr. Chairman, I yield three minutes to the gentleman from California [Mr. KAHN].

Mr. KAHN. Mr. Speaker, I shall vote for the conference report. [Applause.] Having voted for conscription, I feel it my duty to be consistent, and so I shall vote against the motion to recommit. I did not sign the conference report for this reason. It contains a provision which in my judgment indicts the American people of intemperance and immorality. I was willing to write into the legislation a provision which would have given the President of the United States, as Commander in Chief of the Army, full power and authority to make all needed regulations for the protection of the young men against the use of liquor and against the social evil. That would have been sufficient. You can not enforce this law in France. You can not enforce this law in Belgium. You write a police regulation into the law, which you can not enforce outside of the United States.

On the other hand, the President, if my suggestion had been adopted, could have made regulations for the American Army in France and the American forces in Belgium. In my opinion the people of those countries would have respected the regulations made by the President of the United States as Commander in Chief of the Army, and promulgated by his officers in those countries. In that way the evil of intemperance and the social evil could both be regulated.

In San Francisco we had an exposition two years ago. There were 19,000,000 admissions at that exposition. It ran nearly a year. There were only 83 arrests for drunkenness during that entire period. That speaks volumes for the sobriety of the American people, and I will never sign any report which by wholesale indicts my fellow citizens before the whole world of intemperance and of immorality. [Applause.]

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. LUNN].

Mr. LUNN. Mr. Speaker, when I voted for conscription I voted not for any sentimental reasons but on the basis that universal obligatory service was the only principle that should govern in the raising of an army in time of war. I refuse absolutely to repudiate that principle now. I voted against the proposition to send Mr. Roosevelt to France because I believed that it violated that principle. I believed then that had the Roosevelt suggestion carried at that time we would have been in a dangerous position as to our ability to get obligatory service at all. If you are going to violate that principle, those in favor of universal service naturally will not vote for the violation.

Since the principle of volunteering has been defeated once by the House it is brought up again under another guise in order that they may put across the equivalent of the Roosevelt proposition. The motion to recommit absolutely sets up the principle that instead of universal obligatory service carried out as efficiently as we can, we are going to make a special law for one man. I have the highest personal respect for Col. Roosevelt, but I do not want to see Col. Roosevelt, after he has argued all over the country for universal obligatory service, to be put in a position where he himself is to violate that principle. If we are going to have volunteers, let us have them all along the line; but instead of that we are going to have delay. We have delayed on the bill too long. The only thing which we have passed and which has become a law is our war-loan appropriation of $7,000,000,000. The Army appropriation bill has not yet gone through the Senate. Here we are allowing delay, delay, delay, while the greatest problems that ever faced a nation are still before us. We are spending time questioning whether we will allow a volunteer division for Mr. Roosevelt to go to the French front. The gentleman from Kansas says that he is the only man. Why, what would happen to the United States if the Colonel should die to-night? If we are entirely dependent on one man, I suggest to Mr. ANTHONY that we would better surrender to the Kaiser at once and not risk any further open antagonism to him. I want, in conclusion, to urge that we stand on the basis of the principle of universal obligatory service. [Applause.]

Mr. ANTHONY. Mr. Chairman, I yield three minutes to the gentleman from Mississippi [Mr. STEPHENS].

Mr. STEPHENS of Mississippi. Mr. Speaker, I shall vote for the motion to recommit. It provides that four divisions of volunteers shall be authorized. This will mean about 80,000 men.

The volunteer system has had my earnest support. When the Britten amendment, that provided that only those who volunteered to fight on foreign soil should be sent across the ocean, was considered I voted for it.

When the Dent bill providing for the raising of an army by the volunteer system, the traditional military policy of our Government under which all of our wars have been won, was under consideration I voted for it.

When the amendment containing the provision of the motion to recommit was voted on in the House, I voted for it.

It is very refreshing to hear many gentlemen who were so vigorous in their denunciation of the volunteer system and of those of us who advocated it now so zealous in their support of this motion to recommit, which is a recognition of the merits of volunteerism.

Mr. Speaker, only on very few public questions and matters of public policies have I agreed with Col. Theodore Roosevelt. In this matter of authorizing the raising of four divisions of troops to be sent to Europe I am in thorough accord with him. [Applause.]

Many speeches have been made here and elsewhere in which have been urged the importance of sending an army from our country for the great moral effect that it will have on the soldiers of our allies.

From Viviani and others of the French mission we have it that the presence of United States soldiers, wearing our uniform and bearing the Star-Spangled Banner, over there would do much to hearten and encourage those brave soldiers of France and England who have fought so long on bloody battle fields.

They know that we will furnish food and ammunition, and they thoroughly appreciate that. But they have been told that we are willing to fight to establish democracy throughout the earth, and we should give concrete evidence that we are also willing to sacrifice life itself in that noble cause.

Noble words have been spoken, stately phrases have been uttered, showing why we have entered this great conflict. Let us make those assertions good by sending at the earliest moment a force of as brave men as ever went out to fight for their country.

This amendment is objected to by some because it will give Col. Roosevelt an opportunity to serve in the Army. Already 200,000 men above military age have offered to go with him.

He is a man of tremendous energy, great versatility of talents, and compelling personality. He is not only a national but a world character. His name is a familiar one to our enemies.

Many of our people, many of the newspapers of the country, believe that he can arouse greater enthusiasm than any other man in this country. If so, he ought to be allowed to go the limit, because there is need of greater enthusiasm in this country than now exists if we are to be succesful.

It has been suggested that Col. Roosevelt should not be allowed to go to war because of the fear of him politically. Surely this can not be true. Surely no one would attempt to play politics in this grave hour. To play politics when so much is at stake, when the fate of the Nation has been committed to the gage of battle, would be the cheapest, rottenest politics that I can imagine. [Applause.]

A large part of the press of the country has earnestly advocated giving Col. Roosevelt this authority. I shall include in my remarks an article from the Manufacturers' Record:

NOT TO LET ROOSEVELT GO TO FRANCE WOULD BE A NATIONAL AND INTERNATIONAL DISASTER.

In all the history of the world there would be no record of anything more spectacular for good than a volunteer army in France fighting for civilization led by a former President of the United States. It is lamentable in the extreme that there is a disposition in Washington to prevent this. If this disposition should work out into reality, it would for all time to come be a blot on legislative action and would forever be credited to politics, and not only to politics but to the rottenest kind of politics that would play with millions of lives and with civilization itself.

Col. Roosevelt is one of the world's great characters. The Manufacturers' Record has criticized him on many occasions, but we recognize that no man whom this country has produced in the last hundred years has stood out more conspicuously before the world as a great character. Spectacular at times, but always filled with tremendous energy, which he is able to impart to others, no other man in America could rally around him such a following of well-to-do volunteers, physically, mentally, and financially, in a position to form a great army for fighting in France.

Col. Roosevelt does not ask to command this army. He asks the privilege from the Nation of utilizing the men who have volunteered to follow him in the organization of such an army, and his plans have been so thoroughly worked out that he would be able to land in France a large army, many of them accustomed to military discipline, all of them picked men, and many of them of great wealth and high position.

There is no record in the world's history of an army which would command such universal interest. It would inspire the people of all of Europe, and, indeed, of all the world outside of Germany and her allies, with joy and enthusiasm, and it would be certain to bring to the leaders in Germany a full realization of the determination of this country to fight the battle of civilization in France.

We can not conceive that there can be men in public life who can have so little regard for human life that they will permit petty politics to influence them in a matter of such supreme importance to this country and to the world. If so, they should be chained through eternity to the Kaiser. Nevertheless, there are indications of rumors that there is such a spirit manifest in places where it should not be felt.

President Wilson would do great credit to himself and good to the Nation and to Europe if he would welcome Col. Roosevelt's activities and bid him and his proposed army Godspeed in the great work of trying to save France. We believe that every intelligent man in this country, as well as throughout Europe, would be greatly influenced by the organization of such an heroic band of men, loving liberty more than life, ready to offer themselves and all of their wealth upon the altar of civilization.

Col. Roosevelt's tremendous magnetic power over men, the readiness with which the cowboys of the plains, the business men in the office and shop, and the banker and capitalist are willing to follow his lead in this supremely important undertaking should deserve universal commendation, and, instead of being opposed, Col. Roosevelt should receive the most enthusiastic encouragement of every man in this country from the President down.

If by legislative action or by the failure of Congress to measure up to this opportunity, utterly regardless of its effect upon the politics of the future, Col. Roosevelt should be denied this privilege or delayed in carrying it out, the blood of many of the millions who may yet have to die in this war would be upon the heads of those responsible for such action.

A little story never before published, so far as we know, illustrates the influence of Roosevelt's name in Europe. Five years ago the Rev. Robert Stuart MacArthur, D. D., president of the Baptist World Alliance, went to Russia on the part of the Baptists of the world to secure the privilege of building a Baptist college in Russia. Dr. MacArthur carried letters of introduction from President Taft, the Secretary of State, and from many other distinguished men in public and private life, and also one from Col. Roosevelt. He was introduced to Russian authorities by the American ambassador. He presented his letters from President Taft and others. They were read with courtesy but with perfunctory interest.

After these letters were read, Dr. MacArthur said that he had a personal letter of commendation from Col. Roosevelt. Immediately there was greater interest aroused, and Col. Roosevelt's letter was eagerly examined. The magic of his name had its effect in Russia to a greater extent than the official letters of the President and the Secretary of State.

In the allies' countries, and even throughout the world, the magic magnetism of his spectacular personality would be of untold worth in this great contest.

It has been suggested that there is a fear that if Col. Roosevelt went to Europe he would return with such éclat as to become our next President.

We can not believe that there is any man worthy to be called a man who would antagonize his going because of politics. The belief that would lessen our faith in mankind to a greater extent than we hope it will ever be lessened, but there is another side to the case even looked at from this viewpoint.

If the Government should deny to Col. Roosevelt the privilege of organizing this proposed army and taking it to France, it is altogether probable, we think, that Col. Roosevelt will individually go to France, and as a private individual, without Government recognition, he would be hailed by foreign Governments and given the opportunity to enter the campaign. The enthusiasm and éclat which would attach to his work when obtained in this way would be greater, even though the military success might not be so great as if he had been permitted to carry his army abroad. In either case Col. Roosevelt stands to win the world's enthusiasm, sympathy, and commendation, while any politicians who oppose his plan will be certain to lose out.

Mr. ANTHONY. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. CHANDLER].

Mr. CHANDLER of New York. Mr. Speaker, I favor the sending of Col. Roosevelt abroad, because I believe that the American people want him sent, and I think that a decent respect for their opinions and desires becomes representatives of the people. I listened with amusement and some disappointment to the remarks of my colleague from New York [Mr. FITZGERALD], who said that if the Congress should authorize it he hoped that the President would resist public clamor and pay no attention to it. In other words, we have seated in the House of Representatives from the State of New York a man who wants the President of the United States to stifle and strangle public opinion and public demand. I am opposed to that. [Applause.] The same gentleman wanted to send Gen. Pershing along, the man who could not capture Villa after several months of trial. I appeal to the common sense of every man present whether Mr. Roosevelt would not kill and capture more Germans than Gen. Pershing, and when we have a fight on, let us send a man who can fight, who will fight, and who desires to fight. It was said in the other debate that we did not want to send Col. Roosevelt, I think my friend from Kentucky [Mr. SHERLEY] said, because we did not want to destroy a design or upset a rule. Mr. Speaker, there are always exceptions to all rules. That is an old aphorism, and some of the exceptions are better than the rules, and probably that will be the case in this matter. I say that we can afford to make an exception in Col. Roosevelt's case, because of his character, of his renown, and his record, not only on this continent but throughout the world. [Applause.] He is the best-known American, after the President of the United States, among the masses of mankind, and as a stimulus and inspiration he would be worth 1,000,000 men upon the battle fronts of Europe. [Applause.]

Col. Roosevelt needs no eulogy from me. I do not have to defend his record. His record is its own impregnable defense. He is our greatest citizen in private life; he is the one man among us who is chiseled upon the antique—a figure from the ancient world, if you please—and still strictly up to date in all regards. [Laughter and applause.] We can afford to appoint Col. Roosevelt as an exception to the rule; and if we should do it, every man, every thinking man, every red-blooded man, every patriotic man upon this continent would say amen to the appointment. I favor him for that reason. I favor him because we want imagination and sentiment and the elements

of the crusader injected into this war. If you do not know it, I know that there is a strong suspicion, amounting almost to an absolute apprehension, that the Congress has declared a war which the people did not want declared. That may be plain language, but it is a fact; and the trouble with this war is that it is liable to die aborning before we get started. We need the stimulus of some great name, some magnificent personality. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. CRAGO].

Mr. CRAGO. Mr. Speaker and gentlemen of the House, I shall vote for the adoption of this conference report. I do not, however, want my position to be misunderstood. When the mantle of power fell from the shoulders of the martyred President, McKinley, and rested upon the then practically unknown and untried Roosevelt, there was a cry all over this country that we have a cowboy for President. I was one of the men then who said, "Just wait and see." I have followed his career, I have admired him, and admire him now, although I have not agreed with him on policies at times. I hope the time may come when some of us may have the pleasure of voting for him again for the highest office in the gift of the people. But that is not the question before us now. We can gladly admit the statement that Col. Roosevelt is perhaps the most wonderful man, the foremost citizen of America, but the proposition before us now is a change of the policy which we have adopted after these weeks of study and thought and deliberation, and I think that Col. Roosevelt himself should, with his intense patriotism, be the last man in the United States to ask that an exception be made in his case, an exception which goes to the very heart of the policies for which he has been pleading these many years.

What are the facts? Under the present law President Wilson can commission Col. Roosevelt a major general in the United States Army to-day and send his name into the Senate for confirmation. Under the present law he can place him in command of a division of troops organized, or to be organized, recruited as you will, because the units which are not filled up of the Regular Army and the National Guard are to be recruited under the volunteer system, and these organizations can absorb practically all the material which is now available to fill up this division. What are we attempting to do? Something that you gentlemen know we can not do—dictate to the President of the United States whom he shall appoint a major general in our Army. We may as well attempt to dictate to him whom he shall appoint Secretary of War. I have confidence enough to believe that the President of the United States, well knowing the worth and ability of Col. Roosevelt, will gladly, without any instructions from this House or from Congress, commission him a major general in the United States Army and authorize him under our existing law to carry our flag to victory on the field of battle. [Applause.]

Mr. ANTHONY. Mr. Speaker, I yield two minutes to the gentleman from Massachusetts [Mr. GALLIVAN]. [Applause.]

Mr. GALLIVAN. Mr. Speaker, in my judgment if this debate lasts long enough, instead of having performed a great patriotic act in offering to raise a division to go across to the firing line, Theodore Roosevelt will be convicted of having committed a high crime or misdemeanor. [Laughter.] Mr. Speaker, not as a patriotic Democrat but as a patriotic American I am proud to support this amendment. Who is it that wants Col. Roosevelt to go across? Millions of Americans and millions of those who are fighting the battles of democracy on the other side of the Atlantic. Who is it that does not want him to go across? Oh, I do not want to say that certain Democrats are trying to stop him, but I do not find any great big Democrat in this country who has yet volunteered in the same manner that Roosevelt has volunteered. [Applause and laughter.] Who is it that does not want him to go across?

Mr. DECKER. Mr. Speaker, will the gentleman yield?

Mr. GALLIVAN. I am told that it is the war lords of the Cabinet who do not want him to go across, and some of the high officials in the War Department. Why? Because they say that he will prove hopelessly incompetent. Say, have any of you tried to get real information from some of these War Department officials since this thing started? If you have, how many really competent men have you found in the whole place? [Applause and laughter on the Republican side.] Mr. Speaker, while the applause comes from one side of the aisle, right in here and in here on this side is an echo of my words. [Renewed applause and laughter.] My Democratic brethren have all had the same experience that I have had, and while they do not applaud, quietly they are sympathizing with my words.

Let me say that so far as politics is concerned in this proposition, according to the sentiment in my section of the country, there is no politics in the movement. Up in Massachusetts we are all for Teddy. [Applause.]

Mr. DENT. Mr. Speaker, I yield four minutes to the gentleman from Kentucky [Mr. SHERLEY]. [Applause.]

Mr. SHERLEY. Mr. Speaker, we have seen a curious evolution. Men who were for a pure volunteer plan are now for a selective volunteer plan which has all the vices of the volunteer system and the added vice of discrimination without a reason that can be justified from a military standpoint. I should like to see troops go to France at an early date, and I think they are so going, but to send troops there now that are not trained is to do a hurt and not a help to the allied cause. That exact question was asked Marshal Joffre, and, since his name has been brought in the debate, it is well that the House should have the facts. In my presence and that of 20 other Members of the House he stated in express terms that he did not think it desirable to have troops sent there which were not seasoned troops, and that he wanted troops sent there who after a month's training could be put in the battle front and be of real service. Now we are asked to disrupt all the plans of the Government touching the raising of an army, to hamper all the energies of the Government in equipping and training an Army in order to rapidly equip—not train—but rapidly equip a division that is to be sent across untrained, because this proposal is not to create a division that subsequently may be sent across, but the purpose of it is to permit Col. Roosevelt to have a division that he can immediately take across; and one of the chief arguments is that he will be able to create such a force quicker than you will get it otherwise. Nobody contends that he will be able to create it and make it efficient quicker than anybody else, but what you are asked to do is to disrupt the whole principle that is underlying this establishment and to substitute sentiment for system, to disregard the need of training men and send men abroad who shall not be trained, under the belief that the inspiration of a great name and a great man will be sufficient to make amends for all the defects in the organization and character of the troops you send. I am not concerned in reference to this proposition because it is Col. Roosevelt. I would rather make an exception for him than anybody I know of, but I do not believe we ought to make it for him at the price we will have to pay in so making it. You will disrupt the whole plan for efficiently organizing a force. You will send him over with men who if put on the battle front will not be creditable to America except in their bravery, but will be a handicap; and in the meanwhile the efficiency of the Army will have been delayed and in a measure impaired because of the efforts rapidly to equip this force that ought to go in the regular channels. Let a force of trained men go abroad, either of the Regular Army or of those in the National Guard, that have had a year's service. Let Col. Roosevelt go with them, if need be, but do not undertake to send there a hastily gathered body of men unfit to fight and unfit to be of real service. I know something of some of the men who it is expected will officer it. They are not fit to command men. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ANTHONY. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. TEMPLE]. [Applause.]

Mr. TEMPLE. Mr. Speaker, I shall vote for the motion to recommit, not for Col. Roosevelt's sake, although I admire him, but for our country's sake. The gentleman from Vermont [Mr. GREENE] said a little while ago that the men who are fighting for France and for England have a courage that needs no stimulating. That is true. Their courage has challenged the admiration of the world, but Marshal Joffre insisted that the presence of American troops there would have a tremendous moral effect. [Applause.] So I venture to differ from the gentleman from Vermont. Heroic as their conduct has been they will be encouraged by the presence of an American force, and the evidence it will give that more are to follow.

The stimulus that is needed is a stimulus for the people of the United States, not because there is any powerful opposition to the policies of the Government in carrying on a war which had become necessary and, indeed, inevitable, but because the people, having been led to expect a continuance of peace, have not yet had time to adjust themselves to the new conditions. They have a quiet spirit of resignation to the situation and endurance of its evils, but if they knew the truth they would be full, not of frothy enthusiasm but of quiet determination. With set jaws and white lips they would determine to stand by this thing to the end, to ultimate victory. [Applause.]

No man can stir the people of the United States as Theodore Roosevelt can stir them. [Applause.] His personal qualities

draw men to him. He knows the big heart of the ordinary man, and how to appeal to it. This he has proven time after time. Now, a gentleman said to me the other day, "Why not let him go out and make speeches and stir them that way?" It is for the same reason that a chemist can not get a chemical reaction out of substances that he puts together except according to the nature of those substances. Col. Roosevelt can stir the people of the United States because he understands popular psychology. One must understand how people think in order to lead and intensify their thinking. A leader like Roosevelt, organizing even a small division, would arouse the sentiment of the country. Something picturesque, if you will, something striking is needed, and sentiment would be aroused as it will not be aroused by the draft.

I voted for the selective draft, because I believe in it as the wisest and most substantial system for our country. I am conscious of no inconsistency whatever in voting to authorize this volunteer force. If men volunteer who are of ages not included within the draft years, how can that possibly interfere with the drafting system? There is an element largely made up of men who served in the Spanish War or who have had experience in the National Guard or in the Regular Army, and who will not need as much drilling as men of no military experience, but who, as Marshal Joffre stated on the same occasion that the gentleman from Kentucky spoke of—and I had the pleasure of hearing him then—will need to be seasoned on the other side and to learn the methods that have been adopted during the present war. It is not proposed to send this division immediately, but the very process of raising it will arouse the people. [Applause.]

Mr. DENT. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. CALDWELL].

Mr. CALDWELL. Mr. Speaker, the debate has developed that this proposition is one purely political, for if this resolution is defeated Mr. Roosevelt becomes a martyr, and he will be a Republican candidate four years from now. If it is carried, they hope to profit by an early termination of the war. The Republicans are endeavoring to use this crisis in the Nation's history to bring themselves back into power from which they have long been debarred. [Laughter.] Now, in proof of that proposition, Mr. Roosevelt himself has stated that he is willing to go as a member of the National Guard. The Republican governor of the State of New York said that he will appoint Roosevelt to any place within the governor's gift, and the War Department has issued an order under date of May 5, House Document 136, authorizing the increase in the National Guard to any limit, which I will read:

WAR DEPARTMENT, MILITIA BUREAU,
Washington, May 5, 1917.

From: The Chief Militia Bureau.
To: The Adjutants General of all States, Territory of Hawaii, District of Columbia, all Inspector-Instructors and Officers in Charge of Militia Affairs, Department Headquarters.
Subject: Organization and entry into Federal service of the National Guard.

1. Under the provisions of the act of Congress approved June 3, 1916, Federal recognition will be extended to National Guard units in the various States as set forth in the accompanying table. This table provides for organizations to the extent of 800 men, including the Naval Militia, per Senator and Representative in Congress. The table should not be understood as expressing a maximum war limit, as the number specified is a minimum peace limit which, under the law, was to have been reached by 1921. This recognition of new units will be extended to these units with a view toward bringing the members thereof into Federal service when they shall have been sufficiently equipped to warrant such service.

2. It must be clearly understood by all concerned that the States are not called upon by the War Department to organize these new units. In many States the organization of the additional units will mean an increase of several hundred per cent in the present strength of the National Guard in those States; the expense of recruiting and organizing the new units and providing them with armory facilities will be considerable, and will be a heavy burden for some States with small appropriations for militia purposes; the selection of officers is a matter which should be treated with care and discrimination commensurate with the serious responsibility those officers will have to bear and the important duties they will have to perform. In the present emergency the War Department does not desire to press the undertaking of these burdens upon the States, and believes that troops can be organized as purely Federal forces more expeditiously and with greater efficiency, in accordance with the plan proposed by the President. The law calls upon the States and makes it their duty to organize this number of National Guard troops by a gradual process, giving them until 1921 to complete the task and while the States are not now requested to immediately organize these units of the National Guard, the conditions under which they may be organized and may be extended Federal recognition, and what may reasonably be expected as to entry into Federal service, are published for the information of all concerned.

3. Another point that must be clearly understood is this: Considerable time must elapse between the recognition of a new unit and its equipment for entry into Federal service. The men composing these new units can not be clothed, rationed, and sheltered at Federal expense until they enter the Federal service.

4. Each State should report which of the organizations apportioned to it will be organized and the approximate dates upon which these units will be ready for inspection for Federal recognition.

5 The following will be the conditions under which new National Guard organizations may receive Federal recognition:

(a) The new organizations must be apportioned to the State by authority of the President. (Sec. 60, act of June 3, 1916.) See table herewith.

(b) A State's organizations existing as Organized Militia or National Guard on April 6, 1916, or recognized as such since that date, must first be raised to full war strength. (Infantry company, 150; Cavalry troop, 105; Field Artillery battery, 190, etc.)

(c) Suitable armories and facilities for the care of equipment must be provided for all new organizations.

(d) The members of new organizations shall be so located that the necessary drill and instruction may be had.

(e) There must be some prospect of permanency of organization.

(f) The war strength required for units of the Regular Army (Infantry company, 150; Cavalry troop, 105; Field Artillery battery, 190, etc.) will be required for Federal recognition.

(g) Before receiving Federal recognition officers will be required to pass such portion of the examination prescribed in Circular 13, Militia Bureau, 1916, as may be deemed expedient, which portion will in general include an inquiry into the candidate's antecedents, morals, and character, educational opportunities and qualifications, business and professional experience, conduct, efficiency, and soldierly habits while a member of the Regular, Militia, or Volunteer forces, and his probable efficiency and aptitude for the service. (Par. 10, Circ. 31, Militia Bureau, 1916.) The elementary and professional examination will be completed when practicable. Attention is directed to the qualifications for officers prescribed in paragraphs 2 and 14, Circular 31, Militia Bureau, 1916, which must be strictly complied with.

(h) An inspection by a Regular Army officer will be required prior to Federal recognition. When a State is ready to have an organization inspected report will be made to the Militia Bureau, and arrangements will be made by the War Department, through the department commander, for the inspection. The inspector will verify the numbers and see that all the men presented have been properly examined physically and properly enlisted, and that their general appearance is satisfactory. He will conduct such portion of the prescribed examination for officers as may be required. He will base his recommendation as to recognition upon compliance by the organization with the conditions set forth above. Upon completion of the inspection he will mail his report and recommendations to the Militia Bureau.

6. The State authorities should make requisition for arms, equipment, and clothing for the new organizations raised in conformity with the provisions contained herein. As these supplies become available they will be furnished to the States as promptly as possible. The extraordinary demands upon the Government at this time must necessarily give rise to unavoidable delays.

7. "Federal recognition as National Guard" is entirely separate and apart from a "call or draft into Federal service." The entry into Federal service may be expected to follow Federal recognition when a new organization is sufficiently equipped to move to the mobilization camp and there maintain itself and begin effective military training. Bodies of men can not be accepted into Federal service and sent to mobilization camps without adequate provisions for sheltering, subsisting, and training them. No definite announcement can be made of the exact time that will elapse between "Federal recognition" and "call or draft into Federal service," nor is it possible to announce with any degree of accuracy approximately what this time will be.

8. The National Guard may be "called" into the service of the United States in its capacity as militia for the usual constitutional purposes—to suppress insurrection, repel invasion, and execute the laws of the Union. Members of the National Guard may be "drafted" into the military service of the United States under section 111, act of June 3, 1916, for any purpose requiring the use of troops in excess of those of the Regular Army.

9. To summarize, the duties to be performed by State and Federal authorities incident to the organization of new National Guard units, and the induction of such units into Federal service, will consist of the following:

(a) Selecting localities for various units, designating home rendezvous, enlisting the men, appointing the officers, securing armories and storage facilities. (State.)

(b) Arranging for inspection by Regular Army officers. (State and Federal.)

(c) Extension of Federal recognition (or rejection of organization) as National Guard. (Federal.)

(d) Providing of equipment for sheltering, subsisting, and training of organizations at mobilization camp. (State and Federal.)

(e) Call or draft into Federal service. (Federal.)

(f) Induction into Federal service in accordance with the mobilization regulations. (Special Regulations No. 55.) (Federal, State to cooperate.)

WM. A. MANN,
Brigadier General, General Staff.

Approved:

NEWTON D. BAKER,
Secretary of War.

If Col. Roosevelt can stand the physical and mental examination, he can be drafted into his proper place as an officer in the new army and go to France. So that all of this fight is simply politics and there is nothing else in it. [Laughter.] I favor sending a trained army to France as soon as we can get ready to back it up, and I oppose doing anything that will disorganize the President's plans to that end. Certainly I will not lend myself to a partisan political move designed to embarrass the administration. [Applause.]

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from South Carolina [Mr. NICHOLLS].

Mr. NICHOLLS of South Carolina. Mr. Speaker and gentlemen of the House, I for one am very sorry that the political question has been brought into this debate. I do not think that it has anything to do with it. I disagree with my friend from New York [Mr. CALDWELL], and to show that politics has nothing to do with it, so far as the Democrats are concerned, I am

satisfied that we would be glad if the whole Republican Party would go to France before the next election.

When this matter came before Congress heretofore, and when I was one here contending for the volunteer plan, I voted to send Col. Roosevelt to France. I was in favor of the volunteer system. I still believed that every man who wanted to fight should have a right to fight for his country. But the majority of this House voted that we should have the conscription plan, and to-day, in order to bow to the will of the majority, I can not make an exception of Col. Roosevelt or anybody else. [Applause.]

Gentlemen of the House, the gentleman from Massachusetts [Mr. GARDNER] says that the strongest opponents to Mr. Roosevelt going to France are the men who stood for the volunteer system. I want to call your attention to the fact that the strongest men advocating Col. Roosevelt's volunteer system are the men who stood here advocating conscription in their speeches and by their vote. Those of us who stood for volunteering were forced by a majority of the House to favor conscription. Those of you who voted for conscription are now blindly following those of us who were in a minority on the other proposition. That is the difference in the attitude that we assume here.

Now, I have the greatest admiration for Col. Roosevelt's ability as a leader of men. I have no admiration for his ability as a military man further than the rank of colonel. He has rendered conspicuous service to this country, but he is not fit, and no man can contend that he is fit, to lead a division of troops in a war like that across the water.

Mr. DYER. Will the gentleman yield?

Mr. NICHOLLS of South Carolina. Certainly.

Mr. DYER. Is it not the understanding that Col. Roosevelt does not expect to lead a division, but only to go as commander of a brigade?

Mr. NICHOLLS of South Carolina. Then he is not competent to lead a brigade, because he has never led anything except a regiment, as I understand it.

Mr. LITTLE. Have you got anybody who has ever led a brigade in battle?

Mr. NICHOLLS of South Carolina. We have some who have been trained to lead brigades, and I think some of them would do better leading brigades than telling us how to legislate. I agree with you on that proposition. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ANTHONY. Mr. Speaker, I yield five minutes to the gentleman from Kentucky [Mr. LANGLEY].

Mr. LANGLEY. Mr. Speaker, one of the definitions of treason is giving comfort to the enemy. While I would not even insinuate that gentlemen opposing this amendment are not entirely loyal and patriotic, for I know you are, but you are steering dangerously near this definition without realizing it, because I am satisfied that nothing at this juncture would give the Kaiser more comfort than to receive a message that Roosevelt is not coming over there with a division of American troops. [Applause and laughter.] More than a decade ago Theodore Roosevelt——

Mr. GORDON. Will the gentleman yield?

Mr. LANGLEY. No; I will not—I can not. More than a decade ago Theodore Roosevelt was warning the country of its unpreparedness and proclaiming that the best way for a nation to preserve peace was to be prepared for war; or, as he would put it, "to speak softly and carry a big stick." If we had heeded his warning and advice then and later, this war with Germany might not have been. After Europe was ablaze he still pleaded for preparedness while others sneered, and to his wisdom, foresight, and courageous course is chiefly due the initiation of whatever preparedness we have since accomplished. And yet in this critical hour, when man power and patriotic sacrifice are so much needed by America, when our allies are begging for our soldiers to come over and help them, and this great and gallant man offers his services, backed by all the magic potency of his name and influence, we find some secret, mysterious, subtle power invading this Capitol to block his way. Gentlemen, it is a situation unparalleled in our history. For the first time in the history of the world a great nation is at war and in need of an army, and yet it is putting itself in the attitude of refusing to accept one unless it is raised in a particular way. Men who want to go to Europe and fight are being denied the privilege, while it is proposed to send those who do not want to go. And all this is being done in the name of democracy.

My colleague [Mr. SHERLEY] made a logical argument against this amendment—he is always logical—but what we need now, my countrymen, is a little less hair-splitting logic and a little more red-blooded American enthusiasm. Remember, gentlemen of the House, we may need in this titanic struggle the volunteer as well as the conscript, the middle-aged as well as the young, and, above all, we shall need the united, enthusiastic cooperation of the whole people. Let me suggest that you had better harken to the voice of the masses, even if you do call it "public clamor," as the gentleman from New York [Mr. FITZGERALD] did. It is their war. They must bear the burden. They must make the sacrifices. They must walk down into the valley of death if we win. I say it with deep regret, but I fear that many of us do not fully understand just what is in the hearts and minds of millions of our people—that this war might have been avoided, that you are proposing to place too heavy a burden upon the poor, who are already suffering from the almost prohibitive prices of the necessaries of life, and are not mindful enough of the hardships that poverty brings to so many firesides. Let us not permit the glamor and enthusiasm of war to lead us to forget too much of the human side of it.

Mr. Speaker, I believe it would be a fatal error not to yield to this public sentiment in favor of giving Col. Roosevelt the place the people want him to have in this war. From the teeming millions of this land there comes the imperial demand, "Let Roosevelt go." Already he has pledged to go over 200,000, which is more men than the Government has secured in the same length of time. If it required 1,000,000 volunteers instead of 200,000 in order to enable him to go, I believe they would be at once forthcoming. [Applause.]

It has been contended here that 80,000 troops would cut no figure there where millions are battling. I am for this amendment not alone because of the fighting the Roosevelt division would do but also because of the effect it would have, not only on the morale of the troops of the allies but upon those of the central powers as well. The German Army knows very well who Roosevelt is. Many of them saw him as he stood once beside the Kaiser and reviewed the German troops. They know what his name stands for in a military sense here and throughout the world. They look upon him as the kaiser of democracy; and when they hear that the Congress of the United States has commissioned him to lead against them an American force of volunteers, who come to fight because they want to fight, it will strike terror into the hearts of an already discouraged German Army as nothing else could do.

On the other hand, France and England want our flag and our soldiers over there to plant new courage and enthusiasm in the breasts of their soldiers. What could be more inspiring to them than to have this dashing, intrepid soldier-statesman, twice President of this great Republic, known to all the world as second to none in his championship of all that is noblest and best, both in private and in public life, to carry that flag and lead our men into battle with them! [Applause.]

Mr. POWERS. Mr. Speaker, I have not always agreed with Col. Theodore Roosevelt, but I have always admired him and never abused him. He did me a personal favor I shall never forget. In the campaign of 1912 I said in my public speeches that Col. Roosevelt had made the most serious political blunder of his life when he left the Republican Party and organized a new one. That he to-day realizes the mistake he then made I have no doubt. But to err is human. No strong and forceful man is free from blunders and mistakes. Roosevelt is no exception. In 1916 he declined the Progressive nomination for President and tried to make amends for his mistake of 1912 by loyally supporting the Republican nominees for President and Vice President. He did that in the face of the fact that he was himself denied the Republican nomination by the same convention that nominated our standard bearers—Hughes and Fairbanks. The point I am driving at is that no Republican on the floor of this House is justified in voting against permitting Col. Roosevelt to go to the trenches of France with the four divisions he desired because he has not always agreed with all the Colonel has said and done.

Neither have the Democrats in this body any real excuse for voting against him. It is true that long before the issues in the last presidential election were really formed Col. Roosevelt had cast some pretty severe strictures upon President Wilson because Mr. Wilson had taken the position that the country was in a state of excellent preparedness. Col. Roosevelt knew how almost totally unprepared we were. President Wilson finally realized it, and realized it, too, that the people were demanding preparedness; so President Wilson turned turtle, grabbed the banner of preparedness, led the procession as its chief spokesmen, advocate, and champion and thereby stole from the Republicans their nice political clothes and robbed them of their valuable political thunder. The stealing of a little political thunder, however, did not put the Nation in a state of preparedness; so Col. Roosevelt continued to preach it and to arouse the people to the need of it. As a matter of fact, he had for many years been warning the

country against its state of unpreparedness and proclaiming the doctrine that the best and surest way of preserving peace was to be prepared for war, that to be unable to defend ourselves was an invitation to be attacked. Had Col. Roosevelt's advice been heeded and had President Wilson pursued a wise, steadfast, and impartial attitude toward all the nations engaged in the war, we would not have become embroiled in it, and our citizens would now be enjoying the blessings of peace. I will not at this time enter into a discussion of how and why I think this war ought to have been and could have been avoided. I have expressed my views on that heretofore. Whether we like to or not, we are bound to accept the fact that war is upon us. The question now is how to meet it.

Except as a warning for the future, it does not do any good now to point out the fact that one of the chief arguments for Mr. Wilson's election was that he had kept this country out of war, and that he would continue to do so if reelected.

It does not avail us anything now to review the many blunders of the President which finally involved us into war. If one's house is on fire, the thing to do is to put out the fire. There is ample time after the fire has been extinguished to determine its cause and its origin. The blame for this war will finally be made to rest upon the shoulders of those who ought to bear it. Since we are in it, the thing now to do is to win the war, praying the while that it will soon be over. We ought to take advantage of the first opportunity that presents itself to honorably put an end to it.

The question before this House is whether the young manhood of this Nation between the ages of 21 and 30, inclusive, shall be taken by the throat by the strong arm of this Government—or as many of them as the Government desires—and be forced into the trenches of France to fight alongside the allies for the democracy of the world, or whether the volunteer system shall be given a full and fair trial before resorting to the draft. I am opposed to the draft system. I shall vote for the volunteer plan. I shall vote to give those a chance to go who desire to go and to prevent those who do not desire to go from being forced into it against their will. I shall vote against this bill if the volunteer system is rejected. If the cause of the war is just, the people of our Nation can be depended upon to prosecute it to a victorious end.

COL. ROOSEVELT'S DESIRE TO GO.

When we have a fight on our hands, is it not a good policy to send men along who desire to fight, who can fight, and who will fight? Over 200,000 men have already expressed their desire to go and fight with Col. Roosevelt. He could easily raise an army of a million men. Why is he not permitted to go? England and France have expressed a desire to have our flag flying by the side of their own. They have said that it would greatly encourage their soldiers. Why is not Col. Roosevelt permitted to carry it? Is he not a loyal American? Nobody doubts it. Is not he a fighter from the word go? Everybody knows it. Are not his services needed at this critical hour in our history?

The fathers and mothers, the wives and children, all over this land who are soon to see their sons, husbands, and fathers conscripted for the bloody battle fields of France at least think so. The men and women of our country who are now staggering and starving under the ever-increasing load of the high cost of living, and who are to be still further weighted down under a heavy burden of war taxes at least think so. Every honorable effort should be made to bring this war to a speedy termination. Col. Roosevelt offers his services to this end, and back of the offer of his services is the magic potency of his name and influence, both of which are world-wide and world respected. I am strictly within the bounds of truth when I say that he is our greatest citizen in private life—the best known among the masses of all mankind. His record and renown are not confined to the shores of our own land. They are known throughout the world. If it be true, as many believe, that there is a lack of enthusiasm among our people for this war; that the American Congress has declared a war that the mass of our people did not want declared; and that something needs to be done to inject fervor, enthusiasm, zeal, and life into it, let me ask how better could that be done than by permitting the twice-elected President of this Republic, the soldier statesman, Theodore Roosevelt, to be the first to lead our forces to the firing line with Old Glory floating over the heads of American patriots. This is the people's war. At least they will think so by the time they get through bearing its burdens. The people demand permission for Col. Roosevelt to go. Will this administration throttle public opinion and stifle and strangle public demand?

Is President Wilson a candidate for reelection? I have a firm conviction that he is. I also have a firm conviction that President Wilson and his close political advisers are opposed to permitting Col. Roosevelt to lead an army to the European battle fields for fear that the colonel will cover himself over with glory, come back to this country, and four years hence sweep the President and his party from the political map. But let me repeat that this is now the people's war, whether they wanted it or not; that they have got a right to conduct it; that they are in favor of permitting Col. Roosevelt to go with his army to France, and that he ought to be permitted to go. [Applause.]

Mr. ANTHONY. Mr. Speaker, how much time remains on each side?

The SPEAKER. The gentleman from Kansas [Mr. ANTHONY] has 23 minutes remaining, and the gentleman from Alabama [Mr. DENT] 14 minutes.

Mr. DENT. Mr. Speaker, I ask the gentleman from Kansas to yield some of his time.

Mr. ANTHONY. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER pro tempore. The gentleman from Texas is recognized for two minutes.

Mr. BLANTON. Mr. Speaker, I represent a southern district, in western Texas, which is so overwhelmingly and cruelly Democratic that our children would hardly be able to identify a Republican if one should every stray there. [Laughter.] And yet I intend to support this motion to recommit [applause], because I believe that Theodore Roosevelt should be given the opportunity to go to France if he desires it.

A short while ago in my home city of Abilene, Tex., when our people learned that Theodore Roosevelt on his western tour would pass through our town, they made an effort to get his train to stop there only a minute in order that they might pay their respects to a great man. This change of schedule was denied them by the railroad, but, like west Texans, to carry a point 10,000 men, women, and children went down to that depot and stood upon the tracks in a solid phalanx of people [applause] and forced that train to stop in order that they might greet a great American citizen, the ex-President of the United States. [Applause.] It was the personality of the man that caused it.

The criticism has been urged that we are making an exception in favor of one individual. Is there any person other than Theodore Roosevelt who is now ready, now anxious, now clamoring to go to France? It is not an exception, because no other has prayed for the privilege.

I can not agree with the gentlemen on the other side of the House who intimate that Democrats are afraid to let Roosevelt go to France, fearing that he might detract some glory from our administration.

I believe that should Theodore Roosevelt cover himself with all the glory imaginable—and he will do it if he goes—he could not detract any glory from our matchless President and his incomparable administration, for there is enough glory existing and obtainable in both the United States and Europe for at least two great American citizens.

This is no raw recruit who requests the privilege of going to France. He is the only citizen in America who has been not only Commander in Chief of the Army and Navy of the United States, but also has done actual service for his country at the battle front.

In 48 hours he could get 50,000 brave Texans to volunteer in following him to France. I shall vote to let him go. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLANTON. May I have one other minute?

Mr. ANTHONY. I am sorry, but I have not any time that is not allotted.

The SPEAKER. The gentleman's time has expired.

Mr. BLANTON. I expect to vote for it. [Applause.]

Mr. ANTHONY. Mr. Speaker, I yield three minutes to the gentleman from Iowa [Mr. GOOD].

The SPEAKER. The gentleman from Iowa is recognized for three minutes.

Mr. GOOD. Mr. Speaker and gentlemen of the House, I shall vote for the motion, for two reasons: First, it will give to the war that enthusiasm and patriotism in America which is now lacking; second, it will give the conferees the opportunity to right a great injustice to the enlisted man. It will give the conferees the opportunity to correct their own mistake and permit us to increase the pay of the enlisted man as the House determined by a unanimous vote. [Applause.]

A few days ago Col. Roosevelt addressed an audience of about 10,000 people in Chicago. Leaning over the railing of the platform from which he was speaking, Col. Roosevelt said, "I want to make good. I do not want to say, 'Go'; I want to say, 'Come,

boys!'" and thousands of people, patriotic Americans, rose to their feet and said, "We will come, Teddy!" and I shall permit them to follow their own patriotic desire. It is that kind of enthusiasm that you must raise in every locality throughout the length and breadth of this land if you are going to make this war a success. It is that kind of enthusiasm that you must create in the great financial centers if you would sell Government bonds to carry on the war.

By the unanimous action of this House we fixed $30 a month as the pay of the enlisted man. By the almost unanimous action of the Senate $29 was fixed as the pay of the enlisted man.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. GOOD. I can not. I have only three minutes.

The SPEAKER. The gentleman declines to yield.

Mr. GOOD. Canada pays her soldiers, fighting her war, $33 a month. She gives $20 additional to the wife of the enlisted man and $5 additional for every child. Australia and New Zealand pay their soldiers more than we by this report propose to pay ours. America, the most powerful country in the world, the richest of all the countries in the world, following only the dictation of the General Staff and repudiating the instructions of Congress, would, if we adopt this report, which is an insult to this House, an insult to the enlisted man, pay our soldiers less than these smaller and poorer countries pay theirs. We are going to say to the boys by the enactment of this law, "You must go; you will go to jail if you do not go and register for enlistment." You are going to take them from the farms, where they are getting $40 or $50 a month, and say, "You must enter the war; you must go to the trenches and accept the mere pittance of $25 a month."

Mr. FIELDS. Mr. Speaker, will the gentleman yield?

Mr. GOOD. No; I can not.

I voted for the bill. I shall vote for this motion; and if it fails, I shall vote against the bill, because it is the only opportunity I have, and it is the only opportunity you have, to say to those boys, "We were willing to do what was fair; we were willing to pay you for your services in the war at least as much as other countries are paying their soldiers." We owe at least that much to the enlisted man. [Applause.]

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. DENT. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. HARDY].

The SPEAKER. The gentleman from Texas is recognized for two minutes.

Mr. HARDY. Mr. Speaker, I voted for the conscript plan in preference to the volunteer because I wanted to end the odium attached heretofore to the word "conscript" and place every American soldier on an equal plane of honor to start with and let him win his glory by his actions. To have so voted and now to say that I am willing to create a special volunteer class of 80,000 men who, when this war is over, will step with greater pride than the rest of the soldiers who have been taken by our Government and sent to the front is something I will never do. You know that if Roosevelt or any other man is allowed the special privilege to organize volunteers, a privilege denied to all others, when this war is ended those volunteers will strut like turkey cocks over the lesser men who have been conscripted, and you will place the brand of odium upon your boy or mine who was conscripted into the war; and I want to say to the gentleman from Texas [Mr. BLANTON] and to the gentleman who spoke about arousing enthusiasm here [Mr. REAVIS] that when you have let a few selected men claim the honor of volunteering, you will not increase the enthusiasm of the boy who is left behind and who must be taken by conscription. [Applause.] Let us adopt either the volunteer plan or the conscript plan, and do not let us be lukewarm, for if we do we will be spewed out of the mouths of our people. When men tell me that the country is in favor of Roosevelt going, they simply express their own view. I have heard it so often, "The people are with me." Yes; every man doubtless thinks the people are with him, but my opinion is that the people want to make no pets of any special 80,000 or 20,000 men, to place them in a position above all others, even though led by Roosevelt. Therefore I propose to be consistent. [Applause.] I believe my people favor the selective draft. I do not propose by this special act to crown a chosen eighty or forty thousand soldiers with the glories of a Cæsar's Tenth Legion or Napoleon's Old Guard before they have struck a blow. I want every American soldier to have an equal chance to win glory by his deeds on the battle field and to hand down a proud name to his children.

Mr. DENT. I yield three minutes to the gentleman from Mississippi [Mr. QUIN]. [Applause.]

Mr. QUIN. Mr. Speaker and gentlemen, the situation here to-day is peculiar. There stood on the ramparts in the Military Affairs Committee 12 men who were shot at fore and aft for many days for endeavoring to bring out a bill here for volunteers. [Laughter.] I want to say that the gallant and courageous champion of the volunteer system, the chairman of this committee [Mr. DENT], and 11 others, including myself, came on this floor with the majority report, and fought like men for the volunteer system of raising the Army, and lo and behold, when the record vote was taken there were only 109 who stood with us. We stood for the volunteer system and went down to defeat. After you had, by a great majority, passed the Kahn amendment striking out the volunteer section of our bill, what was the plain duty of all of us on that committee? I joined with my chairman and the honorable Speaker of this House who stood with me for the volunteer provision and voted for the bill. I was against conscription then and am against it now. As the agents of this House and of the American people, your committee stood by you after you had, by an overwhelming majority, voted us down and by the force of your solemn record votes declared there should be no volunteer army, and when on the final passage of this bill you had wiped the volunteers off the face of the earth in favor of conscripts, we were forced to sacrifice our judgment and vote with you, as we were bound to raise the Army. The war must be waged. When you outvoted us volunteer champions, then it was our duty to follow your conscript plan. Do you not know it is your plain duty to stand by your own work? We did succeed in keeping you from conscripting boys under 21 years of age.

I have the honor to be one of the conferees on this great committee that agreed with the Senate on this report that we have brought back here. As a man believing in the volunteer system I had to represent your views instead of my own. I did that service honestly, faithfully, energetically, and patriotically. I know that if the President of the United States had asked Congress to pass a volunteer bill to raise an army by State units, in 36 hours both branches of this Congress, would have passed the bill, and the President would have issued a stirring call for volunteers, and at this date you would have 500,000 brave, patriotic citizens of this country in training to go to France. [Applause.] But you gentlemen who stood up here and bellowed for conscription are now wanting to repudiate your own votes and saying "Let us send one great leader, Theodore Roosevelt, with 80,000 volunteers, over to France." Every one of you know that would disrupt the plans of the War Department and tear up this bill. Where is your consistency? I admit there is little consistency in these days, not even in me, President Wilson, nor the Kaiser. [Laughter.] But many of you men who at first stood against conscription went over to the other camp, and I saw your banners waving in the conscription camp after you had shot us in the back. [Laughter.] Now, since we champions of the volunteer system are men enough to go over yonder in that committee room and agree to stand by this conscriptive draft system that you by your speeches and record votes formed upon us against our will and protests, and which you know the War Department wants, which you know the President of the United States wants, do you not know it is your duty to stand by it, instead of ruining it with this Roosevelt amendment? I say you are waving a red flag in the face of the War Department. You are doing more than that. You are delaying the passage of this bill, and your action will delay too long the raising of the Army for the war. Why can you not stand by the President now, as you pretended to do when you were forcing conscription on us, when you defeated our volunteer provision in the bill? You are offering an affront to the President of the United States, and I believe this House ought to have some respect for its own self as well as great respect for the President. [Applause.]

Mr. ANTHONY. I yield three minutes to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Speaker, the matter under discussion is a most vital one, far-reaching in its influence both at home and abroad. By authorizing Col. Roosevelt to recruit a great volunteer army, to be subjected to intensive training, officered by experienced officers of the Regular Army, and then sent to France, at least two things will be accomplished. First, it will inspire our allies on the front with renewed determination and will carry a message of hope and of courage from the democracy of the New World to the democracy of the Old. Second, it will instill confidence in the hearts of the American people and arouse our Republic to the needs and the necessities of the hour.

The verdict of this Congress upon the pending motion, favorable, as I hope it will be, will cause rejoicing among those who stand with us in the fight; it will be received with joyous acclaim in Paris, Petrograd, Rome, and London, and those rejoicings and acclamations will echo in the trenches, as they are

caught up and carried onward along the line when the brave boys, our comrades in arms, hear the gladsome tidings. [Applause.]

Those who advocate the volunteer system for raising an army should welcome the formation of this force; it is consistent with their teachings. Those who advocate universal service—and I am one of them—should remember that even under our plan of selective conscription, provision is made for recruits by volunteers in the National Guard. This proposition only enlarges the National Guard, but it will be a guard that knows neither State boundaries nor local prejudices. It will be a guard truly national in character, for its roll will call the names of men from every State in the Union, and its purpose will express the spirit of undaunted, patriotic, virile Americanism, sounding the bugle that never knows retreat. [Applause.] I hope that this Congress will rise to the occasion and will accept the opportunity offered by the patriotism and the courage of Theodore Roosevelt. [Applause.]

Mr. ANTHONY. I yield to the gentleman from New York [Mr. MAGEE].

Mr. MAGEE. Mr. Speaker, I want to say a word in behalf of the most distinguished citizen of my State; one of the most distinguished men in all the world. It is well to keep in mind that we do not rule this country; we are merely public servants. No one man can ever rule this country. The people always have and always will rule this country, and the people want Col. Roosevelt to go to France. His presence there will be a tremendous inspiration to the British and French soldiers fighting the battle of civilization. [Applause.]

We welcome volunteers in the Regular Army, in the National Guard, in the Navy, for engineering service in France, and for the treatment and care of the wounded there. Let us be frank with ourselves. You know and I know that conscription, though the word may be clothed in seductive phrase, is an ugly word for a Republic. We voted for it in the emergency of war, and as an act purporting to be in defense of our country. Yet we all know that conscription is the basis of military despotism, the very thing which we have entered the world war to help destroy.

If the time shall come when the bones of American soldiers lie mingled with the soil of every country from Gibraltar to Petrograd, I would rather, a thousand times rather, see that soil consecrated by the blood of volunteers who through patriotic fervor assume the risk, than by the blood of conscripts forced, perhaps against their will and the wishes of their parents, to leave their native soil to fight on foreign battle fields. [Applause.]

Politics should have no place in a discussion of this question. There have been for upward of three years steady streams of volunteers from the daughters of the British Empire to the battle fields of France. They have there received intensive training within the sound of cannon and the smell of powder, so graphically described by the great marshal of France. What they need there is man power, and they certainly have indicated to us in the clearest manner that if the man power be furnished they will do the rest.

Let the colonel go to France, not begrudgingly, but with our best wishes, and a God speed. In this way, in my judgment, we can best serve the common interests of our country. [Applause.]

Mr. ANTHONY. I yield to the gentleman from Nebraska [Mr. KINKAID].

Mr. KINKAID. Mr. Speaker, I favor very heartily the motion to recommit for the purpose in contemplation. In fact, I think it would constitute a grave mistake to vote down the amendment. Certainly I appreciate the desirability—I should say the necessity—of expediting the enactment of the pending bill into law, and I would not willingly be the means of unnecessarily delaying this one minute. The bill shall have my support whether amended or not. To pass the amendment does not take from the bill in the least degree; on the contrary, it will add immeasurably to its value.

Ever since the patriotic tender of his services made by Col. Roosevelt for himself and the thousands of other loyal and self-sacrificing citizens who stand willing, ready, and anxious to accompany him to fight in the battle fields of France, it has been my firm belief that the utilizing of such a force would supply one of the greatest necessities for due preparation. It is my candid judgment that a large majority of the American people are desirous that the services of Col. Roosevelt and his following shall be accepted, and I think their wishes should be regarded as a mandate that the amendment be adopted.

Mr. Speaker, I think it will hardly be gainsaid that Col. Roosevelt is one of the world's greatest characters. His knowledge of the different countries and their peoples and his grasp of international affairs is exceptionally thorough. Conspicuous traits in his character are his courage, both moral and physical, combined with the energy and intrepidity of purpose to carry through to the end whatever he may undertake; and in these particulars he would largely typify the following he is promised, composed, as they are to be, of many of the Rough Riders of the Spanish-American War, supplemented by thousands of others whose inherent fitness for the task impels them to offer themselves for the sacrifice.

The opponents of the amendment object that it is politics which prompts the support given it. But let us inquire whence emanates the politics. Does it come from the proponents or the opponents of the amendment? I deplore the mention of the word "politics" in these discussions, and for myself shall endeavor steadfastly to hold my judgment aloof in the consideration of these questions affecting the fate of nations—of any partisan predilections. In fact, I should regard it as both stupid and unpatriotic to allow political party lines to receive any consideration whatever. But here it is pertinent to recall that President McKinley, who attained the rank of captain in the Federal Army during the Civil War, when preparations were being made for the Spanish-American War, did not hesitate to accept the tender of services by the ex-Confederate officers, Gen. Wheeler and Col. Mosby.

Ever since the declaration of war against Germany Republicans and Democrats have joined hands in this House, and one and all have stood back of a Democratic President, and there has not been a trace of partisanship. Why, it was a Republican Member from California [Mr. KAHN] who piloted the selective-draft plan for the raising of an army through this House, because the Democratic chairman, whose official prerogative and province it was to do so, stood for the volunteer plan. If Theodore Roosevelt goes to Europe, he will render signal service to his country, otherwise no glory will ever attach to it.

Important among the reasons for permitting Col. Roosevelt and his following to go to France is that they want to go; and, let me say, I regard the feature "want to go" an invaluable asset. I shall be most glad if all of our armies who may go to France may be composed of those who want to go.

But they say such a division would be incompetent, would do more harm than good, and that instead of adding to the morale of the allied troops and lending enthusiasm that it would dampen the cause to send raw recruits, to be driven like sheep to slaughter. But what are the facts in the case? Many of those who have offered their services have seen service in the Spanish-American War, i.. the National Guard, are a type of men adventurous, courageous, willing to give their all for the cause. Marshal Joffre himself stated to a prominent Member of this House that in the concentration camps of France in six weeks' time raw recruits from Russia were changed into seasoned soldiers. Does anyone contend that the high-grade men who want to accompany Roosevelt to France can not do as well? Roosevelt does not ask to be placed in the highest command. He wants the division to be officered in the regular way, by the best men in the United States Army; and what a body of men it would make! As a matter of fact, this, the greatest of wars, has developed such new methods of fighting as to require special training even of the best-drilled standing armies to qualify them for participation.

The objection is made that it would be inconsistent for many of the Members to now vote in favor of this amendment because in conflict with their votes for selective draft. But let me inquire how this is in conflict with the bill in general, which provides for filling up by volunteers the National Guard and the Regular Army, which a short time ago were lacking to the large number of 720,000. It is pertinent to point out, too, that many of those opposing the amendment were the strongest supporters of the volunteer plan, so that by their own arguments they must admit that they are inconsistent in their present opposition.

Mr. Speaker, it has been repeatedly suggested in the discussions that there is a lack of enthusiasm in this war, and the apprehension of the General Staff and other advisers of the President that a volunteer plan would not secure an adequate army if that system were provided verifies this. All agree that a deeper sympathy and interest in the war is desirable to make it a success.

Mr. Speaker, it is a fact so generally recognized as to have become almost axiomatic that no difficult and great achievement has ever been attained unless the minds of the chief actors at least were imbued with a due proportion of enthusiasm. Why are we contemplating sending an army to France at an early date? It is for the enthusiasm and the inspiration it will arouse, not only at home but abroad. The chief reason advanced by Marshal Joffre and Ministers Viviani and Balfour to the State Department for the sending of troops at once was the effect on the morale of the troops on the battle

line in Europe. Imagine the Rough Riders, veterans of the Spanish-American War, reunited under their old colonel, following, perchance, the same flag, carried by the same standard bearer, the divisions filled up and supplemented by others whose patriotic zeal inspire them to offer themselves for the sacrifice, elated by being commissioned to battle in the greatest of wars, this gallant collection, captained by their well-known, fearless, aggressive, heroic leader, will possess enthusiasm, arouse enthusiasm, breed, inspire, and spread enthusiasm at once in America where they are known, and their presence on the battle lines of Europe will be an inspiration to the allied cause, and thus materially help to gain battles and to win the war. [Applause.]

Mr. ANTHONY. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, I am somewhat at a loss to know what to do, since we have not had the official statement from the General Staff. [Laughter.] I introduced a resolution some weeks ago to inquire of the General Staff whether they had accepted the services of Col. Roosevelt, but so far we have had no answer.

I want to reply in the short time I have to the suggestion made by the gentlemen who have been fighting for the draft and who say that we need no sentiment in this country. These gentlemen who voted for the draft say that the people are not for this war. I do not say that now; I said it before you begun the war. We said the sentiment was not for it then, but the people who voted against it are with you now. But when you try to take out all the sentiment that makes life worth living, you take away the prospect of winning the war. [Applause.]

You tell me, gentlemen, that France needs no inspiration! We remember the time in history when France was weak, demoralized, and from a military standpoint dishonored, when a little woman on a white horse bearing the colors of her country gave them the inspiration that led them to victory. She was a volunteer woman. [Applause.] We remember in our own war, when Sheridan was 15 miles away, a demoralized army upon the sight of him on horseback gained a new inspiration, went back, and won the fight. Gentlemen, you took out the inspiration when you forced the American boys to a draft, and next fall when you are shaking dice for the blood of the American boys, as they shook for the garment of the Master at the foot of the cross—next fall when the mother of the boy comes and asks you, "For God's sake, Mr. Congressman, don't make my boy go to fight in the trenches on the soil of Europe," then you will wonder how you can escape the mother's sighs and the mother's tears, when she says to you, "If you had allowed Col. Roosevelt and his volunteers to have gone, it would have been different." You will say to her, "My dear woman, your dear boy has got to go to the trenches in France because we did not want to disturb the plan of draft laid out by the General Staff. [Laughter and applause.]

Mr. ANTHONY. Mr. Speaker, how much time remains?

The SPEAKER. The gentleman from Kansas has 10 minutes and the gentleman from Alabama 9 minutes.

Mr. ANTHONY. I yield four minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, we are called upon to vote upon the report of the conference committee appointed to adjust the differences between the two Houses on the bill to temporarily increase the Military Establishment of the United States. We ought, if possible, to vote down that conference report and ask the House conferees to return to conference and endeavor to secure a report more in harmony with the views of the House as expressed in the bill as we passed it and more in harmony with the general opinion of the House as we understand it, but I assume that can not be done.

The report of the conferees is objectionable in a number of respects. First, the House conferees allowed the Senate conferees to persuade them to agree to a provision which only raises the pay of enlisted men $10 per month instead of $15 per month, as provided by the House. The House conferees have yielded to the Senate conferees in the matter of the ages of enrollment and conscription, so instead of retaining the ages from 21 to 40 they have accepted the ages from 21 to 31. The House conferees did, it is true, accept the Senate provision prohibiting the sale of intoxicating liquors to officers or men in uniform or at military camps or posts, but the provision might have been much broader and given wider discretion to the President to further restrict and prohibit to the advantage of the Army and the country.

The House conferees may have thought they were carrying out the wishes of the House in refusing to accept the Senate amendment which authorized the President to raise by voluntary enlistment not to exceed four Infantry divisions, but in my opinion it will be developed that they did not understand the temper of the House with regard to this matter, and I prophesy that the motion to recommit with instructions to accept the Senate amendment will be carried.

I am loath to believe that political considerations have prompted the administration in its seeming determination to prevent Col. Roosevelt and other popular leaders from raising these forces. If their thought was to minimize the Colonel's influence, they are taking the very action tending to increase it. I am for the proposition because, in my opinion, volunteering is the proper way in which to raise troops and, further, because we need a popular movement such as this to arouse the interest of the people in the great struggle in which we are engaged. [Applause.]

Mr. Speaker, one does not have to have been raised in the country to realize the force of the old saw that while you may lead a horse to water you can not by that particular process make him drink. It is equally true that while you can conscript armies, you can not by that process alone arouse the enthusiasm, inspire the patriotism, and fire the imagination in the way and to the extent that is absolutely essential to make a great military undertaking successful among a free people. [Applause.]

Mr. Speaker, we have embarked on an enterprise the extent and duration of which no man can foresee, and for the successful prosecution of that enterprise we shall require all of the enthusiasm as well as all the resources of the Republic. There is no way given under heaven among men whereby the enthusiasm of the American people can be so aroused, whereby they can be so thoroughly brought to that condition where every force of the Nation shall be made effective as by giving to Col. Roosevelt and other leaders an opportunity to call to the standards the volunteers of the Nation with the view of carrying the Stars and Stripes to the hard-fought battle fields in northern France. [Applause.]

I confidently expect the motion for the raising of the four divisions of volunteer troops to carry, and if it does I shall feel it my duty to vote for the bill, even though there are many of its provisions which I do not approve. Unsatisfactory as it is in some respects, from my viewpoint, it will be, if the Roosevelt volunteers' provision carries, so much better than the bill as originally proposed by the General Staff that those who have opposed the more objectionable provisions of that bill have abundant reason to feel that their efforts have not been in vain. At least we shall not conscript the boys under 21. We shall have, if the terms of the bill are carried out in good faith, organizations recruited locally and to a certain extent commanded by local officers, and we shall have retained at least enough of the leaven of volunteering to prove anew that this is the proper way to raise an army among a free people. [Applause.]

Mr. DENT. Mr. Speaker, I yield to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, I shall support the conference report. [Applause.] We have heard to-day a great deal of argument why Col. Roosevelt should be permitted to go to France, and the burden of that argument is his enthusiasm. I have heard very little argument that his military qualifications would be an asset to the American Army or to the allies on the battle fields of France.

My friends, enthusiasm, unless directed in the proper channels, is more disastrous on the battle field than in any other field of human endeavor. The charge of the Light Brigade was a magnificent thing, but it slaughtered great numbers of soldiers uselessly.

The Congress recently decisively repudiated the volunteer system and adopted the principle of the selective draft as the military policy of the United States. That action denies to many worthy and capable men the opportunity to organize volunteer units for foreign service—men just as patriotic, just as courageous, just as truly American as the distinguished ex-President, for whose benefit the motion to recommit has been made. Yet to-day we are asked to make an exception, to reverse the solemn decision of this House, and grant a special privilege to appease the desire of one man to lead the "first" force to France.

Whatever force that may be organized under the proposed plan, if adopted, will require equipment, will require training, will require arms and all of the various implements and accouterments demanded by modern warfare. To send a force without such equipment will mean disaster to it and prove a liability instead of an asset to the allies. On the other hand, to equip and train such a volunteer force as proposed will seriously interfere with the equipment and training of the armies to be raised under the selective draft, will disorganize and disturb

military agencies already heavily taxed, to the hurt and injury of the forces that shall do the real fighting for America.

Gentlemen of the House, it seems to me that if we are to be true to our professed ideals, if we are to interpret aright the spirit of America as it exists to-day, we can not escape the conclusion that that spirit, whether it is in the heart of Col. Roosevelt or in the heart of Col. Jones or in the heart of Col. Anybody-else, ought to impel him to go to the Government and say, "Here am I—not as a major general, but here am I as a private if need be—here am I; send me wherever thou needest me; thy will and not mine be done." [Applause.]

Mr. ANTHONY. Mr. Speaker, a number of gentlemen have asked for time on this side who can not be accommodated, therefore I ask unanimous consent that all Members be given leave to extend their remarks in the RECORD on the subject of this conference report.

Mr. DENT. Mr. Speaker, I intended to ask that at the proper time.

Mr. MANN. Let the gentleman ask it now.

Mr. DENT. Well, Mr. Speaker, I ask it now, for five legislative days.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all Members may have five legislative days in which to extend their remarks on the conference report. Is there objection?

There was no objection.

Mr. ANTHONY. Mr. Speaker, I yield to the gentleman from Illinois [Mr. WHEELER].

Mr. WHEELER. I voted for conscription and I can consistently vote for the Roosevelt proposition, as I think every Member of this House can. As I understand the proposition that he has made, it is that he will accept no one who is subject to draft—that is, no one between the ages of 25 to 30, but those between the ages of 18 and 25 and from 30 to 45 or 50, who are physically able and make request for admission under the Roosevelt command that would and should be accepted by this Government. Therefore it will not in any way interfere with the selective draft, and if we should need 1,000,000 or 2,000,000 men and all of them should come under the Roosevelt banner, then it would not be necessary to conscript.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. DENT. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, I was one of those who supported what is called the volunteer proposition in the organization of an army, which we all believe will be sent to Europe. I have always respected Col. Roosevelt very highly. When he was President of the United States I supported him in his efforts to build a larger Navy and a more efficient Army. I hope I may be permitted to say that I have tried not to be influenced by my political convictions in casting votes of this character.

We are now asked to adopt a provision in this bill which will enable Col. Roosevelt to go to Europe at the head of a separate army. That is the meaning of the section in the bill which has been so much discussed. The section was put there for the sole purpose of allowing Col. Roosevelt to head this army or division, or whatever it may be called. I can not support the proposition. Even though I have never had any military experience, I can easily imagine the demoralization and injurious results which might follow the enactment of this legislation.

As I have said, sooner or later a large army of our Regular Military Establishment will probably be sent to Europe. What reward do the soldiers in this Regular Army expect? Certainly not the poor, pitiful pay they will receive. These men will fight, not for pay but for the honor and glory of the American Nation. That is their only hope of reward. Thousands are willing to go to-day prompted solely by this consideration.

It is now proposed that we shall send two armies abroad. It is not hard to imagine the rivalry which will surely exist. The soldier in the Regular Army will be constantly reminded of the glittering possibilities which might have been his if he could only have been a member of the famous Roosevelt division. Why is it that we must have so much discussion in the House and in the Senate all in the interest of one man? Why is it that everything must give way at his behest? He is not the only patriotic American. He is only one of thousands who are willing to die for their country. Why is it that Col. Roosevelt could not offer his services as other men have done? Why must he have his separate and distinct establishment? He has been a soldier and knows the value of discipline. Why could he not simply tender his services to his country and say to those in authority, "Put me where you think I can serve best." Other men are doing this. Other men just as heroic, just as patriotic, just as brave, are doing this. They will go to the front. Some of them will die for their country, to be mourned by only a small circle of friends.

But all the plans of the General Staff must conform to meet the wishes of Col. Roosevelt. He must be permitted to head an army; with a great blast of trumpets he must be permitted to go to the front. He must be permitted to monopolize honor and glory which properly belong to the rank and file of the Regular Army.

In my humble judgment, Mr. Speaker, it is a proposition not to be thought of. This Congress can do nothing more demoralizing to the Regular Army. This Congress can do nothing more humiliating to those thousands of Americans who are standing to-day saying to their country, "We are ready; take us for life or death; use us as you deem best. We make no requirements; we expect no advertising of our actions; we ask no special legislative dispensation from Congress. Here we are; do with us as you deem best." [Applause.]

It has been said, Mr. Speaker, that politics has entered into the consideration of this section. If so, Col. Roosevelt himself is responsible. He is the first man in America I have heard of who has charged that politics has entered into the consideration of this section. It was he who charged that men were opposing the Roosevelt proposition because they differed from him politically. He himself injected politics when he made that charge. Why did he make it? The answer is plain. He made it because if this section is defeated he can pose as a martyr and could say, "They defeated me because I am not a Democrat." Such a charge is unworthy of a man who has been President of the United States. It is not creditable certainly to Col. Roosevelt.

There are Democrats here who will vote for this section. There are men who honestly are opposed to it. Personally I have always respected Col. Roosevelt very highly. I admire him for his sturdy Americanism. I want to see the country use his services, but I do not want to see his services used to the demoralization and humiliation of the men who make up the rank and file of the Regular Army.

What a splendid thing it would have been if Col. Roosevelt had simply tendered his services to his country. But it seems he can not do things in the regular way. He must have a section written in the bill for his particular benefit. For my part I will not support it. I am for my country. I am for the Regular Army. I am heart and soul for Col. Roosevelt whenever he, in the regular way, becomes an officer of the Regular Army. [Applause.]

Mr. ANTHONY. Mr. Speaker, I yield the remainder of my time on this side to the gentleman from Illinois [Mr. CANNON]. [Applause.]

The SPEAKER. The gentleman from Illinois is recognized for five minutes.

Mr. CANNON. Mr. Speaker, I desire to read the instruction that we are going to vote for or against. Gentlemen seem to have forgotten it or to have not read it. This is not politics; it is war. Listen; it reads:

> The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act.

That is the part of the Senate amendment to which I desire to direct your attention. President Wilson is the Commander in Chief of the Army and Navy. He will be authorized to raise the four divisions, and when raised he will appoint the officers. Oh, they say Roosevelt is to raise the divisions by volunteers. Roosevelt is to be the whole thing. Col. Roosevelt has said, as I am reliably informed, that he will serve in any capacity that he is assigned to. [Applause.]

Mr. Speaker, we have been patriotic here day after day and week after week, marching up and voting money without limit, putting partisanship behind us, standing together, because it is a time of war, and yet in this House to-day, I am sorry to say, I see, by the laughter and the applause here and there and the jeers elsewhere, that there is politics present here. Oh, you are afraid of Roosevelt! Mr. Speaker, I am not a political friend of Theodore Roosevelt. I did not vote for him in 1912. I never expect to vote for him for President and I do not believe that he is a candidate for President or seeking to forward his own candidacy. Let me tell you, gentlemen, that if you are afraid of him it is more dangerous to leave him at home when he volunteers his services under these circumstances than it is to let him raise the volunteers. [Laughter and applause.] Ah, said one gentleman, he commanded a regiment and did it well, but he does not know how to command a brigade. That may be true. He has had something of experience, however. Gentlemen say they favor the draft, many of them, and others have said, "Yes; I favored volunteering, but I got defeated, and,

while I favored it, yet the draft is to come, and therefore, for consistency's sake and for the sake of the Army, the Regular Army, whose feelings we may hurt, we must vote for this conference report." [Laughter.] Gentlemen, those are poor excuses. Let me say to those gentlemen who voted as I did, primarily for a volunteer system, believing that we could get 500,000 of the picked men of this country inside of 30 days, that if the volunteer system was a good thing for all, then in Heaven's name is it not a good thing for a part of it now? [Applause.]

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. CANNON. Why, Mr. Speaker, I have not begun yet. [Laughter and applause.]

Mr. DENT. Mr. Speaker, I think I stated when this conference report was first submitted to the House the reasons that actuated the conferees in refusing to agree to the Roosevelt and the Fall amendments, as nearly as I could state the position that the conferees had taken upon those propositions. I repeat now, as I said then, that when this House adopted the draft system instead of the volunteer system it would be absolutely illogical for the House to reverse itself and declare now that the volunteer system ought to be recognized in some form. We have been criticized because we did not follow the views of the majority of this House in fixing the pay of the enlisted men and the noncommissioned officers. I said when that proposition was before the House that we were not in a position to practically pass upon it, because it ought to be considered by a committee that understood the facts.

In the conference we ascertained that if we had adopted the provision as we were instructed to adopt it, a sergeant would get more pay than the second lieutenant who commanded him. We ascertained that a private soldier would get more pay than a corporal under whom he had to serve. Does this House think that the conferees would have been so foolish as to have adopted a provision of that kind?

Mr. AUSTIN. Will the gentlemen yield?

Mr. DENT. No; I can not yield; I have only five minutes.

Mr. AUSTIN. I desire to correct the gentleman's statement.

Mr. DENT. The gentleman will have the right to correct my statement in his extension of remarks, if he can correct it.

Now, Mr. Speaker, I have stood, as I have said, for the volunteer system from the beginning. The House instructed me otherwise. That was a question of principle——

Mr. FIELDS rose.

Mr. DENT. I would rather not be interrupted by my colleague. That was a question of principle that this House passed upon—passed up to the conferees—and the conferees carried out the will of this House. If you should adopt the motion to recommit, and send this bill back to conference with instructions on the part of the conferees to incorporate the Roosevelt amendment, because that is what it means—that is the only reason that it is here—it would not be here to-day but for his personality and but for his personal strength in the country—you will delay the passage of this bill. Everybody must concede that proposition. It would not be involved in this bill but for that fact. It is politics, pure and simple. It is a destruction of the plans of the War Department and the wishes of the President. It means a mongrel and hybrid system. [Applause.] It is not carrying out the plan that you gentlemen, by an overwhelming majority repudiating my views, instructed me to carry out.

Mr. FOCHT. I would like to know how the gentleman switched so suddenly.

The SPEAKER. The gentleman declines to yield, and the man who has the floor must not be interrupted without his consent.

Mr. DENT. The gentleman from Alabama has not switched, and any statement to that effect is as absolutely false as the statement in the newspapers that I am a traitor to my country. I have stood for the volunteer system, but I wanted it to be uniform. I do not propose to give to one man the right, or one set of men the right, to volunteer without giving it to the country at large. [Applause.]

Under leave to extend my remarks I put in the RECORD a letter from the President sent to me to-day. Twice I endeavored to read it to the House, but objection was made. The letter follows:

THE WHITE HOUSE,
Washington, May 11, 1917.

Hon. S. HUBERT DENT, Jr.,
House of Representatives.

MY DEAR MR. DENT: Now that the Army bill has been successfully brought out of conference, I want to express to you my sincere appreciation of the service you and your colleagues have rendered in helping to bring the bill to a final consideration free from any feature that would embarrass the system of draft upon which it is based.

I trust that the conference report may be very promptly adopted. Every hour counts in these critical times, and delay might have very serious consequences.

Sincerely, yours, WOODROW WILSON.

The SPEAKER. The time of the gentleman has expired; all time has expired——

Mr. DENT. Mr. Speaker, I ask unanimous consent for one minute more.

Mr. MANN. I do not think that ought to be done.

The SPEAKER. The gentleman from Illinois objects. All time has expired. The question is on the motion of the gentleman from Kansas to recommit the conference report with instructions.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. ANTHONY and several Members. A division, Mr. Speaker.

Mr. ANTHONY. Mr. Speaker, I call for the yeas and nays.

The SPEAKER. The gentleman from Kansas demands the yeas and nays. Evidently a sufficient number, and the Clerk will call the roll.

Mr. DENT. Mr. Speaker, I am going to ask unanimous consent to read a short letter from the President of the United States.

Mr. MANN. Mr. Speaker, I object.

The SPEAKER. Objection is made.

Mr. FREAR. Mr. Speaker, may we have the motion to recommit reported again? There are many here who did not understand it.

The SPEAKER. Without objection, the motion to recommit will be again read.

There was no objection.

The motion to recommit was again read.

The question was taken; and there were—yeas 215, nays 178, answered "present" 2, not voting 37, as follows:

YEAS—215.

Almon	Fairchild, G. W.	Kinkaid	Rogers
Anderson	Fairfield	Knutson	Rose
Antnony	Farr	Kraus	Rowe
Ashbrook	Fess	LaGuardia	Sanders, Ind.
Austin	Focht	Langley	Schall
Bacharach	Fordney	Lehlbach	Scott, Iowa
Bacon	Foss	Lenroot	Scott, Mich.
Bathrick	Frear	Little	Scott, Pa.
Bland	Freeman	Longworth	Scully
Blanton	French	Lundeen	Sells
Booher	Fuller, Ill.	McArthur	Sherwood
Bowers	Fuller, Mass.	McClintic	Siegel
Browne	Gallivan	McCormick	Sinnott
Brumbaugh	Gardner	McCulloch	Sisson
Buchanan	Garland	McFadden	Slemp
Burnett	Gillett	McKeown	Sloan
Butler	Glynn	McKinley	Smith, Mich.
Campbell, Kans.	Good	McLaughlin, Pa.	Smith, C. B.
Campbell, Pa.	Goodall	McLemore	Snook
Candler, Miss.	Gordon	Magee	Snyder
Cannon	Gould	Martin, La.	Steenerson
Carter, Mass.	Graham, Ill.	Mason	Stephens, Miss.
Cary	Green, Iowa	Mays	Sterling, Ill.
Chandler, N. Y.	Griest	Miller, Wash.	Stiness
Chandler, Okla.	Griffin	Mondell	Strong
Church	Hadley	Moores, Ind.	Sweet
Classon	Hamilton, Mich.	Morgan	Swift
Claypool	Hamilton, N. Y.	Morin	Switzer
Comstock	Haskell	Mott	Tague
Cooper, W. Va.	Haugen	Mudd	Temple
Cooper, Wis.	Heaton	Nichols, Mich.	Templeton
Copley	Heintz	Nolan	Timberlake
Costello	Hersey	Norton	Towner
Cramton	Hicks	Oldfield	Treadway
Crosser	Hill	Osborne	Vare
Currie, Mich.	Hilliard	Overmyer	Venable
Dallinger.	Hollingsworth	Paige	Vestal
Darrow	Hull, Iowa	Parker, N. Y.	Voigt
Davidson	Humphreys	Peters	Volstead
Davis	Husted	Platt	Waldow
Dempsey	Hutchinson	Porter	Watson, Pa.
Denison	Ireland	Powers	Weaver
Dill	James	Pratt	Wheeler
Dillon	Johnson, S. Dak.	Price	White, Me.
Dominick	Johnson, Wash.	Purnell	White, Ohio
Doolittle	Jones, Tex.	Ragsdale	Williams
Doughton	Juul	Ramsey	Wilson, Ill.
Dowell	Kearns	Ramseyer	Wilson, La.
Dyer	Kelley, Mich.	Randall	Wood, Ind.
Edmonds	Kelly, Pa.	Rankin	Woods, Iowa
Ellsworth	Kennedy, Iowa	Reavis	Woodyard
Elston	Kennedy, R. I.	Reed	Young, N. Dak.
Emerson	Kettner	Robbins	Zihlman
Evans	Kiess, Pa.	Roberts	

NAYS—178.

Adamson	Brand	Carlin	Curry, Cal.
Alexander	Britten	Carter, Okla.	Dale, N. Y.
Aswell	Brodbeck	Coady	Dale, Vt.
Ayres	Browning	Collier	Decker
Bankhead	Bruckner	Connally, Tex.	Dent
Barkley	Byrnes, S. C.	Connelly, Kans.	Denton
Barnhart	Byrns, Tenn.	Cooper, Ohio	Dickinson
Bell	Caldwell	Cox	Dies
Black	Cantrill	Crago	Dixon
Blackmon	Caraway	Crisp	Dooling

Drane	Helvering	Moon	Sims
Dunn	Hensley	Moore, Pa.	Smith, T. F.
Dupré	Holland	Neely	Snell
Eagan	Hood	Nelson	Stafford
Esch	Houston	Nicholls, S. C.	Steagall
Estopinal	Howard	Oliver, Ala.	Stedman
Fairchild, B. L.	Hull, Tenn.	Oliver, N. Y.	Steele
Ferris	Igoe	Olney	Stephens, Nebr.
Fields	Jacoway	O'Shaunessy	Sterling, Pa.
Fisher	Johnson, Ky.	Overstreet	Stevenson
Fitzgerald	Jones, Va.	Padgett	Sumners
Flood	Kahn	Park	Taylor, Ark.
Foster	Keating	Parker, N. J.	Taylor, Colo.
Gallagher	Kehoe	Phelan	Thomas
Gard	Kincheloe	Polk	Thompson
Garner	King	Pou	Tillman
Garrett, Tenn.	Kitchin	Quin	Tinkham
Garrett, Tex.	La Follette	Rainey	Van Dyke
Glass	Larsen	Raker	Vinson
Godwin, N. C.	Lazaro	Rayburn	Walker
Goodwin, Ark.	Lea, Cal.	Riordan	Walsh
Gray, Ala.	Lesher	Robinson	Walton
Gray, N. J.	Lever	Romjue	Ward
Greene, Mass.	Linthicum	Rouse	Watkins
Greene, Vt.	Lobeck	Rubey	Watson, Va.
Gregg	Lonergan	Rucker	Welling
Hamill	Lunn	Russell	Welty
Hamlin	McKenzie	Sabath	Whaley
Hardy	Madden	Sanders, La.	Wilson, Tex.
Harrison, Miss.	Maher	Sanders, N. Y.	Wingo
Harrison, Va.	Mann	Sanford	Wise
Hastings	Mansfield	Sears	Young, Tex.
Hayden	Mapes	Shackleford	The Speaker
Heflin	Miller, Minn.	Shallenberger	
Helm	Montague	Sherley	

ANSWERED "PRESENT"—2.

Doremus	Slayden

NOT VOTING—37.

Borland	Gandy	London	Smith, Idaho
Capstick	Graham, Pa.	McAndrews	Sullivan
Carew	Hawley	McLaughlin, Mich.	Talbott
Clark, Fla.	Hayes	Martin, Ill.	Tilson
Clark, Pa.	Huddleston	Meeker	Wason
Dewalt	Hulbert	Rodenberg	Webb
Drukker	Key, Ohio	Rowland	Winslow
Eagle	Kreider	Saunders, Va.	
Flynn	Lee, Ga.	Shouse	
Francis	Littlepage	Small	

The SPEAKER. The Clerk will call my name.

The name of Mr. CLARK of Missouri was called, and he voted "Nay."

So the motion to recommit the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. MASON (for motion to recommit) with Mr. SLAYDEN (against).

Mr. FRANCIS (for motion to recommit) with Mr. TALBOTT (against).

Mr. MCLAUGHLIN (for motion to recommit) with Mr. DOREMUS (against).

Until further notice:

Mr. EAGLE with Mr. ROWLAND.

Mr. HULBERT with Mr. RODENBERG.

Mr. SMALL with Mr. HAWLEY.

Mr. DEWALT with Mr. TILSON.

Mr. SULLIVAN with Mr. GRAHAM of Pennsylvania.

Mr. LITTLEPAGE with Mr. SMITH of Idaho.

Mr. KEY of Ohio with Mr. CAPSTICK.

Mr. LEE of Georgia with Mr. CLARK of Pennsylvania.

Mr. MCANDREWS with Mr. DRUKKER.

Mr. MARTIN of Illinois with Mr. HAYES.

Mr. SAUNDERS of Virginia with Mr. KREIDER.

Mr. SHOUSE with Mr. MEEKER.

Mr. WEBB with Mr. WINSLOW.

Mr. FRENCH. Mr. Speaker, my colleague, Mr. SMITH of Idaho, is prevented from being present to-day on account of serious illness in his family.

Mr. SLAYDEN. Mr. Speaker, I would like to withdraw my vote of "nay." I am paired with the gentleman from New Hampshire, Mr. WASON, and wish to answer "present."

The result of the vote was announced as above recorded.

On motion of Mr. ANTHONY, a motion to reconsider the vote to recommit the conference report was laid on the table.

Mr. DENT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DENT. Does the result of this vote mean that this whole bill goes back to the conferees of the two Houses?

The SPEAKER. Yes.

EXTENSION OF REMARKS.

Mr. CARY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a joint resolution adopted by the Wisconsin Legislature.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The following is the joint resolution referred to:

Joint resolution memorializing Wisconsin Senators and Representatives to favor certain governmental policies by reason of war.

Resolved by the senate (the assembly concurring), That in view of a declaration of a state of war, we hereby recommend to our Senators and Representatives in Congress the following war measures for their favorable consideration, if it should be deemed necessary by the President and Congress:

1. The appropriation by income tax of all yearly incomes in excess of $10,000 for the defraying of the expenses of war.

2. Immediate taking over by the United States Government of all railroads, and their operation under a cabinet department; compensation to be made to stockholders on the basis of the physical valuation of the railroads, said compensation to be paid after the physical valuation has been completed.

3. Immediate taking over of all mines and oil fields and wells and their operation without profit under the Federal Bureau of Mines.

4. Immediate taking over by the Federal Government of all storage warehouses for food supplies; and the enactment of a law making speculation in food supplies an act of treason under articles of war.

5. Dealings between the Government and the workers in all of the industries taken over and operated by the Government shall be conducted through their organizations, with due safeguards for the right of organization among those not yet organized. And be it further

Resolved, That a copy of this resolution, attested by the proper officers of the assembly and senate, be forwarded to the United States Senators and Representatives in Congress from this State forthwith.

EDWARD F. DITTMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
L. C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280——

Mr. MANN. Mr. Speaker, pending that motion, I would like to make an inquiry of the gentleman from North Carolina [Mr. KITCHIN]. The gentleman stated the other day that he thought they might close general debate yesterday, I believe, after two gentlemen or more had spoken. Is it the expectation of the gentleman that general debate will be closed to-night or Monday night, possibly?

Mr. KITCHIN. To-night. I believe we can close it to-night.

Mr. MANN. Well, the gentleman from North Carolina spoke five hours and the gentleman from Michigan [Mr. FORDNEY] five hours——

Mr. FITZGERALD. Is not that enough?

Mr. MANN (continuing). In favor of the bill.

Mr. KITCHIN. Of course, I would not have done it but that it was so hard to make the House understand. Who wants to oppose the bill? Let us see how much time they want.

Mr. MADDEN. I want to oppose it, for one.

Mr. LAGUARDIA. I do, too.

Mr. MADDEN. I think I can say what I want to say in about 30 minutes. I think it is about time somebody told something about the bill and about the needs of the American people in connection with the taxation that is levied against them. Nobody has done it so far.

Mr. KITCHIN. I think any man who is going to represent the American people ought to have a chance to have all the time he wants here.

Mr. FORDNEY. I will yield time to the gentleman from Illinois [Mr. MADDEN], the very first one, if he wants to enlighten the House.

Mr. MANN. How late does the gentleman expect to run to-night?

Mr. KITCHIN. I will say to the gentleman I have only got requests for about an hour and a half on our side. Let us go until about 5 o'clock and we can have another understanding.

Mr. MANN. All right. Has the gentleman from North Carolina any request to make?

Mr. KITCHIN. No, sir.

The SPEAKER. The question is on the motion that the House resolve itself into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, with Mr. FOSTER in the chair.

Mr. FORDNEY. Mr. Chairman, I wish to say to the gentleman from North Carolina that I have requests for 340 minutes,

and yet I have stricken off some of the gentlemen who have made requests. Some have come and withdrawn their requests, and several other gentlemen have just now spoken to me, but in the confusion I could not get their names. We can not close debate to-day. I do not see how we can.

Mr. KITCHIN. Let us run on, and we will talk about it between 5 and 6 o'clock.

Mr. FORDNEY. The gentleman from Illinois [Mr. MADDEN] wants to oppose the bill, and I would rather he would talk on Monday if we are going to have general debate then.

Mr. KITCHIN. Why not let the gentleman talk now if he has got the fever heat?

Mr. MADDEN. No; I have not.

Mr. KITCHIN. If the gentleman does not know anything about the bill, to wait until Monday morning will not give him much more time to get further information about it.

Mr. MANN. That kind of talk will not help anything in the House.

Mr. MADDEN. The gentleman from North Carolina [Mr. KITCHIN] may be able to do that in the Ways and Means Committee; he may be able to drive the members of the Ways and Means Committee, but he ought not to be able to do it in the House.

Mr. KITCHIN. Of course, the gentleman knows I am not trying to drive.

Mr. MANN. The gentleman has given the gentlemen in favor of the bill the right to occupy the time and he ought to give some of the rest a chance.

Mr. KITCHIN. Have I tried to cut off debate?

Mr. MANN. Certainly; you have.

Mr. KITCHIN. I suggested that we ought to get through.

Mr. GREEN of Iowa. I suggest that the gentleman from Illinois [Mr. MADDEN] speak right now.

Mr. MADDEN. He said that if I did not know anything about it now, I would not know anything about it on Monday. I wanted to speak on Monday, but I do not propose to be driven to a thing. We have had two days' general debate, one day occupied by the gentleman from North Carolina [Mr. KITCHIN] and one day by the gentleman from Michigan [Mr. FORDNEY], both in favor of the bill. No opportunity has been given to anybody to speak to the other side of the bill.

Mr. KITCHIN. I will say to the gentleman and to the Chair that I have no disposition to close debate before the gentleman and others have had opportunity for full discussion of this bill, whether it takes Monday or Tuesday. I was taking the suggestion of the gentleman from Michigan [Mr. FORDNEY]. He said he would yield to the gentleman from Illinois right now.

Mr. MADDEN. Then, when I asked him to do it, he said he could not.

Mr. KITCHIN. I did not know that. I think the gentleman can trust me and the members of the committee not to close the debate without discussion. I would just as soon continue the discussion of it Monday, Tuesday, and Wednesday. Go ahead. We will not lose time. It will not cut you out.

Mr. FORDNEY. Mr. Chairman, everybody knows that I have been asking for more time. I have not asked to close debate.

Mr. KITCHIN. Sure.

Mr. FORDNEY. Nothing that I have said or done would lead anybody to that conclusion. I want to let everybody talk who wants to talk on this matter, because it is the most important matter we have had for a long time and the most important matter we may ever have again. I am willing to yield time to the gentleman, but I said I could not yield time until Mr. KITCHIN had yielded it. That was my suggestion. I did not want to offend anyone. If the gentleman from Illinois wants to go on on Monday, I am perfectly willing.

Mr. MADDEN. I am willing to say what I have to say on Monday or Tuesday or Wednesday, but I say that those whose constituents are affected by this kind of legislation ought to have an opportunity to speak. Their side has not been presented by anybody, and I submit that this bill, made up without a hearing, without opportunity to any man in the United States to be heard, except the Secretary of the Treasury and anybody whom the chairman of the committee wanted to hear, levying taxes amounting to $1,800,000,000—a sum $800,000,000 more than it ought to be—ought not to be passed without full discussion.

Mr. SHACKLEFORD. Mr. Chairman, I demand the regular order.

Mr. FORDNEY. Does the gentleman from Illinois want his time now?

The CHAIRMAN. The regular order is demanded.

Mr. MANN. Oh, the gentleman can demand the regular order. I will make the point of order that there is no quorum present.

Mr. GARNER. I think there is.

Mr. MANN. I think there is not.

Mr. GARNER. Let us find out and see.

Mr. HELVERING. Mr. Chairman, I demand the regular order.

Mr. MANN. The gentleman will have to have a quorum, and have a quorum here the rest of the day. I do not think the Committee on Ways and Means has the right to run over everybody. The gentleman from Texas seems to think he is the whole thing.

The CHAIRMAN. The gentleman from Illinois is out of order.

Mr. MANN. I do not care whether I am in order or not. I made the point of order that there is no quorum present, and it is the Chair's duty to count.

The CHAIRMAN. The committee will be in order. The gentleman from Illinois is out of order.

Mr. MANN. If the Chair will attend to his duty, I will attend to mine.

The CHAIRMAN. It is the duty of the Chair to preserve order in this House. The gentleman from Illinois is out of order and will take his seat. The gentleman from Illinois is old enough in service to know what the rules of the House are.

Mr. MANN. I do know what the rules are. The Chair will do well to quit lecturing me and do his duty.

The CHAIRMAN. The Chair will do his duty in the manner he sees fit.

Mr. MANN. Do it now. [Laughter.]

The CHAIRMAN. The Chair will count. [After counting.] One hundred and nineteen Members are present—a quorum. The gentleman from North Carolina [Mr. KITCHIN] is recognized.

Mr. MANN. The Chair says 119 Members are present. That is not a quorum.

The CHAIRMAN. The House is in Committee of the Whole. The Chair thinks 100 is a quorum.

Mr. MANN. We have not gotten into Committee of the Whole. [Laughter.]

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] is recognized.

Mr. KITCHIN. Mr. Chairman, I will ask the gentleman from Michigan [Mr. FORDNEY] if he wants to yield time to some one. If not, I want to yield time to the gentleman from Illinois [Mr. RAINEY].

Mr. FORDNEY. I want to yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. KITCHIN. Very well. I will yield to the gentleman from Illinois afterwards.

Mr. FORDNEY. Does the gentleman from Ohio want time now?

Mr. FESS. No.

Mr. KITCHIN. Then, Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Illinois is recognized for 30 minutes.

Mr. RAINEY. Mr. Chairman, we are attempting by this bill to raise $1,800,000,000. We propose to expend here in this country within the next 12 months in behalf of the United States and its allies the enormous sum of $10,000,000,000, including the $600,000,000 already provided for in the preparedness measures which passed in the last Congress. In all our wars we have not expended one-half as much money as in one year of time will be expended in this country under the bills we have passed and under the other bills which will soon pass.

We are imposing in this bill unusual methods of taxation, burdensome, every item of it, in time of peace. A bill which calls for $1,800,000,000 is the first test of the patriotism of the people of the United States. So far this bill has proceeded without having the support of the newspapers and magazines of the United States, so far as I am advised and so far as I have been able to determine. It is attacked as unscientific in all of its paragraphs, as burdensome, and every interest touched by this taxation, from automobiles to chewing gum, rises in fierce opposition against it.

It did not require any courage to vote for the declaration of war a few weeks ago, but it requires courage to vote for a war measure which carries in it a proposition to which nearly all the newspapers and magazines of this country are opposed. We voted courageously, magnificently, the other day to send the American youth to face poisonous gases in the trenches of France. We are called upon now in this House to resist the

gases which flow in this direction from practically all the great newspapers and magazines in the United States.

THE GRAFT NEWSPAPERS AND MAGAZINES HAVE BEEN RECEIVING.

This bill takes away from them a part of the graft they have been enjoying from 1885 down to the present time. We now carry their publications through the mails at a loss every year to the taxpayers of the United States of $80,000,000. We propose to make up a part of this loss. We propose to tax them now, not $11,000,000, as we have in the past, but $30,000,000; and if this bill passes with this clause in it, in spite of their opposition, they will still be enjoying graft to the amount of $70,000,000 every year.

This is a bill that will expire by its terms when this war is over. These newspapers and magazines, almost without exception, have stood for preparedness in the land, for the items in the bills which make up these enormous totals. They stood almost without exception for the declaration of war. They stood almost without exception for conscription in the land, in order that we may make an adequate defense, and now the great majority of them stand for the continuance of $80,000,000 in graft and are opposed to having a graft of only $70,000,000.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. RAINEY. I would like to proceed for a few minutes and then I will yield later on. Nearly all of these papers discuss river and harbor bills and describe them as the private graft of Members of Congress. They discuss the free seed distribution and describe it as graft, which ought to be stopped. It amounts to something less than $300,000 a year. Most of them are opposed to the building of public buildings throughout the land, to the building of public buildings anywhere except in the large cities of this country, where they are published, and they describe the building of buildings elsewhere as graft. Admitting that the improvement of rivers and harbors, upon which any American citizen can launch his boat and carry his goods free of charge is graft, admitting that the building of monumental buildings is a graft, and that the distribution of vegetable seeds is a graft—admitting that these things are elements of graft—these publishers have been getting graft every year put into their treasuries by taxes imposed upon the people of these United States equal to a public building bill every year and a river and harbor bill every year. Public building bills pass this House at wide intervals. It is well known, and the investigations carried on through the administration of two different Presidents of the United States indicate, that if these newspapers and magazines were compelled to pay the cost of their carriage through the mails we could go to a 1-cent basis for first-class postage. In addition to that we could have a river and harbor bill and a public building bill every year if we wanted it, and the money with which to pay for them would be in the Treasury.

THE CURTIS PUBLISHING CO., OF PHILADELPHIA.

Some of these publications have already been mentioned on this floor, and I want to call attention again to the publications of the Curtis Publishing Co. Here is the current number of the Ladies' Home Journal. It sells for 15 cents. Since it has been referred to, I purchased a copy from a newsboy at the street corner yesterday. Two or three years ago Mr. Curtis testified before the Post Office Committee with reference to this publication, and he said it contained 35 per cent of advertising and that the rest was reading matter. That may have been true then; but I have counted the columns here, and the advertising and the reading matter are arranged with such exquisite skill that it is a difficult matter sometimes to separate it. A column of interesting reading matter runs down the center of many of these pages with advertisements on either side, so that the advertisements are next to reading matter and can command the highest advertising price. This magazine—the current number of the Ladies' Home Journal—carries 120 pages.

Mr. ALMON. What is the date of it?

Mr. RAINEY. It is the May number of the Ladies' Home Journal. It contains 120 pages of matter, excluding the first page, which never is an advertising page. Seventy-five pages of this publication consist of advertisements. This last page contains a colored advertisement this week of Kellogg's Toasted Cornflakes, and that page brings them in this week $11,000. There are numerous other colored pages throughout this magazine, which bring this publishing company in every week $9,000 for each such page. These black pages of advertising and these columns in black and white bring in, per page, every week to this publication $6,000. I get these facts from the admissions, before the Post Office Committee of M. K. Curtis, the president of the Curtis Publishing Co., and of Mr. Collins, the advertising manager. This one issue of the Ladies' Home Journal carries this month over $450,000 worth of advertising matter. There are over 2,200,000 copies issued and circulated in the United States.

Mr. JOHNSON of Washington. Not all in the mails.

Mr. RAINEY. This issue of the Ladies' Home Journal is carried through the mails of the United States at a loss to the United States Government of at least $20,000. If this item stays in this bill each issue of this paper will be still carried through the mails at a loss to the United States Government of at least $15,000.

Mr. JOHNSON of Washington. Now, will the gentleman yield for a minute?

Mr. RAINEY. I will yield for a question, not a discussion.

Mr. JOHNSON of Washington. Let us take that item——

Mr. RAINEY. No; I will not permit a discussion.

Mr. JOHNSON of Washington. How many copies are circulated, did the gentleman say?

Mr. RAINEY. I told how many copies were printed.

Mr. JOHNSON of Washington. And we will presume one-half were sent through the mails——

Mr. RAINEY. I can not yield to the gentleman for a series of questions.

Mr. JOHNSON of Washington. Just two or three questions.

Mr. RAINEY. I can not yield to the gentleman. I decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. RAINEY. The three principal publications of the Curtis Publishing Co. are the Ladies' Home Journal, the Saturday Evening Post, and the Country Gentleman. I do not know what else they publish. They carry the blank paper from the railroad stations to their printing establishment and print these publications and carry them to the post office at an expense to them of $70,000 a year. They pay the Government $600,000 in postage. The United States Government then takes these publications of this one printing house and carries them all over the United States to remote rural routes at a loss to the Government of the United States each year of nearly $4,000,000. Here is the Saturday Evening Post——

Mr. JOHNSON of Washington. Mr. Chairman, I desire to make the point of order that there is no quorum present.

Mr. SABATH. I think it would be better if gentlemen would hear these statements and this evidence.

The CHAIRMAN. The gentleman from Washington makes the point of order that there is no quorum present. The Chair will count.

Mr. LONGWORTH. I ask the gentleman from Illinois not to make it.

Mr. SABATH. I have not made the point. The gentleman from Washington has made it. He is very much interested, of course, being a newspaper publisher. I presume he wants all others to learn what is going on.

The CHAIRMAN. Seventy-one Members present—not a quorum.

Mr. SABATH. Mr. Chairman, I move a call of the House.

The CHAIRMAN. It is not necessary.

Mr. HAUGEN. Mr. Chairman, can not the time of the gentleman from Illinois be extended so that he can answer questions?

The CHAIRMAN. It is too late now. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Drane	Howard	Rodenberg
Anthony	Drukker	Huddleston	Rowe
Austin	Dunn	Hulbert	Rucker
Bacharach	Eagle	Humphreys	Sanders, N. Y.
Bankhead	Esch	Jones, Va.	Saunders, Va.
Barkley	Estopinal	Key, Ohio	Scott, Pa.
Bathrick	Fairchild, G. W.	Kinkaid	Scully
Borland	Farr	Kreider	Sells
Britten	Flood	Lee, Ga.	Shouse
Bruckner	Flynn	Lever	Slayden
Butler	Focht	Little	Slemp
Caldwell	Fordney	Littlepage	Small
Cantrill	Francis	London	Smith, Idaho
Capstick	Fuller, Ill.	McAndrews	Smith, C. B.
Carew	Gallivan	McLaughlin, Mich.	Smith, T. F.
Clark, Fla.	Gandy	Madden	Steagall
Clark, Pa.	Gillett	Maher	Sullivan
Connally, Tex.	Graham, Pa.	Martin, Ill.	Swift
Copley	Griest	Meeker	Talbott
Costello	Hamill	Montague	Taylor, Colo.
Dale, N. Y.	Hamilton, N. Y.	Nelson	Tilson
Dent	Harrison, Va.	Oliver, Ala.	Vare
Dewalt	Hastings	Polk	Wason
Dill	Hawley	Porter	Webb
Dillon	Hayes	Price	Wilson, Tex.
Dooling	Heaton	Riordan	Winslow
Doremus	Houston	Robinson	

The committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill H. R. 4280, finding itself without a quorum, he had caused the roll to be called and 323 Members answered to their names, and he presented a list of the absentees.

The committee resumed its session.

Mr. RAINEY. Mr. Chairman, I desire to say that when I proceed with the development of this subject a little further, I will be glad to yield to the gentleman from Washington or any other gentleman. I am trying to take as little time as I can, but I do not wish to be discourteous to the gentleman from Washington or anybody else. I realize that this is an important subject.

THE SATURDAY EVENING POST.

At the time the point of no quorum was made I was discussing the Curtis publications. Here is the Saturday Evening Post, which is a Curtis publication. This is the current issue of this publication. I bought it at the corner of the Capitol Grounds yesterday from a newsboy for 5 cents. According to the statement made by Mr. Curtis in 1914 to the Post Office Committee, this publication contained then about 35 per cent of advertisements. Since then the amount of advertising matter has evidently increased, because I find, as near as I can estimate, that the advertisements in here, concealed as they are by reading matter, comprise 69 pages, and there are only 130 pages in all, counting the back page.

Following their practice, the Curtis Publishing Co. publish no advertisements on the front page in the Saturday Evening Post. They, however, publish this week on the back of this paper an advertisement of the Eastman Kodak Co., and for this advertisement in this one issue, on the back of this paper, the Curtis Publishing Co. gets $7,000.

Mr. KELLEY of Michigan. Is the Kodak Co. included under Title VI?

Mr. RAINEY. We are trying to get them on the films. This is one of the great world trusts, and, of course, they can easily pay $7,000 for an advertisement on the back page of one of the Curtis publications.

Mr. DOWELL. Will the gentleman yield?

Mr. RAINEY. I prefer that the gentleman will ask his question a little later. For the remaining advertising pages contained in this particular issue, the black and white advertisements, the Curtis Publishing Co. gets $4,500 a page for each issue of this paper. The Saturday Evening Post contains this week at least $310,000 worth of advertising matter. Of course these publications are also news-stand publications. But the Saturday Evening Post each week is carried through the mails at a loss to the Government of at least $15,000. We propose to recoup one-quarter of that loss. That is all.

These Curtis publications—I have not the Country Gentleman here—are high-class publications. They are not as high class publications, however, as the publications of 35 years ago which they are strangling in the land. They will not compare with the Century or Scribner's. They will not compare with that greatest illustrated weekly paper the world ever saw, Harper's Weekly, which has been crushed by this sort of papers.

And yet the Curtis Co.'s products are among the highest examples of magazine literature we have in this country to-day.

Mr. SIMS. Will the gentleman yield for a question?

Mr. RAINEY. Yes.

Mr. SIMS. If I understand this bill, there is no tax on the advertisements in these papers.

Mr. RAINEY. No, none at all; we are not trying to get at those in this bill.

Mr. SIMS. There is another provision, however, for taxing advertisements.

Mr. RAINEY. Advertisements by billboards; yes.

Mr. SIMS. Why does it not tax these advertisements in these papers?

Mr. RAINEY. I may reach that a little later. They ought to tax the advertisements.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. JOHNSON of Washington. If the Curtis publications are as high class as the gentleman says, is there any reason on earth why you should make the Saturday Evening Post cost 5 cents in Washington, D. C., and, say, 15 cents in the State of Washington?

Mr. RAINEY. Of course. Magazines have two prices—one for the United States and one for Canada.

Mr. JOHNSON of Washington. But I do not live in Canada.

Mr. RAINEY. The magazine that circulates in the United States for $4 a year sells in Canada for $6.50 a year. It is just as easy if they want to add the zone postage to the subscription price—it is just as easy to change the price across the zone lines as it is across the Canadian border.

Mr. JOHNSON of Washington. But it is an added expense to the people in the eighth zone.

Mr. RAINEY. Yes; but the less you get of the greater part of this literature the better, even if you are in the eighth zone.

Mr. JOHNSON of Washington. The gentleman thinks they are high-class publications for the East but not for the West.

Mr. RAINEY. The people of California or Washington have no right to subsidize and levy a tax upon all the rest of the people of the United States in order that they may get such high-class publications as those of the Curtis Publishing Co.

Mr. RANDALL. Does the gentleman propose that such high-class publications as Scribner's and the Century shall cost us an additional price over what it does here?

Mr. RAINEY. I do not propose anything. The only thing we propose in this bill is to make the newspapers and magazines give up a part of the pork they cling to so strong. When it comes to discussing the pork they are particularly vigorous and fluent, but there is no class of citizens in the United States who get the pork that these publishers who issue this character of papers receive.

Mr. MONDELL. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. MONDELL. Has the gentleman considered the matter from this standpoint? I am not so much interested in the publications as I am in the people of the United States and their welfare. Historian Froude once said——

Mr. RAINEY. Oh, I can not yield to Froude; I will yield to the gentleman from Wyoming.

Mr. MONDELL. Froude declares——

Mr. RAINEY. I can not yield.

Mr. MONDELL. Well, I will put it in my own language.

Mr. RAINEY. All right; I will yield to the gentleman.

Mr. MONDELL. Only a homogeneous people can successfully maintain a free government.

Mr. RAINEY. Oh, I can not yield for a speech.

Mr. MONDELL. What will be the effect upon the people of the country?

Mr. RAINEY. Upon their intelligence?

Mr. MONDELL. Yes; if we establish zones of intelligence.

Mr. RAINEY. I thank the gentleman for his question. I will come to that in a moment. I do not know what these magazines will do. What I think they ought to do if they can not stand it to be deprived of this graft, if it is to be equally distributed all over the United States, and perhaps that is a proper solution, is to increase their subscription price in the East and the West both, so that the East and the West both can contribute to the amount they exact from the people of the country.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. DOWELL. Does the gentleman believe that the extra price paid for transportation here will be added to the person who subscribes to these magazines?

Mr. RAINEY. I do not know whether it will or not, and I can not go into a discussion of that phase of it.

Mr. DOWELL. I want to ask another question following that.

Mr. RAINEY. I am only interested in getting back for the Government part of this graft that these newspapers have exacted.

Mr. DOWELL. Just one other question. In trying to raise the rates on these papers, will you not drive out legitimate papers that are not receiving the same advertising as the ones which you have been describing?

Mr. RAINEY. I do not know whether we will or not.

Mr. DOWELL. Then, may I ask one more question?

Mr. RAINEY. I do not think any legitimate paper prompted by the motives of patriotism which ought to prompt all Americans in this country in this hour of our national peril, ought to ask that this outrageous graft be continued longer.

Mr. DOWELL. Can you not reach what you are attempting to reach by getting at the profits of these concerns that you say are receiving such exorbitant prices for advertising, and can you not in that way equalize and not destroy those unable to pay this excessive tax?

Mr. RAINEY. Oh, that does not affect the principle for which we contend. These papers are receiving a subsidy from the Treasury of the United States of $80,000,000 a year, and it ought to end. [Applause.]

Mr. DOWELL. Just one other question.

Mr. RAINEY. The gentleman will pardon me, but I can not yield now—perhaps later on.

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. CHANDLER of New York. Does the gentleman think that the people of the United States want this subsidy destroyed at the expense of the destruction of some of their best magazines? Do the people desire that?

Mr. RAINEY. We are taxing nearly everybody, and I do not believe that the people of this country want this kind of graft to continue, amounting to $80,000,000 a year. I think the papers and magazines should be satisfied if we give them only $70,000,000 a year, and that is all we propose to give them if this bill passes.

Mr. STEENERSON. How much does the gentleman figure the cost to the Government per pound?

THE HARTFORD GAZETTE, OF WHITE RIVER JUNCTION, VT.

Mr. RAINEY. I can not yield any further now. I want to show the outrageous character of these second-class rates, and I want to call your attention now to the Hartford Gazette. The greater part of the publishers who impose this graft upon the Nation are here in these Eastern States. Here is the Hartford Gazette, published at White River Junction, Vt. That is all there is of it, what you see in my hand. It is a newspaper. It is comprised of two small sheets of paper, four pages, each sheet measuring about 4 by 6 inches. I am unwilling to believe that here in the East, where they have had colleges and schools and great magazines and newspapers for 200 years, that paper is typical of the State of Vermont, but that is a newspaper. It takes 101 copies of that paper to weigh 1 pound, on which the postage would be 1 cent. It goes out into the mail, and they charge 25 cents a year for it. They say they charge that much. It is delivered through the mail.

The Government of the United States will receive only 1 cent for delivering 101 copies of that magnificent weekly newspaper. Why is it circulated? Nobody ought to need this kind of a publication. There is only one advertisement in it, and that is an advertisement of a firm which makes a cleansing jelly at White River Junction, Vt., where the paper is published. It occupies the entire last page. I am not going to give the name of the firm that makes this cleansing jelly, because if they are getting all of this advertising free they are not entitled to any more in the CONGRESSIONAL RECORD. [Laughter.] This magnificent White River Junction (Vt.) journal goes through the mails and the Government is delivering 101 copies of it for 1 cent, in order, evidently, to carry to the persons subscribing for the paper and those receiving sample copies this advertisement of cleansing jelly and scouring jelly for sale by a White River Junction (Vt.) company in the town where the journal is published.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KITCHIN. Mr. Chairman, I yield 20 minutes more to the gentleman.

THE IRON AGE.

Mr. RAINEY. Mr. Chairman, I hold in my hand a copy of the Iron Age, a monthly trade journal. It weighs several pounds. This is not a bound volume of a year's publication of this Iron Age magazine, but is only one issue of it. It is a magazine devoted to the iron and steel industry of the country. As I run repeatedly through its pages I do not find anything in it except advertising matter. Of course, there are a few pages of reading matter; and now to my surprise I discover at least four or five pages. There may be more, but it is nearly all advertising matter.

Mr. SABATH. And how many pages does the magazine contain?

Mr. RAINEY. It contains 561 pages, exclusive of the back cover of the magazine which carries an advertisement of a machine company. This Iron Age brings into the Government in postage every year a little over $12,000. That looks like a good deal of money until it is qualified by the statement that this particular issue of this magazine, this one issue, was carried through the mails at a loss to the United States Government of $45,000.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. JOHNSON of Washington. Is it fair to make the Pacific coast make up a portion of that loss more than its proportion?

Mr. RAINEY. I have here a copy of the daily Washingtonian——

Mr. HILL. Will the gentleman yield for a question?

Mr. RAINEY. In just a moment. I have here a copy of the Daily Washingtonian, of Saturday, May 5, published at Hoquiam, Wash. Has the gentleman any connection with this paper?

Mr. JOHNSON of Washington. I have the honor to be the principal owner of that newspaper.

Mr. RAINEY. Yes. I want to look through it. Does the gentleman have any objection to stating how much he gets for this page of advertising matter?

Mr. JOHNSON of Washington. I presume on a year's contract the paper gets about 12½ cents an inch.

Mr. RAINEY. Does the gentleman know how much he gets for this entire page?

Mr. JOHNSON of Washington. I have not had anything to do either with the business or the editing of the paper for five years. I presume that page would bring in about $21 or $22, of which probably $15 will be paid for the composition and makeup of the advertisement. We pay high wages to printers in the Pacific Northwest, and give them short hours. I will measure the advertisement if the gentleman wishes.

Mr. RAINEY. I find here in this paper that the first page consists of reading matter, the second page has a little over half reading matter; this third page consists of one advertisement and nothing else; the fourth page consists of about three-fourths reading matter, probably four-fifths; the fifth page consists of four columns of reading matter and almost two columns of advertising matter. The sixth page consists of over half advertising matter——

Mr. JOHNSON of Washington. And contains a good many solid Republican truths, by the way.

Mr. RAINEY. The seventh page contains about one-half advertising matter and the rest of the page consists entirely of advertising matter. The gentleman circulates this paper free in the county——

Mr. JOHNSON of Washington. Yes; mostly by our own carriers.

Mr. RAINEY. We still preserve for the gentleman that privilege. This bill still permits——

Mr. JOHNSON of Washington. I would like the gentleman to give me a moment or so. I want to say that this daily newspaper has never yet rounded out a year at a profit. We make the annual Federal corporation returns, and in eight years' connection with it I have never seen anything but an annual balance in red ink, an Irish balance. It pays a trifling amount in second-class postage. I am not making this fight because I happen to own a small daily.

Mr. RAINEY. I will say to the gentleman this is the first time I have seen his paper.

Mr. JOHNSON of Washington. I am proud of the paper.

Mr. RAINEY. It seems to be an excellent paper.

Mr. JOHNSON of Washington. Indeed it is. It is a good Republican paper, and I hope its editor is fighting this system by which you make the West pay extra for intelligence. I believe that a small tax on all mail circulation of all publications is the solution of the problem.

Mr. RAINEY. I will say to the gentleman I am sorry his paper does not yield more return, and I suggest to the gentleman that if he only charges $20 a page for his advertising he is charging too little for a daily paper.

Mr. JOHNSON of Washington. I agree with the gentleman.

Mr. POU. Will the gentleman yield for a question?

Mr. RAINEY. I will say the gentleman's paper will still circulate within his county through the post office, free.

Mr. JOHNSON of Washington. By carrier.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. RAINEY. Yes; I yield.

Mr. DOWELL. Are the rates fixed in this bill on the theory that newspapers are to raise the rates of advertising? Is that the theory of the gentleman?

Mr. RAINEY. I have explained several times the theory upon which we drafted this bill. We are trying to get the newspapers to give up just a part of the pork they are getting.

Mr. HILL. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. HILL. The gentleman has shown a copy of the Iron Age and a Vermont paper. To my certain knowledge, I will state to the gentleman, many advertisers in the Iron Age have themselves established plants in different parts of the country, to meet the competition in that part of the country and sell their goods there, and they have thus distributed their business. Many of them from my section of the country have established plants in Canada. They have not asked the United States Government to carry their products, and if this bill or something to its effect was adopted undoubtedly these papers would establish plants in California and make their publication houses there. They could easily afford to do it. Gentlemen from the West, I can not understand the position you are taking, driving away

from your own sections establishments that would be put in those sections where, if this graft was removed, the business would be done there instead of being done in remote sections of the country and transported at an expense to the United States Government. Can not you see the business of it?

Mr. JOHNSON of Washington. How many copies of the Iron Age will be delivered on the Pacific coast?

Mr. RAINEY. Who has got this floor now?

The CHAIRMAN. The gentleman from Illinois.

Mr. POU. I have a question that I would like to ask.

Mr. RAINEY. I would like to proceed for a moment, and then I will be glad to yield.

In 1875 we charged these newspapers and magazines 3 cents a pound to carry them through the mails. They have been enjoying the present privilege since 1875 of 1 cent a pound.

THE MANUFACTURERS' RECORD.

I have here the Manufacturers' Record, a high-class manufacturing paper, containing the best arrangement of matter I have ever seen in any paper devoted to the industries. This paper sells for $4 per year in the United States; it sells for $6.50 per year in Canada. This particular issue contains 124 pages. and 90 of those pages consist of advertising matter. In letters addressed to each Member of Congress—they have sent each one of you, I presume, a copy of this paper; they sent me one—they object to these zone rates and insist that they will be greatly injured by them. Now, here is a paper which was established in 1882. Here is a paper that was established without the assistance of the 1-cent rate. It probably did not contain as many advertisements then as it does now, but it established itself without any assistance. And I will undertake to say that any price they charged for that paper will be paid. If I was in the manufacturing business or in the contracting business, I would not be without it if it cost $100 a year. I could not possibly do without it. And I understand that this particular company has a daily publication that they sell for $25 a year; and I have no doubt it is worth it. This is a legitimate, high-class manufacturing paper that carries to manufacturers of this country, that carries to the contractors throughout the land, information without which they can not do business, and they will pay what it is worth for that information. And it is worth, in addition to what they now pay, what it pays to carry it through the mails.

COMFORT, OF AUGUSTA, ME.

We are not going to injure any legitimate publication. But here is another one of these New England publications which has sprung up under the 1-cent postage arrangement. This is volume 29 of Comfort, a paper published at Augusta, Me. They publish also at Augusta, Me., Happy Hours, another publication of the same class. Three carloads of publications of this character from Augusta, Me., leave Augusta every day and go to Chicago without breaking bulk, and are there distributed all over the United States by copy delivery. Let me call attention to this magnificent Maine journal, brought into life by the 1-cent postage proposition. I weighed this on the scales down here in the post-office annex—they may not be correct; I do not vouch for them—and four of them weighed a pound. The United States therefore delivers four copies of this paper in California for 1 cent.

Now, on this front page here—you can see it—are astonishing pictures. I might describe some of them. This is the issue for May of this year. This is a war-time issue. You can tell it by looking at this title-page. At the upper left-hand corner is a picture of a soldier dressed in khaki, and with him is a very beautiful young lady. Under it is printed this legend: "The soldier looked at her with a rather bold, admiring glance." [Laughter.] Down here in the right-hand corner is another picture of a soldier—and all of these soldiers have shoulder straps on them; they are officers, of course; they must be in a publication of this kind—and a young lady is sitting in front of him dressed in white; an exceedingly modest-looking young lady, but, without resistance, she is permitting him to hold her hand.

Mr. GALLAGHER. That is "comfort," is it not?

Mr. RAINEY. And under it is printed the legend, "'Don't,' Capt. Edwards said masterfully." [Laughter.] There are four other pictures of like tenor on this first page, which I will not describe.

Now, in order to entertain the gentleman from Washington who insists on this 1-cent postage, and the gentleman from Wyoming and other places, and also gentlemen who live in Maine, who I presume are accustomed to this sort of thing, I want to read some of the literature in this paper. I read from a thrilling story entitled "Nerine's Second Choice." There are four interesting pictures at the head of this serial story which has been running in I do not know how many numbers. We have a synopsis here of preceding chapters. In the right-hand corner is a little picture. An interesting looking young lady is arranging her hair, and another very interesting young lady is seated on a chair near by, both dressed in evening gowns of the mode of the period. I did not know that these fashions prevailed in Maine, but evidently they do. [Laughter.] And standing beside them is a young man, not a soldier this time, but he looks as brave as a soldier, because he is pictured with his mouth puckered up, and under the picture is this legend, "Maurice gave utterance to a prolonged whistle." Is not that an inspiring picture to send to Washington and Wyoming people and deliver at the rate of four for a cent? [Laughter.] This paper, remember, has a circulation of 1,200,000.

Let me read this story at random:

"You don't mean that you don't think he's nice?" questioned Agatha, anxiously.

Nerine winced.

"You are a very lucky girl." Oh! if Agatha would only go away and leave her!

And then just at this point—this writer knows how to keep up the interest; he is an accomplished story-writer of the period—just at this interesting point I read, "To be continued." [Laughter.] And I am unable to give you any further information about that story, but you can all buy the June issue and get some more of it.

"Her Veteran of '98" is another thrilling romance which runs all the way through this magazine, continued from page to page, sometimes continued several pages at a time, so as to get advertising matter next to it, and so that you will have to read this advertising matter whether you want to or not. Let me read from this thrilling story. I think I had better read the end of it, because the way to read these stories which have "sustained interest" up to the very end is to read the end first. And so I will read the last of it so that you can tell what the rest of it must have been which led up to this thrilling, and sad, and dramatic climax. I will read the last stanza [laughter]:

She could not resist his pleading, even had she wished—and she did not.

"You are a man who has been accustomed to conquering," she said, "and I am afraid you would not allow a woman's 'no' to deter you. I expect I will have to submit."

She allowed him to kiss her lips.

[Laughter.]

And so the reader in the West who has had his interest chained by this magnificent, exciting story until the very end, and who does not want to give up this kind of literature, reaches the conclusion, after three hours' reading, that she allowed him to kiss her lips.

Mr. RANDALL. I understood the gentleman to say that three carloads a day were sent to the gentleman's own State, to Chicago?

Mr. RAINEY. Yes. That is the reason I am against this eastern literature. [Laughter.] You may be used to it in Maine and you may like it in Washington, but we do not like it in Illinois, when it gets to Chicago. I never saw a copy there. It is distributed from there, I have reason to believe, all over the Middle West and the West, but I hope none of it gets to my section. I would feel personally humiliated if it did. [Laughter.]

Mr. JOHNSON of Washington. But why should the people of Washington be obliged to pay six or eight times as much as heretofore to find out what is in the last chapter?

Mr. RAINEY. I will let the gentleman answer that question himself if he is so anxious to have the circulation of this paper continued there.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. CARAWAY. I would like to ask the gentleman if that is the reason why they call the paper "Comfort"?

Mr. RAINEY. I do not know.

Now, I want to read some encouraging news, an encouraging announcement here communicated——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. May I have a little more time?

Mr. DIXON. Mr. Chairman, I yield to the gentleman such time as he may desire.

Mr. POU. Mr. Chairman, will the gentleman yield there?

Mr. RAINEY. Yes.

Mr. POU. I would like to hear the gentleman for a moment upon this proposition: There are a number of papers which have built up their circulation by reason of this low rate and which could not continue under a higher rate. If the rate is increased, the poorer class of papers—a number of them, I am told—will be put out of business. Could not the committee provide some means by which the change could be made gradually, so that the poorer papers would not be put out of business?

Mr. RAINEY. We are taking it away from them gradually. We are taking away from them this year only one-fourth of it; and this is a period of war. That is a gradual way of pulling them away from the public teat.

Mr. POU. If this will put them out of business, it is quite a serious matter from that standpoint.

Mr. RAINEY. But my friend will remember that this bill is a serious bill. We are raising enormous amounts of money, and the Nation's life is in danger. Those of us who know what the situation is know that this is true, and while we are compelling young men to go into positions where they will lose their lives, thousands and thousands of them, these men who obtain this subsidy from the Government ought not to insist upon a continuation of it in war times. [Applause.]

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. In a moment. Now, I have some encouraging news for the gentleman from Washington and for the gentleman from Wyoming and these other gentlemen, especially the gentleman from Arizona, because Comfort announces that in their June issue they are going to present special attractions for everybody. They are going to print a story called "Darling Sue," which, they tell us, will be a

touching romance of the Arizona frontier, in which the chief actors are a determined woman, a winsome little child, and a chivalrous bandit.

[Laughter.]

I am sure that this June issue will attain a tremendous circulation in the new State of Arizona.

Now, you are no doubt wondering what this magnificent journal costs. You are advised here on this page not to miss the June issue under any circumstances, and they say:

We have got to raise our subscription price in order to meet the largely increased cost of print paper.

That will be an annoying proposition, of course. The subscription price of Comfort is going to be raised. It is going to be, from now on, 30 cents for two years. [Laughter.]

But do not be alarmed, gentle reader. If you will send them 40 cents instead of 30 cents, they will send you this magnificent magazine for two years and an album in addition to it. I do not know what kind of an album it is, but it is an album that goes with this kind of a paper. [Laughter.]

Now, there are other publications from Augusta, Me., of like character, but I could not find them even in the Library of Congress. There is Happy Hours, published at Augusta, Me. I am sorry I have not a copy of it. It is the same character of publication. What a magnificent contribution Augusta, Me., is making to the literature of this country and to the education of the benighted people who live in the Middle West and in the far West! [Laughter.]

THE BIBLE AND THE POLICE GAZETTE.

Here is a book which bears this legend: "Please return to the House of Representatives Library." They are not taking any chances on losing this book, at least. This is the Holy Bible. We carry a ton of that publication to California through the mails for $160.

Mr. JOHNSON of Kentucky. From where?

Mr. RAINEY. It is not published in Augusta, Me. It is published in Philadelphia or New York, in an eastern city. We charge $160 for carrying a ton of that publication, with which you gentlemen, of course, are all particularly familiar, to California or anywhere else in the United States. Here is another publication, the Police Gazette. Some States will not permit it to enter their boundaries. Washington does not object to it. We carry a ton of Police Gazettes to California for $20.

Mr. BRITTEN. What was the other price?

Mr. RAINEY. The other was the Bible, and we charge $160 to carry that—a ton of it.

Mr. JOHNSON of Washington. What size Bible?

Mr. RAINEY. It is a good-sized Bible. If you want to get Bibles to California, buy little ones.

Mr. JOHNSON of Washington. That may not be considered a foolish question, when one considers the parcels post and the book rate.

Mr. RAINEY. This is not parcel post. This is at the book rate.

Mr. JOHNSON of Washington. Books go by the parcel post, though.

Mr. PLATT. Books go by parcel post if they weigh over 4 ounces.

Mr. RAINEY. Well, if that goes at the parcel-post rate, then, to California, we charge 11 cents a pound to carry that to California—the Bible.

Mr. JOHNSON of Washington. So that it was a serious question.

Mr. RAINEY. This particular Bible will probably weigh 2 pounds, if you want one of that size. It takes six of these Police Gazettes to weigh a pound—at least that. We carry six Police Gazettes to California for 1 cent and distribute them there. We can send one of these Bibles to California by parcel post for 22 cents—2 pounds for 22 cents. In other words, we charge twenty-two times as much to carry this Bible to California as we do to carry the Police Gazette to California.

Mr. YOUNG of North Dakota. Eleven times as much.

Mr. RAINEY. I am not a lightning calculator—eleven times as much. That is what we are doing for culture in California and Washington.

Mr. LONGWORTH. The gentleman had it right the first time.

Mr. RAINEY. I will put it in at twenty-two times as much, and will get an expert accountant to figure that up. I will get it right in the RECORD.

Packages of books weighing from 8 ounces to 50 pounds can be carried by parcel post. We can carry 25 of these Bibles to California in a parcel-post package and deliver them to one address only for $1.04. Under this second-class rate we can carry for this amount 416 Police Gazettes to California and deliver them to 416 different people.

THE CHRISTIAN HERALD.

Here is the Christian Herald, a high-class religious paper—one of the best in the land—a religious publication that every man ought to take. It is not denominational. Now, the publishers of the Christian Herald are objecting most strenuously to these rates.

We provide in this bill that religious and fraternal and farming papers, conducted not for profit, shall be carried through the mails at the old rate. I undertake to say that the Christian Herald is conducted for profit. Therefore it comes within the same rule we apply to all these other papers. It carries most valuable matter to all parts of the United States. It carries some advertising; not as much as a paper of its standing ought to carry; but if the culture and the morality and the patriotism of the people of this country are what I think they are and what they ought to be in this hour of national peril, if this company does not feel like giving up its profits and organizing this paper on a basis not for profit, I believe the people of this country would be willing to pay for a paper of this character and standing more than they now pay. The Christian Herald is an institution in the land. People are willing to pay what it costs to bring it to their homes, and those people who are unwilling to pay that do not reach to the Christian standard which the readers of a paper of this character ought to attain.

Mr. JOHNSON of Washington. Should that paper be $1.25 more to the people of the Pacific coast than to the people of the East?

Mr. RAINEY. I can not solve these questions for the editors of these papers.

Mr. HELVERING. Is it not a fact that the circulation is the basis for the advertising, and the advertising is what pays the expense?

Mr. RAINEY. I think the gentleman is correct about it. I think most papers will increase their advertising rates.

Mr. KNUTSON. Am I to understand that the gentleman wishes to put Christianity on a sliding scale?

Mr. RAINEY. I want to put Christianity on that high basis which it occupies in this country, and I am treating this entire subject in that way. You can not make me believe that Christian men and Christian women in this land, in this time of the Nation's danger, want the Government to carry anything to them at a loss to the Government, when we are taxing everything we can tax. Christian people throughout the land are making sacrifices, no matter to what denomination they belong. They are subscribing to relief funds. When we are levying these enormous sums of money to be spent in the defense of our Christian institutions, I do not believe that the Christian people of this land want this bonus to these newspapers to continue.

Mr. SABATH. Will the gentleman yield to me?

Mr. RAINEY. Yes.

Mr. SABATH. If I am not mistaken, the gentleman objects that under the cloak of Christianity some private corporation is making a lot of money at the expense of the Government. Is not that about right?

Mr. RAINEY. I do not think the editors of this paper to which I have referred are doing that, but they ought to pay what it costs to carry their messages to the people.

Mr. HILL. The gentleman will remember that I stated in the committee that the Christian Herald people had come to me and said they were willing to stand a tax on their advertis-

ing of 10 per cent, which would more than make up the discrimination in the postage. That paper would pay under that proposition $40,000 revenue to the United States Government. The only trouble is that if you change the postage and leave the discrimination, it does not hit them. They are ready to pay their tax, $40,000 a year. [Applause.]

Mr. RAINEY. I thank my colleague for his contribution to my speech, which confirms my opinion of the high standing of the gentlemen who issue the Christian Herald.

Mr. JOHNSON of Washington. I realize that the gentleman's committee has had a very hard task. I want to ask him if the committee considered at any time the proposition of putting a small tax per annum on the circulation of all newspapers using the mail.

Mr. RAINEY. We considered nearly everything in this connection.

Mr. JOHNSON of Washington. Why would not a scale like that be entirely equitable and raise an enormous sum, taxing the little paper for its share and the big paper for its share?

THESE PUBLICATIONS OUGHT TO PAY THE COST OF CARRIAGE THROUGH THE MAILS.

Mr. RAINEY. The Ways and Means Commitee have taken this up, and they agree with the Post Office Committee which has studied this question for years. They agree with the Post Office Department under the administrations of the last two Presidents of the United States, a Republican President and a Democratic President. They agree that these papers ought to pay the expense of carriage through the mails. That is our attitude.

Mr. FESS. There are some papers, like the Christian Endeavor World and the Association of Men, issued by the Young Men's Christian Association, which turn over to that organization whatever profit arises out of their activities.

Mr. RAINEY. Yes. Those papers would pay only the rate they now pay. Religious papers, fraternal papers, and agricultural papers pay the old rates if their profits go to an organization such as the gentleman has described. We realize that papers of that character are entitled to consideration on the part of this Government, where no private individual makes money out of them. The Committee on Ways and Means thought, and the Post Office Committee and the departments through two administrations have agreed also in those conclusions, that such papers ought to be carried through the mails at about the old rates.

Mr. GREEN of Iowa. Is not the gentleman slightly in error about that? Was there not a slight raise of rates on those papers?

Mr. RAINEY. Half a cent a pound. The gentleman is right. We raised them half a cent a pound, a negligible amount. I thank the gentleman for correcting me.

CONTRIBUTIONS OF PRESENT-DAY PAPERS AND MAGAZINES TO EDUCATION AND CULTURE.

Now, in reply to the gentleman from Wyoming [Mr. MONDELL] and to other gentlemen—I hope to close soon now—the gentleman from Wyoming and others also have intimated that these papers and magazines are of an educational character, that in the interest of education and culture and enlightenment throughout the country we ought to continue carrying them at these rates. I refer now to these higher-class papers, not the great bulk of the papers in weight—not to those similar to the magazine Comfort to which I have called attention.

I want to say here, and I think the House will bear me out in what I say, that the thing which makes for education and culture and artistic development in any country is books. Now, if these publications, whether they are of as high class as the Curtis publications are, or of a class not so high, have crushed out the business of writing, publishing, and selling books in the land, then they have not that educational influence which deserves consideration. The thing the world staggers under to this day is the destruction of the Alexandrian library with its 700,000 rolls in the first century of the Christian era. It comprised the rolls—the books of those days—which had been collected for 300 years by the learned men of antiquity. It was the link between the culture, the art, and the education of the modern world, and the culture, the art, and the education of the ancient world. It is gone forever. Whenever you destroy books you inflict a blow on the culture and education and the artistic development of the land which sustains the loss.

Mr. COX. Will the gentleman yield?

OUR DIMINISHING BOOK PRODUCTION AND THE REASON FOR IT.

Mr. RAINEY. I know what the gentleman is going to ask and I am going to answer it now. I anticipate my friend's question. Now, I want to show what the book production of the civilized nations of the world per capita is. In 1885, when these zone rates went into effect and cheap publications commenced to develop, we were producing each year in this country, per million of population, as many books of all kinds as there were produced in any other country in the world. Now, if our book publications commenced to fall off when these rates went into effect, and as these cheap magazines and newspapers increased in circulation, if after the Sunday magazines made their appearance, books grew fewer, then these zone rates have not contributed to education and enlightenment and advancement in this land of ours. That is the fact. Year by year, with the passing years, the production of books in this country has decreased.

COMPARISON OF UNITED STATES WITH OTHER CIVILIZED NATIONS IN BOOK PRODUCTION.

Let me compare this country now with other civilized nations of the world. Each year Switzerland produces one book for each 872 of population. Japan—and we hardly class Japan with us, you do not do it in California—Japan produces each year one book for each 1,224 of population. Germany produces—or did before the war started—for each 2,000 of her population one book. France produces annually one book for each 3,800 of population. Great Britain produces one book for each 3,800 of population. In 1910, and that is the last year for which I have reliable statistics, the United States produced one book for each 7,295 of her population, and our record is still falling. To-day the only nation in the world that produces as few books per million population as does the United States is Spain. In Spain, instead of having cheap magazines to crowd out her literature, they have bull fights and entertainments of that kind, just as edifying and contributing just as much to her culture as these cheap publications, and she produces for each million of inhabitants only as many books as we produce.

According to this scale of computing the advance of education and culture in the land, according to these statistics, in all the world there is no lower depth than the position the United States now occupies. These cheap magazines, even the better class of them are bad enough, are the weeds growing in the garden which have crowded out of existence the book publication business of the United States. [Applause.]

The figures I have given you are startling. Little Switzerland, one-eighteenth of the size of Texas and one twenty-fifth the size of the United States, publishes more than three-quarters as many books to-day per year as we do in the United States. Denmark, Sweden, Norway have each an output of eight times as many books per million of inhabitants as the United States. Roumania, with only one-thirteenth of the population of the United States, publishes each year one-quarter as many books as are published in the United States. Japan, with half our population, publishes four times as many books. Russia, which has an ignorant class comprising 79 per cent of her population, produces nearly three times as many books as the United States, and has a population only two-thirds greater.

OUR BACKWARD LITERARY MOVEMENT COMMENCED WITH THE ESTABLISHMENT OF SECOND-CLASS RATES.

America's backward movement commenced in this particular with the advent of 1-cent postage in the land. When this law went into effect permitting this stuff and these advertisements to be carried throughout the land and these enormous Sunday newspapers with their magazine supplements to go through the mail, when this law went into effect we had 4,000 bookstores in the United States selling nothing but books, testifying 30 years ago to the intelligence and advancement of the American people. To-day we have less than 1,500 bookstores in the United States, and they are diminishing in number with each passing month.

Talk about 1-cent postage rate with its bastard production of cheap magazines and newspapers elevating the people of this country, raising the standard of intelligence and enlightenment in any section of this country! Face to face with such facts as these, this statement can not be true. [Applause.] It is true, as has been stated, that we produce in the United States 60 per cent of the newspaper and magazine literature in the world, but in the light of such facts as these is that a matter we ought to point to with pride?

THE DEVELOPMENT OF THE WEST AND SECOND-CLASS POSTAGE.

The opponents of these proposed rates are circulating a leaflet among Members of Congress calling attention to the statement of a distinguished westerner, our friend "Cyclone" Davis, lately a Member of this House, in which he said on this floor, in effect, that if it were not for the 1-cent postage rate and the resultant circulation of these newspapers and magazines throughout the West, the Indian and the buffalo would still be roaming the plains of the West.

As an indication of the tremendous intelligence developed among the publishers of these papers, they are circulating that statement throughout the membership of this body and through-

out this country. These magazines did not begin to develop until 1890, to attain anything like their present growth—shutting out the books of this land—and in 1890 there was not a buffalo running wild in the world. [Applause.] In 1885 the last hostile Indian was dead and in his grave, and yet these magazine and newspaper publishers send that extract from the speech of our friend, whom we all like, to this body as evidence of the fact that they had accomplished the driving of the Indians and the buffalo from the plains of the West and the development of the great West by permitting them to read "Happy Hours" and "Comfort" from Augusta, Me. [Laughter and applause.]

HOW MUCH WE EXPEND FOR BOOKS.

Our ambassador to England, Mr. Page, a member of the publishing firm of Doubleday, Page & Co., before he left for England made the statement that American men spend less money to-day for books than they do for neckties and that American women spend less money for books than they do for the buttons that go on their dresses. It costs, according to a census bulletin of recent issue, three or four years ago, for college textbooks and school textbooks throughout this country $12,000,000 per year. We expend for newspapers alone $280,000,000 per year.

The Flatwoods Farm Journal, published in Hendrickson, Mo., is carried through the mails, 40 copies of it, for 1 cent. It circulates pretty well throughout the United States. I have never seen a copy of the Flatwoods Farm Journal, but I know it is a high-class paper, because they are opposed to this pork, and that is one of the few papers I know of that is, and they are benefited by it more than most papers. The Government takes 40 copies of this little periodical and carries it to its subscribers in all parts of the United States, turns those 40 copies over to the different rural and city carriers, and delivers them for 1 cent. That will not pay the wear and tear on the shoes of one carrier for one month.

INDUCED SUBSCRIPTIONS.

The Ohio Farm Journal is a type of newspaper in the United States having an induced subscription. Men do not subscribe for the Ohio Farm Journal because they want the Ohio Farm Journal. They subscribe for it because they want the premium that goes with it; and the Ohio Farm Journal is a standard farm journal and ranks pretty well up. It sells for $1 a year. That is the subscription price, and the publishers of the paper give to the solicitors from 90 cents to $1.15 for each subscription they obtain. In addition to that, they give the subscriber a premium, which they represent as costing a dollar. It probably does not cost that much, but, admitting that their statement about it is true and that it is worth a dollar, they give from 90 cents to $1.15 in cash and a premium of $1 for each $1 subscription they get. In that way they build up a circulation and send that paper throughout the land. They give in premiums and in inducements to agents over twice as much as they get for the subscription. That is what we call an induced subscription, and that paper circulates throughout the land and carries immense quantities of advertising matter.

The report of the Third Assistant Postmaster General for 1911, on page 39, calls attention to the fact that in the case of one such periodical investigated by the department, with a circulation of 500,000, only 60,000 of the subscriptions were sold to people who wanted to have the paper and 440,000 subscriptions were sold to people who merely wanted the premium—who did not want the paper at all. In the case of another paper investigated under Mr. Hitchcock's administration, a paper with 60,000 circulation, 19,000 of those subscribers bought the paper because they wanted it and over 40,000 bought it because they wanted the premium. In this way, under this 1-cent postage graft, they have flooded the country with these kinds of publications.

THE BANKING JOURNALS.

There are 80 so-called banking journals in the United States; perhaps 4 of them are legitimate publications and ought to live. The rest of them are grafting, leg-pulling magazines and ought to be crushed, and if raising these zone rates defeats the circulation of all of them except four or five or half a dozen, we will have accomplished much for the banks and the lawyers and the real estate men and the insurance men of the country who are being held up and blackmailed and bled by these 80 so-called banking publications.

THE FARM PAPERS.

There are 400 farm papers in the United States. One of them, Successful Farming, carries $600,000 worth of advertising matter in its columns every year. I do not know what its profits are. If these farming papers are conducted not for profit, these proposed zone rates do not apply. If they are conducted for profit, these zone rates apply. The country could get along without many of them.

I want to say, and I must not take much more time, that these statements I have made with reference to the Curtis publications and with reference to these other publications can be borne out, every one of them, by the facts. The Curtis Publishing Co. was requested by the Post Office Committee of this House when they were trying to raise these rates and these publications were fighting the proposition most vigorously, to furnish a statement of the amount of money they received from advertising each year, the amount they received from their news-stand circulation, from their circulation through the mails, their expenses for paper, and everything else, so that the Post Office Committee could tell how many million dollars they were making each year out of this graft. Both Mr. Curtis and Mr. Collier promised to furnish that statement for publication in those hearings. Nearly three years have passed since that time.

If their statements were correct which they made then, they have doubled almost the number of their advertising pages, and they have not kept their promise to this day. I challenge them now, and I challenge all these other publications to show that these statements I am making now are not true. I challenge them to submit to the Post Office Committee of this House, which has these matters in charge, a statement of their earnings and their expenses, to show how much money they are making out of this character of pork they enjoy, or to the Ways and Means Committee of this House, with the promise that we will be permitted to verify it by an examination of their books. I challenge them to make that statement coupled with that permission. [Applause.]

Mr. DILL. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. DILL. In the light of that fact, does not the gentleman think it will be perfectly proper that the advertising carried by these magazines and publications should be taxed the same as other advertisements?

Mr. RAINEY. I will say to the gentleman that I can not discuss that question now, for I desire to conclude. I thank the committee. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, I do not intend to go into the details of the bill but simply to discuss its general plan. I voted to report the bill. When I voted to report the bill I expected to support it, and I did so because I expect to be able to give the Members of the House good reasons for so doing and good reasons for asking their help to support it.

The bill, considering the circumstances under which the Committee on Ways and Means labored and the time they had, is a good one and I want to say right now that the general plan of the bill is in accordance with sound economic principles and accepted rules of taxation with one single exception and that relates to the tariff provision, and, if I correctly understand the temper of the House, that is one which has met with less objection than any other. I do not want anyone to underrate the difficulties under which the Committee on Ways and Means labored. It was not alone the amount which we had to raise, although the amount was prodigious. If anyone had said here last year that he proposed to raise a sum equal to the amount of our national debt and pay it off with one year's taxation he would have been thought to have been insane or a fit candidate for an asylum for feeble minded, and yet in this bill we propose to raise in addition to the taxes which were already levied, an amount equal to about twice what our national debt was before the breaking out of this war. If anyone had spoken of taking all the cash that was in the national banks by one levy of taxation for the period of one year his proposition would have been thought, before the breaking out of this war, as simply astounding, and yet if we took all the cash in the national banks and all the banks of this country combined together on the 30th of June last, it would only have exceeded by about $100,000,000 what is expected to be raised by this bill. We consider the value of our wheat crop last year was immense, but if we took the wheat crop and took all the oat crop it would not be sufficient to make up the amount which is attempted to be raised by this bill.

The gentlemen from the South talk about their cotton crop, but if we add 25 per cent more to the value of the cotton crop last year it would not equal the amount we are attempting to raise by this bill. The corn crop alone exceeds it by some millions. The amount staggers our comprehension when we consider it; and yet after all it is not a question of the ability to pay, because the resources of this country are so much more

vast in comparison that so far as the ability to pay is concerned the country could easily pay it. The greatest difficulties which confronted the Committee on Ways and Means were of a different nature. The problem was, on the one hand, not to take so much of the accumulated wealth and capital of the country as to unduly hamper business and, on the other hand, not to take so much from those who subsist only by their daily earnings as to impose an undue hardship upon them. That was the problem, and let me say at the outset, gentlemen, it was one which was practically impossible to solve with absolute correctness. I want the gentlemen of the House now to understand that anyone who gives his time and study to this matter will come to the conclusion that you can not add at one bound $1,800,000,000 in this country without imposing more or less hardships and more or less inequity upon a large number of people. No committee could do it. It is simply impossible for the reason that it will work so many changes in business conditions that business can not be immediately adjusted to it. It will hit some kinds of business harder than others. It will impose hardships here and inequities there, because business has not time to adjust itself to these changed conditions which will be made by the imposition within one year of such an enormous increase of taxation. But notwithstanding all that, we have presented a bill which is in accordance, as I expect to show, with sound principles of economics and accepted principles of taxation. And I may go further and say, as far as the general plan of this bill is concerned, that it has met and will meet the approval of the broad-minded business men of this country and the best students of economics.

There is in this country, as everyone knows, an association of business men, comprising financiers, bankers, merchants, capitalists, down to the very smallest merchant, known as the Chamber of Commerce of the United States.

When it became known that it would be necessary in this country to raise this vast sum of $1,800,000, or, as it was thought at that time, $1,600,000, this association, through its directors, concluded that it would take up the study of this subject and make some recommendations with reference to it. Its board of directors appointed a committee of 12, composed of great bankers, great financiers, great merchants, and men who were known all over the world as authorities on economic questions. These gentlemen prepared a report. They sent it to various Members of Congress. I do not know how many of you received it, but I received a copy while we were engaged in our deliberations. I laid it aside intending to take it up later but overlooked it until we had finished and brought in this bill. When I examined it I was happy to find that the conclusions of that committee, so far as the general plan of this bill is concerned, accorded with the bill which the committee has presented.

At this point I wish to state somewhat at length, but as briefly as I can, the general plan on which this bill was framed.

The first question before the committee naturally was, How much money we should raise; whether we should require this vast sum of $1,800,000,000, or whether we should require a lesser sum and look to bonds or to some other method of that kind to obtain the money? The distinguished chairman of the committee, the gentleman from North Carolina [Mr. KITCHIN], and also the distinguished gentleman from Connecticut [Mr. HILL], who had recently been having conversations on this subject with the Secretary of the Treasury, told us in the committee just what the Government claimed it needed. It needed this whole sum. I will not go into the details now, because I understand the gentleman from Connecticut will do that later. The military expenditures of this Nation for the next fiscal year were to aggregate $3,800,000,000. You can figure this out from the report of the Committee on Appropriations if you desire. Of this sum there had already been provided the amount of $2,000,000,000 by bonds, leaving about $1,800,000,000 which the Secretary of the Treasury said he must have. Matters have since developed so that, in my opinion, much more will be needed. Now, the question was, How is this sum to be raised—by taxation or part of it by bonds?

Two arguments that were presented, and possibly more, influenced the members of the committee. One argument was—one which doubtless had its influence with some Members—that if at the outset, at our first approaching the question of what this country could do in the way of raising cash to carry on this war, we should hesitate and fail to raise the amount which the Government asked, it would be like turning our hands away from the plow before we had ever turned a furrow. It would be an indication to foreign Governments that the people of this country, and especially its Representatives in Congress, were unready and unwilling to completely and fully support the Government. This argument doubtless had its weight, but there was one which was somewhat stronger with me, and I wish to present it now to the House.

Like the other members of the Committee on Ways and Means, I have been something of a student of economics. In the course of this study I found that every great writer on economics and every school or association of economic writers and students had found and determined that it was a bad policy in war to try to put off as much as possible all the cost of that war upon the subsequent generation; but, on the contrary, the correct policy was to raise as much as practicable by taxation. Gentlemen of the House, we ought to understand the fact that the waste of war falls on this generation and can not false elsewhere or be made to bear elsewhere. The wheat that is lost when a submarine sinks a vessel on the Atlantic Ocean is the wheat that is raised by the farmer of to-day. The shrapnel that is exploded, the powder that is burned, the waste that is caused by taking the young men of this country away from their work and their labors over into foreign countries, or inclosing them in camps on this side, is all a waste of to-day. You can perhaps transfer part of this waste from the shoulders of one portion of the community onto another, but the burden of this great economic waste that is always going on during a war must rest upon the generation which wages it.

The most vigorous complaint against the bill is that it raises too large a sum by taxation, but, as I have said, every economist has held that as far as practicable the expenses of every war ought to be borne by the generation that carries it on. If you fail to do this, you can, by issuing bonds and creating indebtedness, transfer a part of the load from one portion of the community to another, but you simply increase the burden which must be borne by those who are least able to bear it. The reason for this is plain. The issuance of bonds in large quantities always tends to inflation. War itself tends to inflation. A larger tax than any we shall levy by virtue of this bill has already been imposed upon the classes which are least able to assume it, simply by virtue of the rise in prices which has taken place. If we continue to issue bonds in greater amounts than is absolutely necessary, we shall add to the inflation of prices which has already occurred—increase the burden upon the laboring classes both now and in the future. The committee upon considering this question of how much should be raised by taxes finally agreed that we should raise approximately one-half the amount required to finance the war expenses by taxation. And I want to say that upon examining this report of the committee of the Chamber of Commerce of the United States I find that in the report the same proportion is fixed—that one-half of our war expenditures ought to be so raised.

Mr. RAMSEYER. Will my colleague yield?

Mr. GREEN of Iowa. I will.

Mr. RAMSEYER. We have issued or authorized $2,000,000,000 of bonds for ourselves and $2,000,000,000 in certificates.

Mr. GREEN of Iowa. The certificates are not to carry on the war but to supply a temporary deficit in the Treasury.

Mr. RAMSEYER. The question I was going to ask was, Is it the purpose of the Government to take up the certificates or do away with the certificates by this taxation?

Mr. GREEN of Iowa. It is expected that the certificates will be taken up.

Mr. RAMSEYER. By this tax in the bill?

Mr. GREEN of Iowa. Yes.

Mr. GARLAND. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GARLAND. I wanted to ask this question: Why, in the case of war, should a different idea of financing occur from that of every-day life in every city and every borough? Is it not a fact that in every city where they want to make improvements, something lasting, something that will require a lot of money, they issue bonds, and they arrange a sinking fund to meet those bonds in the future?

Mr. GREEN of Iowa. The gentleman is making an argument——

Mr. GARLAND. No. I simply ask why a different policy is adopted in time of war.

Mr. GREEN of Iowa. I have given one reason, but will give you another. Because the bonds you mention are issued for improvements, and when you issue them you have got the project, the public improvement, or whatever it is. You have property to show for your bonds which will benefit those who come after us. But when you issue bonds for war purposes you have nothing to show for them, nothing to hand down to future generations or to carry as capital. That is the difference.

Now, then, having determined, as the committee did, that it would raise one-half the amount required for war purposes by taxation, the next question was, What kind of taxation should be used, and how should it be proportioned?

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield there?

Mr. GREEN of Iowa. Yes.

Mr. LONGWORTH. If the gentleman will permit, the committee did not determine to raise one-half of all the war expenses, but only for the next year.

Mr. GREEN of Iowa. I meant only that and accept the correction.

The next question was, How shall these taxes be proportioned? The committee determined on that point that they would raise approximately 50 per cent of this amount on what we might call "accumulated wealth," for want of a better term; it is the only way I can designate it at this particular time—and the other one-half by excise taxes or taxes of a similar class. Upon examining the report which was issued by the National Chamber of Commerce I find that that plan also was agreed upon by this committee of great bankers and great financiers and great economists—to raise about one-half of the sum required by these taxes on surplus or accumulated wealth.

Now, what was this amount to be apportioned on surplus wealth and how was it to be raised? We agreed it should be raised by virtue of the income tax and the excess profits tax, and in this report of the chamber of commerce that I have here it was recommended that $400,000,000 should be raised by an additional tax on personal incomes. If anybody will undertake to figure it out from our bill, you will find that that is about the amount fixed for the additional income tax on personal incomes. The rest of it we put on the increase of surplus wealth, as I call it, by means of the tax on the profits of corporations and the excess profits tax. Taking these three together, the individual income tax, the tax on the profits of corporations—commonly called the corporation income tax—and the excess profits tax, we have very nearly one-half of the amount that we proposed to raise.

Then, the next question arises in relation to the excess profits tax. We doubled the excess profits tax and, as I understand, many gentlemen are complaining because it was made so high. I find by examination of this report that this committee of bankers and financiers recommended $200,000,000 to be raised by the excess profits tax. This is just exactly the sum that the Committee on Ways and Means determined to raise by that method. Evidently the committee appointed by the National Chamber of Commerce concluded that the concerns which are now making an extraordinary profit could afford to pay this extra sum of $200,000,000. If they admit this amount is not too large, surely no one else ought to complain.

For myself, I must say that I think it ought to have been larger. It seems to me that the excess profits tax is one of the fairest taxes that can be laid, for it requires funds only from those whose good fortune makes it easy for them to pay. I have stated that I approve of the general plan of the bill, but I do not mean thereby that I approve of every detail of it. I not only think the excess profits tax ought to be larger, but I think it also ought to be made applicable to individuals who are engaged in trade and business. This would be simply fair and just. We raised $200,000,000 without its being levied upon individuals. Had it also been levied upon individuals engaged in trade and business, we could have raised from $35,000,000 to $40,000,000 more without, I think, doing any injustice to anyone.

They say that this tax is excessive, and some Members of the House have criticized it, yet Great Britain raised for the year ending March 31 last about $700,000,000 from this source alone. That country started with an excess profits tax of 50 per cent, increased it to 60 per cent, and in the present budget recently proposed in Parliament it is fixed at 80 per cent, and still business goes on in England, and will continue.

Having reached this point and determined how much should be raised from income tax, corporation tax, and excess profits, the committee next took up the subject of how to raise the balance. Obviously it must be raised by excise taxes, but on what? The committee determined, and very properly I think, that these taxes should first be levied upon luxuries; and I believe that no Member of the House will disagree with the committee as to that proposition. Luxuries ought to be taxed, and taxed heavily, before any tax is levied which will add to the necessities of life and which must affect the laboring classes and everyone throughout the land, regardless of his position or estate. In passing upon the tax upon luxuries, we divided the articles to be taxed, roughly speaking, into two classes—one which might be called luxuries pure and simple, such as intoxicating liquor and tobacco, and those which might be called near-luxuries, to some of which we have been so accustomed that they are often regarded as necessities.

So far as intoxicating liquors are concerned, the majority of the committee felt that a tax should be laid at the point where it would produce the most revenue, and it was fixed accordingly. In the judgment of the committee if it was made any higher it would produce less revenue rather than more.

We taxed the tires and tubes on automobiles in order to reach not only the automobiles which are now being manufactured, but those which are actually in use. We also taxed musical instruments, motion-picture films, sporting goods, cosmetics, proprietary medicines, and chewing gum, all of which are, as we believe, in the nature of luxuries and which can properly bear a heavy tax.

Objection has been made to taxes upon these articles, because in most instances they are levied upon the gross sales of the manufacturer, regardless of whether he has made any profit or not, and objection has also been made on the claim that some of these articles are not luxuries at all. I shall not stop to discuss the last point, but I want to say that the objections that I have heard made so far in the debate have been based upon an altogether wrong impression. Members talk as though the manufacturer were the one who would lose by this tax. The manufacturer will pay it in the first instance, but whenever you put a tax on luxuries, it will never be paid by the manufacturer, but by the ultimate consumer, because the man who can afford a luxury can afford to pay a little more for it, and will continue to buy it. It may make the sales a little smaller, but the effect will be slight. We have been deluged by protests through telegrams from every manufacturer affected by this bill, in fact by nearly everyone who is affected by the bill at all. They are piled so high in my office that I will need some addition to it soon in order to take care of them.

Gentlemen are now before the Senate committee, as I understand, who represent the liquor and tobacco business, claiming that their business will be absolutely ruined if these taxes are imposed in accordance with the bill. Do you suppose that any of these manufacturers of liquor or tobacco are going to pay this tax in the long run? Not one of them. They will simply add the tax to the price, and there will be practically as much liquor consumed and practically as much tobacco consumed. The manufacturer of tobacco has already arranged to take care of the tax. In making up their packages of cigarettes or smoking tobacco there will be enough less to make up for it, and it will be the same way with cigars.

As some gentlemen have claimed that a tax of 5 per cent on the gross receipts of the manufacturer will ruin any business, because it would be more than their profits, I would like to call their attention to the fact that before we commenced to tax spirits and tobacco they were already taxed not merely several times the amount of the manufacturer's profit, but in many cases more than 100 per cent on the manufacturer's cost, yet business in these lines has prospered amazingly.

It costs less than 50 cents a gallon to manufacture alcohol, and by this bill we raised this tax to $2.25. I have not heard any Member say that the business would not continue, but they insist that a 5 per cent tax on the gross sales of automobiles will put the manufacturer out of business.

We have added in this bill a provision which requires the payment of a higher rate of postage on second-class matter. I fully agree that more should be paid to the Government for advertising matter that passes through the mails. I can not say, however, that I think the plan adopted was the best. In justice to the majority of the committee it ought to be said, however, that this provision of the bill was not regarded as a tax at all, but simply a method of obtaining for the Government a greater proportion—that is, about 20 per cent or 25 per cent of the loss which it is now sustaining on the present rates, which they regarded in the nature of a subsidy to the newspapers and periodicals.

After all of these taxes were determined we were still short of the amount required to be raised, and it was evident that unless we still further raised the income and excess profits tax some taxes would have to be laid which would affect the necessities of life. We wished to levy these taxes in such a manner that they would work as little hardship as possible upon the laboring classes, and upon those who now need for their support and comfort nearly all the income which they receive from any source. This was the most difficult task the committee had, for they wished to avoid consumption taxes as far as possible. In so doing we levied a tax on transportation on freight, on express, passenger, and pipe lines. Such a tax is spread all over the whole country and affects everyone. The ultimate consumer must pay the freight (Jones will pay it only to begin with), but we were unable to avoid it. While this makes tax on all of the people, it is no very great tax. It is not a tax that is paid all at one time, but by degrees and in small amounts, so that it will be easier paid. Let me call your attention here to the fact, as the gentleman from Ohio [Mr.

LONGWORTH] has stated, that out of this vast sum of $1,800,000,000 which we are undertaking to raise only 5 per cent are taxes of this class, and even that 5 per cent will be shared by the rich as well as those of lesser means. In this class of taxes I include the increase made in the tariff rates. The increase was not a scientific plan, but the committee had no time to readjust all the tariff duties to conform to war conditions, which would have taken at least six months. Singularly enough, as I have stated before, this tariff provision (the only provision in the bill which did not have a scientific basis) seems to have been the one which has met with the least objection.

While the bill in its details is not as I would have written it I shall support it, because it represents the composite judgment of the committee, and when amended, as it will be in some details, it will represent the composite judgment of the House. And let me say to those gentlemen who are complaining so much of the income and corporation tax, of the excess profits tax, and of the 5 per cent tax on luxuries on the ground that in some cases they will work hardship or inequity, that they ought to look beyond this mere financial consideration which is always produced by a great war, and consider the fact that we are planning to conscript the youth and strength of the Nation. We will take young men from their business and occupation. We will not only ruin their business and leave them without any income whatever, but a heavy toll of life and crushing misfortunes in the way of injuries and wounds will be imposed. We are asking and we are hoping that these men will give what their country demands cheerfully and willingly. May we not ask the business men of the country, the capitalists, the men of great fortunes (the class who will as a rule especially profit by war conditions) to respond cheerfully and willingly in the demands which are made upon them? Above all we ask, as we ask those who will carry our flag not to falter in sustaining it, that the business men of the country will not hesitate in supporting those who must bare their bosoms to shot and shell, and offer up their lives if necessary, to sustain the honor and rights of their country. [Applause.]

APPENDIX.

Report of the committee appointed by Chamber of Commerce of the United States:

PERSONNEL OF COMMITTEE.

Wallace D. Simmons, chairman, merchant, of St. Louis; president of the Simmons Hardware Co.; formerly vice president of the Chamber of Commerce of the United States.

T. S. Adams, economist, of New Haven; professor of political economy in Yale University; secretary of the National Tax Association; formerly tax commissioner of the State of Wisconsin.

John V. Farwell, merchant, of Chicago; president of John V. Farwell Co.; director of Chicago & Northwestern Railroad Co.

Edward A. Filene, merchant, of Boston; president of William Filene's Sons Co.; vice president of the Sixth International Congress of Chambers of Commerce; director of the Chamber of Commerce of the United States.

P. W. Goebel, banker; president of the Commercial National Bank of Kansas City, Kans.; president of the American Bankers' Association.

John H. Gray, economist, of Minneapolis; head of the department of economics, University of Minnesota; formerly president of the American Economic Association.

Edward D. Hulbert, banker, of Chicago; president of the Merchants' Loan & Trust Co.; director of the Chicago, Rock Island & Pacific Railway Co.

Stoddard Jess, banker, of Los Angeles; president of First National Bank.

Hugh McK. Landon, merchant, of Indianapolis.

Robert F. Maddox, banker, of Atlanta; vice president of American National Bank; formerly president of Georgia Bankers' Association; formerly vice president of the Chamber of Commerce of the United States.

Samuel McRoberts, banker, of New York; vice president of National City Bank; vice president of the Chamber of Commerce of the United States.

Oliver M. W. Sprague, economist, of Cambridge; professor of banking and finance in Harvard University.

REPORT OF THE COMMITTEE ON FINANCING WAR.

APRIL 19, 1917.

To the BOARD OF DIRECTORS OF THE CHAMBER OF COMMERCE OF THE UNITED STATES:

There is abundant evidence that business men are not only ready but eager to do their full share in meeting the burdens imposed by the war. The principle that a few should not be permitted to profit greatly by the war at the expense of the many is thoroughly sound and equitable, and in our opinion reflects the universal sentiment of the business men throughout the country. The burden of taxation can be made lighter for all citizens if it is clearly understood that waste and extravagance—undesirable at all times—tend in war time to increase seriously the cost of the war. War borrowing leads to extravagance; war taxation leads to economy.

The checking of waste and extravagance removes a great cause of the rise in prices due to the extraordinary Government demands competing with the usual demands of the citizens. Such waste and extravagance as may be tolerated in normal times becomes almost criminal in times of war.

Through war taxation a direct and immediate check can be placed on extravagance in individual consumption. This sets free labor and capital for the production of military supplies and food for ourselves and for others, and tends to reduce the cost of such supplies to the Government, which in turn reduces the taxation necessary.

Rigid economy is imperatively necessary not only to release labor and capital for war work but also because in this way funds will become available for Government loans, and by inducing saving help to keep down inflation. In the elimination of waste the Government is morally bound to set an example. Unnecessary governmental activities should be discontinued; every man and all the equipment that can be spared from routine work of peace should be transferred to the new work of war; the civil establishment, like the Navy, should strip to fighting trim; appropriations for unnecessary work should be avoided; the Government, like the individual, should bring its ordinary expenditures to the lowest level consistent with efficiency.

The money required for war expenditures is secured in two ways—by borrowing and by taxation. It is a possible but most undesirable policy to finance a war altogether from bond issues. This policy imposes a heavy burden of taxation upon a country during the difficult years of readjustment following the conflict. On purely financial grounds war finance based entirely upon loans is also unsatisfactory, because it contributes to a rapid rise in prices. This rise in prices increases the money cost of a war. Government financing through war loans which are derived from savings do not occasion an advance in prices. It is therefore of the utmost importance that in placing war loans every effort should be made to lodge the bonds with those who will make payment from savings. But it always happens that many subscribers to war loans borrow from banks, pledging other property, and even the war bonds. The banks adopt a liberal, patriotic loan policy, and also subscribe largely on their own account. Both these transactions lead to credit inflation, since the amount of such subscriptions and loans takes the form of credits on the books of the banks in favor of the Government or the borrower.

Purchasing power of the people is reduced by a war loan, but not to the full extent of the increased purchasing power secured by the Government. With this increased purchasing power the warring Government enters the market for goods and labor in competition with its own citizens. The Government demand is so insistent that it is not lessened by advancing prices. On the other hand, the demand of the people is finally reduced in consequence of rising prices. Through taxation, however, a more immediate check is placed upon individual consumption. Labor and capital are set free for the production of military supplies, the advance in prices is in considerable measure escaped, and consequently the money cost of the war is kept down.

Taxation must not, however, be carried so far as seriously to impede business. On the other hand, particularly in the United States at the present time, it is clear that industry, owing to large profits secured during the last two years, is in an uncommonly strong position and able to bear its full share of taxation.

It should be further noted that during a war it is entirely possible for a community to pay larger amounts of taxes than in normal times of peace. Production during war is mainly directed toward the supply of commodities of various kinds for immediate use, largely on Government demand. In times of peace marketing problems are far more complicated, competition among producers is more severe, and much labor and capital are employed in adding to the equipment of the community for use in future years. All of these factors make it far more difficult for the community to endure extraordinary high taxes and at the same time continue the progressive development of the country. It is highly desirable, therefore, that the financial policy of a country at war should be so designed that war taxes will cease with the ending of the war and so permit a prompt return to a normal basis of taxation.

INDIVIDUAL INCOME TAX.

In providing for the large expenditures of the Government now needed it is obviously necessary that the burden should be distributed as widely as possible and fall as fairly as practicable upon all classes of our citizens. To this end a large part of the sum about to be raised should be derived from increase in the individual income tax. At present the exemption for married persons and heads of families is $4,000, and for single persons $3,000. We approve the suggestion of the administration that to meet the present emergency the exemption for married persons and heads of families should be reduced to $2,000, and believe the exemption for single persons should be reduced to $1,200.

At present the supertax does not apply until the income reaches $20,000, and beginning then with 1 per cent it runs to 15 per cent for the largest incomes. We recommend that the war supertax should begin with 1 per cent on incomes in excess of $3,000 and gradually rise to 40 per cent for the largest incomes. The normal tax, which is paid by all income-tax payers, should remain as it now is, at 2 per cent.

Certain serious defects in the present law grow more apparent as the rates increase, and should be corrected. For example, the individual taxpayer can now deduct the interest paid out for money borrowed to carry tax-exempt bonds, whereas the income derived from such bonds is not taxable. On the other hand, an apparent injustice is done the individual taxpayer by not permitting the deduction of losses actually incurred during the year outside the taxpayer's regular business, unless such losses are offset by gains obtained outside the regular business.

While we see the difficulty and danger involved, we believe the law should be so amended as to avoid the gross inequities which will be correspondingly burdensome as the rates are increased.

The present law provides for the depreciation of property, but makes no provision for obsolescence. We believe that obsolescence in some cases is as worthy of deduction as is depreciation, and some plan for the consideration of such losses should be provided.

EXCESS PROFITS TAX.

We believe an excess profits tax should be, in principle, a war measure only. It can be justified only when war exists. All business should pay its share toward war expenses, but this tax should be levied so as to disturb as little as possible the financial machinery and the industrial progress of the country.

When a business institution has paid out certain sums in dividends it is obvious that such sums were not needed in the conduct of the business, and that therefore a heavy war tax on such distributed income would not restrict its future operations. If, however, such a tax is imposed on profits undistributed and ordinarily retained in

the business, it is evident it may produce serious trouble to the firm or corporation and its employees.

After careful consideration your committee recommends the plan suggested by the Secretary of the Treasury, which is submitted herewith:

"With the same exemptions as now allowed ($5,000 plus 8 per cent on invested capital) the following increases in rates:

"Ten per cent on profits in excess of 8 per cent and not over 15 per cent of capital invested.

"Fifteen per cent on profits in excess of 15 per cent and not over 25 per cent of capital invested.

"Twenty per cent on profits in excess of 25 per cent and not over 50 per cent of capital invested.

"Twenty-five per cent on profits in excess of 50 per cent."

Some amendments, however, are absolutely necessary to remove inequities that will certainly arise from the present wording of the law. Where high rates are levied it becomes more and more important that careful provision should be made for ascertaining more clearly and fully what is meant by the term "capital invested"—also, how profits are to be determined. As these are the foundations on which the plan is built they must be firmly and clearly established.

While this can be easily done in the case of most manufacturing and distributing organizations, there are some where these facts would have to be ascertained by special investigation and valuation. To that end the following amendment to this particular clause in the present law is recommended:

"*Provided*, That where the actual cash paid in is uncertain or unknown, or where the value of the capital invested shall have become materially different from the invested capital as carried on the books, the Secretary of the Treasury shall have power to appraise the value of the assets of the corporation, including good will and trade-marks where there is evidence of capital expenditure in making them valuable, as of the 1st day of January, 1916 (?), and such appraised value shall serve as the basis of the tax.

"*Provided, also*, That in the determination of the profits, account shall be taken both of depreciation and of obsolescence."

In order to secure expert and impartial determination of such questions as those mentioned above, the committee recommends that local boards of referees should be appointed, to be composed of qualified accountants, to review appeals from preliminary assessments, reporting their findings with recommendations to the Secretary of the Treasury for his action. In order to lessen the number of appeals on trivial grounds, the cost of all appeals should be paid by the petitioners.

INDIRECT TAXES.

In addition to the above there should be levied taxes on luxuries and amusements, and also heavy taxes upon a few articles in general use, in order that a share of the tax burden may be borne by all elements of our citizenship—the articles and rates to be determined by committees of Congress which have at their disposal data to determine the revenue which may properly be raised from taxes of this nature. (You will find at pp. 16, ff, a list of the items now under discussion by the authorities from which selections will probably be made.)

CUSTOMS DUTIES.

It is not desirable at the present time to raise debate or controversy on questions of purely domestic policy, such as a change in the tariff system; hence, duties upon imports should not be suggested except in so far as they are purely revenue measures and leave the tariff system otherwise unchanged.

Your committee believes that noncontentious duties of this sort, and duties which would interfere as little as possible in our relations with friendly countries, can be devised and, so far as they can be devised, they should be resorted to with a view to diffusing justly the burden of taxation.

STAMP TAXES.

Stamp taxes of various kinds have always been used in emergencies, and are a ready means for bringing in promptly a large and continuous revenue. Accordingly, while the committee has not at hand the necessary data to determine properly the best articles or rates which will furnish this revenue, we recommend that in the present emergency stamp taxes be imposed along the lines of the proposals which are under consideration by committees of Congress.

RETROACTIVE TAXES.

The Treasury is authorized to issue $2,000,000,000 in short-time certificates of indebtedness. Any large additional revenues from any form of taxation are therefore not immediately necessary. Nevertheless, there are before committees of Congress proposals for two retroactive taxes—one upon excess profits, the other upon incomes (individual and corporate), both to be applied not to this year's earnings but to the earnings of 1916. The retroactive tax on excess profits is not only wrong in principle but is also unjust, because it proposes to levy a tax on profits of 1916, which have already been distributed. The retroactive tax on incomes, we believe, is likewise wrong in principle, and if it is imperative for the Government to obtain the amount which would be raised by such a tax, it would be more equitable to impose somewhat higher supertax rates on individual incomes during the present year.

POSTAGE.

As an additional source of revenue we recommend an increase of 50 per cent on first-class domestic postage, but not less than 1 per cent additional on each piece of first-class matter. This tax, it is estimated, will produce additional revenues during the period of the war approximating $100,000,000 a year, will be collected with very little expense because the machinery for collection already exists, and will begin to bring in revenue at once.

CORPORATION TAXES.

The committee believes that because of the large excess profits tax to be imposed and because dividends of corporations will be subject to the war supertax as income in the hands of the stockholders, the income tax on corporations should remain unchanged.

As exemptions have been reduced in the case of individuals we believe that as a means of obtaining additional war revenues the exemption now existing in the application of the capital-stock tax should be reduced from $99,000 to $24,000. Such a reduction will increase revenues by some millions of dollars.

INHERITANCE TAXES.

Inheritances are, in our opinion, not proper subjects for war taxes, as such a tax would place an unjust burden upon the estates of those dying during the progress of the war. The incomes from all estates will, of course, bear their full share of war taxes.

WAR EXPENDITURES THIS YEAR.

It is estimated by the Treasury Department that the war expenditures of the United States Government during the next 12 months will amount to about $3,600,000,000, and it is proposed by the administration to raise $2,000,000,000 of this amount through sale of bonds. This would indicate the necessity of raising by new taxation of various sorts approximately $1,600,000,000. Your committee believes that it is feasible and desirable to raise approximately the balance during the first year by taxation, and submits the following schedule tentatively designed to obtain that result and as indicating the relative amounts which may be derived from different varieties of taxes:

Increased income tax on individuals for the year 1917	$400,000,000
Increase of excess profits tax for the year 1917	200,000,000
Increase of 50 per cent in first-class postage rates	100,000,000
Stamp taxes	250,000,000
Increased customs duties, as far as possible of a purely revenue character	100,000,000
Excise taxes	550,000,000
Total	1,600,000,000

This scheme of taxation seems to be so designed as to obtain some contribution to the cost of the war from every citizen. It includes both direct and indirect taxes, as every well-conceived and equitable system of war taxation should. Very properly it provides for meeting by payment out of hand a considerable part of the year's war expenditures. This is wise. The more we raise by taxation during the progress of the war, the less will be the difficulty of returning to normal taxation after the war.

ISSUES OF BONDS.

With reference to details of bond issues authorized by recent legislation the committee deems it unwise at this time to make any definite recommendations. These matters have been left by Congress to be determined by the Secretary of the Treasury, and he has indicated his intention to confer widely with those who are expert and experienced in handling such matters. However, we are confident that every effort will be made to sell the bonds to the individual investors rather than to banks and financial institutions, and that payment by subscribers will be permitted in installments extending over as long a period as the needs of the Treasury will allow, and the greatest care taken in the method of distirbuting the proceeds so as not seriously to disturb the banking and financial operations of the country. We commend the proposal that the initial issues should not exceed $2,000,000,000, and that for the purpose of distribution the Government should coordinate all governmental agencies, all the national banks, State banks, and trust companies, and other available distributing agencies.

The committee deems it inopportune to discuss at this time the question of exemption of Federal bonds from the Federal income tax. It believes, however, that this is a question of growing importance and one which should be brought to the Chamber's attention. It has therefore under preparation a statement on this subject and suggests it be brought at some time in the near future before the members of the Chamber of Commerce of the United States for their consideration.

CONCLUSION.

Modern warfare is extremely costly, and in order to meet any appreciable portion of the expenses during its progress heavy taxation must necessarily be imposed. In European countries it is now generally admitted that far heavier taxes should have been imposed at an earlier stage of the war. The recommendations of the committee in this report are the result of a careful study of the experience of our own people in previous emergencies, and particularly of the very recent experience of other countries. The old adage about a wise man applies equally to an entire nation—a wise people profits by its own experience and by that of other peoples.

Wallace D. Simmons (chairman), Thomas S. Adams, John V. Farwell, Edward A. Filene, P. W. Goebel, John H. Gray, Edmund D. Hulbert, Stoddard Jess, Hugh McK. Landon, Samuel McRoberts, Robert F. Maddox, O. M. W. Sprague (committee on financing war).

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. FESS. Mr. Chairman, I will not take much time of the committee. I only wish to say to my colleagues here this afternoon that over in Cincinnati about this time one of the country's most distinguished leaders is buried to-day. The people of my State are paying their tribute to a beloved son of Ohio, who, as an aspiring youth, a gallant soldier, an exemplary college student in two of the country's best colleges, a promising lawyer, a distinguished judge, an able chief executive of a great State, an illustrious Senator, a great orator, a brilliant political leader, a successful business man, an honored citizen, and a beloved friend, was laid to rest in the city of his choice, by the friends whom he loved and who held his friendship as a priceless heritage. I refer to ex-Senator Joseph B. Foraker, a personal friend of mine, whom I learned to love back in 1889 when he came to address the university in which I was then a student, and at which time I was graduated. His address was an epoch in the lives of more than one member of that graduating class. From that time on I became interested in his career, having known something of his accomplishments already achieved. He had been a member of the Superior Court of Cincinnati, serving with the distinguished ex-Gov. Harmon, where he served with great distinction. When he left the bench all the press of the city joined in eulogy upon his ability, fidelity, and courage. At the time of which I speak he was serving his second term as governor of the State,

and was then one of the most brilliant leaders in the Nation. Well do I remember his defeat in 1883, when the prohibition question was to the front, and which was the occasion for a brilliant debate between him and Gov. Hoadley. Foraker was then a young man to be a candidate for governor, but even then gave evidence of his heroic character. His defeat in 1883 was but a training for victory in 1885 and again in 1887. His four years at the head of the State proved him a wise executive. He ranked with the best governors in the history of the State. Ohio has ever been a training ground for national leadership. She has furnished her quota for every department—legislative, executive, and judicial. During the period since the war we count our Shermans, our Garfields, our Thurmans, our McKinleys, our Hannas, our Fosters, our Tafts, our Hardings, but no figure during the last 30 years has stood out more prominently than Foraker, the man of "vim, vigor, and victory." His was a familiar figure, and his clarion notes were equally familiar in every State and National convention since that of 1880. I will not attempt to detail his life at this time, but merely to offer some suggestions in a sympathetic study of the leadership of the man who I think has been misunderstood in public life. [Applause.]

Mr. Chairman, Senator Foraker's life was not cast on the plane of quietude. He sought the highlands where the storm most frequently centered. He never evaded a struggle to avoid the pains of contest. His was a heroic nature. If harmony in council or convention was the order, he would have it, if he had to fight to get it.

His leadership was of that type which appealed to the younger element of the country. Very much like Blaine, he provoked likes and dislikes. His enemies were goaded to the breaking point, and his friends were hooked, as with hooks of steel, to his cause.

His popularity was of the spontaneous character and difficult to fathom. I once heard John Sherman say, after a convention in which Foraker was idolized, "That young man has a following that can not be estimated."

His oratory was sui generis. It was magnetic, not so much in words as personality. He could carry an audience off its feet and lead it at will. Dozens of times was this power at conventions displayed, generally to his hurt, since it opened his motives to adverse criticism.

In 1888 when the Blaine men proposed to nominate him for the Presidency, which was prevented by Foraker himself because of his loyalty to John Sherman, he was cruelly criticized for what he did not do, when it was within his power to have accomplished it.

This impetuous characteristic, which spoke through a magnetic personality in tones which rang with victory, made him loved and hated. It was that nature which attracted and repelled. In a State like Ohio it was destined to produce dissensions at the top.

His contemporaries were Sherman, Garfield, McKinley, and so forth. He was a leader when these men were leaders. It was but natural that his ambitions would run counter to the ambitions of others.

In Ohio, as well as in other States, there were many who wanted to see Foraker reach the highest place in the Nation.

This exaltation from the State would inevitably place any man on the firing line.

Senator Foraker as a constitutional lawyer was regarded second to none in the country. His practice naturally created a constructive rather than destructive criticism. It made him conservative rather than radical in the school of politics. He deplored the tendencies which expressed themselves in modern proposals, such as the initiative and referendum, recall of judges and of judicial decisions.

He was a great advocate of a truly representative government. Among the great many great speeches made before the Ohio constitutional convention in 1912 that made by Mr. Foraker was among the strongest. The amendment adopted to avoid the demand for a recall was suggested by the Senator.

The Senator's ability as a lawyer attracted powerful clients. His connection with these, including the Standard Oil Co., induced powerful and bitter criticism, most of which was unwarranted.

Mr. Chairman, I have but recently gone over the Rogers law and the Standard Oil letters, and I greatly deplore the attitude of the public mind toward both, which is certainly very unjust to Mr. Foraker. They both show how easy it is to circulate reports which are damaging, and how hard it is to correct them, no matter how unwarranted they may be.

The last time I saw the Senator, about three months ago, when I called at his office to pay my respects, his conversation was about his son, whose death was a stroke to his father, almost fatal, and also about public life. He expressed an opinion on the probable decision of the Supreme Court on the Adamson law, which, by the way, was corroborated by later events.

He was a partisan Republican. His loyalty to the party of Lincoln and to the cause of the Union soldier was a passion with him. He was never so powerful as when defending their principles.

Like all great leaders he had his limitations. His was a remarkable career. He has made men by his influence and was himself unmade by the influence of others. His friends were legion and his enemies powerful. But at this hour the country, which he so gallantly defended, and her people, both friend and foe, will think only of his great achievement in State and Nation. He was a true friend, and I here desire to drop a word of tribute in honor of a man who will be more appreciated as the years pass on.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman and gentlemen of the committee, I am quite sure that if the country was not engaged in the war there would be hardly a Member of this House who would approve of this bill. It is a bill made necessary, of course, by the war, but its provisions place a very heavy burden upon many of the industries of our country. We are expected to pay into the Treasury a great amount of money in income tax and in excess profits tax, but if the industries of the country are to suffer, as I am led to believe many of them will, there will not be any great amount of money paid in as income tax and excess profits tax. It seems that the gentlemen who framed this bill had principally in mind the people who live in the great cities. They are the ones who will have to pay the greater part of the tax that comes from this bill if it is enacted into law as presented by the Committee on Ways and Means. Industries that are thriving now, some of them not very greatly because of the heavy burdens that have been put upon them in increased cost of production, due to wage increase and for material, have not been making a great amount of money. This bill takes from many of them a great deal of their profits and, in some instances, I believe it will take practically all of their profits. The provision here to tax the automobile business of the country will certainly place that business in the hands of a few of the big manufacturing companies. Inside of six months or so after this bill has become a law it is my judgment that the automobile industry in the country will be in the hands of a dozen or so manufacturers. Others will be driven out. The keen competition that exists at this time in this great field will have disappeared and the public will not be able to use the discrimination they are now permitted in purchasing these necessary vehicles for business as well as for pleasure. The automobile industry is one no longer purely for pleasure and luxury, but these vehicles are used throughout the country, and in the cities especially, for business purposes. This bill is going to prove a great injury to that industry.

It is also going to cripple and destroy many other industries that now are making but small profits. Notwithstanding the tax of 5 per cent of the price for which so sold of automobiles, tires and tubes, musical instruments, motion-picture films, medicines, advertising, and so forth, under Title VI, and which I consider unfair and unjust to the business interests of this country—there are many others. The tax placed upon newspapers and publications as written in this bill is unjust in view of the present high cost of print paper and the great increase in production, and instead of bringing in revenue, will, in my judgment, do the opposite, and injure very greatly, if not destroy in part, the business of these newspapers and publishing houses.

It seems that the Committee on Ways and Means when they could not find a place to secure any of the $1,800,000,000 needed, or whenever they went over other items and added them up, and they were a million or so short, went back and put another tax upon the tobacco industry, upon the beer industry, and the liquor industry. It seems that many Members of this House, especially some gentlemen of the Committee on Ways and Means, have taken an especial pleasure in placing a tax on these industries. They are burdened now, and we know that there are many people in this country, in Congress and out, who want to entirely destroy this great revenue producer. The Anti-Saloon League is now waging a campaign, so that its officials can justify drawing their salaries and holding up the public for money, to have prohibition declared during the war. Their argument for this is to save the grain to feed the people. It is interesting at this point to note an editorial in the Philadelphia Public Ledger. It is as follows:

Various grains with the human food equivalent of 70,000,000 bushels of wheat annually go into American liquor. That would feed about 14,000,000 persons for a year.

But of all the grain consumed in the United States, the barley, rye, and corn converted into ale, beer, and whisky are much the most profitable for Uncle Sam.

Do you realize that last year your Federal Government got in taxes $3.50 out of every one of those 70,000,000 bushels? The liquor industry paid to internal-revenue collectors $247,000,000.

Looked at simply as a revenue producer for our Government, Uncle Sam could afford to buy grain at present prices and give it to the brewers and distillers just to collect the taxes upon their product.

Mr. Chairman, necessarily this heavy tax placed upon beer, whisky, and so forth, is going to result in inferior goods—inferior tobacco, inferior cigars, inferior cigarettes, inferior liquor, and, in some instances, inferior beer, to be sold to the public.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. GARNER. I did not happen to hear the gentleman's opening remarks. Does he believe that we ought to collect at this time the amount of money proposed to be collected in this bill? Does the gentleman believe that we should collect by taxes the money that it is proposed to collect?

Mr. DYER. I believe that we must raise the amount of money provided for in this legislation.

Mr. GARNER. Well, now, may I suggest——

Mr. DYER. I accept the statement of the Secretary of the Treasury. I have not any facts to dispute his recommendation or his judgment.

Mr. GARNER. I think it has been the great preponderance of the testimony of the economic men of this country that we must raise at least $1,800,000,000. Now, I agree with some of the criticism which the gentleman has made and some of the items he criticized I voted against in the committee, but I want the gentleman, in justice to the committee and the House, to give some other means of raising this money when he criticizes the methods which the committee have adopted.

Mr. DYER. Well, I think one thing the gentlemen of the Committee on Ways and Means could have used in raising a great part of this revenue would have been a tax on sugar and candies, which is easily collectible, and would have been a great help in raising this money. I do not believe, gentlemen, that we can afford not to maintain the prosperous industries in this country; we want the industries to go on and prosper, because this war can not be a success unless there are sources to draw from from time to time, and if you cripple and destroy the industries and take away their profits and put them out of business they are no longer resources.

Mr. GARNER. Do I understand the gentleman correctly that he would leave off the tax from cigarettes, tobacco, beer, liquor, and substitute a tax on sugar and candies for them?

Mr. DYER. I would not; I would equalize it more. The gentlemen of the Committee on Ways and Means have increased taxes very largely on those things but did not upon sugars or candies. Those industries are already overtaxed and overburdened.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. DYER. I will.

Mr. MOORE of Pennsylvania. The gentleman speaks of the higher rates paid on tobacco and cigars. Would the gentleman suggest, so as not to burden those articles, that a tax should be placed on leaf tobacco?

Mr. DYER. I should think that would be proper.

Mr. MOORE of Pennsylvania. Well, that is one of the untaxed sources of revenue, I will say to the gentleman. There may be some others, but the whole question with the committee, as I understand it, is as to the necessity of raising this $1,800,000,000.

Mr. DYER. That is the only thing, as I understand, that entered into the consideration at all.

Mr. MOORE of Pennsylvania. Then, if the gentleman will permit——

Mr. DYER. According to the address of the distinguished chairman of the committee [Mr. KITCHEN] and the distinguished gentleman from Michigan [Mr. FORDNEY], if I gathered it correctly from their remarks, they found it necessary to raise this money, that they had to raise it, and they admit that the bill is imperfect, and, in my judgment, it ought never to pass unless it is absolutely necessary on account of the war.

Mr. MOORE of Pennsylvania. The cigar being a manufactured article and tobacco having also passed through the manipulation of man, would the gentleman seriously contemplate the placing of a tax upon leaf tobacco in order to relieve the manufactured products?

Mr. DYER I would; yes.

Mr. MOORE of Pennsylvania. How would the gentleman feel about a tax on grain?

Mr. DYER. I think that things of that kind ought to be taxed, not ordinarily, but in a time of this kind where there is a war where it is absolutely necessary to have this money.

Mr. KITCHIN. How about meat and flour? They will stand a little.

Mr. DYER. I think the committee could as well put a tax on them than so burdensome and so destructive a tax upon other industries, and especially upon the industries of the cities. They are the ones that are going to pay this tax. It is the cities which are paying the income tax now; it is the cities that are paying the corporation tax now and are paying the excess-profits tax.

Mr. KITCHIN. Would not the cities still pay the tax upon flour and meat?

Mr. DYER. It would equalize it so that all around would pay it for the support of the Government.

Mr. MOORE of Pennsylvania. Will the gentleman yield for one more question?

Mr. DYER. I will.

Mr. MOORE of Pennsylvania. Many letters are now coming forward from persons who seem to be in favor of prohibition telling Congressmen not to dare to vote for a tax upon liquor. How does the gentleman regard that question, inasmuch as so much revenue is received from the excise taxes on liquor?

Mr. DYER. Well, my judgment on that would be that the gentlemen who are against that industry that is paying so much for the Government feel that they ought to take all the money that they can before they finally vote to kill it entirely. In other words, use this industry to the brim now when it is needed to save the country in furnishing so much of the revenue. Gentlemen, we are in a war, and, according to the address of the President, it is a war for democracy.

This is a war for civilization, as he said; and if it is, gentlemen, it is a war not only for the benefit of those who live now, but is a war for the future generations. And why not allow the future generations to help pay more of the cost and expense of this war which is for their good instead of putting it so heavily upon the industries and the business interests of the present day that it will cripple them, destroy them, and force them into bankruptcy? We must maintain prosperity in this country, and we must go on and continue to have the business of the country prosper. Men can not pay taxes, can not pay incomes, and can not go on unless business does continue. I, myself, feel that there ought to be important changes in this bill.

Mr. KITCHIN. Will the gentleman permit just one interruption? What industry have we taxed in this bill that you think really will be destroyed or crippled so that it will largely curtail its business?

Mr. DYER. Well, I have stated that I thought the automobile industry would greatly suffer. I have stated that I thought the cigar and tobacco industry would suffer and that the public would suffer as well from inferior goods. The moving-picture shows of the country are not now a luxury; they are the cheapest form of amusement that is open to the public, and they are being heavily taxed in this bill. Chemicals and medicines are going to have serious trouble.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DYER. May I have two minutes more?

Mr. FORDNEY. I yield two minutes more to the gentleman.

Mr. DYER. There are many other things that are taxed here on the theory that they are luxuries, when, in fact, they are really necessaries. Proprietary medicines and all those things needed for the sick and poor are placed in here. As to the second-class mail matter, I agree there ought to be some injustices corrected in reference to that. It ought to pay more, but from the way it is written in this bill it is going to suffer unjustly. The zone system of taxation in this bill is wrong. I think it should be so much a pound the country over. I hope and sincerely trust, and I believe, that before this proposed legislation is written into law that it will have most substantial changes. Unless so, then Congress will be forever condemned for not giving proper consideration to the legitimate and hard-working industries of this country. We had better have more bonds than to destroy business.

Mr. Chairman, I ask unanimous consent to extend my remarks by inserting a few of the many protests I have received on this bill.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks in the RECORD. Without objection, it is so ordered.

There was no objection.

Mr. DYER. The protests are as follows:

The STATE NATIONAL BANK,
St. Louis, Mo., May 10, 1917.

Hon. L. C. DYER, Member of Congress,
Washington, D. C.

DEAR MR. DYER: I thank you for your letter of May 7, and am quite sure that you will feel that you have taken the proper action in decid-

ing that it was your duty to your country to vote as you did on the selective-draft question. I really believe that you will have the approval of all of your constituents, with the possible exception of a few rabid pro-Germans.

I have just wired you with respect to the retroactive feature of the proposed new income-tax bill. I think it would be manifestly wrong to make the bill retroactive. A large number of our citizens responded to the call of the United States internal-revenue collector and paid their income tax for this year, due June 30, ahead of time. In fact, I paid my own and my wife's income tax on the 20th of March, and I think it would be manifestly unfair for Congress to pass any bill that would make us pay last year's taxes over again when they have already been paid in full.

Yours, very truly,

E. B. PRYOR.

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
House Office Building, Washington, D. C.

DEAR MR. DYER: We have noticed in to-day's paper that the new revenue bill, among other things, proposes a 5 per cent tax on telephone bills, which means a 5 per cent tax on the gross business of the companies.

There are very few telephone companies in this country to-day that are earning more than 5 or 6 per cent on their capital stock, and the great majority of them, especially independent companies, are not paying any dividends at all. This is also true of very many other public-service corporations in the country.

A 5 per cent tax on the gross receipts in most instances will mean either the bankruptcy of the companies or the only remedy left them, an appeal to the State commissions for an increase of rates. The number of such applications before the State commissions by all companies not earning dividends or earning only 2 or 3 per cent will be so great that the commissions will be unable to attend to more than a very small percentage, and as most of the commission laws in the country prohibit an increase of rates without the sanction of the public-service commissions, it will mean bankruptcy to many public-service corporations as well as many others.

The experts tell us that in times like these it is necessary that business be kept healthy and active in order to pay the taxes needed by the Government, and if this is true, may we suggest that a tax of 5 per cent on gross receipts of public-service corporations is liable to cripple the business of the country.

Our own company can stand this tax more than most telephone companies, but even to us it will mean a tremendous burden and amount close to $100,000 a year.

The sentiments of nearly everyone whom I have come in contact with has been in favor of doubling the postage rates on all newspapers and periodicals and advertising matter, because of its twofold effect, raising revenue, stopping unnecessary mail, and reducing the paper stringency.

Very truly, yours,

KINLOCH TELEPHONE SYSTEM,
By WM. R. ORTHWEIN,
Vice President and Counsel.

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

We note by morning papers that Ways and Means Committee have agreed on war-revenue bill. We consider provisions of bill necessary and wise except the retroactive features with respect to income clauses. We feel the retroactive feature will cause endless trouble as it is virtually ex post facto and will upset many completed transactions and contracts. The public is quite willing to be taxed for the money that our country needs, but any action retroactive or ex post facto in our opinion is unwise and inexpedient and probably unconstitutional. No man or firm can ever know what commitments or contracts can be entered into if Congress can pass retroactive laws at will. We hope you may share our views and oppose retroactive laws as fundamentally wrong.

CURTIS & CO. MANUFACTURING CO.,
By GEO. F. STEEDMAN, *President.*

—

ST. LOUIS, MO., *May 12, 1917.*

Hon. L. C. DYER,
House of Representatives, Washington, D. C.:

Possibility of war-tax measure embracing retroactive feature is greatly alarming to manufacturers and business men of St. Louis. They are not objecting seriously to any reasonable provisions of bill for taxation to be paid out of this year's income. Believe retroactive feature would be very serious menace to business world. Urge you to use your influence against such a course.

WM. R. COMPTON.

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.

DEAR SIR: I am in favor of a war tax, but if you impose a tax of 10 per cent on gross receipts of picture shows it will drive many out of business. A tax on profits is O. K., but please look into the other at once and vote against it, as it means ruin to many. Anything you can do for us in this line will be appreciated.

Yours, truly,

LOUIS LANDAU, Jr.

—

ST. LOUIS, MO., *May 11, 1917.*

Hon. L. C. DYER,
House of Representatives, Washington, D. C.:

The undersigned takes opportunity to voice its sentiment regarding proposed tax of moving-picture shows. There is no branch of commercial industry so exposed to rigid taxation as amusement industry. Therefore we are compelled to denounce any unjust revenue placed upon us at this time. Other business is subject to a 5 per cent tax, while we are forced to submit to 10 per cent increase, which will result in the closing of many of our theaters, amounting to the taking of property without due process of law. We respectfully urge you to do all in your power toward a more equitable measure.

THEATER MANAGERS MOTION PICTURE EXHIBITION ASSOCIATION.

—

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

The St. Louis coffee roasters, representing entire trade, at special meeting do not object to any equitable tax on duty on coffee, but protest against eliminating the stocks in hands of all retailers. Many large chain stores and roasters who sell direct to consumers have enormous stocks on hand and yet might be classed as retailers, thereby evading the tax, and would procure an undue advantage over the many smaller retailers. Wholesale grocers have many orders on hand, taken at specified prices prior to May 10 for delivery at later dates, and anticipate much annoyance and friction with retailers over these. By including all retailers' stocks for taxation both objections would be overcome and all possible charges of class legislation would be avoided. Entire trade would appreciate making tax effective when bill is passed, instead of May 10, as this would vastly simplify matters and cause least business disturbance. Above suggestions will also materially increase revenue.

ST. LOUIS COFFEE ROASTERS
(Branch of National Coffee Roasters' Association).

—

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER,
Washington, D. C.

DEAR SIR: I am advised that the Ways and Means Committee recommend a revenue bill that will place a tax of 5 per cent on the gross business of manufacturers of proprietary medicines. If this bill were to be passed in addition to the increased tax on alcohol, the stamp taxes, and the various other taxes which are proposed, it would force us to discontinue our business. There is a tax, of course, imposed on railroad tickets and upon freight. All of those taxes combined, as proposed to-day, would render it absolutely impossible for us to conduct our business except at a great loss, and we can not believe that the people interested in making such laws in Washington desire to place a burden on the business interests of the country that will force them out of business. It is not one law that is directed toward the business interests to-day, but they come from every angle, and if this drastic legislation is carried to the extent that is now proposed, it will defeat the very purpose intended.

I trust you will see the justice of our position and use your best influence to defeat this pernicious bill. We want to pay our fair share of the taxes, but we still desire to continue to do business.

With best respects, I am,

Very truly, yours,

BALLARD SNOW LINIMENT CO.
JAMES F. BALLARD, *President.*

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
House of Representatives, Washington, D. C.:

We protest against singling out the automobile industry and giving it a ruinous jolt in the way of taxation. Taxation on luxuries is all right but only when fairly distributed among all luxuries, and the automobile is not purely a luxury, anyway, but also a business necessity. We will watch with confident expectation for your opposition to the proposed outrageous tax on our automobile industry.

PACKARD MISSOURI MOTOR CAR CO.

—

WELLSTON TRUST CO.,
St. Louis, May 9, 1917.

Hon. L. C. DYER,
Washington, D. C.

DEAR SIR: It is very hard to understand how any lawmakers will deliberately vote a war tax of 10 per cent upon the gross receipts, making it impossible for any legitimate business or theater to keep their doors open and operate, with the fixed expense they are now under. It is a fact that only about one theater out of every ten are now making their expenses under the present conditions. I can not believe that it is the intention of our Government to close up all theaters and moving-picture shows. Please stop and duly consider what it really means to a business to take 10 per cent of its gross receipts. It is utterly impossible and impractical to pay out such a tax out of these receipts, and the company operating the average place would be in debt to the Government and forced into bankruptcy. Kindly please give this matter fair and just consideration, and let us stay open, so as to meet our obligations and leases, for which we are liable. We will gladly pay over to the Government all our profits, if needs be and do so want to do our share, which would enable us to still continue business and pay our operating expenses. This, Mr. DYER, is only pure and simple common sense, nothing more; and please help us.

Yours, very truly,

A. B. GARVIN, *Treasurer.*

—

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

Drug manufacturers have already suffered more from war prices and taxes than has any other business in our State. The proposed tax would be ruinous. We hope our Congressmen will work for a fair and just taxation.

Respectfully,

ANTI-PYORRHEA CHEM. CO.,
L. N. CATES, *President.*

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Representative in Congress, Washington, D. C.

DEAR MR. DYER: Knowing you to be a just Representative, I am appealing to you to vote against the proposed bill to increase the second-class matter, which is enacted and sanctioned by the Ways and Means Committee.

I am employed by a large publishing house, and should this bill go through it will mean an enormous additional expense, which will more than likely result in many of us losing our positions on which we depend for our daily bread and butter.

It is a most unjust bill, as you realize that the publishers are under very heavy expenses now, due to war prosperity, in which they are not sharing.

Trusting you will be a friend to the publishers and do the just and right thing, I remain,

Very respectfully,

Miss LILLIE LAMPE.

—

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Representative in Congress, Washington, D. C.

DEAR MR. DYER: Relative to the proposed bill to increase the postage on second-class matter, I am appealing to you to ask you to vote against such an unjust measure. Being employed in a large publishing

business I realize what this would mean if the bill is passed. It will throw many people out of positions. Many firms will be forced out of business, and with the high cost of materials it is hard for many to exist. We in the publishing business do not benefit by the war prosperity and have only suffered loss. Then can you see any fairness in increasing the postage? It is only just to tax a corporation on its profits, and no one would object to that. However, if you stopped to consider how many of us will lose our positions, our means of existence, if the bill is passed, I believe you would vote against it.

Very truly, yours,

D. L. MARSHALL.

THE HANNIBAL COURIER-POST,
Hannibal, Mo., May 9, 1917.

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

DEAR REPRESENTATIVE: As you are aware, the newspapers of the country have been very hard hit in the increased price of print paper and all other materials entering into the composition of a newspaper. If the additional burden of increased postage is added, it will put out of existence a large number of small papers and compel the medium-sized dailies to lose more money than they are now losing.

I believe that the zone system is the proper one and that there ought to be no increase in the postage of 1 cent per pound for the first zone, which should be at least 100 miles.

The newspapers are giving liberally of their space to the Government in advertising, and feel that justice demands that they be given the consideration due them by the Government. You will confer a favor upon the Courier-Post and all other papers of Missouri as well by using your influence for a 1 cent per pound postage in a zone of 100 miles.

Sincerely, yours,

J. B. JEFFRIES,
Publisher.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington:

Why should Congress put a tax on our profits and also make us pay 5 per cent on the manufacturing cost of proprietary medicines and perfumes which we make? This per cent on our gross business in addition to income and excess-profit tax is discriminatory. We are willing to be taxed our share, but we want you to file our protest with Ways and Means Committee on this double taxation.

ALLEAN PFEIFER CHEMICAL CO.,
CHAS. E. LANE, *President.*

ST. LOUIS, MO., *May 11, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

Thanks for letter. Our products not patent medicines. They are prescribed exclusively by physicians and are a necessity. All drugs used in sale have advanced from 100 to 1,000 per cent in last two years. New alcohol tax will add another burden. In view of above, contemplated tax seems unwise. It would force us to increase price to consumer, who, because of illness, is usually in poor financial condition and can not afford extra expense.

DIES CHEMICAL CO.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington:

We lost $4,000 last year, also year before last. We used $10,000 in postage and did $80,000 worth of business. Increasing postage 1 cent will add $3,000 to our losses this year, and adding 5 per cent tax to our gross sales will add another $4,000 to our losses. If proposed law goes into effect we will lose $11,000 this year against $4,000 last year. It simply means we will have to close up our business after having put thousands of dollars into it without a dollar return. We are willing to be taxed the same as other lines of business but protest against paying taxes that no one else has to pay. Please help us.

NEWELL PHARMACAL CO.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

We consider proposed tax on medicines discriminatory. Would appreciate it if you would present our protest to the Ways and Means Committee.

PARIS MEDICINE CO.

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER,
St. Louis, Mo.

HONORABLE DEAR SIR: During these strenuous times our manufacturing interests and business must be kept going and stimulated in every way possible. At the present time the piano business is carrying such a burden that it is hardly possible to show any profit. The cost of nearly all material used in the manufacturing of pianos has already advanced over 50 per cent. A further taxation of 5 per cent on this industry will cause many dealers to curtail their business and throw many out of employment. This should not be done.

A piano is no longer a luxury. Music in the home is more of a necessity now than in times of peace. Patriotic music should be in every home. Nothing inspires patriotism more. This extra tax burden should not be laid on the piano industry, and we appeal to you to place the matter before Congress in such a manner that this 5 per cent tax on musical instruments will be taken off from the war-revenue bill.

Very truly, yours,

SMITH-REIS PIANO CO.,
A. E. WHITAKER,
Secretary.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

Every loyal farm paper in the country anxious to do its patriotic duty and to aid the Government to the very limit of its ability. Congress may take all of our profit, but we implore you to spare our organization. Any increase whatsoever on second-class postage rate will at one stroke seriously cripple if not entirely wipe out majority of farm papers published. High cost of paper and production already makes burden all we can bear. Our auditor's report verifies this statement. Proof furnished you if you want it.

A. D. MCKINNEY,
Foremost Farm Papers.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.:

The proposed tax on advertising, if enacted, will develop in the shape of a prohibitive measure toward our business. Our present profits are less than 7 per cent. Our labor and materials are increasing in cost daily, with no opportunities to increase revenue. We humbly beg your indulgence in eliminating this tax in so far as our medium is concerned, in order that we might continue our business.

THOS. CUSACK CO. OUTDOOR PAINTED PUBLICITY,
G. M. PAINTER, *Manager.*

ST. LOUIS, *May 9, 1917.*

Hon. L. C. DYER,
Congressman from Missouri,
Washington, D. C.

DEAR SIR: I sent you a telegram as follows:

"Revenue measure taxing outdoor advertising 5 per cent will destroy the business and produce no revenue. Letter follows."

The present profit on outdoor advertising for the Thomas Cusack Co., one of the largest companies in the country, is 7 per cent. The contemplated revenue bill, which compels them to pay 5 per cent, with the increased cost of labor and material added to this, will absolutely ruin them. There is no great demand for advertising at the present rates, because the demand for all products are so great that no advertising is necessary. There is no competition necessary on account of the war. This business, therefore, is a peculiar business, which thrives only when there is great competition in sales, and you can readily see, under the present conditions, that the outdoor advertising is not necessary in order to sell all the products being manufactured. Therefore, if the revenue measure is so excessive as to destroy the small margin of profit now being made, instead of receiving revenue from this source the business will be destroyed and the Government will receive no revenue. If this business was a manufacturing business, then it could add to its prices to take care of the increased cost of labor and material and the Government revenue; but it does not produce anything that is in demand. The fact is that the demand is so great that the advertising is not necessary.

I wish you would take these things into consideration and not destroy this business.

I am local attorney for the Thomas Cusack Co., and these facts have been laid before me, and I transmit them to you with the hope that you will feel it your duty to avoid destroying one of the business enterprises of this city which helps to sustain the city, the State, and the Government at the present time.

Very sincerely, yours,

JEPTHA D. HOWE.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

The proprietary medicine manufacturers are willing to bear their just share of the increase in taxation, but it is unjust to expect us to bear the same tax that every other trade bears and an additional 5 per cent on gross sales. This is confiscatory. Please go before the Ways and Means Committee and insist upon the 5 per cent tax being eliminated.

CHATTANOOGA MEDICINE CO.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.:

We wish to enter our protest against the revenue bill proposing 5 per cent tax on tooth preparations, a necessity. It would appear that this legislation is discriminating against this line of business, and ways and means, in our opinion, to raise the necessary revenue should be created that will tax the consumer and not certain individual lines of business. Please present this argument to the committee.

SANITOL CHEMICAL LABORATORY CO.

ST. LOUIS, MO., *May 9, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

We protest against proposed 5 per cent tax on gross business of manufacturers of medicine as being discriminatory.

J. T. MILLIKEN & CO.

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER,
Washington, D. C.:

I trust you will use every influence possible against the retroactive feature of the proposed war-tax measure for 1916 now going before Congress. Think you should use all your influence against such retroactive feature.

HARRY F. KNIGHT.

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.:

Tax on advertising unjustly excessive. Won't you use your influence to secure reduction of same.

ST. LOUIS POSTER ADVERTISING CO.

ST. LOUIS, MO., *May 10, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.:

Margin of profit now so narrow and costs so high that any excess tax on pianos or player pianos would curtail distribution and seriously jeopardize the industry. Music is a necessity at all times and particularly essential to our Nation now. We request your support against such measure.

CONROY PIANO CO.

ST. LOUIS, MO., *May 12, 1917.*

Hon. L. C. DYER,
House Office Building, Washington, D. C.

DEAR MR. DYER: In compliance with your request, following conversation with you to-day, we beg to submit the following:

Section 504 provides for a tax of 5 per cent on the amount paid for all advertising (except newspaper and periodical space), which, it is estimated, will produce $7,500,000.

Section 600 provides for a 5 per cent tax on all sales of a number of specified articles, which, it is estimated, will produce $118,750,000.

The two sections, therefore, will, if the estimates are approximately correct, produce $126,250,000.

Taking the business of the A. H. Lewis Medicine Co., of St. Louis, as an example, that concern, under section 504, would be taxed approximately 10 per cent of its net profits.

The same business would have to pay, under section 600, a tax of 5 per cent on sales, which would be equivalent to approximately 30 per cent of its net profits.

These two sections, therefore, will take away from this firm 40 per cent of its net profits, which of course would be further increased by the excise tax, corporation income tax, excess profits tax, extra tax on account of higher alcohol tax, extra tax on account of increased freight rates, extra tax on account of increased passenger transportation rates (traveling men), and extra 10 per cent on account of increased import tax on all imported drugs, etc.

And no mention is here made of State, municipal, or county taxes.

One objection to the taxes proposed to be levied under the two sections named is that they are discriminatory in that a few industries are singled out arbitrarily to bear them.

A further objection is that they take away such an unreasonable proportion of the net profits that it will unquestionably destroy a number of businesses at present successful; and in the proportion that they do this, they destroy the source of the Government's revenue.

We propose, as a substitute for the two sections named, a tax of 1 per cent on all manufactured products (exclusive of farm products of all kinds).

According to the World Almanac in 1914, these manufactured products amounted to $24,246,333,000. It is altogether probable that the volume of these products manufactured have increased since 1914 so as to enable us to use the round numbers of $25,000,000,000 as the volume of the same for 1916.

One per cent tax on these products will produce $250,000,000, just twice the amount the two sections to which objection is taken will produce.

This tax would be so small as not to be burdensome on any manufacturer; and on account of being comparatively insignificant, it would in most, certainly many, instances—proprietary articles, for illustration—be absorbed by the manufacturer and not be passed to the consumer. The exceptions are meat, flour, and other bulk goods. Taking meat, for an example of these, suppose the price is 20 cents a pound. The 1 per cent tax we propose would amount to only one-fifth of a cent per pound, which would have no perceptible effect on the market.

On proprietary articles and other articles with established and advertised prices, the 1 per cent would certainly be absorbed by the manufacturer, and hence would not affect the retailer or consumer. In addition, as stated, it would not be onerous on the manufacturer.

Our proposition would not disturb trade conditions in any manner, and the taxes could be collected at the minimum of expense..

If it were desired to increase the revenue in the manner we propose, you might include mining products, which in 1914 amounted to $3,500,000,000. And probably there are others which do not occur to us as we write.

We believe if you will carefully study our proposition you will see it has many advantages over the sections to which objection is taken.

If you so decide, we trust you will use your best efforts to get for it proper consideration by the committee or, failing in that, that you may think it worthy of being proffered in the shape of an amendment when the bill comes up in the House.

Very truly,

J. H. HOWE.
H. R. STRONG.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. MARTIN].

Mr. MARTIN of Louisiana. Mr. Chairman, for the first time in many years a nonpartisan revenue bill is before this House for consideration. This is as it should be. Our country is now in peril; we are engaged in a war the magnitude of which is but little understood by the country at large. To meet this great crisis in our country's history the Ways and Means Committee of this House was called upon by the administration to frame a revenue bill that would raise the stupendous sum of $1,800,000,000, the largest revenue bill ever presented to this body in its history.

This bill does not reflect the views of any party or of any one man, but in its preparation every member of the committee had a voice and his views were freely expressed and received fair and earnest consideration.

The result was that while the committee as a whole did not agree on every item, yet the measure in its entirety reflects the views of a majority of the committee, and its members joined in recommending it to the House without a dissenting vote.

To show the spirit in which this bill was framed and to show that in its preparation the members subordinated their individual views for the general good of the country, let me say that on no one contested item was there anything like a strict party vote.

The entire committee joined hands in an earnest effort to devise ways and means for the raising of revenue, with due regard to the great industrial and commercial interests of this country, and with the view of making the burden as light as possible on those least able to stand it; but this unprecedented demand for money with which to successfully prosecute the war in which we are now engaged imposed upon us the unpleasant duty of subjecting every citizen in this country to some method of taxation, either direct or indirect.

The bill presented taxes almost everything under the sun except our patriotism. That, sir, as Germany will learn, can never be taxed. Our patriotism alone will remain on the free list, and will be kept there by Republicans, Democrats, and Progressives.

Mr. Chairman, this will not prove a popular law. Congress is being flooded with telegrams from one end of the country to the other in which the senders assure us that they are patriotic, and then very patriotically suggest that the taxes be placed on the other fellow.

We have learned from these telegrams that music is now a necessity of life, and that it would be preposterous to think our people can continue to exist without Coca Cola, and that without the fashionable magazine life will not be worth living.

It is quite evident that the poet who wrote these lines lived in another world:

We may live without poetry, music, and art;
We may live without conscience, and live without heart;
We may live without friends; we may live without books;
But civilized man can not live without cooks.

He may live without books—what is knowledge but grieving?
He may live without hope—what is hope but deceiving?
He may live without love—what is passion but pining?
But where is the man that can live without dining?

No; this is not a popular law, but is a law of necessity. If the youth of our land are willing to sacrifice their lives to the end that the honor and integrity of our country may be maintained, it does seem that those who remain at home should deem it a privilege to see that our boys are given the arms and ammunition with which to fight our battles, and are supplied with wholesome food and some of the ordinary comforts of life.

When our people are brought to the realization of the fact that our country is engaged in the greatest war in the history of the world, that it will take millions to wage it successfully, and that sacrifices must be made, not only by those on the field of battle, but by those who remain safely and securely at home, then will contributions in the way of taxes be made cheerfully and without a murmur.

At the last session of Congress, when this country was at peace with the world, and the House had under consideration a revenue bill, which proposed to raise the money necessary to run the Government almost entirely by direct taxation, and the time-honored method of raising revenue by custom duties was conspicuous by its absence, I then took occasion to say:

I believe the method of taxation proposed in this bill to be un-American, undemocratic, and unpatriotic, because all classes and all sections should contribute toward the support of this Government, and should deem it a great and proud privilege to be able to participate in the maintenance of the dignity, honor, and glory of this great Republic.

My views as then expressed have undergone no change. While the present bill contains many of the features of the bill of last year, it is yet much broader in scope, in that all classes and all sections are made to contribute toward meeting the extraordinary emergency with which we are now confronted.

And, again, we are now confronted with very different conditions. We are at war with the best prepared and greatest military power on the face of the earth. Our allies, while not lacking in courage, are lacking in funds, and we have been called upon to meet their financial distress by unprecedented loans, which will soon exhaust the $3,000,000,000 bond issue authorized for this purpose. Without these conditions there are but few items of taxation in this bill that can be defended.

The sole and only excuse for such legislation is the one word, "war." I believe it was Gen. Sherman who said, "War is hell," and judging from the protests we are receiving, it would seem that much the same thing is being said of this bill.

That this is a nonpartisan bill is shown upon its face. It carries methods of taxation that are distasteful alike to Democrats, Republicans, and Progressives. Mr. KITCHIN, the leader of the majority, and Mr. FORDNEY, the minority leader on the committee, both extremists upon the principles of their respective parties, have subordinated principles for the good of their country and have joined hands with the entire membership of the committee in recommending this measure as being the fairest and the wisest that can be adopted at this time. In time of peace some of its provisions would cause both protectionists and free traders to raise their hands in holy horror.

This is a revenue bill, pure and simple. Our country is suddenly plunged into war, and Congress is at once convened into extraordinary session. The President, in a forceful and well-considered address, calls upon Congress to meet the situation by prompt and necessary legislation. The Ways and Means Committee is in turn called on to frame a bill which will raise a sum so stupendous that it has no precedent, either in the history of this or any other Government.

The money is needed at once, and there is no time for hearings that are so necessary to the proper and scientific adjustment of various schedules and items.

In the performance of its duties the committee has laid aside all party prejudice, has substituted patriotism for politics, and submits this bill as being the best, wisest, and least burdensome that could be framed under existing conditions and circumstances.

EXCISE TAXES.

It was the policy of the committee in framing this bill to exempt from taxation as far as possible the absolute necessities of life and to distribute the taxes between accumulated wealth and luxuries.

In the course of general debate this bill has been attacked from many angles, but I have yet to hear any Member suggest a reasonable substitute for the items and provisions which they would strike out.

It is true that there are advocates in both branches of Congress for the adoption of excise or consumption taxes, but the imposition of such taxes upon the necessities of life would be unwise and probably disastrous. Those who advocate the placing of excise or consumption taxes upon cotton, wheat, sugar, rice, corn, and other necessities are clearly taking no thought for the future.

That there is a scarcity of all of these articles is shown by the fact that the prices they command are even now unusually high, and their production should be urged and encouraged by every means that this Government can devise. Certainly it would be no encouragement to the producer of these articles to force him to pay a tax even before he is privileged to place them upon the market.

If the reports from the Department of Agriculture are true, we are threatened with a scarcity of food, and we are informed that there is a prospective danger of a much more serious scarcity, bordering on a famine. This is due to the fact that we have been producing not only for ourselves but for the millions of soldiers fighting in the trenches in France and Belgium; and now that we have joined the allies, all of whom are suffering from food shortage, it becomes our duty to share with them the necessities of life.

The Department of Agriculture, realizing that we are face to face with a food problem that will tax the vast resources of this country, is now making every effort to get our farmers to increase their acreage and produce crops that will meet the demands not only of our own people but those of France, England, and Belgium. Our State authorities are cooperating in this important work, and the cry "Back to the land" is heard from one end of this country to the other. The Government is appealing to our farmers to produce bumper crops, and thousands of our boys have volunteered to till the soil, so that our people may not suffer from the want of food or be compelled to pay exorbitant prices for the absolute necessities of life.

In the face of this situation it is strange indeed that we should hear any talk of consumption taxes upon food and other necessities of life.

There are now pending in certain committees of this House measures which have the support and indorsement of the administration looking to Government control, conservation, and distribution of food products. I do not know the scope or extent of these measures, but it is whispered that it is proposed to fix a maximum and minimum price on food products.

It would be small encouragement indeed to the farmer if, when he produces the necessities of life, he is first deprived of a market regulated by the law of supply and demand, and then made to pay an excise or consumption tax before he can market his product at all.

In framing this bill, therefore, the committee refused to impose any direct taxes upon the necessities of life, and has so distributed the burden of taxation as to protect those least able to stand it. It is to be hoped that the policy adopted by the committee will be adhered to in both branches of Congress.

CONSUMPTION TAX ON SUGAR.

I know but little about the production and marketing of other food products, but I do know something about sugar.

The report of the Department of Agriculture on cane sugar production in the United States shows that in 1916 Louisiana produced 303,900 tons of sugar. The average yield of cane per acre was 18 tons, and the average yield of sugar per ton of cane was 149 pounds.

An excise tax of 1 cent per pound on sugar, as has been proposed and urged in the debate, would mean that the small sugar territory in Louisiana, two-thirds of which is in the district which I have the honor to represent, would pay over $6,000,000, and this in addition to the other taxes imposed by the provisions of this bill.

It would mean a tax of $20 on every ton of sugar produced. It would mean a tax of $1.49 on every ton of cane raised, and that our sugar farmers would have to pay approximately $27 for every acre of cane cultivated and manufactured into sugar.

But, of course, it will be contended that this tax will be passed on to the consumer, and so it would, but it would be passed on, not by the sugar farmer, but by the Seaboard sugar refineries.

Most of the Louisiana output consists of raw or unrefined sugars, and the only buyers are the refineries, who are so considerate of each other as to refrain from trespassing upon the other's territory, so that we have but one buyer for our sugars. The result is, that the Louisiana producer of sugars is to a great extent at the mercy of the refiner, who not only manipulates the market, but who, notwithstanding the fact that the sugar is actually refined in the city of New Orleans, is always compelled to accept 15 points under the New York quotations for Cuban raws.

This margin is supposed to represent the freight rate from New Orleans to New York, but as a matter of fact no such freight is paid, because the American Sugar Refining Co. does its refining in New Orleans and distributes its sugar to the southern markets just as it does to the eastern markets from New York. In other words, the domestic sugar producer in Louisiana is compelled to dispose of his sugar at 15 cents per 100 pounds less than the price paid for Cuban raws in New York.

In the course of my remarks in the Sixty-fourth Congress, during the consideration of the bill to repeal the free-sugar clause in the Underwood bill, I submitted and read certain letters written by the local agent and manager of the American Sugar Refining Co. at New Orleans to the home office in New York, suggesting that the market be depressed with the view of purchasing the Louisiana sugar as cheaply as possible.

This manipulation of the market by this Refinery resulted in a suit being instituted by a number of sugar planters, and the same was compromised a few days ago by the refining company paying some half million dollars by way of damages—a clear admission that the market had been manipulated by the Refining Company.

But if any further proof be needed to show the efforts of the Seaboard Refiners to destroy the domestic industry, this proof has been furnished by Mr. Frank C. Lowry, the representative and general sales agent of the Federal Sugar Refining Co.

This is the same Frank C. Lowry who represented himself for many years as being the secretary of the "Wholesale Grocers' Association," but who, when placed under oath before the Ways and Means Committee, admitted that there was no such Association; that he alone constituted its membership; and that he was the paid agent of the Federal Sugar Refining Co., for whom he had expended some $25,000 in spreading "free sugar" literature all over this country.

This is the same gentleman who, when the House had under consideration the repeal of the free-sugar clause in the Underwood bill at the last session of Congress, was flooding Congress with letters advocating an excise tax upon sugar.

And, now that our country is at war and in need of revenue, he is even more active along the same lines, and has gone so far as to suggest the repeal of the tariff duty and the imposition of a flat excise duty of 2 cents a pound on sugar.

Fortunately for the domestic sugar interest, the purpose and intent of this self-confessed impostor is well understood by a majority of this Congress. His purpose is to destroy the domestic industry and thereby stifle all competition, to the end that the Seaboard Refiners may absolutely control the sugar market. He well knows that the domestic industry can not survive without a tariff, and that an excise tax would be ruinous to the producers of raw sugars in this country.

With the domestic sugar industry destroyed and out of the way, the refiners would no longer have competition, and the market price of sugar would be under their control and domination.

For the first time since the enactment of the Underwood bill, the sugar farmers of this country—due to war prices—have been making some money on sugar, and those who were able to survive the disaster that followed the enactment of that measure, are now paying their debts. To now place an excise tax upon sugar would be to complete the calamity that followed the threat of free sugar.

While the provision in the bill imposing customs duties of 10 per cent ad valorem upon all articles, both upon the free and dutiable lists, was adopted by the committee for the purpose of raising some $200,000,000 by way of revenue, it will yet have a far-reaching and beneficial effect. It will encourage and add stability to those of our industries which, while now

prospering by reason of war prices, will be dependent upon protection when peace has been restored.

That which is uppermost in the mind of every patriotic American at this time is—How can we best prepare to meet and overcome our enemy? But in solving this question, which no one doubts will eventually be solved by victory for the American and Allied forces, we must not lose sight of the fact that there is still another struggle ahead of us—the struggle for industrial and commercial supremacy—which is sure to follow when peace has been declared.

To meet this condition and prepare this country for the flood of products grown and manufactured by foreign cheap labor, fair and adequate tariff duties will have to be imposed in the way of protection, and it is well that we should "take time by the forelock" and by the imposition of additional duties at this time accomplish two most important and desirable ends—the raising of the necessary revenue to successfully prosecute the war and preparation for the competition that is sure to follow upon the termination of hostilities.

CONSUMPTION TAX ON COTTON.

I am as much opposed to the imposition of an excise tax upon cotton as I am upon food products.

Cotton is a necessity, as the people of this and other countries with which we are allied must be clothed as well as fed. It is destined to play a very conspicuous part in the present war, for not only does its value consist in furnishing necessary material for clothing but it is equally necessary for many other purposes, not the least of which is the food value of its by-products.

The Manufacturers' Record of May 17, 1917, contains an article which gives some amazing and very interesting information relative to the value of cotton. In speaking of its varied uses it says:

> Cotton furnishes the material which clothes the soldiers of the land. It furnishes the material for every tent on every battle field. It furnishes an ingredient in the making of explosives for which there is no substitute. It furnishes the absorbent cotton and the bandages for the hospitals of the battle fields as well as for the hospitals in private life. It furnishes much of the material for the production of automobiles and automobile tires, the sails for ships, the clothes for the civilian as well as for the soldier. But it is not simply as the clothing of the world, not as the battle-field tent to shelter the soldier, not as the sail for every ship that is still driven by the wind, but as a distinctive food crop that the country needs to adequately understand cotton.

After enumerating and commenting upon the many by-products of cotton seed and its food and feed value, the article states that the seed from a bale of cotton represents in food value 207.5 pounds of hog lard and 16 bushels of corn, or 207.5 pounds of hog lard and about 1,650 pounds of wheat flour.

The total food and feed value of cotton seed is placed at $350,000,000 a year, and attention is called to the fact that the 7,000,000 tons of cotton seed produced by the South contains potential food value the equivalent of 481,000,000 bushels of wheat.

In the face of these facts, it is apparent that the production of cotton should be encouraged, and not discouraged, by imposing an excise or consumption tax.

The fact that under the provisions of this bill, cotton, like the other articles, carries a 10 per cent ad valorem duty, was by many considered as a joke, but to the producers of long-staple cotton, in time of peace, it will prove a godsend, and by giving protection to the producer of the long-staple cotton we are incidentally extending production to those who produce the short staple.

In conclusion permit me to say that it has been no pleasure to the Ways and Means Committee to impose this great burden of taxation on the people of this country, but the money with which to prosecute this war is an imperative necessity.

Let us indulge in the hope that victory will soon perch upon our banner and that no further taxation for war purposes will be necessary.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, I appreciate the fact that the task of raising this amount of revenue is a wonderful task, and I expect that it is beyond the power of human ability to make a law that will approach very closely to an equable distribution of those taxes. But it occurs to me that there are some injustices in this bill that can be remedied. I appreciate that anyone who admits that this money should be raised should not offer an objection unless he can at least make some suggestion as to where, if a tax is taken out, that taxation can be made up in some other way. It occurs to me that a very easy way to have raised a considerable sum of money could have been adopted by the committee—and I trust it will be considered by the committee before final passage of this bill—and that would have been by placing a tax upon business. We have 20,000,000 of business men in the United States, 10,000,000 of whom will pay no tax whatever; that is, of this additional amount of tax. That is to say, it is estimated there are 10,000,000 business men conducting some kind of independent business that will not contribute one cent of this war tax, for the reason that their surplus is not sufficient to be taxed; that their income is not sufficient that it will be taxed, and yet they are making some considerable amount of money. Now, then, I do not believe it would be a hardship upon any man who is an independent business man to contribute some little portion toward this sum, so that if the small sum of $3 had been laid upon each man conducting an independent business, including some manufacturers, blacksmiths, carpenters, farmers, those who are contractors, and all other classes, it would have amounted to $60,000,000. That is an item worth taking into consideration if it becomes necessary to remove some of these other items.

Mr. REED. Would the gentleman include dentists, doctors, lawyers, and other professional men?

Mr. WOOD of Indiana. Yes, sir.

Mr. REED. He did not mention them.

Mr. WOOD of Indiana. No; but they are included among the 20,000,000 I have designated. One striking inequality and one that will prove injurious to the very measure itself, is that in which you propose to raise $7,500,000 by levying 5 per cent on the gross incomes of all advertising concerns other than newspapers and periodicals.

Mr. KITCHIN. Let me interrupt the gentleman right there.

Mr. WOOD of Indiana. Yes.

Mr. KITCHIN. I really think our figures are very high on that. I doubt whether we will raise over a million or a million and a half on that item.

Mr. WOOD of Indiana. You are not entirely wrong, and I will tell you why you are not entirely wrong; that is, admitting that the business will be conducted as it is now conducted. The total amount of advertising in the United States from all sources is estimated at $800,000,000 a year. Now, the bill-posting advertising and the advertising not only by bills posted upon boards but the character of advertising that we see upon these billboards throughout the country along the lines of railroads amounts to $80,000,000, so that the 5 per cent that is levied upon this item alone would amount to $4,000,000. Now, it is estimated that there is some $25,000,000 or $30,000,000 expended in smaller advertising schemes, such as those that we see in the street cars, and so forth, so that your figures may not be entirely amiss. But here is what is going to happen: If you take and levy this 5 per cent tax upon this small proportion of the total advertising these men, in order to live, must take and pass it on down to the original purchaser of this advertising matter, so that the men who are to-day doing $80,000,000 worth of this advertising will be compelled to pay 5 per cent on their business, and what will be the result? The men who are the purchasers of advertising space will not pay it, for the reason that they can get it 5 per cent cheaper by going to the other advertising mediums and schemes where they do not have to pay it because it is not assessed against them; so that out of the $800,000,000 of advertising in this country, you are singling out practically $80,000,000 of it and putting them into a discriminatory class to pay this excess of 5 per cent, and the result will be that these gentlemen will have to go out of business.

Now, a fair proposition would be to take and reduce the amount of this 5 per cent and extend it over the entire class, so that each one of them would contribute his fair proportion, so that each one would have no advantage over the others. It occurs to me that that ought to be done, and it seems to me as if it would be easy enough to do this.

There is another thing that, I think, should be considered: I can not agree with the gentleman from Iowa [Mr. GREEN] when he says that you have levied this extraordinary tax upon automobiles upon the theory that they are luxuries. The time once was when they were luxuries. That time has passed. The time is now when 75 per cent, I dare say, of the automobiles in this country are as absolute necessities as the horse is to-day an absolute necessity. Go down into this town: Here is a business man who is conducting a retail or wholesale business; he does not have horses any more to take and haul his delivery wagons or his drays, but he has an automobile—either a truck or a delivery wagon of some character of an automobile carriage. So that, I say, you are discriminating there. One man, up-to-date, has the automobile carriage for the purpose of conveying the output of his store; the next man to him, not up-to-date as he is, still continues to use the old horse and the old dray. Yet you are discriminating against the man that is thrifty and enterprising and putting a premium on sloth. So that I say there is a discrimination that should not be had. So, too, throughout the country the automobile is fast becoming a necessity.

Mr. KITCHIN. Mr. Chairman, will the gentleman permit me to interrupt him right here?

Mr. WOOD of Indiana. Yes.

Mr. KITCHIN. Just to get the gentleman's idea about it: Do you really think that this 5 per cent tax, if put on the purchaser of an automobile, would prevent the purchaser from buying an automobile? Take the case of a $1,000 machine. The tax would be $50. Would a tax of $50 deter a man from buying a $1,000 machine, even if the agent deducted his share and the manufacturer was not willing to stand any of it? Would $50 keep him from buying an automobile?

Mr. WOOD of Indiana. I do not think it would. That is not the ground on which I am basing my opposition to this tax.

Mr. KITCHIN. It would not hurt the industry?

Mr. WOOD of Indiana. No; I do not think it would materially hurt the industry. The industry has been hurt already, and it may be better for the country if it is true that there are not as many automobiles purchased in the country now as there were several months ago, and I expect the business will generally decline. But that is not the proposition. The proposition concerns the fairness or unfairness of it. I remember here during the last session of Congress there was a glaring inequality in the revenue bill presented at that time which, when it was pointed out, was defeated, when we were levying an extra tax in addition to all other taxes upon banks in this country. It was knocked out upon a motion in this House. That is the same objection that could be made against the taxing of automobiles. If they were purely a luxury, and only the rich were using automobiles, then I would say, "Well and good." But it is a discrimination against a legitimate business for legitimate purposes, and there is no reason why this tax should be placed on the automobile to the exclusion of other manufactured articles any more than there was reason for that illigitimate tax being placed on the banking institutions of this country.

I admit that this money must be raised. I think this is the time and immediate taxation the way to raise it. I do not subscribe to the theory that these extraordinary taxes should be made a burden upon future generations. Future generations will have to meet their problems, and will have to contribute their portion to the times in which they live. This is our war, and we ought to pay for it; but I do believe that in raising the revenue to defray the great expense incident to this war it should be distributed just as nearly as possible among all the people, so that there may not be that feeling of discontent and that feeling by one class that they have been discriminated against in favor of another class.

This extra tax, that must be raised, and that has been placed entirely upon automobiles, could be distributed out among the other manufacturing industries of this country. Why not place some of it upon the tractor manufacturer; why not place some of it upon the thrashing-machine manufacturer; why not place some of it upon the mowing-machine manufacturer and some of it upon the carriage manufacturers of this country? Why, there are thousands and thousands of dollars tied up in fine carriages, which are being drawn by fine horses, that are used for nothing else in the world except for the comfort of the luxurious rich. The time has come in this country when the luxurious rich spurn the automobile. They are investing their money now in and are scouring this country to get the finest horseflesh that they can find, and are building the finest carriages that they can build, and riding in them to the exclusion of the automobile, because the automobile has become so common.

Mr. KITCHIN. I will say that we are touching them up a little on the income tax and the excess profits tax—the luxuriously rich.

Mr. WOOD of Indiana. That may be; but I am saying now that it would be far more equitable if this tax that is being placed upon automobiles could be scattered over various manufactures, and that the result would be a better feeling among the people. It occurs to me that that is one of the greatest assets, especially in time of war.

Now, I hope that the committee will take into consideration the proposition I have made with reference to this business tax. I believe that in all justice to the men who are engaged in the advertising schemes of this country you should adjust that burden so that it will fall equally upon all. As at present arranged, it will ruin the men who are doing this $80,000,000 of business, for they will have to go out of business, because their customers will not pay that 5 per cent. People will get their advertising from these other schemes and these other sources that are not taxed this 5 per cent. Whenever it comes to a business proposition, sentiment to the winds, and men go where they can get things the cheapest, and if they can get the same advertising at 5 per cent less than they will be compelled to pay if they subscribe to these various schemes that are taxed, it is safe to say that the men who do this $80,000,000 worth of business to-day will have to go out of business, and this source of tax supply will be entirely destroyed. So I trust that the committee in its ultimate conclusion will see to it that this unfair item at least is remedied. [Applause.]

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, and had come to no resolution thereon.

HOUR OF MEETING MONDAY—10.30 A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 10.30 o'clock Monday morning.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 10.30 o'clock Monday morning. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House, under its previous order, adjourned until Monday, May 14, 1917, at 10.30 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting tentative draft of proposed legislation requesting increased rations for certain enlisted men in the Navy (H. Doc. 138); to the Committee on Naval Affairs and ordered to be printed.

2. A letter from the Secretary of the Navy, transmitting tentative draft of a bill to provide for the examination of staff officers only when promoted in rank (H. Doc. 139); to the Committee on Naval Affairs and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RANDALL: A bill (H. R. 4400) to establish rates of postage on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. HERSEY: A bill (H. R. 4401) to provide for enlarging the United States building at Houlton, Me.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4402) for the establishment of a national park and acquiring national forests in the Mount Katahdin region of the State of Maine; to the Committee on Agriculture.

By Mr. CHARLES B. SMITH: A bill (H. R. 4403) amending sections 476, 477, and 440 of the Revised Statutes of the United States; to the Committee on Patents.

By Mr. COX: Joint resolution (H. J. Res. 85) directing the Federal Trade Commission to investigate the alleged corner of the wheat market; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DICKINSON: A bill (H. R. 4404) for the relief of James W. Mastin; to the Committee on Military Affairs.

By Mr. FARR: A bill (H. R. 4405) granting a pension to Edward Sweeney; to the Committee on Pensions.

Also, a bill (H. R. 4406) granting an increase of pension to Marshall Preston; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 4407) granting a pension to Floyd L. Green; to the Committee on Pensions.

By Mr. HERSEY: A bill (H. R. 4408) granting a pension to Albert E. Clark; to the Committee on Pensions.

Also, a bill (H. R. 4409) granting an increase of pension to Cyrus H. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4410) granting an increase of pension to Osborn Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4411) granting an increase of pension to Washington Foss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4412) granting an increase of pension to Frank S. Trickey; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 4413) granting a pension to Orla M. Allen; to the Committee on Pensions.

By Mr. LESHER: A bill (H. R. 4414) granting a pension to Mary Irvin; to the Committee on Invalid Pensions.

By Mr. LITTLE: A bill (H. R. 4415) granting an increase of pension to Richard A. Chamness; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4416) granting an increase of pension to Martha Shields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4417) granting an increase of pension to Tennessee Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4418) to correct the military record of Alfred Rebsamen; to the Committee on Military Affairs.

By Mr. LITTLEPAGE: A bill (H. R. 4419) granting a pension to John Hammons; to the Committee on Pensions.

By Mr. MEEKER: A bill (H. R. 4420) granting an increase of pension to Felix Karl; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 4421) granting a pension to James E. Kennedy; to the Committee on Pensions.

By Mr. SLOAN: A bill (H. R. 4422) granting a pension to Catharine Gaskill; to the Committee on Invalid Pensions.

By Mr. STEVENSON: A bill (H. R. 4423) to grant a pension to Lawrence Hubschman; to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 4424) granting an increase of pension to Paul Schools; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of Reading Classis, and the Classis of Lancaster of the Reformed Church of the United States; Christian Endeavor Union of the District of Columbia; and church in the diocese of Harrisburg, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), memorial of City Council of Chicago, Ill., relative to interstate shipment of foodstuffs and prices; to the Committee on Interstate and Foreign Commerce.

Also (by request), petition of sundry citizens of the United States, asking for Christian amendment to Constitution; to the Committee on the Judiciary.

Also (by request), petition of American women of Irish descent, pledging loyalty and support to the United States of America; to the Committee on Military Affairs.

By Mr. ASHBROOK: Petition of 48 citizens of Warsaw and 19 citizens of Licking County, Ohio, favoring national prohibition as war measure; to the Committee on Military Affairs.

Also, memorial of Newark (Ohio) Molders' Union, asking for a congressional investigation of the so-called bomb plot in San Francisco, July, 1916; to the Committee on Labor.

By Mr. CAREW: Memorial of the Fifth Avenue Association of New York, favoring universal military training and service; to the Committee on Military Affairs.

Also, memorial of Chamber of Commerce of the State of New York, pledging support to the President; to the Committee on Military Affairs.

Also, memorial of the Italian Chamber of Commerce in New York, pledging support to the President; to the Committee on Military Affairs.

By Mr. CARY: Petition of John Obenberger Forge Co., of Milwaukee, Wis., against 5 per cent tax on automobiles; to the Committee on Ways and Means.

Also, petition of Cream City Bill Posting Co. and Otto J. Kock, against tax on circulation and advertising; to the Committee on Ways and Means.

Also, petitions of sundry business people of Milwaukee, Wis., against tax on tea and coffee; to the Committee on Ways and Means.

By Mr. CLARK of Florida: Petition of Fairfield (Fla.) Improvement Association, asking for woman-suffrage amendment; to the Committee on the Judiciary.

By Mr. DALE of New York: Petitions of Pennsylvania Farmer, Philadelphia, Pa.; Hoard's Dairymen, Port Atkinson, Wis.; New York Typographical Union, No. 6; the American Boy, Detroit, Mich.; the Class Journal Co., New York City; and Allied Printing Trades Council, New York, against increase in second-class postage rates; to the Committee on the Post Office and Post Roads.

Also, petition of Hudson Valley Muslin Underwear Co., of Poughkeepsie, N. Y., favoring prohibition as a war measure; to the Committee on Ways and Means.

Also, petition of National Bureau for Advancement of Music, against 5 per cent tax on musical instruments; to the Committee on Ways and Means.

By Mr. DOOLING: Memorial of Talking Machine Men (Inc.), of New York, protesting against 5 per cent increase on talking machines; to the Committee on Ways and Means.

By Mr. EAGAN: Petition of the Motor and Accessory Manufacturers' Association, against 5 per cent tax on automobiles; to the Committee on Ways and Means.

Also, petition of National Bureau for the Advancement of Music, against tax on musical instruments; to the Committee on Ways and Means.

Also, petitions of Hoard's Dairyman, of Wisconsin; the Mail Advertising Service Association, of Chicago, Ill., and Farm Journal, of Philadelphia, Pa., against increase in postage rates; to the Committee on the Post Office and Post Roads.

By Mr. FOCHT: Petitions of citizens of Chambersburg, Pa., favoring selective conscription; to the Committee on Military Affairs.

Also, resolution from members of the First United Brethren Church of Chambersburg, Pa., favoring nation-wide prohibition; to the Committee on the Judiciary.

Also, resolution from members of the First Lutheran Church of Chambersburg, Pa., favoring prohibition during war period; to the Committee on the Judiciary.

Also, petition from citizens of Fannettsburg, Pa., favoring prohibition during war period; to the Committee on the Judiciary.

Also, petition from citizens of Newton Hamilton, Mifflin County, Pa., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition signed by citizens of Mifflinburg, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of National Association of Retail Druggists, protesting against proposed tax on medicines and drugs; to the Committee on Ways and Means.

Also, petition of Chicago Pressmen's Union, No. 3, protesting against proposed tax on advertising; to the Committee on Ways and Means.

Also, petition of Woelfel Leather Co., of Morris, Ill., asking if 10 per cent duty is put on imported hides that a like tax be imposed on domestic hides and skins; to the Committee on Ways and Means.

Also, petitions of Struel Bros., Dean L. Moberly, G. E. Germ, A. S. Johnson, J. J. Huggans, Stauber Bros., and John R. Fornof, all of Streator, Ill., protesting against proposed tax on automobiles; to the Committee on Ways and Means.

Also, petitions of Joe E. Tabor, Will H. Kunz, and D. G. Alger, of Belvidere; and La Salle Poster Advertising Co., W. E. Vanderwater, George J. Dorman, W. G. Brown, and F. J. Pierard, of La Salle, Ill., protesting against the proposed tax on poster advertising; to the Committee on Ways and Means.

Also, petitions of Lewis & Palmer, of De Kalb; E. P. Johnson Piano Co., of Ottawa; and Joseph F. Kuss, of La Salle, Ill., protesting against proposed tax on pianos and other musical instruments; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of Massachusetts Federation of Churches, relative to social centers for our soldiers; to the Committee on Military Affairs.

By Mr. GARNER: Memorial of Nazarene Church of Hondo, Tex., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. HASTINGS: Memorial of citizens of Coweta, Okla., indorsing President Wilson's selective-draft plan of raising an army; to the Committee on Military Affairs.

By Mr. HULBERT: Petition of Misha Appelbaum, of New York, favoring suffrage for women; to the Committee on the Judiciary.

Also, memorial of board of trustees of the American Defense Society, urging that an expeditionary force of United States be sent to France; to the Committee on Military Affairs.

Also, memorial of The Bronx Board of Trade of New York City, favoring House bill 87, granting two weeks' sick leave to letter carriers and post-office clerks in first and second class post offices; to the Committee on the Post Office and Post Roads.

Also, memorial of Washington Harvard Club, of Washington, D. C., favoring universal military training; to the Committee on Military Affairs.

Also, petitions of sundry business people of New York, against 5 per cent tax on musical instruments; to the Committee on Ways and Means.

By Mr. LINTHICUM: Petition of Mann Piano Co. and Cohen & Hughes, of Baltimore, Md., against 5 per cent tax on musical instruments; to the Committee on Ways and Means.

Also, petitions of sundry business people of Baltimore, Md., against proposed 5 per cent tax on automobiles; to the Committee on Ways and Means.

Also, petition of National Bureau for the Advancement of Music, New York City, protesting against tax on musical instruments; to the Committee on Ways and Means.

Also, petition of Pennsylvania Farmer, of Philadelphia, Pa., against increase of second-class postage rates; to the Committee on the Post Office and Post Roads.

By Mr. LONERGAN: Memorial of Swedish Temperance Federation of New Britain, Conn., favoring prohibition as war measure; to the Committee on Ways and Means.

By Mr. MONDELL: Memorial of faculty and students of Jireh College and the citizens of Jireh, Wyo., pledging support and loyalty to the Government; to the Committee on Military Affairs.

By Mr. McCLINTIC: Memorial of Oklahoma City Trades and Labor Council, in re economic preparation for war; to the Committee on Ways and Means.

By Mr. MEEKER: Petitions of Cabinet Makers' Union, Local No. 14; Meat Cutters and Butcher Workmen's Union, Local No. 88; Coopers' International Union of North America, Local No. 37; United Brotherhood of Carpenters and Joiners of America, Local No. 646; Pile Drivers' Union, Local No. 43; Core Molders' Union, Local No. 426; Electrotypers' Union, Local No. 36; International Union of Elevator Constructors; Germania Lodge, No. 394; and Carpenters' District Council, all of St. Louis, Mo.; and Carpenters' Local Union of Maplewood, Mo., praying for an investigation by Congress into the controversy between the Chamber of Commerce of San Francisco and organized labor; to the Committee on the Judiciary.

Also, petitions of Local No. 67, United Garment Workers; St. Louis Photo-Engravers' Union, No. 10, International Photo-Engravers' Union of North America; Local Union No. 257, United Brotherhood of Carpenters and Joiners; Boot and Shoe Workers' Union, Local No. 25; Awning Workers' Union, Local No. 14667; Butchers and Sausage Makers' Union; Chauffeurs and Carriage Drivers' Union, Local No. 405; Painters' Union No. 137; Erecting Lodge No. 688; Typographical Union No. 3; and Stove Mounters' International Union, Local No. 86, all of St. Louis, Mo., praying for an investigation by Congress into the controversy between the Chamber of Commerce of San Francisco, Cal., and organized labor; to the Committee on the Judiciary.

By Mr. NOLAN: Telegrams of the San Francisco-Oakland Terminal Railways, W. R. Berger, vice president and general manager, of Oakland, Cal., recommending that the same tax as levied on steam and electric railways be levied on motor trucks and busses operating as common carriers, and protesting against proposed tax of 50 cents on all commutation tickets; to the Committee on Ways and Means.

Also, resolution adopted by Local Union No. 31, Bridge and Structural Iron Workers, of San Francisco, Cal., recommending the adoption of certain methods in the raising of taxes for war purposes, and further favoring the fixing of prices by the Government on the necessaries of life; to the Committee on Ways and Means.

Also, protest of Edward R. Bacon Co., of San Francisco, Cal., and J. W. Leavitt & Co., of Oakland, Cal., against the proposed 5 per cent tax on automobiles in the new revenue bill; to the Committee on Ways and Means.

By Mr. PAIGE: Resolutions of Young Men's Christian Association, Athol; New England Committee on Various Races, Athol; Young People's Society of Christian Endeavor, Charlton; Young People's Society of Christian Endeavor, Congregational Church, Athol; School Committee, Petersham; Selectmen, Petersham; First Congregational Church, Dudley; citizens' meeting, Gilbertville; Southbridge Young People's Society of Christian Endeavor, Local Union, Southbridge; Worcester North Union, Young People's Society of Christian Endeavor, Worcester County; Congregational Church, Holden; Swedish Baptist Church, Gardner; Methodist Episcopal Church, Monson; Congregational Church, Petersham; Congregational Church, Townsend; Congregational Church, Westminster; Church of the Unity, Winchendon; Church of Good Shepherd, Lancaster; First Congregational Church, Barre; Baptist Church, East Brookfield; Brookfield Association of Congregational Churches; Congregational Church, Holden; First Baptist Church, West Boylston; Second Congregational Church, Royalston; First Baptist Church, Gardner; First Methodist Episcopal Church, Fitchburg; First Baptist Church, Clinton; Congregational Church, Barre; Methodist Church, Athol; Congregational Church, Athol; Methodist Church, Clinton; Westminster Grange, Westminster; West Boylston Grange, West Boylston; Fitchburg Grange, Fitchburg; Hardwick Grange, Hardwick; New Braintree Grange, New Braintree; Rutland Grange, Rutland; Townsend Grange, Townsend; Board of Trade, Winchendon; Wachusett Baptist Ministers' Association, Winchendon; citizens' meeting, West Boylston; Women's Municipal League, Fitchburg; Dudley Grange, Dudley; and Congregational Church, Rutland, all in the State of Massachusetts, in favor of national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RAKER: Letter of A. Youngholm, San Francisco, Cal., favoring enactment of bill providing for revision of postal rates; to the Committee on the Post Office and Post Roads.

Also, letter of Edwin L. Bailey, cashier, Redding National Bank, Redding, Cal., favoring two amendments to House bill 4673; to the Committee on Banking and Currency.

Also, memorial of Langley & Michaels Co., San Francisco, Cal., favoring enactment of bill providing for revision of postal rates; to the Committee on the Post Office and Post Roads.

Also, letter of Frank B. Peterson & Co., San Francisco, Cal., favoring the enactment of bill providing for revision of postal rates; to the Committee on the Post Office and Post Roads.

Also, protest of P. H. McCarthy, general president State Building Trades Council, and Daniel C. Murphy, president California State Federation of Labor, San Francisco, Cal., against any attempted amendment to the Chinese exclusion act and immigration laws; to the Committee on Immigration and Naturalization.

Also, telegram of E. M. Sheehan, secretary California Viticultural Commission, Sacramento, Cal., in re tax on wine; to the Committee on Ways and Means.

Also, telegram by Marsack Timber & Lumber Co., of Marsack, Cal., in re suspension of the basis of lumber-rate advances, etc.; to the Committee on Interstate and Foreign Commerce.

Also, letter of J. O. Bigelow, Tuolumne, Cal., favoring the enactment of a bill providing for revision of postal rates; to the Committee on the Post Office and Post Roads.

Also, memorial adopted by Board of Supervisors of San Francisco, Cal., submitted by J. S. Dunnigan, clerk; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: Memorial of Local Union, No. 1874, United Brotherhood of Carpenters and Joiners, of Denver, Colo., favoring adoption of certain war taxation; to the Committee on Ways and Means.

By Mr. VARE: Memorial of high-school teachers of Philadelphia, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WASON: Petition of Charles E. Lewis and 16 other residences of the city of Franklin, N. H., favoring national prohibition; to the Committee on the Judiciary.

Also, resolutions of the congregation of the Methodist Episcopal Church of the city of Franklin, N. H., favoring the adoption as a war measure of national prohibition; to the Committee on Military Affairs.

SENATE.

MONDAY, *May 14, 1917.*

(Legislative day of Friday, May 11, 1917.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

ESTIMATE OF APPROPRIATION FOR MILITARY SURVEYS AND MAPS (S. DOC. NO. 30).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of War submitting a supplemental estimate of appropriation in the sum of $1,500,000 required by the War Department for the execution of topographic or other surveys and the preparation of maps required for military purposes, etc., which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate resolutions of the Association of American Colleges adopted at a specially called meeting held in Washington, D. C., May 5. The resolutions will be incorporated in the RECORD and referred to the Committee on Military Affairs.

The resolutions are as follows:

OBERLIN COLLEGE,
Oberlin, Ohio, May 12, 1917.

Vice President THOMAS R. MARSHALL,
President of the Senate, Washington, D. C.

DEAR SIR: On behalf of a special committee of the Association of American Colleges may I ask you to refer to the proper persons these two resolutions of the association, passed unanimously at a special meeting of the association held in Washington on Saturday last?

Very sincerely, yours,

HENRY C. KING.

Resolutions passed by unanimous vote by the Association of American Colleges at a specially called meeting of the association held in Washington, D. C., on Saturday, May 5, 1917.

1. For the conservation of the physical and moral forces necessary for national defense the Association of American Colleges urge the

adoption of more effective measures than any hitherto employed for the elimination of prostitution within adequate zones of every Army camp; we urge the encouragement of social, athletic, and other recreational facilities for all enlisted men; and we urge, especially for the prevention of venereal disease, the adoption of a comprehensive and permanent educational program conducted by men officially assigned to this service who have successfully instructed men in sex hygiene. We urge that these measures be used at once for the protection of the thousands of young men from our colleges who are to assemble next week at the training camps.

2. The Association of American Colleges respectfully urge upon the Senate and the House of Representatives of the United States of America the national prohibition of the manufacture and sale of intoxicating liquor for the period of the war for the sake both of the highest efficiency of our Army and Navy and for the truest conservation of the resources of the Nation.

CHARLES W. DABNEY.
WILLIAM H. CRAWFORD.
THOMAS F. HOLGATE.
WILLIAM T. FOSTER.
HENRY CHURCHILL KING.

The VICE PRESIDENT presented a petition of Berks County (Pa.) Medical Society, praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented a telegram, in the nature of a petition, from the State Council of Defense of Illinois, praying for the immediate conservation of foodstuffs in the United States, which was ordered to lie on the table.

Mr. McLEAN presented a petition of the Swedish Temperance Union of New Britain, Conn., and a petition of the Woman's Christian Temperance Union of Naugatuck, Conn., praying for national prohibition during the period of the war, which were referred to the Committee on the Judiciary.

He also presented a petition of the Connecticut State Chamber of Commerce, praying for the enactment of legislation to provide for the saving of daylight, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of Local Union No. 282, Cigarmakers' International Union of America, of Bridgeport, Conn., remonstrating against an increase in the revenue tax on cigars and also against national prohibition, which was referred to the Committee on Finance.

He also presented a petition of Local Union No. 73, International Molders' Union, of Hartford, Conn., praying for an investigation by the Government of the explosion during the San Francisco, Cal., preparedness parade of July 22, 1916, which was referred to the Committee on Education and Labor.

Mr. TOWNSEND presented petitions of sundry citizens of Fenton, Marshall, and Coldwater, all in the State of Michigan, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented petitions of the Ancient Order of Gleaners of Rives Junction, the Supervisors of Delta County, and of sundry citizens of Alpena County and Missaukee County, all in the State of Michigan, praying for the adoption of a minimum price of foodstuffs, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Willing Workers' Association of the Haven Methodist Episcopal Church, of Jackson, Mich., praying for the protection of military camps from vice, which was referred to the Committee on Military Affairs.

He also presented a memorial of Cigarmakers' Local Union, No. 208, of Kalamazoo, Mich., remonstrating against an increase in the tax on cigars, which was referred to the Committee on Finance.

Mr. JONES of Washington presented a petition of the Fir Club of Conway, Wash., praying for Government regulation of prices of foodstuffs, which was ordered to lie on the table.

He also presented a petition of Fir Camp, No. 5385, Woodmen of America, of Everett, Wash., praying that compensation be granted for dependents of soldiers, which was referred to the Committee on Military Affairs.

Mr. PHELAN presented a petition of the Central Labor Council of Los Angeles, Cal., proposing certain changes in the income-tax law, etc., which was referred to the Committee on Finance.

Mr. GRONNA presented a petition of the Federal Council of the Churches of Christ in America, including Methodist, Baptist, Lutheran, Presbyterian, Congregational, Episcopal, Christian, and other denominations, with a total membership of 18,000,000, praying for national prohibition during the period of the war, which was referred to the Committee on the Judiciary.

Mr. POINDEXTER presented a petition from sundry missionary organizations and the Woman's Christian Temperance Union of Olympia, Wash., praying for the enactment of legislation to prohibit shipment of alcoholic liquors to Africa, which was referred to the Committee on the Judiciary.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and by unanimous consent the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 2269) for the relief of the heirs of Mrs. Susan A. Nicholas; to the Committee on Claims.

By Mr. SMOOT:

A bill (S. 2270) granting an increase of pension to Jane Elliott (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 2271) granting an increase of pension to Francelia King (with accompanying papers); to the Committee on Pensions.

By Mr. PHELAN:

A bill (S. 2272) granting a pension to Harry K. Hallock (with accompanying papers); to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 2273) to extend the criminal jurisdiction of the District Court of the Canal Zone, Panama; to the Committee on the Judiciary.

By Mr. SHAFROTH:

A bill (S. 2274) to regulate the storage, transportation, sale, and disposition of all animal products used as food, and all grains, fruits, and vegetables used as food; to the Committee on Agriculture and Forestry.

By Mr. GORE:

A bill (S. 2275) to prohibit the shipment and transportation in interstate or foreign commerce of calves and cows under certain ages and conditions; to the Committee on Agriculture and Forestry.

By Mr. POINDEXTER:

A bill (S. 2276) granting an increase of pension to Anton Lawrence (with accompanying papers); to the Committee on Pensions.

By Mr. GORE:

A joint resolution (S. J. Res. 62) empowering the President to appoint a controller general of supplies; to the Committee on Agriculture and Forestry.

PRICE OF PRINT PAPER.

Mr. ROBINSON. Mr. President, I desire to introduce a bill and to occupy just one minute with a statement concerning it.

This measure, entitled "A bill to declare print paper a public utility and to empower the Federal Trade Commission to fix a reasonable maximum price therefor, and for other purposes," is introduced for the purpose of bringing before Congress the very oppressive conditions regarding the trade in print paper. These conditions threaten to destroy the business of many publishers.

Some doubt may arise as to the power of Congress to declare this commodity a "public utility," and also as to whether the trade commission can be authorized to fix the maximum price for print paper. The subject is a very important one. My investigation leads me to the conclusion that Congress should speedily take some action regarding the matter. The industry is trust controlled, and the most exorbitant charges are now being made, and unless some relief is obtained thousands of publishers will be driven out of business.

The bill (S. 2267) to declare print paper a public utility and to empower the Federal Trade Commission to fix a reasonable maximum price therefor, and for other purposes, was read twice by its title, referred to the Committee on Interstate Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That paper used for printing newspapers, magazines, periodicals, books, and other publications is hereby declared to be a public utility. The Federal Trade Commission is hereby authorized and empowered, after full hearing, to fix a reasonable price as a maximum to be charged for such paper. All charges made for print paper shall be just and reasonable and every unjust and unreasonable charge for such paper is prohibited and declared to be unlawful.

SEC. 2. That the Federal Trade Commission shall have full authority and power at any time to institute an inquiry upon the complaint of any corporation, partnership, individual, or community or on its own motion in any case as to any matter or thing in relation to or connected with the charges for print paper. And the said commission shall have the same powers and authorities to proceed in any inquiry instituted on its own motion as if it had been appealed to by complaint or petition.

SEC. 3. That the Federal Trade Commission is hereby authorized and empowered to make an order or orders, after full hearing, that the dealer who deals in print paper shall cease and desist from charging for print paper an amount above the maximum found by the commission to be reasonable. Any dealer or manufacturer of print paper, or officer, representative, or agent of such manufacturer or dealer, or any receiver, trustee, lessee, or agent of either of them who knowingly neglects to obey any order made under the provisions of this act shall forfeit to the United States the sum of $5,000 for each offense. Every distinct violation shall be a separate offense, and in case of a continuing violation each day shall be deemed a separate offense. The forfeiture

shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States, brought in the district where the manufacturer or dealer has its or his principal office. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of forfeitures.

SEC. 4. Every manufacturer and dealer in print paper shall file with the Federal Trade Commission within 60 days after the passage of this act and keep open to public inspection a price list showing all the prices and charges for print paper of different grade and character. No changes shall be made in the prices or charges which have been filed in compliance with this act except after 30 days' notice to the commission, which notice shall plainly state the change proposed to be made in the price schedule then in force, and the time when the changed prices and charges will go into effect; and the proposed changes, prices, and charges shall be shown by printed new schedules, or shall be plainly indicated upon the schedules in force at the time and kept open to public inspection: *Provided*, That the commission may, in its discretion, and for good cause shown, allow changes upon less than the notice herein specified, or modify the requirements of this section in respect to publishing, posting, and filing of price schedules, either in particular instances or by a general order applicable to special or peculiar circumstances or conditions.

SEC. 5. That all hearings by the Federal Trade Commission under the provisions of this act shall be public.

RAILROAD FREIGHT RATES.

Mr. SMITH of Georgia. I ask leave to introduce a bill to amend section 15 of the act to regulate commerce, and I ask that the bill be printed in the RECORD without reading.

The bill (S. 2268) to amend section 15 of the act to regulate commerce, as amended June 18, 1910, was read twice by its title and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 15 of the act to regulate commerce as amended June 18, 1910, be further amended by striking from the second paragraph of said section the following words: "the commission shall have, and it is hereby given, authority, either upon complaint or upon its own initiative without complaint, at once, and if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the propriety of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon the commission upon filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension may suspend the operation of such schedule and defer the use of such rate, fare, charge, classification, regulation, or practice, but not for a longer period than 120 days beyond the time when such rate, fare, charge, classification, regulation, or practice would otherwise go into effect; and after full hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the commission may make such order in reference to such rate, fare, charge, classification, regulation, or practice as would be proper in a proceeding initiated after the rate, fare, charge, classification, regulation, or practice had become effective: *Provided*, That if any such hearing can not be concluded within the period of suspension, as above stated, the Interstate Commerce Commission may, in its discretion, extend the time of suspension for a further period not exceeding six months"; and by inserting in lieu thereof the following: "the commission upon its own initiative may, and upon complaint or protest shall, at once, and if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, enter upon a hearing concerning the reasonableness and propriety of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon, the operation of such schedule shall be suspended and the use of such rate, fare, charge, classification, regulation, or practice shall be deferred until after full hearing and shall take effect only after the commission has found and declared the same to be just and reasonable, neither unjustly discriminatory nor unduly preferential or prejudicial nor otherwise in violation with the provision of this act, and after full hearing the commission may make such order in reference to said rate, fare, charge, classification, regulation, or practice as would be proper in a proceeding initiated after the rate, fare, charge, classification, regulation, or practice had become effective. At any hearing involving a rate increased after January 1, 1910, or of a rate sought to be increased after the passage of this act, the burden of proof to show that the increased rate or proposed increased rate is just and reasonable shall be upon the common carrier, and the commission shall give to the hearing and decision of such questions preference over all other questions pending before it and decide the same as speedily as possible."

SEC. 2. That all laws or parts of laws in conflict with this act are hereby repealed.

Mr. SMITH of Georgia. Mr. President, I wish to say only one word with reference to the bill. While it is somewhat long, it embodies but a single thought, and I mention the explanation of that thought which will render it easy for those who will read the bill to at once comprehend it. It seeks to change the present law so that where an application for an increase of rates is made with the Interstate Commerce Commission, and that application is protested, hearings shall be had before the rate goes into effect. That is the substance of the bill. It provides for hearings before the Interstate Commerce Commission before a protested increase of rates may go into effect.

Mr. McLEAN. The Senator merely introduces it?

Mr. SMITH of Georgia. That is all. I introduce it, and I give that word of explanation as to its meaning. I move that the bill be referred to the Committee on Interstate Commerce.

The motion was agreed to.

Mr. SMITH of Georgia subsequently said: Mr. President, this morning I introduced a bill amending the Interstate Commerce Commission law. I desire to ask the consent of the Senate to have printed in the RECORD in connection with the bill three statements—one from the Alexander Hamilton Institute, one from Poor's Manual, and one from the Traffic World—giving some figures bearing upon the proposed legislation.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

Investment statistics of railroad stocks, earnings per share, year ending June 30.

[Monthly letter, Alexander Hamilton Institute, May, 1817.]

Credit index.[1]	Stock.	1917	1916	1915	1914	1913	Average earnings.	Present price.	Per cent of average earnings on present price.
Per cent.									
77	Canadian Pacific	$18.00	$16.76	$11.25	$13.63	$19.56	$15.84	161½	9.84
74	Norfolk & Western	17.00	16.84	8.87	8.68	10.17	12.31	129¾	9.54
70	Great Northern preferred	9.50	11.08	8.19	8.85	11.69	9.86	110	8.96
67	Union Pacific	17.50	16.38	10.98	13.10	15.14	16.62	137¾	12.13
67	Northern Pacific	10.50	10.30	7.58	7.93	8.74	9.01	103½	8.74
66	Pennsylvania	4.75	5.40	4.25	3.58	4.00	4.40	53	8.30
65	Atchison, Topeka & Santa Fe	15.00	12.30	9.19	7.34	8.62	10.49	103¾	10.18
64	Lackawanna	31.00	28.93	25.93	28.26	32.25	29.27	223¾	13.12
58	Chicago & North Western	14.00	11.39	7.78	7.93	9.90	10.20	114	8.94
55	Atlantic Coast Line	15.00	11.00	6.26	10.83	11.64	10.95	114	9.60
52	Louisville & Nashville	21.00	19.50	6.90	9.84	11.99	13.85	131½	10.57
51	Delaware & Hudson	11.00	13.06	14.28	10.40	14.53	12.86	125	10.33
51	Lehigh Valley	5.75	6.50	5.40	5.82	7.23	6.14	65	9.44
50	Chicago, Milwaukee & St. Paul	6.00	7.33	3.42	6.30	8.64	6.34	82	7.73
46	Southern Pacific	13.00	11.30	7.50	7.50	9.80	9.82	95	10.34
43	Illinois Central	13.50	10.80	6.28	7.45	6.00	8.81	103	8.55
42	New York Central	16.00	16.20	6.07	4.74	7.00	10.00	94½	10.64
41	Kansas City Southern	4.50	2.97	1.00	2.95	2.69	2.82	22½	12.81
39	Baltimore & Ohio	8.00	7.46	5.55	4.51	7.22	6.55	76¾	8.62
35	Chicago Great Western	4.25	4.00	1.92	2.04	3.03	3.06	34½	9.00
34	Chesapeake & Ohio	12.50	10.95	4.28	4.73	5.25	7.54	61	12.36
29	Southern Railway	6.50	5.33	−1.50	1.81	3.40	3.11	28½	11.10
27	Denver & Rio Grande	6.00	7.70	1.88	2.12	2.93	4.12	34¼	12.12
25	Erie	2.00	5.05	−3.00	−2.40	4.26	1.18	27¾	4.37
22	St. Louis South Western preferred	12.50	6.37	−1.00	1.68	9.48	5.80	46	12.50
15	Seaboard Air Line preferred	6.00	4.55	− .70	5.46	6.94	4.45	31½	14.35
15	New Haven	4.00	2.70	1.46	.15	4.96	2.65	40¾	6.62

[1] Per cent of net income remaining after paying fixed charges. A company whose balance after fixed charges is equal to 50 per cent or more of the net income is in sound credit.

Since June 30, 1916, the earnings of the southern lines, both gross and net, have shown great increases. For the two months of the new statistical year which began on January 1, 1917, operating revenue in the southern district rose from $81,709,808 to $90,733,089; expenses from $54,438,477 to $60,804,550; the net income from $27,271,335 to $29,928,939; operating income from $23,688,322 to $25,855,645; and the operating ratio from 66.62 to 67.01. The western district showed increases as favorable as those in the southern district, while in the eastern district the operating income shows a decline from $59,729,193 to $36,132,412, or a decrease of $23,596,781, while the operating ratio rose from 71.21 to 80.93. From this showing it would appear that if an emergency exists because of increased operating expenses it is confined to the eastern district and does not extend to the southern district. A statement showing with respect to the principal systems of railways operated in the South the total operating revenue, net income, per cent of earnings on common stock, surplus, and miles operated for the year ended June 30, 1916, as shown in Poor's Manual for 1917, appears in the margin.

	Total operating revenue.	Net income.	Per cent on common stock.	Surplus.	Miles operated.
Southern Ry.....	$69,997,675	$9,333,899	5.28	$28,248,595	7,022.92
Louisville & Nashville.	60,317,993	14,039,139	19.50	50,172,752	5,041.61
Atlantic Coast Line...	34,445,110	7,775,536	11.47	33,583.626	4,702.90
Nashville, Chattanooga & St. Louis...	12,670,688	2,337,518	14.61	10,932,849	1,230.76
Cincinnati, New Orleans & Texas Pacific.	11,060,439	2,254,623	(1)	6,610,039	335.46
Alabama Great Southern.....	5,641,402	1,460,358	13.03	3,644,053	293.02
Central of Georgia.....	12,567,618	1,921,313	20.43	[2] 771,313	1,491.08
Seaboard Air Line....	24,494,789	1,269,978	.70	8,057,446	3,449.25

[1] Capital stock C., N. O. & T. P. nominal. [2] For year 1916 only.

[From the Traffic World, May 5, 1917.]

RAILWAY REVENUES.

A summary of the results of operations in March was made public by the commission May 3. It covers 96 roads, with a mileage of 113,187.

For the country as a whole the operating revenue increased from $148,439,924 to $165,694,613; expenses from $99,498,330 to $118,179,692, or from $434 to $419 per mile of road operated.

In the southern district the revenues rose from $62,186,954 to $69,367,858; expenses from $43,917,782 to $53,543,164; and net declined from $18,269,172 to $15,824,694, or from $653 to $563 per mile.

In the southern district the revenue rose from $32,926,191 to $36,531,738; expenses from $21,124,027 to $23,997,124; and net from $11,752,164 to $12,534,612, or from $377 to $401 per mile.

An equally satisfactory condition was shown in the western district, the revenue rising from $53,326,779 to $59,759,017; expenses from $34,405,521 to $40,639,404; and net from $18,920,258 to $19,155,613, or from $351 to $356 per mile.

For the three months of the fiscal year which began January 1 the operating revenue for the country as a whole advanced from $415,193,795 to $460,052,895; expenses from $287,666,222 to $335,319,658, causing a decline in the net from $127,527,673 to $124,733,237, or from $1,130 to $1,101 per mile.

In the eastern district the revenue advanced from $176,759,532 to $188,265,377; expenses from $127,137,771 to $161,289,024, causing a decline in the net from $49,621,761 to $36,976,353, or from $1,773 to $1,315 per mile.

In the southern district the revenue rose from $93,397,341 to $103,574,601; expenses from $61,370,394 to $68,901,264; and the net from $32,026,247 to $34,673,377, or from $1,030 to $1,110 per mile.

In the western district the revenue rose from $145,036,922 to $168,212,917; expenses from $99,158,057, or from $853 to $895 per mile.

AMERICAN RED CROSS.

Mr. WILLIAMS. I introduce a joint resolution and ask that it be referred to the Committee on the Library. It grants authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

The joint resolution (S. J. Res. 61) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C., was read twice by its title and referred to the Committee on the Library.

POINTS OF HISTORIC INTEREST.

Mr. SMITH of Arizona submitted the following resolution (S. Res. 64), which was referred to the Committee on Printing:

Resolved, That the pamphlet entitled "Points of Historic Interest in the National Capital," with accompanying illustrations, be printed as a Senate document, and that 5,000 additional copies be printed for the use of the Senate document room.

PRODUCTION OF FOOD SUPPLIES.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was referred to the Committee on Agriculture and Forestry.

INCREASE OF NAVY AND MARINE CORPS.

Mr. SWANSON submitted three amendments intended to be proposed by him to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, which were ordered to lie on the table and be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 12th instant, approved and signed the following act and joint resolution:

S. 1845. An act to authorize PETER GOELET GERRY to enter into a contract with the Secretary of the Navy, in behalf of the United States, for the use of the steam yacht *Owera;* and

S. J. Res. 42. Joint resolution authorizing the President to take over for the United States the possession and title of any vessel within its jurisdiction, which at the time of coming therein was owned in whole or in part by any corporation, citizen, or subject of any nation with which the United States may be at war, or was under register of any such nation, and for other purposes.

PUNISHMENT OF ESPIONAGE.

The VICE PRESIDENT. The unfinished business, Senate bill numbered 2, is before the Senate as in Committee of the Whole.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes.

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Gronna	McLean	Simmons
Beckham	Hale	Myers	Smith, Ga.
Borah	Harding	Nelson	Smith, S. C.
Brandegee	Hollis	New	Sterling
Calder	Husting	Overman	Stone
Chamberlain	James	Page	Sutherland
Colt	Johnson, Cal.	Pittman	Swanson
Culberson	Jones, Wash.	Poindexter	Thomas
Cummins	Kellogg	Ransdell	Thompson
Curtis	Kenyon	Reed	Townsend
Dillingham	King	Robinson	Trammell
Fernald	Kirby	Saulsbury	Vardaman
Frelinghuysen	La Follette	Sheppard	Wadsworth
Gallinger	McCumber	Sherman	Walsh
Gerry	McKellar	Shields	Warren

Mr. TOWNSEND. The senior Senator from Michigan [Mr. SMITH] is unavoidably absent on important business. He is paired with the junior Senator from Missouri [Mr. REED]. This announcement will stand for all votes to-day.

Mr. THOMAS. I wish to announce that the senior Senator from Mississippi [Mr. WILLIAMS] is engaged in a hearing before the Committee on Finance and is unable to attend the session of the Senate this morning.

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I wish to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will allow this announcement to stand for the day.

Mr. THOMPSON. I desire to announce that the Senator from Florida [Mr. FLETCHER] is detained from the Senate on official business.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present.

Mr. THOMAS. I offer the following amendment.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. On page 56, after line 3, add a new section to Chapter VII, as follows:

SEC. 5. That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended until the President, by proclamation, shall declare the existing war to have been ended, and all agreements, wages, and contracts for wages regarding food products of this character now and heretofore made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations by the members thereof are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not to exceed $10,000.

Mr. THOMAS. Mr. President, the need for such legislation as this amendment contemplates was emphasized last Friday or Saturday by the suspension of the making of speculative contracts or futures upon the Chicago Board of Trade, a step taken, if we are to accept press accounts, in the spirit of patriotism, but doubtless prompted by a far more serious consideration; the

evident danger involved in the continuation of speculating in the necessities of life at this juncture.

Mr. President, greater than the armed forces of Germany, greater perhaps than the menace of the U-boat warfare, is that of food speculation in the United States at this time. Whether it be speculation upon the boards of trade or chambers of commerce, cornering and controlling of life's necessities, of prohibitive freight rates, or car detention, those now engaged in these nefarious practices are the real foes of the American people.

It is to my mind incredible that Congress, appreciating the importance of husbanding our grain resources and prohibiting their use for the manufacture of beverages and liquors during the war, the importance of preventing a sacrifice of our grain supply in the production of intoxicants, the importance of prohibiting their use by the Army, is not also fully alive to the far greater evil of speculation now confronting us.

The most of this speculation, at least the most of it with which the public are acquainted, is carried on through the boards of trade, chambers of commerce, and stock exchanges, which are notorious for the practice.

To my mind, while the liquor evil in this country is a terrible one it is not so menacing or far-raching in its disastrous consequences as the universal and all-pervading spirit of speculation, the gambling spirit, which has deprived and is depriving our agricultural communities of their best blood and luring it to the exchanges, the spirit which is animated by the desire and opportunity to "get rich quick"; that desire fed by press circulation of instances where enormous fortunes have been made in a day or an hour upon the exchanges, and fed also by the enormous fortunes which have been realized by the opportunities offered by this war.

Mr. President, those who corner the food of the country, utilize the exchanges for manipulation of prices to hoist them high enough to satisfy their greed and bring the desired profit are criminals. If exchanges for manipulating these prices, for futures in grains which do not exist, which never existed, and which never will exist, can be eliminated, one of the methods through which the enhancement in the necessities of life will have been removed.

Does anything at present appeal to the exigencies of legislation more powerfully than that which is designed to remove this evil?

Mr. President, since this amendment was introduced I have been flooded, literally flooded, with letters and telegrams commending my action and urging me to press the amendment to the consideration of the Senate at the earliest possible opportunity.

For illustration, I received this dispatch, dated May 4, from the firm of F. G. Ferrin Co. (Inc.), Rochester, N. Y.:

ROCHESTER, N. Y., *May 4, 1917.*

Senator THOMAS,
Washington, D. C.:

May wheat having been down to $2.61, or 19 cents lower than last night's close, now up to $2.72, all within 20 minutes. Such business should be stopped at once until conditions are again normal. See letter of yesterday.

F. G. FERRIN CO. (INC.).

Here is a letter from Boston, Mass., and I have time to call attention to only two or three:

That grain exchanges——

This amendment, of course, is not aimed at those exchanges whose legitimate business it is to promote and assist the trade of the country by bringing buyer and seller together—

That grain exchanges are necessary for economic distribution of the crops is unquestioned, but that the successful marketing of the crops depends upon, or is benefited by, the torrent of speculation incessantly pouring into Chicago and other large speculative grain markets from every town of any considerable size, from every city from Bangor, Me., to San Francisco, Cal., and from Grand Forks, N. Dak., to the Gulf of Mexico, is not a reasonable proposition.

It can not reasonably be asserted that the value of grain, as affected by the law of supply and demand, varies from minute to minute throughout every business day, and varies radically. The pendulum of value swings backward and forward several times within a few hours across a range of 10 cents, 15 cents, or even 25 cents per bushel, so that the miller, the distributor, or the exporter can not safely make any offers of their commodity, as they can not tell within the above range, or say the equivalent of from 50 cents to $1.25 per barrel, what the actual cost of production will be 30 minutes after their offer had been telegraphed or cabled.

Then follows a table, which I shall not detain the Senate to read, but which I ask to have inserted in the RECORD as a part of my remarks.

The VICE PRESIDENT. In the absence of objection, permission to do so will be granted.

The table referred to is as follows:

MAY 4, 1917.

	May.		July.	
	Highest.	Lowest.	Highest.	Lowest.
April 27	$2.70	$2.53	$2.25	$2.16
April 28	2.79½	2.67	2.36	2.24½
April 30	2.78	2.70	2.34	2.23½
May 1	2.71	2.55	2.27	2.12½
May 2	2.72	2.55	2.22	2.08½
May 3	2.80	2.72	2.28	2.19½
May 4	2.75	2.54	2.22½	2.15

Mr. THOMAS. I have here, Mr. President, the testimony of the food commissioner of the State of New York, given before the Agriculture Committee. It is replete with valuable information upon this subject from end to end. I wish I had time to read it all; but before he closed his testimony, he referred specifically to this subject, and said:

Mr. DILLON. Two years ago I conducted an inquiry in New York growing out of an attempt of bakers there to advance the price of bread from 5 to 6 cents a loaf, and we sent to Chicago and got the testimony from the chairman of the board of trade there, I think he was, or one of the exchanges, and we ordered them to bring any written matter that he had in reference to it, and he brought some correspondence, and this correspondence revealed clearly and definitely the fact that that man in Chicago had been in correspondence with a man in a similar position, on the board of trade in New York to manipulate the prices of wheat at that time between New York and Chicago; and, of course, that is the most definite information that I ever had. But, in a general way we all know that for years the price of wheat has been manipulated in the Chicago market for the benefit of the millers, through those trades. The farmers never get—except the individual farmer—the regular high level of prices.

Senator BRADY. You do not mean the millers alone, but millers and speculators?

Mr. DILLON. I mean the millers as one of the factors of speculating. They are all mixed up in the matter. If a man goes into the pit with a carload of wheat and he is asking a dollar and there is another man that has not a bushel of wheat and offers to sell it—if I am there with a carload and trying to sell it for a dollar and another man comes along and has no wheat and he says "I will sell you two carloads of wheat at 90 cents," he makes the price of wheat 90 cents, and I lose 10 cents a bushel on my carload of wheat.

The VICE PRESIDENT. The Senator's time has expired.

Mr. OVERMAN. Mr. President, there is much merit in the amendment which has been proposed by the Senator from Colorado, but it ought not to go on this bill. There is a bill, which is to follow this, containing provisions in regard to the subject. There is also a bill now before the Committee on the Judiciary involving the same matter, which was introduced by the Senator from Washington [Mr. POINDEXTER]. I do not think that the pending bill ought to be loaded down with all kinds of measures, and I hope this matter will not be considered in connection with this bill. There are many things in the amendment which I favor. I am against the cornering of food and speculation during time of war, but this bill is not the place for legislation preventing that.

The Senator from Iowa tells me that there is going be reported from the Committee on Agriculture a bill which is known as the food-conservation bill. I ask the Senator from Iowa whether or not there is a similar amendment in that bill embodying the provisions of the pending amendment?

Mr. KENYON. Mr. President, I am not familiar with the amendment which has been proposed by the Senator from Colorado, as I was out of the Chamber when it was read; but I will say to the Senator from North Carolina that the Committee on Agriculture have reported a bill which they hope to have taken up next, dealing with the general question of food speculation; which is the general question, as I understand, which is involved in the pending amendment.

Mr. OVERMAN. That is what I understood, Mr. President. We are debating the pending bill under the 10-minute rule, each Senator having only 10 minutes to speak on an amendment. I think the matter embodied in this amendment should be postponed and taken up in connection with the bill which is to follow this, when Senators can have all the time they want to discuss the subject. This amendment involves an important matter, which ought to be fully discussed. I therefore hope the amendment will not be placed on the pending bill.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Colorado [Mr. THOMAS].

Mr. KENYON. I ask that the amendment may be read. As I stated, I was out of the Chamber at the time when the amendment was offered.

The VICE PRESIDENT. The amendment proposed by the Senator from Colorado will be stated.

The SECRETARY. On page 56, after line 3, it is proposed to insert a new section, which shall be known as section 5, as follows:

SEC. 5. That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended until the President, by proclamation, shall declare the existing war to have been ended, and all agreements, wages, and contracts for wages regarding food products of this character now and heretofore made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations by the members thereof are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not to exceed $10,000.

Mr. THOMAS. Mr. President, just a word. The word "wages," in line 7, should be "wagers." My attention has been called to the fact that there is a misspelling of that word.

Mr. POMERENE. Mr. President, I dare say that suggestion applies also to the phrase "contract for wages," in the same line.

Mr. THOMAS. Yes; it occurs in two places in that line.

The VICE PRESIDENT. Without objection, the corrections will be made.

Mr. LEWIS. Mr. President, I address myself to the proposal of the Senator from Colorado. I have no doubt that there is much virtue in this amendment, and I have no doubt, sir, that there will come a time when a provision similar to this must be adopted for the benefit of the general welfare of the country.

The eminent Senator from Colorado [Mr. THOMAS], having given notice some time ago of provisions such as tendered by him, the information became broadcast, and I have been overwhelmed—well, perhaps that is an exaggerated phrase; I will say I have been quite rained upon by telegrams from the representatives of these exchanges, very largely in my city, asking for some hearing, and claiming that this measure would do a great injury to what they call "pending contracts." They wish, it appears, if it is to be passed, that they be given some time by which they can regulate themselves, and not be the subject of what they insist would be lawsuits for damages and general losses in view of matters upon their hands. Let us have no summary and confiscatory action. I am unable to offer the Senate any information as to how the amendment will operate as confiscation upon such exchanges, but in view of the fact that certain of my constituents feel that this suddenness would occasion great loss and great injury to innocent persons, on their behalf I most respectfully ask that this amendment take some other course than to be precipitously put upon this bill.

Now, Mr. President, may I be permitted a moment to offer a suggestion? In the first place, this condition of the high price of grain is partly being caused by something of a hysteria that seems to possess certain officials of our own Government. Certain gentlemen occupying positions of responsibility in commerce and finance cry out to the country, "Panic!" They are giving the business men to understand that business has suddenly reached a very doleful situation. They urge upon everyone the conviction that hunger is at the door of every human being. They insist that everyone understand that we have reached a point where palsy has set upon the Nation; they warn and invoke the whole country to realize that everything is to be paralyzed in order to execute the war declaration. Sir, this is discouraging business men; it is frightening manufacturers; it is driving every farm enterprise into timidity, if not surrender. It is forcing the accumulation of grain for bread in different bins and in different forms of hiding, that it may be preserved for that future day of desolation and darkness, that certain members of our own administration are, in a most unnecessary and a most untimely manner, holding out to the country.

This country is not in a panic, nor will it be in one. There is need for the ordinary economy in ordinary affairs of life, but there is no need for such parsimony or for such fright and fear as are being imposed upon the country by these well-meaning but misguided advisers who have been put in power in this Government in temporary places.

Sir, this indulged hysteria is one of the reasons for the advance in prices; but if the people understood the truth and realized that these dangers and alarms that have been suddenly hurled and voiced against them have no real foundation or justification, there would not be the hoarding of grain out of fear, timidity, and terror.

Now, sir, what is needed in this hour is that there be a provision of law passed by this body and its correlative body authorizing the President of the United States upon any evidence to him satisfactory that the food necessities are being held for monopoly or for speculation to seize them and order their distribution through the proper channels in such manner, sir, as will compensate the owner with a just market price and at the same time assure distribution to the people that they may need the uses.

Let what is known as print paper, as one of the necessities, be included in this; and once, sir, the order goes forth that the power is in the hands of the President to seize these essentials for the public welfare, under his power as Commander in Chief or as President of the United States, then existing high prices will topple to their legitimate bases, and we would not need pursue this great circumlocutory course as now presented. The proposed course would be so confusing in its operation and so delayed that the citizens would not realize the benefit of it for months and months to come.

I most respectfully ask, therefore, if the able Senator from Colorado would not consent to postpone his amendment until those who seem to have such great interest in it, and who say the adoption of it would mean such great loss to them, may have an opportunity for hearing. For that reason I am compelled to oppose it. I ask more deliberate action lest hasty conclusions defeat the very object intended.

Mr. REED. Mr. President, the Senator from Illinois [Mr. LEWIS] has said a number of things so much like what I have been intending to say that they differ only in the fact that he has stated them better than I could have done.

So far as the amendment of the Senator from Colorado [Mr. THOMAS] is concerned, let me say to him, as I said to him in private conversation the other day, that I think means ought to be adopted to stop the speculative inflation of values of foodstuffs, and that whatever can be done within the limits of the powers of Congress to stop speculation and to stop the cornering of foodstuffs ought to be done. But, Mr. President, the wonder to me to-day is that we do not have $4 wheat, 40-cent cotton, five or six dollar potatoes, and beef at 50 or 60 cents a pound. There never has been anything in the history of the world that parallels the present agitation. We are practically told, first, that the United States is upon the verge of starvation, and, second, that the world outside of the United States is already starving. We are in substance informed that next winter the wolf of hunger will be howling at the doors of every home in the world. When that information is put forth, men need not be astonished if the prices of food products mount.

If a plan were to be devised and followed with the express purpose of booming food prices, the methods that have been adopted could not be improved upon by the intelligence of man or the ingenuity of Satan himself. Permit me to illustrate: If a farmer has a thousand bushels of wheat in his bin which he is about to market, and he picks up a report from somebody connected with the Agricultural Department that tells him that wheat is going to go to three or four dollars a bushel, that farmer will certainly hold the grain, waiting for the prophesied advance, as long as he can. If a miller has a large supply of flour on hand, and he is informed by the Agricultural Department that the world is about to starve to death, he will hold that flour for an advance in the market. What I am now saying applies to every article of food whatsoever; but, as my time is very limited, I do not intend further to pursue that thought.

There is, however, another side to the question to which I invite attention. The consumer who reads the startling reports referred to immediately concludes that he does not intend to be one of those who shall starve, and accordingly he rushes into the market and begins buying and buying and buying. I know of ladies in the city of Washington, some of them the wives of officials—I have heard of three or four such instances—who would ordinarily think that their pantry was overstocked with flour if they bought a 25-pound sack, who have astonished their grocer by ordering a barrel or two barrels of flour against the evil day. I have heard of ladies, who ordinarily do not count their pennies, who have gone to the grocery store and bought an entire barrel of sugar. Even these fair housewives seek to prevent the pinch of want. Thus they all contribute to the food shortage they so greatly fear.

So with the holder of foodstuffs, upon the one hand, being encouraged to hold, and with everybody who is a consumer, upon the other hand, being told to "buy, buy, buy, for Heaven's sake buy; you are all liable to starve to death next winter," it is no wonder food prices mount.

Mr. President, I have this to say in closing—and I intend to furnish the facts and figures to back up what I have been saying as soon as debate on this bill is concluded—that whoever rides over the United States of America to-day and gazes at the hillsides, where the corn is peeping forth in its long, straight rows, at wheat fields that are waving in the breezes, at vast meadows of grass that grow rank and green, at fat, sleek cattle that on a thousand hills stand knee-deep in the clover, at hogs and sheep that feed and grow upon a million farms, at the myriad of

gardens where every variety of plant and vegetable fit for food is crowding to perfection, whoever surveys such scenes and yet proclaims that the United States is liable to starve is simply an idiot or an enemy of the public welfare. It is time that sort of claptrap was stopped in this country. We are not going to starve to death. Some of these men who are buying $3 wheat now will be broke in a few months; some of these people who are trying to corner food products now will be glad to unload them in a few short weeks.

The thing for the Senate to do, the thing for the Congress to do, is to keep its head; the thing for the great press of this country to do—and I am looking at the press gallery and appealing to it—is to teach the lesson to the American people that America is not going to starve; that, as has been suggested by the Senator from South Carolina [Mr. SMITH], who sits beside me, she can not be starved; and there will be a lessening of these conditions that to-day confront us and pest us.

Mr. GORE, Mr. KENYON, and Mr. KIRBY addressed the Chair.

The VICE PRESIDENT. The Senator from Oklahoma.

Mr. GORE. I offer a substitute for the amendment proposed by the Senator from Colorado.

The VICE PRESIDENT. The Secretary will state the amendment in the nature of a substitute proposed by the Senator from Oklahoma to the amendment offered by the Senator from Colorado [Mr. THOMAS].

The SECRETARY. In lieu of the amendment offered by Mr. THOMAS it is proposed to insert the following:

That whenever the President finds it essential in order to prevent undue enhancement or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the prices of necessaries, hereafter in this section called evil practices, he is authorized to prescribe such regulations governing, or may either wholly or partly prohibit, operations, practices, and transactions at, on, in, or subject to the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices. Any person who willfully violates any regulation made pursuant to this section or who knowingly engages in any operation, practice, or transaction prohibited by the President pursuant to this section, or who aids or abets any such violation or any such prohibited operation, practice, or transaction, shall be deemed guilty of a felony and upon conviction thereof shall be punished by a fine not exceeding $10,000 and by imprisonment for not exceeding four years.

Mr. GORE. Mr. President, I merely wish to say that I doubt the wisdom of adopting at this time the amendment offered by the Senator from Colorado [Mr. THOMAS]. It is rigid, inflexible, and absolute. It is desirable to avoid doing more harm than good in the enactment of legislation of this kind.

There are a great many people who think that boards of trade serve a legitimate purpose and that they ought to be limited to those legitimate purposes in connection with these transactions. The section which I have offered, I may say, is a section taken from the so-called Lever bill, a bill prepared by the Department of Agriculture, with a slight change, and it contains the ways and means deemed necessary by the department to deal with the situation with which the Senator from Colorado is seeking to deal.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. GORE. Yes, sir.

Mr. OVERMAN. The Senator is chairman of the great Agricultural Committee. They are now considering this question. Does not the Senator think it is better not to put that amendment on this bill, but to bring it in from his committee as the report of the committee, and let it be discussed here when Senators can have time to discuss it?

Mr. GORE. I think in the abstract the Senator is perhaps correct, but we are dealing with a situation, and the amendment is pending. If it is the sense of the Senate that legislation of this kind ought to be adopted now and ought to be attached to the pending bill, I desire this substitute to be incorporated in the measure instead of the amendment offered by the Senator from Colorado.

Mr. OVERMAN. But if this is voted down by the Senate, will not the committee report out at an early day a measure embodying some of the provisions and merits of the amendment he has introduced?

Mr. GORE. I will say that of course that is a possibility. I could not speak advisedly on that point.

Mr. SMITH of Georgia. Mr. President, I will ask the Senator from Oklahoma whether the Agricultural Committee has not perfected its report upon a bill undertaking to prevent speculation in foodstuffs?

Mr. GORE. Mr. President, it does not deal expressly with the boards of trade.

Mr. SMITH of Georgia. I know that.

Mr. GORE. I may say to the Senator from North Carolina that I introduced as a separate bill the amendment which I have just sent to the desk, with a slight change in the amendment; but it was my thought that if such legislation is to be attached to the pending bill it ought to assume this form rather than the form of the amendment offered by the Senator from Colorado.

Mr. SMITH of Georgia. Mr. President, one more remark. I wish to ask the chairman of the committee if it is not his purpose to press this bill from the Committee on Agriculture with reference to foodstuffs and seek a hearing of that measure as soon as the present bill is disposed of?

Mr. GORE. That is my intention—as soon as the present bill, and possibly some conference reports, are disposed of.

Mr. SMITH of Georgia. And will not that furnish us an opportunity to study the food side of the question and to put on all amendments of this character that we wish, or to consider them together?

Mr. GORE. Mr. President, undoubtedly the pending amendment and the substitute would be more properly attached to the food bill which I reported from the Committee on Agriculture and Forestry last Saturday.

Mr. THOMAS. Mr. President, will the Senator yield to me for a moment?

Mr. GORE. Yes, sir.

Mr. THOMAS. The Senator knows, of course, that the Lever bill, by section 11, also makes provision for the conservation of grain by preventing its use in the manufacture of alcoholic beverages.

Mr. GORE. Yes, sir.

Mr. THOMAS. Yet on Saturday the Senate voted upon that identical proposition and incorporated it in this bill. Now, why not this?

Mr. GORE. I will say that the propositions are not identical. That is, the section in the Lever bill dealing with the liquor question was not identical with the Cummins amendment; and I assume the Senator did not mean to say that.

Mr. THOMAS. No; neither is this identical with the other.

Mr. GORE. I will say to the Senator that I believe it would be advisable to have dealt with the Cummins amendment as a separate proposition, allowing it to stand on its own merits—and I think it has abundant merit to win its way through both Houses of Congress—but the Senate ordered otherwise. I apprehend that possibly the Senate may order otherwise respecting the Senator's amendment. If, however, it is to take action now, and in connection with the pending bill, I am anxious to see the substitute adopted instead of the Senator's amendment, because the substitute vests in the President the power to prescribe rules and regulations governing the boards of trade, to prevent speculation and the undue enhancement of prices. I think there ought to be come discretion in respect to the formulation and enforcement of these rules and regulations; otherwise we may accomplish evil instead of good. I have no comment to make on the general policy of vesting universal power in the President, but this is certainly one instance where there ought to be some discretion in an exigency of this kind; and if legislation is to be had, I trust the substitute will be adopted.

Mr. KENYON. Mr. President, I want to say just a word concerning the amendment of the Senator from Colorado [Mr. THOMAS] and the substitute of the Senator from Oklahoma [Mr. GORE].

If compelled to vote on this proposition, I shall support the amendment of the Senator from Oklahoma; but it does seem to me that in the interest of the best solution of this question the amendment ought to be withdrawn. I suggest as reasons therefor that the next bill concerning which an effort will be made to bring it before the Senate is a bill which, while not dealing directly with this question of grain exchanges, does deal with the same general subjects, and deals with this very and vitally important question of stopping the speculation in foodstuffs.

Now, it seems to me that is the proper bill for an amendment of this character. If we are going on with every conceivable amendment, in the shape of any bill that anyone may have in mind, to the espionage bill, which is enough of a Mother Hubbard bill now, we are never going to reach any other bills. Instead of tacking them all onto the espionage bill, I should like to see that bill finished and some other bill taken up. The country is weary of talk. The next bill will be this food bill; or, as I understand at least, an effort will be made to take it up next.

Mr. GRONNA. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. KENYON. I only have 10 minutes, but I will yield for a question.

Mr. GRONNA. I desire to ask the Senator, who is a member of the Agricultural Committee, if the food bill deals with exchanges at all?

Mr. KENYON. It does not; but the committee has considered that question, and the amendment concerning exchanges could be very properly placed upon that food bill. We have tried to divide the food bill, or the Lever bill, into two parts—one dealing with the speculative feature, which is now reported to the Senate, and the other dealing with the question of the stimulation of food production.

I do not want to be put in the position of opposing in any way any legislation that will in some way help to blot out the speculation in foodstuffs that is going on in this country. If Congress can not meet that subject and handle it in some way so as to stop this robbery that is going on—to use a mild term—the people are going to find some remedy, if they have to make use of the lamp-posts of the country; but it would be better to have more consideration given to this amendment, which may accomplish a splendid purpose. I do not know whether it will or not. It may, by shutting all of the grain exchanges of this country, bring about exactly the opposite result.

There is a good deal in what the Senator from Missouri [Mr. REED] has said. There is no food shortage in this country now. There is a food shortage in the world, and there may be a food shortage for us to face; and, as far-seeing men, we must realize that situation and try to do something to remedy it. But there has been so much hysteria, so much talk about this whole thing, that farmers have been getting rid of immature cattle and immature hogs, and it is producing a bad situation in this country.

I will go to any extent in any kind of drastic legislation against the food speculator in this country. He is making socialists in this country nearly as fast as we can make soldiers, and it is our duty to find some remedy. I believe that the bill now reported will accomplish great good in that direction. If it is not strong enough, let us work out something here in the Senate that will be strong enough to stop this. The speculator must go. We do not want, however, to injure legitimate business.

Mr. KIRBY. Mr. President, I hope the amendment proposed by the Senator from Colorado [Mr. THOMAS] will be adopted. It is said that we have wasted much time in the discussion of things here when we ought to have been acting, and certainly I can cite one instance that will show the necessity for some legislation of this kind. Bread has gone to 10 cents a loaf since this bill has been under discussion in the United States Senate, and it is thought to be due largely to the activity of the gambler in grain, to the efforts of the food speculator. The gambler in grain is a parasite, and always has been, in this country. He is not necessary to its future prosperity, in my opinion.

I am also glad to see that some of our Senators are getting over this war hysteria. I want especially to congratulate the Senator from Missouri [Mr. REED] upon his complete recovery. It was loudly proclaimed by him that we ought to cultivate all the back yards in the United States because of the desirable result existing in Germany and arising from such intensive cultivation there. He forgot at that time that Germany was a little bit of a country, smaller than the State of Texas by as much territory as the whole State of Alabama. He has now realized the condition of this country and the immense possibilities of it in the way of production of crops and wealth, and I congratulate him and congratulate the Senate and hope soon to be able to congratulate the country upon our returning to sound and right thinking.

I say the right time is now for the adoption of some such legislation as is proposed by the Senator from Colorado, and I do not think it is necessary to unload all the responsibility on the President. The amendment that is proposed here as a substitute by the Senator from Oklahoma leaves it to the President to act when, in his discretion, he shall deem it necessary. Everybody else in the United States deems it necessary now to do something. It seems to be considered imperative that something ought to be done by this matter being brought in here as it is; and I am confident that the amendment proposed by the Senator from Colorado, if it is adopted and made effectual, will have some beneficial result in preventing the condition that now obtains and that threatens to grow worse.

You say that we must have these grain exchanges. It may be so; but it is not necessary to manipulate the price of grain to the injury of the consumer and the producer for the gambler's benefit. There is no exchange to fix the price of lumber, and there never has been an exchange to fix the price of coal, and still we manage to get along with the production and sale of these things. I say it is not necessary in the case of grain, either; it is not necessary that the exchange should permit this gambling in futures that does injuriously affect the price to the people of the United States of America; and I hope that the amendment of the Senator from Colorado will be adopted.

Mr. SMITH of South Carolina. Mr. President, I realize, as every other Senator does, the condition that now confronts us. I also realize the fact that in our desire to remedy conditions we stand in danger of doing more evil than good. There are certain fixed channels to which the people have gotten accustomed. We have tried, in the Agricultural Committee, to draft such measures as will meet the condition, and do the most good with the least possible harm.

I think the Senator from Missouri [Mr. REED] has stated, more clearly than I might hope to do, the exact condition. By calling attention to possibilities that may exist, we have precipitated a condition that would not exist. I do not believe that there is any danger of this country suffering under the proper regulation of our forms of distribution.

Now, I just want to make a plea that we allow the bill that is now pending, reported from the Agricultural Committee after hearings and mature deliberations, to be brought in, coordinated with other things relating to the food supply of this country, and discussed here, rather than bring it in in an undigested form and attach it to this bill in the shape of an amendment. Everyone knows that in the great business of the exchanges of this country a central market place is essential. It is not the market place that we wish to destroy; it is the regulation of the pirates who abuse the market place. We want those men who are engaged in reflecting the price for millions of producers and millions of consumers to do it legitimately; and it is for the regulation of these great modern conveniences that we, as intelligent men, ought to legislate, and not produce embarrassment and confusion and disaster by blocking the very channels which years have built up, and which perhaps have been temporarily taken advantage of by these pirates. Let us go after the men who are speculating in this business, and not destroy the ordinary means of information and distribution.

I voted the other day against the proposition to attach to this bill a prohibition of the use of grain in the manufacture of alcoholic liquors not because I was opposed to it—I am heartily in favor of it—but because the committee had already in its possession a bill looking toward settling that proposition. I did not believe that the bill to which it was proposed to attach the Cummins amendment was the proper place to attach it, and I voted against it for that reason. I am going to have an opportunity to vote for a bill that will prohibit the use of grain in the manufacture of alcoholic liquors along the proper lines, and not bring it in here under a 10-minute rule, undigested, unconsidered, and pass it through the Senate because there is a hysterical cry over the country that we must conserve our food.

All of us know that we must conserve the food. All of us are willing to cooperate in conserving it, but we want to do it as sane, sensible statesmen grappling with a great nation-wide problem, and not inject it unconsidered as has been done. I hope that the espionage bill will be the espionage bill and the food-control bill will be the food-control bill, and that we shall not have an overlapping, interlocking, undigested hodgepodge which nobody knows anything about. For that reason I am going to vote against it, as I think it a most ill-considered grain measure.

Mr. VARDAMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Mississippi?

Mr. SMITH of South Carolina. I do.

Mr. VARDAMAN. I thought the Senator was through.

Mr. SMITH of South Carolina. I just want to make this observation and then I am through. I am not going to be put in the position of being antagonistic to a righteous thing because I think it is ill advised to take it at a certain place. I am going to exercise my judgment of the fitness of things. I shall vote on this floor for a measure to take grain in a sensible, sane way out of the production of alcoholic liquors and to control this unholy speculation in food in a sane and sensible way, but not, as one Senator said, make this bill a Mother Hubbard so that nobody will understand what is underneath it or what is in the cupboard.

Mr. HARDING. Mr. President, I think it fair to assume that there was some reason for the introduction of the bill that is pending before the Senate. It is fair to assume that the espionage bill had good reason in its inspiration and that at the beginning of the war, if at any time, there was some call for the introduction of such a bill as is before us. I am not sure how long it has been pending before the Senate, but I

do know that it has been pending here so long that the country wonders at the dilatory tactics of this body.

I said some days ago that I had grown a bit weary of bringing in amendments to the measure which are not germane and which really have nothing to do with the problems incident to the prevention of spies and other offenses which are a hindrance to the Government in the prosecution of the war. So I am going to venture now, though disclaiming any meaning of discourtesy, to announce that until this bill is disposed of by the Senate, for one I am going to oppose every effort to bring in additional problems. There are big questions arising that this body must settle, and they are important enough to be settled on their own merits.

With that in mind, and measuring the public sentiment to which we ought to make response, Mr. President, I move that the amendment of the Senator from Colorado and the substitute offered by the Senator from Oklahoma be laid on the table.

Mr. THOMAS. On that I ask for the yeas and nays.

Mr. SMITH of Georgia. Mr. President, I am authorized by the Senator from Oklahoma to withdraw the substitute. He withdraws it at the request of the Senator in charge of the bill upon the ground that the subject will come up in another measure a little later and he does not desire to inject it at this time.

The VICE PRESIDENT. The question, then, is on the motion of the Senator from Ohio to lay on the table the amendment of the Senator from Colorado. The yeas and nays have been requested on the motion of the Senator from Ohio.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I am paired with the junior Senator from South Dakota [Mr. JOHNSON] and therefore withhold my vote. If permitted, I would vote "yea."

Mr. VARDAMAN (when his name was called). I desire to know whether the junior Senator from Idaho [Mr. BRADY] has voted.

The VICE PRESIDENT. He has not.

Mr. VARDAMAN. I have a pair with that Senator, which I transfer to the Senator from New Mexico [Mr. JONES] and vote "nay."

Mr. WILLIAMS (when his name was called). Transferring my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the senior Senator from New Jersey [Mr. HUGHES], I vote "yea."

The roll call was concluded.

Mr. LA FOLLETTE (after having voted in the negative). Mr. President, if it is in order I wish to make a parliamentary inquiry.

The VICE PRESIDENT. The Chair thinks a parliamentary inquiry is in order.

Mr. LA FOLLETTE. This motion is plainly a violation of the unanimous-consent agreement. I have already voted, and voted against laying the amendment on the table, because it is a violation of the unanimous-consent agreement, which gives every Senator the right to speak for 10 minutes; but I wish now to change my vote, if the motion is carried to lay on the table. I wish to change my vote from "nay" to "yea" in order to move a reconsideration and say something to the Senate about it. I change my vote from "nay" to "yea."

Mr. BRANDEGEE. I vote "nay" because I think it is a violation of the unanimous-consent agreement.

Mr. SMOOT (after having voted in the affirmative). Because I believe it is a violation of the unanimous-consent agreement, I want to change my vote from "yea" to "nay."

Mr. THOMPSON. I have been requested to announce that the Senator from Florida [Mr. FLETCHER] is detained from the Senate on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED].

Mr. GALLINGER (after having voted in the affirmative). I desire to change my vote from "yea" to "nay."

Mr. SUTHERLAND (after having voted in the affirmative). I desire to change my vote from "yea" to "nay."

The result was announced—yeas 54, nays 25, as follows:

YEAS—54.

Bankhead	France	Hollis	Knox
Beckham	Frelinghuysen	Husting	La Follette
Broussard	Gerry	James	Lewis
Calder	Gore	Kellogg	Lodge
Chamberlain	Hale	Kendrick	Martin
Culberson	Harding	Kenyon	Nelson
Dillingham	Hardwick	King	New
Overman	Robinson	Smith, S. C.	Walsh
Owen	Saulsbury	Sterling	Warren
Page	Sheppard	Stone	Watson
Phelan	Simmons	Swanson	Weeks
Pittman	Smith, Ariz.	Townsend	Williams
Pomerene	Smith, Ga.	Underwood	
Ransdell	Smith, Md.	Wadsworth	

NAYS—25.

Ashurst	Johnson, Cal.	Poindexter	Thompson
Borah	Jones, Wash.	Shafroth	Trammell
Brandegee	Kirby	Sherman	Vardaman
Cummins	McCumber	Shields	Wolcott
Curtis	McKellar	Smoot	
Gallinger	McLean	Sutherland	
Gronna	Myers	Thomas	

NOT VOTING—17.

Brady	Goff	Lane	Smith, Mich.
Colt	Hitchcock	Newlands	Tillman.
Fall	Hughes	Norris	
Fernald	Johnson, S. Dak.	Penrose	
Fletcher	Jones, N. Mex.	Reed	

So the motion to lay Mr. THOMAS's amendment on the table was agreed to.

Mr. LA FOLLETTE. I move to reconsider the vote by which the Senate decided to lay the amendment on the table, and upon that I wish to say——

Mr. THOMAS. Will the Senator yield to me?

Mr. LA FOLLETTE. For a moment only.

Mr. THOMAS. I wish to give notice that when the bill comes into the Senate I shall again offer this amendment with the amendment which was suggested by the junior Senator from Minnesota [Mr. KELLOG], and if it is laid on the table I shall have some other amendment to offer.

Mr. LA FOLLETTE. Mr. President, I changed my vote and recorded myself in favor of the motion to lay upon the table the amendment offered by the Senator from Colorado after I had voted against that motion in order that I might move to reconsider the vote. I was opposed to the motion to lay the amendment on the table because such a motion, since it cuts off debate, is in plain violation of the unanimous-consent agreement. I had intended to say something upon the amendment offered by the Senator from Colorado. I do not think I should have occupied the full 10 minutes to which the unanimous-consent agreement entitles every Senator upon each and every amendment offered to the pending bill. The Senator from Ohio selected this particular amendment, the purpose of which is to stop grain gambling, as one upon which debate should be summarily stopped by a motion to lay on the table.

Mr. President, if we are to have unanimous-consent agreements in the Senate, at least the letter, if not the spirit, of such agreements must be observed. If the Senate can make unanimous-consent agreements limiting debate upon the condition that each Senator will be recognized for 10 minutes, if he desires, and then violate not only the spirit but the letter of the agreement by moving to lay amendments offered upon the table, cutting off debate, then by so doing you can enforce the most drastic form of cloture. But resort to such a practice will render it impossible ever to secure another unanimous-consent agreement upon any bill.

Mr. SMITH of Georgia. Will the Senator allow me to state that no one suggested that he wanted to speak further?

Mr. LA FOLLETTE. I did not have the opportunity to suggest it. The Senator from Ohio was recognized, and after making some comment upon the amendment he then moved to lay it upon the table, thus ending the debate.

Mr. SMITH of Georgia. I wish to say that I would not have voted to lay it on the table——

Mr. LA FOLLETTE. I do not believe the Senator would.

Mr. SMITH of Georgia. Had anyone suggested a desire to speak.

Mr. LA FOLLETTE. I do not think the Senator would.

Mr. THOMAS. Mr. President, the junior Senator from Mississippi [Mr. VARDAMAN] was trying to get recognition when the Chair recognized the Senator from Ohio.

Mr. LA FOLLETTE. Well, Mr. President, I move to reconsider the vote by which the amendment was laid upon the table, and it is so plain that it ought to be reconsidered that I do not care to say another word upon the question.

Mr. GALLINGER. Mr. President, believing that the motion to lay an amendment on the table is in palpable violation of the unanimous-consent agreement I changed my vote from "yea" to "nay," and I hope that the motion to reconsider will be agreed to without a prolonged debate. The unanimous-consent agreement is clear; there can be no question about what privileges Senators have under that agreement; and the agreement ought to be carried out to the letter.

Mr. STERLING. Mr. President, merely a parliamentary inquiry. Who is to decide, and how shall it be decided, as to

whether or not this is a violation of the unanimous-consent agreement? Should there not be a ruling upon that question?

Mr. LA FOLLETTE. We will decide that when we vote on this motion.

Mr. OVERMAN. I hope the motion will prevail.

Mr. STERLING. I do not know whether it was left to be decided by the vote on the motion or not.

The VICE PRESIDENT. No point of order was raised until the roll call was ordered. There was strictly no right to stop the roll call, even to let the Senator from Wisconsin explain, when he rose to a parliamentary inquiry; but the Chair did it, and there is no action that the Chair can now take, as the Chair sees it.

Mr. OVERMAN. Mr. President, I hope the motion of the Senator from Wisconsin will prevail. If, under the unanimous-consent agreement, any Senator desires to speak I think he ought to have a right to speak.

Mr. LEWIS. I should like to voice my indorsement of that. We on this side were of the opinion that debate had concluded by consent.

The VICE PRESIDENT. The question is on the motion to reconsider. [Putting the question.] The motion is agreed to, and the vote is reconsidered.

Mr. LA FOLLETTE. Unanimously.

The VICE PRESIDENT. The amendment is before the Senate.

Mr. VARDAMAN. Mr. President. I have never been able to understand how the producers of grain in this country could be benefited by permitting the product of their toil to be the sport of a lot of gamblers who produce nothing, but force the prices up and down, as may best advance their dishonest purposes. The Senator from South Carolina speaks of the "pirates" who take advantage of the stock exchange to run down prices and otherwise manipulate the prices of the necessaries of life. The only way to get rid of the "pirate" who takes advantage of the stock exchange to do his dirty work of plundering and profaning the helpless private person is to close the stock exchange which permits the pirates to operate at its board. The great trouble about the whole matter is that the stock exchange is generally under the control of the pirates, and what they do themselves or permit in the exchange is in the interest of the pirates and against the interests of the honest man who labors to produce the grain that feeds the world.

Without imputing improper motives to anyone, it strikes me that the man who wants to get rid of the evil or stop a bad practice would be in favor of legislating to that end right now. This bill is intended to prevent the perpetration of a great number of crimes and misdemeanors. It is for the purpose of restraining men from doing things that would be hurtful to the Nation if done in time of war. I can not conceive of anything more important, in which the people are more vitally interested, than the supply of necessary food and the control of prices as a war measure. The man who would undertake to unduly raise the prices of the necessaries of life or withhold from the soldiers in the field and the women and children at home the food necessary to sustain life is a greater enemy to the country than the traitor who sells his nation's secrets to the enemy, or one who leads his country's army into ambush. As a matter of fact, the scoundrel ought to be sent to the penitentiary or hanged. And now, if it is a crime to deprive the women and children of food or withhold it from the soldier in the field, then I submit that this amendment ought to be adopted and adopted now.

It has a very proper place in this bill. The argument that this bill should be permitted to pass and take this question up for consideration in another bill does not appeal to me at all. The same objection I apprehend will be urged against it even in the Agricultural bill or the bill providing for the control of food supplies. The question of dealing in futures has been discussed upon this floor upon other and divers occasions, and every time it came up the friends and apologists of the exchange were always earnest in their advocacy of postponement lest by hasty legislation we may disorganize the business of the country.

Mr. WADSWORTH. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from New York?

Mr. VARDAMAN. I do, with pleasure.

Mr. WADSWORTH. Would the Senator be willing to give a definition of speculation in the necessities of life?

Mr. VARDAMAN. The idea I had in mind when I used the word "speculation" was that when men go upon the exchange and buy wheat or other foodstuff not in existence, not intending to have the amount purchased delivered or the seller to deliver the product sold, for the purpose of raising or lowering the price, that is speculation; that is making the product of human toil the plaything of men who do not produce anything. It is gambling, pure and simple, and the interest of the man who produces the thing in which they gamble is in no way considered in the transaction. If the price goes up the producer, if he has been fortunate enough to hold the product of his farm, may be interested, but it is more often the case that the commodity is forced up and the consumer compelled to pay an artificial price for the product of the farm after it has passed from the hands of the man whose toil produced it. It ought not to be permitted. It is a bad practice—a crime against labor—and the only way to prevent it is by a solemn legislative enactment, as is proposed in the amendment offered by the Senator from Colorado [Mr. THOMAS].

I wish that I might be permitted to add cotton to the list of articles in which speculation is prohibited, but I am not going to propose that because probably it is not so necessary just now as it is to protect the prices of foodstuff.

Now, the suggestion that there is a "lack of information" on the subject: Why, Mr. President, this subject has been discussed at great length on the floor of this Chamber. Every phase of the scheme has been presented with great ability by friends of the stock exchange, the defenders of gambling, and also by Senators who are opposed to any sort of legislation on this subject. The evils of speculation in the grain and stock exchanges of the United States are matters of common knowledge and I do not see how any good could come from further postponement of legislation unless it be to give the gamblers a little more time to carry on their devastating, plundering work.

Now, if there is any merit in the measure proposed by the Senator from Oklahoma [Mr. GORE], to give the President of the United States the power to close the exchanges or to surround them with certain restrictions, proscriptions, or rules, certainly this Congress, the lawmaking body of the Government, ought to be quite as capable of handling the question, and I submit the Congress is the proper forum for the consideration of all such matters.

I admit that there is some question about the constitutionality of the amendment offered by the Senator from Colorado, but I am going to resolve the doubt in favor of the amendment, because I realize that the adoption of the amendment will be of far-reaching good and help to the American people who need protection from the commercial pirates and the financial buccaneers who would coin human souls into dollars and wreck the Republic if the pecuniary reward was large enough.

Mr. STERLING. Mr. President, I simply want to say that I voted to lay the amendment of the Senator from Colorado on the table, not thinking at the time that it was in violation of the unanimous-consent agreement; but pending the discussion I have looked over the amendment, and it seems to me that there are some thing about it that are quite objectionable. The amendment is not a prohibition of speculation, but it provides for a suspension of boards of trade, chambers of commerce, stock exchanges, and other bodies or associations engaged in permitting speculation in food products of any character.

Mr. President, there may have been some abuses in boards of trade and chambers of commerce with regard to dealing in food products, but I think also that chambers of commerce and boards of trade are recognized as great instrumentalities of commerce. Why should we now here suspend all operations, legitimate and illegitimate alike, of such boards of trade and chambers of commerce? That is what the amendment will do. It provides:

> That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended.

Mr. THOMAS. Will the Senator from South Dakota permit me to interrupt him at that point?

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from South Dakota yield to the Senator from Colorado?

Mr. STERLING. Yes.

Mr. THOMAS. The junior Senator from Minnesota [Mr. KELLOGG] has suggested an amendment which, when offered, I think I shall accept, which is designed to meet the criticism which the Senator from South Dakota is making, and which is a very sound one.

Mr. STERLING. Very well. I thought the amendment which was proposed by the Senator from Colorado was altogether too broad.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Oklahoma.

Mr. GALLINGER. Mr. President, the request has been made that the amendment proposed on the part of the junior Senator from Minnesota be read for information at this point.

The PRESIDING OFFICER. Without objection, the amendment will be read for information.

Mr. KELLOGG. I now offer the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Minnesota. The Chair understands that the amendment of the Senator from Oklahoma is withdrawn?

Mr. GORE. Yes.

The SECRETARY. At the end of the amendment proposed by Mr. THOMAS it is proposed by Mr. KELLOGG to insert the following proviso:

Provided, That nothing herein shall prevent the actual sale or purchase of commodities in good faith for future delivery and where the products are to be delivered, instead of settled for as is usual in speculative trade.

Mr. KELLOGG obtained the floor.

Mr. GRONNA. Mr. President, will the Senator yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. KELLOGG. I yield for a moment.

Mr. GRONNA. I suggest to the Senator from Minnesota, since he uses the word "actual" in the beginning of the sentence in connection with the words "sale or purchase," that he also use the word "actual" in connection with the words "future delivery."

Mr. KELLOGG. I have no objection to the word "actual" being inserted there, so that it will read "for actual future delivery."

I offer this amendment and desire one moment to explain it. All the grain bought on the Great Lakes during the winter season has to be sold for delivery after navigation opens in the spring—I refer to the actual grain. No company could afford to buy and take the risk of a rise or fall in the market; in other words, speculate in grain. So they must sell it for delivery when navigation opens.

Mr. WILLIAMS. Mr. President, will the Senator pardon me there, just for a suggestion?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Mississippi?

Mr. KELLOGG. Yes.

Mr. WILLIAMS. We found when we were considering this same question with regard to cotton that it would not do to use the words "which are to be delivered," because on the exchanges they pretend always to sell for delivery, and so we used the words "subsequently actually delivered."

Mr. KELLOGG. I have no objection to the Senator perfecting the amendment. I hurriedly drew the amendment to the amendment upon the floor this morning to protect actual purchases of material for future delivery. Manufacturers all over this country are compelled to contract in advance—all the way from 1 to 12 months—for their materials to be delivered in the future, in order to carry on their manufacturing business. I am quite sure that it was not the intention of the Senator from Colorado to prevent contracts for the sale and purchase for future delivery of materials and commodities in the exchanges or outside of the exchanges of this country. Now, I am not opposed, in fact——

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Arkansas?

Mr. KELLOGG. Yes; although I have but 10 minutes.

Mr. KIRBY. Does not the Senator think that if his amendment used the words "for actual delivery in the future" it would relieve any ambiguity and make its meaning certain?

Mr. KELLOGG. I am perfectly willing that the Senator from Colorado shall perfect his amendment. I am not opposed to the principle, and by the vote I cast to table this amendment I do not wish to be understood as being opposed to legislation to prohibit gambling on the exchanges of this country in food products or anything else; and I shall vote at the proper time for any well-considered measure that will limit the exchanges to legitimate dealings in commercial transactions.

Mr. REED. Mr. President, will the Senator from Minnesota yield for a question?

Mr. KELLOGG. I will yield if the Senator will be brief. My time is very limited.

Mr. REED. The question will be brief, but I think it is important. Has the Federal Government any authority whatever over these exchanges or their dealings except in so far as it may regulate interstate commerce?

Mr. KELLOGG. I expect not; I understand not.

Mr. REED. If that be true, is not this whole amendment, this whole proposition, in the teeth of the Constitution?

Mr. KELLOGG. Mr. President, I have not time to enter upon a legal discussion. I presume that the Federal Government has power over contracts of sale in interstate commerce; and as many of the exchanges deal in futures for actual delivery in interstate commerce, I presume also that the Federal Government might have power to regulate those sales. However, I do not wish to discuss that question as my time is not sufficient. But I do wish to say that I am not opposed to the prohibition of speculation in cereals and foodstuffs in this country, nor am I opposed to the prohibition of the use of cereals in the manufacture of intoxicating liquor, but I do believe that these amendments should not be placed upon the espionage bill. They are entirely foreign to the subject we are now legislating about. Discussion on this measure should end, and the bill should be passed so that we may take up other important legislation. We still have pending the Army organization bill, which has been before Congress for nearly a month but which is still in conference. We have the appropriation bill, shipping bill, food-control bill, and revenue bill, all of which are of the most surpassing importance to the people of this country in this war. Are we going to spend three weeks more in legal argument, on technicalities, in trying to place all kinds of amendments on the espionage bill, in taking up the entire summer while time is running and the public and necessities of the Nation are demanding the adoption of these important measures which are essential to our very existence?

I shall vote when the time arrives to limit exchanges to legitimate business and to prohibit, if necessary, the use of cereals in the manufacture of intoxicating liquors, but I do firmly believe that we should pass this bill now and end discussion.

Mr. SMITH of Georgia obtained the floor.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Oklahoma?

Mr. SMITH of Georgia. I yield to the Senator from Oklahoma.

Mr. GORE. I desire to ask the Senator from Minnesota if he thinks his amendment as drawn would permit actual hedging against contracts for the future delivery of actual goods or stock?

Mr. KELLOGG. I will say to the Senator from Oklahoma that that was the intention. I do believe, however, that the amendment of the Senator from Colorado, which I do not oppose in principle, ought to receive careful consideration and be redrafted so that anyone actually purchasing any product and desiring to sell it for future delivery may protect himself against loss.

In answer to the question of the Senator from Oklahoma I will say that all grain is bought practically in the winter for spring delivery. No company could afford to fill an elevator and take the risk of the rise and fall of the market. It must of necessity sell that grain. It is called hedging, but it is the sale of actual grain for delivery in the spring, or in some future month, so that the company buying the grain and handling it in commerce does not take the risk.

I hope this amendment will cover what the Senator from Oklahoma suggests; but if it does not, it ought to be drafted with some care. One can not draw an amendment of that importance in five minutes, while sitting in the Senate, in connection with a bill of such importance as the one now pending before the Senate.

Mr. GORE. Mr. President, I doubt whether the language of the Senator's amendment would permit the actual hedging, and, in my judgment, if you prevent actual contracts for future delivery and actual hedgings against these transactions, you will shipwreck the entire business and do a great deal more harm than good; in fact, it would be a public calamity.

Mr. SMITH of Georgia. Mr. President, it is well known that the Committee on Agriculture has been working upon a food bill and has reported it. It is the hope of the members of that committee that, immediately after the disposition of this measure, we will take up the food-control bill, at which time the broadest opportunity will be given to Senators to contribute their best thought to making it a really serviceable measure.

I have no fixed view on these proposed amendments. I do not know whether I am for them or against them, and I do not wish to vote on them now. I wish to vote on them when they are offered as part of the food-control bill, which, as I have said, I think will come up immediately after the espionage bill has been passed. I will vote against this amendment now in order that I may consider it then.

But the Senator from Colorado says that we voted for the amendment of the Senator from Iowa on Saturday. Perhaps we made a mistake. Perhaps we ought to have left that for fuller consideration in connection with the general food bill; but I was so sure how I stood on it that I was not embarrassed about voting. As a matter of wise policy it probably would have been better to have let that amendment also wait and come

up in connection with the full discussion of food control, which I hope will immediately follow the bill now before the Senate.

Mr. VARDAMAN. Mr. President, will the Senator permit an interruption?

Mr. SMITH of Georgia. Yes.

Mr. VARDAMAN. This amendment, as I understand it, does not treat the subject of food control. It simply prevents the speculator from stealing, from robbing——

Mr. SMITH of Georgia. I can not yield to the Senator, in the little time I have, except for a question. I do not know whether he is right about that. I do not understand it well enough to know whether it prevents robbing, or whether it may be so drawn as to interfere with legitimate business. I want a broader opportunity to consider it, when the entire subject of food control is the subject before the Senate; when the problem before the Senate will be, How shall we undertake to regulate food control, to put a stop to gambling and to that improper conduct which is unjustly affecting the price between the time the food passes from the producer and the time it reaches the consumer?

I hope we will take up that bill next. I hope we will consider the subject of this amendment fully then; and I vote against it now that I may have the opportunity of considering it then, along with kindred matters.

Mr. THOMAS. Mr. President, an amendment having been offered by the Senator from Minnesota, I am given an opportunity to reply to some objections offered to the immediate consideration of this very important topic.

The suggestion made by a number of Senators—the Senator from Georgia among the number—remind me of a very familiar incident in Holy Writ, wherein Felix told Paul to go his way until a more convenient season. This is not the time, it seems, to regulate or attempt to regulate a matter of prime importance, and I am satisfied from what has been said that, if it is so difficult of understanding, the Agricultural Committee in all probability will be engaged a very considerable time in discussing its various phases. Meanwhile, Mr. President——

Mr. SMITH of Georgia. Mr. President, the bill is before the Senate, and ready to be taken up.

Mr. THOMAS. I understood the Senator to say—or certainly some one of the Senators made the statement—that the bill was before the Committee on Agriculture.

Mr. VARDAMAN. This provision is not in it.

Mr. THOMAS. But, Mr. President, while we are discussing that measure, the prices of foods are continually rising, and the process is being accelerated by the speculators and gamblers upon these boards of trade.

Two things are said to be essential to a genuine riot: One is hunger and the other an idea. We may have plenty, but some people in this country are starving, or threatened with starvation, in the midst of plenty; and the idea, rapidly growing, with a firm foundation to support it, is that the interference by individuals and societies and boards of trade and exchanges with the distribution of the food and massing it together to control it and create local scarcities in different communities and places is a cause of these enormous prevailing prices for the ordinary necessities of life. What I want is to prevent the hunger, which does exist in some places, and the idea, which is constantly growing, from fusing into open revolt; and I fear it is coming. There is no proposition that we can deal with as a war measure of more pressing importance to-day than the question of food supply and its distribution.

I believe, Mr. President, that now is the time to act. It is more important than any other one item for our immediate consideration. The constitutionality of this amendment is assailed. Mr. President, if the Government of the United States had the power, through the exercise of Federal authority, to suppress the lotteries of the country, then it certainly has the authority to prevent gambling in the necessities of life—the greatest crime now being committed on a large scale in this country.

Mr. REED. Mr. President——

Mr. THOMAS. While I should like to go on, I will yield to the Senator.

Mr. REED. I was just going to ask the Senator if the Government did not reach the lottery by shutting it out of the mails and by stopping interstate transactions, and not by undertaking to go down and suppress the lottery itself?

Mr. THOMAS. It did adopt that method; but we are not confined to that method only. Now, it is true that overbuying has considerable to do with existing prices; but the very fact that there is overbuying indicates that speculation can utilize that fact to increase prices.

Of course there is plenty of food in the country. I do not question that. The very fact that there is plenty of food in the country, and that the people know it, only aggravates the situation. There being plenty, why can not the people get it? Why can not the man who is working for $100 a month, with a large family to support, secure the absolute necessities of life within his means and his income as heretofore? He can not do it, and the margin between what he receives and what he has to pay is constantly widening. That man wants relief. He must have it. Now, we may train armies to meet our foes from without, but matters of internal concern may become of far more tremendous importance, especially if the evils now extant are the result of our omissions of duty in crises like these.

The Senator from South Carolina [Mr. SMITH] suggests that we may be interfering with something to which the people have been accustomed. It is true that speculation and gambling on the public exchanges in the necesities of life have been going on so long that we have become indurated to them. The same is the case with the use of intoxicants all over the United States. That is deplorable. You can not, however, accustom the people to starvation. You can not accustom them to living beyond their income, with absolute bankruptcy and ruin inevitably confronting them.

I do not want to interfere with legitimate business, but I do want, Mr. President, if it is possible, in this espionage bill, as a war measure, to see the Government extend its arm and close its hand upon the gamblers in the necessities of life who profit by and gloat over the sufferings and requirements of the people, who coin the hunger of women and children into dirty dollars, while we face the greatest peril of the Nation's life.

Mr. WALSH. Mr. President, I am very sure there will be very general acquiescence by the Senate in the sentiments expressed by the Senator from Colorado [Mr. THOMAS], but I desire for a few moments to invite his attention and the attention of the Senate to the amendment that is under consideration before us to meet the evil of which he speaks.

This amendment is not aimed at the act of speculating at all. That is not its purpose. It declares as follows:

> That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character * * * are hereby suspended until the President * * * shall—

And so forth.

Now, Mr. President, what does that touch: "All boards of trade * * * engaged in or permitting speculations in food products * * * are hereby suspended"? Now, what does "speculation" mean? I have before me here the work entitled "Words and Phrases." According to that—

> "Speculate" means to "take the risk of loss in view of possible gain." (Arentsen v. Moreland, 122 Wis., 167.)

Why, Mr. President, that is what boards of trade exist for, to enable persons to buy, in the expectation of making a gain on their purchase, with a chance of losing. So this means—and we might as well understand the measure that we are voting on—that every board of trade is by this act suspended.

Mr. THOMAS. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH. I shall be glad to yield.

Mr. THOMAS. Does the Senator think that boards of trade the members of which are engaged in buying and selling millions upon millions of bushels of grain which has no existence, which never had any existence, and which never will have any existence, for the purpose of manipulating the price upon the smaller amount which has existence, should be permitted to continue their operations at the present time if the Government can prevent it?

Mr. WALSH. I do not, and I am endeavoring to direct the attention of the Senate to the fact that the Senator's amendment does not attempt to reach such an evil as that; that to reach that he outlaws every public market in the country that is engaged in affording buyers and sellers an opportunity to come together. Now, you can not stand for that.

Mr. KIRBY and Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana has the floor. Does he yield, and to whom?

Mr. WALSH. Wait a minute. I want to answer the Senator from Colorado by calling his attention and the attention of the Senate to the fact that another committee of this body, the Judiciary Committee, has been endeavoring to deal with that evil. The Judiciary Committee has been confronted with the necessity of trying to make provision to prevent and punish exactly the thing that the Senator from Colorado now talks about. A subcommittee of that committee consisting of the Senator from Washington [Mr. POINDEXTER], the Senator from

Utah [Mr. KING], and myself, reported this morning the following bill:

That any person carrying on or employed in commerce among the several States, or with foreign nations, or with or in the Territories or other possessions of the United States, in any article suitable for human food, fuel, or other necessaries of life, who, either in his individual capacity or as an officer, agent, or employee of a corporation or member of a partnership carrying on or employed in such trade, shall store, acquire, or hold, or who shall destroy or make away with any article for the purpose of limiting the supply thereof to the public or affecting the market price thereof in such commerce, whether temporarily or otherwise, shall be deemed guilty of a felony, and be punished by imprisonment in the penitentiary for not less than six months nor more than four years.

Mr. BORAH. Mr. President——

Mr. WALSH. That bill expresses quite clearly my desire, quite in accord with the desire of the Senator from Colorado, to do away with the evil which he so eloquently and so very properly denounces.

Mr. KIRBY. Mr. President, I should like to ask the Senator a question.

Mr. WALSH. But, Mr. President, the question is whether, in order to do away with that evil, you are going to abolish the very market in which the farmer of this country finds an opportunity to dispose of his produce.

I yield to the Senator from Arkansas.

Mr. KIRBY. Is it not true that if this bill means what the Senator says it does, it is limited by the amendment accepted to such transactions as are speculative and gambling in character and not intended for delivery at all?

Mr. WALSH. Not in the slightest degree.

Mr. KIRBY. I want to ask the Senator another question.

Mr. WALSH. Let me answer——

The PRESIDING OFFICER. The Senator from Montana has the floor. Does he yield to the Senator from Arkansas?

Mr. WALSH. I yield.

Mr. KIRBY. Does not the bill that the Senator proposes there only affect the man who actually puts his money into the stuff and corners it, whereas here we are trying to abolish the kind of speculation where a man does not have to buy anything at all, but just puts up margins and gambles on it? The Senator is willing to regulate the man who actually puts all his money into a commodity and stores it up—and he ought to be regulated, perhaps——

Mr. WALSH. I decline——

Mr. KIRBY. But this other measure is designed to reach the man who does not actually buy anything at all. That is the question.

The PRESIDING OFFICER. The Senator from Montana has the floor and yielded it for a question?

Mr. KIRBY. That is the question.

Mr. WALSH. I yielded to the Senator for a question. He abused my courtesy in the matter.

Mr. KIRBY. I beg the Senator's pardon. I only wished to submit the question.

Mr. WALSH. I did not want to yield to the Senator to make an argument. Now I reply to his question.

Mr. KIRBY. And I beg that the Senator may have the 10 minutes that I would have had to discuss this question.

Mr. WALSH. Mr. President, that does not affect the situation at all. This abolishes all boards of trade that permit speculation, and speculation, as I have indicated, is the buying of property, taking some risk, with the hope of making some gain. That is the legal definition of the word "speculation."

Mr. President, I want to remark also that even so, it is utterly impossible to tell what this amendment means. It says:

That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any form or character, are hereby suspended.

"Speculation in any form or character." Now, does that mean that the boards of trade which now exist may correct their practices in the future; and, if so, they shall be permitted to continue their existence? Or does it mean that any board of trade that now permits this, however resolute may be its purpose in the future to change its methods of operation, shall be suspended? Bear in mind, the act will speak as of the date when it is passed; that is, at the time this act is passed any board which, by its regular procedure, permits these things to be done is thereby suspended.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH. I yield.

Mr. THOMAS. I want to remind the Senator that an amendment has been offered to this amendment by the Senator from Minnesota, with which I think he is not familiar. I wish to say also that if the Senator's argument is sound the Chicago exchange should resume its gambling practices which it voluntarily suspended last Friday.

Mr. WALSH. The Chicago Board of Trade, as I understood, prevented speculation in May wheat; it suspended any futures whatsoever in May wheat; and, as pointed out by the Senator from Minnesota, it has prohibited even the most legitimate transactions in May wheat—that is, as I understand, any futures whatever in the sale of wheat.

Mr. President, that is all that I care to say about this matter. I wish to have it understood that you are not voting to punish anybody who shall speculate at all. You are not voting to punish in any manner the boards that now permit speculation or that may permit it in the future; but you are voting here to disturb and to destroy the very heart of these great business enterprises in the country.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. KNOX. Mr. President, I intend to vote against this amendment, not because I am not in entire sympathy with the purpose but I think that perhaps this is not the time to consider so grave and important and so complicated a question. The Congress of the United States and the legislatures of the various States of the Union have for many years been endeavoring to deal with this question of checking speculation or speculative gambling. We are now dealing with a bill primarily having reference to interference with our foreign relations. Of course, perhaps the inclusion of the words "foreign commerce" in the title might in some sense suggest that this amendment is germane, but only in about the same sense that I noticed once in Yonkers, in your State, Mr. President (Mr. WADSWORTH in the chair), a signboard by a little hut at the edge of the village "Bull pups and violets for sale here." It never struck me that they were exactly germane, but the vendor in that case thought that they, perhaps, were.

However, this amendment has a specific purpose, and that purpose is to punish the people who engage in the nefarious practice of undertaking to make money out of the necessities of the people and to corner the prime necessities of life. The amendment undertakes to close institutions of great utility, institutions without which the farmer, the lumberman, the wool man, or the cotton raiser could not get the best price for his product. It is necessary for boards of trade and chambers of commerce to exist for the benefit of the producer. It is their legitimate business to bring the purchaser and the seller together and to establish an opportunity to get the best price. I think it is now generally recognized that no moral turpitude is involved in the conduct of a board of trade or a chamber of commerce.

This provision is, I think, predicated largely upon a mistake. It says that the boards of trade and chambers of commerce that are engaged in speculative enterprises shall be abolished. Boards of trade and chambers of commerce are not engaged in enterprises of any kind except to give the facilities of their floors to the actual trader, but the entity itself does not engage in transactions. But it adds another clause:

Engaged in or permitting speculations.

The Senator from Colorado accepts, I understand, in principle, the amendment of the junior Senator from Minnesota [Mr. KELLOGG] that this shall not prevent the actual sale or purchase of commodities in good faith for actual future delivery, which it should not, because there is no great enterprise that does not purchase its material, raw or finished as the case may be, long in advance, long in the future, and before they are created. We purchase labor now in advance by making agreements with the unions running along a certain period in advance before the prices are made upon commodities.

But even though the construction is placed that the amendment of the junior Senator from Minnesota to the amendment puts upon it, I want to ask this question: How would a chamber of commerce or a board of trade know that a transaction, valid upon its face, between A and B, which was completed upon the floor of the chamber, was designed to contemplate an actual delivery or not? There is absolutely no distinction in the form of the contract. If I buy from you, Mr. President, a thousand bushels of wheat to be delivered next autumn, no one would know but you or I whether I intend to make you a delivery or whether our intention is to settle upon the margin.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from North Dakota?

Mr. KNOX. I do.

Mr. GRONNA. The Senator from Pennsylvania stated that the exchanges were operating for the benefit of the producer, and I have no doubt but what the Senator believes that to be

the case. Does the Senator mean by that statement that the producers have a right to enter these exchanges and actually sell or offer for sale their products?

Mr. KNOX. Only through the brokers. These organizations are created for the purpose of bringing the buyer and seller together. I do not wish the Senator from North Dakota to understand that I believe they are not abused. I think though that we ought to sit down in connection with some bill to which the matter is more germane and trace the thing out artistically and scientifically, so that we may reach the evil.

Mr. GRONNA. Will the Senator permit me another question? The Senator has stated that the producer would only be permitted to make the exchange or the sale through a broker. Could he do that through any broker in the United States?

Mr. KNOX. No; he must be a broker who is a member of the board of trade.

Mr. GRONNA. Of that particular exchange? Of course I suppose the Senator knows that the producers of the Northwest have actually been discriminated against and refused——

Mr. KNOX. I shall have to insist upon having the remainder of my time. I am not willing to yield.

Mr. GRONNA. I say this for the purpose of giving the Senator the information that there is more than one exchange, for instance, we will say in a certain city——

Mr. KNOX. Mr. President, I accept the motive of the Senator, and I am much obliged for the information that he is imparting, but that only gives emphasis——

Mr. GRONNA. I shall, in my own time, give the information.

Mr. KNOX. It only gives emphasis to the fact that there are questions connected with this amendment that should be thrashed out, and that we ought to take it up as a whole and not work on it in piecemeal on this particular bill, without an opportunity to give it thorough and intelligent consideration.

I am just as much in sympathy with any legislation that will lay its hands upon those who speculate in the commodities of life to the detriment of the public as any man on the floor of the Senate, but when I reach forth to lay hands upon that nefarious practice I want to do it in an effective way and in a way that the first court to which the legislation may be submitted will not drive a horse and cart through it.

Mr. President, the whole purpose of my observation was to suggest that this matter should go over until the time when we can consider it more deliberately and as deliberately as its importance demands.

Mr. PITTMAN. Mr. President, while I favor the purpose of this amendment and believe that every Senator here favors it, I am going to decline now and from now on to vote for any amendment or any bill simply because the purpose of the amendment or the bill meets my approval when I am unable to construe the effect of the language used in the amendment or the bill. I am unable to construe the language of this amendment. I do not know whether it would accomplish the purpose of the Senator from Colorado or not.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Colorado?

Mr. PITTMAN. I yield.

Mr. THOMAS. If the Senator is in favor of the purpose of the amendment, and I do not doubt it, I would be very glad to accept any change in the phraseology that, in his judgment, would carry out his purpose.

Mr. PITTMAN. The Senator has shown that very clearly heretofore when he accepted the amendment offered by the Senator from Minnesota. This discloses the fact that he drew this amendment hastily and without giving it sufficient consideration. He admitted that the amendment of the Senator from Minnesota was an exception and a very important exception to his prohibition of the dealing in futures.

Mr. THOMAS. I did not draw the amendment hastily; but at the same time, if I have not covered the purpose properly I am more than willing to again offer to accept such changes as will, in his judgment, carry out the purpose the Senator has in mind.

Mr. PITTMAN. I have such a high opinion of the Senator's ability as a lawyer and statesman that I imagine if he had not drawn it hastily without proper consideration he himself would have put in the amendment that the Senator from Minnesota offered. I am satisfied also that the language used in this amendment would not have been the language used by the Senator if he had drawn it carefully. I do not think he would have used the words:

> Speculations in food products of any character in the form of what are known as futures or in any other form or character.

There is no one here who does not desire to prevent gambling in food products as distinguished from speculation in food products. The Senator has not drawn that distinction in this amendment.

The Senator has gone further and stated that—

> all agreements, wages, and contracts for wagers regarding food products of this character now and heretofore made shall be prohibited.

I am satisfied that the Senator from Colorado does not mean to say that a contract heretofore entered into is prohibited under this bill, and yet that is the language used in it. He states that if a contract heretofore executed as prohibited in this bill is in existence in one of these stock exchanges, then such exchange is suspended. I am sure he does not mean that, and yet it is in the amendment of the Senator.

I simply bring that up for the purpose of illustrating that this amendment is illy considered, that it has not been considered at all. There has not been a Senator on the floor discussing it who has given any clear construction of the language in it; they have all argued the question as to whether or not we should prohibit gambling in food products. We all agree on that proposition.

Mr. KIRBY. I would like to ask a question.

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. PITTMAN. I yield.

Mr. KIRBY. Is it not a well-settled rule of construction that no court ever gives any language in a statute a retrospective or retroactive effect unless compelled to do so by the express intent of the act?

Mr. PITTMAN. I think the Senator from Colorado is also too good a lawyer to put that in this bill unless inadvertently. It simply illustrates what I am saying—that there is no Senator here who does not understand what is the purpose of the amendment. He understands the intention of the Senator from Colorado, but he does not understand what this language means. There is no definition of the offense given in the amendment; and I am not willing to stand here and vote for ill-considered amendments or bills simply because the intention of the author is good and meets my approval. I want to know from now on whether the language expresses the desire of the Senator who offers it. I want some appropriate committee to give careful attention to this most important subject, because I hope a bill will pass that will destroy gambling in food products and will not at the same time destroy the legitimate functions of legitimate exchanges and boards of commerce.

Mr. THOMAS. In order to meet the criticism of the Senator from Nevada, I shall ask leave to strike out the word "heretofore," on line 8, and make it "hereafter," as I should like to get the Senator to vote for the amendment. I understand by unanimous consent the permission of the Senate is granted to make that change?

The PRESIDING OFFICER. The Senator can modify his own amendment.

Mr. REED. Mr. President, I have already stated my sympathy for this kind of legislation and with what is in the mind of the Senator who offered the amendment. I do not want to be always harping about the Constitution, but it does seem to me lately that the Constitution is about as much thought of here as a statute of Henry VIII. This is the first time it has ever been proposed to my knowledge to undertake to go into the various States of the Union and affect a matter that is purely local. We undertook to destroy the Louisiana lottery, but how did we undertake to do it? We did not enact a statute saying "it is hereby declared unlawful to conduct such a lottery in the United States"—nothing of that sort. We did not reach the Louisiana lottery in that way. The lawmakers of that day did have some regard for the Constitution. I am not saying that we have altogether forgotten it—but they planted themselves on a constitutional power. Accordingly, if you will examine the lottery statutes, you will find this to be the enactment:

> Whoever shall bring or cause to be brought into the United States or any place subject to the jurisdiction thereof, from any foreign country, for the purpose of disposing of the same, any paper certificate or instrument purporting to be or to represent a ticket, chance, share, or interest in or dependent upon the event of a lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any advertisement of, or list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or similar scheme; or shall therein knowingly deposit or cause to be deposited with any express company or other common carrier for carriage, or shall carry from one State, Territory, or District of the United States—

In other words, the crime is made to consist of bringing the tickets into the United States or in sending them from one State to the other. Thus under that clause of the Constitution we reached the crime which gives us power over interstate commerce. But no one dreamed of such a thing as the enactment of a statute simply providing that no lottery should be conducted anywhere in the United States, because that would be a matter for State control.

That same language, Mr. President, runs through all the sections and all the amendments to the lottery act. In one section they are prohibited the use of the United States mail.

So when we sought to reach the evil of dynamite in this country we did not provide that whoever should blow up a building should be guilty of a crime against the United States. However horrible and heinous that offense may be, the lawyers of that day in the Senate and out of the Senate knew that it was a matter for State control. But what we did do was to provide that whoever shall in interstate commerce transport dynamite for certain purposes shall be held guilty of a crime.

Mr. KIRBY. I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. REED. I think I might as well, because——

Mr. KIRBY. Is it not a fact that Congress possesses power to pass a law regulating interstate commerce, and if the courts should attribute to this the exercise of that power it would be held to be constitutional?

Mr. REED. The Senator said something of that kind a moment ago, but I prefer before answering to finish the sentence which I was on. When we sought, therefore, to reach the dynamite evil we prohibited the shipment of dynamite in interstate commerce, and every man who was convicted in the dynamite cases was convicted on that ground and on that charge. He was not convicted of having blown up a building in San Francisco; he was not tried for that offense; but he was tried for sending in interstate commerce dynamite contrary to the provisions of the statute.

Now, answering the Senator's question, of course it is conceivable that if a statute be so drawn that it is and can be legitimately attributed to the exercise by Congress of a power in interstate commerce it might be so construed, and would be so construed probably. But it does not follow that if we pass a statute and say nothing about interstate commerce, leaving it out altogether, the court will then proceed to construe into the statute language that we did not put there either directly or by inference. Courts can not rewrite the statutes we enact. They may construe, but they can not pass laws.

Mr. BORAH. Mr. President——

Mr. REED. It is not proposed here to reach the transactions that are in interstate grain trade. That is not the proposition. The proposition is to reach the concerns which are engaged in transactions of a speculative nature in grain, and that would apply whether they were engaged in purely local transactions or in interstate transactions.

So I say, while I sympathize to the utmost with every effort to stop grain speculations, I am opposed to trying at this time in this haphazard way to enact the law.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER (Mr. LEWIS in the chair). Does the Senator from Missouri yield to the Senator from North Carolina?

Mr. OVERMAN. I rise, as the Senator is about finishing his speech, to a question of order, and I do so because the Senator is about through.

Mr. REED. The Senator from Idaho [Mr. BORAH] had risen to ask me a question.

Mr. OVERMAN. I know; but I am going to raise a question of order. I want the Senator to understand why I do so.

The PRESIDING OFFICER. The Senator from North Carolina will state his question of order.

Mr. OVERMAN. Under the unanimous-consent agreement a Senator can speak but once on an amendment. That does not permit him to speak once on an amendment and once on an amendment to an amendment. In other words, the speeches are limited to amendments. If the Chair will read the unanimous-consent agreement, he will see that a Senator can speak only once upon an amendment; that he can not speak twice—that is, on an amendment and on an amendment to an amendment. I raise that point as the Senator from Missouri is about through.

Mr. REED. It is entirely agreeable to me to have it raised. It is entirely plain to me that it is not a good point.

Mr. OVERMAN. I want the Chair to rule on it. I ask the Chair to read the unanimous-consent agreement.

The PRESIDING OFFICER. The Chair will say that if the Senator from Missouri had concluded and there was no one against whom the point could be raised, the Chair has no occasion for a ruling.

Mr. OVERMAN. The Senator from Missouri has the floor, but is about through. That is the reason why I raised the point. In a few minutes he would have concluded, and I raise the point of order that he is now out of order.

The PRESIDING OFFICER. Does the Senator from Missouri controvert the point of order?

Mr. REED. Undoubtedly I do.

Mr. OVERMAN. I ask the Chair to read the unanimous-consent agreement and to rule on it.

Mr. REED. We might be able to get a vote.

Mr. OVERMAN. We will never get a vote if the point of order is not well taken, because a Senator can offer an amendment to an amendment and speak on that for 10 minutes, and then he can submit another amendment to the amendment and speak on that for 10 minutes, and go on for 10 hours. The unanimous-consent agreement reads that—

> No Senator shall speak more than once, or more than 10 minutes, upon the bill, the substitute, or any amendments thereto.

An amendment to the bill is not an amendment to an amendment. I call the attention of the Chair to this language.

The PRESIDING OFFICER. The Chair would like to ask the able Senator from North Carolina what his viewpoint is on the following: Suppose an amendment was tendered and then an amendment to the amendment which presented the identical subject matter. Does the able Senator from North Carolina assume that the Senator presenting the latter could not address the Senate upon it?

Mr. OVERMAN. A Senator can speak only once on an amendment according to the language of the unanimous-consent agreement.

The PRESIDING OFFICER. If the able Senator from North Carolina is correct in his construction of the order, this occupant of the chair would be compelled to hold, as presently advised, that the order does not comprehend at all an amendment to an amendment and it rests for its power under the general rules of the Senate.

Mr. OVERMAN. The agreement is that no Senator shall speak more than once on an amendment.

Mr. REED. And the logic of the Senator is this——

Mr. KIRBY. Mr. President, I wish to say——

The PRESIDING OFFICER. The Senator from Missouri has addressed the Chair. The Chair will gladly hear the Senator from Arkansas at the first auspicious moment.

Mr. REED. I have only a suggestion to make. The Senator's point is that as the language of the unanimous-consent agreement is that a Senator shall speak only once on the bill and only once on an amendment, therefore he is precluded from speaking on an amendment to an amendment. If our unanimous-consent agreement does not deal with an amendment to an amendment, then it was not intended to include an amendment to an amendment within the limitation of 10 minutes, and then we have no unanimous-consent agreement with reference to an amendment to an amendment, and we can speak on it as long as we want. It seems to me that that is the logic of the point of order raised by the Senator from North Carolina.

Mr. OVERMAN. No; a Senator can speak but once on an amendment.

The PRESIDING OFFICER. The Chair will now gladly hear the Senator from Arkansas.

Mr. KIRBY. I wish to suggest one matter relative to the point of order. I understand if the amendment proposed by the Senator from Minnesota to the amendment was accepted, and the amendment having been reconsidered, its status was the same as though it had never been voted on at all. Senators who have spoken on it before are out of order necessarily under the terms of the agreement.

Mr. WALSH. Mr. President, I should like to say a word. I do not think that that position can be sustained. The Senator from Colorado proposed an amendment. Some one talked on it for 10 minutes. The Senator from Minnesota proposed an amendment to the amendment. It would be intolerable that one would have to vote on the principle embodied in the amendment to the amendment without having an opportunity to express his views upon it.

Mr. OVERMAN. I thought the Chair had ruled against the point of order. Therefore I do not want to continue the debate on it.

The PRESIDING OFFICER. The Chair did rule against the Senator, but he is anxious to hear Senators who may have a contrary view to present.

Mr. OVERMAN. I hope that we can get a vote upon the bill. It has been before the Senate for over two weeks. It has been discussed here day in and day out, and I should like to get a vote.

Mr. KIRBY. I should like to ask the Senator from Montana a question of order. If an amendment is proposed and an amendment to that amendment is proposed and accepted, does it not become a part of the amendment, and a Senator having once spoken upon the amendment can he be permitted to speak a second time on it under the 10-minute rule now in force?

Mr. WALSH. I do not believe that the Senator from Colorado, by accepting the amendment proposed by the Senator from Minnesota, can possibly preclude me from discussing the principle of the amendment proposed by the Senator from Minnesota to the amendment.

Mr. OVERMAN. If a Senator wants to talk for six hours on any one amendment, he can do so according to the unanimous-consent agreement if the ruling of the Chair is right; but I am not going to appeal from his decision. A Senator can move to strike out any word in an amendment at any time and speak to this amendment to the amendment, and keep on submitting an amendment to the amendment, and so he could speak for 10 hours under that construction of the unanimous-consent agreement.

Mr. WALSH. Of course, if anyone would attempt thus to violate the spirit of the agreement we could deal with that question when it came up.

Mr. OVERMAN. That is the point I am making. I want to know whether we can stop debate. If we can not stop it, it may go on indefinitely. I do not make any appeal. The Chair has already ruled on the question, and I will not discuss it.

Mr. REED. I suggest if the Senator in charge of the bill would ask unanimous consent to vote upon the bill at a given hour he might get it.

Mr. OVERMAN. I do not think so. I have tried it.

Mr. BORAH. If the point of order has been disposed of, I wish to address the Chair.

Mr. WALSH. I rose to address the Chair.

Mr. BORAH. Excuse me; I thought the Senator from Montana was through.

The PRESIDING OFFICER. The Senator from Montana still maintains the floor.

Mr. WALSH. Mr. President, I address myself to the amendment before the Senate, and I want to seize the opportunity to reply specifically to the question addressed me when I was on the floor before by the Senator from Arkansas [Mr. KIRBY]. Possibly at the time I replied with more acerbity than the provocation justified, but I want to call attention to it by the reason of the amendment just accepted by the Senator from Colorado. I trust the Senator from Arizona [Mr. SMITH] will permit the Senator from Colorado to give me his attention. I trust that order may be restored until I call attention to the matter.

Mr. THOMAS. I beg the Senator's pardon; I was not aware that the Senator was addressing his remarks to me.

The PRESIDING OFFICER. The Chair quite understands that the Senator from Colorado did not hear the first observation of the Senator from Montana.

Mr. WALSH. I desire to invite the attention of the Senator from Colorado again to the fact that the amendment in its outset abolishes all boards of trade. Then, after all such boards of trade are abolished, it provides——

Mr. THOMAS. Mr. President——

Mr. WALSH. I hope the Senator will wait a moment until I have made the statement. It provides that such contracts as the Senator desires to prohibit are forbidden. Of course, that means outside of the boards of trade, for the boards of trade are abolished.

Mr. THOMAS. Mr. President, if the Senator will permit me, the amendment does no such thing, if I understand the English language. It suspends such boards of trade as permit gambling in foods during the war.

Mr. WALSH. No; Mr. President, that is not the language of the amendment. That is the point I am trying to make. What the Senator wants to do is what he now says he wants to do; that is to say, his amendment should provide, in substance, that hereafter any board of trade which shall be found to permit these practices shall be thereafter suspended during the war; but, Mr. President, I call attention to the fact that that is not what the amendment provides. I want to speak now with reference to the amendment which the Senator from Colorado has just accepted, the amendment proposed by the junior Senator from Minnesota [Mr. KELLOGG] to show the Senator from Arkansas [Mr. KIRBY] that that is not the case. It abolishes all boards of trade and then provides:

And—

Now, this is a new thing; the boards of trade are all suspended—

all agreements, wagers, and contracts for wagers regarding food products of this character now and hereafter—

As the Senator now makes it—

made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations by the members thereof are hereby prohibited pending such proclamation.

That is to say, after all these boards of trade are abolished, if they go out on the street and make such contracts those contracts are prohibited by this provision. Then, Mr. President, in exactly the same way comes in the amendment offered by the Senator from Minnesota:

Provided, That nothing herein shall prevent the actual sale or purchase of commodities in good faith for actual future delivery, and where the products are to be delivered, instead of settled for as usual in the speculative trade.

That is to say, Mr. President, this will authorize the making of contracts of that character, and there will be no longer any board of trade upon which contracts of that character can be made. If they are made at all, they must be made in private transactions, somewhere else than in the open market such as is provided by a board of trade. That is what this amendment provides for.

The Senator says that he wants to abolish the boards of trade which hereafter permit the transactions denounced by him. If so, let me ask the Senator from Colorado what provision has he made for determining which board of trade does, and which does not, permit these inhibited transactions, and who is going to say whether it does or does not?

Mr. THOMAS. Mr. President, there are boards of trade which make a business of speculation, some of them, I might say, whose sole object is to speculate in food products, while hundreds of exchanges do nothing of the sort.

Mr. WALSH. Exactly. The Senator contemplates——

Mr. THOMAS. But if this measure becomes a law, I think the administration will find no difficulty ascertaining the proper parties to be included within its terms.

Mr. WALSH. That is what I want to know from the Senator—who is going to do that? When the Senator says that he wants to prohibit such boards of trade as will in the future permit this practice, evidently he contemplates that some of the boards of trade will permit the inhibited transactions and that some of the boards of trade will not permit the inhibited transactions. Now, I want to ask the Senator—who is going to pick out the boards of trade that are going to be suspended; who shall make the declaration?

Mr. THOMAS. In turn, let me ask the Senator from Montana what branch of this Government executes the law? He is too good a lawyer not to know that it is the administrative department.

Mr. WALSH. The Senator from Colorado is too good a lawyer not to know that you have got to put the power somewhere. There are no executive officers of the Government mentioned in the amendment. Is the Secretary of Agriculture going to determine whether one particular board of trade does not permit these transactions? Is it to be the Secretary of the Interior? Is it to be the President of the United States? Who is it that is going to determine whether a particular board of trade falls under the condemnation of the act? When and how is the judgment of suspension to be rendered? Is it to be by an adjudication of a court, or is it to be by a proclamation of some executive officer?

Mr. THOMAS. In answer to that question——

Mr. WALSH. Let me ask the Senator, further, is it to be after a hearing in which the board of trade will have an opportunity to answer the charge that it permits this practice, or is it to be done by an ex parte proceeding?

Mr. THOMAS. I can answer but one question at a time, and the Senator from Montana has asked me several. I will try to answer his first question.

This proposes an additional section to one of the chapters of this espionage bill. It will fall naturally and properly to the department which has the execution of that chapter. I might further reply by asking the Senator from Montana who is to execute the other provisions of this, the most remarkable bill ever brought to the consideration of this or any other Congress? The administrative department. If the Senator is apprehensive that, should the amendment be incorporated into the law, it may not be executed for lack of precision as to what particular department shall administer it, if he will move an amendment covering that proposition I will accept it. I want to meet his apprehensions and those of every other man who advances them as reasons for opposing it. What I want is a favorable vote on this amendment, and I am satisfied, as I think we all are, that it will be enforced, because public opinion will compel its observance.

Mr. WALSH. That means that the Senator can not answer the question; that is all.

Mr. THOMAS. It may be that is the Senator's opinion.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WALSH. I yield to the Senator.

Mr. KIRBY. The board of trade itself determines the question. If it sells contracts for gambling purposes, then the law says, "Your exchange shall be closed," and those charged with the execution of the law will close the exchange. The procedure is similar to that in the case of a man who sells liquor to a minor.

Mr. WALSH. Let me ask the Senator from Arkansas a question?

Mr. KIRBY. Certainly.

Mr. WALSH. Does not the Senator from Arkansas recognize that there may be a board of trade which would make a rule, and absolutely enforce it, prohibiting these inhibited transactions?

Mr. KIRBY. They would not do that.

Mr. WALSH. Very well. Then, may I ask the Senator from Arkansas a further question?

Mr. KIRBY. Certainly.

Mr. WALSH. Who is going to say whether a particular board of trade does or does not commit this offense?

Mr. KIRBY. The court.

Mr. WALSH. What court?

Mr. KIRBY. If a man violates this law he will be prosecuted for it, just as in the case of a man who unlawfully sells liquor to a minor.

Mr. WALSH. Excuse me, but this provision says the board is "hereby suspended." What board?

Mr. KIRBY. The board that permits gambling.

Mr. WALSH. Who will determine that?

Mr. KIRBY. That will be determined upon an inquiry, as in the case of all other crimes, as to whether or not they are committed.

Mr. WALSH. That is to say, the Senator from Arkansas contemplates a judicial procedure of forfeiture, or something of that kind, against the board that is charged with having permitted these transactions?

Mr. KIRBY. Not at all. That is the enforcement of it.

Mr. WALSH. Exactly; that is the enforcement of it. That is the way these decisions are going to be enforced. I submit that there is nothing in the amendment that will give any court jurisdiction to proceed against any institution by which it is claimed a violation of this law has been committed. and that is not what is in the minds of Senators who are voting for this provision. It is not the language of the amendment at all, for the language is that the board is "hereby suspended."

The PRESIDING OFFICER. The Chair is compelled to inform the Senator from Montana that his time has expired.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Has the Senator from Montana yielded the floor?

Mr. WALSH. I have.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. BORAH. Mr. President, I desire the attention of the Senator from Colorado for a moment. I find myself in regard to this amendment about in the same attitude of mind that I do in regard to some other amendments, believing in the principle and object to be attained and yet somewhat dubious as to the method by which we shall arrive at the object desired.

This amendment on the face of it says:

That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended—

And so forth.

Aside from the arguments which have been presented here by the Senator from Montana [Mr. WALSH] and others, which are not entirely conclusive to me, as to its unworkability, yet upon its face it seems to deal, and under the decision of the Supreme Court in the first employers' liability law would be held to deal, in my judgment, with bodies which were purely intrastate as well as those which are engaged in interstate commerce.

I can not conclude that we have power, even in times of emergency, to disregard the provisions of our Constitution and our form of government which recognizes intrastate and interstate business. So I have prepared rather hurriedly an amendment to be offered as an amendment to the amendment. I do not know whether it meets the situation or not, but I think if it were adopted and should go to conference proper language might be worked out to cover it. The amendment is, to insert after the word "associations," in line 2, the words "transacting business in a way as to be subject to the regulative power of Congress," so that the amendment of the Senator from Colorado will read:

That all boards of trade, chambers of commerce, such exchanges or other bodies or associations transacting business in a way as to be subject to the regulative power of Congress, engaged in or permitting speculations in food products—

And so forth.

The object, of course, of the proposed amendment to the amendment is to bring whatever we are attempting to deal with under the regulative power of Congress to deal with, namely, the interstate-commerce power. Does the Senator think, in other words, that upon the face of this amendment it would be held to be constitutional by the Supreme Court?

Mr. THOMAS. Mr. President, perhaps I can answer by asking the Senator a question in turn. Does the Senator believe that the amendment of the Senator from Iowa [Mr. CUMMINS], which was adopted on Saturday, is constitutional?

Mr. BORAH. No; I do not.

Mr. THOMAS. Then, of course, I can appreciate the force of the Senator's position. As the exercise of a war power and for the conservation of our food supply, I am willing to accept the affirmative of a very questionable proposition and sustain the right of Congress to enact such legislation at this time. It is upon the same theory that I contend that this amendment, if adopted, will be sustained. It is vital to the welfare of this country that our supplies be conserved and increased; it is vital also to preserve the public peace, welfare, and the domestic tranquillity of the United States at all times, and particularly when engaged in war with a foreign power. Upon that assumption this amendment was prepared. I believe that as one of the war powers of the Government at this time, if it be necessary that gambling in food products should be prohibited during the course of this war as an essential to the preservation of domestic tranquillity, preventing domestic revolt and riot, to do away with food speculators, it is or should be within the power of Congress to enact such legislation.

Now, with reference to the amendment proposed by the Senator from Idaho, I should be willing to accept it were it not that I believe it might destroy the practical force of my amendment, because I can not recall any board of trade or stock exchange in the country that is subject to any but the laws of the State which created it. Such bodies are not corporations organized in one State doing business in another; but they are strictly local concerns; and while some of their operations are within the power of congressional regulation, of which this is perhaps one, to insert such an amendment in the amendment I propose might strip it of all vitality.

Mr. BORAH. Very well. I do not desire, of course, to injure the Senator's amendment.

Mr. THOMAS. I understand that.

Mr. BORAH. It is his amendment, and I shall have to content myself with voting against it.

Mr. THOMAS. If the Senator believes—and I should like to hear him upon that proposition—if the Senator believes that with the amendment he proposes to my amendment mine could still be made effective to reach out and destroy the evil at which it is aimed, I might make no objection to it.

Mr. BORAH. Mr. President, I am very clearly of the opinion that without the amendment I suggest the amendment of the Senator from Colorado would be void upon its face, and I say that notwithstanding my profound respect for the Senator's ability as a lawyer. Under the decision of the Supreme Court in the first employers' liability case it would clearly be unconstitutional, unless we proceed upon the theory, which I do not accept at all, that because we are at war, that the exigency has arisen which is supposed to suspend all other provisions of the Constitution. I hold the Constitution to be operative and binding in war as well as in peace. I know the war powers under the Constitution are broad and very great and I have no desire to limit or curtail them, but they are all to be exercised under the provisions of and as defined in the Constitution, and as such they are efficient and sufficient.

The PRESIDING OFFICER. Will the Senator permit the present occupant of the chair to interrupt him to ask his opinion what would be the effect of the second ruling of the Supreme Court of the United States in the same case upon the observations in the first case to which the Senator now alludes?

Mr. BORAH. That is to say, whether the second opinion modifies the first opinion. I do not think so. It may be that in the ultimate practical workings of the law that that will be true; in other words, it may be that in its ultimate practical workings we will come finally to seize hold of purely intrastate transactions and draw them to the Government by reason of the fact that they are so thoroughly intermingled with the

interstate business that they can not be separated. But that would not be true here, Mr. President, upon the face of it. The pending amendment does not discriminate at all between institutions which may be doing a business purely and wholly within the States of Colorado or Mississippi or Idaho and those institutions which are doing business which reaches out into the channels of interstate trade.

I am of the opinion that nine out of ten of the institutions that are worth while taking hold of in this country would clearly come within this amendment if my amendment were adopted. They are engaged in business which is interstate. They could not continue in business and survive a single fortnight, if they were not permitted to use the channels of interstate trade. It is through the instrumentalities or channels of interstate trade that they effectuate their great purpose, and without the use of them they could not live; they could not survive; they could not do business; they would be financially a failure, and, therefore, in my opinion, with my amendment added, the amendment of the Senator from Colorado would be effective as a practical proposition, and I am clearly of the opinion that it would then be held constitutional.

Mr. THOMAS. Mr. President, I have such a high regard for the Senator's capacity as a lawyer—he is one of the most earnest students of these questions in public life—that I am willing to accept his amendment upon that statement.

Mr. BORAH. Mr. President, as I understand the Senator accepts the amendment, which he has a right to do in perfecting his amendment.

Now, I desire to add just a word in conclusion. Mr. President, I said a few moments ago that in my opinion the amendment offered last Saturday by the Senator from Iowa [Mr. CUMMINS] was unconstitutional. I believe it to be so. I did not vote upon the amendment; I was not here; but I spent yesterday in trying to inform myself as to its constitutionality, and I came to the conclusion that it was and is unconstitutional. That is the vice, Mr. President, of offering under the 10-minute rule such amendments as the Senator offered with reference to this matter, because I was thoroughly in favor of the principle and would be delighted to vote for the proposition if it could be made to conform to constitutional principles, and I am fully satisfied that it can be accomplished in another way which is constitutional. But I am clearly of the opinion, for what it is worth, that as it stands it will not survive the test of the court, and I do not think that anybody can sustain it for a moment except upon the theory that in this emergency the Constitution of the United States is practically no guide at all to legislation here and should not be. Upon that I want to call attention to a single paragraph——

The PRESIDING OFFICER. If the Senator from Idaho will indulge the Chair, the Senator from Idaho having exhausted his time upon the original amendment, the Chair recognizes that the Senator is now speaking upon his own amendment.

Mr. BORAH. I am under obligations to the Chair.

I read from the opinion of the Supreme Court of the United States in the case of Ex parte Milligan:

> Those great and good men foresaw that troublous times would arise, when rulers and people would become restive under restraint and seek by sharp and decisive measures to accomplish ends deemed just and proper, and that the principles of constitutional liberty would be in peril unless established by irreparable law. The history of the world had taught them that what was done in the past might be attempted in the future. The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men at all times and under all circumstances. No doctrine, involving more pernicious consequences, was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government.

The old, vicious, hellish doctrine of necessity, Mr. President, has been the instrumentality by which every free government acting upon free principles has been destroyed in the past. There is scarcely a bill that can be presented here as to which the plea of necessity can not be urged.

> Such a doctrine leads directly to anarchy or despotism, but the theory of necessity on which it is based is false; for the Government, within the Constitution, has all the powers granted to it which are necessary to preserve its existence, as has been happily proved by the result of the great effort to throw off its just authority.

Mr. President, there is not a single power necessary to be exercised in time of war that the Constitution does not provide for. There is no power essential to putting down rebellion or to the carrying on of war which the fathers did not foresee. They themselves had just come out of a war; they were students of those powers; they understood perfectly that this Republic would some time have to meet these emergencies, but, notwithstanding that fact, they provided in the Constitution how they should be met, and met by constitutional means and methods. There is no necessity of overriding the provisions of the Constitution. Every power essential to the carrying on of this war is found here, and is provided for. The reason why we go outside of it is because we do not like the method which the fathers provided. We prefer a different system, a different method, a different means by which to accomplish our ends. Now, we can do that if we desire by changing the Constitution, but we can not do it until we do change the Constitution, except we undermine the pillars upon which free government rests. We may ignore the Constitution, we may disregard it, we may usurp and destroy our Constitution; but it is idle, perfectly idle, to talk about proceeding under the Constitution and at the same time ignore any provision which seems to stand in our way.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Colorado as amended.

Mr. GRONNA. Mr. President, I realize that the Senate is weary and anxious to vote upon the pending question and upon the bill, but I have not taken any of the time of the Senate and I shall ask for only a few moments to express myself with regard to the practical solution of this question.

Mr. President, ever since I came to Congress we have had before us the question of hedging and the question of selling and trading in futures. No producer whom I know would have any objection to dealing in futures if an actual delivery were to be made; but as to the 15 or 20 exchanges which we have in the United States, is there any Senator here who will deny that in each and every one of those exchanges ten times more grain is being sold than the total amount of grain in existence in the entire country?

What effect does that have upon prices? Let us for the sake of argument take a crop such as we had last year, when we produced less than the real consumption of the country. Everybody knows that we consume in this country each year for bread and seed about 650,000,000 bushels of wheat, to say nothing about the rye which is used in making bread. We produced last year less than 700,000,000 bushels of wheat. Now, if 10,000,000 bushels were placed upon the market for sale, and that is constantly being done, what effect will that have upon the price?

Suppose we produce 600,000,000 or 700,000,000 bushels, and there are offered for sale 10,000,000 bushels. Of course, that is not actual wheat, but as is being done in the usual fictitious way for speculation, and not a Senator here will deny that that is the practice, although perhaps in not quite so large volume as that.

The Senator from Montana asked how we would transact our business. I will tell the Senator how we could transact our business. We have to-day two systems, two selling agencies. One is the recognized chamber of commerce and board of trade. The producers of the country have become dissatisfied with those exchanges, so much so that they have organized independent selling agencies. There is in the city of St. Paul a selling agency which does not allow dealing in futures. This selling agency sells directly to the actual consumers of wheat, which are the mills. I repeat, it does not deal in futures.

Now, let us see. The Senator from Missouri [Mr. REED] has told the Senate about open markets, and the Senator from Pennsylvania [Mr. KNOX] has been telling us that these transactions are in the interest of the producer. I find no fault that the Senator from Pennsylvania did not yield to me to state my position, because his time was limited; but now I desire to tell the Senator from Pennsylvania how the transactions are being carried on, not theoretically but actually. In the State from which I come we produce more wheat, more grain, than any other State in the Union, and necessarily we are very much interested in this question. The farmers of my State and the adjoining States are dissatisfied with the selling agencies now in existence. That no man will deny. They have organized an independent selling agency where no trading in futures is allowed. That agency sells its actual product direct to the consumer, which means to the mills. To show how the selling agencies now in existence exercise control, I want to say that the men operating this independent selling agency can not sell to the large mills of the country their product, and I will say to the Senator from Pennsylvania and to the Senate that the 15 or 20 agencies which exist in this country are not only trading agencies but they have absolute control of the markets of this country.

The big mills in the city of Minneapolis—and I state this upon the authority of Benjamin Drake, attorney, and J. C. Crites, manager for this selling agency, in letters written to me—the big mills of the country actually and absolutely refuse to buy from this independent selling agency. The terminal elevator which they own has only a limited capacity. It would soon be all filled up, and unless they can dispose of their product to the little mills spread over the country they could not buy; but that is the actual condition.

I have no objection, Mr. President, to the boards of trade so long as they confine their activities to legitimate business. I might even think that they would be helpful to the producer, provided they were prohibited from dealing in options, in transactions which are only so much wind and in connection with which no delivery is made and no delivery is ever expected to be made; and I believe that this amendment offered by the Senator from Colorado, as it has been amended by the Senator from Minnesota and the Senator from Idaho, ought to be incorporated in this bill.

I want to say to the Senate that the food question is an important question in this war. I want to say to you, upon information that will not be controverted, that the allies expect us to supply them with 600,000,000 bushels of grain for this year. How are we going to do it?

Mr. President, some Senator said that there was no moral turpitude involved in this matter. I believe there is. I believe, sir, that it is fundamentally wrong to permit gambling. I do not say that dealing in futures is gambling if actual delivery is made. I believe that the great mills of the country should be permitted to make contracts for future delivery, and that they in return should be allowed to sell their finished products in foreign countries or wherever they please for future delivery. Those are legitimate transactions. But when the board of trade in the city of Pittsburgh or in the city of Minneapolis or in the city of St. Louis or elsewhere sells one hundred times as much wheat as is produced in the entire United States it is illegitimate business and the public will have to pay for it.

Last fall we knew as much about how much wheat had been produced in the United States in 1916 as we knew two months later, and no man will controvert the statement that the farmers of the United States have not received an abnormal price for their grain for 1916. The spring-wheat crop was small; and in the face of that I do not believe that when the figures have been made by the Secretary of Agriculture he will say that the farm price for the product of 1916 will exceed $1.25 a bushel. We know what the millers have had to pay. We know that there has been gambling going on in these food products. We know that somebody somewhere has taken advantage of the situation and raised the price. Why, last Friday cash wheat sold in the city of Chicago at $3.40 a bushel, and you should not complain because the miller is charging you $15 or $16 a barrel. It takes four and a half bushels of wheat to make a barrel of flour; so, figure it up.

Mr. President, I believe that it is fundamentally wrong to allow these people, dealing in such an important food product as grain, to absolutely control prices, because that is what they do.

The PRESIDING OFFICER. The Chair is compelled to inform the Senator from North Dakota that his time has expired.

Mr. GRONNA. Have I taken 10 minutes? Well, I am very sorry, Mr. President. I had just begun to say what I wanted to say.

The PRESIDING OFFICER. At a later time the Chair will be glad to recognize the Senator from North Dakota.

Mr. GRONNA. Very well.

Mr. VARDAMAN. Mr. President, I wish to take just a moment to express my very hearty approval of the amendment offered by the Senator from Idaho [Mr. BORAH]. I am glad the Senator from Colorado accepted it, for the reason that it removes all doubt of the constitutionality of the amendment as amended. Now, whether or not the thieves are sent to jail for robbing the people in the matter of speculating in grain does not cut so much figure as the fact that the Congress is declaring itself against the pernicious practice. The adoption of this amendment will be a declaration of policy which necessarily will be productive of good; and such legislation, I think, will have a most salutary effect.

As I said, the amendment offered by the able Senator from Idaho removes the question of doubt as to the constitutionality of the amendment offered my the Senator from Colorado. I am glad it was accepted by the Senator from Colorado [Mr. THOMAS], and I trust the Senate may now agree to the amendment as amended.

Mr. McLEAN. Mr. President, I want to ask the Senator from North Dakota a question and have him answer it in my time.

Mr. GRONNA. I shall be very glad to do so.

Mr. McLEAN. Is it the Senator's idea that this speculation in futures raises the price of wheat?

Mr. GRONNA. Sometimes it raises it and sometimes it lowers it.

Mr. McLEAN. Take the present condition. Does the Senator think that the speculation has raised the price of wheat higher than it would be if the sale of futures were not permitted?

Mr. GRONNA. I am free to say that if the wheat had been in the farmer's hands or in the miller's hands the price of wheat would not have been nearly so high as it is to-day.

Mr. McLEAN. Is there any exchange for the sale of potatoes?

Mr. GRONNA. No; I do not understand that there is.

Mr. McLEAN. Potatoes, I know, have risen from $1.25 a bushel to $3.50 or $4 a bushel.

Mr. GRONNA. Yes; but that is hardly a fair comparison. The Senator knows that last year we did not produce one-fourth the supply necessary for our own consumption. Of course, we produced sufficient wheat for ourselves in the United States.

Mr. McLEAN. It is assumed now, I take it, that the present crop of wheat will not be sufficient for our own consumption.

Mr. GRONNA. Yes; for our own consumption.

Mr. McLEAN. I know the Senator has studied this subject very carefully.

Mr. GRONNA. Yes; I have.

Mr. McLEAN. And I should be glad to know whether he is convinced that any other food product we have which has risen greatly in value would have brought a higher price than is at present charged if there had been speculation in futures in regard to it.

Mr. GRONNA. Let me say to the Senator that the farmers of my State sold their potatoes last fall at from 75 cents to $1 a bushel. That was the price they received for them. But the farmers in the western country, if they can get cars, do not as a rule hold their supply of potatoes. They sell their potatoes in the fall of the year; and I know the Senator from Minnesota will bear me out in that statement. We did not receive to exceed $1 per bushel for the best potatoes in the year 1916; but when they got into the hands of somebody else—I do not know who bought the potatoes—then they went up to two and three dollars a bushel.

Mr. WALSH. Mr. President, I ask for the reading of the amendment which I have heard was offered by the Senator from Idaho [Mr. BORAH]. I have not heard it.

The PRESIDING OFFICER. The Chair will ask the gentleman at the Secretary's desk kindly to read the amendment of the Senator from Idaho.

The SECRETARY. On line 2 of the amendment of the Senator from Colorado [Mr. THOMAS], after the word "association," the Senator from Idaho proposes to insert the words "transacting business in a way as to be subject to the regulative power of Congress," so that the amendment would read:

That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations transacting business in a way as to be subject to the regulative power of Congres engaged in or permitting speculations in food products—

And so forth.

Mr. WALSH. Mr. President, I want to say a word, addressing myself to the amendment. The amendment is quite proper. If the Senator from Colorado will give me his attention for a moment I will state that I have attempted to draft a provision which I think will reach the point he is trying to provide for, so that the section would read as follows:

Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association is engaged in or permitting, through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be suspended until the President, by proclamation, shall declare the existing war to have ended.

That is to say, put the power somewhere to determine whether there is somebody violating this provision or not. The draft, as thus proposed, ought to be amended so as to incorporate the provision submitted by the Senator from Idaho.

Mr. THOMAS. Mr. President, I stated a few moments ago that I was quite anxious to conform, as far as possible, to such phraseology as would remove the various objections offered to the principal subject matter of this amendment, and I will accept that amendment.

Mr. BORAH. Mr. President, as I understand, the Senator from Montana will incorporate the amendment which I suggested.

Mr. THOMAS. Of course, it is with that understanding.

Mr. WALSH. Mr. President, I drafted it just after the language of the amendment offered by the Senator from Colorado and without the language proposed by the Senator from Idaho. It would still need some little change; but I presented this in order to get before the Senate the idea that I am trying to impress upon them.

Mr. THOMAS. I think the present amendment as I offered it does that; but, as I say, I wanted to secure, if possible, an affirmative vote without utterly destroying the purpose of the amendment.

Mr. KNOX. Mr. President, I should like to ask the Senator from Idaho a question. By whom is it to be determined whether these transactions fall within the regulating power of Congress? Is it to be determined by the President?

Mr. BORAH. Well, Mr. President, I presume that in the first instance the President would determine that. I presume ultimately it might be a question which the courts would have to determine.

Mr. KNOX. I did not understand in exactly what part of the amendment those words were inserted. I could not hear it when it was stated. Then the idea, as I understand, is that whenever the President shall determine that a particular exchange is conducting transactions which are within the regulative power of Congress, and so forth, he may suspend it?

Mr. BORAH. Yes.

Mr. NELSON. Mr. President, I do not intend to enter into any discussion. I am not opposed to the purpose and principle of this amendment, but I think it is in crude form, and that the matter should be considered and legislated upon in connection with the food-conservation and food-supply bill that we are expecting to have before the Senate. It relates to the same subject, and should be grouped with that, in order that the legislation may be homogeneous and consistent and cover the whole field.

I do not think this legislation has any place on this bill, and for that reason I shall vote against it.

Mr. SHAFROTH. Mr. President, the objection which, it seems to me, has been made with relation to the amendment as it was offered by my colleague [Mr. THOMAS] relates to the fact that there might not be a workable proposition contained in the amendment. In other words, while we are all opposed to dealing in futures and speculation with respect to the necessities of life, which have a tendency to increase the price to the consumer, yet, notwithstanding that, there are a great many people who think that that might seriously disturb conditions and that it might not work.

I have an amendment which I want to suggest, which I will not offer at the present time; but after the amendment proposed by the Senator from Montana is disposed of, if it is not adopted, I should like to have my amendment considered. It is to put in, after the word "suspended," the words "during the existence of the present war, unless the President, by proclamation, shall suspend the operation of this section."

We are likely to take a vacation of four or five or six months; and when Congress is not in session, if there should be a disturbance of conditions by reason of closing these boards of trade, it might be an imperative necessity that they should be opened under certain promises which might be made to the President. For that reason it seems to me that to give him the power to suspend the operations of this part of the act during the war, if he desires, or for any other length of time, would be a proper safeguarding of the public interests. That would make the amendment read in this way:

That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended during the existence of the present war, unless the President, by proclamation, shall suspend the operation of this section—

And so forth.

Mr. President, it seems to me that that is a wise provision, in view of the fact that we may not be in session for a period of time of four or five months, and this amendment might not work as we hope it will work. Inasmuch as the President would have the power, under my amendment, to suspend the operation of this part of the act until Congress convenes, or until some other legislation is enacted or other promises made by them, it seems to me that it would be an excellent thing as an amendment to the amendment offered by the Senator from Colorado. If the amendment offered by the Senator from Montana is not adopted—that amendment being somewhat similar to, but not adopting the language of, the amendment of the Senator from Colorado [Mr. THOMAS]—it seems to me that this amendment should be adopted.

The PRESIDING OFFICER. The amendment of the Senator from Colorado is before the Senate for consideration.

Mr. BRANDEGEE. Mr. President, will the Senator from Colorado tell me how the board of trade is to tell whether or not the person who sends the order to buy or sell a food product is engaged in speculation?

Mr. THOMAS. Mr. President, of course no law can be devised which may not present opportunities for evasion. I can readily perceive how contracts may be framed with a view of getting around the statute and at the same time accomplish the object which the statute is designed to do away with. But the greater part of these transactions which are known as futures, if I am correctly informed, take place through the operation of brokers upon the floors of the different exchanges—the Board of Trade of Chicago, the Chamber of Commerce of Minneapolis, and similar institutions. If they are made, for instance, for grain, we will say, to be followed by deliveries in September, and the quantities which the contracts deal in are out of all proportion to the estimates of the amount of grain which the year's crop will produce, that seems to me to be obviously such speculation in futures and in substances which have no existence except for purposes of speculation as to be within the terms of this prohibition.

I do not pretend that it would be possible, in all instances, so to discriminate between contracts which are for actual delivery and those which are not; but if the amendment becomes a law, the requirement of actual delivery instead of settlement, as is usual in speculative trades, under the amendment to the amendment offered by the Senator from Minnesota, in my judgment, will reach the difficulty.

Mr. BRANDEGEE. Mr. President, the amendment of the Senator from Colorado [Mr. THOMAS] proposes to add a new section to Chapter VII, as follows:

SEC. 4. That all boards of trade, chambers of commerce, stock exchanges, or other bodies or associations engaged in or permitting speculations in food products of any character in the form of what are known as futures, or in any other form or character, are hereby suspended until the President, by proclamation, shall declare the existing war to have been ended, and all agreements, wagers, and contracts for wagers regarding food products of this character now and heretofore made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations by the members thereof are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not to exceed $10,000.

The thought in my mind as I read the amendment, having just come upon the floor, is this: The amendment purports to suspend the boards of trade if they permit speculation in food products of any character or form. Now, I do not see how any board of trade or exchange, even if it has a by-law prohibiting speculation in food products, can tell whether it comes under the provisions of this act or not, or can tell when it is rendering itself liable to the penalty of the act, for this reason:

Take the case instanced by the Senator from Colorado. A broker in Chicago receives an order to buy or sell a certain quantity of food products on the board of trade. How is that broker to know whether the party from whom he receives the order is making a speculative or an investment purchase? How is he to know whether he designs to use that grain in a flour mill or whether he intends, after holding his warehouse receipts for a few weeks, to sell it for a profit? How can the governors or managers of the produce exchange know anything about the purpose of the broker who comes on the floor and makes a bid to buy or sell grain or to execute an order? When is it speculative, and when is it not?

Now, you have here a penal statute.

Mr. THOMAS. Mr. President——

Mr. BRANDEGEE. I yield to the Senator from Colorado.

Mr. THOMAS. Of course, the Senator is aware that these institutions have the power to make, and do make, by-laws, rules, and regulations of their own for the control of the action of their various members; and surely, for the purpose of preventing any violation of this statute, they have abundant power to guard themselves against the possibility of incurring the consequences of the statute through the exercise of that power.

Mr. BRANDEGEE. Mr. President, I am not well acquainted with——

Mr. KIRBY. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Arkansas?

Mr. BRANDEGEE. Certainly.

Mr. KIRBY. Would it be more difficult for the exchange to ascertain whether the broker was violating this law than it would for the saloonkeeper who sells liquor to a man who is 6 feet tall and weighs 190 pounds and has whiskers all over his face to determine whether or not he is a minor? He is bound to know whether or not he is a minor.

Mr. BRANDEGEE. Well, Mr. President, suppose a great flouring mill orders several million bushels of wheat, through its broker, to be bought on the Chicago Board of Trade. Suppose it is bought. Suppose, after holding that grain for a month, the buyer makes up his mind that the price of grain is going down, and that he has made a mistake in purchasing it, and he sells the grain on the board of trade on his judgment that he can buy it back again the next week at a lower price; is that man speculating? Is the board of trade which allows that order to be executed permitting speculation in a food product in any form?

I, for one, am willing to do, and, of course, we must do everything we constitutionally can do, now and in the future, to make the best use of the Nation's food supply to render it a national asset; but in the case of an amendment of this kind, thrown upon the floor of the Senate here under the 10-minute rule, affecting every produce and stock exchange in the United States, I think it behooves the Senate to proceed with some caution. I think the question of regulating the food supply of this Nation, if it is to be taken up by Congress—and I think very likely it will have to be—ought to be taken up after a broad survey of the whole field; and I think it is a subject of sufficient magnitude to warrant the best intellectual effort that can be made by this Congress, advised by the departments of the Government as to what, in their opinion, may be necessary.

I feel the utmost hesitancy in voting for an amendment of this kind, which, I think, we all admit is not thoroughly understood by any Senator on the floor.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. HUSTING in the chair). Does the Senator from Connecticut yield to the Senator from North Dakota?

Mr. BRANDEGEE. Certainly.

Mr. GRONNA. Is it the Senator's understanding that warehouse certificates are always issued in these transactions?

Mr. BRANDEGEE. If the Senator please, he uses the phrase "these transactions." The amendment which I am speaking about refers to transactions for future deliveries or speculations of any other kind; so that I do not know whether a warehouse receipt is always delivered in all speculative transactions or not.

Mr. GRONNA. I take it that it would be perfectly legitimate to sell for future delivery providing there was a warehouse receipt delivered, because if a warehouse receipt was delivered the grain would have to be actually in existence; but that is not the way the business is being done.

Mr. BRANDEGEE. I take the Senator's word for that. I know the Senator is familiar with the details, but I am not. What I am saying is that the prohibition in this proposed amendment is not only against sales for future delivery or speculation in futures, but speculations in any form. I think it is very indefinite.

Mr. LA FOLLETTE. The amendment of the Senator from Minnesota protects against that.

Mr. BRANDEGEE. I have not that here.

Mr. LA FOLLETTE. That is for actual delivery. That qualifies it all—for actual delivery.

Mr. BRANDEGEE. Very well; it may be so, Mr. President.

Mr. LA FOLLETTE. It is so. It was offered for that purpose.

Mr. BRANDEGEE. The Senator's amendment is:

Provided, That nothing herein shall prevent the actual sale or purchase of commodities in good faith for actual future delivery and where the products are to be delivered instead of settled for as is usual in speculative trades.

Of course, Mr. President, it must be borne in mind that even with that amendment on the proposed amendment, the question is, Which exchange has got to go out of business now? The exchanges that permit any speculation in these products are hereby suppressed. I think it is calculated to throw the whole business of the country where food products are dealt in into the utmost confusion.

As I said before, if this subject is to be gone into, it should be gone into after careful investigation and consideration by a responsible committee of this body. I do not think on a bill which is designed by the Department of Justice to prevent violations of our neutrality rights, which was drawn before the war broke out in this country, on a bill designed to prevent espionage of our military places, all questions which may arise in the future during the conduct of the war should be offered in this frivolous way on the floor of the Senate under a rule limiting debate to 10 minutes.

If there is any disposition on the part of the Senate to get through with this so-called espionage bill, they had better confine their attention to that bill. We have attempted under that bill to put a censorship upon the press of the country, but now we are proposing to regulate the whole food supply of the country on a spy bill. This question has not been suggested or recommended to the Senate or to the Judiciary Committee as a part of the pending bill. It has been suggested to the Committee on Agriculture and Forestry, who have conducted a considerable investigation on it, who have had food experts before them, and they either have reported or are about to report a bill which I understand has been investigated and has the recommendation of the department. I think we ought to wait and deal with this subject on that bill.

Mr. WALSH. Mr. President, I have put in form the amendment which I suggested hastily to the Senator from Colorado, and which seemed to meet his approval. I will read it rather than send it to the desk, because it was written hurriedly and may not be very plain to the Secretary.

Strike out all of the proposed amendment down to and including the word "ended" and substitute for the same the following:

Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress, engaged in or permitting through facilities afforded by it speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended.

I offer this amendment, Mr. President, and want to say a word upon it. It does not express my idea; I am trying to express the idea which the Senator from Colorado desires incorporated in the bill. I do not want to suspend absolutely every board of trade in the country, but only to suspend those that permit the inhibited transactions, and to lodge somewhere the power to tell whether this board offends or whether that board is innocent. In the amendment proposed the power is lodged in the President of the United States. That presents the very important question as to whether the power ought to be lodged in an executive officer of the Government or ought to be lodged in the courts upon a proper proceeding brought.

My own judgment about the matter is that the Constitution would compel the lodging of the power in the courts. I do not believe that you can pass a law putting boards of trade out of existence; that is to say, associations of men who get together for the perfectly lawful purpose of permitting the buyer and seller to come together in a room in a building and with the facilities which they afford for that purpose. That is a legitimate business. Of course, it is turned into most illegitimate transactions, but you can not prohibit that kind of thing except by a judgment of the courts. But that presents a most important question.

I say again I am endeavoring to present the idea of the Senator from Colorado and not my own, but I want to put the provision in some shape that will not offer by the very ipse dixit of Congress to put out of existence every association of this character in the country that is engaged in legitimate or illegitimate transactions and enterprises.

But, Mr. President, this is intended as a corrective only of a certain part of the bill. I want to call your attention to a part that I tried to put in some sort of shape so that it could be understood even, and I have utterly failed. I refer to what follows. Observe, Mr. President:

And all agreements, wagers, and contracts for wagers regarding food products * * * upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations by the members thereof are hereby prohibited pending such proclamation.

That is to say, Mr. President, if you make a transaction of this character on the board of trade it is void, but if you go out on the street and make exactly the same kind of a contract it is perfectly valid.

Then observe the penal clause as it was in the amendment as it was prepared and even as I have endeavored to correct it. The thing is absolutely inoperative:

Any person, board of trade, chamber of commerce——

Mr. GRONNA. Mr. President, I dislike very much to interrupt the Senator, but the Senator knows that the evils existing have not taken place on the street. The Senator knows that the trade in futures, which deals in something which does not exist, is being done in the boards of trade and chambers of commerce.

Mr. WALSH. I appreciate what the Senator says, but that is not the point I was trying to make. I am calling attention to the language of the statute that is intended to correct the evil which he so justly denounces. It goes on:

Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, * * *—

Mr. President, what does that mean?—

board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them.

How does a board of trade violate the provisions of this section? There is nothing that it permits. It does not say that any board of trade permitting those things shall be guilty of anything at all, but a board of trade "violating the provisions of this section."

I inquire of the Senator from Colorado where is a board of trade that in the past has permitted these things? Any board of trade that permits these things shall be deemed guilty of a

violation of this act. The only thing that the board of trade is denounced for is for permitting these things to go on, and thereby it is suspended during the continuance of the war. I want you to attend to the language:

And all agreements, wagers, and contracts for wagers regarding food products of this character now and hereafter made.

What does "now" mean? I suppose the Senator intends that the making of contracts in the future, such as are now being made upon the board of trade, shall be void; but the language is—

all such contracts now made and hereafter made shall be void.

That is to say, contracts which have already been entered into of that character which are now perfectly valid this law attempts to make void. Nobody need say that it is utterly impossible to do that. I do not know whether that is what this language means or not. I imagine what the Senator intended was that contracts made in the future of the character of those which have been permitted in the past shall be deemed void; but he has not used the appropriate language to express that idea. My effort to improve it has been futile up to the present time. However, it will improve it somewhat if the substitute I offer for the first portion of the amendment is agreed to.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana to the amendment offered by the Senator from Colorado.

Mr. WALSH. I note that the Senator from Colorado is absent from the Chamber. I should not like to ask for a vote in his absence.

Mr. SHAFROTH. The senior Senator from Colorado is down in the Committee on Finance and I have sent for him. I am authorized to say for him that the first part of the amendment which is offered is acceptable to him. I see he is entering the Chamber now.

Mr. THOMAS entered the Chamber.

Mr. WALSH. I ask that the Secretary read the proposed amendment to the amendment for the information of the Senator from Colorado.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. Beginning with the word "That" in line 1, strike out down to and including the word "ended" in line 7 and insert the following:

Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress, engaged in or permitting through facilities offered by it speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Montana to the amendment of the Senator from Colorado.

Mr. BRANDEGEE. Let me ask the Senator from Colorado, the author of the amendment, to look at line 8 and state what the words "of this character" refer to. It now reads "and contract for wagers regarding food products of this character."

Mr. THOMAS. Food products of any character. I refer the Senator back to line 3.

Mr. BRANDEGEE. It simply uses the words "food products of any character." Why does not the Senator say "such products"?

Mr. THOMAS. I think that would improve it. I will change it to conform with the Senators' suggestion and say "products of such character." I ask leave, in line 8, to strike out the words "of this character" and insert the word "such" between the words "regarding" and "food."

The PRESIDING OFFICER. If there is no objection, the amendment will be so modified. The question is on agreeing to the amendment of the Senator from Montana [Mr. WALSH] to the amendment of the Senator from Colorado [Mr. THOMAS].

Mr. WALSH. May I ask the Senator what is the significance there of the words "now and"? If those are out, it would read "contract for wagers regarding such food products hereafter made."

Mr. THOMAS. "Now and hereafter made"—now in existence.

Mr. WALSH. Is it the purpose of the Senator to declare void the contracts now existing?

Mr. THOMAS. Certainly. I do not think any of these gambling contracts now in existence and unperformed should be recognized or permitted. They ought to be abolished.

Mr. WALSH. I inquire of the Senator whether we can render void those contracts?

Mr. THOMAS. In the first place, the contracts themselves are not valid if they are gambling contracts.

Mr. WALSH. I agree with the Senator.

Mr. THOMAS. Very good; I was sure the Senator would. That being the case, I am not attempting to void a contract; I am providing that its recognition and enforcement shall be unlawful and shall be punishable under this section

The PRESIDING OFFICER. The question is on the amendment of the Senator from Montana [Mr. WALSH] to the amendment of the Senator from Colorado [Mr. THOMAS].

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Colorado [Mr. THOMAS] as amended.

Mr. SMITH of South Carolina. I ask for the yeas and nays.

Mr. WADSWORTH. Mr. President, I do not desire to delay the proceedings here, but there have been so many amendments suggested, and so much discussion as to the meaning of this word and that word—so many criticisms and changes of words—that I should like to have the amendment, or what is left of it, read in a clear manner, that the Senate may see what it is.

The PRESIDING OFFICER. The Secretary will read the amendment as amended.

The Secretary read as follows:

Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress engaged in, or permitting through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended, and all agreements, wagers, and contracts for wagers regarding such food products now and hereafter made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations, by the members thereof are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association wilfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed $10,000: *Provided*, That nothing herein shall prevent the actual sale or purchase of commodities in good faith for actual future delivery and where the products are to be delivered instead of settled for as is usual in speculative trades.

Mr. BRANDEGEE. In view of the way in which the language of the amendment as originally proposed by the Senator from Colorado has been changed I do not myself quite see the relevancy of the penalty clause on page 2. It will be borne in mind that as the amendment now stands when the President has found the fact in relation to any of these exchanges it is to be suspended. After that exchange has been suspended and is out of business, how can it violate any of the provisions of the act?

Mr. NELSON. Mr. President, this is a very high-sounding amendment, but if we analyze it we will find it is perfectly abortive. The boards of trade and chambers of commerce in their collective capacity as such boards and chambers of commerce do not speculate or deal in futures. The speculation is carried on by members who have seats in the stock exchange or board of trade, and you do not attempt to reach them at all by this amendment. You simply refer to chambers of commerce and the members of stock exchanges. They can come into court and say, "We as a stock exchange and members of the board of trade have never perpetrated any of these offenses. It is true some of the members may have done so, but in our collective capacity we have never done it."

Mr. THOMAS. I think the Senator overlooks the use of the word "permits." It is aimed against the permission of such practices by its members.

Mr. WADSWORTH. How can a board of trade permit a thing to be done when the board has been suspended?

Mr. THOMAS. It can not legally, but it may attempt it; and we want this penalty for the purpose of seeing that the order of suspension is observed.

Mr. BRANDEGEE. I am not sure that the point is at all well taken, but it seems to me that after the President had found a fact, and upon that has suspended an exchange, the penalty ought to follow the disobeying of the order of the President and not the commission of an act for which there might be a penalty if the same had not been suspended.

Mr. THOMAS. The order of the President merely puts the statute into operation. Consequently, the penalty should be aimed at a violation of the statute after it becomes operative through the President's proclamation.

Mr. KNOX. May I ask the Senator from Colorado in what does permission consist?

Mr. THOMAS. I presume, if the Senator and I were members of a stock exchange and we made a contract forbidden by this amendment upon the floor of the exchange, it would be permitted.

Mr. KNOX. Then, as I understand it, if the exchange has a rule against such transactions the exchange could not be said to have permitted it.

Mr. THOMAS. Probably not. I think the exchange can make such a rule, and if it enforces it there need be no danger of anyone incurring this penalty.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado as amended.

Mr. REED. I ask for the yeas and nays.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Wisconsin suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McLean	Sherman
Bankhead	Gronna	Martin	Shields
Borah	Hale	Nelson	Smith, Ariz.
Brandegee	Harding	New	Smith, Md.
Broussard	Hardwick	Newlands	Smith, S. C.
Calder	Husting	Overman	Sutherland
Chamberlain	James	Page	Thomas
Colt	Johnson, Cal.	Phelan	Thompson
Culberson	Jones, Wash.	Pittman	Townsend
Cummins	Kendrick	Poindexter	Trammell
Curtis	Kenyon	Pomerene	Underwood
Dillingham	King	Ransdell	Vardaman
Fernald	Kirby	Reed	Wadsworth
Fletcher	Knox	Robinson	Walsh
France	La Follette	Saulsbury	Wolcott
Frelinghuysen	Lewis	Shafroth	
Gallinger	McKellar	Sheppard	

The PRESIDING OFFICER. Sixty-six Senators have answered to their names. There is a quorum present.

Mr. TOWNSEND. Mr. President, I am in sympathy with the object which Senators have in view with presenting this amendment, but not knowing what it means and not having heard of any Senator upon the floor who does know what it means, and understanding as I do that the proper committee is considering this same question, I shall vote against the amendment.

Mr. ROBINSON. Mr. President, I think that the purpose underlying the amendment, the suppression of transactions in the nature of speculations on exchanges in food products, is a commendable one, but the debate here to-day, and especially the discussion on the part of the Senator from Montana [Mr. WALSH], has disclosed to my entire conviction the futility of attempting to dispose of questions of this sort in the manner we are now considering them.

This is a very important question, and I should like to have it dealt with effectively and fairly. I believe that that will be done upon the consideration of the measure which is expected to succeed the espionage bill. I believe that when the bill reported by the Committee on Agriculture and Forestry is under consideration this subject can be intelligently and successfully dealt with. I doubt whether the pending amendment will accomplish anything of benefit. Speculation in food products must be stopped. This provision will not accomplish that end. The subject is too important to justify the Senate in voting an inadequate and unavailing provision such as this seems to be.

Mr. POMERENE. Mr. President, just a word also in explanation of the vote which I am about to cast on this amendment. I am not satisfied with the amendment as it is. I appreciate the spirit which animated the Senator from Colorado in framing the amendment and in seeking a remedy for a very flagrant evil. I have understood that the Agricultural Committee will report out a bill covering this subject completely. I look forward with eagerness to the time when we can vote for that bill, or at least for a bill which will entirely protect the public from the practices of these gamblers in food products. I hope the bill will have real teeth in it, and I will challenge any Senator to go further than I will go when that legislation comes before this Chamber.

Mr. NEWLANDS. Mr. President, the Senator from Colorado [Mr. THOMAS] has brought before the Senate the most important question of the day, second only in importance to the declaration of war—the question of supplies with which the war is to be conducted and the supplies of the people themselves.

Mr. President, my belief is that we shall have to take very radical action in this direction; that we shall have to govern not only the price of food, but the price of lumber, the price of fuel, the price of iron and of steel, as well as of copper. There are other subjects of commerce that may be of equal importance, but certainly without these we can not conduct war at all, nor can we maintain and support the people themselves who are actually engaged in the war.

What is the fact? The fact is that an extraordinary demand has been imposed upon a limited supply. The effect of that is to raise the price abnormally. The demand being above the supply there is no limit to which the price of a commodity can go unless some other commodity equally efficient at a reduced price can be substituted for it. Right here we are going to find a difficulty in our dual government in the fact that the Congress of the United States has jurisdiction only over interstate commerce, whilst the jurisdiction over State commerce belongs to the States. With reference to transportation, the power of the Nation controls, probably, it is estimated, 85 per cent; but with reference to commodities the proportion must be very much less. No adequate regulation of prices can be made without the cooperation of the States. It will be necessary, therefore, for us to devise some very well thought out scheme under which the national authorities, in the exercise of their jurisdiction over interstate commerce, will cooperate with the State authorities in their jurisdiction over purely State commerce with a view to regulating the prices.

Then, again, we are met by the difficulty that if the industries in which these commodities are produced are threatened with regulation of prices and perhaps possibly a noncompensatory price, they may not use their exertions to the same extent in producing the desired things. They may view with apprehension, possibly, as I have no doubt the iron and steel industries would, a great enlargement of their plants when the interposition of peace within a few months would entirely withdraw the extraordinary demand. So it will be necessary, in connection probably with this regulation of prices, to fix a guaranty of a certain minimum price for a certain period, so as to stimulate the production of the desired commodities.

Mr. President, these things can not be determined on this floor in debate upon the consideration of a question having an entirely different purpose. So far as I am concerned, sympathetic, as I am, with the purposes of the Senator from Colorado in introducing this amendment, and thankful, as I am, to him for calling the attention of the Senate to its importance, I shall feel compelled to vote against his amendment in order that the Senate may give this subject the consideration and the thought that it deserves.

Mr. PAGE. Mr. President, I do not like to be placed upon the record as opposing the principle involved in this amendment, but for the past week or two the Committee on Agriculture, of which I am a member, has been devoting itself to hearings which involve the question in this amendment and others that are akin thereto. I feel that before voting "nay" I should make the explanation I do. I therefore am going to say that I hope the amendment will not pass. I hope the subject may be taken up under the bill which is soon to come forward from the Committee on Agriculture. I am sure it will then command a full consideration and that we shall then be better able to pass upon this question than we shall be under the amendment which is now proposed.

Mr. GRONNA. Mr. President, I merely wish to say a word on the amendment which has been proposed by the Senator from Montana [Mr. WALSH]. I am very glad that the Senator has offered that amendment. I am sure when the matter goes to conference that the committee of conference will be able to bring out something for which we can all vote. I think it is only fair to Senators here, however, to say that I know of no bill before the Agricultural Committee touching upon this question directly. There is a provision in section 1 of the so-called food-control bill, which I understand has not yet been printed—although it was reported out on Saturday—but the only place I can find in that bill which touches upon the question of prices is in section 1, only a portion of which I will read:

> And to protect them against injurious speculation, manipulations, and controls affecting such supply, distribution, and movement—

And so forth.

Mr. President, the bill provides against and prohibits waste; it provides for standardization of food products; it authorizes the Secretary of Agriculture to grant permission to mix other agricultural products in the manufacture of flour; but I do not believe that any Senator will contend that there is a single provision in the so-called food-control bill, which has been reported to this body, that would prohibit the practices of dealing in futures and which are now going on in the different boards of trade and chambers of commerce.

I would just as soon vote for an amendment or for a provision such as has been proposed by the Senator from Colorado on the food bill as I would vote upon it and embody it in this bill; but until I have some assurance that this body is willing to consider such an amendment and to place it upon the food bill, which has been reported from the Agricultural Committee, I

shall vote for the amendment which has been proposed by the Senator from Colorado.

Mr. President, I believe this is one of the most important pieces of legislation that this body could enact. We who have had actual experience with this infamous condition, with this robbery of the American people of their money—for that is all it is—and with a condition that makes it possible for the speculators to depress prices to the producer and to enhance prices to the consumer, now can there be anything more important than that in times of peace as well as in times of war? Why are the agricultural people dissatisfied? If the condition is as has been painted by some Senators here this afternoon, if there is really no cause for complaint, why is there dissatisfaction among those who are actual producers?

Mr. President, there is no bill before the Agricultural Committee, so far as I know, which could take the place of the amendment proposed by the Senator from Colorado. For that reason I shall vote for the amendment, and I trust that the Senate will adopt it.

Mr. LA FOLLETTE. Mr. President, there is not a Senator in this body whose service here antedates the evil practices that the amendment of the Senator from Colorado [Mr. THOMAS] is designed to prohibit. Year after year, term after term, decade after decade, this subject has been before the Congress of the United States. What a reflection upon representative government? It can never be presented in a form that seems acceptable to the Congress. It must always be deferred to some other time, some better opportunity; it must come from some other committee; it must be postponed for some reason or other.

What is the evil that is sought to be remedied here? We shall produce this year, according to the latest word from the Agricultural Department, less than 600,000,000 bushels of wheat. Now, leave out of consideration the question of foreign demand and look at it purely as a matter of fair dealing among the producers, the middlemen, and the consumers. We shall produce this year less than 600,000,000 bushels of wheat according to all the authority which we have before us that is at all reliable. According to the testimony which has been taken by the Committees on Agriculture of both branches of Congress for the last 25 years there is sold every year from ten to twenty times as much wheat as is produced in this country. Now, just stop a minute and think what that means to the man who raises it. Six hundred million bushels will be raised, and there will be 6,000,000,000 bushels sold if this amendment or some other law prohibiting it does not pass. It will not be wheat for delivery; it will be a cold-blooded gamble in wheat at the expense of the producer. The result of this excessive selling depresses prices while the grain is in the hands of the farmer. Then when the farmers have sold their wheat at a low price fictitious deals can be further made to advance the price of the wheat to the consumer.

Mr. President, nobody suffers in this transaction excepting the producers and the consumers of the country, and between the two those who speculate in futures, who buy and sell accordingly as the bulls and bears have control and make their profits gather unlimited fortunes. Those transactions would be prohibited by this amendment.

Suppose this proposed amendment is not perfect in its terms. Let us endeavor to perfect it. When the Senate really desires to improve the text of a bill it finds very little difficulty in doing so. It is chiefly a matter of willingness to legislate upon a subject. If the Senate wants to legislate it always dispatches business rapidly. If there is strong opposition from even a few Senators, they are able to find a great deal of fault with its phraseology or object that the measure is of doubtful constitutionality. This amendment proposed by the Senator from Colorado [Mr. THOMAS] has been having a hard time of it. Complaint is made that its terms are vague and uncertain; that it can not be considered under the 10-minute rule; that it is unconstitutional; that it belongs on some other bill; that we ought to put it off. No one is quite ready to defend the grain gamblers, but we hear the same reasons for postponing consideration of this measure which have been heard here for decades.

Mr. President, it does seem to me that we might, in the interest of the people who produce these 600,000,000 bushels of wheat, who only receive from 70 cents to $1.25 a bushel at the outside, while the speculators sell it for two to three dollars a bushel—it seems to me that we might, in the interests of the millions of people who are consumers and who are now paying double prices for bread, see in this amendment a real opportunity for service and employ all of the ability and skill of the Senate to work out something that shall be a real protection to the public.

Mr. President, what I have said would apply to peace conditions; but we are going to need to conserve food supplies, we are going to need to bend every energy of this country to meet the conditions of the war upon which we have entered. I do not know whether it caught the attention of Senators this afternoon when one Member of the Senate said that he would trench upon what was perhaps confidential and say that it had been stated before the Committee on Agriculture that the allies had to have 600,000,000 bushels of wheat. Do you get that? Do you understand that that is all we will produce? Are you going to permit a set of speculators, who have fattened illegally and wrongfully off the American people for more than a quarter of a century, to go on with their nefarious speculative business while this war is upon us and the world is threatened with starvation?

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Colorado [Mr. THOMAS] as amended, on which the yeas and nays have been demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. GRONNA (when the name of Mr. NORRIS was called). The Senator from Nebraska [Mr. NORRIS] is necessarily absent from the Chamber. If present, he would vote "yea."

Mr. VARDAMAN (when his name was called). I desire to inquire whether the Senator from Idaho [Mr. BRADY] has voted?

The VICE PRESIDENT. He has not voted.

Mr. VARDAMAN. I have a general pair with that Senator, which I transfer to the Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

Mr. WILLIAMS (when his name was called). Repeating the announcement as to my pair and its transfer which was made upon the last vote, I vote "nay."

The roll call was concluded.

Mr. JAMES. I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I desire to inquire if he has voted?

The VICE PRESIDENT. He has not.

Mr. JAMES. In view of his absence I withhold my vote.

Mr. OVERMAN (after having voted in the negative). I inquire if the senior Senator from Wyoming [Mr. WARREN] has voted?

The VICE PRESIDENT. He has not voted.

Mr. OVERMAN. Then, I withdraw my vote, having a pair with that Senator.

Mr. CURTIS (after having voted in the affirmative). I desire to know if the junior Senator from Georgia [Mr. HARDWICK] has voted?

The VICE PRESIDENT. He has not voted.

Mr. CURTIS. I have a pair with that Senator, which I transfer to the Senator from Nebraska [Mr. NORRIS] and will permit my vote to stand.

Mr. KENDRICK (after having voted in the negative). I wish to ask whether the senior Senator from New Mexico [Mr. FALL] has voted?

The VICE PRESIDENT. He has not.

Mr. KENDRICK. I have a pair with that Senator, and therefore withdraw my vote.

Mr. THOMAS (when his name was called). I transfer my pair to the senior Senator from Nebraska [Mr. HITCHCOCK].

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS].

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON].

The result was announced—yeas 25, nays 48, as follows:

YEAS—25.

Ashurst	Husting	Myers	Thomas
Borah	Johnson, Cal.	Phelan	Thompson
Chamberlain	Jones, Wash.	Poindexter	Trammell
Cummins	Kenyon	Shafroth	Vardaman
Curtis	Kirby	Sheppard	
Fletcher	La Follette	Shields	
Gronna	McKellar	Sutherland	

NAYS—48.

Bankhead	Gore	New	Smith, Ga.
Beckham	Hale	Newlands	Smith, Md.
Brandegee	Harding	Page	Smith, S. C.
Broussard	Hollis	Pittman	Sterling
Calder	Jones, N. Mex.	Pomerene	Stone
Colt	Kellogg	Ransdell	Swanson
Culberson	King	Reed	Townsend
Dillingham	Knox	Robinson	Wadsworth
France	Lewis	Saulsbury	Walsh
Frelinghuysen	Lodge	Sherman	Watson
Gallinger	McLean	Simmons	Williams
Gerry	Nelson	Smith, Ariz.	Wolcott

NOT VOTING—23.

Brady	Hughes	Martin	Smoot
Fall	James	Norris	Tillman
Fernald	Johnson, S. Dak.	Overman	Underwood
Goff	Kendrick	Owen	Warren
Hardwick	Lane	Penrose	Weeks
Hitchcock	McCumber	Smith, Mich.	

So the amendment of Mr. THOMAS as amended was rejected.

Mr. BRANDEGEE. Mr. President, just before adjournment Saturday evening I called the attention of the Senator from North Carolina to page 36 of the bill, in line 14, the first proviso. I wanted to ask him if what I regard as an error in the phraseology has been corrected yet. It reads:

Provided, That whoever shall violate the provisions of this paragraph of this section in time of war shall be punished by death—

And so forth.

Now, it will be observed that the whole of section 2 is one paragraph, but the various subdivisions—(a), (b), and (c)—contain different penalties, and I think it is an oversight.

Mr. OVERMAN. I wish the Senator would call my attention to the line. There is so much confusion that I was unable to tell what part of the bill he referred to.

Mr. BRANDEGEE. There is so much conversation around me that I can hardly hear or make myself heard.

The VICE PRESIDENT rapped for order.

Mr. BRANDEGEE. The words occur in line 15. The language is:

Whoever shall violate the provisions of this paragraph of this section—

Now, there is only one paragraph in the whole section. The whole section is one paragraph, consisting of three subdivisions—(a), (b), and (c)—and the violation of the provisions of each subdivision has a different penalty imposed.

Mr. OVERMAN. I think it is intended to mean the subdivision, "whoever shall violate the provisions of this subdivision."

Mr. BRANDEGEE. If we were to strike out the words "this paragraph," and substitute in lieu thereof the words "subsection (a)," it would accomplish the purpose, I think.

Mr. OVERMAN. I think that is correct. I accept that amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 36, line 15, the amendment of the committee is modified by striking out the words "this paragraph" and inserting in lieu thereof the words "subsection (a)."

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The bill is in Committee of the Whole and open to further amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

Mr. BORAH. Mr. President——

Mr. OVERMAN. Mr. President, I simply want to say that I wish to reserve the right to ask for a separate vote on subsection (c).

The VICE PRESIDENT. There can be no separate votes on this. It is one amendment, and one alone.

Mr. OVERMAN. I want to reserve the vote by which subsection (c) was stricken from the bill.

The VICE PRESIDENT. But that can not be done. The Senator can offer it as an amendment in the Senate. He can not reserve it, however, because there is only one amendment here.

Mr. BORAH. Then, Mr. President, under the ruling of the Chair, I need not attempt to make the reservation I had in mind.

The VICE PRESIDENT. It is perfectly clear. There is just one amendment, and when it is concurred in, if it is, in the Senate it is then open to all sorts of amendments, just as it was before.

Mr. OVERMAN. I know that; but I think it has been the universal practice that when there is an amendment striking out an amendment to the bill it has been reserved in the Senate for a separate vote on that amendment. Still I can offer it in the Senate just as well.

The VICE PRESIDENT. Yes; or it can be offered now.

Mr. HUSTING. Mr. President, a parliamentary inquiry. I want to know whether anyone has made a reservation with respect to the so-called Cummins amendment?

The VICE PRESIDENT. The Chair has ruled that there can be no reservation for separate votes. This being simply one amendment, amendments may be offered now or they may be offered after the amendment made as in Committee of the Whole is concurred in.

Mr. WALSH. Mr. President, I inquire whether the appropriate time to tender amendments will be after the bill is in the Senate, before the amendment recommended by the Committee of the Whole is concurred in, or after it is concurred in?

The VICE PRESIDENT. The bill is now in the Senate, and the amendment is now in order, if it is desired to present it at this time.

Mr. OVERMAN. Mr. President, I offer the amendment which I send to the desk. I will state, in offering it, that it is the same amendment that was finally adopted, known as the Cummins amendment to the censorship paragraph in Chapter II, subsection (c). I ask the Secretary to read it. It is the same amendment that was stricken out of the bill upon the motion of the Senator from California [Mr. JOHNSON].

I hope the vote will be taken without debate. The matter was debated for a long time.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 37, line 5, after the word "years," it is proposed to insert the following——

Mr. BRANDEGEE. Mr. President, I rise to a parliamentary inquiry. The bill being in the Committee of the Whole, and this subsection having been stricken out by vote of the Committee of the Whole, is it in order to move to reconsider it?

The VICE PRESIDENT. The bill has been reported to the Senate.

Mr. BRANDEGEE. I did not understand that.

The SECRETARY. It is proposed to insert the following words:

In time of war, the President is hereby authorized to prescribe and promulgate rules and regulations for the purpose of preventing the disclosure to the public, and thereby to the enemy, of information with respect to the movement, numbers, description, and disposition of any of the armed forces of the United States in naval or military operations, or with respect to any works intended for the fortification or defense of any place; and whoever, in time of war, shall willfully violate any such rule or regulation shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or by both such fine and imprisonment: *Provided*, That nothing in this section shall be construed to limit or restrict, nor shall any regulation herein provided for limit or restrict, any discussion, comment, or criticism of the acts or policies of the Government or its representatives, or the publication of the same.

Mr. BORAH. Mr. President, on that amendment I ask for the yeas and nays.

The VICE PRESIDENT. Is the request seconded?

Mr. LODGE. Mr. President, I desire to say a single word, simply to explain the vote I am about to give.

I voted to strike out paragraph (c) as originally reported; and day before yesterday, I think, or Friday, when this question was up, with some hesitation I voted to keep it in in the modified form which it had assumed by the substitution of the amendment of the Senator from Iowa.

I say I voted with hesitation. I felt it was necessary that there should be some proper protection against the publication of information useful to the enemy. But since I cast that vote I have had occasion to examine with some care the publication which is coming out from the Bureau of Information, if that is its name, which I state to be the board of censors, and I have come to the conclusion very distinctly that it would be far better not to have any legislation of this sort than to permit that board to exclude, as they will have the power to exclude, practically anything from the newspapers of the country.

The fact that there is given the right to go to the courts is really no protection. The threat of a suit would be all-sufficient, and I do not care to leave the publication in the newspapers at the mercy of that board. I have therefore decided that I shall vote to strike the whole passage from the bill; that is, to keep it as it went into the Senate.

Mr. BORAH. Mr. President, was the request for a yea-and-nay vote seconded?

The VICE PRESIDENT. It was; but the Chair, in accordance with the uniform practice, never announces it until the Chair is certain that the discussion has ended.

Mr. BORAH. I suggest the absence of a quorum, Mr. President. There are some 8 or 10 Senators absent, and I think we ought to have a call of the Senate.

The VICE PRESIDENT. The Senator from Idaho suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Kellogg	Nelson
Bankhead	France	Kendrick	New
Beckham	Frelinghuysen	Kenyon	Overman
Borah	Gore	King	Page
Brandegee	Gronna	Kirby	Phelan
Broussard	Hale	Knox	Pittman
Chamberlain	Harding	La Follette	Poindexter
Colt	Hardwick	Lewis	Pomerene
Culberson	Hollis	Lodge	Ransdell
Cummins	Husting	McKellar	Reed
Curtis	James	McLean	Robinson
Fall	Johnson, Cal.	Martin	Saulsbury
Fernald	Jones, Wash.	Myers	Shafroth

Sheppard	Smith, Md.	Thompson	Walsh
Sherman	Smith, S. C.	Townsend	Watson
Shields	Smoot	Trammell	Wolcott
Simmons	Sterling	Underwood	
Smith, Ariz.	Sutherland	Vardaman	
Smith, Ga.	Swanson	Wadsworth	

The VICE PRESIDENT. Seventy-three Senators have answered to the roll-call. There is a quorum present. The pending question is the amendment offered by the Senator from North Carolina [Mr. OVERMAN] to what is known as the Cummins amendment, on which the yeas and nays have been requested.

Mr. SHIELDS. Mr. President, it is impossible to make a connected argument on a question so important as the one that is now presented to the Senate in the limited time allowed by the rule, and I shall not undertake to do so. I shall not attempt to exploit my own opinions, but I will read some excerpts from the works of some of the greatest commentators upon the Constitution bearing upon the constitutionality and policy of the proposed law.

I first read from Cooley on "Constitutional Limitations." Everyone recognizes the authority of this work. Judge Cooley was one of the greatest constitutional lawyers this country has produced. Speaking of the amendment to the Constitution forbidding Congress to enact any laws abridging the freedom of speech and the press, he says:

The first amendment to the Constitution of the United States provides, among other things, that Congress shall make no law abridging the freedom of speech or of the press. The privilege which is thus protected against unfriendly legislation by Congress is almost universally regarded not only as highly important but as being essential to the very existence and perpetuity of free government. The people of the States have therefore guarded it with jealous care by provisions of similar import in their several constitutions, and a constitutional principle is thereby established which is supposed to form a shield of protection to the free expression of opinion in every part of our land.

Again, this distinguished jurist says:

An examination of the controversies which have grown out of the repressive measures resorted to for the purpose of restraining the free expression of opinion will sufficiently indicate the purpose of the guaranties which have since been secured against such restraints in the future. Except so far as those guaranties relate to the mode of trial and are designed to secure to every accused person the right to be judged by the opinion of a jury upon the criminality of his act, their purpose has evidently been to protect parties in the free publication of matters of public concern, to secure their right to a free discussion of public events and public measures, and to enable every citizen at any time to bring the Government and any person in authority to the bar of public opinion by any just criticism upon their conduct in the exercise of the authority which the people have conferred upon them. To guard against repressive measures by the several departments of the Government, by means of which persons in power might secure themselves and their favorites from just scrutiny and condemnation, was the general purpose; and there was no design or desire to modify the rules of the common law which protect private character from detraction and abuse, except so far as seemed necessary to secure to accused parties a fair trial. The evils to be prevented were not the censorship of the press merely, but any action of the Government by means of which it might prevent such free and general discussion of public matters as seems absolutely essential to prepare the people for an intelligent exercise of their rights as citizens.

* * * * * * *

If any such principle of repression should ever be recognized in the common law of America, it might reasonably be anticipated that in times of high party excitement it would lead to prosecutions by the party in power, to bolster up wrongs and sustain abuses and oppressions by crushing adverse criticism and discussion. The evil, indeed, could not be of long continuance; for, judging from experience, the reaction would be speedy, thorough, and effectual; but it would be no less a serious evil while it lasted, the direct tendency of which would be to excite discontent and to breed a rebellious spirit. Repression of full and free discussion is dangerous in any government resting upon the will of the people. The people can not fail to believe that they are deprived of rights, and will be certain to become discontented, when their discussion of public measures is sought to be circumscribed by the judgment of others upon their temperance or fairness. They must be left at liberty to speak with the freedom which the magnitude of the supposed wrongs appears in their minds to demand; and if they exceed all the proper bounds of moderation, the consolation must be that the evil likely to spring from the violent discussion will probably be less, and its correction by public sentiment more speedy, than if the terrors of the law were brought to bear to prevent the discussion.

Now, Mr. President, I am going to read briefly from Black's Constitutional Law, in which he quotes from Judge Story's great work upon the Constitution:

"It is plain," says Story, "that the language of this amendment imports no more than every man shall have a right to speak, write, and print his opinions upon any subject whatsoever, without any prior restraint, so always that he does not injure any other person in his rights, person, property, or reputation, and so always that he does not thereby disturb the public peace or attempt to subvert the Government." According to the Supreme Court of Ohio, "the liberty of the press, properly understood, is not inconsistent with the protection due to private character. It has been well defined as consisting in the right to publish with impunity the truth, with good motives and for justifiable ends, whether it respects government, magistracy, or individuals." As respects criticisms upon public officials or the government of the State or country, however, it is now thoroughly understood that freedom of the press includes not only exemption from previous censorship but also immunity from punishment or sequestration after the publication, provided that the comments made keep within the limits of truth and decency and are not treasonable. The importance of this guaranty as a protection against tyrannous oppression and as a mainstay of popular government can not be exaggerated. Says the same learned commentator: "A little attention to the history of other countries in other ages will teach us the vast importance of this right. It is notorious that event to this day in some foreign countries it is a crime to speak on any subject, religious, philosophical, or political, what is contrary to the received opinions of the government or the institutions of the country, however laudable may be the design or however virtuous may be the motive. Even to animadvert upon the conduct of public men, of rulers, or representatives in terms of the strictest truth and courtesy has been and is deemed a scandal upon the supposed sanctity of their stations and characters, subjecting the party to grievous punishment. In some countries no works can be printed at all, whether of science or literature or philosophy, without the previous approbation of the government."

* * * * * * *

"In the United States no censorship of the press has ever been attempted or would for a moment be tolerated. It is clearly and indubitably prohibited by the constitutional provisions under consideration."

Says the same learned commentator:

The only known example in America of an attempt to restrain seditious publications was the sedition law of 1798. This act of Congress provided for the punishment of all unlawful combinations and conspiracies to oppose the measures of the Government or to impede the operation of the laws, or to intimidate and prevent any officer of the United States from undertaking or executing his duty. It also provided for a public presentation and punishment by fine and imprisonment, of all persons who should write, print, utter, or publish any false, scandalous, and malicious writing or writings against the Government of the United States, or either House of Congress, or the President, with an intent to defame them or bring them into contempt or disrepute, or to excite against them the hatred of the good people of the United States, or to excite the people to oppose any law or act of the President in pursuance of law or his constitutional powers, or to resist or oppose or defeat any law, or to aid, encourage, or abet any hostile designs of any foreign nation against the United States. But this act was one of the principal causes of the downfall of the party which enacted it, was always regarded as foreign to the spirit of our institutions, and was consigned to oblivion after a brief career without regret.

I shall not attempt to add anything to the opinions of these great lawyers and jurists. They demonstrate that Congress has no power to create a censorship of the press, and that sound public policy also forbids it. This amendment of the Constitution has not received judicial construction, because Congress has never violated it. This is the most flagrant attempt that has ever been made to do so.

The constitutional conventions of the States have almost without exception construed it to prohibit censorship or previous restraint upon the freedom of speech and the press, and so declared by express provisions in the constitutions framed by them, providing only for responsibility for the abuse of the right.

I will here read the provisions found in some of the State constitutions upon this subject. The following are the constitutional provisions:

Maine: Every citizen may freely speak, write, and publish his sentiments on any subject, being responsible for the abuse of this liberty. No law shall be passed regulating or restraining the freedom of the press; and in prosecutions for any publication respecting the official conduct of men in public capacity or the qualifications of those who are candidates for the suffrages of the people, or where the matter published is proper for public information the truth thereof may be given in evidence; and in all indictments for libel the jury, after having received the direction of the court, shall have a right to determine, at their discretion, the law and the fact. (Declaration of Rights, sec. 4.)

New Hampshire: The liberty of the press is essential to the security of freedom in a State; it ought, therefore, to be inviolably preserved. (Bill of Rights, sec. 22.)

Vermont: That the people have a right to freedom of speech and of writing and publishing their sentiments concerning the transactions of government; therefore the freedom of the press ought not to be restrained. (Declaration of Rights, art. 13.)

Massachusetts: The liberty of the press is essential to the security of freedom in a State; it ought not, therefore, to be restrained in this Commonwealth. (Declaration of Rights, art. 16.)

Rhode Island: The liberty of the press being essential to the security of freedom in a State, any person may publish his sentiments on any subject, being responsible for the abuse of that liberty; and in all trials for libel, both civil and criminal, the truth, unless published from malicious motives, shall be sufficient defense to the person charged. (Art. 1, sec. 20.)

Connecticut: No law shall ever be passed to curtail or restrain the liberty of speech or of the press. In all prosecutions or indictments for libel the truth may be given in evidence, and the jury shall have the right to determine the law and the facts, under the direction of the court. (Art. 1, secs. 6 and 7.)

New York: Every person may freely speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that right; and no law shall be passed to restrain or abridge the liberty of speech or the press. In all criminal prosecutions or indictments for libels the truth may be given in evidence to the jury; and if it shall appear to the jury that the matter charged as libelous is true and was published with good motives and for justifiable ends, the party shall be acquitted, and the jury shall have the right to determine the law and the fact. (Art. 1, sec. 8.)

New Jersey: Every person may freely speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that right. No law shall be passed to restrain or abridge the liberty of speech or of the press. In all prosecutions or indictments for libel the truth may be given in evidence to the jury; and if it shall appear to the jury that the matter charged as libelous is true and was published with good motives and for justifiable ends the party shall be acquitted, and the jury shall have the right to determine the law and the fact. (Art. 1, sec. 5.)

Pennsylvania: That the printing press shall be free to every person who may undertake to examine the proceedings of the legislature or

any branch of government, and no law shall ever be made to restrain the right thereof.

The free communication of thoughts and opinions is one of the invaluable rights of man, and every citizen may freely speak, write, and print on any subject, being responsible for the abuse of that liberty. No conviction shall be had in any prosecution for the publication of papers relating to the official conduct of officers or men in public capacity, or to any other matter proper for public investigation or information, where the fact that such publication was not maliciously or negligently made, shall be established to the satisfaction of the jury; and in all indictments for libels the jury shall have the right to determine the law and the facts, under the direction of the court, as in other cases. (Art. 1, sec. 7.)

Delaware: The press shall be free to every citizen who undertakes to examine the official conduct of men acting in public capacity, and any citizen may print on any such subject, being responsible for the abuse of that liberty. In prosecutions for publications investigating the proceedings of officers, or where the matter published is proper for public information, the truth thereof may be given in evidence; and in all indictments for libels the jury may determine the facts and the law, as in other cases. (Art. 1, sec. 5.)

Maryland: That the liberty of the press ought to be inviolably preserved; that every citizen of the State ought to be allowed to speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that privilege. (Declaration of Rights, art. 40.)

West Virginia: No law abridging the freedom of speech or of the press shall be passed; but the legislature may provide for the restraint and punishment of the publishing and vending of obscene books, papers, and pictures, and of libel and defamation of character, and for the recovery in civil action by the aggrieved party of suitable damages for such libel or defamation. Attempts to justify and uphold an armed invasion of the State, or an organized insurrection therein during the continuance of such invasion or insurrection, by publicly speaking, writing, or printing, or by publishing or circulating such writing or printing, may be by law declared a misdemeanor, and punished accordingly. In prosecutions and civil suits for libel the truth may be given in evidence; and if it shall appear to the jury that the matter charged as libelous is true and was published with good motives and for justifiable ends, the verdict shall be for the defendant. (Art. 2, secs. 4 and 5.)

Kentucky: That printing presses shall be free to every person who undertakes to examine the proceedings of the general assembly or any branch of the government, and no law shall ever be made to restrain the right thereof. The free communication of thoughts and opinions is one of the invaluable rights of man, and every citizen may freely speak, write, and print on any subject, being responsible for the abuse of that liberty.

In all prosecutions for the publication of papers investigating the official conduct of officers or men in a public capacity, or where the matter published is proper for public information, the truth thereof may be given in evidence; and in all indictments for libels the jury shall have a right to determine the law and the facts under the direction of the court as in other cases. (Art. 13, secs. 9 and 10.)

Tennessee: Nearly the same as Pennsylvania. (Art. 1, sec. 19.)

Ohio: Every citizen may freely speak, write, and publish his sentiments on all subjects, being responsible for the abuse of the right; and no law shall be passed to restrain or abridge liberty of speech or of the press. In all criminal prosecutions for libel, the truth may be given in evidence to the jury; and if it shall appear to the jury that the matter charged as libelous is true, and was published with good motives and for justifiable ends, the party shall be acquitted. (Art. 1, sec. 11.)

Iowa, Art. 1, sec. 7, and Nevada, Art. 1, sec. 9, substantially same as Ohio.

Illinois: Every person may freely speak, write, and publish on all subjects, being responsible for the abuse of that liberty; and in all trials for libel, both civil and criminal, the truth, when published with good motives and for justifiable ends, shall be a sufficient defence. (Art. 2, sec. 4.)

Indiana: No law shall be passed restraining the free interchange of thought and opinion, or restricting the right to speak, write, or print freely on any subject whatever; but for the abuse of that right every person shall be responsible. In all prosecutions for libel, the truth of the matters alleged to be libelous may be given in justification. (Art. 1, secs. 9 and 10.)

Michigan: In all prosecutions for libels, the truth may be given in evidence to the jury; and if it shall appear to the jury that the matter charged as libelous is true, and was published with good motives and for justifiable ends, the party shall be acquitted. The jury shall have the right to determine the law and the fact. (Art. 6, sec. 25.)

Wisconsin: Same as New York. (Art. 1, sec. 3.)

Minnesota: The liberty of the press shall forever remain inviolate, and all persons may freely speak, write, and publish their sentiments on all subjects, being responsible for the abuse of such right. (Art. 1, sec. 3.)

Oregon: No law shall be passed restraining the free expression of opinion, or restricting the right to speak, write, or print freely on any subject whatever; but every person shall be responsible for the abuse of this right. (Art. 1, sec. 8.)

California: Same as New York. (Art. 1, sec. 9.)

Kansas: The liberty of the press shall be inviolate, and all persons may freely speak, write, or publish their sentiments on all subjects, being responsible for the abuse of such rights; and in all civil or criminal actions for libel, the truth may be given in evidence to the jury; and if it shall appear that the alleged libelous matter was published for justifiable ends, the accused party shall be acquitted. (Bill of Rights, sec. 11.)

Missouri: That no law shall be passed impairing the freedom of speech; that every person shall be free to say, write, or publish whatever he will on every subject, being responsible for all abuse of that liberty; and that in all prosecutions for libel, the truth thereof may be given in evidence, and the jury, under the direction of the court, shall determine the law and the fact. (Art. 2, sec. 14.)

Nebraska: Same as Illinois. (Art. 1, sec. 5.)

Arkansas: The liberty of the press shall forever remain inviolate.

The free communication of thoughts and opinions is one of the invaluable rights of man, and all persons may freely speak, write, and publish their sentiments on all subjects, being responsible for the abuse of such right. In all criminal prosecutions for libel the truth may be given in evidence to the jury, and if it shall appear to the jury that the matter charged as libelous is true and was published with good motives and for justifiable ends, the party shall be acquitted. (Art. 1, sec. 2.)

Florida: Every person may freely speak and write his sentiments on all subjects, being responsible for the abuse of that right, and no law shall be passed to restrain or abridge the liberty of speech or the press. In all criminal prosecutions and civil actions for libel the truth may be given in evidence to the jury, and if it appear that the matter charged as libelous is true and was published with good motives the party shall be acquitted or exonerated. (Declaration of Rights, sec. 10.)

Georgia: No law shall ever be passed to curtail or restrain the liberty of speech or of the press; any person may speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that liberty. (Art. 1, sec. 1, par. 15.)

Louisiana: No law shall be passed * * * abridging the freedom of speech or of the press. (Bill of Rights, art. 4.)

North Carolina: The freedom of the press is one of the great bulwarks of liberty and therefore ought never to be restrained, but every individual shall be held responsible for the abuse of the same. Declaration of Rights, sec. 20.)

South Carolina: All persons may freely speak, write, and publish their sentiments on any subject, being responsible for the abuse of that right, and no laws shall be enacted to restrain or abridge the liberty of speech or of the press. In prosecution for the publication of papers investigating the official conduct of officers or men in public capacity, or when the matter published is proper for public information, the truth thereof may be given in evidence, and in all indictments for libel the jury shall be judges of the law and the facts. (Art. 1, secs. 7 and 8.)

Alabama: That any citizen may speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that liberty. That in prosecutions for the publication of papers investigating the official conduct of officers or men in public capacity, or when the matter published is proper for public information, the truth thereof may be given in evidence, and that in all indictments for libels the jury shall have the right to determine the law and the facts, under the direction of the court. (Art. 1, secs. 5 and 13.)

Mississippi: The freedom of speech and of the press shall be held sacred, and in all indictments for libel the jury shall determine the law and the facts, under the direction of the court. (Art. 1, sec. 4.)

Texas: Every citizen shall be at liberty to speak, write, or publish his opinions on any subject, being responsible for the abuse of that privilege, and no law shall ever be passed curtailing the liberty of speech or of the press. In prosecutions for the publication of papers investigating the official conduct of officers or men in a public capacity, or when the matter published is proper for public information, the truth thereof may be given in evidence, and in all prosecutions for libels the jury shall have the right to determine the law and the facts, under the direction of the court, as in other cases. (Art. 1, secs. 5 and 6.)

Virginia: That the freedom of the press is one of the great bulwarks of liberty and can never be restrained but by despotic governments, and any citizen may speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that liberty. (Art. 1, sec. 14.)

Colorado: That no law shall be passed impairing the freedom of speech; that every person shall be free to speak, write, or publish whatever he will on any subject, being responsible for all abuse of that liberty; and that in all suits and prosecutions for libel the truth thereof may be given in evidence, and the jury, under the direction of the court, shall determine the law and the fact. (Art. 2, sec. 10.)

Subsection (b) of section 2 of chapter 11 of the bill provides for the punishment of publication of facts which will prejudice our Government and aid the enemy. It is as follows:

(b) Whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense or calculated to be, or which might be, directly or indirectly, useful to the enemy, shall be punished by death or by imprisonment for not less than 30 years.

What more protection is needed than that afforded by this provision? It is ample and will be effective for all purposes.

A state of war does not authorize the Congress or other branch of the Government to suspend the Constitution of the United States. The guaranties of that great instrument are as inviolable in war as in peace, and all three of the branches of the Government must conform to them at all times and under all circumstances.

There is no provision of the Constitution which confers upon the Congress power to enact laws in time of war affecting the personal and property rights of citizens which it could not enact in times of peace. This does not seem to have been disputed since the great case of Ex parte Milligan, reported in Fourth WaHace, was decided by the Supreme Court of the United States.

I do not question the power of the military commander in war, when confronted by imperative military necessity, to make stringent rules for the government of persons and to seize property for military purposes, but compensation must be made and the power ceases with the compelling necessity.

The Government also has the right to proclaim martial law or rule for the whole or a portion of the country temporarily, when the civil authorities are unable to cope with existing conditions caused by insurrection or invasion, and thus suspend the constitutional guaranties for the time being and power exercised not authorized by the civil law; but martial rule must cease when the civil authorities have so far recovered as to maintain order and administer the law and otherwise control prevailing conditions.

The Congress or the Commander in Chief of the Army in an emergency may proclaim martial rule under such circumstances and under such limitations, but Congress has no power to enact laws which in effect abrogate the Constitution and vest in any branch of the Government arbitrary powers when the civil authorities are able to cope with the situation and no imperative necessity, such as the existence of the State, is involved. There is no insurrection and no invasion impending in this country. Our enemy is 3,000 miles across an ocean and beleaguered by our allies, and no case is now presented for the drastic legislation which is proposed by this chapter of the bill.

Mr. Willoughby, in his work on the Constitution, says:

Under the stress of military exigency, upon the actual theater of war, such civil guaranties as the writ of habeas corpus, immunity from search and seizure, etc., may, of course, be suspended. As to this there is no question. There is, however, a serious question whether, when war exists, these rights may, by legislative act or Executive proclamation, be suspended in regions more or less remote from active hostilities. This question was raised and carefully considered in the famous Milligan case, in which the Supreme Court was called upon to pass upon the authority of a military commission during the Civil War to try and sentence upon the charge of conspiracy against the United States Government one Milligan, who was not a resident of one of the rebellious States nor a prisoner of war, nor ever in the military or naval service of the United States, but was at the time of his arrest a citizen of the State of Indiana, in which State no hostile military operations were then being conducted.

The military commission had been created pursuant to an act of Congress of March 3, 1863, authorizing the suspension of the writ of habeas corpus throughout the United States by the President, but providing that lists of persons, not prisoners of war, held under military authority should be furnished within a given time to the judges of the Federal circuit and district courts, and that one so imprisoned whose name was not thus reported might appeal for release to the civil courts.

Five of the justices of the Supreme Court held that Congress was without the constitutional authority to suspend or authorize the suspension of the writ of habeas corpus, and provide military commissions in States outside of the sphere of active military operations and with their civil courts open and ready for the transaction of judicial business.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. KNOX. Mr. President, as I intend to vote against this amendment, I think it is my duty to myself, as well as a measure of respect to the eminent lawyers of the Senate who have argued the question of the constitutionality of such a measure, to indicate that my vote is not predicated upon any view of the Constitution that precludes the adoption of this amendment.

It seems to me, Mr. President, to be perfectly clear—and I make this statement with diffidence, although I have given considerable thought to the matter since it was first mooted here—that the Constitution must always be construed in such a manner as to give effect to all of its powers. The war power in the Constitution stands upon the same authority as the other powers in the Constitution, and it is a sound and well-recognized rule of construction of any instrument that, if possible, it must be construed so as to give meaning to all of its parts.

When the fathers said in the Constitution that Congress should have the right to declare war, and that it alone should have that power, they did not undertake to define what war is, or what constitutes war. They dealt with a status that was well known; and when the Constitution conferred upon Congress the right to declare war, it by necessary implication conferred upon Congress the right to do anything that in its judgment was necessary to carry that war to a successful conclusion.

The war powers of the Constitution, in my opinion, are dormant until a status of war is declared by Congress; and then they may be exercised without limitation or qualification to the extent that the safety of the Nation demands. Of this, Congress is the judge, except as the Commander in Chief of the Army and the Navy, in the actual conduct of the war, and in a case of great emergency or dire necessity may be compelled to act. By this construction of the Constitution, Mr. President, the Constitution itself is preserved in its entirety. Indeed, the exercise of the war power is the only way in which the Constitution can be preserved. Madison said, and I quote from Paper 41 in Lodge's Edition of the Federalist:

If a Federal Constitution could chain the ambition or set bounds to the exertions of all other nations, then indeed might it prudently chain the discretion of its own Government and set bounds to the exertions for its own safety.

But, as Madison said:

It is in vain to oppose constitutional barriers to the impulse of self-preservation. It is worse than in vain, because it plants in the Constitution itself necessary usurpations of power, every precedent of which is a germ of unnecessary and multiplied repetitions.

Or, stated in simpler language, if you undertake to impose in the Constitution limitations on the power of self-preservation, the very fact that those limitations exist causes them to be set aside and creates a precedent for violation of the Constitution.

Those, Mr. President, are the views that I entertain, and they constitute the lamp by which my feet shall be guided in all war legislation.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Idaho?

Mr. KNOX. In just one moment. It is not because I think we lack the power to pass this legislation but because I think the necessity does not exist. I yield to the Senator from Idaho.

Mr. BORAH. I wish to ask the Senator a question. Does the Senator mean to say by his argument that Congress could pass any law which, in its judgment, it thought was necessary for the carrying on of the war?

Mr. KNOX. Not in those terms. My position is that the Congress of the United States, after a war has been declared, may pass any law which it believes is necessary for the preservation of the Nation.

The VICE PRESIDENT. The yeas and nays have been ordered on agreeing to the amendment offered by the Senator from North Carolina [Mr. OVERMAN], and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the Senator from Nebraska [Mr. NORRIS] and vote "nay."

Mr. GRONNA (when Mr. NORRIS's name was called). I wish to announce that the Senator from Nebraska [Mr. NORRIS] is unavoidably absent from the city, and if present and permitted to vote he would vote "nay."

Mr. REED (when his name was called). I have a pair with the senior Senator from Michigan [Mr. SMITH]. I am informed by the Senator's colleague and also by the Senator from Michigan [Mr. SMITH] that if he were present he would vote as I will vote. I am therefore at liberty to vote, and I vote "nay."

Mr. VARDAMAN (when his name was called). I have a general pair with the junior Senator from Idaho [Mr. BRADY]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. WILLIAMS (when his name was called). Repeating the announcement as to my pair and its transfer made on the last ballot, I vote "yea."

The roll call was concluded.

Mr. OVERMAN (after having voted in the affirmative). I transfer my pair with the senior Senator from Wyoming [Mr. WARREN] to the junior Senator from Oregon [Mr. LANE] and let my vote stand.

Mr. DILLINGHAM (after having voted in the negative). I transfer my pair with the Senator from Maryland [Mr. SMITH] to the Senator from Michigan [Mr. SMITH] and allow my vote to stand.

Mr. JAMES. I transfer my general pair with the junior Senator from Massachusetts [Mr. WEEKS] to the Senator from Oklahoma [Mr. OWEN] and vote "yea."

The result was announced—yeas 34, nays 48, as follows:

YEAS—34.

Beckham	Jones, N. Mex.	Newlands	Stone
Colt	Kendrick	Overman	Swanson
Culberson	King	Poindexter	Thompson
Fletcher	Kirby	Pomerene	Wadsworth
Gerry	McCumber	Ransdell	Walsh
Hale	McLean	Robinson	Williams
Hollis	Martin	Sheppard	Wolcott
Husting	Myers	Simmons	
James	Nelson	Sterling	

NAYS—48.

Ashurst	France	La Follette	Shields
Bankhead	Frelinghuysen	Lewis	Smith, Ariz.
Borah	Gallinger	Lodge	Smith, Ga.
Brandegee	Gore	McKellar	Smith, S. C.
Broussard	Gronna	New	Smoot
Calder	Harding	Page	Sutherland
Chamberlain	Hardwick	Phelan	Thomas
Cummins	Johnson, Cal.	Pittman	Townsend
Curtis	Jones, Wash.	Reed	Trammell
Dillingham	Kellogg	Saulsbury	Underwood
Fall	Kenyon	Shafroth	Vardaman
Fernald	Knox	Sherman	Watson

NOT VOTING—14.

Brady	Johnson, S. Dak.	Penrose	Warren
Goff	Lane	Smith, Md.	Weeks
Hitchcock	Norris	Smith, Mich.	
Hughes	Owen	Tillman	

So Mr. OVERMAN's amendment was rejected.

Mr. KING. I move to strike out the amendment offered by the Senator from Iowa [Mr. CUMMINS] which was adopted in Committee of the Whole known as section 1 of Chapter XIII. I ask that the amendment be read as amended.

The VICE PRESIDENT. The Senator from Utah moves to strike out the section of the bill, which will be read.

The SECRETARY. It is proposed to strike from the bill Chapter XIII, section 1, in the following words:

That on and after September 1, 1917, and during the period of the war with the Imperial Government of Germany it shall be unlawful to use or employ, directly or indirectly, any cereal, grain, sugar, or sirup in the production of intoxicating liquor in any form or of any kind: *Provided*, That nothing in this section shall prevent the use of sugar or sirup in the manufacture of wine as now authorized by existing law: *Provided, however*, That this section shall not be construed to make unlawful the manufacture of alcohol or intoxicating liquor for industrial, mechanical, medicinal, sacramental, or scientific purposes, under rules and regulations to be prescribed by the Secretary of the Treasury. A violation of this section shall be punished by a fine of not more than $5,000 or imprisonment of not more than three years, or both.

Mr. UNDERWOOD. Mr. President, I desire to say a few words before this question is voted on.

The amendment proposed by the Senator from Iowa in the bill does not address itself to my mind as a real conservation of the food supply of the country. I should be disposed to support a provision of that kind if it was within the constitutional power of the Government to do so. I recognize that under the taxing power of the Constitution we may limit the production of grain or the use of grain for certain purposes by putting a tax on it. That is a question which would address itself to the Committee on Finance of the Senate in the consideration of the revenue bill.

I do not believe the Government of the United States possesses the power of general regulation that is proposed in the pending paragraph which the Senator from Utah proposes to strike out. Therefore I am opposed to the consideration of the matter at this time, and I shall vote for the motion of the Senator from Utah.

But, aside from that provision, I do not believe as it is presented here it is a real conservation measure. A large portion of the grain that is used in the distillation of spirits is afterwards used for the feeding of cattle. In the making of beer the grain used is barley, and that is not used in this country to feed human beings with and is but seldom used as a cattle feed. The other component part of making beer is hops which neither cattle nor men use as a food product. Therefore, I do not believe that there will be any saving of food supplies by the adoption of the amendment.

On the other hand, the effect of the adoption of the amendment is to confiscate many million dollars' worth of property. To begin with, we would turn out of employment a large number of people who are engaged in the business that the amendment affects, and more than that, it would destroy the revenues of the Government entirely that are obtained from the sale of beer, amounting to more than a hundred million dollars, at a time when we need all the revenue we can get.

It has been stated here that this is not a prohibition question. The argument might be made by those who advocate a law of this kind from a prohibition standpoint that it is worth while to make the sacrifice for the ends to be obtained. But there is nothing to be accomplished by the amendment, because we all know that there is a supply of several years of whisky in bond, and the man who wants to drink liquor and has been in the habit of drinking beer will be driven to the consumption of whisky, which certainly is not a temperance proposition.

I believe it is unwise for the Government to approach this subject in this way, either from the question of conservation of food products or as a temperance proposition. The conservation of food products, if it is approached at all by the Congress at this time, ought to be approached through the revenue measure to be submitted to the Senate.

As a temperance proposition many of my colleagues on the floor of the Senate do not agree with me, but I think all these temperance proposals should originate in the States and meet with the approval of the local communities and the State governments before they are enacted into law.

I therefore regard the proposal that is in the bill as ineffective as a conservation measure, as an unwise proposal from a temperance standpoint, and as a very disastrous proposition from the standpoint of the revenues of the Government.

I shall therefore vote in favor of the motion of the Senator from Utah to strike the paragraph from the bill.

Mr. CUMMINS. Mr. President, one has but to remember the full-page advertisement contained in the morning newspapers to understand the kind of campaign which since Saturday night last has been waged against this amendment. Whether the publication to which I refer has had any effect upon the Senate I do not know. I hold in my hand at this moment the Washington Times, issued on the afternoon of Monday, May 14, and here [exhibiting] are two pages signed by "The Brewers of the United States," in type that can be read across the Chamber, directed to the so-called Cummins amendment.

Mr. President, I said all that I have to say upon this subject upon Saturday. I am not moved by the suggestion of the Senator from Alabama [Mr. UNDERWOOD] with regard to confiscation. At the most, there is only a cessation of activity in the production of liquor for the period of the European war. It is idle to insist that this suspension of an activity, which I do not regard as praiseworthy at any time, is a confiscation of the property of those who are manufacturing intoxicating liquor.

Mr. President, the fact that there will be some men out of employment, so far as the production of liquor is concerned, does not alarm me in the least. We are about to withdraw from the productive element of American society 1,600,000 men or more. We have already provided for their withdrawal. There is great scarcity, and there will be great scarcity, of workmen to carry on the various industries of the United States, industries that I think are infinitely more worthy than that of distilling or fermenting liquor. Our industrial society can absorb with perfect ease, and cry for more, all the men who will lose employment because the breweries and the distilleries are for a short period closed.

Mr. President, I close—I have not intended to make an argument upon the amendment; we discussed it all day Saturday—I close with a parliamentary inquiry. This bill is in the Senate. My inquiry is whether the amendments agreed to as in Committee of the Whole have been agreed to in the Senate?

The VICE PRESIDENT. The bill has come to the Senate and is now being amended in the Senate.

Mr. CUMMINS. The amendments agreed to as in the Committee of the Whole have not, therefore, been agreed to in the Senate?

The VICE PRESIDENT. When the bill came to the Senate it came as one amendment; it did not come as different amendments.

Mr. CUMMINS. Then the amendment which is now sought to be stricken out has been, together with other amendments made, adopted in the Senate?

The VICE PRESIDENT. No; it was adopted as in Committee of the Whole, and has been reported out of the Committee of the Whole to the Senate. It is now pending in the Senate, subject to amendment.

Mr. CUMMINS. The point of my inquiry was whether the right to attack this particular amendment had been reserved by any Senator?

The VICE PRESIDENT. It could not be reserved, for the reason that there came but one amendment from the Committee of the Whole. The only way to reach anything now is by amendment in the Senate.

Mr. CUMMINS. I was curious to know the parliamentary status, and therefore my parliamentary inquiry. I hope that those who believed on Saturday that, for a time at least, the United States should suspend the effort to consume foodstuffs in the manufacture of liquor, still believe that we ought to cease this nefarious enterprise, at least during the war.

Mr. THOMAS. Mr. President, the amendment which I offered this morning was, just before the bill was reported to the Senate from the Committee of the Whole, defeated. If I comprehend the reasons for the defeat of that amendment, they consisted of the assertion that it had no place at this time in this bill, but more properly belonged to a bill reported by the Agricultural Committee. That amendment, Mr. President, was quite as appropriate as the one which was offered by the Senator from Iowa on Saturday and which is now the subject of discussion. I trust those who defeated the amendment which I offered upon the ground that it had no place as a part of this bill may be consistent in their vote upon the pending amendment.

Mr. HUSTING. Mr. President, this amendment is fraught with such grave consequences to a great number of the people of the State which I have the honor in part to represent that I do not think I should be doing my duty unless I rose in protest against it. I want to make it clear that I am ready to vote for any sacrifice that is necessary for the proper defense of this country, and I am sure that the people of Wisconsin are ready to make any sacrifice that is necessary; but in doing so they do not want to sacrifice the welfare and happiness of a great number of the people of the State of Wisconsin for something that is not based on necessity, but which is urged here only because of a desire on the part of those favoring prohibition to take advantage at this time of the situation to foist a prohibition law upon the statute books, even though it means the ruthless destruction of vast property rights and involves the happiness and prosperity of thousands of people.

There is a strong sentiment here in favor of prohibition; I am willing to concede it; but Senators on the other side must also concede that there is a strong sentiment against prohibition in the United States. Let us call it even, and it is nearly so,

even for the sake of argument let us concede that it preponderates a trifle on the side of prohibition.

Now, that we are engaged in war, is it wise by an unjust act and an inconsiderate, if not wanton, act to divide the people of the United States upon a question that has no business here? We are engaged in a war that requires a strong feeling of unity throughout on the part of all. Vexatious domestic questions ought to be relegated to the rear and only legislation calculated to promote our success in arms should be passed now. None else should be considered even. We want to draw together our people, not drive them apart; and every Senator here knows that there is scarcely anything that has so aroused bitterness and dissension among our people as the prohibition question. It should be let alone now. And nothing of the kind should be enacted unless a pressing—yes; imperative and vital—necessity should demand it. But there is no such showing made here. But there is a showing that the passage of this amendment, on the other hand, would mean disaster and ruin to many. True, it has been said that this bill will not do any lasting damage to the industry. I want to say right here and now that if the brewing interests of this country are suspended for three years they will be absolutely ruined; the men working for them will be thrown out into the streets; the property will be scrapped; and disaster and ruin will fall upon thousands of people. You can not restore this industry in three years from now. It must be obvious that if this amendment passes the breweries will close, their agencies will close also, their large force of skilled workmen will be scattered and dissipated, and their entire business scrapped.

Why is this amendment brought in at this time? It is brought in here, we are told, to help the allies and to conserve foodstuffs for the allies. If that is true, then it must be that the allies have already taken steps to conserve their food supply in this manner; but what are the facts? The facts are that Canada is using barley; England is using barley; France is using barley; Russia is using barley; Italy is using barley. For what? For the brewing of beer. They are rationing out beer to their troops, but here we are told that we must save our barley to enable them to ration their troops with beer which they are going to brew from our barley.

What are we accomplishing by this provision? We are destroying our breweries; we are causing a money damage of over a billion dollars; we are discharging hundreds of thousands of men and putting them into the world at a time when living is so high that it is hard to make ends meet; we are taking the barley market away from the farmers of the West; we are turning away about $350,000,000 of internal revenue; we are making paupers of thousands of large income-tax payers, all for what? Why, so that our farmers will be compelled to ship their barley to Canada for our allies; to England for our allies; so that they may buy American barley at their own figures and brew beer from our barley for their own troops, or to sell the beer back to this country at any price they may see fit to fix. Not only that, Canada, England, and France will get the internal revenue out of it that otherwise would have come to us. You would close our malting plants so that the barley may be malted in the countries of the allies. Notwithstanding that our farmers have already planted their barley, without notice of any proposed change, you are going to cut off their home market and tell them they must either feed it to the hogs or sell it to our allies for beer and at whatever price they choose to pay. Where do we gain and where does prohibition gain us anything by that? We are simply doing something that is absolutely indefensible from the standpoint of those who advocate this proposal as a food conservation measure.

What are we going to say to the people of this country who do not believe as gentlemen do who are in favor of prohibition and who are engaged in industries connected with this business? What are we about to say to them? We are about to say to them, "We are going to take your property away from you; we are going to take your market away from you; we are going to turn your raw material over to the allies, so that they may use it in just the same manner that we forbid you to use it." Is there anything fair about that? Is there anything sensible about it? I protest against that proposition.

If it is necessary to conserve the barley supply of a country for food, why has not England done so? Why has not Canada done so? Why has not France done so? Their commissions are here visiting us, and we hear a great deal of talk about following in their footsteps.

Now, do we want to go wild upon this matter and refuse to permit our people to do something, on the ground that it is for the interest of the allies, when the allies are doing just exactly what it is proposed to forbid our people doing? You can not defend that before the people of the country. What will you say to them when you ask for further taxation to meet the deficit of $350,000,000 internal revenue resulting from the amendment, and they, in return, demand to know why you want to make them burn their candle at both ends? They will want to know why you turned millions of internal revenue over to the allies, why you cut off our markets and our people's profits in the interest of foreign countries, destroying over a billion of dollars' worth of property and throwing hundreds of thousands of people out of employment, and then topped it off with an additional levy of $350,000,000, and you will not be able to answer them satisfactorily, because you will have to admit that you did it not to conserve foodstuffs—because it does not conserve, it merely diverts—not because it proposes to stop drinking during the war, because we can import from Canada and from the allies. You will have to admit that you did it because, under the guise of conservation, you would deal this business a death blow.

Mr. GRONNA. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. HUSTING. Certainly.

Mr. GRONNA. The Senator from Wisconsin, of course, recognizes the fact that all the countries he mentions—Russia, England, Germany, and France—have all restricted and placed limitations upon the amount of grain that may be used in the brewing of beer during this war?

Mr. HUSTING. Then, for Heaven's sake, restrict it here if you want to do so; but do not absolutely destroy, do not wipe this business out entirely. You are swinging the pendulum clear over to the other side. Is it not an absurdity to say that we, who are just entering into this fight, shall compel our people to desist from doing something so that other countries may use the very things that we refuse to allow our own people to use, and in the manner and for the purpose we refuse to allow our people to use them and letting our allies do the things that it is proposed to deny our people the right to do? You can not justify it.

I desire to say again that I am willing to go as far as any man in this Chamber in voting for what is necessary; but I want something that I can defend, and I say this is indefensible, because it is unjust and because it is not right. You can not go before the people of this country and explain why you have taken away from them rights on the ground that it is for the benefit of the allies when the allies have not seen fit yet in the interest of conservation to prevent their people from doing what we now propose to prohibit our people from doing for our allies' benefit. It is not fair.

This matter has not been considered fully here. Under the 10-minute rule this matter can not be properly presented; but the men who have invested millions of dollars, the men who are working at this trade—and whether you like it or whether you do not cuts no figure—have rights that even you have got to respect. They are not outlaws; they are men who have been recognized as engaging in legitimate business; and in the name of fair play and common sense, I say that we have no right ruthlessly and pitilessly to take their property from them and drive hundreds of thousands of people out into the streets without a chance to make a livelihood.. I want to say further that this is a bad time to divide the people by enacting legislation along this line. The question of national prohibition is too big and vital a question to be fastened as a tail to another legislative kite. It should be considered on its own merits, and if the time shall come when or if it shall be necessary to take away our rights like the one in question, let there at least be consideration shown to the victims of the act and a positive showing and conviction that the sacrifice is imperative.

Mr. MYERS. Mr. President, I will undertake to give the Senator from Wisconsin [Mr. HUSTING] a defense for this provision. It seems to be generally conceded that there is not going to be bread enough during this war for all the people of this country, those at home and in the field, and for all the people of the allied nations at home and in the field—that is, not as much bread as they need and ought to have in order to be strong and efficient. If the people of a certain community were short of water, if there were not enough water to supply everybody, so that some would have to go thirsty, I do not believe that anybody would give his approval to a proposition to take a part of the limited quantity of water available, at most only partially sufficient, and turn it into poison, which would diminish the supply of water, and would not only not do the people any good but would do them actual harm. I think that is all there is in this question. That is all there is to it. That is all that can be made of it. That is an absolutely fair illustration. No further argument is needed. That gives the Senator from Wisconsin [Mr. HUSTING] the ground on which this provision may be defended, for which he has been inquiring.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. The Senator has had his 10 minutes.

Mr. HUSTING. I desire to ask the Senator from Montana a question.

Mr. MYERS. I will respond with a great deal of pleasure.

Mr. HUSTING. I want to ask the Senator if he understands that barley is being used for making bread in this country or in any other country?

Mr. MYERS. No; I can not say that barley is being used for making bread; but it can be used for many other purposes, I understand, than making beer. It can be used for feeding live stock, thus increasing our meat supply. I am sure hogs will eat it.

Mr. GRONNA. Will the Senator allow me to answer that question?

Mr. MYERS. I am glad to yield to the Senator from North Dakota [Mr. GRONNA]. He is a farmer and can speak from experience.

Mr. GRONNA. I will say, for the information of the Senator from Wisconsin, that, mixed with wheat and rye, it is being used in European countries for food purposes to the extent of 30 per cent of the production.

The VICE PRESIDENT. The question is on the amendment of the Senator from Utah [Mr. KING].

Mr. REED. Mr. President, I do not know whether there is any use in talking further about this proposition, but I want to present this thought: The Government of the United States is attempting to float the largest loan that has ever been conceived since the world began. We are asking our people to raise $7,000,000,000—seven thousand million dollars. If a man had been born a thousand years before the Creation, according to Biblical accounts or estimates, and if he had saved a million dollars every year he would not have seven thousand million dollars to-day. The raising of this stupendous sum is in my judgment the greatest single thing that can be done for the purpose of defending our country. The war in Europe, in my humble opinion, is very likely to be practically settled before a single American soldier sets foot upon European soil. I do not claim to be a military authority, but I know from talking with at least one of the greatest military authorities living in this country that it is his opinion that the campaign now being waged on the western front may be determinative of the war. He believes that a few weeks' time may either break the force of the attacks of the allies or that the allies may break through the iron ring of the Germans, and that either one of those events is likely to determine the conflict.

Further than this, as we all know, the probabilities are that the Russian forces can not be kept in the field in good fighting order unless they are supplied with munitions of war and with money to feed and provision their people—perhaps even these aids will not avail. We can get the money and we can probably get goods to Europe in time to support our allies in the desperate conflict in which they are engaged. We can probably get them munitions of war before the great crisis of the conflict is passed. But, Mr. President, just at the time we are asking the American people to produce seven thousand millions of dollars—seven billions of money—it is proposed here to wipe out $1,000,000,000 worth of property, to unsettle credits in the United States, to throw consternation into financial and industrial circles. We are asked to do this startling thing when we are proceeding under a 10-minute rule of debate, when there is no opportunity for careful consideration, for the bringing forward of facts, and for that deliberation in judgment which is essential to the settlement of great affairs.

Men stand here and vote for this proposition and advocate it, saying it is not a temperance problem at all; and yet if you were to eliminate from it the question of temperance and were to propose to wipe out a billion dollars' worth of property in order to conserve the consumption of a few million bushels of barley—a grain that can hardly be said to be a food product—not a man in this Senate would vote for the proposition. It is regrettable that we find here men who, I fear, are willing to sacrifice the financial and industrial interests of the country at this tragic hour, when what we need is confidence, confidence, and still more confidence. What we need is solidity of business and not consternation in business circles. We find men, I say, willing, I fear, to sacrifice these great interests and thus to imperil the country in order to immediately enforce their particular moral ideas.

I am perfectly willing, under proper conditions, to sit down with these gentlemen and counsel, counsel for the sake of temperance, counsel for the sake of morality, but always to bear in mind that the supreme question to-day is the winning of this war; that the great question before the American people is to preserve the lives of our boys and keep as many of them as we possibly can from dying on the bayonet points of German soldiers. We ought to understand, as the President has in substance said to us, and as members of his Cabinet have practically said, that the greatest forces we can mass at present in this war is our force of money and our force of production. We ought not at this time, and under a 10-minute rule of debate, to proceed to destroy a billion dollars' worth of value, turn out of employment a million men, and unsettle the present industrial prosperity of the country.

When we get through with the revenue bill which we are about to pass we will have already sufficiently alarmed the capital of our country. Looking into the gallery, I see representatives of the press, which reminds me that I talked to-day with the proprietor of a great paper who presented figures which, if correct, show that his paper, together with two other great papers for which he spoke, will probably be bankrupted by the taxes proposed in the revenue bill.

Let us proceed with due care; let us do injury and impose burdens only where necessary; let us uproot evils, but let us be sure we do not create havoc in so doing; let us not pull up a hill of corn in order to get rid of a weed upon the instant, when, by a little care, we can kill the weed and yet save the corn. But, above everything else, let us not bring on a panic that will send money into hiding when the cause of our allies and our own country demands that all our financial resources be mobilized so that our cause in the great war shall triumph.

Mr. BORAH. Mr. President, I am going to detain the Senate only a moment.

I am compelled to vote in favor of striking out this amendment. I am heartily in accord with any movement which has for its purpose the restriction of the sale of liquors in this country, or the conservation of food. I am not going to detain the Senate now to state in detail why I shall vote to strike it out. Suffice it to say in a single sentence that in my judgment it is clearly in violation of the Constitution. I apologize to the Senate for referring to that instrument; but still I must for the time, until I am convinced that I am in error, observe it as my guide in casting my votes upon this floor. I am heartily in favor of prohibition of the liquor traffic not only in time of war but in time of peace. But I do not want to do a vain thing, and I feel sure this law would in the end accomplish nothing. In a few days we will have an opportunity to deal with the matter in an intelligent and effective way. When I can vote for an effective law, a constitutional law, I shall do so.

Mr. KING. Mr. President, it may not be the popular thing to vote to strike this amendment from the pending bill. I shall occupy but a moment in presenting my view. I have understood that it was the privilege of the new Members of the Senate to sit at the feet of the Gamaliels and learn wisdom, and that it was the new Members' duty to preserve silence for at least a year, but to be sure to vote right. After listening for several weeks to the words of wisdom falling from the lips of able Senators, and learning the contrariety of opinion and witnessing the lack of unanimity on their part, it is quite apparent that a new Member could not vote right if he voted the way all his seniors vote. I have resolved, because of the great stress of public business and because of the necessity of securing action upon important measures at the earliest possible moment, to say nothing during this extraordinary but transcendently important session and to endeavor to intelligently act upon questions presented for consideration.

When the senior Senator from Iowa [Mr. CUMMINS] offered his amendment to the pending bill on Saturday last I had serious misgivings as to its constitutionality, and I also doubted its effectiveness either as a prohibition measure or as a food-conservation measure. Since the tendered amendment has not been considered by any committee, as I understand, an opportunity for investigating the effects of this provision if enacted into law is denied. However, being profoundly sympathetic with the announced object of the amendment, I voted for its adoption. Since then I have given more mature consideration to the question and have reached the conclusion just stated by the distinguished Senator from Idaho, that this amendment is unconstitutional. I have felt that whenever legislation is contemplated the first question should be, Is it constitutional? No matter how important it may be to obtain relief along a given line, if the plan proposed violates the great charter of our liberties it should not be enacted into law. It is not opportune, nor does time permit to discuss the constitutional phase of this matter, and I content myself by stating that in my opinion the amendment can not be defended constitutionally. Moreover, there are other serious objections to the proposed legislation.

We have been considering for weeks an important bill, coming from the Judiciary Committee. This bill dealt with the question of passports, shipping, embargoes, treason, espionage, the improper use of mails, and other important matters. The question

of the conservation of food was not before the Judiciary Committee, and would have no proper place before that committee. As has been repeatedly stated upon the floor of the Senate, the Agricultural Committee has been considering the question of food conservation and of cognate matters. As I understand, this committee has given attention to the question of the powers of the Federal Government to control food supplies, and to conserve not only articles constituting food but such as enter into the life of the people. It is impossible to legislate upon this important subject without extensive investigation and the most earnest and serious consideration.

I hold no brief for the liquor interests of our Nation. Upon the contrary, I should be glad to see every State of the Union in the prohibition column. The liquor interests have been unfriendly, in the State from which I come, to the party with which I affiliate. I have no sympathy for these interests, and, as stated, would be glad to see prohibitory statutes enacted in every State in the Union. I think it can be easily demonstrated that this amendment would not accomplish prohibition and would not conserve the food supply of our country. As a prohibitory measure it is futile as well as unconstitutional, and as conserver of food it is demonstrably ineffective.

The great needs of the country for revenue require calm and wise legislation. There must be no disturbing of business more than is necessary. With the billions of dollars required in the prosecution of the war it is important that business, so far as possible, be not disturbed, and that industrially and economically the business conditions should be free from governmental control to as large a degree as possible. The war, of necessity, will dislocate business, disturb industrial activity, and produce a disquieting effect in all of the business activites of the people. Everything possible should be done to encourage business and not to discourage it. Governmental control of the industries of our country should be avoided if possible.

The Government does not want to run the business of the country and desires that the people shall conduct their own business pursuits and maintain as high a level of prosperity as possible. The greater the prosperity the greater the taxes and burdens that can be borne by the people in order to prosecute this gigantic war. Whenever it is imperative for the Government to fix prices and to control the industries and business pursuits of the country, legislation should be provided only after the most deliberate and conscientious investigation and along conservative and proper lines and based upon legal principles that can be defended when the constitutionality of the same is challenged. It may be that under the war powers of the Government such a crisis will arise as to require governmental interposition in the control of the industries and commerce and business enterprises and activities of the people. It may be that a crisis will arrive and that the Government, under its war power, may be compelled to seize the products of farm and field, of mill and mine, and fix prices and control the channels of commerce. If this should be necessary, then as stated, the greatest care should be bestowed upon legislation affecting this object and the legal questions involved should receive the scrutiny of those who feel that the Constitution of our country in war, as in peace, is the foundation of our liberty.

In my opinion a bill could be drawn that would prevent, under certain circumstances, the use of cereals and other articles of food value for the manufacture of intoxicating liquors. A broad and comprehensive measure covering the great field of food conservation and with due recognition of constitutional limitations I would support. The amendment offered by the Senator from Iowa will not, in my opinion, reach the evil sought to be remedied, and may, if enacted into law, help to defeat proper legislation that will secure the relief desired. The debate has shown in part its imperfections; and, primarily because of its unconstitutionality, from my point of view, I shall feel compelled to support the motion to strike out the amendment.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah [Mr. KING] to strike out.

Mr. CUMMINS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Fall	Husting	Lewis
Beckham	Fernald	James	McCumber
Borah	Fletcher	Johnson, Cal.	McKellar
Brandegee	France	Jones, N. Mex.	Myers
Broussard	Frelinghuysen	Jones, Wash.	Nelson
Calder	Gallinger	Kellogg	New
Chamberlain	Gerry	Kendrick	Overman
Colt	Gore	Kenyon	Page
Culberson	Gronna	King	Phelan
Cummins	Hale	Kirby	Poindexter
Curtis	Harding	Knox	Pomerene
Dillingham	Hollis	La Follette	Ransdell
Reed	Smith, Ariz	Thomas	Warren
Robinson	Smith, Ga.	Thompson	Watson
Saulsbury	Smith, S. C.	Townsend	Weeks
Shafroth	Sterling	Trammell.	Williams
Sheppard	Stone	Vardaman	Wolcott
Shields	Sutherland	Wadsworth	
Simmons	Swanson	Walsh	

The VICE PRESIDENT. Seventy-four Senators have answered to the roll call. There is a quorum present.

Mr. CUMMINS. On the motion to strike out the amendment, I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON], but on this question he would vote as I do. I vote "nay."

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). I desire to announce that if the senior Senator from Michigan [Mr. SMITH] were present he would vote "nay" on this motion.

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from South Dakota [Mr. JOHNSON] and vote "nay."

The roll call was concluded.

Mr. REED (after having voted in the affirmative). I neglected to announce the transfer of my pair. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from New Jersey [Mr. HUGHES] and allow my vote to stand.

Mr. VARDAMAN (after having voted in the negative). I voted, but I have a general pair with the junior Senator from Idaho [Mr. BRADY]. I transfer that pair to the Senator from Oregon [Mr. LANE] and let my vote stand.

The result was announced—yeas 47, nays 37, as follows:

YEAS—47.

Bankhead	Gerry	Lewis	Simmons
Borah	Harding	Lodge	Smith, Ariz.
Brandegee	Hardwick	McLean	Smith, Md.
Broussard	Hollis	Nelson	Smith, S. C.
Calder	Husting	New	Stone
Colt	James	Newlands	Thomas
Culberson	Johnson, Cal.	Overman	Underwood
Dillingham	Jones, N. Mex.	Pomerene	Wadsworth
Fall	Kellogg	Ransdell	Warren
Fletcher	King	Reed	Watson
France	Knox	Robinson	Weeks
Frelinghuysen	La Follette	Saulsbury	

NAYS—37.

Ashurst	Jones, Wash.	Pittman	Thompson
Beckham	Kendrick	Poindexter	Townsend
Chamberlain	Kenyon	Shafroth	Trammell
Cummins	Kirby	Sheppard	Vardaman
Curtis	McCumber	Sherman	Walsh
Fernald	McKellar	Shields	Williams
Gallinger	Martin	Smoot	Wolcott
Gore	Myers	Sterling	
Gronna	Page	Sutherland	
Hale	Phelan	Swanson	

NOT VOTING—12.

Brady	Hughes	Norris	Smith, Ga.
Goff	Johnson, S. Dak.	Owen	Smith, Mich.
Hitchcock	Lane	Penrose	Tillman

So Mr. KING's motion to strike out was agreed to.

Mr. BORAH. Mr. President, I move to strike from the bill section 1, Chapter XII, on page 66. I am not going to take the time of the Senate to discuss it, but will state to the Senate that it is the section referring to nonmailable matter upon which there was considerable discussion in the Senate. I ask for the yeas and nays on my motion.

Mr. OVERMAN. All I have to say is that the question was debated for two or three days and the Senate refused to strike out the section. I hope the Senate will stand by its former vote.

Mr. BORAH. The Senate has been showing some signs of returning wisdom.

The VICE PRESIDENT. The Senator from Idaho demands the yeas and nays on agreeing to his amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a pair, as heretofore announced, with the junior Senator from South Dakota [Mr. JOHNSON], and withhold my vote.

Mr. REED (when his name was called). I make the same transfer of my pair as on the last vote and vote "yea."

Mr. VARDAMAN (when his name was called). I have a pair with the junior Senator from Idaho [Mr. BRADY]. I transfer that pair to the Senator from Oregon [Mr. LANE] and vote "yea."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE]

to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

The roll call was concluded.

Mr. FERNALD. I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the Senator from Nebraska [Mr. NORRIS] and vote "yea."

Mr. GRONNA. I wish to announce that the junior Senator from Nebraska [Mr. NORRIS] is unavoidably absent and that if present he would vote "yea."

Mr. DILLINGHAM. May I inquire if the Senator from Maryland [Mr. SMITH] has voted?

The VICE PRESIDENT. He has not.

Mr. DILLINGHAM. Then I withhold my vote, having a pair with that Senator.

The result was announced—yeas 29, nays 52, as follows:

YEAS—29.

Borah	Frelinghuysen	La Follette	Thomas
Brandegee	Gallinger	Lodge	Townsend
Calder	Gronna	New	Vardaman
Cummins	Hardwick	Page	Watson
Curtis	Johnson, Cal.	Reed	Weeks
Fall	Jones, Wash.	Sherman	
Fernald	Kellogg	Smoot	
France	Kenyon	Sutherland	

NAYS—52.

Ashurst	James	Newlands	Simmons
Bankhead	Jones, N. Mex.	Overman	Smith, Ga.
Beckham	Kendrick	Owen	Smith, S. C.
Broussard	King	Phelan	Sterling
Chamberlain	Kirby	Pittman	Stone
Colt	Knox	Poindexter	Swanson
Culberson	Lewis	Pomerene	Thompson
Fletcher	McCumber	Ransdell	Trammell
Gerry	McKellar	Robinson	Underwood
Hale	McLean	Saulsbury	Wadsworth
Harding	Martin	Shafroth	Warren
Hollis	Myers	Sheppard	Williams
Husting	Nelson	Shields	Wolcott

NOT VOTING—15.

Brady	Hitchcock	Norris	Smith, Mich.
Dillingham	Hughes	Penrose	Tillman
Goff	Johnson, S. Dak.	Smith, Ariz.	Walsh
Gore	Lane	Smith, Md.	

So Mr. BORAH's amendment was rejected.

Mr. LA FOLLETTE. In Chapter VII, page 54, at the end of section 1, I offer the following amendment, to come in after line 13 of that section.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 54, Chapter VII, at the end of section 1, line 13, insert:

Provided further, That the power herein conferred upon the President to place an embargo upon the export of any article or articles from the United States to any foreign country shall in no case be used to prohibit such exports to any foreign country whose Government is at peace with the United States, when such article or articles are for the use and consumption of and within such foreign country, unless such article or articles in the judgment of the President to be so declared in his proclamation, be required for domestic use and consumption by the people of the United States, or for the use of the Government of the United States in its prosecution of the war; nor shall such power so conferred upon the President be used to interfere with the neutral rights of any neutral nation or to coerce the government of any such neutral nation, directly or indirectly to engage or participate in the existing war.

Mr. LA FOLLETTE. Mr. President, I have no desire or intention of debating the amendment. I do ask, however, for a yea-and-nay vote upon it.

Mr. OVERMAN. I wish to say that the Senate some time ago voted down an amendment of the same character. I have no objection to taking a vote by yeas and nays.

Mr. FLETCHER. Mr. President, I do not desire to debate the question at all, but I shall be inclined to vote against the amendment because it provides for precisely what the President will do and what he ought to do under the section, as it stands, in my judgment, and without the proposed amendment, and therefore it is not necessary.

Mr. LA FOLLETTE. I ask for the yeas and nays on agreeing to the amendment.

Mr. OVERMAN. I hope it will not be debated. If it is to be debated, I will move that the doors be closed.

Mr. LA FOLLETTE. All I desire is a vote upon it in open session without debate. That is all I ask.

Mr. FLETCHER. All right; I am ready to vote.

The VICE PRESIDENT. The Senator from Wisconsin demands the yeas and nays on agreeing to his amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. THOMAS (when his name was called). In the absence of my pair I withhold my vote.

Mr. VARDAMAN (when his name was called). Making the same transfer of my pair as on the former vote, I vote "yea."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay." I ask that this announcement may stand for the balance of this legislative day.

The roll call was concluded.

Mr. REED (after having voted in the negative). I neglected to announce the transfer of my pair. I make the same transfer as on the last vote and allow my vote to stand.

The result was announced—yeas 9, nays 68, as follows:

YEAS—9.

Cummins	Gore	Jones, Wash.	Townsend
France	Gronna	La Follette	Vardaman
Gallinger			

NAYS—68.

Ashurst	Hollis	New	Simmons
Bankhead	Husting	Newlands	Smith, Ariz.
Beckham	James	Overman	Smith, Ga.
Borah	Johnson, Cal.	Owen	Smith, Md.
Brandegee	Jones, N. Mex.	Page	Smith, S. C.
Broussard	Kellogg	Phelan	Sterling
Calder	Kendrick	Pittman	Sutherland
Chamberlain	King	Poindexter	Swanson
Colt	Knox	Pomerene	Thompson
Culberson	Lewis	Ransdell	Trammell
Curtis	Lodge	Reed	Underwood
Fletcher	McCumber	Robinson	Wadsworth
Frelinghuysen	McKellar	Saulsbury	Warren
Gerry	McLean	Shafroth	Watson
Hale	Martin	Sheppard	Weeks
Harding	Myers	Sherman	Williams
Hardwick	Nelson	Shields	Wolcott

NOT VOTING—19.

Brady	Hitchcock	Lane	Stone
Dillingham	Hughes	Norris	Thomas
Fall	Johnson, S. Dak.	Penrose	Tillman
Fernald	Kenyon	Smith, Mich.	Walsh
Goff	Kirby	Smoot	

So, Mr. LA FOLLETTE's amendment was rejected.

The VICE PRESIDENT. Are there further amendments? If not, the amendment in the nature of a substitute made as in Committee of the Whole will be concurred in.

The amendment made as in Committee of the Whole was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. LA FOLLETTE. Mr. President, I am greatly obliged to the Senator from Florida [Mr. FLETCHER] for having speeded the issue on my amendment so perfectly and completely. I will let the record stand upon that.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. REED and Mr. SAULSBURY asked for the yeas and nays, and they were ordered.

The Secretary proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON], but on this measure, if he were present, he would vote as I am about to vote. Therefore I feel at liberty to vote and vote "yea."

Mr. GRONNA (when the name of Mr. NORRIS was called). I am requested to announce that the Senator from Nebraska [Mr. NORRIS] is unavoidably absent, and that if present would vote "nay."

Mr. THOMAS (when his name was called). In the absence of my pair I withhold my vote. If my pair were here, he would vote "yea," and I should vote "nay."

Mr. VARDAMAN (when his name was called). Making the same transfer of my pair as heretofore, I vote "nay."

The roll call was concluded.

Mr. CURTIS. I have been requested to announce that the Senator from West Virginia [Mr. GOFF] is paired with the Senator from South Carolina [Mr. TILLMAN].

Mr. MYERS. My colleague [Mr. WALSH] is necessarily absent on official business. If he were present, he would vote "yea."

Mr. REED. Making the same transfer of my pair as on the last vote, I vote "yea."

The result was announced—yeas 77, nays 6, as follows:

YEAS—77.

Ashurst	Frelinghuysen	Kenyon	Page
Bankhead	Gallinger	King	Phelan
Beckham	Gerry	Kirby	Pittman
Brandegee	Gore	Knox	Poindexter
Broussard	Hale	Lewis	Pomerene
Calder	Harding	Lodge	Ransdell
Chamberlain	Hardwick	McKellar	Reed
Colt	Hollis	McLean	Robinson
Culberson	Husting	Martin	Saulsbury
Cummins	James	Myers	Shafroth
Curtis	Johnson, Cal.	Nelson	Sheppard
Dillingham	Jones, N. Mex.	New	Shields
Fall	Jones, Wash.	Newlands	Simmons
Fernald	Kellogg	Overman	Smith, Ariz.
Fletcher	Kendrick	Owen	Smith, Ga.

Smith, Md.	Sutherland	Underwood	Williams
Smith, S. C.	Swanson	Wadsworth	Wolcott
Smoot	Thompson	Warren	
Sterling	Townsend	Watson	
Stone	Trammell	Weeks	

NAYS—6.

Borah	Gronna	Sherman	Vardaman
France	La Follette		

NOT VOTING—13.

Brady	Johnson, S. Dak.	Penrose	Walsh
Goff	Lane	Smith, Mich.	
Hitchcock	McCumber	Thomas	
Hughes	Norris	Tillman	

So the bill was passed.

Mr. OVERMAN. I move that the Senate request a conference with the House of Representatives on the bill and amendment and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. OVERMAN, Mr. FLETCHER, and Mr. NELSON were appointed as the conferees on the part of the Senate.

INCREASE OF NAVAL ESTABLISHMENT.

Mr. SWANSON. I move that the Senate proceed to the consideration of the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Naval Affairs with amendments.

EXECUTIVE SESSION.

Mr. SWANSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

RECESS.

Mr. SWANSON. I move that the Senate take a recess until noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m., Monday, May 14, 1917) the Senate took a recess until to-morrow, Tuesday, May 15, 1917, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 14 (legislative day of May 11), 1917.

RECEIVER OF PUBLIC MONEYS.

William A. Maxwell, of Colorado, to be receiver of public moneys at Denver, Colo., his term of office having expired. (Reappointment.)

REGISTER OF LAND OFFICE.

Harry J. Kelly, of Montana, to be register of the land office at Lewistown, Mont., his term of office expiring May 28, 1917. (Reappointment.)

UNITED STATES ATTORNEY.

Francis G. Caffey, of New York City, to be United States attorney, southern district of New York, vice H. Snowden Marshall, whose term has expired.

PROVISIONAL APPOINTMENT IN THE ARMY.

INFANTRY ARM.

Second Lieut. Madison Pearson, Philippine Scouts, to be second lieutenant of Infantry, with rank from date of appointment.

POSTMASTERS.

LOUISIANA.

Ambrose L. Marshall to be postmaster at La Fayette, La., in place of J. R. Domengeaux, resigned.

NORTH CAROLINA.

Margaret W. Swindell to be postmaster at Swanquarter, N. C., in place of Margaret W. Mann (name changed by marriage).

OKLAHOMA.

Frances G. McGinn to be postmaster at Gate, Okla., in place of Frances G. Owens (name changed by marriage).

TEXAS.

McIver Smith Daniel to be postmaster at Texline, Tex., in place of McIver Smith (name changed by marriage).

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 14 (legislative day of May 11), 1917.

THIRD JUDGE OF THE CIRCUIT COURT, TERRITORY OF HAWAII.

William H. Heen to be third judge of the circuit court of the first circuit, Territory of Hawaii.

UNITED STATES ATTORNEY.

Clarence L. Reames to be United States attorney for the district of Oregon.

REGISTERS OF THE LAND OFFICE.

Frank O. Williams to be register of the land office at Kalispell, Mont.

H. Frank Woodcock to be register of the land office at The Dalles, Oreg.

RECEIVERS OF PUBLIC MONEYS.

Sam Mothershead to be receiver of public moneys at Burns, Oreg.

Nolan Skiff to be receiver of public moneys at La Grande, Oreg.

Luren A. Booth to be receiver of public moneys at The Dalles, Oreg.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Burwell S. Cutler to be (first) assistant chief of the Bureau of Foreign and Domestic Commerce in the Department of Commerce.

EXECUTIVE COUNCIL OF PORTO RICO.

Martin Travieso, jr., to be a member of the executive council of Porto Rico.

COAST GUARD.

Third Lieut. of Engineers Isaac John Van Kammen to be second lieutenant of Engineers in the Coast Guard.

POSTMASTERS.

MASSACHUSETTS.

Michael A. Keegan, Rockland.
Edward L. Harkins, Shirley.
Josephine E. Dempsey, South Ashburnham.
Joseph H. Whelan, South Lancaster.
D. Anthony Sheehan, Weston.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 14, 1917.*

The House met at 10.30 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Teach us, O Lord God, wisdom that we may apply our knowledge unto truth as it is given us to see the truth; wisdom that we may apply our knowledge with generosity and justice for those who see truth from a different viewpoint; wisdom that we may apply our knowledge to a careful scrutiny of our self, that we may cast out the beam that is in our own eye, that we may see clearly to cast the mote out of our brother's eye; wisdom that we may apply our knowledge unto the ideals in American citizenship; wisdom that we may apply our knowledge unto patriotism which means sacrifice for all of us; wisdom that we may apply our knowledge unto our religious convictions, that we may think right and live right in the spirit of the Master. Amen.

The Journal of the proceedings of Saturday was read and approved.

EXTENSION OF REMARKS.

Mr. DILLON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Federal loan act.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

LEAVE TO PRINT ON WAR-REVENUE BILL.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that all gentlemen have leave to print their remarks in the RECORD on this bill for five legislative days after the final vote on the bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent that all gentlemen have the right to print on this bill for five legislative days from the time the final vote is taken in the House. Is there objection? [After a pause.] The Chair hears none.

Mr. CRISP. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. The gentleman from Georgia makes the point of order that no quorum is present. Evidently there is not.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, and the Sergeant at Arms was ordered to notify the absentees.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Eagle	Hull, Tenn.	Rouse
Anthony	Edmonds	Husted	Rowe
Bacharach	Ellsworth	Hutchinson	Rowland
Barkley	Fairchild, G. W.	Jones, Va.	Rucker
Bathrick	Farr	Kahn	Sabath
Bell	Ferris	Kelley, Mich.	Sanders, La.
Bowers	Flynn	Key, Ohio	Saunders, Va.
Britten	Focht	Kraus	Scott, Pa.
Brodbeck	Foss	Kreider	Scully
Browning	Francis	Lee, Ga.	Shouse
Bruckner	Fuller, Mass.	Lehlbach	Sisson
Caldwell	Gallivan	Lesher	Slayden
Campbell, Pa.	Gandy	Lever	Slemp
Candler, Miss.	Gardner	Linthicum	Small
Capstick	Garner	McAndrews	Smith, Idaho
Carew	Glass	McFadden	Smith, C. B.
Carlin	Glynn	McKinley	Smith, T. F.
Carter, Okla.	Godwin, N. C.	McLaughlin, Mich.	Stephens, Miss.
Chandler, N. Y.	Good	McLaughlin, Pa.	Sterling, Pa.
Church	Gould	Maher	Swift
Coady	Gray, N. J.	Martin, Ill.	Talbott
Cooper, Ohio	Gregg	Miller, Minn.	Taylor, Colo.
Copley	Griest	Montague	Temple
Costello	Griffin	Moon	Templeton
Curry, Cal.	Hamill	Morin	Tilson
Dale, N. Y.	Hamilton, N. Y.	Mott	Tinkham
Darrow	Harrison, Miss.	Mudd	Vare
Davis	Harrison, Va.	Neely	Venable
Dempsey	Haskell	Nolan	Voigt
Dewalt	Haugen	Oliver, N. Y.	Ward
Dies	Hawley	Overmyer	Wason
Dill	Hayden	Overstreet	Webb
Dooling	Hayes	Padgett	Welling
Doolittle	Heaton	Porter	Wheeler
Doughton	Hicks	Pou	White, Ohio
Drane	Hilliard	Powers	Wilson, Ill.
Drukker	Holland	Price	Wilson, Tex.
Dunn	Howard	Ramsey	Winslow
Dupré	Hulbert	Riordan	
Eagan	Hull, Iowa	Rodenberg	

The SPEAKER. On this roll call 272 Members have answered to their names. A quorum is present.

Mr. KITCHIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. FOSTER in the chair.

The Clerk read the title to the bill.

Mr. FORDNEY. Mr. Chairman, I yield 40 minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, I yield one minute to the gentleman from Tennessee [Mr. AUSTIN].

Mr. AUSTIN. Mr. Chairman, I ask that the Clerk read the following article from the Virginian Pilot of May 13 in my time.

The Clerk read as follows:

ALL PARIS TALKING ABOUT ROOSEVELT'S VOLUNTEER DIVISION—FRENCH CAPITAL EXPECTED TO OUTDO ALMOST ANY POPULAR DEMONSTRATION SINCE REVOLUTION ON HIS ARRIVAL.

PARIS, *May 12, 1917.*

All Paris is talking about "Teddy Roosevelt's division."

The Parisian man in the street, the discreet Government official, the Parisian housewife will all ask any American to-day the same question: "When do you think M. Teddy Roosevelt will come to Paris with that picked American division?"

It is perfectly safe to predict that Paris will outdo almost any popular manifestation in history—except possibly the French Revolution—if it has a chance to see Roosevelt marching at the head of American troops.

The popular French idea of Roosevelt dates back to Spanish-American War days. They regard him as an "ideal type of American."

Frenchmen honor President Wilson from the bottom of their hearts. They put him down as one of the greatest men in history. Newspapers refer to him in what Americans call "high-brow" language.

But without detracting one whit from Wilson's popularity here, there is a different sort of enthusiasm for T. R. Newspapers spread his name in big type, faces brighten, eyes flash.

Mr. LONGWORTH. Mr. Chairman and gentlemen of the House, I ask you to believe that I was unaware of what the gentleman from Tennessee was going to say. [Laughter and applause.] Nevertheless, if you will permit me to do so, I will say that I indorse the sentiments he has caused to be enunciated.

Gentlemen, I shall try not to abuse your patience. This bill has been explained in great detail by the gentleman from North Carolina [Mr. KITCHIN] and by the gentleman from Michigan [Mr. FORDNEY]. The debate during the past few days has been exhaustive, and it might seem that it had been even exhausting, judging from the thin attendance at the daily hour of adjournment.

I shall confine myself to as brief a discussion as possible of the general features of this measure without going into any great detail. The gentleman from North Carolina [Mr. KITCHIN] the other day expressed his delight that he was able to bring this bill before the House backed up by the unanimous indorsement of the Committee on Ways and Means. In that expression I join him. That Democrats, Republicans, and Progressives in times like these can act with unanimity upon a revenue bill of these unexampled proportions, affecting as it does almost every field of human endeavor, is, I think, a most fortunate thing for the country, because it shows that in times of real stress the Representatives in this House of the American people can be trusted to act as patriots and not as partisans.

The gentleman from North Carolina accounts for this unanimity in several ways, and he paid a graceful tribute to the Republican Members for declining to inject partisanship in any way into our deliberations. He neglected, however, to mention what I consider the main cause for the harmonious agreement at which we finally arrived, and that is the unfailing patience, good humor, and tact of the gentleman from North Carolina himself. [Applause.] To these he added a knowledge of detail gained evidently by the most laborious investigation of financial conditions which was to me nothing short of surprising. During the many years that I have known the gentleman from North Carolina, during the many years that we have served here together, I have thought of him principally as an able orator, an extraordinarily brilliant debater, and a fluent—and I hope he will pardon me for this—if sometimes flippant rhetorician; but I now recognize that he possesses qualities of statesmanship far higher than these, and I say to you gentlemen upon that side of the aisle that he is well fitted to guide you through the problems you face in the financing of this war. [Applause.] I do not claim for this bill, no one claims for this bill, that it is the last word in war finances. I am perfectly frank to say that there is much in it of which I disapprove; that there is little in it that I would support for a moment in time of peace; but, Mr. Chairman, we are at war and we must have money. We have been criticized for not holding public hearings. If we had held public hearings, judging from the mass of letters and telegrams that I have alone received from gentlemen in the slightest degree touched by taxation, we would have been sitting yet and not a line of the bill would have been written. Judged by the same standard, the bill when eventually completed would have been far worse than it is now, for the vast majority of these protestants seem to me entirely unable to get it into their heads that this country is at war and that it is their duty as Americans to contribute something toward its cost. We do claim for this bill that it is as carefully constructed as was possible in a limited time; that it is well balanced; that its burdens are in no case destructive of industry; and that it will without question produce the revenue it was designed to provide. The main problem which faced the framers of this bill was how to distribute the taxes necessary to raise this huge sum of $1,800,000,000 in as equitable a way as possible, so that as a general rule those best able under all the circumstances to do so would be called upon to assume the burden.

No one, I think, except the most radical socialist, would hold that these war taxes should be paid exclusively by the very rich, and, on the other hand, no one but the most selfish rich man would advocate that wealth as such should not pay the major portion of expense. [Applause.] This problem confronted us in the very beginning in the construction of the income-tax provisions, which come first in the bill. Under existing law only about 370,000 people paid any income tax whatever last year—less than one-half of 1 per cent of the population of the United States. Faced with the fact that we had to tremendously increase the tax upon higher incomes, it did not seem to us fair—certainly it did not seem to us good public policy—to compel this insignificant number of people to pay the entire war income tax, and so it was decided to lower the exemptions to a point where a reasonable number of people should be called upon to pay from their incomes something toward the national defense. This bill lowers the exemption in the case of a single man from $3,000 to $1,000 and of a married man from $4,000 to $2,000; and even thus these exemptions are far higher than they are in any other country in the world where an income tax is laid, and in no other country does so small a proportion of the population pay the tax. I shall not go into detail in this matter except to say that in no other country except America is the exemption as high as $1,000 even for married men. In

most countries a fair average could be said to be about $500. In Germany, for instance, in the year before the war, with an exemption of about $500, more than 6,000,000 people paid an income tax. We believe that under this bill, with the exemptions at one and two thousand dollars, about 4,000,000 people will be called upon to pay an income tax, and the rates upon the smaller incomes will be so low that they will not be appreciably felt, I think. We decided unanimously at the beginning to as nearly as possible assess half the cost upon accumulated wealth as such, as large a proportion of the remainder as possible upon luxuries and near luxuries, and as small an amount as possible upon the necessities of life. In that respect I claim for this bill that it is almost ideally balanced. Almost exactly 50 per cent of the amount herein raised will be paid by accumulated wealth; about 30 per cent will be paid by luxuries, pure and simple; about 15 per cent will be paid by what might be called near luxuries; and very little more than 5 per cent will be paid by articles of absolute daily necessity.

I arrive at these conclusions in the following way: It is expected that something more than $850,000,000 will be raised by income and excess-profits taxes, something like $520,000,000 by taxes on luxuries, like spirits, wines, tobaccos, automobiles, musical instruments, jewelry, perfumery, amusements of various kinds, and by the customs duty on those things in the nature of luxuries which are imported into this country. It is expected that something like $320,000,000 will be derived from articles which might be called near luxuries or, at least, not things of absolute daily necessity, like passenger tickets, electric lights, telephone messages, business papers of various kinds, which we have always taxed in this country in time of war, and letters and periodicals.

Mr. BROWNE. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. BROWNE. In what division would an automobile truck come? Would the gentleman consider that a luxury in any way?

Mr. LONGWORTH. Perhaps I would put an automobile truck in about the category that I would a freight bill. I think it comes fairly nearly being a necessity, but we are taxing freight bills. This is war.

Mr. BROWNE. But freight bills are not taxed 5 per cent on the gross amount.

Mr. LONGWORTH. No; we tax them 3 per cent.

Mr. BROWNE. Why make the distinction between an automobile truck and a thrashing machine or any other kind of farm implements? Farm implements are manufactured by one of the greatest trusts in America, the International Harvester Co.

Mr. LONGWORTH. Oh, if the gentleman will pardon me, I can not now undertake to split hairs. I think there is much to be said upon his proposition that an automobile truck is practically a necessity. But the people could get along without it in time of war.

Mr. MEEKER. Will the gentleman yield?

Mr. LONGWORTH. Yes; if the gentleman will make it a short question.

Mr. MEEKER. When the farmer has dispensed with his horses, when his stuff has gone to Europe in the war, how will he transport his goods without any automobile trucks?

Mr. LONGWORTH. Oh, I do not think this provision will ever heavily affect the farmers of the gentleman's district. [Applause and laughter.] Now, the remaining $150,000,000 will come from one article I have just mentioned, tax on freight, which is a tax practically on necessities, and from the 10 per cent customs rate possibly one-half of which will consist of articles of daily necessity, but even so, gentlemen, just about 5 and not to exceed 6 per cent of all the taxes raised by this bill will come from articles of daily necessity.

To put the situation in another way, I think it can fairly be said that at least 95 per cent of all these taxes will be distributed among the very rich and among people of at least moderate means, and not more than 5 per cent among people of real needy circumstances. It seems to me, then, that, so far as the distribution of the burdens under this bill are concerned, it is almost ideally balanced, and that the bill can not be attacked upon that account.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LONGWORTH. I do.

Mr. GREEN of Iowa. Does not the gentleman mean in reference to the 5 per cent, only 5 per cent will be put upon the wealthy and those in moderate or needy circumstances alike, instead of——

Mr. LONGWORTH. I said the 95 per cent would be distributed almost exclusively among the very rich and at least moderately well-off persons and not more than 5 per cent would be paid by people in really needy circumstances.

Mr. GREEN of Iowa. I think the gentleman has that too high, the 5 per cent would be shared.

Mr. LONGWORTH. I accept that amendment. I think that hardly any of these taxes will be paid by the poor people of the country.

Mr. REAVIS. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. REAVIS. Does not the gentleman believe that the 95 per cent paid by those who are well to do will be in a large measure added to the cost of production and paid in the last analysis by the purchaser of the product?

Mr. LONGWORTH. I agree with the gentleman that almost all taxes are finally passed on the consumer, except probably a tax like the excess-profits tax or the income tax, which are the least susceptible of being passed along, and most of this money is raised by excess profits and income taxes. It is significant that protests against this bill come not from poor people, not from those whose necessities may cost more, but from the producers of luxuries whose tremendous profits in the past few years have caused a reorganization of American finance. Nine-tenths of the telegrams and letters of protest that have been pouring in upon us for the past few weeks, literally by the tons, come from the producers of luxuries pure and simple. Each one says we have singled him out to tax his industry with a discriminatory tax, and that it will bring ruin upon him. Is the tax imposed by this bill upon these luxuries unjust and discriminatory? We tax in exactly the same way, by a tax of 5 per cent upon their sales, automobiles, tires and tubes, musical instruments, phonograph records, motion-picture films, jewelry, sporting goods, pleasure boats, perfumes and cosmetics, proprietary medicines, and chewing gum. And in the same way we put a tax upon the amusement industry of this country. We put a tax of 10 per cent upon each ticket worth more than 10 cents for admission to baseball games, movie shows, theaters, and things of that sort. Literally thousands and tens of thousands of articles are taxed in precisely the same way in this bill. Is there anything unjust or discriminatory about that? If one of these taxes is right, then all of them are right. If one of them is wrong, then they are all wrong. If it is wrong or unjust to put a tax of 5 per cent for war purposes on the sale of automobiles, then it is wrong to put a similar tax on a piano, or a drum, or a movie film, or a diamond pin, or a bracelet, or a yacht, or a golf ball, or a tennis racket, or a bottle of cologne, or, I will say to my friend from Michigan who sits in front of me, a bottle of hair dye.

Mr. BLAND. Will the gentleman yield?

Mr. LONGWORTH. Not on this hair-dye proposition. Or a ticket to a theater or a baseball game or a package of chewing gum to be consumed thereat. If one goes out, all ought to go out. But where would that leave us with our revenue bill. We would have destroyed revenue to the extent of $180,300,000. If taxes like these automobile taxes—like all of these tens of thousands of sales taxes—are wrong, then surely taxes even larger upon things like freight bills, express bills, passenger and Pullman tickets, telegrams and telephone messages, and the like are wrong.

Mr. COOPER of Wisconsin. Will the gentleman yield for a question?

Mr. LONGWORTH. I yield to the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. The gentleman spoke a moment ago about taxes on moving-picture films. I notice, on page 26, this provision:

(d) Upon all positive moving-picture films (containing a picture ready for projection) sold or leased by the manufacturer, producer, or importer a tax equivalent to 1 cent per linear foot.

Now, how many feet of film on an average do they use in an evening's performance of a "movie" show?

Mr. LONGWORTH. I can not answer the gentleman accurately on that. We had very conflicting testimony. I should say possibly 5,000 or 6,000 feet.

Mr. MADDEN. More than 10,000 feet.

Mr. LONGWORTH. I beg the gentleman's pardon. They vary very greatly. Some of the larger films are as large as 20,000 feet.

Mr. KITCHIN. It was estimated that there were about between 350,000,000 and 400,000,000 feet bought and sold or leased in the United States during the year. Take a play like the Birth of a Nation and there are 12,500 feet in that.

Mr. COOPER of Wisconsin. That would be $125 a night. Is that it?

Mr. KITCHIN. Half an hour's play, I imagine, would use about 3,000 feet. An hour's play would be perhaps 4,000 or 5,000 feet.

Mr. COOPER of Wisconsin. Many of these "movie" theaters are what are called a poor man's theater—a wonderful thing.

Mr. KITCHIN. I heard no poor man who kicked against this.

Mr. LONGWORTH. The poor man has not kicked.

Mr. KITCHIN. He has not kicked at all.

Mr. COOPER of Wisconsin. The average poor man is too busy earning his daily bread to learn of the legislation that is being proposed here. He does not know anything about it at all. Suppose there are 3,500 feet of film; that would be $35 for a single evening.

Mr. KITCHIN. The gentleman is mistaken. It does not say an evening performance, but it is the number of feet. It is the manufacturer, and the film is shown a hundred different times at different places, and not at one performance.

Mr. LONGWORTH. When the poor man comes before Congress to object to taxes on "movie" films, I am willing to listen to the gentleman from Wisconsin [Mr. COOPER] further.

Let me go on now. I am afraid I shall not have time to yield further at this moment. I was referring to these taxes on "movie" films, but I forgot to mention club dues, gentlemen. That is an unjust and discriminatory tax. That will ruin the clubs of this country, gentlemen. It will have a serious effect on the pockets of us clubmen. We ought to protest against such an unjust and discriminatory tax as that. But if taxes of this sort on luxuries are unjust, how much more unjust they are upon these other things I have mentioned, like freight bills, passenger tickets, telephone messages, telegrams, and things of that sort. Suppose we strike these from the bill—and we have much more justification in striking them out than we have the luxuries—what effect would that have on our revenue bill? That would lose us $222,250,000. Suppose we strike them all out, all these unjust and discriminatory taxes on sales, and where does that leave us? It leaves this bill lacking by more than $402,000,000 of raising the amount of money that is absolutely necessary. How do you, then, propose to finance this war, gentlemen?

Mr. McCORMICK. Will the gentleman yield for a moment?

Mr. LONGWORTH. I yield to the gentleman.

Mr. McCORMICK. I suggest that the gentleman is presenting an able defense of the more defensible provisions of the bill. Does he expect to discuss the retroactive income tax and the increase in the excess-profits tax?

Mr. LONGWORTH. I will say this to the gentleman from Illinois, that I do not expect to defend them as matters of public policy at all. I am absolutely opposed to the principle of the excess-profits tax. In fact, I was the Member on this side who offered the amendment to strike it out of the revenue bill known as the Kitchin bill. I believe, as a matter of public policy, that if we were to have an excess-profits tax in time of war it ought to be based on the same plan as the excess-profits tax in all the countries in Europe now at war; that is to say, a tax based upon the difference between war profits and peace profits. But, so far as I am concerned, I find myself now in this position: We have in this country the machinery for raising revenue of which I personally disapprove, but being more concerned now with raising money than with the perfecting of laws of which I disapprove I am willing to take this machinery and raise money with it. [Applause.] So far as the retroactive tax on incomes for 1916 is concerned, I am wholly and absolutely opposed to that scheme of raising revenue. I think it opens up a very dangerous field for taxation. But at least we were able in this bill to keep out the retroactive tax on excess profits which was suggested by the Treasury Department, and which was so much worse than this that when I was confronted finally with the absolute necessity of raising $110,000,000 in some way or other I was forced to accept this retroactive income-tax plan, much as I dislike it.

The Treasury Department estimates that the total receipts from all sources for the fiscal year 1917, now about to close, will be about $775,000,000, exclusive of postage receipts. This bill is designed to raise two and one-half times that. In other words, in one bill we are raising considerable more than twice the amount of revenue that ever flowed into the United States Treasury in any one year. At the time of the Civil War, with all the tremendous taxes of that day, the largest amount of money that ever came into the Treasury was $557,000,000. The largest amount that ever came into the Treasury during the Spanish War was $515,000,000. When I first came to Congress, gentlemen, 14 years ago, the total Treasury receipts were $587,000,000, and during all the time I have served here they have never run higher than $775,000,000, which were last year's receipts.

Mr. MANN. Exclusive of postage.

Mr. LONGWORTH. Exclusive of postage. Curiously enough, and I think this is a very remarkable fact, the receipts of the largest Civil War year, the receipts of the largest Spanish War year, and the receipts of the largest business year in history, when added together make a total of $1,830,000,000, or almost exactly the amount that is carried in this bill.

If I had been told a few years ago that I should some day be called upon to participate in the drafting of a revenue measure which would by itself raise as much as the entire revenues of the Government for its two largest war years and its largest business year combined, I would have cast reflection upon the prophetic ability of the person who so predicted. If some one had told me a few years ago that I would have ever joined with the gentleman from North Carolina [Mr. KITCHIN] and the gentleman from Illinois [Mr. RAINEY] in agreement upon a revenue bill, I should have nominated that person as a fit candidate for an institution for the feeble-minded. And yet I find myself here in that position, and I am not ashamed of it under these circumstances. [Applause.]

If the postal receipts remain substantially where they were in 1916, the revenue this year under existing law would amount to $1,100,000,000; added to this $1,800,000,000, we will have a revenue next year of nearly $3,000,000,000—an amount so huge as to stagger the imagination; an amount as large as the total, including the post-office receipts, of the largest three years in the history of America.

Very nearly three-quarters of this sum will be provided by the five great revenue-producing sources of the country. We receive from customs duties about $430,000,000; from the excess profits tax, $425,000,000; from the income tax and the corporation tax, $975,000,000; from the tobacco tax about $170,000,000, and from the beer and spirit tax about $430,000,000.

I merely call these figures to your attention, gentlemen, to show what effect would be had upon the revenue by any amendment which would destroy any one of these sources of revenue to the Government.

Mr. FESS. Mr. Chairman, will my colleague yield for a question at that point?

Mr. LONGWORTH. I yield to my colleague.

Mr. FESS. I listened with a great deal of interest to the gentleman's analysis and especially to this last statement. The theory of the bill, as I take it, is to fix some of the tax upon the producer, so that he can not shift it to some one else, like the excess profits tax and the income tax. There has been a good deal of contention through the mails that the tax will destroy certain businesses, and one of those businesses is that of the automobile. Was the 5 per cent upon the manufacturer placed with the expectation that he would pay it, or that ultimately the user of the automobile would pay it?

Mr. LONGWORTH. I will say to my colleague that I do not think it conceivable, in the remotest degree conceivable, that the tax of 5 per cent on the sale of an automobile will be paid by anyone except the buyer of the automobile at retail. Now, gentlemen must remember that this tax is laid upon the manufacturer's or producer's sale price. We understand that the agents for automobiles receive anywhere from 20 to 30 per cent of the cost of the car. For instance——

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GREEN of Iowa. Does the gentleman want some more time?

Mr. LONGWORTH. I would like to have 20 minutes.

Mr. GREEN of Iowa. I yield him 20 minutes more.

The CHAIRMAN. The gentleman is recognized for 20 additional minutes.

Mr. LONGWORTH. Take the ordinary automobile, a pretty good automobile, that sells for $2,000. That automobile is sold, as I understand it, to the agent for about $1,500. It is on the $1,500 that this tax is laid, so that in such a case the tax will be $75. I can not conceive how any man who can afford to pay $2,000 for a machine, assuming that this tax is entirely passed on, would balk at paying $2,075 for it. That is all there is to the proposition.

Mr. FESS. Mr. Chairman, will the gentleman yield for another question?

Mr. LONGWORTH. Yes.

Mr. FESS. Realizing that my colleague has made a careful study of this question, is there any danger, in his opinion, that there is any business that is going to be ruined by this bill?

Mr. LONGWORTH. Absolutely not. Far from being ruined, I do not think they will be appreciably hurt. The automobile industry to-day taxes itself on every car that it makes something like 50 per cent. It taxes itself something like 20 per cent for advertising and something like 20 or 30 per cent for selling

through agents, and the Government comes along and puts 5 per cent on. Is that going to ruin them? [Applause.]

Mr. MANN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Illinois?

Mr. LONGWORTH. Yes; I yield to the gentleman from Illinois.

Mr. MANN. In that connection, the tax being placed upon the selling price of the manufacturer or producer, will it be possible for the selling agent, increasing the price, to say that it is on account of the tax, without disclosing the difference between the selling price by the manufacturer and the selling price by the retailer or the agent?

Mr. LONGWORTH. Well, with the little experience I have had with automobile dealers, I know they will try to do it, but I do not think they will be able to put it over.

Mr. MANN. I thought the gentleman had said they would do it.

Mr. LONGWORTH. I said that the purchaser would not know the exact amount that the agent would pay for the car.

Mr. MANN. He can not know very well, can he?

Mr. LONGWORTH. No.

Mr. MANN. I am not speaking merely of automobiles, but the tax upon all these products.

Mr. LONGWORTH. Yes.

Mr. MANN. As I understand, on medicinal preparations——

Mr. LONGWORTH. It will be passed on.

Mr. MANN. I do not know whether it will be passed on or not. The tax is paid by the manufacturer or producer. It is not the old stamp tax.

Mr. LONGWORTH. The gentleman is right as to proprietary medicines that sell at a certain fixed price. With regard to almost all other articles, though, subject to this sale tax the tax, I think, will be passed on to the consumer.

Mr. MANN. They may add to the price, but I do not see how it is possible for the selling agent, retail or otherwise, to say, "The amount we added is the amount of the tax," because none of them want to disclose what he pays for the goods.

Mr. LONGWORTH. No doubt the gentleman is right with regard to some patent medicines, but they will still make a pretty good profit.

Of course, I weep for some of these men who are going to be ruined. The story that comes to us by the producer of that beneficent drink, "Coca Cola," brings tears to my eyes. He has made only $35,000,000 in the last few years, and a tax of 10 per cent is going to ruin him! How can you stand here and support such an unjust and discriminatory tax? [Laughter.]

Mr. DOREMUS. Mr. Chairman, will the gentleman yield for a question?

Mr. LONGWORTH. I will be glad to yield to the gentleman, because he knows more of the automobile business than anybody.

Mr. DOREMUS. The gentleman spoke a moment ago of the manufacturer taxing himself 20 per cent for advertising. Will the gentleman be willing to give to the committee the source of that information?

Mr. LONGWORTH. That is my own judgment. I have no definite information.

Mr. DOREMUS. Do you know anything about it personally?

Mr. LONGWORTH. I do not know what they pay for advertising, but I do know that there is not a magazine or newspaper in this country that does not carry advertisements of automobiles, which are evidently more expensive than any other form of advertising.

Mr. DOREMUS. We will take that up a little later. But does the gentleman seriously contend that the manufacturer of an automobile selling at $2,000 spends $400 in advertising its sale?

Mr. LONGWORTH. I would not say of my own personal knowledge that he does, but I think he would.

Mr. DOREMUS. Four hundred dollars to sell a $2,000 car?

Mr. LONGWORTH. I think so. If the gentleman can show me that he does not, I will accept his statement.

Mr. DOREMUS. It is purely a guess?

Mr. LONGWORTH. Yes; it is purely a guess. I will drop it to 10 per cent or 5 per cent if the gentleman can show me. Even so I think this tax justified.

Mr. FESS. Mr. Chairman, will the gentleman yield for another question?

Mr. LONGWORTH. Yes.

Mr. FESS. In the theory of the bill is the tax to be paid when the automobile is manufactured or when it is sold?

Mr. LONGWORTH. Under the bill the seller or producer simply makes a return to the internal-revenue collector in his district, and it does not necessarily have to be paid at that particular moment. He is responsible for the tax. They would make a return of the cars manufactured and sold, under regulations imposed by the Secretary of the Treasury, and I assume that the regulations would provide that the returns would indicate the number of sales and the taxes due.

Mr. LANGLEY. Will the gentleman yield?

Mr. LONGWORTH. For one question.

Mr. LANGLEY. The gentleman made a statement that no line of business would be ruined, and not only that but none would be appreciably hurt. We are receiving communications, scores of them in different lines of businesses, stating that the business will be ruined. Is that because they are trying to mislead us, or because they do not understand their business?

Mr. LONGWORTH. I do not think they have got it through their heads that we are at war.

Mr. HOWARD. Will the gentleman yield for one minute?

Mr. LONGWORTH. On Coca Cola? [Laughter.]

Mr. HOWARD. No; we have the money to pay the tax and we are going to pay it. Will the gentleman give me some information as to how the committee arrived at a tax of 8 cents a pound on carbonic-acid gas?

Mr. LONGWORTH. I hope the gentleman will not ask me to explain that in detail.

Mr. HOWARD. The reason I ask is that I know the gentleman or the committee did not intend to do any injustice to any business.

Mr. LONGWORTH. No.

Mr. HOWARD. You want to be fair, and I have received a telegram from the manufacturers of the largest carbonic-acid gas plant in the country, and they run the M. P. Platt Laboratory. They have thousands of contracts on hand now for carbonic-acid gas at less than that a pound. It is taxed in the bill for 8 cents. They sell it at wholesale for 6 cents a pound. Can the gentleman give me any information as to how you arrived at the 8 cents a pound being a just tax when the manufacturer's wholesale price is less than the tax?

Mr. LONGWORTH. We had to guess to some extent. Gentlemen came before the committee and brought experts. There was a hearing on this subject. They differed as widely as the poles as to how much carbonic-acid gas was necessary to carbonize a certain amount. Some said 4 gallons and some said 20. I do not know whether the tax is absolutely right or not, but it is meant to catch soft drinks.

Mr. HOWARD. I am not discussing the tax on soft drinks. As far as that is concerned, I think you put a higher tax on soft drinks than you did on beer, but we will attend to that later.

Mr. LONGWORTH. Oh, yes; the gentleman will be after the beer.

Mr. HOWARD. The gentleman will get the tax lower on beer before Congress adjourns. The thing that I am driving at is that I do not believe the committee intended to put a large concern wholly engaged in the manufacture of this product entirely out of business by putting a tax 2 cents higher than they get at wholesale.

Mr. LONGWORTH. My fundamental political belief is the industries of the United States ought to be encouraged. I am the last man that would vote knowingly for any proposition which I believe would result in the destruction of an American industry.

Mr. TOWNER. Will the gentleman yield for a question?

Mr. LONGWORTH. Yes; and then I must proceed.

Mr. TOWNER. Is there in the bill any provision by which the Government will be protected with regard to the excess profits tax against the transfer of that which may legitimately be profits to the surplus?

Mr. LONGWORTH. The only amendment adopted in regard to the excess-property tax was one that we thought would make just a little clearer what invested capital consists of. I do not know whether it would be possible to prevent inaccuracies in reference to the piling up of a large surplus and thereby escape the tax. At any rate, we did not have an opportunity to go into that.

Mr. TOWNER. Will there be any amendment offered?

Mr. LONGWORTH. I do not think any amendment will come from the committee.

Now, Mr. Chairman, I have given these figures to show that we are living in impressive times. Only a few weeks ago we authorized the issuance of more than $7,000,000,000 worth of bonds. When we pass this bill we shall have authorized the immediate raising from the national resources the staggering sum of $9,000,000,000, more than nine times the amount of our entire national debt.

This Congress will in a little more than a month have authorized the raising by bonds and taxation of an amount larger than any five Congresses ever did in 10 years. We have had to think

to-day, we Members of the House of Representatives, in thousands where our predecessors thought in hundreds. We have to think in millions where they thought in tens of thousands. We have to think in billions where they thought in millions. Laboring as we are under such tremendous responsibilities, it is our added duty, as it seems to me, to approach these matters from the broadest possible point of view. The irresistible march of events has made us more than ever the representatives of the people of America rather than the representatives of the people of our constituencies. [Applause.] Representatives of the people of America rather than the representatives of our various political parties. It was in that spirit that the Ways and Means Committee undertook to frame this bill, and it is in that spirit that I sincerely hope this House will undertake the consideration of it.

I can say to you with perfect truth—and I indorse everything the chairman of the committee has said on that subject—that partisan lines were absolutely ignored in the framing of this bill, whether in subcommittee or in full committee. There have been great differences of opinion, it is true, but none of these differences have been based upon partisan lines. In every division Democrats have voted with Republicans and Republicans with Democrats; in no single instance did Democrats line up on one side and Republicans on another and Progressives on another.

My experience in helping to frame this bill convinces me more than ever that there can be no invariable rule in the imposition of taxes on a free people, except the one rule of fairness and reason. Years ago Chief Justice Marshall laid down the proposition that the power to tax is the power to destroy, and that question, so far as this country is concerned, is settled for good and all.

The very fact that power so gigantic is granted to Congress makes it all the more necessary that this power should be exercised with the most consummate discretion. We who are called upon to exercise these powers should always keep in mind the cardinal proposition that an unjust or unreasonable tax may defeat the very purpose for which the tax is laid. A tax which will cripple or destroy an industry or the earning power of capital or of an individual will to that extent at least destroy the revenue the tax is intended to produce. There is always a point where an addition to the tax burden means the impairment of revenue. I hope that that point is nowhere reached in this bill, though I fear that in some cases we may have come perilously near to it.

Upon one feature of the bill there was much discussion. Some well-meaning people have advocated the conscription of all incomes above $100,000 or even $50,000 a year. They point out that such a tax would raise considerably more than a billion dollars in the first year, but they neglect to point out how much it would raise in the second year or the third year. Such a policy, pushed to its logical conclusion, could have but one result, and that would be to make the Treasury bankrupt and to reduce the country to a condition of helplessness in the greatest emergency we have ever faced.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. DOWELL. Does not the gentleman believe that the persons who are receiving these large incomes are sufficiently patriotic to be able to forego the use of the incomes until the termination of this war?

Mr. LONGWORTH. I will answer that yes and no. Some would and some would not.

Mr. DOWELL. Then should not the Government compel them to be sufficiently patriotic to make contribution for the time the war continues?

Mr. LONGWORTH. We are calling upon them now to pay 50 per cent, and that is a pretty high tax. It is ten times higher than we are calling upon the people of small incomes to pay, and there is no possible way by which the Government can prevent a man who owns property from selling that property, there is no way in which you can prevent his buying Government bonds, and is that an unpatriotic thing to do in this crisis?

Mr. DOWELL. Does the gentleman believe that these people receiving these large incomes will convert their property in such way that the Government can not receive proper tax from those incomes?

Mr. LONGWORTH. I believe that the tax that the gentleman apparently is advocating, though I do not believe he would vote for it—would the gentleman vote to conscript everything above $100,000 in incomes?

Mr. DOWELL. I would vote to conscript sufficient of the large incomes to very materially pay the price of this war. [Applause.] I think the people of the country would favor taking the incomes of all kinds rather than taking the chance of destroying the business of the country.

Mr. LONGWORTH. Would the gentleman vote to conscript all incomes above $100,000 a year?

Mr. DOWELL. That is not the question.

Mr. LONGWORTH. That is my question.

Mr. DOWELL. I will go sufficient to raise a revenue——

Mr. LONGWORTH. Mr. Chairman, I decline to yield further.

Mr. DOWELL. I will say to the gentleman that I will go sufficiently to raise the revenue——

Mr. LONGWORTH. Mr. Chairman, I decline to yield further.

Mr. DOWELL. And if it takes it all I would favor that.

The CHAIRMAN. The gentleman declines to yield.

Mr. LONGWORTH. Of course, the gentleman would not vote for confiscation; no sensible man would. Notwithstanding the fact that in some cases we may have pushed the taxes to the revenue-vanishing point, I am firmly convinced that this bill will raise not less than $1,800,000,000, and I believe a good deal more. While I believe and hope that it will raise nearly $2,000,000,000, I am frank to say this, that I think it would have been better on the whole if we had been satisfied with a more moderate sum. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Chairman, I will ask the gentleman to yield me 10 or 15 minutes longer.

Mr. KITCHIN. Mr. Chairman, I yield the gentleman 10 minutes longer.

Mr. SIMS. Mr. Chairman, will the gentleman answer one question not antagonistic?

Mr. LONGWORTH. Oh, let me proceed.

Mr. SIMS. The question is not antagonistic. I want to ask the gentleman this, with his permission: If he does not believe that the sources of taxes, even to some extent to the amount of them here, are so just and reasonable that they will remain permanently in our taxation system after the war is over?

Mr. LONGWORTH. Mr. Chairman, I certainly hope that we are not going to maintain this country upon the basis of preparation for a new war forever. I hope this is not going to last.

Mr. SIMS. I did not say that, but I said to some extent.

Mr. LONGWORTH. While the war lasts I am in favor of raising an amount necessary to adequately prosecute it. [Applause.]

Mr. FESS. Mr. Chairman, will the gentleman yield for a question?

Mr. LONGWORTH. Yes.

Mr. FESS. A mutual friend of ours from my own district, for whom the gentleman has a great deal of respect, has written stating that he thinks we have put the tax too high, and he said that the people do not know anything about it; that 90 per cent of the people do not yet know that we are in war. He thinks that there is danger that we will produce a countereffect in public opinion. I am wondering whether this bill will not have to be superseded by a second bill later on?

Mr. LONGWORTH. I am going to come to that exact proposition. So far as 90 per cent of the country not knowing that we are at war is concerned, I will say to the gentleman that I think he and I and others did a good job last Saturday when we authorized the raising of four volunteer divisions to go abroad to show this country that we are really at war. [Applause.]

Mr. FESS. I agree with the gentleman.

Mr. LONGWORTH. Mr. Chairman, I said that I would be glad if we could have kept this bill down to a much more moderate figure than $1,800,000,000. I would have supplied more than we have by bonds and less by taxation.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. But I bow to the superior judgment of the Committee on Ways and Means in following literally the recommendation of the Secretary of the Treasury. I yield to the gentleman from Texas.

Mr. GARNER. Just at this point, if it does not interrupt the gentleman, I desire to call his attention to the amendment adopted in the Senate on Saturday, by which we will lose approximately $430,000,000 of revenue.

Mr. LONGWORTH. I am coming to that question. This bill is constructed upon the theory that one-half of the cost of financing the war should be borne by taxation on the present generation of the American people. To that theory—and I want it so distinctly understood—I do not subscribe. [Applause.] It is true that this administration in propounding this doctrine has limited the half-and-half principle to the remaining two months of the present and the next fiscal year. It is true also, as you read in the committee report, that we have subscribed to that principle to that extent alone. So far I am willing to go, but no further, in support of the half-and-half principle. I

support the raising of $2,000,000,000 by taxation now only because I entertain the hope that this bill by its very hugeness will forestall the necessity of further taxation of the present generation for many years to come. I am firmly of the belief that in no country, particularly in a country whose population is rapidly increasing as it is here, that the present generation should ever be called upon to pay more than 25 per cent of the cost of war. No European country does it now. We have never done it before, and while I do not support the proposition that we should necessarily follow the example of Europe, nevertheless these are the facts. Great Britain is the only country now at war that has financed her war operations by increased taxation to the extent of as much as 25 per cent. In her case it is almost exactly 25 per cent. Since the beginning of the war France has paid only about 18 per cent of her expenses by taxation; Italy less; Germany not more than 10 or 11 per cent, and Russia practically nothing. I think it would be fair to say that less than 15 per cent of the cost of the European war is being borne by the present generation of the people of Europe. This proportion may be too small; I think it is too small; but certainly in a country where the population is increasing much more rapidly than any country in Europe it would be fair to assess the principal burden of the cost of war upon the generations to come. The present situation is simply this: It was estimated some time ago by the responsible officials of this Government that our war expenses alone for the next year will be something more than $3,800,000,000. We have already authorized an issue of $2,000,000,000 worth of bonds for that purpose, and we are here proposing to make up the balance by new methods of taxation. Gentlemen have criticized the Committee on Ways and Means for not filing a bill of particulars to show where every cent of this money is to go. Gentlemen seem to forget that this is war, and that it is not possible to estimate future Government expenses in war with the same accuracy as we can in time of peace. We state frankly that we do not know where all this money is going. We can not announce every detail of expenditure, but we do know this, that if this bill raises, as we estimate, at least $1,800,000,000, even if it runs to $2,000,000,000, that amount plus the $2,000,000,000 authorized by bonds will not meet the absolutely necessary expenses for the next year for war preparations alone.

Gentlemen, there are already filed in Congress estimates showing that it is necessary to raise for the Army $2,900,000,000 and for the Navy $500,000,000. For an emergency fund necessary to provide for some things that we can not even guess at now $100,000,000, and for war-risk insurance $50,000,000, and if you add to that half the amount estimated necessary for this new shipping program you arrive at the figure of $4,050,000,000. And that is not allowing for the full shipbuilding program that this administration evidently thinks necessary. I read from this morning's Washington Post:

BILLION SHIPPING PROGRAM STARTED—FEDERAL BOARD SIGNS ITS FIRST CONTRACT FOR STEEL VESSEL.

Signing of the first contract for ship construction under the administration's $1,000,000,000 building program was announced last night by the Federal Shipping Board. The contract went to the Los Angeles Shipbuilding & Dry Dock Co., and called for delivery in 1918 of eight steel vessels, each to carry 8,800 tons of cargo.

It also was announced the board is bargaining for 250,000 tons additional steel and wood tonnage for delivery as early as possible. Some of the wooden ships already are under construction, their builders proceeding without awaiting formal contracts.

The Shipping Board plans to have built within the next 18 months at least 1,000 ships, steel and wood, of more than 3,000 aggregate tonnage, to combat the German submarine campaign. Bills to be introduced in Congress this week call for an initial appropriation of $400,000,000. Later, an additional $340,000,000 will be asked, and if this is not enough, still more will be sought.

Mr. MADDEN. Will the gentleman yield? Who gave them the authority for a $1,000,000,000 program?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KITCHIN. I yield the gentleman 10 minutes additional.

Mr. MADDEN. Will the gentleman yield there? Does the gentleman think it is a wise business policy to levy taxes in advance of schemes that have not yet been enacted into law?

Mr. LONGWORTH. I think we have got to issue very soon $1,000,000,000 more bonds.

Mr. MADDEN. That is all right; but let us authorize it first.

Mr. LONGWORTH. I think the gentleman wants the same thing I do. I want to raise enough money now by taxation to prevent the taxation question from being again thrown open in the near future. Then the lid will be off; it is on now to a certain extent. The gentleman from Texas [Mr. GARNER] just called my attention to an amendment recently adopted in the Senate which prohibits the use of grain in making distilled or fermented liquors. I pointed out a few moments ago that the revenue next year from distilled and fermented liquors will be $430,000,000. That will be lost except so far only as some distilled liquors now in bond are concerned should it become a law of this Congress. The point I am making is that we will not be safe under these circumstances to cut down this bill to any substantial extent.

Mr. MEEKER. Will the gentleman yield?

Mr. LONGWORTH. Although I support it, I repeat that I am opposed to the principle upon which the bill is drafted, namely, that we should tax the present generation with 50 per cent of the cost of war.

Mr. MEEKER. Just a question for information. As a member of the committee, does the gentleman remember at any time any representative, or any other organization favoring prohibition, of the Anti-Saloon League or others, offering any substitute for raising that fund which will be lost?

Mr. LONGWORTH. That is one subject I have not heard discussed.

Mr. MEEKER. Not by them.

Mr. LONGWORTH. No.

Mr. TOWNER. Will the gentleman yield?

Mr. LONGWORTH. I regret I can not yield. This estimate leaves out all sorts of things that are going to be necessary for the building of Army posts and various kinds of equipment, and so forth. We would not be justified, gentlemen, inasmuch as we have only authorized the issue of $2,000,000,000 worth of bonds, in cutting off one cent, though I admit the principle is wrong, from this bill. If this were announced to be a permanent policy to be continued throughout the war, I would not support it, but I do it for the present and under existing circumstances for the reasons I have outlined.

Should this war in which we are engaged last for more than a year—and who in his heart doubts that it will?—we will be faced, we are even now faced, with the necessity for more money. Suppose that it were necessary to raise four billions? We could do it with bonds; and if we issued $4,000,000,000 worth of bonds, and should this tax measure stand where it is now, we would then have arrived at what I regard as the proper ratio between taxation and credit for war financing. We would then be raising 25 per cent of our war expenses by taxation of the present generation and 75 per cent by bonds to be paid by the generations to come.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. LONGWORTH. I wish the gentleman would let me get through.

Mr. JOHNSON of Washington. A short question.

Mr. LONGWORTH. All right.

Mr. JOHNSON of Washington. If it is equitable to raise 25 per cent, or, better still, raise 50 per cent, is it not better to have the whole country pay the 25 per cent or 50 per cent than to make the Pacific Coast States pay more than their share?

Mr. LONGWORTH. I will not answer that question. I decline to join in any sectional argument upon this bill. I think every part of the country ought to stand its share. [Applause.] Thirty or forty years from now our population will at least have doubled. When the bonds we are now issuing become due it may be that there will probably be more than 250,000,000 people in this country. Is it not fair to ask them to pay approximately three-fourths of the cost of a war fought by the people of to-day that their heritage may be secured? We are facing great responsibilities, my colleagues of the House, responsibilities greater than any of us ever have or probably ever will be called upon to assume. We are at war by our deliberate action with the greatest military power of all time. We are about to impose a tax burden of tremendous proportions upon the American people, one which will affect to a more or less extent every man, woman, and child in our constituencies. Let us not delude ourselves into the belief that any of these taxes will be popular. No tax is ever popular with the person who pays it, and these taxes will affect millions. Let us in voting on this measure discard all thought of how our votes may affect us politically. Let us make the measure of any tax we are about to impose not its popularity but its essential justice.

I am confident that no patriotic American in times like these will balk at the payment of any tax imposed by the national defense if only he is convinced that it is just. Let justice be the one test in every tax we are about to impose, whether the man it burdens be high or low, or rich or poor. And thus, gentlemen, we will have done our duty not only to our constituencies but to our country. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. MADDEN.] [Applause.]

Mr. MADDEN. Mr. Chairman, it has been a very great delight to see the unanimity existing between the Democrats and the Republicans on the Ways and Means Committee and to hear

the laudatory statements that have been made by each side as to the other. It seems more like a mutual admiration society than it does like anything else, and I am glad to see this era of good feeling in a time of war. When the world is ablaze with trouble it is a good thing that we have peace at least in the House of Representatives. Everybody in America who claims to be an American is just as loyal to the flag as the members of the Ways and Means Committee. And all men in American life who helped in the development of our industrial system are just as anxious for the success of the war as anybody in the administration can be. Everybody wants to meet the obligations that the war imposes to the extent that these obligations may be necessary and are just.

But I apprehend that no man, no matter how anxious he may be for success, wants to have imposed upon him undue burdens from which other people are relieved.

We have entered upon a gigantic enterprise, and we all realize that it is going to take a lot of money and it is going to take more than money, for it will take blood and patriotism. I think before we are through every home in America, if they do not already know it, will realize that we are at war. I do not want them to become so full of the realization of war that sorrow will take the place of happiness everywhere, but I do want the American people to understand that we are engaged on a project from which there is now no turning. At the same time, I want them to understand that we are going to deal justly with them, not only on the business side but every other side, for we all must realize, and they must realize, that incomes do not fall down from the sky. If you have incomes that you can tax you must have business from which to attain that income, and if you destroy the business you have destroyed the opportunity of the American people to finance the war, and without finance we are not going to succeed.

I am as anxious to be considered patriotic as any man, and I have endeavored by my actions to prove my patriotism. And while I think there ought not to be any politics in the consideration of the questions involved in the war, yet I think it would be very bad for the country if everybody was to reach the conclusion that no criticism of the plan or measures presented for the conduct of the war would be permissible. I think the healthiest thing that can happen to the administration, to those who have the responsibility of conducting this war, is to have a few men somewhere in public life with the courage to criticize. The mere fact that a man criticizes is no evidence that he is less patriotic than the man that follows the lead of somebody else without consideration. I think it is more patriotic, and if not more equally as patriotic, to have men with courage to-day willing to criticize the acts of the administration and to point out the pitfalls and the dangers of extravagance, as it is for men to follow blindly in whatever the administration wants them to do.

Now, I want to support the Commander in Chief of the American Army loyally, and I will support him loyally to the extent that he has the right to be supported, more loyally than the men of his own political faith have done; but I reserve the right, not as a Republican, not as a Democrat, but as an American, to criticize whatever he proposes or what any other man connected with the administration proposes. And I do not do that because it comes from a Democratic administration. I do that because I believe it conserves the rights of the American people.

Mr. GORDON. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GORDON. Why is it you deny other people the same privilege you claim for yourself?

Mr. MADDEN. When did I do that?

Mr. GORDON. You are just priding yourself on the fact that you supported the President better than some of the Democrats.

Mr. MADDEN. I say that is true, and I can prove it.

Mr. GORDON. Do you question the honesty and the motives of those who have not been supporting him? If so, there is no force in your argument.

Mr. MADDEN. I am not making an argument. I am stating a fact. If I was making an argument, there might be room for discussion; but I am only making a statement of fact, and it needs no discussion.

Now, I propose to point out if I can, not by any figures that I have made but by the figures made by the Ways and Means Committee on this bill to tax the American people $1,800,000,000, that it is $691,000,000 more than is shown to be needed by any computations or any estimates made by anybody in authority.

I will take the last report of the Ways and Means Committee, made during the consideration of the last revenue bill. In that report it was shown by the Ways and Means Committee that the total estimated disbursements for the fiscal year ending June 30, 1918, would be $1,368,445,910. Then they estimated the revenue from various sources, which I will enumerate in the RECORD, as $1,001,750,000. They estimated excess disbursements from receipts of $366,695,910. Then they deducted the estimated balance in the general fund, $64,305,931, and it left a deficit of $302,389,939. And then for a necessary working balance in the Treasury they add another $100,000,000, leaving $402,389,939 to raise by taxation. And later on the Ways and Means Committee report bond issues to meet the expenditures incident to the Mexican situation, $162,418,000; for the construction of the Alaskan Railway, $35,000,000; armor-plate plant, $11,000,000; for purchase of the Danish West India Islands, $25,000,000; or $233,418,000; and the bonds already authorized for the shipping act, $50,000,000; nitrate plant, $20,000,000. Add that to the other, and it makes $303,418,000. And then there were the Panama Canal bonds, which can be issued at any time, $222,000,000. That made necessary an additional bond authorization of $81,418,000.

Now, then, to recapitulate, the Ways and Means Committee in its report, No. 1366, Sixty-fourth Congress, second session, dated January 29, 1917, said:

> The estimated amount necessary to raise by bond issues is $402,318,939.

Bonds were issued to reimburse the Treasury for expenditures incident to Mexico, and the other ones which I have already enumerated, amounting to $195,256,292, still leaving $207,133,647 to be raised. Then they raise this amount: Estimated additional receipts under the proposed bill, excess-profit tax, $236,000,000, estate tax, $22,248,000, against $207,133,647, leaving a surplus on excess of bond issues of $41,000,000 over the then needs of the Government. And that, mind you, was to meet the obligations of the Government to June 30, 1918.

Now, the Ways and Means Committee comes in and it makes this report——

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Not until I get these figures in. I think they ought to go in consecutive order. This is report No. 45, Sixty-fifth Congress, first session, May 9, 1917. The war expenditures for the remainder of this fiscal year and the whole of the next fiscal year are estimated to be $3,800,000,000, exclusive of the $3,000,000,000 bond issues to finance the foreign loans. "We have already authorized a bond issue of $2,000,000,000"—I am using the words of the Ways and Means Committee now—"to provide a portion of the necessary funds to finance the war. Therefore the amount necessary to be raised by taxation or a further bond issue at this time is $1,800,000,000."

Now, mind you, they already have $41,000,000 of an excess to begin the year with, to begin the war with, if you please, and they say that the war expenses will amount, according to the estimates on hand, to $5,800,000,000; and that they have authorized a $2,000,000,000 bond issue to meet part of this, leaving the amount of the present bill to be raised by taxation.

Now, let us see what it says. According to the estimates of the various departments which have been met by appropriations, we need $1,108,618,000. That is what the department says. That is what I say. That is what the Appropriations Committee has said. That is what everybody who has talked has said, except the Committee on Ways and Means.

Now, the appropriations that we have made to meet the obligations which the Committee on Ways and Means says we have to meet are as follows: We have met the obligations of a general deficiency authorization of $100,000,000. That was to be given to the President to be used as he wanted to use it. Then we have authorized a deficiency bill of $68,000,000, and then we have authorized the expenditure of $7,000,000 for the cost of marketing the bonds that we authorized to be issued, and we have passed a deficiency bill amounting to $2,700,000,000 to maintain the Army for the next year to June 30, 1918.

The Appropriations Committee said they had made a thorough investigation of the needs of the Army and the Navy at that time. The Committee on Military Affairs wanted to appropriate $3,000,000,000. The House struck it out, and the House on further consideration said by its action that we needed only $2,700,000,000, and that was appropriated; and that involved the expenditures of the United States to maintain the Army, to raise it, to pay for a million new men for eight months; to raise the new army, to equip it, to maintain it, to put it in the field and furnish its equipment of all kinds, ammunition, powder, guns, and cannon. It provided for the maintenance of the Navy. It provided for the increase of the personnel of the Navy, and for all of the things that go to make up a successful war, as they said. That is $2,700,000,000 added to the figures I have mentioned previously, which make $2,807,-

068,000. Then deduct from that the $2,000,000,000 of bonds you have authorized. What have you left? $807,068,000.

Then we have contracts authorized that are required to be paid before July 1, 1918, amounting to $56,000,000, and we add that to the $807,068,000 and you have $863,618,000. Then I have allowed the interest on the $7,000,000,000 that we have authorized for the whole year, amounting to $245,000,000, and everybody knows that these bonds are not going to be on the market for a whole year, and that you will not have to pay more than one-half of the $245,000,000 interest during the coming year. But with the allowance of the $245,000,000 for interest on the $7,000,000,000 of bonds that have been authorized, all of the obligations, according to the Committee on Appropriations and the Committee on Ways and Means itself, made by their reports and their appropriations and recommendations, and the failure of the department to make any estimate of further obligation, leaves the country obligated only to the extent of $1,108,618,000, to raise which you are taxing the people of the United States $1,800,000,000.

Now, I apprehend that the policy of taxation is to raise revenue to meet obligations, not to create obligations and to create extravagance in the departments that will allow them to run wild and without reason in the expenditure of money that has not been authorized.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield right there?

Mr. MADDEN. Surely.

Mr. GREEN of Iowa. None of this money can be expended, can it, without the Committee on Appropriations authorizing it?

Mr. MADDEN. I am not in favor of putting it in the Treasury and taking it out of the pockets of the people of the United States and out of the business of the United States and putting it into the Treasury of the United States, at the disposition of the Secretary of the Treasury or any other man that ever lived. [Applause.] Why should you? We need the money in the business of the country. We need to maintain the prosperity of the country. We need to maintain our power to finance the war, and you can not finance the war by putting men into bankruptcy, by taking money out of the pockets of the people, money that the Government does not need. I am willing to admit that we are going to need a lot of money, and I am willing to vote for all the money that we need when we need it, but not a year in advance of when we need it.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield at that point?

Mr. MADDEN. Yes, sir.

Mr. ALEXANDER. Do you include in your estimate the $500,000,000 to be used in the construction of merchant ships during the next fiscal year?

Mr. MADDEN. Has anybody authorized that?

Mr. ALEXANDER. No; but it is coming. We need that as well as any other expenditure of the Government.

Mr. MADDEN. When it comes, let us meet it.

Mr. ALEXANDER. It is going to come within the next 30 days.

Mr. MADDEN. We ought not to levy taxes on the people for money that nobody knows anything about, not even the lawmaking power. [Applause.] I am basing my talk upon the facts; not on somebody's supposition. I am basing my talk on facts as they exist to-day, and not what would exist 10 years from to-day. But I am ready to meet and join any Member of this House or any other citizen of the United States in an effort to meet any obligation of the Government when the obligation comes. But why take this money out of the pockets of the American people by levying an unjust tax in order that you may have money to go on indiscriminately, without authority of law, to do things that ought not to be done, frequently?

Mr. LENROOT. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. LENROOT. Is not the real question, after all, what proportion of the expense should be met by taxation, and if it should be 50 per cent, it is not material how long a bond issue has been authorized?

Mr. MADDEN. The question is, What are we levying a tax for? Is it for the obligations already created and authorized? That is the point I am making. Does the gentleman from Wisconsin believe that we ought to levy taxes of $691,000,000 for something that is being anticipated?

Mr. LENROOT. No; but if the gentleman will yield, my idea is that if we ought to pay one-half of the expenses of the war by taxation that then the bond issue should be that much less.

Mr. MADDEN. That is true, because the bond issue would be in proportion to the figures I have made, which show that we have already estimated $691,000,000 more than they ought to have estimated as taxation. Then, of course, the bond issue ought to be reduced in that proportion.

Mr. LANGLEY. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. LANGLEY. Does not the gentleman think that more of the expense of this war should be borne by future generations?

Mr. MADDEN. Well, that is a question of policy that ought to be considered as to how much of the present cost of the war should be paid by taxation and how much by future taxation. But now I want to revert a little to this fact. It has been said that we are levying a gross tax of 5 per cent on the sales of automobiles and that this gross tax will be no burden upon the industry. It has been stated frequently that if the man against whom the tax is levied does not make any money, he will not have to pay any tax; but you may put him in a position where he can neither pay the tax nor make any money, and then he will be worse than a liability, and he certainly will not be an asset to the Government.

This 5 per cent gross-sale tax is the most unjust tax that has ever been proposed by any governing body in all the world. England started to levy an excess-profits tax, and then made up her mind later on that it was the wrong thing to do. The gross-sale tax of 5 per cent amounts to 25 per cent on a man's net profits. Did anybody ever stop to think what 5 per cent gross tax means and what it amounts to? Then you do not propose to let him charge it as a part of the expense. If he did that, it would not be so unjust, but he will not be allowed to charge it as a part of the cost of the machines against which he pays the tax. Oh, no; he can not pass it on. The men in the automobile business in the United States—and there are only about 450 of them—are nearly all on the ragged edge. [Laughter.]

Oh, you can laugh all you want to, but it simply shows that you do not know what the facts are. There are only 8 or 10 manufacturing automobile concerns that are making any money. The rest of them are either ready to go into bankruptcy or waiting to get the rest of the money that their friends are willing to loan them before they go out of business. That is the truth about it.

A MEMBER. What about Ford?

Mr. MADDEN. Oh, everybody thinks about a Ford when you speak about an automobile, because Ford has made a lot of money, but he is only one of a few. They are not going to be able to pass this on; they are not going to be able to charge it as a part of the expense. When they get through paying the tax they will be in bankruptcy and your excess-profit tax, and personal income tax, and corporation tax, and all that, will find itself where it can not produce any money.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. LONGWORTH. The gentleman contends that the automobile companies will not be able to pass on the tax?

Mr. MADDEN. I do.

Mr. LONGWORTH. Does the gentleman contend the same thing is true in regard to musical instruments?

Mr. MADDEN. Surely, there may be occasionally a cheap one that can do it.

Mr. LONGWORTH. Would the gentleman vote against it?

Mr. MADDEN. I will vote against it, and I am going to vote against the bill, if it is not eliminated.

Mr. MANN. And there are others.

Mr. MADDEN. We have a $7,000,000 tax on advertising. You tax the billboards. The real advertising you have not touched at all. You put a 5 per cent tax on them and you say they can pass it on. How do you know whether they can pass it on or not? A lot of these people have contracts, contracts that have been in existence anywhere from a year to 5 years, and they run from 1 year to 10 years. The price is fixed and you can not pass it on. The legitimate way would be to levy small tax on all advertising and make it uniform. Why should a newspaper or a magazine, all these publications that have influence enough to tell you whether you are all right, tell the people whether your name is a good name or a bad name, and whether you have been doing your work right here or not, be exempt. Why should the billboards and the street car advertisements pay it all. Why should it be confined to eight or ten thousand people engaged in trying to make an honest living and all the influential magazines and newspapers escape? The chairman of the Ways and Means Committee said to me the other day that, as a member of the Post Office Committee, I did not have the courage to levy a tax on the magazines for carrying them across the country, and now it is evident that he and his associates were in the same fix that he said the Post Office Committee was in. I am not in favor of making the increase

in postage in the first or second class mail, according to the figures that this committee has made. I believe that if you put this item into this bill, as you have made it on the zone system, you will drive every trade journal of the United States out of business. You will sectionalize the thought of the American people. You will prevent the interchange of thought of the East with the thought of the West, and you will do more damage by failing to give an opportunity for the free interchange of thought between the sections of the country than you will reap benefit in imposing the tax.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MOORE of Pennsylvania. One or two points which the gentleman has made interest me. I would like to know whether the gentleman intends to suggest a method by which the $1,800,000,000 can be raised.

Mr. MADDEN. You do not need it all; that is the answer.

Mr. MOORE of Pennsylvania. I think the gentleman's statement varies from that of the Treasury Department and the President of the United States.

Mr. MADDEN. I do not think the President of the United States has made any statement as to the amount.

Mr. MOORE of Pennsylvania. I would like to agree with the gentleman on several of his propositions, but we are up against the question of raising $1,800,000,000.

Mr. MADDEN. The question the gentleman is up against is a question that does not comport with the facts. It seems to me that what we ought to be dealing in are facts, not fancies.

Mr. MOORE of Pennsylvania. We have already provided for an issue of $2,000,000,000 of bonds.

Mr. MADDEN. Yes; and I am giving you credit for that.

Mr. MOORE of Pennsylvania. And we are providing for a total expenditure of $3,800,000,000.

Mr. MADDEN. Yes; that is, you are.

Mr. MOORE of Pennsylvania. That leaves $1,800,000,000 that must be raised by taxation.

Mr. MADDEN. That is only in the imagination of the Ways and Means Committee. I have given you the figures from your own report that show you need only $1,108,618,000, and I did not make those figures. You made them, and the Committee on Appropriations makes them, and I am just tabulating them. I am acting as an amanuensis for your committee.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GARNER. Does the gentleman agree to the proposition that the expenses for the next fiscal year should be borne 50 per cent by taxation and 50 per cent by bonds?

Mr. MADDEN. I would be perfectly willing to do that.

Mr. GARNER. Then, may I ask the gentleman, according to the gentleman's statement——

Mr. MADDEN. Then we would reduce this cash expenditure $300,000,000 and reduce the bonds by $300,000,000.

Mr. GARNER. According to the gentleman's statement, it is necessary to levy at least $1,600,000,000 in order to take care of it.

Mr. MADDEN. Yes; it would be, if you take credit for the bonds.

Mr. GARNER. For a fifty-fifty proposition it will be at least $1,600,000,000.

Mr. MADDEN. But if you are going to utilize all of the bond issue it would not be.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I would like to have 10 minutes more.

Mr. FORDNEY. I yield the gentleman 10 minutes more.

Mr. GARNER. And if you take $1,600,000,000 as being 50 per cent for taxation, and then deduct from that the revenue for distilled spirits, amounting to over $430,000,000, I would like to have the gentleman tell me how you are going to get the money?

Mr. MADDEN. Then, you have $200,000,000 of bonds to pay on that, $200,000,000 of bonds preserved here by permitting the bond issue to be only partially used, and you get all the money you need, but it would not be lost, because the whisky now in bond would pay the tax next year when released regardless of what may be done with respect to the use of grain in the manufacture of alcoholic liquors.

I am opposed to this retroactive income tax of $108,000,000. I do not see any reason why we should go back a year from the 1st of January, 1917, to levy a tax on people who have already been taxed and who have paid their tax. It is not right, there is no justice in it, and when we can not raise revenue and go back for a year and a half there is something wrong with the system. If we can go back for a year and a half, we can go back to the beginning of the Government and take everything that everybody has—and that is about what you are doing here.

Mr. LANGLEY. Mr. Chairman, the gentleman is familiar with this whole subject. What about the custom of other countries on that question of the retroactive tax?

Mr. MADDEN. England is levying only 25 per cent tax upon her people for the conduct of the war, and she is issuing securities for 75 per cent. France is levying 18 per cent taxes and issuing securities for the rest, and I understand that Germany is issuing 13 per cent taxes and issuing securities for the rest, and she is getting along fairly successfully so far as I have been able to ascertain.

Mr. HILL. And on the policy which they are pursuing they have gone broke, and we have had to lend them for the rest of the war.

Mr. MADDEN. We are not lending Germany anything, are we?

Mr. HILL. Certainly. Yes; we did.

Mr. MADDEN. When did we lend Germany anything?

Mr. HILL. Two years ago.

Mr. MADDEN. When and what?

Mr. HILL. Bonds sold right here in the United States before our declaration of war.

Mr. MADDEN. The gentleman means Germany?

Mr. HILL. Yes.

Mr. MADDEN. That is all right. We as a Government did not lend it. The people of the United States who had money to invest thought it was proper to buy any security that was offered to them and recommended by the bankers, and the board of control of the Federal Bank System told our bankers not to lend anybody any money and the next week or two told them to lend everybody money. [Laughter.] We have now issued $7,000,000,000 of bonds, and $3,000,000,000 of those are being loaned upon the recommendation of the Federal Reserve Board. There is another thing that I want you gentlemen to understand, to think about, and you better take it home with you and consider it. Do you know that you have created more disturbance in the minds of the business people of the United States by this bill than has ever been created in the business mind of this country in the history of my experience? Do you know that more people are ready to go into bankruptcy than you have any thought of? If you do not give some reasonable consideration to the questions that involve the integrity of the business of the United States you will not be able to finance this war. We ought to finance the war without any trouble, but we are already having trouble financing the bonds that we have placed on the market, and I see by the morning papers that the Secretary of the Treasury is going to engage all of the orators that were out in the last campaign to go out and educate the American people into the idea that they ought to buy American bonds—liberty bonds. I suppose all you spellbinders on that side who were out in the last campaign will be called upon to speak.

Mr. MANN. I suppose he will get all of the orators who said that the President had kept us out of war.

Mr. MADDEN. That is what I mean—men who were out in the last campaign.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. FOCHT. Before the gentleman gets away from the second-class mail matter, I would like to ask his opinion as to a statement made to me in a letter by the president of an important publishing company in central Pennsylvania, in which he says that his company now pays the Government $40,000 a year, and that with the imposition of the proposed tax it would have to pay $140,000 a year, and that the minute that is put into operation they go out of busness.

Mr. MADDEN. Then he would not have to pay anything.

Mr. FOCHT. That would be a process of elimination, if not confiscation, and nothing whatever for the Government.

Mr. MADDEN. That would be extermination with a vengeance?

Mr. FOCHT. What shall I wire that gentleman?

Mr. MADDEN. Tell him that the Committee on Ways and Means is inexorable and that it is altogether likely the majority of the House will stand for this bill, although there are a few who have the courage to think they will vote against it.

Mr. FOCHT. There is no possibility of passing this tax along?

Mr. MADDEN. No.

Mr. FOCHT. Well, in two minutes I will have your message on the wire to my friend in Pennsylvania.

Mr. ALEXANDER. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. ALEXANDER. The gentleman has been a member of the Committee on the Post Office and Post Roads for years?

Mr. MADDEN. Yes, sir.

Mr. ALEXANDER. And I regard his opinion very highly. Does the gentleman think that second-class mail matter pays as high a rate as it should, whether it is on a zone rate or a flat rate?

Mr. MADDEN. What I would do if I had my way about it, but I have never had it, would be that I would double the rate and make it a flat rate of 2 cents, and not under any circumstances make it a zone rate [applause], because you can not transport this educational matter on a zone basis. When you get to a zone basis or a point where they have to pay 8 cents a pound for the transportation they are out of business. Now take the Christian Science Monitor. That is one of the best papers in the United States—a clean, daily paper, it is true, but it gives the news, foreign and domestic. It does not have anything in it that is not clean and it goes all over the United States. It can not go all over the United States if the zone rates go into effect. Then the trade journals of the United States are essential to the development of the trade industries of the United States and are essential for the information of the people engaged in various lines of trade in order that they may be advised of what is going and what contracts are being let. Their news is up to date and they go all over the United States, and they can not do it if the zone-rate system goes into effect.

Mr. KINCHELOE. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. KINCHELOE. I know the gentleman has given this thorough and careful study, being a member of the Committee on the Post Office and Post Roads. Will the gentleman give the committee an idea of what additional revenue will be raised if this was put on a flat 2-cent rate?

Mr. MADDEN. It would raise double the revenue. We now raise $11,000,000 and that would make about $22,000,000, and it would not be a hardship on anybody. I believe it would have gone into effect some time ago but for the fact that paper was so high and the Committee on the Post Office and Post Roads believed it would not be wise on account of the high price of paper to put it into effect just at this time. This does not raise any more money than we would on a flat-rate basis because it will put everybody out of business.

Mr. SWITZER. Will the gentleman yield?

Mr. MADDEN. I do.

Mr. SWITZER. The gentleman believes the Post Office Department can provide the machinery for separating what is called the commercial part from the advertising——

Mr. MADDEN. It is no trouble, it is the simplest thing in the world.

Mr. SWITZER. Why not put that on the increased rate and let the other alone.

Mr. MADDEN. That is the thing we have been talking about and discussing and considering and studying and we find we could do it very readily and we practically reached an agreement by which the Postmaster General and the Post Office Committee and people who are engaged in the publishing business could come to a solution of the question that would be satisfactory to everybody involved including the Government. It was not put into effect because we are waiting for a lower price of paper.

Mr. HELVERING. Did not that contemplate the zone system?

Mr. MADDEN. No; that is an amendment to the Post Office bill, but that is not what we considered. That came out of the committee but nobody voted for it except the man who put it in.

Mr. HELVERING. I understood there was a zone-rate system on the commercial part.

Mr. MEEKER. Can the gentleman give the committee any information as to why a thing of such tremendous importance, which evidently belongs to the Committee on the Post Office and Post Roads, gets on a revenue bill?

Mr. MADDEN. Well, I suppose the Committee on Ways and Means wanted to raise revenue and they saw a chance to raise it and they thought it was a wise thing to do and they were running along the lines of least resistance, I am quite sure.

Mr. MEEKER. As a member of the Committee on the Post Office and Post Roads can the gentleman say whether that committee ever advised——

Mr. MADDEN. Not so far as I know—maybe with the chairman of the committee, but nobody else.

Mr. GARNER. May I state for the benefit of the gentleman from Missouri that the matter was referred to the Post Office Committee, and they considered it and sent word back to the Committee on Ways and Means, "Have your way about it; we will be satisfied"——

Mr. MANN. Does the gentleman say the Post Office Committee considered it?

Mr. MADDEN. I was not at such a meeting——

Mr. MANN. The gentleman said the committee considered it.

Mr. MADDEN. I think there was a meeting which I did not attend; I did not receive any notice.

Mr. GARNER. If the gentleman will allow——

Mr. MADDEN. Let me answer. They said, I think, that they were perfectly willing to have the Ways and Means Committee consider it.

Mr. GARNER. That is exactly what I said.

Mr. PAIGE. As a matter of fact the Post Office Committee considered it to this extent, that they would waive jurisdiction of the matter, and that the Committee on Ways and Means could consider it.

Mr. MEEKER. Did not the gentleman from California, a member of the Committee on the Post Office and Post Roads say——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GREEN of Iowa. I yield the gentleman five minutes additional.

Mr. MADDEN. Now, I want to say in conclusion, that the excess-profits tax is what I think to be a very unscientific tax. It is a very unjust tax; it is a tax that ought not to be imposed, because an excess-profits tax works unequally between two men with the same amount of capital.

For example, I might engage in a business with $100,000 capital to-day, and any other gentleman here might do the same thing, and we might go on building up our business for 25 years. I would run my business along scientific, systematic, business lines and would charge off all the depreciation in my plant every year, and at the end of 25 years my capital would remain about the same that it was when I started, but my profits would be larger on the capital. I would have had an established, successful business. Some other man might start in, as I said, with the same capital and run a slipshod business and every engine that he purchased, whether it was worn out or not, after it had been used for a while, he would still continue to carry as an asset at the original cost.

If he put up a building, he would not charge anything for depreciation against the building. And at the end of 25 years he might have accumulated $900,000 of assets of that sort. They would not be worth much, but they would be added to his capital. And so the man here who ran his business along scientific lines, charging off for depreciation and everything which ought to be charged off every year, would find himself at the beginning of this tax system with his original capital. He would make as much money on his original capital as the other man on his accumulated capital. So his profits would seem large. So if he had $100,000 capital he would be allowed to collect 8 per cent on it after deducting $5,000. And the other man, having allowed all his old junk to accumulate, would have $1,000,000 of capital and surplus, and he would be allowed to collect 8 per cent on that before the Government could begin to take its share. So the one man with equal capital, running his business in a slipshod way, having everything charged up to surplus that he found himself in possession of, would be able to collect 8 per cent on a million dollars, and the other man, who had been scientific in the conduct of his business, would be able to collect 8 per cent on $100,000, and the Government would come along to the $100,000 man and collect 8 per cent on what he had left. So you see what an injustice it is to the Government and to the man who has been systematic and honest in the conduct of his business.

You say the Government of the United States, through its experts, will say what the surplus is to be. This surplus was not created with a view of fooling the Government of the United States. It was created at a time when the Government of the United States had no right to recognition in connection with the case. The excess profits tax is collected on the basis of one million against one man and on the basis of $100,000 against another man, men who are doing business on equal terms, one man having been systematic and honest and fair and the other man endeavoring to pile up a surplus that he calls capital. But the way to do that thing, if you want to be just, is to levy a net profits tax. Now, this excess profits tax should be levied equally against everybody. Why did not the Committee on Ways and Means stop and consider the question along scientific business lines? Why did they not stop and consider what was the most just and equitable? Why did they stand by this excess profits tax, where there is no equality of opportunity for the collection of the tax on equal terms, and where one man is allowed favoritism and the other man is discriminated against?

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. MADDEN. Surely.

Mr. GREEN of Iowa. Can the gentleman tell the committee how he would estimate the net profits in any different way?

Mr. MADDEN. I would estimate the net profits of a concern on the basis of what it cost to conduct the concern. I would give them credit for all the dollars they received and would compel them to charge every dollar that they used in the conduct of their business, and when they got through doing that, what would be left would be net profits, without respect to what the capital was.

Mr. GREEN of Iowa. What would you estimate the net profits on?

Mr. MADDEN. I would estimate it on the basis of earnings and legitimate expenses without respect to capital.

Mr. GREEN of Iowa. No matter what it was?

Mr. MADDEN. Any legitimate expense incurred in the conduct of his business. I would not let him estimate it on old junk, and worn-out engines, and boilers that had been in existence for 50 years and were falling into decay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I am very much obliged for the consideration you have shown me. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I yield 15 minutes to the gentleman from Connecticut [Mr. HILL].

Mr. HILL. Mr. Chairman, I do not know that I shall be able physically to continue for 15 minutes. I did not intend to speak at this time, but some statements have just been made that induced me to suggest to the gentleman in charge of the time that I should like to reply to them now. They are so directly contrary not only to the facts but to the character of the gentleman who made them that it seems to me they ought to be refuted. Only two or three weeks ago the same gentleman made these remarks on the floor of the House:

> There is no way to win this war except by men and money. * * * I would not care whether we were repaid for the bonds or not. * * * We ought to begin the war upon which we have entered now; to-day; not to-morrow.

That does not mean to postpone until next December appropriations for the equipment of men who are going into the field within 60 days. I call the attention of the gentleman from Illinois [Mr. MADDEN] to his own statement again.

Mr. MADDEN. Will the gentleman yield?

Mr. HILL. I will.

Mr. MADDEN. Why, of course, I made that statement then, and I make it now.

Mr. HILL. You have not done so. You said, "We ought to begin the war upon which we have entered now; to-day; not to-morrow."

Mr. MADDEN. Will the gentleman yield?

Mr. HILL. I will.

Mr. MADDEN. Why, what the gentleman suggests is no argument against what I have said on the floor at all.

Mr. HILL. Not at all. It is an entirely different matter. The gentleman says now that if taxes he does not approve of are included in this bill he will not vote for it. How are you going to pay your soldiers or buy your ammunition? Is this bill to be made to suit your particular views or else the Nation withdraw from the war with Germany?

Mr. MADDEN. Just a moment. Do not get excited. What I have said, and the gentleman is not fair in making the statement that he does, is that according to your statement, the statement of the Ways and Means Committee, you want only $1,180,000,000.

Mr. HILL. I will take that up in a minute. Do not take my time for that. I do not think that I ought to yield to the gentleman any longer, and I will tell him why.

Mr. MADDEN. I do not want you to.

Mr. HILL. Because two weeks ago he used this language:

> The American people believe that the time for talk has passed, that the time for action has come, and, for God's sake, let us get into action.

Now he wants me to yield to him to discuss the merits of an automobile tax.

Mr. MADDEN. That was on the war bill that I was talking.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. HILL. Certainly I yield.

Mr. MANN. Does the gentleman think that my colleague is to be criticized——

Mr. HILL. No; I will say that in advance.

Mr. MANN. Let me ask my question—criticized for saying a word not in approval of this bill, after the members of the committee had talked for four days, wasting the time of the House from the gentleman's standpoint, supporting the bill instead of voting on it?

Mr. HILL. I do not. I think the gentleman's criticism is fair, and for that reason I surrendered my time, which was given to me a few days ago, so that we could sooner get into the five-minute debate. But the gentleman's statement was so misleading that I thought I ought to ask a little time to set the House right on the question.

I am going to tell the Members of the House, if they will pardon me for a few minutes, just what my connection is with this bill. I am a business man, like the gentleman from Illinois [Mr. MADDEN]. I like to do business, whether it is war or peace, on business principles; and the day before the Committee on Ways and Means met at all I went to the Committee on Appropriations and got the estimates which the Committee on Ways and Means was called upon to provide for. There they are—the printed estimates sent by the department to the Committee on Appropriations. There is the tabulation and the footing which the clerk to the Committee on Appropriations gave me. They amounted to $3,556,196,784.37. I took that and went to the Treasury Department. I said to the Secretary of the Treasury, "We meet to-morrow, and we have got to raise this money." I do not think I am violating any confidence in stating the substance of this conversation in a great national crisis of this kind, and if anybody thinks I am, let him stop me now. I said to the Secretary, "Have you included in your estimates the interest on the bonds?" I agree with the gentleman from Illinois [Mr. MADDEN], who has just stated that in his judgment it ought to be included; the interest on the bonds, all the bonds, what we loan to the allies as well as our own. We have practically entered on a program, gentlemen, of financing the allies at the rate of $400,000,000 a month. I think that is conceded. We will have exhausted the authorized bonds by January. There are 14 months of the life of this bill—May and June and 12 months of the fiscal year 1918. At $400,000,000 a month we will need to issue $5,600,000,000 of bonds and we have only authorized $3,000,000,000.

I said to the Secretary, "I think we ought to include in this estimate all of the interest on the three billions already authorized." You know as well as I that some of the very money which we are loaning them now must be taken by them to pay the interest on the bonds they have already out, and we can not expect to get the interest on these bonds back from those people now. There is not the slightest doubt that so far as this generation is concerned the bond issues are practically an annual expense to us in the conduct of this war. We will get them paid by and by in years to come, but we have got to carry these people along. As any of you know, if you take a man in hard circumstances and indorse half his paper you guarantee the other half by so doing, or else lose your own. That is the position we are in with reference to these nations with whom we are allied. We can not say to the people who buy our bonds, "France or England have not paid their interest." The American people have got to pay it the day it is due, whether anybody else pays it or not, and any good business man would do that.

How much does it amount to? One hundred and ninety-two millions five hundred thousand dollars on the bonds, and that does not include six months' interest on the certificates of indebtedness, $35,000,000. I put it in. It is not included in any of the appropriations which the Committee on Appropriations has made, and yet the gentleman from Illinois says we must measure this thing by the appropriations that have been made, not by the necessities of the case. He admits it ought to be there. Why did you not include it in your appropriation?

Mr. MADDEN. What was that?

Mr. HILL. The interest on the bonds.

Mr. MADDEN. I certainly did. I included the $145,000,000 in the statement I made.

Mr. HILL. Yes; but where is it in your appropriation bills?

Mr. MADDEN. I was not speaking of the appropriations. I estimated that.

Mr. HILL. Oh, yes. It is easy enough to say it ought to be paid and that we ought to be guided by the appropriation bills rather than by the facts in the case, but the gentleman himself has not included it in the appropriation bills.

Mr. MADDEN. I am not on the Appropriations Committee.

Mr. HILL. I thought you were.

Mr. MADDEN. No; not now.

Mr. HILL. Then I think you know less about it than I thought you did. [Laughter.]

I said to the Secretary this: "Have you included in your estimates the increased pay of the Army?" He said, "No; it was only authorized by the House Saturday night." This was Monday morning. "Of course," said he, "we have not included it." That is $360,000,000 not included in the estimates. It is now authorized by act of Congress, but not in-

cluded. I am coming to it again in a moment. Said I, "Have you included, as we have, a rough estimate of $400,000,000 to cover an additional estimate that is coming in from the Navy?" He said, "No; I have not." It did come in, $503,000,000, and is included now in the appropriation bills.

Then there is $100,000,000 more of deficiencies which will show up on the 30th day of June, according to the Secretary's own estimates, that must be paid out of this tax bill, deficiencies in the current revenues for the last fiscal year, making a total requirement of $4,760,696,785.37, not including any additional estimates that will come in between the 1st day of May and the day when this Congress adjourns, and $1,000,000,000 extra has already come in in one lump. But not including that, and I think not including the $100,000,000 given to be expended by the President in his own discretion——

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Connecticut yield to the gentleman from Iowa?

Mr. HILL. Certainly.

Mr. GREEN of Iowa. Then, if I understand my colleague on the committee correctly, instead of the sum which we are about to raise being altogether more than is necessary, we shall have to levy additional taxes to meet it?

Mr. HILL. Yes. I will show you when I get to it.

Now, what happened? I have told you what was not included. The Committee on Appropriations, exercising their discretion and, in my judgment, exercising it wisely in some respects, struck out of those estimates $760,000,000.

Now, I want to show you how they did it. Striking out the $760,000,000 from the estimates, they reported a bill to the House, which we passed. The balance left was $3,986,696,784.27, to be provided for by two billions of bonds, and the remainder to be raised by taxation, so that it is not $1,800,000,000; it is $1,986,696,784 at least.

Now, what was it that they struck out? In the first place, there was $280,000,000 stricken out because of duplication of appropriations that were in last year's appropriation bills and thoughtlessly brought forward into this great estimate of $3,500,000,000 which the department had made. That ought to have gone out. Of course, we did not want to appropriate it twice. Then there was $144,000,000 stricken out which was in that estimate, to take care of the dependent wives and children of the soldiers who will be called from their work by draft during the next year, all stricken out. Do not you think that at least a part of that will have to be met during these 12 months, or you will get no army?

Mr. GREENE of Massachusetts. That is a deficiency.

Mr. HILL. Yes. It is a deficiency. But it has all gone out, every dollar of it. They did it on the theory that the vote to take care of the dependent wives and children applied only to the National Guard during the troubles on the Mexican border. Every nation in this war, even Canada, is taking care of its dependent wives and children. We have got to do it or be disgraced in the eyes of the civilized world.

Every dollar of it has gone out, and you know you have got to pay it by and by. That is added to the $1,900,000,000. Fifty million dollars was taken out which was estimated because of the 20 per cent increase for soldiers in foreign service. It was taken out of the appropriation from the standpoint of the Committee on Appropriations—and I am not criticizing them—on the ground that the law applied to the past organization of the Army, and the authorization for the new army made no provision for extra pay, and that it would be covered in the double pay. I presume that we will not have to appropriate anything for that purpose.

Mr. FOCHT. Will the gentleman yield?

Mr. HILL. Yes.

Mr. FOCHT. Is it the gentleman's idea that the conscripts or drafted men who have dependent mothers or widows and children—that the dependents will be provided for by the Government?

Mr. HILL. They are provided for in all other countries.

Mr. FOCHT. Can the gentleman say whether they will be by this country?

Mr. HILL. I am in favor of a reasonable allowance, and I proposed it first on this floor when the National Guard was provided for.

Mr. FOCHT. What shall I write to my constituents who want to know if this Congress is going to pass such a bill?

Mr. HILL. You can tell them that you are for it. Of course the gentleman can not control the House.

Mr. FOCHT. I am for it, to be sure, but I do not get the gentleman's opinion.

Mr. HILL. I said that I am in favor of it.

Mr. McKENZIE. Will the gentleman yield?

Mr. HILL. Yes.

Mr. McKENZIE. The gentleman from Pennsylvania can write his constituents and tell them that one of two things will happen. The soldier who is conscripted with a dependent mother would very likely be excused, but if not excused he will be taken care of, and also his mother.

Mr. HILL. I am glad the gentleman from Illinois is here. I want to ask him a question. A few days ago we authorized in the Regular Army and National Guard about a million men between the two.

Mr. McKENZIE. Yes.

Mr. HILL. We authorized the President of the United States to at once begin conscription in this country to raise two contingents of 500,000 men. Is not that true?

Mr. McKENZIE. Yes.

Mr. HILL. And preparations are going on to-day to do it. When the conference report is adopted, as I understand it, the orders will go out.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. GREEN of Iowa. I yield to the gentleman 15 minutes more.

Mr. HILL. What do you suppose the Appropriation Committee has done? The pay of the Army which we authorized the other day will amount to $720,000,000, and they have appropriated $219,000,000. Now, suppose we do not pay them a cent until the first day of July, the pay will be $720,000,000 unless we change the law during the fiscal year of 1918. They have appropriated $219,000,000. Why? On the ground that we are not going to get the 2,000,000 men, that we are not going to get the 1,000,000, and if we do get 1,000,000 ultimately the full number of the Regular Army and the National Guard will only need to be paid for eight months of that time. You know as well as I do that if that is the fact the war is a failure at the start. You know that it will be absolutely necessary to come in here next December and make another appropriation bill to make up the pay of the Army and these other items and enact another tax bill then.

When are the taxes proposed in this bill to be collected? The income tax, corporation tax, excess-profits tax will not be collected until after next January. The statements of incomes are not due until the 1st of March next year, and the payments are required between that and the 15th of June. What are you going to do? It is easy enough to say that you will make a new appropriation in December to meet the items of deficiency.

Mr. SLOAN. Will the gentleman yield?

Mr. HILL. Yes.

Mr. SLOAN. I want to say to the gentleman that the retroactive income tax is due next September.

Mr. HILL. Yes; $110,000,000. Let me say that it is not a retroactive tax at all. We needed $110,000,000 to make up the amount, and this is an income tax for this year measured by one-third of what they paid last year. We could have made a normal tax of 5 per cent instead of 4 and got the same amount, and then you would not call it retroactive. It is simply a means of measuring. Even then I voted against it, but it is for this year only. We did not want to adopt a normal income tax of 5 per cent for future years. You will not get it again, and we only measure it by one-third of what you paid last year. It is an unfortunate expression to call it retroactive. The committee by a unanimous vote had at the beginning of its deliberations repudiated the suggestion made to it to reenact all of last year's income tax and substituted other taxes for the whole amount.

So we have got to lay the taxes now for 12 months. We can not lay taxes on the people to suit the convenience of the Committee on Appropriations in making its appropriation bills. They can hold back the pay for the Army now and appropriate for the rest of it in December. We have got to lay the taxes now and proceed to the collection of the money which we will need, amounting to nearly $2,000,000,000, before we can get a chance to lay another tax bill.

Mr. GARNER. Will the gentleman yield right there?

Mr. HILL. Yes.

Mr. GARNER. Is it not the opinion of the gentleman that if the war continues, Congress will be called upon at the next session to lay another tax bill?

Mr. HILL. I have not the slightest doubt that notwithstanding the eighteen hundred million dollars we have laid this year we will be called upon to raise three billion six hundred million next year, or double the amount in taxes. I think our expenditures this year will be $10,000,000,000, counting the cost of financing the allies, and I think next year it will be $15,000,000,000, counting the cost of financing the allies. We might as well face this proposition like men and not pettifog about a tax

on jewelry, the tax on automobiles, the tax on this, that, and the other. It is going to reach everybody before you get through with it.

Mr. GARNER. And these gentlemen who object to certain taxes in this bill ought to be prepared to offer a substitute which would raise an equal amount of money.

Mr. HILL. Absolutely. No man should rise on the floor and offer an amendment to the bill who is not willing to couple with it some form of taxation to supply the amount that he wants to take away.

Mr. DOWELL. Mr. Chairman, I will suggest an amendment. Take the tax off the necessaries that you have in this bill and put it on the excess profits and the large incomes.

Mr. HILL. Yes; and another gentleman sits here who says that the excess-profits tax is all wrong and ought not to be levied. Which is going to have his way?

Mr. DOWELL. He says to put it upon the net profits.

Mr. HILL. You have got it on the net profits in the corporation tax.

Mr. DOWELL. But you have not enough. Put it on the large profits and you will get the amount.

Mr. PLATT. You could raise considerable by a check tax, as we had in the Spanish-American War.

Mr. HILL. Certainly; and I was in favor of that in the committee. I have no hesitation in saying that. I voted for it. I think I have shown you—at least, I have tried to show you—that we need eighteen hundred million dollars. I want to show you that a man who did not agree with that proposition in the committee, a colleague of the gentleman from Illinois [Mr. MADDEN], set for him an example which he might well follow when he stood up and changed his views, and said, "Gentlemen, I am in favor of raising eighteen hundred million dollars, as called for by the administration, for I believe that if we answer that call with 80 per cent only, the first battle of this war is lost." [Applause.] I commend that patriotic statement of the gentleman from Illinois [Mr. RAINEY] to the gentleman from Illinois [Mr. MADDEN].

What have we got? We have a bill which, according to the estimates, gives us eighteen hundred million dollars. I have shown you that we need nineteen hundred million dollars or more. We are not going to get eighteen hundred million dollars from the bill, or anywhere near it, and that is something that you want to think about. Why? The best taxation authority in this country, Prof. Seligman, of Columbia University, reviewing the income tax, winds up with this statement, that you gentlemen should think about:

> Finally, another notable diminution of the yield from the income tax would follow the unfortunate exemption of interest on the new gigantic war debt. With every billion of new tax-free bonds there would be a reduction of from ten to twenty million dollars in the income tax.

We have authorized five and one-half billions this year of tax-free bonds, and it means scaling $110,000,000 right off your income-tax receipts which are put in here in this estimate, as any one of you can see. That is the first scaling. It is unnecessary for me to go into the reasons why Prof. Seligman is absolutely correct. Every one of you can figure it out for himself. For every billion of tax-free bonds that we issue you can scale $20,000,000 from the receipts of the income tax. That takes $110,000,000.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. COOPER of Wisconsin. Prof. Seligman, I understand, is opposed to the tax-free bonds?

Mr. HILL. I do not know whether he is or not. I think that he is. I think that he claims that every bond ought to pay a tax. I said on the floor of this House when that bill came up, and in the committee, that the rate of interest ought to be 4 per cent. My judgment then is justified by the facts to-day. I am sorry that the interest is not 4 per cent.

What else is to come up? Just think of this proposition. We never have faced a problem of this magnitude before in the United States, and the peculiar situation has never before arisen. We have an income tax, we have a corporation tax, we have an excess-profits tax. Every one of those things depends upon the money a man makes, either individually or in a corporation. How are you going to determine what he makes? By taking out from the gross profits his expenses. Is he going to have any added expenses this year? Yes; eighteen hundred million dollars of taxation. That is going right into the debit side of the books of every business man and manufacturer in the United States, and you lose 4 per cent normal income tax at least upon eighteen hundred million dollars of taxation that he is going to charge up as expenses. Had you thought of that? That amounts to $72,000,000 a year that comes out of this estimate. It cuts down the eighteen hundred million dollars. Four per cent of the very taxes that we lay are coming out of the income, corporation, and excess-profits tax, and you can not stop it. Do you not suppose men will deduct the taxes upon the factory or the taxes upon their homes before they figure up the income tax? Then these taxes put in here to the amount of eighteen hundred million dollars are just so much deduction from the profits in this country for the coming year; and on that we lose 4 per cent anyway, and possibly in some cases as high as 15, 20, or even 47 per cent. I have taken it at the very lowest figure, so that on that thing alone you can deduct $72,000,000 from this estimate.

What else? We have an idea from this estimate that the postage, if we charge 3 cents for a 2-cent stamp and 2 cents for a 1-cent postal, will bring in just that much excess. It will not. It will stop the mailing of letters to a very large extent. I should like to say more than I have time to say or would otherwise say as to what my opinion is of this whole postage legislation. I wish it was not in the bill. I would tax the evil at its root. I would tax the advertising matter that goes through our mail at a rate of 10 per cent and let the newspapers transfer it to the buyer. I do not know of any reason why this Government should carry John Wanamaker's or Marshall Field's advertisements all over the United States at the expense of the rest of the taxpayers of the country. I would tax that right there and get $100,000,000 out of it. [Applause.]

The experience of Canada shows that they did not get the increase from 2 to 3 cents, because it reduced the number of letters that went through the mail. They did get about 40 per cent. We estimate 50 per cent, and that would be $14,000,000 more to come off.

Then there is another thing. We have made an exemption of 50 gallons of spirits in the hands of each retail dealer in the country, and there are 180,000 of them. How much new spirit do you suppose will be sold until that is used up that has 90 cents less tax to pay than the other has? In time it will come all right, but this year we lose $10,000,000 on that.

Mr. MANN. May I ask the gentleman a question?

Mr. HILL. Certainly.

Mr. MANN. Are not all the spirits used practically taken out of bond?

Mr. HILL. I am referring to the exemption that is in the hands of the retailer and taken out of bond. There is an allowance of 50 gallons for each retailer. I do not refer to the matter the gentleman has in mind.

Mr. MANN. That is a barrel, and that does not amount to much. A statement has been made here and I desire to ask the gentleman a question in respect to it. If we forbid the use of grain—that is, practically forbid new distilling—the statement is made that we lose all of the revenue from the tax on alcohol. Is not the tax on alcohol practically paid, except for commercial purposes, on alcohol coming out of bond?

Mr. HILL. Yes; it is only paid when it comes out of bond.

Mr. MANN. Cutting off the new supply will not have effect for——

Mr. HILL. Probably not for two years to come. There is enough in bond to last the country two years.

Mr. CANNON. How much is in bond now?

Mr. HILL. I do not recall the exact amount, but I think somewhere in the neighborhood of 300,000,000 gallons.

Mr. HELVERING. Two hundred and thirty million gallons in bond.

Mr. HILL. I do not know. I have not the time nor the strength, gentlemen, to discuss the provisions of this bill. I am not going to do as the gentleman from North Carolina said he was going to do, vote for it with his eyes shut. I am going to vote for it with my eyes wide open, knowing just what is in it, I think, just what ought to be in it, and just what ought to be in it that is not in it, and yet I am going to vote for it. It is said that Napoleon said that there were three things which were absolutely necessary to the vigorous prosecution of war. The first was money, the second was money, and the third was money. This administration has asked us for $1,800,000,000, and as a Republican and as a citizen of the United States of America I propose to try to give it to them. [Applause.] I propose to give it to them to the best of my ability, whether it suits my political views or whether it does not suit my political views. A moment ago some one said that he was opposed to the excess-profits tax. So am I in the form in which it is computed. Another man said he was opposed to another tax and said that they ought to put the excess-profits tax in place of it. There is a difference of opinion. What are you going to do; surrender before you begin? I was going through Siberia 10 or 15 years ago, and at a city called Blagovestschenck I met a bright

German who was a cashier of a bank. Two weeks afterwards I met him again walking the streets of Stretusck, a thousand miles up the Amur River. I said to him, "Where in the world did you come from?" He said, "I came from Blagovestschenck; I left on the next boat after you." "Where are you going?" "I am going home." I said, "I am glad you are going to have a vacation." He was a fine fellow. But he said, "I am not going on a vacation." I said, "Then you are going on business, and you can make it a vacation trip." He said, "I am not going on business." I said, "What in the world are you going for?" I was a Yankee, traveling for curiosity. He said, "I am going home to do my last year's service in the army." I said, "Are you an officer in the army?" He said, "No; I am a private." "Do you mean to tell me that you are going several thousand miles and throw away the salary of a cashier in your bank to serve a year in the army at 6 cents a day?" He backed off, straightened up, giving a military salute, and said, ",Mr. HILL, it is my duty, you know." That service was not pleasant to him; this bill is not pleasant to me, and there are many things in it which I do not like, but I salute this Republic to-day and say, "It is my duty, you know." [Applause.]

Mr. SLOAN. Mr. Chairman, I yield one minute to the gentleman from Illinois [Mr. MASON].

Mr. MASON. In that one minute I desire to have printed in the RECORD some amendments which I propose to offer, because I understand we will have very little time in the discussion under the five-minute rule. The first amendment is:

Amend Title VIII by inserting at the end thereof the following:
"SEC. 14. One cent per pound on all canned meats, including all fish and fowl, to be paid by stamp on the original package, said stamp to be canceled in such way as to show in legible letters the month and year of canning."

The other amendment is as follows:

Amend Title I at the end of section 2:
"In addition to the income tax herein provided, 50 per cent of all profits derived from the purchase and sale of all articles of human food, where such purchase and sale has been or shall be made in any produce exchange, board of trade, or similar association, on margin, without the intention to actually deliver said articles of food."

I ask to have those printed in the RECORD as part of my remarks, and I yield back the remainder of my time.

Mr. SLOAN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. SNYDER]. [Applause.]

Mr. SNYDER. Mr. Chairman, I know that this bill, if enacted, will mean sacrifice for many of our industries and to many of our people. That is to be expected in times such as these. No people can stand on the threshold of war or of any other great national trouble or calamity and not undergo sacrifice if the country is to be saved or catastrophe averted.

Sacrifice is the natural attribute of trouble, whether that trouble comes to us as a Nation or as individuals. I have, by my presence here in this Chamber and by word of mouth, supported this House and this administration in the work of preparedness and of building up a greater Army and a greater Navy, and I believe we have done the right thing, even though late in the day. It is true we have waited until we are forced to action by a situation which, even within a few months, some of us did not realize was confronting us. It is true, also, in my opinion, that this work of preparedness both of our Army and Navy should have been begun 20 years ago. Had it been so, the people of this country would not now have been called upon to make the sacrifices which are necessary because of our laxity in these matters over which we had control but action on which was postponed from year to year.

If there is any feature of this bill more than another which is objectionable it is the retroactive feature. This provision it would seem to me to be hardly necessary. It is one thing to have a tax staring you in the face, knowing that you must pay it, though it gives one the opportunity to arrange for it, but it is quite another thing, after a tax has been paid, or when money has been put aside to pay it, to then be called upon to increase that tax to a considerable extent, namely, 33⅓ per cent.

Mr. HELVERING. Will the gentleman yield for a suggestion?

Mr. SNYDER. I will.

Mr. HELVERING. I will say the committee in considering that thought it preferable to compute it this way instead of increasing the excess-profits tax or the normal income tax, which would continue during the war, and this is only one year.

Mr. SNYDER. I understand that is the view the committee has taken of it. I am not going to vote against the bill on account of the position the committee has taken.

It seems to me some other method might have been found which would have realized the same amount of money to the country and placed the assessment before the people instead of behind them.

However, Mr. Chairman, I favor this measure. The funds with which to pay for these increases in our establishments for offense and defense must be secured. Patriotism and sacrifice and patriotism and Americanism walk hand in hand. It is possible that some industries may suffer, but that is nothing compared to the American boy or man at the front on the firing line. He makes a visible and vicarious sacrifice when he leaves his home, his family, and his country, perhaps, with a musket on his shoulder, to face ordeals which we escape and for which we are asked in this measure to soften for him as much as possible. It is our duty to see to it that that man is armed, clothed, fed, and protected beyond question. [Applause.]

Furthermore, Mr. Chairman, I am a firm believer in the theory that this protection must in some degree come from the implements and conveyances of luxury; the luxuries enjoyed by the people of this country should be the first sacrifices to be made. If not made, they should be paid for at a rate which will enable us to be charitable to the poorer classes and not assist in weighing them down with additional burdens because of their willingness to couple their endeavors with their patriotism. So far as I am personally concerned, I shall contribute cheerfully all that is asked of me, and in so doing believe I am giving to my country the best support I can render at my time of life.

I have little patience, Mr. Chairman, with those who seek to shift their burden to other shoulders and thus evade a duty to the Nation which ought not to be evaded or tolerated, any more than is the evasion of the "slacker," who conceals his person from the arm of the law. It is for us who remain at home to bear the burdens thus put upon us and see to it that these burdens produce not only funds but assistance in other directions which is needed and when it is most needed.

By this I mean that there are industries in this country which should not be crippled by legislation, which will tend in any way to cutting down the measure of necessary supplies, not alone for our armed forces but for those who remain at home. It is the duty of the Government, I believe, to see to it that this result is accomplished. I am not speaking now of the production of luxuries, but of food, clothing, and other necessities of which war will demand an increased amount. Let us not lose sight of this important factor in time of war and in our haste to raise funds for the vast expenses of our forces. The latter can not be reduced; the former ought not to be.

The district I represent, Mr. Chairman, is patriotic to the core. It has, I believe, always stood for and demanded a greater Army and a greater Navy. It is composed of intelligent people who knew and now know that such an increase must be paid for, and it stands willing and ready to meet its share of this increased expense without murmur or quibble. No sacrifice will be too great for it; no demand will remain unmet in order that complete victory may be won. I am proud to represent such a district, firm in the belief that its response to any call from the Government, the State, or from within its local boundaries will be cheerfully and promptly met no matter what sacrifice may be entailed thereby.

Mr. Chairman, there has been a great deal said about the receipt of telegrams from manufacturers in protest against the various drastic taxes in this bill. I want to say that I represent one of the greatest manufacturing and agricultural districts in this United States. Included in these manufactures are such as brass, cotton yarn, cotton goods, woolen goods, knit goods of every description, clothing, machine tools, cutlery, felt shoes, typewriters, furniture and desks, tanners, arms, both small and machine guns, steel office furniture, and others too numerous to mention, in all employing many thousands of men.

It will be noted that all of these come within the scope of prime necessities. But, gentlemen, I am proud to state, bearing out what I have said heretofore with reference to my district being patriotic to the core, I have not received a single telegram in protest from any one of these manufacturing establishments, and therefore I must assume that the people interested in these industries are willing without murmur to undergo the sacrifices that they will be called upon to make under this act, and it is a further source of pride to me as their Representative to feel that they are meeting this great issue in this splendid way. [Applause.]

Mr. HELVERING. I yield two minutes to the gentleman from Tennessee [Mr. MOON].

Mr. MOON. Mr. Chairman, I do not rise to discuss the bill, but to have printed in the RECORD two or three amendments which I propose to offer, or which some other member of the Committee on the Post Office and Post Roads will probably offer when this bill comes up for consideration under the five-minute

rule. I will ask that the Clerk read the amendments. There is one that I think will make clear the meaning and intention of the act in this particular. The act is not clear in the particular section.

The Clerk read as follows:

Mr. MOON moves to amend by inserting, after the word "gallons," on page 9, line 20, the following:

"*Provided, however*, That such liquors in the custody of a court of bankruptcy in insolvency proceeding at the date of the passage of this act shall be exempt from this tax when the packages containing such are stamped by order of the said court showing in substance the terms of this exception."

Mr. MOON. Evidently the intention is to make that exception, which is very necessary, and I think it ought to be made clearer by this provision. Another one I will ask the Clerk to read.

The Clerk read as follows:

Page 47, line 22, after the word "valorem," strike out the period, all before the word "the," on the same line, and insert "except on white print paper."

Mr. MOON. That amendment, it is clear, is intended to prevent the tariff-tax increase in white print paper. It is not necessary for me to discuss that now.

The third amendment is the one that reaches the question of postal rates and is intended to preserve from additional postal tax the matter of the second class within the limited zone or radius fixed and to place the burden of the tax upon the advertising or commercial features of publications. The question has been fully discussed here, and I simply propose to give notice that I will offer that amendment, or it may be that some other member of the committee may offer it, although in different language. I want to get before the House the consideration of the question of the necessity for the preservation of the policy of the Government upon the question and at the same time the wisdom of taxing the advertising features of these magazines. I believe that under this provision we will remove from unjust and unfair taxation the weekly and daily newspapers of this country and yet raise larger revenues than under the proposed bill.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MOON: Page 51, line 21, after the words "SEC. 1201," strike out the remainder of line 21 and all of lines 22, 23, 24, and 25 on said page and all of lines 1, 2, 3, 4, 5, and all of line 6 to the word "*Provided*" on page 52, and insert in lieu thereof the following:

"Upon all newspapers, magazines, and other publications regularly admitted as matter of the second class, when mailed by the publisher and no other, 1 cent per pound: *Provided*, That parcel-post rates shall be charged upon all that portion of such newspapers, magazines, or other publications which is devoted to paid advertising matter, when addressed to any post office in the third, fourth, fifth, sixth, seventh, and eighth zones."

Mr. MOON. Mr. Chairman, that is all I desire to offer at present.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. MOON] has expired.

Mr. SLOAN. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. MOORE]. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, it may truthfully be said that I do not approach the discussion of this bill with any enthusiasm. I do not believe, as a rule, in encouraging too much taxation upon industry and enterprise. But we have reached a point where what we would like to do must give way to what must be done. In former discussions affecting revenue legislation I have stood generally against measures brought in by my friends on the other side. I was opposed to their original income-tax bill. I did not believe it was necessary to introduce that measure at the time, because we had a protective tariff working, and it was very effective and was producing all the revenue necessary to properly conduct the Government. But our friends on the other side having come into power thought otherwise, and they began the introduction of a series of revenue bills that have made the task of the business man and the manufacturer of this country harder than ever. I do not want that to be forgotten.

I realize, as my friend from Connecticut [Mr. HILL] does, that we are confronted by a stern necessity—the raising of $1,800,000,000 to prosecute the war with Germany. I do not agree with the gentleman from Illinois [Mr. MADDEN] and others who have indicated that a less amount will suffice. The President has indicated what he wants done, and the Congress has given its support to the President in a declaration of war. The various departments are preparing to make their expenditures, and the country is ill at ease because Congress is not moving more rapidly to uphold the hands of the President. I have been sworn in to do what I can as a Member of Congress to help the President of the United States prosecute this war to a speedy and successful conclusion. I voted for the declaration of war with many misgivings, but I knew there could be no turning back; so when the President came forward with his drastic suggestion that conscription was necessary to sustain the honor of the country I voted for conscription.

Now comes the vital question of supporting the declaration of war and supporting the men who do the fighting. Are we to fall back at this point, and are these measures for which we have stood—whether reluctantly or otherwise—to go for naught? I think not. Our duty is clear. We must back up the action we have taken. I, for one, propose to support a measure to raise sufficient revenue by taxation to put the President and the various departments of this Government in position to speedily and effectively prosecute the war with Germany. That will be the best way to restore peace.

But I am approaching a discussion of this bill, as I said a moment ago, without any enthusiasm.

Gentlemen of the Ways and Means Committee who have preceded me have indicated, with much good will and a commendable desire to promote our patriotic inspirations, that this is a unanimous report; that it comes out of the committee indorsed by both Democrats and Republicans as one man. I have hesitated to throw any monkey wrench into the machinery of the Committee on Ways and Means, as led by the eloquent gentleman from North Carolina [Mr. KITCHIN], or into the majority now charged with the responsibility of supporting the President and pointing the way by which the war shall be conducted. But there was one member of the committee who was temporarily recalcitrant and who did not agree to sign the report, and for that reason he has not taken a very active part in the discussion up to the present time. His reason was that he desired to be free to offer certain amendments upon the floor when the proper time came. It had nothing to do with the desire to raise the $1,800,000,000, which he approved, but it was due to a desire to properly and equitably distribute the burden of taxation which must fall upon the people as a result of the passage of this bill.

Mr. FOCHT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FOCHT. In the observations of the gentleman from Connecticut a while ago he made certain subtractions on account of the falling off of various incomes. Now, can you furnish an estimate of how much further of a subtraction must be made, or have you any idea as to what it will cost to collect this by way of additional officers to be appointed by the administration?

Mr. MOORE of Pennsylvania. I had not intended to raise that question, but so long as the gentleman has raised it I will say that I have no doubt whatever that the $1,800,000,000 will not be net to the Government for the direct purpose of prosecuting the war. There will be enormous reductions due to the extra employees necessary here in Washington and elsewhere, and to other things that will have to be done in order to raise and disburse the $1,800,000,000. It may not be pleasing to some of my friends upon the other side—and by the other side I mean the Democratic side—though I am breaking away for a moment from the spirit of harmony that prevails with respect to this bill, if I observe that the taxes levied in this measure are levied almost exclusively upon the industries and upon the large centers of population. And the consumer will pay his share.

Now, I hope my farmer friends will not run away until I have a chance to fairly criticize this bill. This body is made up largely of Representatives of rural communities, and when the question of taxation arises there is usually a tendency to put the burden upon the manufacturing industries—not the man who tills the soil but the man who fabricates and manufactures the raw material that comes from the soil. I think this bill has been framed with scrupulous care to avoid laying an undue proportion of the burdens of war upon those who are not engaged in what we commonly designate as manufacturing industries. I am permitted to say this because I was in favor, so long as this is a war emergency measure and entirely abnormal, for I probably would not have approved a single paragraph of this bill in normal times—I was in favor of putting a fair proportion of the burden of taxation upon the big incomes of the country and upon the industries.

Mr. HILL. Do you not think that everything points to the fact that next year, certain resources of taxation having been exhausted, the farmer and other people will get it then?

Mr. MOORE of Pennsylvania. I agree with the gentleman that something is coming to the farmer and probably will come to him in December, if it does not come to him in this bill. I am raising this little note of discord merely for the purpose of putting on guard a great proportion of the people of this country who may not immediately be touched by the ramifications of this bill; the prospect is that they will ultimately be touched and will have to pay in common with the rest of American mankind. I have no delight in making this prediction. We

have gone into a war that means business, only most of the people have not yet come to realize it. The period of parades and the waving of flags is still popular with many of our patriotic citizens, but we are now about to enter the conscription period and taxes come after. Both are as sure to come as death itself. Folks who are cheering in moving-picture shows, or who are daily parading in the thoroughfares of our great cities, may have a rude awakening a few weeks hence when the sheriff comes around for the boys who must fill up the ranks. And when the tax collector comes, then the men and women of the United States will know that we are at war. It is a terrible business we have undertaken, and I do not want the farmer, whom I respect highly as a food producer, to overlook the fact that though he may have been exempted from conscription and the burden of military service he may escape from taxes, for his turn is coming. He is sure to be in this war one way or the other.

I do not say there is no virtue in this bill, but if there is one virtue in it, it is that it gives notice to the masses of the American people that they are up against a real war and must prepare themselves, both in the matter of taxes and privations and life and death.

This bill does tax heavily, doubly, the incomes of our citizens; it diffuses somewhat the taxes upon incomes in that it proposes to reduce the exemptions to $1,000 and $2,000. Teachers and preachers and professors and others who have been discussing war will be reached by this bill and will be asked to come up to the captain's office to pay. They will share in a patriotic sense and in a material sense along with those who have accumulated vast fortunes, who in proportion will be made to pay more than they did before.

I have supported the proposition, in this emergency, that large estates should pay, and pay well, and I have supported the suggestion that the profits of manufacturers in the great industries where thousands are employed should also pay even double what they paid before. This is war. If they are making vast sums of money out of war materials, they ought to pay. If they are making large sums of money in legitimate business, apart from the manufacture of war materials, then they should pay in fair proportion, and I suspect that this bill treats them fairly, up to the present time, seeing that this is war. Industries generally are covered by this measure; but we are carried by the bill from the large manufactories into the home; not so much the rural home, but into the home in the city where we have the gas and heat to pay for and the necessaries of life apart from the amusements and the ball parks.

It may not be generally known to those who have casually read this bill that we are passing a heavy burden to consumers in this measure. I do not want the country to get the impression that only the wealthy are going to pay. That is one of the reasons why I did not sign the report.

Perhaps we can get a little more real patriotism out of the people if they are made to understand that all will have to pay and that war is a deplorable and a deadly business.

Perhaps the people may understand, even the manufacturers of war materials may understand, that those who encourage war must pay for war. If they have to pay—those who call for war—then they will be quicker to demand the permanent peace to which we hope this country may soon return.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FOCHT. It seems to me that a very fair proposal was made by gentlemen on the other side, that where opposition is offered to any particular object that is being taxed, a substitute be offered. Now, for instance, it is proposed, I believe, to tax the tickets for all entertainments—from a theater or a circus to the picture show, and including the tickets to the fair of the Union County Agricultural Society in my district—as well as the great publishing company that I spoke about this morning. What would you propose to substitute for the publishing company? What would you suggest as a substitute for the tax of something like $60,000 additional for the mailing of his paper, which added amount puts this big Grit Publishing Co. out of business?

What are you going to do about it?

Mr. MOORE of Pennsylvania. I suppose the company the gentleman refers to is one of the numerous companies that have wired to Washington that they will be "put out of business."

Mr. FOCHT. This is not one of those imposters that is a fraud put upon the Government in the shape of many advertising magazines, where they had five-sixths advertising and one-sixth reading matter. This is a newspaper publishing company, the big Grit Publishing Co., of Williamsport, Pa.

Mr. MOORE of Pennsylvania. Now I understand the gentleman.

Mr. FOCHT. Very well; then how are we going to save the Government?

Mr. MOORE of Pennsylvania. The gentleman is complaining about the postal rates in this bill. I grant that while some large publications will be heavily hit if the zone system carries, some of the smaller publications may be hit so heavily that they will be put out of business. If that eventuates, then revenue will be lost to the Government. There is no doubt about that. If that is true, then the estimate made by Mr. HILL a little while ago, as against the estimate made by Mr. MADDEN, of Illinois, will hold. We will have to raise more instead of less money in that event. If the gentleman wants substitutes for some of the paragraphs which he does not like, I will give them to him.

But first, let me observe that not only are income taxes imposed, and they are largely the result of industry; not only are profit taxes imposed, and they are wholly the result of industry; not only is liquor taxed, and, of course, liquor claims to be an industry, although much inveighed against—all these and more, originating in the large centers of population, are heavily taxed. I pause for a moment to say with respect to the liquor tax that one of the anomalies in the presentation of this bill is the recognition of liquor in certain sections of the country where prohibition has been advocated to such an extent that States have adopted it. From States adopting prohibition has come indorsement of the provision in this bill increasing the liquor tax to the extent of $150,000,000. We are to tax this alleged nefarious business; and yet it is proposed on the other side of this Chamber, and it may eventually be proposed on this side, to wipe out this very revenue that the advocates of prohibition have insisted shall go into this bill. I say this is one of the anomalies of the bill, and it may result in our having to tax some other products in the factory or on the farm to make good the loss that will necessarily ensue if those who desire prohibition shall be successful in destroying this revenue.

Mr. Chairman, many things apart from the city are not referred to in this bill at all. It is interesting that we should levy a 3 per cent freight tax upon the shipper and let the railroads out of it altogether; that we should put a tax of 10 per cent upon the individual passenger and relieve the railroad. These are amongst the anomalies which this bill presents. But on page 20 of the bill you will find a series of new schemes of taxation that are worthy your careful consideration, among them a tax equivalent to 5 per cent on the amount paid for transportation of oil by pipe line. Will you tell me who pays that tax? Will it be the great oil-refining companies for whom the Government of the United States makes vast expenditures in the improvement of its rivers and harbors and for whose benefit, largely, the Government War Insurance Bureau was established? No; they are not covered in this paragraph of the bill. It is the farmer, the individual owner of the oil wells, who is made to pay a rental for the use of the pipes owned by the larger companies.

On the same page you find a tax equivalent to 10 per cent on the amount paid for electric power for domestic uses, and a like amount for light or heat service. Oh, my friends in New York City, where gas is an absolutely necessity, where electric light is in common use, bear in mind that the 5 per cent tax does not go upon the company generating the light or the heat, but it goes on the consumer, and every housewife who has the accounting at the end of the month or three months' period for the gas and light that is used to light the dining room or the bedroom of the home will have that tax to pay. I observe that it does not apply except as "to domestic use," and that it has been interpreted to mean that it does not apply to the farm, where the electric power is used to churn butter or otherwise in conducting an industry; neither does it apply to establishments generating their own light and power. This tax is checked up for the ordinary consumer or renter of the small home. These matters are worthy of consideration as we pass along.

In the time I have remaining let me call attention to a few of the things that are studiously avoided in this tax bill. Far be it from me, when we should stand together as Americans shoulder to shoulder and with an eye single to American victory in the fight we are waging with Germany, to say one word that would seem to be political. But do you observe that several of the recommendations of the Secretary of the Treasury as to items that might be taxed are not included in this bill? Denatured alcohol, from which the Secretary of the Treasury says we could collect $5,000,000, it is not in this bill. An excise

tax on sugar, which, according to the Secretary, might raise $92,000,000. The Secretary suggested that sugar should be made to pay, but it seems to be not good policy to include a sugar tax in this bill, and so sugar goes free of excise tax, while we hold coffee and tea. From an excise tax on glucose $6,000,000 revenue, the Secretary tells us, might be had.

Mr. FORDNEY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FORDNEY. The gentleman is in error when he says that we hold tea and coffee and let sugar go free. Sugar is taxed in the same way that we propose to tax tea and coffee, by a 10 per cent ad valorem.

Mr. MOORE of Pennsylvania. Sugar will have a distinct advantage in the domestic market, if I am not mistaken, over the sugar, tea, and coffee upon which no excise taxes are paid, except as to stock on hand at the time of the passage of this bill.

Mr. FORDNEY. This bill in no way refers to tea, coffee, or sugar except under the import tax—nine-tenths per cent on coffee, 1.8 per cent on tea, and half of 1 per cent a pound on sugar.

Mr. MOORE of Pennsylvania. I am referring only to the excise tax on sugar. The gentleman understands the difference between an excise tax and a tax at the port. The Secretary of the Treasury recommended an excise tax on sugar. But it was a consumption tax and the majority contended against a consumption tax. That would be unpopular.

The Secretary of the Treasury recommended that petroleum should be taxed. He said it would produce a revenue of $75,000,000. Why was petroleum left out of this bill? Petroleum is the raw product of which gasoline is made. Petroleum is the raw product from which a series of by-products are made by the great refineries, which have almost complete control of the market. But gasoline is what the farmer uses in the farm truck and automobile, and our good patriotic friends upon the other side of this House, who want us to stand as a unit, did not care to put a tax on their friends.

Mr. HELVERING. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HELVERING. The gentleman does not mean to confine his remarks to those on the other side.

Mr. MOORE of Pennsylvania. Well, the Democratic Party is in control of the Nation, and the gentleman from Kansas is an able exponent of that party.

Mr. HELVERING. The gentleman did not want to put a tax on consumption, and the gentleman does not contend that the Standard Oil Co.——

Mr. MOORE of Pennsylvania. Oh, we get the Standard Oil Co. on the excess profits and individual incomes. But the Standard Oil Co. gets a great deal. The Standard Oil Co. gets the benefit of our taking care of their ships and their insurance. We dredge the harbors so that they can get in and out, and for that they do not pay a cent.

Mr. PLATT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. PLATT. This bill taxes ginger pop and pink lemonade.

Mr. MOORE of Pennsylvania. Yes; that is so. But the gentleman could not get intoxicated on that.

Mr. PLATT. Why have they not taxed peanuts?

Mr. MOORE of Pennsylvania. The gentleman's question is more intelligent than I thought it would be. [Laughter.] The gentleman is entirely right. Peanuts are not mentioned, but they will come along under the 10 per cent ad valorem clause and the Japanese peanuts can not get in over the 10 per cent barrier.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FORDNEY. I will yield to the gentleman 10 minutes more.

Mr. MADDEN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. MADDEN. Where do they raise the most peanuts?

Mr. MOORE of Pennsylvania. Well, some are raised in North Carolina [laughter], and we have a very powerful gentleman from North Carolina on the Ways and Means Committee; but many are raised in Virginia. I have been told outside of the committee—because we can not reveal the secrets of the committee—that it is cheaper to buy Japanese peanuts in Chicago, from which the gentleman hails and to which he does so much honor, than it is to get them up from Virginia.

Now, you notice that advertising is not taxed in this bill, and while I am a newspaper man I think that in this great emergency advertising might have paid. It is one of the things that could fill the gap made by prohibition, if prohibition is adopted. We have left out of the bill newspaper and publication advertisements, but have held in the fellows that have electric-light signs and billboards. Therefore the newspapers and the publications go free on advertising. That is a discrimination, and it is such a discrimination as might be noted when the next bill comes along.

Mr. FORDNEY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FORDNEY. Is it not fair for the gentleman to state that the signs and the billboards do not go through the mails, and the newspapers and magazines do?

Mr. MOORE of Pennsylvania. Yes; that is fair, except that the proposition as presented by the gentleman from Connecticut [Mr. HILL] was that advertising should be taxed separately like everything else, and should be taxed at the office taking the advertisements. The mails did not enter into it. If the mails did enter into it the gentleman's criticism would be fair.

Mr. Chairman, long before the war the President of the United States came here when he had certain revenue difficulties that harmony now would conceal, when the country was going to the "demnition bowwows" because Democratic financial policies were not effective, and because we had to raise revenue by special taxation, and from this rostrum stated that there should be a tax levied upon bank checks. That was a tax that our friends did not care to report in this bill, and yet it would be a fair substitute for some of the taxes in this bill that are going to oppress the consumer.

Mr. MADDEN. Can the gentleman tell us how much that would raise?

Mr. MOORE of Pennsylvania. I think I heard the gentleman from Michigan [Mr. FORDNEY], who is a wizard at figures, state that that would raise about $300,000,000.

Mr. FORDNEY. On bank checks?

Mr. MOORE of Pennsylvania. Yes.

Mr. FORDNEY. Yes; a graduated tax on bank checks such as is being placed upon notes, of 2 cents per hundred dollars or fraction thereof, or 20 cents per thousand dollars, would raise anywhere from $600,000,000 to $900,000,000 without any doubt.

Mr. MOORE of Pennsylvania. That would not be a tax upon the poor. That would be a fairly distributed tax and would not be a burdensome tax, and yet it was not put in the bill.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. DICKINSON. Does the gentleman favor a tax on bank checks?

Mr. MOORE of Pennsylvania. I would favor a tax on bank checks in an emergency like this, because I think it would be less oppressive than some of the taxes that are here levied.

Mr. DICKINSON. Does the gentleman purpose to offer an amendment to put a tax on bank checks in this bill?

Mr. MOORE of Pennsylvania. If certain paragraphs are stricken from this bill, I would have no hesitation in offering an amendment placing a tax on bank checks. We must get the $1,800,000,000.

Mr. HILL. Mr. Chairman, the tax on bank checks, which the President of the United States favors, however, is no such proposition as a graduated tax, but is a straight, flat tax, as we had in the Spanish War.

Mr. MOORE of Pennsylvania. It was a straight, flat tax. Bank checks were recommended by the President as a source of taxation, but why were they not considered in this bill? The President also suggested stationary engines. Why were not they put in this bill? To be practical, there were some gentlemen on the other side who did not think it wise to worry the people with that kind of a tax. That was evaded just as was the tax upon gasoline. I suggest also that individual owners of automobiles are not taxed.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HASTINGS. It has been stated by a number of gentlemen who have participated in this discussion that there was no division between the parties on any question in the Ways and Means Committee. I notice that the gentleman from Pennsylvania has made frequent reference to "certain gentlemen on the other side" who did not favor or who did favor so and so. Is it true that there is any division in the Ways and Means Committee along party lines?

Mr. MOORE of Pennsylvania. I do not believe the gentleman from Oklahoma was here when I opened my remarks, for I stated specifically there was "one gentleman" who did not sign the report, and that one gentleman being myself, I reserved the right to offer certain amendments on the floor. I did not sign the report because I wanted to express myself about this bill. I have indicated that I want to go along with the President and raise $1,800,000,000 in taxes, and I have also stated I wanted to raise it by an equitable tax. That is the

reason I am making this statement, introducing certain specialties.

Mr. HASTINGS. But the gentleman has said some two or three times in his discussion that "the gentlemen on the other side," evidently referring to this side of the Chamber, did not want this or that kind of a tax. As I understand it the committee never did divide on any question along party lines. If that be true, the gentleman must be mistaken.

Mr. MOORE of Pennsylvania. Mr. Chairman, the gentleman from Oklahoma [Mr. HASTINGS] not being a member of the committee, nor in the confidence of "the holy of holies," he can not induce me to violate the secrets of the sanctum sanctorum. [Laughter.] The gentleman comes from a territory where they produce a great deal of oil. Why should not the oil producer pay a little? Has he not been making money? Has he not been doing well? The Lord helps him very materially to his wealth, while the man who runs an automobile pays him; but I observe that he is not caught, and I observe also that the individual owner of the automobile is not caught. Look at the millions of automobiles in this country to-day, from the four hundred dollar new machine up to the five and six thousand dollar machine. Would it be a hardship upon the individual owner of an automobile to pay a portion of this tax? An automobile may be a necessity in some parts of the country, a truck is, but many automobiles are luxuries, and some families have more than one of them, and why should not they pay a fair proportion of this tax? But they are left out of this bill. The point is, of course, that the tax would be too general in its operation, it would touch too many of the low spots, it would bring too much opposition, and that may be the reason, perhaps, it is not in the bill. But I am giving notice to the gentleman and to the owners of automobiles, to the producers of oil and others, that there is another tax bill coming in December, and I am merely mentioning these things so that when we come to look around for things to levy upon the country will have notice, or at least those who are within the sound of my voice will.

Have you heard of the food corners? The increase in the price of food commodities, the high prices paid for butter and eggs and foodstuffs in the great cities—have you heard of the families that have almost gone starved because of the lack of the wherewithal to buy the product of the farm? Have you heard of the food riots in New York? Why not get a little from the man who produces that sort of material, or from the man who "corners" it? The newspapers reported a day or two ago that somebody had made "a strike" of $3,000,000 on the grain exchange in Chicago. Do you not think that is a fruitful field for war taxes? But that is not covered in the bill.

Mr. CURRY of California. Mr. Chairman, will be gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. CURRY of California. Does the gentleman not think that is a fruitful field for lynching?

Mr. MOORE of Pennsylvania. Yes; I agree with the gentleman as to that. I think the man who in these times will deliberately make money out of the very poverty of the people who are patriotic and who are bearing the burdens of this war might be worthy of a lynching bee; although as a lawmaker I can not advocate such a course.

Mr. CANNON. I think it was reported in the newspapers that Mr. Joseph Leiter had made a profit of $3,000,000, and I see it is denied by him in the newspapers, but he has not informed us whether it was $10,000,000 or $30,000,000 that he lost in attempting to bull the price of wheat some years ago.

Mr. MOORE of Pennsylvania. The distinguished gentleman from Illinois refreshes my memory and rather improves upon the suggestion of the gentleman from California, because I read yesterday in one of the newspapers that Mr. Joseph Leiter, president of the Army League, a patriotic body that wants war and wants it quickly, has denied that he made $3,000,000 or any other sum in the last 30 years, and intimated that anyone who would be guilty of speculating in these food products should be lynched. That was Mr. Leiter. Are you plagiarizing, my friend from California?

Mr. CURRY of California. Sometimes the gentleman's thoughts and mine run in the same channel.

Mr. MOORE of Pennsylvania. I notice that the reported thoughts of Mr. Leiter and the gentleman from California run in the same channel as to the lynching question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes additional to the gentleman.

Mr. MOORE of Pennsylvania. I thank the gentleman; he has been very civil to me.

Mr. PLATT. Will the gentleman yield to me for a question?

Mr. MOORE of Pennsylvania. I will.

Mr. PLATT. If a man makes $3,000,000 on the Chicago Exchange in grain, does he not have to pay half to the Government under this bill?

Mr. MOORE of Pennsylvania. He would if found; but the man who is able to make $3,000,000 on the Chicago Exchange out of food products in war time is usually slick enough to avoid the Government's agent when he comes around.

Mr. PLATT. If he does not put it in his income-tax return he swears to a false return, does he not?

Mr. MOORE of Pennsylvania. Yes; but have you heard of anybody being arrested for false returns? I have a large correspondence showing that the income tax is collected extensively in certain States and that in certain other States it is not collected at all, which would indicate that some gentlemen are avoiding the payment of taxes. The Secretary of the Treasury has said in private, if not in public, that public notices should be published in certain States with respect to those who avoid the payment of taxes. I did not intend to refer to that, but inasmuch as the gentleman has introduced the subject, I will say there are 8 States—Connecticut, Illinois, Massachusetts, New York, New Hampshire, New Jersey, Ohio, and Pennsylvania—that last year paid $53,839,000 of the total income tax of this Nation; and that 12 other States—Alabama, Arkansas, Oklahoma, Florida, Georgia, Louisiana, North Carolina, South Carolina, Tennessee, Texas, Virginia, and West Virginia, all having powerful influence in the House of Representatives and in the Senate and with the administration—paid only $3,109,000 of the income tax. The total income tax paid by all the States in 1916 was $67,900,000. Now, remember that this little handful of New England and Northern States paid $53,000,000 of that $67,000,000, and that this great group of States that I have mentioned—I will not be sectional about it, but the geography will speak for itself—paid only $3,109,000.

Mr. HEFLIN and Mr. MONTAGUE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I thought I would get a rise from somebody on that. [Laughter.] I yield to the gentleman from Virginia.

Mr. MONTAGUE. Does the gentleman seriously think that the income tax is paid for geographical reasons rather than by reason of the possession of wealth?

Mr. MOORE of Pennsylvania. The gentleman has asked a question which I answer in this way: No greater fortunes, relatively, have been made anywhere in war times than out of tobacco and cotton. The southern banks are overflowing with money just now, and they are getting their money from cotton, which is an American monopoly. Cotton is a munition of war, and while other munition makers in the States are taxed to the limit in this bill, cotton does not pay a cent.

Mr. BLACK. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Texas.

Mr. BLACK. From what statistics does the gentleman quote that income-tax data?

Mr. MOORE of Pennsylvania. Nineteen hundred and sixteen; and the amount paid by the great State of Texas, from which the gentleman hails, is $900,000.

Mr. BLACK. Does not the gentleman know——

Mr. MOORE of Pennsylvania. And the amount paid by the State of New Jersey, which could be put in Texas five or six times over, was $2,900,000.

Mr. BLACK. Does not the gentleman know that in 1914 the cotton crop was sold for an average price of about 8 cents a pound, or a loss of at least 2 to 3 cents a pound on the cost of production?

Mr. MOORE of Pennsylvania. I remember the appeals which were brought to us several years ago by our friends from the cotton fields. Our northern mills had also been suffering. I have a very vivid recollection of speeches made upon the floor at that time, when we were asked to buy a bale of cotton—when $50 was the standard price throughout the country—but I have not heard that cry during the last two or three years. The first two American ships which went down before this American war opened, sunk not by a submarine but by mines in the British Channel, were the *Carib* and the *Evelyn*. They were carrying cotton for the purposes of war. You can not shoot off a gun of any magnitude without the use of cotton. It has been a bone of contention of the warring nations of Europe, and the States producing cotton have availed themselves of it. They have been overflowing in "milk and honey," and yet cotton is not included in this bill.

I reserved the right in committee to say something about this bill on the floor, because I hope and expect to introduce an amendment calling attention to the fact that cotton has been

prosperous and that cotton ought to pay. When the time comes I shall ask that a tax of at least two and a half dollars a bale be imposed upon that magnificent product of American plantations.

Mr. DICKINSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. DICKINSON. Does the gentleman also wish to put a tax on wheat and corn and potatoes; if not, wherein is the difference?

Mr. MOORE of Pennsylvania. Inasmuch as Mrs. Moore pays $2.50 a basket for potatoes at the present time, I would answer yes; as a war measure and to regulate prices for the farmer as well as the consumer, yes. As to grain, why could it not be taxed on the cars? It has been profitable.

Grain could be taxed in the cars and in the elevators. Bear in mind that grain held up in the United States for export and kept from the people here who need it raises the price of bread to the American consumer and pays nothing into the Treasury of the United States. They have a complete monopoly—those who export the cotton and the food products of the United States. They have the poor people of this country by the throat, so to speak. The Constitution of the United States prohibits an export tax, which would bring something into the Treasury of the United States, but under this bill what comes into the country will now pay.

Mr. MONTAGUE. If the gentleman will permit, if you bring it into this country the people pay?

Mr. MOORE of Pennsylvania. Yes; but a duty on imports is not a direct tax. That helps the Treasury.

Mr. MONTAGUE. I wanted to see if I understood you correctly.

Mr. MOORE of Pennsylvania. The importer will pay 10 per cent under this bill upon everything that comes into the United States, and he will pay it under the stress and necessity of the administration which needs money to carry on the war. It was the only recourse the committee had of raising the difference between the articles specially taxed in the paragraphs of this bill, and the balance of $300,000,000 needed to make up the $1,800,000,0000. In this particular the representatives of the Democratic Party got down from their free-trade high horse and became Republican protectionists. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. LEHLBACH] 10 minutes.

Mr. LEHLBACH. Mr. Chairman, I do not intend to criticize the imposition of any tax provided for in this bill. I do not intend to suggest an abatement of a single penny of revenue sought to be provided by the terms of this measure. I do not intend to suggest that the burden of this tax or of any of these taxes be shifted from the persons who, under the terms of the bill, are supposed to pay them upon some other class of persons. But I do want to call attention to one phase of this bill with reference to the sections imposing taxes on beverages known as soft drinks. I have no objection to the taxes thus imposed upon these beverages, nor have I any objection to the manner in which the taxes are sought to be collected. But it occurs to me, or my understanding of this particular article is, that it fails in the object which it obviously intends to bring about. And I invite the attention of the committee to this state of affairs, with a suggestion that it ought to be taken up and corrected, as I think it can be corrected, without any very great trouble. The intention, as shown by the report and by reading of the bill itself with reference to the tax on soft drinks, is that these beverages should pay a tax, figured out to be approximately 2 cents per gallon. These beverages are practically water charged with carbonic-acid gas, and flavored. Now——

Mr. DYER. The gentleman does not mean that all the so-called prohibition drinks are composed of those ingredients?

Mr. LEHLBACH. Oh, no. Some of them have opium, cocaine, and other things in them, but I mean the particular beverages that come under the class of this particular taxation which I am now discussing.

Mr. DYER. The gentleman does not include the celebrated product known as "Bevo," made from cereals?

Mr. LEHLBACH. No. Paragraph (b) of section 308 provides that "beverages manufactured and sold by the manufacturer, producer, or importer of the carbonic-acid gas used in carbonating the same" shall pay "a tax of 2 cents per gallon." (d) Provides that all carbonic-acid gas intended for use in the manufacture or production of carbonated water or other drinks—that is, these drinks that have been enumerated in paragraph (b)—shall pay a tax of 8 cents a pound.

Now, as a matter of fact, the average market price to-day of carbonic-acid gas per pound is 5 cents. Therefore it is perfectly obvious that the intention of the framers of this measure was not to tax the manufacturers of the carbonic-acid gas, because there is no tax on the carbonic-acid gas which is made by the people who at the same time use it in the manufacture of these soft drinks; in that event it is not subject to taxation, but the product itself, the sarsaparilla and ginger ale, has a 2-cents-a-gallon tax. Now, the object of this is merely to provide for the assessment and collection of a tax which will figure out to be about 2 cents a gallon on these soft drinks, by requiring the seller of the gas to the producer of the soft drinks to collect at the time he sells it, over and above the 5 cents he gets for the product, a tax of 8 cents, because a tax of 8 cents on the material or the gas would, when charged into the water, make a tax of about 2 cents a gallon. I think that is a reasonable and fair and practicable way of collecting this tax, in so far as the ordinary sales are concerned. But the difficulty is that a very large proportion of this gas is sold and will continue to be sold for the next 9 or 10 months, at least, under written contracts entered into in the past, which provide for a fixed price for the gas, and therefore preclude the collection of this 8 cents by the gas men from the manufacturers of the soft drinks.

Mr. FORDNEY. Will the gentleman yield? I will yield him more time if he desires it. Let me say to the gentleman it was shown in the committee that 1 pound of that liquid gas would charge 4 gallons of water.

Mr. LEHLBACH. Yes.

Mr. FORDNEY. The committee was desirous of putting a tax of 2 cents a gallon on soft drinks. Therefore 1 gallon of the liquid gas would charge 4 gallons, which would be 8 cents at 2 cents a gallon, and the tax instead of being put upon the soft drink itself, which would require a stamp, it was decided by the committee to put a tax of 8 cents a pound on the liquid gas, which would be equivalent to 2 cents a gallon on fully charged water.

Mr. LEHLBACH. Yes, sir. Now, I will say to the gentleman I understand that, and I have no objection to it. I think it is a just and equitable tax. I think 2 cents a gallon is not excessive upon these soft drinks, and I think the method of collecting this tax——

Mr. HELVERING. If the gentleman will yield, I might say in way of explanation that this morning we had a meeting of the Ways and Means Committee, in which an agreement was made to an amendment which will allow the contract price to be added on when the contract was made prior to the declaration of war.

Mr. FORDNEY. I was with the gentleman, but do not agree with the method of putting the tax on liquid gas.

Mr. LEHLBACH. I think with an exception covering running contracts it is a fair method of collecting a tax, and, so far as I know, nobody has raised a valid objection to it.

Mr. BLACK. About how long do these contracts run?

Mr. LEHLBACH. The contracts are largely entered into in the months of October, November, December, and January. That is the slackest season for the sale and distribution of these beverages, which are in greatest demand during the hot months of summer.

Mr. BLACK. They do not run for more than a year, do they?

Mr. LEHLBACH. They average about a year. I do not know of any contracts that run longer than a year; but to show that this condition resulting from existing contracts is not a trivial condition and only affects a slight percentage of the trade, I want to call attention to these figures. According to the last available figures there are about 60,000,000 pounds of carbonic-acid gas used in the manufacture of beverages. The chairman of the committee, the gentleman from North Carolina [Mr. KITCHIN], stated on the floor that since those figures were compiled the use of soft drinks had greatly increased, and that possibly the consumption of carbonic-acid gas for this purpose had doubled or possibly trebled, so that we may assume that we may have almost 100,000,000 pounds of this gas used for this purpose annually.

Mr. MANN. Will the gentleman yield for a question?

Mr. LEHLBACH. Certainly

Mr. MANN. Do I understand from the gentleman that under the terms of the bill where a manufacturer has agreed to sell carbonic acid gas for 5 cents a pound he would be required to pay a tax of 8 cents a pound?

Mr. LEHLBACH. I do. That is what I mean.

Mr. MANN. Out of his receipts?

Mr. LEHLBACH. Out of his receipts.

Mr. MANN. He would be minus 3 cents a pound. That is the situation.

Mr. LEHLBACH. That is the situation. Now, in order to get a good grasp on the situation it is well to take a specific example.

Mr. MANN. It shows very great care in the preparation of the bill.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. HELVERING. Mr. Chairman, will the gentleman allow me a minute to explain?

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from New Jersey five minutes.

The CHAIRMAN. The gentleman from New Jersey is recognized for five minutes more.

Mr. LEHLBACH. I yield to the gentleman.

Mr. HELVERING. I will say to the gentleman that it would be much more convenient to this industry to leave the imposition of the tax remain in this way instead of by putting stamps on the bottles.

Mr. MANN. Does the gentleman think it would be more convenient to a man selling gas at 5 cents a pound to pay 8 cents a pound on it?

Mr. HELVERING. There is an amendment, which does not appear in the bill yet, that will allow him to pass it on.

Mr. MANN. I am glad that the Committee on Ways and Means is learning something about this bill.

Mr. HELVERING. I am sorry we did not have the gentleman's information before.

Mr. MANN. If you had, you would learn more.

Mr. HELVERING. I am glad to have the gentleman's information.

Mr. LEHLBACH. As an illustration, I may point to a concern in my congressional district, in the city of Newark, which I have the honor, in part, to represent. This concern is capitalized at $700,000. It does an annual business of almost 4,000,000 pounds of carbonic-acid gas per year. Eighty per cent of the coming year's business is under contract, where the contracts have already been entered into, and the price has been fixed at 5 cents per pound in those contracts. They can not pass this tax along under the bill as it stands now. Therefore they will receive on the gross returns of that contract business from their purchasers $125,000. That is their gross receipts on 80 per cent of their whole business; and on those gross receipts they would be compelled by this law as it stands to pay into the Treasury of the United States $200,000, which is over one-fourth of their entire capital; and they can not do it if this bill is allowed to stand unamended as it is. It is perfectly evident that they had better cancel all of their contracts, supply this 2,500,000 pounds of gas free to their customers and thereby save $75,000. They would have to pay out $200,000; and inasmuch as the tax is only on sales, if the gas is not sold they can not be taxed for it.

Now, section 309 provides that the "manufacturer, producer, bottler, or importer shall make monthly returns under oath to the collector of internal revenue for the district" in which he is located "containing information necessary for the assessment of the tax." Now, my suggestion to the committee is an amendment, and I hope that this amendment will be given consideration, unless another amendment has already been prepared which would provide for a remedy such as is suggested by this amendment. The amendment is as follows: At the end of section (d), on page 15, that imposes a tax of 8 cents a pound, and under the terms as it now stands imposes that tax on the manufacturer when he sells the gas, strike out the period, put in a colon, and add these words:

Provided, That whenever sales are made under a contract in writing, entered into before the 1st day of May, 1917, by the terms of which the selling price of the carbonic-acid gas is fixed, such tax shall be paid by and collected from the purchaser

That is the intention of the act, and, if you say so, that will remedy this difficulty. The point that it would hamper the collection of the tax to collect from the purchaser rather than from the seller is not well taken, because section 309 provides that the man who sells the gas shall make returns to the collector, and all that is necessary to be done under this amendment is to send the tax bill to the purchaser. Then you would do what you intended to do, and you would not have harmed anybody.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I am in the same fix as the gentleman. My time has expired.

Mr. HOWARD. Can not the gentleman from Michigan give me a minute?

Mr. FORDNEY. I will; but we will have to reduce somebody else.

Mr. HOWARD. I am interested as the gentleman is. The condition is the same in my city. What are you going to do about the 8 cents a pound on this that is not contracted for? A manufacturing establishment in my district has probably got four-fifths of its output already contracted for at 5 cents a pound. He will lose 2½ cents a pound by this unamended bill. Twenty per cent of his business is not contracted for.

Mr. LEHLBACH. He pays 8 cents and gets it from the man he sells it to.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. SLOAN].

The CHAIRMAN. The gentleman from Nebraska is recognized for 20 minutes.

Mr. SLOAN. Mr. Chairman and gentlemen of the committee, the chairman of the Committee on Ways and Means [Mr. KITCHIN] happily said that he expected to support the bill which he presented. The rest of us are nearly all agreeing with him and following in his wake. I, however, indorse him in that matter as I do his politics in other matters, if at all, entirely without recourse. [Laughter.] I say that I shall vote for this bill, but not as he said he would vote for it, with his eyes closed. I expect both of my orbs of vision to be full and flaming when I vote for this bill. I shall vote for it for one special reason, and none other. If I were asked to vote for it under any other circumstances, and should feel so inclined, I should certainly feel constrained not only to close my eyes, like the chairman of the committee, but to stop my ears, shackle my gorge, and cocaine my conscience. [Laughter.]

Mr. DICKINSON. Mr. Chairman, may I ask a question of my colleague?

Mr. SLOAN. Yes, sir.

Mr. DICKINSON. Was not that remark that the gentleman refers to on the part of the chairman of the Committee on Ways and Means directed especially to the imposition of the 10 per cent duty tax, and not to the entire bill? [Laughter.]

Mr. SLOAN. Yes. The trouble with the chairman was that he can appreciate and enjoy the fly, but he has no appreciation for the real ointment. [Laughter.]

Mr. DICKINSON. I simply wanted to get it stated correctly.

Mr. SLOAN. That is the one redeeming feature, so far as national policy is concerned, contained in the bill; but that is aside from the reason I am supporting this measure.

Mr. DICKINSON. Allow me further to say that in the absence of the chairman of the committee I simply wanted to get a history of the facts as contained in his speech.

Mr. SLOAN. Yes; I would like to have, if possible, the facts kept straight from that side of the House once. I am glad the gentleman from Missouri has undertaken the task, because I do not know anybody that could do it with greater prospect of success.

Now, I shall support the bill. What the chairman of the committee said is true. There was practically no partisanship in its makeup. We were about the table. We built up this bill as best we could and present it with no particular pride of architecture or construction, but as the result of grim necessity. There was only one appealing irresistible reason prompting us all to support it. That reason was that twin monosyllable of hell known as "war." That is the reason I propose to vote for it with my eyes open, just as I voted against the first declaration, as I voted for the bond issue, and as I opposed conscription. This is the least of the four propositions. I expect to vote for and support the administration recommendation. Because on matters of war itself and the matter of compelling men into the service I take no suggestion from any man or any power on earth; but if it is a mere matter of money, I think now that the Congress has spoken and all our judgments have been merged into one, the war situation being a reality, it is our duty to do all that we can with men and munitions, with blood and with gold, and with all the means of modern civilization to meet the power of modern barbarism and make the American will dominant in this great struggle. [Applause.]

Before passing I want to say as to partisanship and nonpartisanship, which have been discussed, that within the memory of some Members on the floor of this House there has been a change in the two wars that have been waged. Gentlemen who were here in 1898 will remember that the same harmonious situation between the two sides of this Chamber was not observed in raising money to carry on the struggle that the Congress had then declared. The Republican Members are making a record the opposition of that day might well envy.

While favoring some features of this bill, tolerating others, and vigorously opposing still others in the standing committee, and finally agreeing to support the bill as a war measure, I refused to indorse the postal section of the bill and reserved the right to submit an amendment to the second-class rate in the Committee of the Whole.

Much has been said by speakers on either side of this Chamber about the newspapers deserving this increase of rates as a punishment for unduly exciting the war spirit of the country. As to that fact, I submit no palliation or defense. Sufficient to

say that the work of our standing committee was to raise revenue and not to conduct a punitive expedition.

The postal section is at best a regulatory one, seeking to adjust the proper contractural relations between the Post Office Department and the publishers. As such it should be brought up by the Post Office and Post Roads Committee. As to the statement made several times on the floor that if we did not settle this matter now under stress of war it never could be done, permit me to say that under that cover more crimes against our Government will be committed than can be conceived of by the most acute man in America. Of the three departments of Government the legislative has more nearly adhered to the original plan of the Constitution than either of the others. Let us not give a glaring example of using the pressure of war for civic purposes to other branches of the Government.

I call your attention to a bill introduced by Chairman MOON, of the Post Office and Post Roads Committee, in which he places in one mail zone of 300 miles the first three parcel-post zones. This was well said by him on the floor of the House the other day to accommodate the daily press, whose average distance of carriage is 255 miles; agricultural papers, 490; while magazines are 920 miles.

Statements have been made by various people, including the Hughes Commission and departmental officials, as to the cost of carrying and delivering second-class mail.

That mythical overhead charge, concerning which there has been much debate, may be great or small. It is, in any event, the same for a long or short haul. It is largely an estimate made by bookkeepers of the part of the expense of an establishment which must in large part be maintained for other branches of the mail that should be charged to second class.

But the part paid for carriage is definite and certain. It is 1 cent per pound for every 200 miles. A zone system should provide for that first and the overhead expense should be met equitably along the line.

Under this rule the provisions of this bill would pay the carriage average distance in the first mail zone and leave 1⅝ cents per pound to apply on the overhead. Under the second mail zone, after paying the carriage, there would be 1¼ cents to apply on the overhead. Under the third mail zone, after paying carriage, there would be three-fourths of a cent to apply on overhead. In the fourth mail zone it would lack 2 cents of paying carriage and, of course, nothing to pay on overhead. In the fifth mail zone the carriage deficit would be 3 cents and nothing for overhead.

I shall submit an amendment combining the third parcel-post zone with the first and second, making the first mail zone one of 300 miles; making the second mail zone the fourth parcel-post zone at 3 cents per pound; and the third mail zone the fifth parcel-post zone at 4 cents per pound, as it is in the bill, and leaving the other zones and rates as they are in the bill.

This will make the mail-zone radii as follows:

	Cents.
First zone, up to 300 miles	2
Second zone, 300 to 600 miles	3
Third zone, 600 to 1,000 miles	4
Fourth zone, 1,000 to 1,800 miles	5
Fifth zone, beyond 1,800 miles	6

While the above plan will tend to equalize the system and reduce the discrimination against the newspapers and farm papers, yet it will only accomplish it in part.

If we assume the parcel-post zones and rates to be at once compensating and equitable, then we have the remarkable condition of the proposed mail rates in the first and second mail zones more than 50 per cent larger than the parcel-post rates. While in the third mail zone the rate is 12½ per cent less than the parcel-post rate and 50 per cent less in the more distant zones.

I submit the following tables:

Rates in bill.

	Rate per pound.	Average haul	Cost for average haul.	Left for overhead, per pound.
		Miles.		
First and second zones, 0-150 miles.	$0.02	75	$0.00¾	$0.01¼
Third zone, 150-300 miles	.03	225	.01½	.01½
Fourth and fifth zones, 300-1,000 miles	.04	650	.03¼	.00¾
Sixth and seventh zones, 1,000-1,800 miles	.05	1,400	.07	—.02
Eighth zone, over 1,800 miles	.06	[1] 1,800	.09	—.03

[1] Minimum.

Carriage costs Government 1 cent per pound for 200 miles.

Rates in the proposed amendment.

	Rate per pound	Average haul.	Cost for average haul.	Left for overhead, per pound.
		Miles		
First, second, and third zones, 0-300 miles	$0.02	150	$0.00¾	$0.01¼
Fourth zone, 300-600 miles	.03	450	.02¼	.00¾
Fifth zone, 600-1,000 miles	.04	800	.04	
Sixth and seventh zones, 1,000-1,800 miles	.05	1,400	.07	—.02
Eighth zone, over 1,800 miles	.06	1,800	.09	—.03

I suggested to Judge MOON, chairman of the Post Office Committee, when he appeared before the Committee on Ways and Means that if the Post Office Committee would submit a good, fair, wholesome amendment to the postal section of this bill I would be glad to support it and accept the judgment of that committee in advance as final and binding on me.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. SLOAN. Yes.

Mr. MOORE of Pennsylvania. Did the gentleman hear read a little whole ago an amendment which the gentleman from Tennessee, Judge MOON, proposed to offer?

Mr. SLOAN. I heard the one the gentleman refers to. I think that amendment, as far as I was able to consider it, is a wholesome amendment. It is based on the proposition that we are one vast country, and that the intelligence of New England and the intelligence of the Pacific coast should mingle. That no great barriers or oppressive obstacles should be placed in the transmission of intelligence from coast to coast or from North to South. Unfortunately, there has grown up upon this medium of intelligence what might be called an excressence of business advertisement. It is a burden on the postal facilities of the Government, involving every year a considerable loss. I think the true way to dispose of it, now that we have a parcel-post system, would be wherever the publishers present their publications within any of the zones, they should be carried at a flat rate to any part of the country for the reading matter, while the advertising should pay the parcel-post rates. That can be done very easily, and, if followed, the present loss to the Government will be greatly decreased.

In carrying the mail the cost of carriage is a flat average rate of 1 cent per pound for every 200 miles. It is estimated that there is an overhead charge of from nothing up to 4½ cents. That can not be known definitely. It is estimated by the bookkeeping department of the Post Office Department and consists of a portion of the time of certain clerks and other employees necessary who look after the first, third, and fourth class mails. It is merely a matter of classification as to how much is overhead charges due to the second-class mail and how much is not. But the carriage rate is 1 cent for every 200 miles. So, that being definitely known, with the the establishment of the zone system the first concern would be to pay the carriage. Then if there is anything left over, let it be applied to the overhead charge.

Mr. MANN. Will the gentleman yield?

Mr. SLOAN. Yes.

Mr. MANN. What does the gentleman mean by carried for 1 cent for 200 miles?

Mr. SLOAN. The testimony of those who claim to know, especially the First Assistant Postmaster General, was the cost of carrying one pound is 1 cent for every 200 miles.

Mr. MANN. The average cost?

Mr. SLOAN. Yes; the country over.

Mr. MANN. Then it costs 15 cents to carry a pound from New York to San Francisco?

Mr. SLOAN. Yes; if it is 3,000 miles.

Mr. MANN. Then it only costs a quarter of a cent or half a cent from New York City to Philadelphia?

Mr. SLOAN. Oh, it is more than 100 miles from New York to Philadelphia, is it not?

Mr. MANN. The gentleman knows the charges are not uniform.

Mr. SLOAN. No, but they should be.

Mr. MANN. But they are not.

Mr. SLOAN. What I know is the undisputed testimony in the Hughes report, in the Ashbrook hearings, and in the testimony of Mr. Koons just a few days ago before our committee; so there is no question about it. I never heard it questioned.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. JOHNSON of Washington. According to that theory the whole rate of cost ought to be charged for carrying a letter from Washington, D. C., to Nome, Alaska, 5,000 miles away.

Mr. SLOAN. I presume the stamp upon the letter would pretty nearly pay for it. Its weight is small. Consider the number of letters it would take to make up a pound and I think you would find that it would pretty nearly pay its own carriage. The newspapers of the country need no encomium from me for the especial service they will be performing from now until this war closes. They will carry the news from day to day, whether it be good or bad; whether it conveys to the waiting fathers and mothers an account of the day of battle in favor of our boys or whether it will bring tidings of reversal and, mayhap, the darkest news. That part of the service will be especially appreciated by the American people in the coming years of the war, as it has never been before. Now, to say that the newspapers within that zone under 300 miles should be compelled to pay more than twice as much overhead charges as they do anywhere else, and where in the greater part of the country the magazines would not even pay the carriage, it is absolutely unfair to the newspapers and unfair to the farm papers of which I have spoken.

Mr. JOHNSON of Washington. Mr. Chairman, how many zones are there in the district from Kansas City, Mo., to the farthermost part of Nebraska?

Mr. SLOAN. There would be four zones. It would be the first, which is 50 miles—I mean the parcel-post zone, and you want to keep those separate from the zones in this bill.

Mr. JOHNSON of Washington. Make it the newspaper zones.

Mr. SLOAN. It would be in the third newspaper zone. The first newspaper zone proposed in the bill is 150 miles. The next is out 300 miles, and the next 600 miles, which makes it 600 miles, which would carry it to the farthest part of Nebraska.

Mr. JOHNSON of Washington. Who will divide these newspapers up into zone distribution, the Postal Service?

Mr. SLOAN. The bill provides that the Postmaster General shall require or may require the newspapers to make up their publication by zones in such manner as will make it easy to handle. The way the newspapers are shipped now they are more easily handled by a great deal than the average parcel-post matter. Yet in these first two zones proposed by the committee in the bill on everything over 4 pounds the parcel post is cheaper than the newspaper.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes more to the gentleman.

Mr. SLOAN. Mr. Chairman, I desire in closing this matter to say that should the amendment of the chairman of the Post Office Committee be presented, I think it would be fair to all the publications, but if it is not presented and does not receive favorable action of this committee, then I shall insist upon my amendment being presented.

I desire to speak now with reference to two other features of the bill. First, as to the objection with which it is met upon the ground that we are raising too much money. Eighteen hundred million dollars is an enormous sum. Figuring it out in one way it would take 100 cars of 20 tons each to haul it if it were reduced to gold. It was quite a task for the committee to undertake to raise that amount. But I think the committee should have done so. I do not think that this House can refuse to adopt the bill on the ground of the amount of taxation it involves. Regardless of what individuals may do, the Congress of the United States must keep faith with the country.

We must especially keep faith with the young men to whom we have said you must respond to the country's call and fight its battles. At the recommendation of the President of the United States war was declared. At his recommendation $5,000,000,000 of bonds were provided for. At the recommendation of the President of the United States the young men of the country between 21 and 31 years of age were, whether they would or not, told that they would have to go and fight the battles of this Nation on foreign soil.

Mr. LOBECK. Will the gentleman yield?

Mr. SLOAN. I will.

Mr. LOBECK. The gentleman means between 21 and 31 as proposed in the bill now going through the two Houses?

Mr. SLOAN. Yes; up to the day they are 31, as I understand it. When the proposition for war and the proposition for financing the war and the proposition for conscription was before us, the young men of the country were told—and I never heard an objection to it until after conscription was by Congress fastened upon them—that half of the expense of this war would be raised by taxes and the other half by bonds. That was determined in advance. There was an agreement and promise to the young men of the country that if they submitted to conscription and fought our battles, when they came back they would not be called upon late in life to pay the expense of the war, as some of them had paid in life and blood the obligations of battle. They were given to understand that the expenses of that war on foreign fields would not be theirs to pay long after this war had closed. That promise was made—made by the Executive of the Nation, indorsed by every man in this House when he voted for war, when he voted to finance the war, and when he voted for conscription. No man in this House and no man in America can afford to repudiate that solemn pledge, even though it takes half his profits, or all of it, even though it takes part of his capital.

Some of those young men are business men. They lose all their profits. What becomes of their capital? They lose part or all of it. What is proposed? Gentlemen who voted for the bond issue, and voted especially against an amendment which I presented, are absolutely—morally, politically, and patriotically—estopped from claiming that we ought to issue more bonds and levy less taxes. In that amendment I asked this House to say when those bonds should be paid. The House refused to do it, but left it to the judgment and wisdom of the Secretary of the Treasury. He has issued these bonds at 30 years.

The average age of the man called out to fight the battles will be 26. To 26 add 30 years, the term of maturity of those bonds, and you have men at the maximum of their earning capacity as business men. Remembering that they fought the war, which I hope and expect will be successful, they will be confronted with the payment of $5,000,000,000 of bonds. Who will stand in his place to-day and say to them, "We will add $500,000,000 bonds for them to pay 30 years hence?" That is not all. I raised another question when the bond bill was pending. There was a dispute as to facts, but we will let that pass at this time. There was a provision that those bonds should bear 3½ per cent interest. Further, should other bonds be issued during the period of the war, at a greater rate, that very fact would automatically advance the interest on the $5,000,000,000 bonds to the rate which the new issue would bear. There is not a man here who would for a moment say to the Secretary of the Treasury if we were to issue, as has been suggested, $500,000,000 more bonds that they could possibly be floated at less than 4 per cent. If we were to float them at 4 per cent, automatically these $5,000,000,000 3½ per cent bonds would become 4 per cent bonds. An additional one-half per cent for 30 years would make an additional amount to be paid by those who came back and others of $750,000,000. More than that, these $500,000,000 that are suggested, from various quarters, would bear 4 per cent, and the interest to be paid on these as they came due from year to year to be paid when they came back would be in all—at 4 per cent for 30 years—$600,000,000. Then add $500,000,000 principal to be due, the additional interest $750,000,000 and $600,000,000, and you will have an additional burden of $1,350,000,000, all started from this proposed bonding when taxation should be followed. I want to know who in this House or elsewhere will stand up and say that these boys should go and fight and in addition to going and fighting the war that they should be made to pay the expense.

I read a very interesting speech quite recently. I heard it when delivered. You will find it on page 612 of the present RECORD:

> I am one of the American people who is ready to pay my share of the obligation [applause], and I shall have to pay as much money to be raised in taxes as most of the men in the United States will have to pay, and I am ready to do it to the extent of every dollar that I own. [Applause.]

I have no doubt of that statement. That moment in a burst of patriotism the gentleman from Illinois [Mr. MADDEN] obligated himself, and I have no doubt he meant it. He was willing then to bind himself to pay every dollar that he had, undoubtedly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLOAN. May I have about 10 minutes more?

Mr. FORDNEY. I yield 10 minutes additional to the gentleman.

Mr. SLOAN. The gentleman undoubtedly would make good. I regret that while he spoke thus in his individual capacity and bound himself under that sacred promise to pay, he spoke to-day in a representative capacity. I want to appeal from MADDEN, Representative, to MADDEN, individual, and ask him to hold up the same standard of patriotism, liberality, and generosity upon the part of his constituents that we know he would live up to himself. [Applause.] Again, I read from the same speech—

Most of the men who are not so fortunate will not have to pay the taxes, because the revenue that is raised now is raised by the income tax, and the men that have not the money, and the men who are not earning it, are exempt from taxation. The men who have the money ought to pay, and they are willing to pay. [Applause.]

And that brought a storm of applause, as it should have done. And he said:

If the men who have not the money, and who are able to fight, are willing to fight and offer their lives for the preservation of American honor and for the liberty of the world, then the men who are not able to fight, but who have had the good fortune to make money ought to help to pay the bill.

That was good doctrine then; it is good doctrine now. We must remember that issuing bonds pays no debts. It would have the effect of the present generation going security for the payment that was being saddled upon those who later would have to pay. I think it a matter of good faith to the soldiers that it should go out to them that we who remain at home will pay with full and round measure during the years of the war one-half of its expense.

One other matter I desire to refer to and then I have done. That is the feature of this legislation referred to by my friend from Missouri—the import-duty feature. It was very interesting. The gathering together of the large amount of money from various sources and building it into a sort of legislative pyramid worked well when we began. As we climbed along higher up we seemed to get along very well; but like building any other edifice, the farther you got up the harder it was to bring the material there. So there came a time when we had something over $1,500,000,000 and could go no farther. Then there were those who insisted upon bonds. But while there was no party division, and this was not along party lines at all, it was very interesting. It occurred something like this: There were a lot of us who wanted to follow the Constitution. We wanted to resort to the time-honored constitutional way of raising revenue; that is, at the ports. There were those who, on the other hand, wanted to avoid following their own platform—a tariff for revenue. There the contest waged. The result was we compromised by following the Constitution. We provided for raising all the way from $200,000,000 to $250,000,000 at the gates, as free-trade England had raised its last fiscal year $352,000,000 at her ports and as our neighbor, Canada, had raised $134,000,000 at her ports, that being 57 per cent of all her revenues. So we present you a tariff bill. It is not a scientific tariff measure. It is not as protective as I would like to see it. But the revenue feature is there. I think it was fitting and proper that when we approached the summit section of that great legislative pyramid, to provide it we should place a tariff provision there. It was well said by the chairman of the committee [Mr. KITCHIN] that on the summit of that bill we planted Old Glory. It seems fitting and proper that as a part of the greatest revenue bill ever presented in the United States or the world the crowning section is a protective tariff, and further that Old Glory is planted there by the gentleman from North Carolina. It is certainly a spectacle for the joy of the gods and the delight of all men. [Applause.]

Mr. Chairman, I yield back whatever time I may have left.

The CHAIRMAN. The gentleman yields back five minutes.

Mr. FORDNEY. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, when I voted against war I voted against high taxes and conscription and big bond issues. Having done so once, I feel at liberty now to occasionally support some things I do not entirely approve, if it becomes necessary. The first duty we have at this moment is to prepare this country to support the man that goes to the firing line. Doing that we will necessarily be compelled to vote for many appropriations and laws, for many orders, that do not appeal to us as being very satisfactory or such as we would ordinarily support in ordinary, common times. I am rather inclined to believe that this bill is of that nature. None of the gentlemen who bring it into this House seem to be entirely satisfied with it. After careful examination of its provisions, I think as little of it as they do. Judging from what they say, it is about the worst bill that was ever introduced into the Congress of the United States, and the only reason they bring it here is because they simply must have the money. "A poor thing, but mine own," says the committee. One can see how it might be better and hardly how it could be worse, but it will, it appears, bring the money, and it is possible I may, as many others, vote for it as they voted heretofore for things they did not like, if a few amendments are made. However, the Constitution says this is a deliberative body, and it is our business and our duty here to discuss these measures and to make such suggestions as come to us individually, and to endeavor, if possible, to eradicate the evils and get the best results.

I notice that my predecessor a moment ago referred to the gentleman from Illinois and his recent statement (speaking for the custodians of wealth) that "the wealth of this country will support the soldiers of this country." I wish to say that is a contract, because I went over to the gentleman from Illinois after he so stated and accepted his proposition on behalf of the people who do not have the money.

You promised when you conscripted the youth of this country that you would conscript the wealth of this country. The principal criticism of this bill is that it does not do that, so far as I can see. I have gone over the bill with such care as I could give it, and I find that two-thirds of all the money to be secured by this bill is to be paid by the people without wealth in this country, by the people who fight the battles of this country. We were told on the floor that one-half of 1 per cent of the people of this country paid the income tax of this country; that only one-half of 1 per cent of the people of this country had incomes above $3,000 and $4,000. We have frequently been told that 2 per cent of the people of this country have 65 per cent of the wealth of this country. Gentlemen, if the men without that wealth are to fight the battles of this country, I think the men with that wealth should pay the debts of this country. Let their dollars die for their country, too. I think that this tax should be so arranged as to touch the large incomes in a way that would make that the real fact.

The distinguished chairman, the gentleman from North Carolina [Mr. KITCHIN], said perhaps they would have done that, but they feared if they taxed the great incomes at any higher rate they would fly into that city of refuge you provided here before you did anything else, the $5,000,000,000 bond issue, and would escape taxation of this kind. I would like to make a suggestion that may be practicable and tangible. Suppose you have a man having a large income, and you are taxing it. You could, I believe, make a statute here which would provide that if he sought a way to bring that income to a nontaxable status you could reach him in doing so. If he wanted to take $50,000,000 out of a property from which you are securing an income by taxation and transfer it to nontaxable investment, you could charge him 5 or 10 or 20 per cent as a transfer tax, like an inheritance tax.

Mr. JOHNSON of Washington. Suppose the wealthy gentleman buys a great quantity of war bonds at 3½ per cent?

Mr. LITTLE. That is what I am talking about. You get the idea. [Laughter.] A transfer tax of such a nature would conserve our resources for taxing purposes. I think we can get by it, I will say to the distinguished committee that brought that bill in here and got by with it, so far at least. We can reach and avoid the difficulty in taxing the great incomes suggested by the committee chairman.

Run through this bill minutely and you will find that the people who fight this war are, as I said, to pay two-thirds of the taxes that support the war. When the boy comes back on a furlough from France, and goes to the station to buy a ticket, he will pay a tax to support the war. When he gets home and takes his sweetheart to a soda fountain, he will pay a tax to support this war. When his father has an automobile and this boy takes his sweetheart out riding, he will pay a tax to support this war. If he should be injured in France, and his mother or his sister should send him something by freight or express, they would pay a tax to support this war. If his girl started to nurse the boy yonder in the valleys of France, she would have to pay a tax when she buys her ticket. When the family with a boy on the firing line turns on the electric light, lights the gas range, sends a telegram, starts the phonograph, the shadow of the taxgatherer slips a hand into their frugal and hard-earned savings. If you send this boy to Europe, take your hand out of his pocket!

Every time the man that fights this war turns around, if he is at home; every time his sweetheart turns around at home, every time that his old mother goes to town, every time his father makes a purchase, a tax is paid for war purposes; and yet we are told that men with millions upon millions, millions piled upon millions, have already paid as much as they ought.

Gentlemen, you conscripted the boy. You send him off to France. He offers everything that he has upon the altar of his country, and when he lies yonder in the Pantheon of Paris, cold and dead, where is the American millionaire who would not be proud to lay his millions beside him as an offering to his country? Who makes the real sacrifice?

Somebody said this morning that no sensible man would suggest that you should tax an income over and above $100,000 to the full limit. Years ago I served this country in the Valley of the Nile, and a man worth $40,000,000 felt it necessary to do some official business through me, and he used to tell me a good many of his troubles. He said to me one day, "Wealth is of

no value after you have a sufficient and reasonable competence. With a reasonable, assured income behind it, you have got everything in the world that can do you any good, and all beyond that is simply a burden and a care." He said a man with an income of $100,000 a year is just as well off as a rich man. [Laughter.] After some conferences with myself I agreed with him. But since then I have always felt that any man who had attained that rounded limit had all the wealth that is necessary in this world, and there was no particular reason why any man having that income should want any more. If this man was right—and I thought he was—there would be no use that could be made of it that would be of real assistance to him.

I was glad to hear that some honorable gentlemen had come here and tried to be heard and had told the committee that they did not want anything above $100,000, that they desired a tax of 98 per cent on all incomes over $100,000; they did not want more. I am glad that we have such patriotism in this country as compels men to come here and thus offer their money. It raised my respect for the rich 100 per cent. I do not know why the committee did not accept it. We have $225,000,000 put upon electric lights and the like. We had $426,000,000 put upon liquor, $60,000,000 on dues and show tickets, $33,000,000 in petty stamp taxes, and $70,000,000 added to letter postage. Do you know that the average income in this country is less than a thousand dollars? Those are the people that are paying all these taxes—$1,900,000,000 of $3,300,000,000. This is what you require of the men whose incomes average under $1,000.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield to a question?

The CHAIRMAN. Does the gentleman from Kansas yield to the gentleman from New York?

Mr. LITTLE. Yes.

Mr. LAGUARDIA. Does the gentleman object to that tax on liquor?

Mr. LITTLE. I am glad you mentioned that. It came near getting away from me. The tax on liquor is paid by the poor man. All these taxes are shifted onto him. I do not like to see my country sharing in the profits of the saloon. If we are to have war-time prohibition in this country, as in other countries; if we are to wage war against that great evil; if we are to turn the grain into an edible instead of into a drinkable; if we are to at once begin to save our grain for the hour when women call for bread; if we are to drive the bawdy house and the saloon away from the camp, as we should, there will be no liquor to assess. I think that is what ought to be, and earnestly hope it may come to pass. If we are not going to do that, then I am in favor of charging the people who use it everything that the traffic will bear. If the bill I introduced April 5 becomes a law, there will be no drunken soldiers and no liquor to tax. I think that answers the gentleman from New York. He can take his choice either way. [Laughter.]

Mr. HILL. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from Kansas yield to the gentleman from Connecticut?

Mr. LITTLE. Yes.

Mr. HILL. Mr. Harkness died in California last year. If this tax which we now propose to impose had been laid prior to his death, he would have paid 50 per cent of all his income, and on his death his estate would have paid to the National Government 40 per cent of the principal, and to the State of California 40 per cent more of all his principal, and all his heirs would have received 20 per cent of his estate, provided it sold for enough to pay the taxes. Is the gentleman satisfied?

Mr. LITTLE. I would say to the gentleman from Connecticut that I went to the State of California in 1898 with 14,000 other men that left a thousand dead in California and across the sea. What did that millionaire's heirs lose as compared with those who loved my comrades? [Applause.] In the great game of war, gentlemen, you cast the dice and accept the fortunes of war. Lives and millions go out with the tide—but is there any here that will dare weigh them in the same scales?

> Shorten my days thou canst with sullen sorrow,
> And take nights from me, but not lend a morrow.
> Thou canst help time to furrow me with age,
> But not stop one wrinkle of his pilgrimage.
> Thy word is current with him for my death;
> But, dead, thy kingdom can not buy my breath!

What has the millionaire to lose alongside of the boy of 21 with a mother to kiss him good-by and a sweetheart to greet him home? The tax the gentleman suggests would be too great, but if it was, that millionaire did not lose one-fiftieth of what my comrades lost on the battle field. The heirs to 20 per cent of such an estate would still be rich.

Mr. HILL. Mr. Chairman, will the gentleman yield again?

Mr. LITTLE. Yes.

Mr. HILL. I have seen thousands of them do the same thing, but the millionaire is subject to conscription and subject to the taxation of his money besides.

Mr. LITTLE. Where is he who has accumulated a million by the time he is 30? It is said that one-half of 1 per cent of the people of this country only are able to pay an income tax. Not one-half of 1 per cent of that one-half of 1 per cent will be subject to conscription. Not 2 per cent of the 2 per cent that own 65 per cent of our wealth are subject to conscription—no, gentlemen; the people who do not own the wealth of this country will fight its battles, and the people who do own the wealth should pay its debts. [Applause.] It is no more than right and fair as an adjustment.

I do not believe in being radical or in overdoing these things. Let equity prevail. One-third, one-half, two-thirds of the tax placed on the necessities and simple luxuries of average men and women should be canceled and the same amounts levied on incomes of over $100,000, and if everyone went into the Treasury of the Nation their owners should be proud they had anything their country would accept, while the unstained youth of the Republic marched with measured tread and singing lips to the rendezvous with death. I do not know of any reason why the man that has an income of above $100,000 in the clear at a time when millions are to go down into the valley of the shadow, at a time when the widow will lay her only boy on the altar of his country, when the father will send his eldest son off to the plains of Europe—I do not know why a man with over $100,000 income should want to retain a cent of it, above that, when his country needs it. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MCCORMICK] 30 minutes.

Mr. MCCORMICK. Mr. Chairman, there is something ominous about the reception of the measures proposed for the support of the war. At a time when the Government should summon the energies of an inspirited people we seem ready to daunt their resolution to take up the burden. When we should be mustering all our resources, the administration and Congress contemplate closing the doors of popular knowledge of public affairs and putting manacles upon the national industries. We have not yet acted, and I trust that we shall not so act; but the first fruits of our proposed action may be seen in the unexpected journey of the Secretary of the Treasury to secure subscriptions for the liberty loan. None of us in this House will enjoy the task of challenging the experience and judgment of a unanimous Ways and Means Committee. We are compelled to do so only by our convictions as to what the consequences of this bill will be if it becomes a law.

Members of the committee have argued in its defense that the new taxes for the most part will fall upon those able to bear them, and that, unsound as are some of the taxes proposed, certain members of the committee have assented to them under compulsion of necessity. There is no necessity now to impose taxes which unnecessarily and gratuitously will disturb the production of the country, which will bear illogically, irrationally, and unevenly upon persons and businesses which should be equally liable to taxation.

There are some of the taxes which I shall not enumerate, but which in my inexperience I can not reconcile with the sagacity of the committee. For example, duties on fertilizer, when we would increase the productivity of our soil.

Like many Members of the House, I have been puzzled, and the American public has been puzzled, by the provision for the income tax. Members of the committee have said that they did not believe in a retroactive income tax, but one member of the committee has just explained to me in the cloakroom that if the tax be retroactive in form it is not in fact. But I am not clear why, in seeking an additional $100,000,000, it would not have been possible to add that sum, or 20 per cent, to the income taxes proposed for next year. I am not clear, and I would like to know why the rate—mark you—the rate of graduation is steeper on the smaller incomes than it is on the larger incomes. If it provide for the increase of about 10 per cent in the rate on incomes of $100,000 a year over those of $10,000 a year, what logic is there in increasing by less than 10 per cent the tax on incomes of $10,000,000 a year over those of $1,000,000 a year?

Under the provisions of the bill as they stand the exemption for married persons is lowered from $4,000 to $2,000 a year. I will not differ with the gentlemen who have proposed that provision, but I submit, Mr. Chairman, that when the exemption is fixed at $2,000 a year the committee should have provided for an additional exemption on account of children. I submit that the contemplated tax will not bear equitably upon

childless couples and men and women who have families of children to support.

As I have suggested, we do not challenge the statement that a greater part of the burden will fall upon the rich and well to do, but we do charge that it will fall unequally upon those who should and must bear it.

I wish I might persuade myself that there is wisdom in the argument that the existence of the machinery for the collection of excess-profits tax justifies its oppressive and inequitable features. There are in a prosperous little city in Illinois three mercantile establishments of like size. Two of them belong to individuals who will be exempt from the excess-profit tax. The third, built up by the father, so I understand, is incorporated in order that his two sons may share in the business. It is a corporation and therefore, if the bill as it stands becomes a law, must pay 16 per cent upon its profits over 8 per cent earned on the small capital of the business.

Mr. HILL. Will the gentleman pardon me?

Mr. McCORMICK. I will yield to the gentleman.

Mr. HILL. The income tax laid under this bill is additional to the present tax. As a matter of fact, the income tax on large incomes will be about 50 per cent, which is very much higher than is charged in England to-day, notwithstanding they have been three years in the war.

Mr. McCORMICK. If the gentleman will permit me to correct him, there are incomes in England which pay 60 per cent.

Mr. HILL. That is out of war profits. There the rate is 60 per cent, but on pesonal incomes the rate is nowhere near as high as the rate fixed in this bill.

Mr. ELSTON. Will the gentleman yield?

Mr. McCORMICK. Yes.

Mr. ELSTON. In the operation of the excess-profit tax has the gentleman considered that the profits of the individual are subject to the tax and the surtax under the income-tax law, while the profits of the corporation are not subject to the income tax until after the excess-profit tax is taken out?

Mr. McCORMICK. Precisely; and that illustrates the gross injustice of the excess-profits tax.

Mr. ELSTON. Has the gentleman figured the compensation—the difference between the two burdens—and whether or not it is not equalized somewhat?

Mr. McCORMICK. An individual whose income is drawn from stocks in several companies will pay through the companies the excess-profits tax. And, then, if his income in the aggregate amounts to enough he will be liable to the surtax.

Mr. ELSTON. It is my recollection that the dividends from corporation stocks are excepted from the income tax altogether.

Mr. HILL. Oh, no.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. McCORMICK. Yes.

Mr. LITTLE. I would be glad if the gentleman from Connecticut [Mr. HILL] would give me sometime the information he suggested. I went through the library information yesterday——

Mr. McCORMICK. Oh, Mr. Chairman, I should be very grateful to the gentleman if he would ask for private information in some other time than mine.

Mr. LITTLE. I hate to interrupt the gentleman; but I did not want that fact to get away. I just wanted to say that was not the information that I got in the library yesterday.

Mr. McCORMICK. Mr. Chairman, I think the gentleman should get his information in some other time than mine.

Mr. LITTLE. Oh, I shall not interrupt the gentleman again. He will be here for two years and I shall not interrupt him again.

Mr. McCORMICK. Mr. Chairman, the bill would carry into almost every community in the United States the injustice of the excess-profits tax exemplified in that little city in Illinois. It is not an excess-profits tax in the original popular understanding of the term and bears no relation to excess profits solely due to war. For example, last week I was advised that the representative of a group of great New York business men expressed himself as being in favor of the proposed increase in the excess-profits tax. It would be easier, so I conceive, for the owner of "war brides" or "war babies" earning 500 per cent to pay an excess-profits tax than to pay an income tax graduated in fair consideration of the great incomes.

There is a vast difference between the excess-profits tax, so called, in this country and that which obtains in Great Britain. In broad terms the British excess-profits tax has amounted to 60 per cent of all traders' profits which are in excess by more than $1,000 of the average of any two out of three years preceding the outbreak of the war. The books of an industry in Great Britain are examined to determine what was the average of profit prior to the war, and taxation is then based upon the increment and profit due to the war. That is a sound and just tax, as ours is unsound and unjust.

Yesterday I met, quite by accident, certain gentlemen interested in the publication of agricultural weeklies and periodicals. Parenthetically perhaps I ought to say that not one of the great newspapers published in Chicago has suggested to me either that it would suffer by reason of the proposed zone rate or that if it would suffer it objected to the imposition of the zone rate. My correspondence indicates that the full burden of the proposed rate will fall upon the smaller newspapers and upon the periodicals. But, to revert to the gentlemen whom I met yesterday, they permitted me to copy some rather interesting tables prepared by the accounting firm of Price, Waterhouse & Co. relative to the profits of periodicals and the effect upon them of the increase in the cost of paper and the increase of the postal charges contemplated in this bill. The income of 55 farm papers amounted last year to $581,875. The increase in the postal charges, if they are not compelled to abandon publication, or if they do not ship by express rather than through the mails, will amount to some $1,823,000. The increase in the cost of paper at present prices over last year will amount to some $1,107,000. That means that the increased burden upon them from these two causes will aggregate nearly $3,000,000, or an increase over their combined net income of $2,348,000. These gentlemen also permitted me to take a copy of another statement prepared by Price, Waterhouse & Co. covering the business of 88 publications of a general character, including all those, save one or two, next in importance to the Curtis publications, to which reference has been made ever since the question of the increase in postal rates was mooted in 1910 or 1911. Their aggregate net income was $1,154,654.14.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. McCORMICK. Yes.

Mr. MOORE of Pennsylvania. As to the second-class postal rates in which the gentleman is interested and about which he knows a great deal——

Mr. McCORMICK. I know relatively little.

Mr. MOORE of Pennsylvania. The gentleman is associated indirectly at least with the newspaper fraternity, as I have been. I would like to know what remedy the gentleman has to suggest for the existing condition. The Curtis Publishing Co. is in my district. It is a wonderful establishment and ought to be encouraged. How are we going to meet the question of fair play to them and at the same time do justice by the Government?

Mr. McCORMICK. Will the gentleman permit me to conclude these figures?

Mr. MOORE of Pennsylvania. Oh, I beg the gentleman's pardon; I thought that perhaps the gentleman had some remedy in mind.

Mr. McCORMICK. I shall offer one tentatively in a moment. I will ask the gentleman to let me conclude these figures, as they are somewhat interesting. The increase in the cost of postage and paper over the combined net profits of these eighty-eight periodicals would amount to some $6,575,000 over income. The net income of the Curtis publications, so I am advised, is not less than twice as large as the aggregate net income of these eighty-eight other publications next in importance. I do not know whether the gentleman from Pennsylvania remembers that seven years ago, when I was still the publisher of a newspaper, I advocated the imposition of zone rates. The difficulty with these proposed rates is that they have very little relation to the present ability of publications to bear them. Indeed, I understand that the Postmaster General, who always has supported the principle of zone rates, takes the ground that his business in the carrying of second-class matter would be so gravely injured by these rates that he opposes their imposition. If they did not ruin publications they would drive them to ship through the express companies. It may be that upon due consideration, as some gentleman has suggested to the committee, the Post Office Committee may be able to devise a system of charges which will bear a relation to the ability of the publications to meet the charges, and it may be that they can devise a system of taxation which will bear a relation to the income of publications as well as to the volume of mail of second-class matter which they offer the Government for shipment. I assume, of course, that the Curtis publications would be liable to the proposed excess profits and income taxes, but nevertheless I am told that they alone among these more important periodicals can meet the proposed rate and still find a profit for their owner.

Before I conclude I wish to invite the consideration of the committee to two statements which have been made before the

committee and which seem to me entitled to more consideration than has been given to them. One is the statement of the gentleman from Illinois [Mr. MADDEN], which I have not heard challenged, that the estimate for expenditures is some $600,000,000 or $700,000,000 less than the revenues which it is contemplated to raise under the bill.

Mr. HILL. If the gentleman will pardon me, he does not say the estimate of expenditures; he says the appropriations which have been made. But when you recognize the fact that appropriations have been made to cover only a portion of the year and that the tax is laid to cover the whole year, is where the difference between Mr. MADDEN on this bill lies.

Mr. McCORMICK. The other statement was by the gentleman from Michigan, the very able ranking member of the committee, that the bill would raise from $100,000,000 to $200,000,000 more than the estimates submitted to the committee. It is the general understanding, and doubtless the justified understanding, that it is the administration's purpose to defray half the cost of the war through the issue of bonds and half through the revenue to be derived by special taxation. In Germany 10 per cent of the cost of the war has been raised by taxation. In France, 18 per cent; in Great Britain, in spite of the fact that she has carried a great part of the financial burden for her allies, only 26 per cent has been raised by taxation. Certainly none of those countries may anticipate any increment of developed national wealth comparable with the certain increment of developed wealth in this coutnry. Posterity yonder will be far less able to bear its portionate cost of the war than will our posterity here. We are engaged in a conflict, not primarily for our immediate protection, but for the protection of the country long after we are gone, I submit to the committee that it is gravely doubtful if it be wise to impose so heavy a burden of taxation upon the country at this time. I know it has been said that we should proceed with dispatch and vote upon this bill that it may become the law. Gentlemen, the present market, such as it is, for the liberty bonds indicates to me that it is far more important to proceed with care and act with wisdom than to act with foolhardy courage and haste. [Applause.] There will be nothing more difficult to do, no more important task will devolve upon us than to lay a sound foundation for the support of our armies this year, next year, and for a third year, if need be, when the burden will become too great for the countries allied with us. I have not heard a word of stubborn protest against the intention of Congress to raise great sums by revenue, even from the lips of men who think it unwise to raise so large a proportion of the cost of war from taxes. But there is not one of us who has not heard from men whose judgment is to be respected, that it is all important that these taxes shall be sound and equitably laid upon all those who are able and who ought to bear the vastly greater part of the war's cost. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. Mr. Chairman in line with what has been said by the gentleman from Illinois [Mr. MCCORMICK], I wish to place before the committee at this time a concrete illustration as to how this zone system is going to affect some of our metropolitan papers. Let us not lose sight of this one thing: When we are discussing the welfare of our great daily papers let us remember that they are the daily feeders of 100,000,000 of people with the news of the world. The little county paper does its bit; our magazines have their place; but it is only through this great medium of information that it is possible for us to carry on a national informational program. Now, I am going to give you a few figures which have been compiled by the representatives of three of the largest papers of the city of St. Louis to let you see just how this thing will work out in affecting papers going into different zones of circulation. This new burden that will be placed upon the papers should the zone system as it is now proposed become the law will make an increase to the St. Louis Globe-Democrat of $200,000 per year. It will effect an increase to the St. Louis Republic of $175,000 per annum, and it will effect an increase to the St. Louis Post-Dispatch of $86,000 per annum in its expenses. That means that the Globe-Democrat will bear a burden of $114,000 annually more than the Post-Dispatch bears, and that the St. Louis Republic will bear an increase of $89,000 more than the Post-Dispatch. But here is the thing I want you to note: The daily circulation of the St. Louis Post-Dispatch is 34,000 more than the Globe-Democrat, although the Globe-Democrat will carry $114,000 heavier expenses. The daily circulation of the Post-Dispatch is 68,000 more than the Republic, although the Republic will carry $89,000 heavier burden. The Sunday circulation of the Post-Dispatch is 73,000 more than the circulation of the Globe-Democrat, and the Sunday circulation of the Post-Dispatch is 130,000 more than the Sunday circulation of the Republic.

Mr. STAFFORD. Will the gentleman yield?

Mr. MEEKER. I will.

Mr. STAFFORD. Has the gentleman any figures to give the committee as to whether this additional expense is occasioned by the increase of rates on the first zone or merely was occasioned by doubling the rates of the first zone?

Mr. MEEKER. I have not that exact information except this, that the Post-Dispatch is an afternoon paper. It sells within the immediate vicinity of St. Louis. The Globe-Democrat and the Republic have a very large country circulation. Take the papers of the Northwest, for instance, papers from Milwaukee or from Duluth and Minneapolis. Think how sparsely settled is that great northwest country and what a struggle there has been to put those papers, those mediums of circulation onto their feet. They are going to find this burden such as would wipe them out of existence is my judgment. Now, there is another thing we have to keep in mind. Suppose you are in Kansas City or in Washington or in any other community and you desire to find out what conditions are in St. Louis? The St. Louis publisher with his daily paper finds himself in competition with the Kansas City publisher on the streets at a disadvantage of possibly 6 or 8 cents a paper. It means the destruction of what you might call the national circulation of our dailies. It will practically be impossible, and the thing that will occur with these papers cutting down the territory they reach will be that their advertising rates will be worth less. I believe that the newspaper men themselves would rather that the Government would step in and take everything out of their treasury except what it costs to run the paper and pay for their help than they would to have it tax them in such a way as to destroy their business. That is the thing we want to get at. We are not differing here over the money that is to be gotten, but we should not adopt a system whereby we will destroy the very organization that is to yield a revenue.

Mr. MANN. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. MANN. The gentleman is making rather of a startling statement. Can he give us the circulation of any one of these papers?

Mr. MEEKER. I gave them all.

Mr. MANN. You did not give them.

Mr. MEEKER. The Post-Dispatch is 170,000 daily; the Globe-Democrat, 136,000; the Post-Dispatch, Sunday, is 230,000; the Globe-Democrat, Sunday, is 163,000; the Republic, daily, is 102,000, and Sunday is 106,000.

I beg the gentleman's pardon. I thank him for calling my attention to it.

Mr. RUBEY. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. RUBEY. Can the gentleman give us any information as to the percentage of circulation that goes through the mails and the percentage that is given out by carriers?

Mr. MEEKER. I can not.

Mr. RUBEY. Does not the gentleman think that 95 per cent, as much as that, of the circulation of these papers is through carriers and does not go through the post office?

Mr. MEEKER. Oh, no; not that percentage. The Globe-Democrat has a very large circulation of its semiweekly number.

Mr. COX. Can the gentleman tell the committee what per cent of all these papers in the city of St. Louis, that he enumerates, use the express companies to forward their papers?

Mr. MEEKER. I can not. But under this bill as submitted by the committee the express will not give them any relief, because wherever they send the paper by express the rate is to be the same as if they mailed it the whole distance, and 10 per cent express in addition.

Mr. STAFFORD. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. STAFFORD. The newspapers only send their publications by express when they are sent to be distributed by other agencies than the post; that is, for instance, the news dealers in other cities. There are rarely newspapers sent by express there, later to be deposited in the mail for local delivery.

Mr. MEEKER. The Sunday edition, much of it, I think, is carried by the express. I will say to the gentleman, however, I will endeavor to obtain the facts as to what the percentage distributed by carriers is and the percentage carried by mail. These figures which are here submitted I have obtained from the representatives of the three newspapers, who at this time have stated just what conditions are. I simply lay them before the committee, so that we will see how it is with a great metropolitan paper, like in the cities of New York or Chicago, that

may have a large circulation in the immediate vicinity. The minute they strike the mail service a large addition to the cost is going to weigh heavily on them if they have a small city circulation but a large rural circulation.

Mr. MANN. Somebody must have figured on this. Is the gentleman able to give the circulation of these papers that go by mail and the different zones to which they go?

Mr. MEEKER. I can not. I have not obtained that yet.

Mr. MANN. How is it possible to arrive at a total without doing that?

Mr. MEEKER. I simply have the sum total of the figures, but I have not divided them up.

Mr. MANN. The gentleman gets his sum total from a statement made by somebody else?

Mr. MEEKER. Yes, sir.

Mr. MANN. Somebody must have figured it out to get it. I do not think it is possible that those figures are accurate. However, they may be.

Mr. MEEKER. I make the statement on the basis of what was shown by the representatives of the three St. Louis papers—the Globe, the Republic, and the Post-Dispatch—who held a conference and prepared these figures. I will be glad to verify them further for the information of the gentleman.

Mr. SLOAN. I would like to give the gentleman some of the figures called for by the gentleman from Illinois, of what is a typical Northwestern paper, the Omaha Bee. The statement from the editor is as follows:

Omaha Bee is in round numbers 56,500, of which 34,500 go through mails; none by express. Mail subscribers in first and second zones, 25,200. Mail subscribers in third zone, 5,800. Mail subscribers in fourth zone, 3,500.

I think probably that is the situation as to the papers of the Northwest, and probably throughout the country.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. MEEKER] has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. IGOE rose.

Mr. MEEKER. I yield to the gentleman from Missouri.

Mr. IGOE. I was going to suggest that the condition of apparent inequality between the Post-Dispatch and the other two papers is due to the fact that the circulation of the Post-Dispatch is almost entirely local, and that the effect of the increase of the rates upon these other two papers will be simply that they will either have to charge a higher rate for the papers which circulate in the country or discontinue that circulation.

Mr. MEEKER. That is the point I think we should bring out.

Mr. MADDEN. I think the principal thing that will be done will be this, that in the outer zones, where the rate is high, it will destroy the circulation of the paper altogether. It would reduce the circulation by that much; reduce the income by the reduction of the circulation, and reduce the value of the advertising space in the paper besides, and therefore reduce the revenue to the paper.

Mr. MEEKER. Yes; that is the point I touched on a moment ago.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. JOHNSON of Washington. In Ayer's Newspaper Annual the St. Louis Globe-Democrat is given last year a morning circulation of 151,000, a Sunday circulation of 175,000, and a semi-weekly circulation of 85,000 copies, sold at 50 cents a year. That paper circulates largely in the Southwest, including the State of Texas.

Mr. MEEKER. Yes. I believe that the committee should bear in mind that in our desire—pardon me; I was going to say in our haste—sufficient time should be given for the consideration of this subject. Inasmuch as we are dealing with a proposition that involves billions of dollars we should take sufficient time. I do not believe it would be a crime to spend 24 hours more on it to think it over. If we were only appropriating several hundred thousand dollars we might take only an hour; but here is a proposition to bring the largest return to the Government and at the same time to safeguard to the fullest possible extent the institutions that are to produce this revenue. Do not let the suggestion go out from here that whatever tax we are going to lay is to be a menace to the industry upon which it is laid. The business world should feel that while this revenue is to come, it is to come out of what they are able to produce and that it will not approach them in such a way as to destroy their efficiency and make it impossible for them to live.

Mr. REED. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. REED. There has been a great deal of emphasis laid on the fact that the Government is losing so many cents a pound on second-class matter and gaining about 32 cents a pound on the first-class matter, and by that the loss is made up.

Mr. MEEKER. Yes.

Mr. REED. Can the gentleman inform the committee what the loss would be to the Government when the second-class publication circulation is destroyed? Because every advertiser is keyed to know how many replies he gets in the post office. As the advertisers write in they want to know how many letters they got through Collier's, for instance. How much business will the Government lose when now it is making a fine profit?

Mr. MEEKER. I could not answer that because I am not a member of the Committee on the Post Office and Post Roads, where this question should have gone, instead of being considered by the Committee on Ways and Means.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. COX. Our Committee on the Post Office and Post Roads recommended a small increase of postage a few years ago in one of the post-office appropriation bills, and when the reading clerk reached that item not less than 50 Members were on their feet seeking to make a point of order against the item.

Mr. MEEKER. That was under the zone system?

Mr. COX. Yes; it involved a much smaller increase than this.

Mr. MEEKER. I think the establishment of a zone system for national service, in the way of disseminating information or anything of that sort, is a wrong system.

Mr. COX. Would the gentleman agree to the amount recommended by Mr. Justice Hughes?

Mr. MEEKER. What was that? How much?

Mr. COX. A flat rate of 1 cent increase.

Mr. MEEKER. I think that would be equitable, to say the least.

Mr. COX. Our committee held hearings in 1914 on the subject for I do not know just how long. I think it was about two weeks. During the continuance of those hearings newspaper representatives from all over the country appeared before our committee when we were trying to enforce the provisions of the Hughes Commission, and they complained vehemently that even that 1 cent a pound extra would put them out of business.

Mr. MEEKER. I do not know anything about that.

Mr. COX. Those hearings may be found in our committee. They are very interesting.

Mr. MEEKER. I think the chairman of the Committee on the Post Office and Post Roads indicated this afternoon, although I was not on the floor at the time, that an amendment was to be offered that will later on be voted upon. I think the Committee on the Post Office and Post Roads should be consulted. I believe that we should take into consideration not only the newspaper men but we should remember that when we are dealing with the newspaper business we are dealing with the only world-wide source of information. [Applause.] When we are talking about taxing this industry let us see to it that we do not in any way limit its usefulness. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. LAGUARDIA. Mr. Chairman, I do not believe that it is necessary for any Member of this House who does not agree with any proposed bill to apologize. I want to make it clear that I am not taking part in the confetti throwing and the flower showering that has been indulged in by the gentlemen of the committee. I can not for the life of me understand how 23 men can agree on a bill of such vast importance. [Laughter.] I do not say that there should be differences on party lines, but if it had been thoroughly studied and true deliberation given there would have been differences of opinion on economic principles—such difference of opinion would have been productive of wholesome debate rather than a carnival of praise.

A great deal has been said about harmony and about sectionalism. I, coming from the State of New York, which State will pay about one-third of these taxes, am not afraid to say that I shall argue on the question of sectionalism. It is real nice for gentlemen to say, "We are partners now, and we will each bear our share." We are partners, but a few Northern States are furnishing the fodder and feeding the cow, and the South is doing the milking.

Now, you say that this bill is equitable. You say that you want to tax every man; and you start taxing a man with an income of a thousand dollars. Without any tax being imposed

on his income, the man earning a thousand dollars a year is paying a greater proportion of these taxes than the man who is earning $5,000 a year. You tax his coffee, you tax his tea, you tax his soap, you tax his light, you tax his heat, you tax his insurance, you tax his amusements, and you tax his beer or his soda, and even the chewing gum for his children, and the proportion those necessaries bear to his income is greater than that in the case of a man who is earning $5,000 a year; so much so that he is already paying more than his share. Income should not be taxed as low as $1,000. It should be left exactly where it is if you are going to levy the other taxes proposed in this bill. Then you say you are going to tax coffee and tea. You are going to tax the breakfast table. If necessary, do it; tax coffee; but why do you not also tax Postum and other substitutes for coffee? "Is there a reason?"

We tax substitutes for wine. Let us tax every substitute for coffee and tea. I am going to introduce such an amendment. I wish some Member of the committee would do it and then there might be some chance of putting it through.

Now, a great deal has been said about the 10 per cent ad valorem duty on all imports. I can not see anything scientific in shutting your eyes and saying 10 per cent on everything that is imported. There are raw materials, fertilizers, and a good many other articles that we absolutely need in our industries. To do so is ruinous, but quite in keeping with the logic of the bill. Everybody who has spoken against the bill said that they were going to vote for it. I am frank to say that unless it is so changed that it will not be recognized by the distinguished gentlemen who boast of its paternity I shall vote against it. It is true we must raise $1,800,000,000, but I believe that that can be done in a scientific, equitable, and just manner.

Why, this zone system? The second-class mail is an American institution. It has done more to spread education, knowledge, and entertainment throughout this country than anything else. It has made this vast country a unit. You are going to tax the very existence of an important industry, and you must take into consideration what that will mean. There are thousands and thousands of men in my city that will be thrown out of employment, and what some of you gentlemen will do in your section of the country for information and knowledge I do not know. [Laughter and applause.]

I do not see why the committee did not include a tax on bank checks. If a proper and equitable tax on checks were imposed, we might be able to do away with the change in the postal rates. No matter, gentlemen, what change is proposed in the postal rates, no matter how just it may be, you ought not to put such a law into effect for less than one year after its enactment.

You intend taxing light and heat if furnished by a public service corporation. This hits every resident of New York City. If city people when they go home in the evening and light the gas or turn on the electricity, will pay toward the expense of the war, well and good; but they have a right to tell you that their countrymen throughout the Nation ought to be taxed likewise, whether they burn petroleum or anything else. [Applause.]

I hope the committee will take that into consideration. I do not think it is just where one State of the Union is picked out to bear all the burdens. New York will furnish the greater number of men, the greater number of officers, regardless of the population, and now it is a huge joke to spread the burden of taxation upon it. You men are throwing bouquets at each other, but you do not play fair, because the bill is not fair, just, or patriotic. I wonder if the river and harbor bill is going to be likewise. I believe the best thing this House can do is to vote to recommit this bill to the committee. Let them start anew, let them spend some time on it, and come back with a bill which will provide the necessary revenue and which will distribute the burden throughout the country equally. Mr. Chairman, I yield back the balance of my time.

Mr. MOORE of Pennsylvania. Mr. Speaker, I yield 20 minutes to the gentleman from Minnesota [Mr. STEENERSON].

Mr. STEENERSON. Mr. Chairman, I was promised 30 minutes. I want to discuss this question of postal rates, which I fondly believed would be so interesting that it would attract a very large attendance in this House. I am delighted to see my expectations have not been disappointed.

I said I thought it would interest the House, because there have been so many statements made here that were startling if true, made by gentlemen who undoubtedly believed they were true but who were greatly mistaken.

The chairman of the Committee on Ways and Means, for instance, made the statement that the loss to the United States Government upon second-class mail matter was $92,000,000. He was followed by the gentleman from Illinois [Mr. RAINEY], who in his most unctious style described this as the most hateful graft, and it amounted to $80,000,000 a year.

They get this statement from the calculations made on what? They get it from the report of the Postmaster General in 1909 and the figures submitted by the Hughes Commission. What were those figures based upon? They were based on actual investigations made on the ground, and a count of the pieces, and the stamps, and it was a very thorough investigation of what the second-class mail matter cost at that time. They took the total expense of the Postal Service, divided it among the different classes of mail, and arrived at the particular pound cost of each class of mail matter. They found, for instance, that the cost of second class was 9.23 cents. The publishers paid 1 cent and the Government lost 8.23 cents a pound. At that time the volume of the second-class mail was 700,000,000 pounds. It is now 1,200,000,000 pounds, according to the last report. The way they figured it out it cost 9 and a fraction cents, or a loss of 8 cents, and over, a pound. Twelve hundred million pounds, at 9 cents, makes $108,000,000—less $12,000,000, 1 cent per pound paid—leaves $96,000,000 loss. That, of course, would be correct if the cost given is correct. It is based, as I said, upon facts and data collected in 1907—10 years ago. If the cost of transporting and handling the mail has decreased per pound in the last 10 years, manifestly the conclusions are correspondingly wrong. The volume of mail has increased more than 300 per cent in those years, and the cost per pound has been reduced by about one-half.

What do these gentlemen contend? Has the cost of performing the mail service been stationary in 10 years? The gentleman from Illinois [Mr. RAINEY], who is so absorbed with his love of books that he deprecates every periodical publication, and who read some sentimental extracts from publications in Maine, has neglected to keep up with the times. If he kept up with the times he would know that there has been great economies in handling and transporting mail since 1907, when these figures upon which he based his conclusions were made. What do you suppose they gave as the cost of transporting and handling fourth-class mail? Why, 12 cents per pound! Last year we transported over 1,000,000,000 pieces, weighing 2,000,000,000 pounds. At 12 cents per pound this would cost $240,000,000, while the postage collected was only slightly over 3 cents per pound, or $60,000,000. According to latest figures, we are now carrying 2,114,000,000 pounds per annum. The last three years we have collected in postage, on the average, 3¼ cents per pound on parcel post, and the cost, according to the department, has been less than 3 cents per pound. Now, will some one tell me how they can carry parcel post less than 3 cents per pound if it costs over 9 cents for second-class matter? The cost of transportation is precisely the same for both classes and the difference in cost of handling can not possibly be more than a cent or two per pound.

The Hughes Commission, upon the evidence submitted, found that the cost of handling and transporting second-class mail in 1908 was 5½ cents per pound. (See p. 127 of Hughes Commission Report.) In other words, they cut down the claim of the department from 9.23 cents per pound to 5.5 cents. Still the department has kept on repeating that it costs over 9 cents per pound. But let us remember that the Hughes Commission based its finding on the figures for 1907 and 1908, since which time the reduction in the cost of handling and transporting the mails have been gradually reduced as the volume has increased.

This can easily be demonstrated. If, for instance, we calculate the cost for last year by applying the rates per pound given as the cost in the Postmaster General's report for 1908, we find that it amounts to more than twice what we actually paid last year The old figures were: For first-class mail, 50 cents; second class, 9 cents; third class, 14 cents; fourth class, 12 cents; franked matter, 11 cents; penalty-envelope mail, 12 cents; foreign mail, 11 cents per pound.

The first-class mail then was 157,000,000 pounds. It is now estimated 315,000,000 pounds. They say that it costs 50 cents a pound for first-class mail. You will understand that by knowing there are 45 pieces to the pound and it costs so much for distribution. The transportation of letters is a bagatelle and the main cost is in the handling. The revenue is given as 84 cents per pound and the number of pieces to the pound 45; but the expense is within a very small fraction of 50 cents a pound. Applying these figures we find that it cost last year $157,500,000 for first-class mail. But let us take second-class mail matter. They say there were 1,200,000,000 pounds last year at 9 cents a pound. This would give us $108,000,000. Third-class mail matter would cost $50,400,000, and fourth-class mail, which last year amounted, including parcels, to 2,114,000,000

pounds, which, they said, cost 12 cents a pound, would cost $253,000,000. Franked matter, $1,000,000; penalty envelopes, which do not pay anything, which cost at the rate per pound, they said, of 12 cents, $10,000,000; and foreign mail would have cost $108,000,000. Therefore we have $687,000,000 as the expense of the Postal Service if we paid the rates that were in vogue 10 years ago. The cost of the Postal Service was only $306,000,000 last year, therefore we have done it for a great deal less than half of what it cost according to these rates. I here insert the table from which these figures are taken:

Table showing weight of mails in 1907 and at present time of the different classes and the cost of the service based on the figures, per pound, given in the table of 1907, which was used in the computations of the Postal Commission and Hughes Commission.

Class.	Weight in 1907 (pounds).	Weight at present (pounds).	Estimated cost in 1907 (rate per pound).	Cost at present, if old rate of 1907 was applied.
First	157,502,610	315,000,000	$0.50	$157,500,000
Second	792,580,967	1,200,000,000	.09	108,000,000
Third	179,694,654	360,000,000	.14	50,000,000
Fourth	58,889,400	2,114,000,000	.12	253,000,000
Franked	4,531,080	9,000,000	.11	1,000,000
Penalty	43,692,474	86,000,000	.12	10,000,000
Foreign	54,067,099	100,000,000	.11	11,000,000
Total	1,290,358,284	4,184,000,000		590,500,000

Entire cost of the Postal Service in 1916 was $306,000,000.

Entire revenue in 1916, $312,000,000. If we apply the cost rate used by department, there would be a deficit last year of $284,500,000 instead of a surplus of $6,000,000.

The Postmaster General reports that the parcel post, which weighs more than 2,000,000,000 pounds, is carried at a profit of $15,000,000. It costs 6 cents and a fraction per parcel, and there are 6 mills per pound profit. Therefore it is less than 3 cents. It is 6 cents per piece, and the average is 2 pounds to the piece, or, to be exact, 1 pound and 15 ounces. I have his letter here, which is rather old, more than a year old, but he figured it out then according to statistics gathered in 1915. The cost has been reduced since.

JANUARY 12, 1916.

Hon. WILLIAM W. GRIEST,
House of Representatives.

MY DEAR MR. GRIEST: Receipt is acknowledged of your communication of December 29, 1915, relative to the Parcel Post Service, and in reply I wish to state that in order to enable the department to ascertain the growth of the service, as well as the revenues and cost, periodical counts have been made and statistics in the minutest detail compiled from the data obtained in these counts at the 50 largest post offices, which handle approximately three-fourths of the entire parcel-post business of the country. The last such count covered the period from October 1 to 15, 1915, inclusive, which is believed to be a period of the year when an average amount of mail is handled. This count showed that in the entire Postal Service during that period 40,889,595 parcels were handled, or an aggregate of 981,350,280 for one year. As the average weight of these parcels is 1 pound and 11 ounces, the total weight for the year was 1,640,943,240 pounds, and the postage, at an average rate of 6.6 cents per parcel, was $64,769,118.48.

During the hearings before the subcommittee on parcel post of the Senate Committee on Post Offices and Post Roads in 1911 it was estimated by officers of the department that the average cost of handling parcels, exclusive of transportation, would be approximately 2.35 cents. It has been found, however, upon experience that this was greater than the actual cost, due no doubt to the increased number of parcels handled, the adoption of better methods, and higher efficiency of the Postal Service generally. Based upon statistics which are believed to be absolutely reliable, it would appear that the average cost of handling parcels at this time, exclusive of transportation, does not exceed 2 cents, or 1.185 cents per pound. The average distance which a pound of parcel-post matter is transported is 416 miles, and the average rate of transportation per pound for the United States is 2.08 cents, making a total cost of 3.265 cents per pound. The average postage per parcel is 6.6 cents, or 3.911 cents per pound, leaving a net profit of 6.46 mills per pound. As 1,640,943,240 pounds are handled in a year, the profit at this rate would be $10,600,493.33.

Officers of the department have made a most careful study of the entire parcel-post subject, and the statistics which have been compiled are based on records made at the time parcels were actually mailed and are believed to be absolutely reliable. It will therefore be seen that instead of a deficit in this service the revenue derived therefrom is sufficient not only to meet the cost thereof but result in considerable profit to the department.

Sincerely, yours,

A. S. BURLESON,
Postmaster General.

The cost of handling the parcel post has been reduced, so that to-day it costs for transportation and handling about 2½ or 3 cents per pound.

Mr. COOPER of Wisconsin. That is the parcel post?

Mr. STEENERSON. The parcel post. Some say that the parcel post is only transported a short distance. He says in his letter that it is between four and five hundred miles, the average distance. The average distance of newspapers is only 255 miles, a great deal shorter transportation than upon parcel post. Everybody knows that catalogues travel from New York, as they say in the Post Office Department, 1,500 miles on an average, and some say 1,800 miles. If the catalogues travel that distance, then, the parcels and the parcel post sent in response to those advertisements travel that far. I think the distance the parcel post travels is very much greater. However, it can not be true that the Government lost $96,000,000 or $80,000,000 or any other like sum on second-class mail matter. It is impossible.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. GOOD. Did the commission find what it cost to carry second-class matter for the average distance?

Mr. STEENERSON. Yes; the Hughes Commission found, based on figures taken in 1907, the cost of transporting and handling second-class mail was 5½ cents, but the gentleman should know and should remember that the railway-mail pay per pound has been reduced enormously since then—nearly one-half. The reason for that is that we are still operating under the old system of weight. The space plan has not gone into effect except experimentally, and the rate for carrying the mail on the railways under that system is a sliding scale. It costs twenty times as much per pound per mile to haul mail on a road that carries 200 pounds average daily weight as it does when it carries 48,000 pounds. Therefore, when you increase the volume you automatically reduce the expense per pound, so that the inauguration of the parcel post has had the effect of reducing the rate of pay to the railways for transportation by nearly one-half in the last 10 years, and these gentlemen do not seem to know it.

Mr. GOOD. Will the gentleman state how much the Hughes Commission found it cost?

Mr. STEENERSON. They found it cost 5½ cents per pound for railroad transportation and handling. I just stated that.

Mr. GOOD. For 250 miles?

Mr. STEENERSON. Oh, no; the average weight all over. Newspapers are carried 250 miles on the average, magazines 1,000, and the average for second-class would be 400, or about that.

Mr. GOOD. The gentleman says this was reduced about one-half?

Mr. STEENERSON. Yes. I will prove it to the gentleman. Although there may be a lot of mail that does not go on the railways, yet for the sake of illustration I will take the 4,000,000,000 pounds of total weight of mail. How much is the railway mail pay to-day? Sixty million dollars? If it is $60,000,000, it is 1½ cents a pound on the average for railway mail transportation, and we pay them the same for hauling a brick as we do a letter. It is pound for pound. It may be that it costs more than a cent and a half on an average, because probably a considerable part of that 4,000,000,000 pounds does not reach the railroads, and yet there are 114,000,000 more than the 4,000,000,000 that I have allowed as a matter that does not reach the railroads at all. Even if there was only three billion pounds, 2 cents a pound would be $6,000,000. It is not only the automatic reduction in the railway pay, but we have reduced it by other means—we have reduced it by the divisor about 7 or 8 or 9 per cent since 1908. It took four years to put that into effect. It went into effect in one division each year. In 1907 the weight of the bags, and so forth, the equipment, as nearly half as much as the weight of the mail. The old burglar-proof leather sacks were heavy; we now use light sacks; equipment now weighs one-half less than then per pound of mail. We ship magazine mail by freight under the blue-tag system. We made other reductions since the statistics that the department submitted to the Hughes Commission were gathered. Therefore, I say that we are conservative when we say that the statements made here as to a graft of $80,000,000 or $90,000,000 are gross exaggerations, unworthy of anybody that makes the statement. [Applause.] It can not be true. What, then, does the expense of this second-class mail consist in? If on the average it costs a cent and a half for railway transportation, what is the other? It is the handling. Now, you notice that the figure of 50 cents a pound for first-class mail was fixed because there are 45 pieces to the pound. Why is it they only call it a half cent to a cent for handling parcel post? It is because there are 2 pounds to each piece and there are fewer handled. That is the reason.

Now, then, the gentleman from Illinois [Mr. RAINEY] has argued that it was a grave injustice to take large pieces of mail. That is a mistake, because it is cheaper for the Government to handle large pieces than it is small ones. The injustice he showed was in a little slip of a paper published in Vermont or New Hampshire where 100 pieces of them went to the pound. If that is true, that is an outrage and it ought to be ruled out, and I think the department should rule it out of the second-class privilege. The expense of handling is an important item of expense and that has been reduced in the

last 10 years by reason of the fact the Postmaster General has required and now requires all second-class mail to be put into—made up as they call it—bundles and addressed to the postmasters and branch post offices where they are to be taken, and so forth. There is great economy in the distribution over what it was in 1907. Otherwise you could easily see that we could not do this enormous postal business we now do and still have a surplus, as they claim, of $6,000,000, although I doubt they have any, but still it is very near self-sustaining and the volume has been increasing. Now, therefore, gentlemen, it seems to me that nothing can be gained by error. These gentlemen who have for years and years advertised to the world that the Government was being robbed out of $80,000,000 should reflect that that is unfair. It is bad enough as it is. I believe the Government does lose on second-class mail, but it does not lose anything like as much as they say.

Mr. FORDNEY. Will the gentleman yield for an interruption?

Mr. STEENERSON. I will.

Mr. FORDNEY. Is it not true that the report of every Postmaster General in the last 10 years shows that that is about the amount lost on second-class mail matter?

Mr. STEENERSON. Yes; but I think, while the gentleman was out possibly, I showed by the actual figures taken of the parcel post in 1907 that they have entirely changed it and whereas they said probably truly that it cost 12 cents per pound to handle and transport, they now say it costs less than 3 cents. Both statements are correct, but we should not use the figures of 1907 in 1916 or 1917.

Mr. FORDNEY. Let me finish that statement. The Postmaster General has all the information with reference to the entire working of the Postal Department under his observation, and each and every one of them makes the same statement every year. Therefore does not the gentleman think there is something in it?

Mr. STEENERSON. It is absolutely a mistake, and they ought to revise it. The cost of doing the business has been reduced.

Mr. FORDNEY. Then for 10 years everybody has made the same mistake——

Mr. STEENERSON. Oh, no.

Mr. FORDNEY. And they tell us in making their report——

Mr. STEENERSON. Can not the gentleman see their mistake?

Mr. FORDNEY. No; I can not see any from what the gentleman has said. The gentleman has not got the books of the post office of the whole workings of it.

Mr. STEENERSON. But I have the figures——

Mr. FORDNEY. Does the gentleman know that there is in the Treasury Department twenty to thirty million dollars which is not paid out of postal receipts that do not show on the Postmaster General's report——

Mr. STEENERSON. I criticized that recently. If the gentleman will excuse me, I am sorry that the committee have continually repeated this story, because, as I say, it is based upon figures made in 1907, which were correct at that time; they were correct, and it cost them 12 cents a pound. Does the Postmaster General claim that it costs 12 now? He certainly will not. It costs 3 cents a pound, 6 cents per piece for parcel post, and they make money at that—6 mills on the pound. The gentleman wants to put on his thinking cap and not take the authority of somebody else for it. Gentlemen, it is as plain as sunshine that when the volume of mail is 4,000,000,000 pounds, and we pay the railroads only $60,000,000, that we only pay them 1½ cents per pound on the average, and that it does not cost as much now as 10 years ago, when we paid them $50,000,000 and our whole volume of mail was only 1,200,000,000 pounds. We then paid 4½ cents per pound, while now it is certainly less than 2 cents.

Mr. FORDNEY. With all due respect to the gentleman's knowledge of affairs of the Postal Department, I have great respect for them and for his knowledge——

Mr. STEENERSON. I thank the gentleman.

Mr. FORDNEY. The gentleman takes the figures and then makes up these things, does he not?

Mr. STEENERSON. I certainly do at this time, and I have shown that the price it costs to-day and what it cost 10 years ago has been reduced one-half.

Mr. FORDNEY. Why not induce the Postmaster General to do this thing right and tell him that his bookkeeping is all wrong and that his statement is all wrong?

Mr. STEENERSON. I am ready to do that. I will tell you one thing. I asked the Assistant Postmaster General at the hearings what is the total volume of mail, and he said he did not know. The only way I have arrived at these figures—and they are approximately correct—is by figuring the total postage and dividing the amount of postage paid per pound for each class of these things. I want the gentleman from Michigan to understand that the figures as to the total rate of parcel post have only recently been ascertained. They gave me a blue print, computed on weighings and countings, in October last, and you multiply that by the number of days in the year and you get the result. Those are authentic. I reduced them to a table. Here it is:

Parcel-post statistics, 1917.

Total parcels mailed	1,091,493,416
Total weight, pounds	2,114,768,481
Total postage	$71,091,241.12

The above calculations of a year's business are based on the weighing for the two-week period, October 2–16, 1916.

The average cost for clerk hire per piece for this period is one-fourth of a cent. The average postage collected on parcels for the last 3 years is 6½ cents; per pound, 3¼ cents. The average of parcels in 1913 was 1 pound and 12 ounces and in 1916 was 1 pound and 15 ounces.

Mr. COOPER of Wisconsin. Will the gentleman yield for one question?

Mr. STEENERSON. Yes.

Mr. COOPER of Wisconsin. What does the Postmaster General's report show the cost per pound of parcel-post mail to be?

Mr. STEENERSON. It shows a little less than 3 cents.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEENERSON. I would like to have a little more time.

Mr. FORDNEY. We are trying to get through and finish to-night, but I will yield 10 minutes more to the gentleman.

Mr. COOPER of Wisconsin. Which costs the most, to carry parcel post or the average second-class mail?

Mr. STEENERSON. There is no difference in cost of transportation. The transportation of one pound costs the same as any other pound.

Mr. COOPER of Wisconsin. Then it is easily demonstrated from the report of the Postmaster General himself that this statement made here repeatedly within the last few days that it costs 8 or 9 cents to handle and carry second-class mail is not true?

Mr. STEENERSON. It is not true; but no doubt they believed it was true in 1907. They made a correct statement—or, at least, what they believed to be correct—in 1907, and have repeated it ever since, regardless of change in cost of doing postal business. It is a wonderful showing the Postmaster General has made.

Mr. COX. No Postmaster General has ever said it cost 9 cents to transport.

Mr. STEENERSON. To transport and handle.

Mr. COX. To transport and deliver is quite a different proposition.

Mr. STEENERSON. The gentleman understands it costs more to handle the second class than parcels, because parcels go 2 pounds to the piece, whereas second class probably goes two or three pieces to the pound. In 1907 the table furnished by the department showed four pieces to the pound and a fraction over.

Now, here is another matter I want to call attention to: The gentleman from Illinois [Mr. RAINEY] spoke about the Bible being shipped as books and that it cost 8 cents a pound to ship it to California. Do you know that up to the present administration catalogue houses shipped their catalogues as books? They shipped them as books and paid a flat rate of 8 cents a pound. The Sears, Roebuck catalogue and many others weigh 5 pounds apiece. Therefore, they paid 40 cents.

Mr. JOHNSON of Washington. How do they get that rate?

Mr. STEENERSON. They shipped them as books formerly. Wait a minute now. They used to pay 40 cents for each catalogue to get it to the farmer's house. On December 6, 1914, Mr. Burleson issued an order, which I will print in the RECORD, taking effect March 16, 1914, taking books out of the third-class rate under the general authority there is in the parcel-post law and placing them as parcel post. Now, what difference does that make? Talk about graft! The gentleman from Illinois [Mr. RAINEY] said there was not any except in the publishing business, mostly over in Maine.

ORDER OF THE POSTMASTER GENERAL.

OFFICE OF THE POSTMASTER GENERAL,
Washington, December 6, 1913.

(Order No. 7705.)

On and after March 16, 1914, the classification of articles mailable under section 8 of the act of August 24, 1912 authorizing the establishment of the Parcel Post Service, shall be extended so as to include books. The rate of postage on books weighing 8 ounces or less shall be

1 cent for each 2 ounces or fraction thereof, and on those weighing in excess of 8 ounces the regular zone rate shall apply.

All regulations or parts of regulations in conflict therewith are hereby rescinded.

A. S. BURLESON,
Postmaster General.

Sears, Roebuck, & Co., according to the Post Office Department's information, given to me, sent out from 5,000,000 to 6,000,000 catalogues, on which they paid 40 cents apiece, or $2,400,000 a year. That was only one concern. The postage on catalogues, big and little, that were shipped as third-class matter, amounted to $10,000,000 at least. What was the result of the order that Mr. Burleson gave? Sears-Roebuck took the catalogues out of the mail and shipped them by freight to the principal cities. Baltimore gets them here in this zone, and they ship them 150 miles, 5 cents for the first pound and 1 cent for the next. We ship freight from Minneapolis to New York at 25 cents a hundred, a quarter of a cent a pound. They ship these catalogues for less than a cent per pound. Therefore, upon every catalogue that Sears-Roebuck and these other big mail-order houses ship, they save 25 cents. There is a pretty good graft. Why do they not do that with the Bible, which the gentleman from Illinois [Mr. RAINEY] mentioned? Because the demand for Bibles on the Pacific coast does not justify them shipping in carload lots. [Laughter.] If they should ship them in carload lots, they could easily ship for about 1 or 2 cents a pound to the Pacific coast, and then you could distribute them by parcel post at this low rate. The demand for Bibles over there is not great enough, however.

Mr. JOHNSON of Washington. How does the gentleman know we do not receive them by freight?

Mr. STEENERSON. Well, I do not think you do. I am speaking practically. This is no joke. The fact is that the order issued by the department admitting catalogues, which are books, into the parcel-post rates has deprived the Government of millions of dollars. Now, the principal man in Sears, Roebuck & Co. lives in Chicago. His name is Julius Rosenwald, and I did not know what he would do when I said two years ago, in discussing the catalogue business, that if he did not pay a big sum to the Democratic campaign fund he was an ingrate. [Laughter.] He does not appear as a contributor, but he has served on one of the finance committees of the Democratic campaign, and he is a member of the National Defense League, or whatever it is. A gentleman who sat at a banquet table with him recently told me that he was so patriotic that in order to set a good example for the liberty loan Mr. Rosenwald said he was willing to take a million dollars of this liberty loan without interest for a year. [Laughter.] I should think he would after he has made over $1,500,000 a year for the last three years out of the Postal Service. Would not you? Would not you be patriotic, too? [Laughter.]

Now, I say it comes with bad grace from the gentleman from Illinois [Mr. RAINEY] to so berate these poor little newspapers up in Maine which contain those sentimental pieces that he read. Of course, I realize that the gentleman from Illinois naturally takes umbrage at kissing. The gentleman abhorred the story about kissing. [Laughter.] He abhorred the story about the soldier. But he ought to remember that, according to Shakespeare, the life of man is divided into seven ages, and that he himself has passed the kissing age [laughter] that was referred to in that periodical from Maine:

> All the world's a stage,
> And all the men and women merely players.
> They have their exits and their entrances,
> And one man in his time plays many parts,
> His acts being seven ages. At first the infant, * * *
> Then the whining school-boy, with his satchel
> And shining morning face, creeping like snail
> Unwillingly to school. And then the lover,
> Sighing like furnace, with a woeful ballad
> Made to his mistress' eyebrow. Then a soldier,
> Full of strange oaths, and bearded like the pard,
> Jealous in honour, sudden, and quick in quarrel,
> Seeking the bubble reputation
> Even in the cannon's mouth.

But now he comes to the class that the gentleman from Illinois and myself belong to:

> And then, the justice,
> In fair round belly, with good capon lin'd,
> With eye severe, and beard of formal cut,
> Full of wise saws and modern instances;
> And so he plays his part.

[Laughter.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. STEENERSON. I want to make an announcement. Can the gentleman give me a minute?

Mr. FORDNEY. I yield a minute to the gentleman.

Mr. STEENERSON. As a remedy I am opposed to the zone system, but I have studied out a plan which I will offer, whereby you can tax the magazine a little heavily if it has a big circulation, because it is carried farther. A magazine of enormous circulation is carried thousands of miles, but the small paper is carried only a few miles, and I propose to base the rate of postage upon the size of the circulation. I have consulted the department about it. I have also tried to discriminate against the catalogue graft, which everybody knows militates against the country merchant. [Applause.] I offered an amendment to the Post Office appropriation bill putting catalogues back in the third class, and the committee reported it favorably; but it went out on a point of order made by Mr. Lewis, who no doubt acted for the Postmaster General.

Lines 16 to 19, page 52, of the bill reads as follows:

> That second-class mail matter to subscribers from an office other than that of publication shall pay the same rate as if mailed from the office at the place of publication.

Do you know what that is for? That is to prevent the Curtis Publishing Co. or the Iron Age Co. or such firms from shipping their periodicals by rail to central points and then distributing them by parcel post in the first two zones, as Sears, Roebuck do with their catalogues. Why give Julius Rosenwald the preference? You claim the Government loses on every pound they ship because they pay the railroad 4 or 5 cents per pound. Why do you insist on losing money? The truth is, the man who wrote that proviso knew better; he knew that if you got 6 cents per pound you paid less than 2 to the railroad.

I agree with him; the 6-cent rate will be profitable; and I will, when that part of the bill is reached, offer an amendment to the effect that catalogues of mail-order houses also shall be mailed from place of publication, or, if mailed elsewhere, shall pay the rate of postage from that place to destination. I do not think you should allow the mail-order house a special privilege to the loss of our revenue. Treat the magazine and the catalogue alike; make them pay full rate.

The mail-order house, through the catalogue and magazine advertisements, comes in direct competition with all our country merchants, and is entitled to no special privilege. Let the publications of both be placed on an equality, so far as the Postal Service is concerned, and give everybody a square deal, while at the same time you secure additional revenue for the Government in its time of need.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Iowa [Mr. RAMSEYER] 15 minutes.

The CHAIRMAN. The gentleman from Iowa is recognized for 15 minutes.

DEFINITE AND JUST WAR POLICIES—FOREIGN AND DOMESTIC.

Mr. RAMSEYER. Mr. Chairman, the gentleman from Kansas [Mr. CAMPBELL], in a speech made on the floor of this House a few days ago, said:

> The situation that confronts the country is not getting far into the hearts and consciences of the people.

Statements like this have been repeatedly made on this floor during the last 30 days as well as from the floor of a coordinate branch of Congress. Where is the trouble? It is either with those in authority or with the people, and I am inclined to think it is not with the people.

DEFINITE WAR POLICIES.

We call this a war of democracy against autocracy. That is what it should be and that is what I want it to be. In shaping our war policies, both foreign and domestic, let us not lose sight of this issue. In adopting war policies two things must be kept in mind: The physical forces, men and money; and the psychological effect of such policies on the national concord. The policies so adopted should be such as tend to unify and enthuse all classes of our citizenship. Ever since we have been in session we have been conducting ourselves as though all it required to conduct a war successfully was to vote men and money. We have provided for an increase in our military forces of nearly 2,000,000 men. We have voted a credit of $7,000,000,000—twice as much as it cost the Federal Government to put down the Rebellion of 1861–1865, and now we are considering a revenue bill to raise nearly $2,000,000,000 by every conceivable form of taxation.

We have the men and the money in this country, but it is constantly being repeated, in and out of Congress, that the people do not know what we are fighting about; that the people are not aroused; that the people do not realize the sacrifices in blood and treasure that they will have to make. I do not assert that these statements are true. I simply state that these

and similar statements are repeatedly made in and out of Congress. Let me tell you one thing, that you can not get anywhere in war without popular approval and support.

If you do not believe that statement, you can convince yourself by recalling the number of changes made necessary in policies, cabinets, and generals in European countries during this war to hold the confidence of the public mind. Gentlemen, we must have announced and definite objects and aims in this war that appeal to and meet the approval of the people who are back of the men and money we have voted. It will be in vain to vote billions in money and conscript millions of men unless we have back of this war the spirit and opinion of our people.

The President has aptly stated as one of our aims that the world must be made safe for democracy. That is a fine sentiment, but democracy means one thing to one person or class and quite another thing to another person or class. Neither the President nor Congress has undertaken to state our aims in this war in specific terms or what we would consider the accomplishment of the purposes for which we entered the war. I do not propose at this time to discuss our foreign policies. But I do want to tell you that the people are asking questions. I have before me a score or more of pertinent and relevant questions along this line taken from my correspondence. I will give you two of them: "What tangible and concrete things do you propose to accomplish by this war? Shall the Christian nations bleed themselves white and exhaust their resources while the yellow races are gathering strength and accumulating wealth to dominate the world when another evil day shall come?" The people, who will furnish the men for the firing line and who will pay the ever-increasing taxes, have a right to know why and for what purpose their blood and treasure is sacrificed.

We must make it plain to the people that we are not fighting for any aggrandizement; that we propose to be fair to all nations; and that we are not in this war to further the ambitions of any nation against another. We must make it very plain to our people that this war is not waged to increase the profits of munition makers nor to secure the foreign bonds held by our bankers nor to fasten a permanent militarism on this country. We must take the people into our confidence and constantly reassure them by our legislative acts—not words merely—of our righteous purposes in this war. If we do not, we can not and will not succeed. The great sovereign intelligent American public will insist on knowing the plans and policies of their Government and on their right to discuss and criticize them. If our plans and policies do appeal to the righteous and unselfish instincts of the people, then we can not fail.

DOMESTIC POLICIES.

I desire to direct my chief attention to questions of domestic or internal concern. While considering measures to bring this war to a succesful and just termination, we must not overlook those problems that touch every man, woman, and child in the land and the just and equitable solution of which will vitally affect our national concord and unity. If the laws that we shall pass here will permit some to amass vast wealth out of this war and cast the burdens and sacrifices upon the shoulders of the masses of our population, it will require no prophet to tell you that that will tend to discord and dissension.

Since the European war began a few in this country have amassed vast fortunes. This prosperity has not been shared by all. Take, for instance, the farmer. I received a letter from a constituent of mine this morning. He gives a few figures and I give them to you. He says in normal times a standard gang-stirring plow sold for from $50 to $58, to-day you can not buy it for less than $85; a standard grain binder in normal times sold for from $120 to $130, now you can not buy it for less than $200; corn now sells for $1.50 per bushel, but there is no corn in that community for sale; it was all sold for from 60 to 80 cents per bushel. The farmer has not received the high prices on foodstuffs, while the high prices on other necessaries have hit him as hard as anyone else.

The munitions makers have made tremendous profits out of this war. Now, we are in the war and we ought to have something to say about that. Under existing law the Government can control the prices it will pay for material of war, and the Government undoubtedly will do that. We have authorized a bond issue of $3,000,000,000 to furnish credit to governments at war against Germany. Most of this money will be spent in this country. We should see to it that this money is spent judiciously and not all paid in profits to war traffickers. The more profits these governments will have to pay, the less they can buy in war material and consequently will be a less-efficient aid to us. The less this money buys the more we will have to loan them and the more a certain class in this country will profit out of this war. For instance, the Duponts sell powder to this country for 53 cents a pound while they charge $1 a pound to the allied governments. This excess profit, unless curtailed, will be paid with money borrowed from the American people.

HIGH COST OF LIVING.

War always means sacrifices and burdens to the many. Heretofore war has meant profit for a few. War should mean profit to none and sacrifices and burdens shared by all and victory to the Nation as a whole. [Applause.] The New York Times Annalist of April 23, 1917, shows that the wholesale price of 25 food commodities in common use has almost doubled in the last two years. Dun's index figures show similar price increases between April 1, 1914, and April 1, 1917:

	Per cent.
Dairy and garden products increased	84
Meat	46
Clothing	49
Metals	69
Foodstuffs	105

Similar increases are reported in other necessities as fuel and building material.

It is true that wages have increased some during this period. But the increase of wages has not nearly kept pace with the increased cost of necessities of life. The fact is forced home that the average American has not shared in the prosperity of this war period. With the inflation of prices of the things necessary to live, even with increased wages, the average citizen's purchasing power has been diminished. These facts must not be lost sight of in framing this new revenue measure and other bills pending before Congress.

The people must eat, must have clothes and shelter. The producer must not be asked to produce at a loss and the laborer must have a living wage. The speculator and gambler in the necessities of life must have provided for him a quick and easy road to the penitentiary. [Laughter and applause.]

CONSCRIPT DOLLARS AS WELL AS MEN.

What we should and must bear in mind in passing all this war legislation is equity and fair play to all alike—rich and poor, high and low. That is especially true in framing a war revenue law. Who shall fight and who shall pay? Congress has answered the former by conscription of men. The latter is up for consideration.

We have already voted a credit of $7,000,000,000. Along this line I desire to quote another statement by the President, which I also heartily indorse, that the credit granted to the Government should be sustained, "so far as they can equitably be sustained by the present generation, by well-conceived taxation." According to Henry Clews, financial authority and Wall Street broker, posterity will chiefly benefit from this war and should pay its part. Maybe posterity will benefit from this war, and maybe posterity will have wars of its own to pay for. I am not at all impressed with the idea of making our children and grandchildren pay for this war. The bond issue we voted is justified on the ground that we needed the credit immediately and could not wait on money to be raised by taxation. The property we will use and need in this war must come from our citizens. We can not get it from any other country. We can take that property now and pay for it by taxation, or we can place the greater part of the financial burden, by bonds, on those who are not here to speak for themselves. The former course is the manly and patriotic course; the latter appeals to me as unmanly and cowardly. [Applause.]

If we need soldiers we go where the men are and conscript them. If we need money we should pursue the same course—go where the dollars are and conscript them. [Applause.] Property is unequally distributed among the people, it is true. Prof. King, of the University of Wisconsin, reports that 2 per cent of the population owns 65 per cent of the total wealth of the country. Most of the men conscripted as soldiers will be from the poorer classes—not because the Government has it in for the poor, but because there is where the great mass of men are found. Most of the dollars of the country are among the wealthy class; therefore if the Government needs money it should conscript dollars from that class—not because the Government has it in for that class, but because that is where the dollars are. With me this is simply a question of fairness and compelling everyone to contribute that which is within his power to contribute. A few soldiers will be drawn from the rich, and a few dollars will be drawn from the poor. Conscription should apply to dollars as well as men. [Applause.] The men who will fight this war must come from those now living, so the funds to finance this war should be taken from wealth now in existence. Property should be forced to sacrifice as well as men.

PAY-AS-YOU-GO PLAN.

Paying for war as you go by taxation is based on the soundest economic principles. Bond issues lead to inflation of prices and throw the burdens on those least able to bear them. War borrowing leads to extravagance. War taxation leads to saving and economy. Financing the war by taxation has been indorsed by over 300 professors of economics, members of the American Economic Association of the United States, in a memorial issued during the last month and addressed to every Member of Congress. We heard much about following the advice of experts when the conscription bill was under consideration. Now I am presenting a proposition which has the indorsement of all the great experts of finance in the country. Why should not we follow the advice of experts in financing the war as well as in raising an army? [Applause.] Surely it can not be that in one case it affects money and in the other only men.

The chief sources for additional taxes at this time should be from the following:

1. A tax that will take substantially all of the special war profits.

2. Increase in the rates of income tax, with a sharper progression in rates as incomes become larger, to 100 per cent of all the income after a certain fixed amount.

3. High consumption taxes on all luxuries.

The chief objections I have to this bill is that it does not tax enough the big individual incomes and the special war profits. By increasing and collecting taxes along the lines I have suggested, we could relieve the normal business of the country from many annoying taxes, which in the final analysis will have to be paid by those least able to bear them.

When this bill was reported to the House with a unanimous report from the Committee on Ways and Means, I supposed it would go through without radical changes. I see from the report that the committee expected to raise a considerable portion of the taxes from intoxicating liquors. Saturday the Cummins amendment passed the Senate, which prohibits the use of cereals and grains in the production of intoxicating liquor during the period of the war. If the House concurs in that amendment, that source of revenue is gone. The committee must look elsewhere to raise about $300,000,000. Why not raise it from the large incomes and the special war profits? Changes will have to be made in this bill if we are going to raise the necessary taxes.

Mr. SIEGEL. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. SIEGEL. There is no necessity of discussing that, the other body has stricken it out.

Mr. RAMSEYER. A plan has been proposed by the American committee on war finance. I am not acquainted with the men on this committee, but I am informed they are patriotic, intelligent, and practical men. I am not authorized to speak for them, but as there is no copyright on their plan, I present it to you. It is to conscript all net incomes over $100,000. I realize that $100,000 is an arbitrary amount and should possibly be changed. The principle is all right and the Government should conscript all of the income over a certain fixed amount, which fixed limit should not exceed $500,000, in my judgment; however, personally I prefer the $100,000 limit. A man who is unwilling to give all of his income to the Government over $100,000 in times of awful war like this should be placed on the firing line and kept there until he would have no use for his next year's income.

Mr. LOBECK. Will the gentleman yield?

Mr. RAMSEYER. I will.

Mr. LOBECK. The gentleman spoke about the tax on munition profits. I was told yesterday that a munition manufacturer in Bradford, Canada, with a capital of $66,000 paid $30,000 taxes to the Canadian Government.

Mr. RAMSEYER. I thank the gentleman for the information. The tax on special war profits is way beyond anything we have here.

The rates proposed by this committee are as follows:

Example to show how the proposed legislation would conscript all income in excess of $100,000:

1. Tax on income of $150,000—

Normal tax:	
2 per cent on the entire net income, $150,000	$3,000
Additional tax	
10 per cent on $10,000 between $10,000 and $20,000	1,000
15 per cent on $20,000 between $20,000 and $40,000	3,000
20 per cent on $20,000 between $40,000 and $60,000	4,000
30 per cent on $20,000 between $60,000 and $80,000	6,000
40 per cent on $20,000 between $80,000 and $100,000	8,000
50 per cent on $50,000 between $100,000 and $150,000	25,000
Total tax	50,000
This would leave a residual income of	100,000

2. Tax on income over $150,000—

One hundred and fifty thousand dollars would be taxed as above, $50,000, and of the excess over $150,000, 2 per cent would be taken by the normal tax and 98 per cent by the additional tax, i. e., 100 per cent in all. This would leave a residual income of $100,000.

It is estimated that the rates advocated will yield for the next fiscal year about $1,500,000,000.

Although the plan of this committee is not the identical proposition recommended by the members of the American Economic Association, their purpose is the same—that is, to pay for the war by taxation. The chief objection urged against conscripting all or the larger part of the big incomes is that it would take money needed for investment in new enterprises. These objectors lose sight of the fact that the money and material used by us in this war must come from our own country, and that to sell bonds to raise, for example, $3,000,000,000 takes just as much money that might otherwise have gone into new enterprises as it does to raise $3,000,000,000 by the scheme of taxation proposed, or any other scheme. And as bonds tend to inflation of prices it will take more money to conduct the war by bonds than by taxation and consequently divert more money that might otherwise have gone into new enterprises.

The advocates of bonds to finance the war urge that we should go about this in a businesslike way—sell bonds for the war as a municipal corporation issues bonds to pay for public improvement. The difference is easy. Public improvements are lasting and of benefit to succeeding generations, while every dollar placed in war is destroyed. It is true succeeding generations may be benefited on account of certain wars in being permitted to live in better environment, but there are no permanent improvements from which they derive financial benefits, as they do in case of bond issues to construct public buildings, permanent roads, drainage systems, and so forth.

Another objection I have heard is, if you take all of a man's income over a certain fixed amount, you will take away from him all incentive to produce and accumulate. There is but one answer to this objection. This is war and every man must do his full part. A man, in war time like this, who will not put forth as much energy to produce for fear that his country will conscript his income above a certain fixed amount ought to be treated just as a deserter from the Army—tried by court-martial and shot the next morning before sunrise. To tax the small incomes as this bill proposes, and not to take over 50 per cent from the man whose income amounts up in the millions, I tell you in these days of the high cost of living, and war prices soaring higher every day, is unfair and inequitable to the men who must depend on small incomes, wages, and salaries for a living for themselves and families.

Men who are opposed to paying for the war by taxation and against conscripting large incomes do not weigh seriously enough the demands of justice. In the language of the memorial referred to by me—

> It is the duty of every citizen to share in war's burdens to his utmost. For some the duty is to fight; for others, to furnish money. For all the duty is without limit of amount. The citizen who contributes even his entire income beyond what is necessary to subsistence itself does less than the citizen who contributes himself to the Nation.

[Applause.]

The proposition may sound new, unusual, and revolutionary to men accustomed to draw revenue bills. But we are living in unusual times. Every act of Congress is being watched by the people. The question they will ask us is, Is your course and policy fair, equitable, and just to all the people? The common man will readily grasp the proposition that "if the conscription of men is just and right the conscription of incomes and property is more so; conscription of both is just and right when the Nation's life and honor is at stake." [Applause.]

In all, I seek for my Nation policies—both domestic and foreign—that will appeal to the hearts and consciences of the people as just and right. If we keep that firmly in mind we can not and will not go astray or find our policies disapproved and repudiated by the people.

The people will do their part in this war. Men will come to the Army faster than they can be trained and equipped by the War Department. Money will pour into the National Treasury faster than the administration can spend it. What I am contending for in these times is laws so just and equitable that no class of our citizens will have occasion to feel that they are not getting a fair and square deal and for a foreign policy worthy of our traditions and of our boasted leadership among the democracies of the world. [Applause.]

Mr. GALLIVAN. Mr. Chairman, I ask unanimous consent to print in the RECORD a petition of the Soda Water Bottling Manufacturers of Massachusetts in connection with this bill.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to print a petition in the RECORD. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280, the war-revenue bill, and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW—10.30 A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 10.30 o'clock to-morrow morning.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 10.30 o'clock to-morrow morning. Is there objection?

Mr. MANN. Reserving the right to object, is it expected that general debate will run all day to-morrow?

Mr. KITCHIN. I was hoping to finish about 4 o'clock. I was talking with the gentleman from Michigan [Mr. FORDNEY], and I told him that if we could have an hour and fifteen minutes you gentlemen on the other side might take the balance of the time, and we thought we could close debate at about that time.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Tuesday, May 15, 1917, at 10.30 o'clock a. m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JONES of Texas: A bill (H. R. 4425) to amend an act approved September 26, 1914, known as the Federal Trade Commission act; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWELL: A bill (H. R. 4426) to increase pension of certain Union soldiers and sailors of the Civil War of 1861 to 1865; to the Committee on Invalid Pensions.

By Mr. HASTINGS: A bill (H. R. 4427) granting the consent of Congress to Webbers Falls Railroad Co., a corporation, its successors and assigns, to construct a bridge across the Arkansas River between the towns of Webbers Falls and Gore in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

By Mr. CURRY of California: A bill (H. R. 4428) to suspend the provisions of the act of June 30, 1882, requiring that officers of the Regular Army of the United States be retired from active service on reaching the age of 64 years; to the Committee on Military Affairs.

By Mr. VAN DYKE: A bill (H. R. 4429) to fix the compensation of penitentiary guards and watchmen employed in or under any and all departments of the Government; to the Committee on Labor.

By Mr. ADAMSON: A bill (H. R. 4430) to establish a sanitary reserve corps of the Public Health Service of the United States, and to coordinate therewith and utilize the State, county, and municipal health organizations; to the Committee on Interstate and Foreign commerce.

By Mr. TAYLOR of Colorado: A bill (H. R. 4431) to provide for the common defense and general welfare by increasing the production of food upon public and private lands within United States reclamation projects, and for other purposes; to the Committee on Irrigation of Arid Lands.

By Mr. LENROOT: A bill (H. R. 4432) to amend section 13 of the act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea," approved March 4, 1915; to the Committee on the Merchant Marine and Fisheries.

By Mr. STEENERSON: A bill (H. R. 4433) to regulate postage rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. SLAYDEN: Joint resolution (H. J. Res. 86) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.; to the Committee on the Library.

By Mr. PARK: Joint resoluttion (H. J. Res. 87) authorizing the President to purchase, store, and subsequently distribute food products, or to fix prices in any national emergency, and for other purposes; to the Committee on Appropriations.

By Mr. MASON: Joint resolution (H. J. Res. 88) to declare the liberation of Ireland one of the purposes of the present war; to the Committee on Foreign Affairs.

By Mr. ESCH: Memorial of the General Assembly of the State of Wisconsin, recommending certain war measures for the consideration of Congress; to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Memorial of the Legislature of the State of Wisconsin, favoring certin governmental policies by reason of war; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COMSTOCK: A bill (H. R. 4434) granting an increase of pension to John J. Noftsinger; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 4435) granting an increase of pension to Columbus Jeffries; to the Committee on Invalid Pensions.

By Mr. HASTINGS: A bill (H. R. 4436) granting a pension to Philip F. M. Lutz; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 4437) granting an increase in pension to Mary Jane Talbott; to the Committee on Invalid Pensions.

By Mr. LENROOT: A bill (H. R. 4438) for the relief of Wellington Haight; to the Committee on Military Affairs.

By Mr. MARTIN of Louisiana: A bill (H. R. 4439) granting an increase of pension to Mrs. Marianne Bernard; to the Committee on Pensions.

Also, a bill (H. R. 4440) for the relief of the heirs of Mrs. Susan A. Nicholas; to the Committee on War Claims.

By Mr. MORGAN: A bill (H. R. 4441) granting a pension to Percy A. Jones; to the Committee on Pensions.

Also, a bill (H. R. 4442) granting an increase of pension to Franklin Haddock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4443) granting an increase of pension to Henry C. Ruby; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 4444) to authorize the commission of Fred Bielaski as second lieutenant in the United States Army; to the Committee on Military Affairs.

By Mr. PAIGE: A bill (H. R. 4445) granting a pension to Albert J. Phillips; to the Committee on Pensions.

By Mr. PRATT: A bill (H. R. 4446) granting an increase of pension to Nicoll F. Jones; to the Committee on Invalid Pensions.

By Mr. ROWE: A bill (H. R. 4447) granting an increase of pension to Martha D. Strout; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CAREW: Memorial of Chamber of Commerce of the State of New York, relative to raw material supplies after the war; to the Committee on Interstate and Foreign Commerce.

By Mr. CARY: Telegrams from Milwaukee Retail Grocery Association, P. C. Monday, president, and Wisconsin Tea and Coffee Merchants' Association, both of Milwaukee, Wis., protesting against tea and coffee section of revenue bill; to the Committee on Ways and Means.

Also, telegram from T. A. Lee, secretary Moving Picture Exhibitors' Association of Wisconsin, protesting against a tax of 10 per cent on gross receipts of theaters; to the Committee on Ways and Means.

Also, telegram from Walter Davidson, of Milwaukee, Wis., protesting against tax on motorcycles; to the Committee on Ways and Means.

Also, protest from A. F. Quinn, William A. Kann, F. W. Schubert, John G. Stenger, C. J. Haussman, Paul J. Mueller, James C. Arthur, Robert A. Kroenning, and R. F. Niemann, all of Milwaukee, Wis., protesting against tax on pianos; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of Russell Playing Card Co., of New York, against increased tax on playing cards; to the Committee on Ways and Means.

Also, petition of Cornwall Farm Dairy, against curtailing the brewing of beer; to the Committee on Agriculture.

Also, petition of M. Rusling Wood, of New York, protesting against section 504 of the proposed revenue bill; to the Committee on Ways and Means.

Also, petition of C. E. Hozkamp, of Brooklyn, N. Y., against proposed 5 per cent tax on motor carriages and trucks; to the Committee on Ways and Means.

Also, petition of the Florsheim Shoe Co., protesting against duty on hides and skins; to the Committee on Ways and Means.

Also, petitions of American Trade Publishing Co., Bookbinders' Local Union No. 3, of New York, and the Packer, of Kansas City, Mo., protesting against increase in rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. DOOLING: Memorial of Brooklyn Engineers' Club, favoring universal military service; to the Committee on Military Affairs.

By Mr. DYER: Memorial of City Council, Trade and Labor Assembly, and Commercial Club, of Hannibal, Mo., favoring legislation to reduce the high cost of living; to the Committee on Agriculture.

By Mr. ESCH: Memorial of Northern Wholesale Hardwood Lumber Association, favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of Haddorff Piano Co., of Rockford, Ill., protesting against proposed tax on pianos and piano players; to the Committee on Ways and Means.

Also, petition of Polish Daily and Weekly Zgoda, protesting against increase of postage on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. GALLIVAN: Memorial of Boston & Maine Railroad, relative to increase of freight rates; to the Committee on Interstate and Foreign Commerce.

By Mr. GARD: Memorial of the Commission of the City of Dayton, Ohio, favoring passage of the daylight saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS: Memorial of Oklahoma City Trades and Labor Council, relative to regulation of food supplies and transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. IGOE: Memorial of Wood, Wire, and Metal Lathers' International Union, No. 73, relative to war taxes on incomes and legislation preventing excessive profits on the sale of necessities of life; to the Committee on Ways and Means.

By Mr. KELLY of Pennsylvania: Petition of citizens of the thirtieth congressional district of Pennsylvania, favoring higher income tax and excess profits tax; to the Committee on Ways and Means.

By Mr. LUNDEEN: Petition of Minneapolis (Minn.) Automobile Trade Association, Anderson Hays Motor Car Co., Anderson Electric Car Co., Barclay Auto Co., A. F. Chase & Sons Co., Chevrolet Co. of Minnesota, H. J. Downs Co., Fawkes Auto Co., Jonnie Johnson Motor Corporation, Joy Bros. Motor Car Co., La Crosse Auto Co., Locomobile Co., H. E. Mack Co., Minnesota Motor Car Co., F. E. Murphy Auto Co., Northwestern Cadillac Co., Northwestern Cole Motor Co., Oakland Motor Co., D. A. Odell Motor Co., Pence Auto Co., Rauch & Lange Electric Car Co., Reilly Herz Auto Co., R. C. Smith Auto Co., John P. Snyder Co., Studebaker Corporation, Tri-State Auto Co., Twin City Motor Car Co., Whitcomb Auto Co., H. E. Wilcox Motor Co., Willys-Overland Co., W. R. Wilmot Co., and Franklin Motor Car Co., protesting against proposed 5 per cent tax on automobiles, which, with proposed extra-postage tax, excess profits tax, gasoline tax, plus present income tax, it is alleged would cripple automobile business and seriously affect every line of business in the country, and recommending investigation of said proposed automobile tax; to the Committee on Ways and Means.

Also, telegram from the Automobile Club of Minneapolis, Minn., protesting against proposed 5 per cent tax on automobiles and recommending a congressional investigation of effects of said tax; to the Committee on Ways and Means.

Also, telegram of Gray Motor Co., O. H. Gray, president, protesting against proposed 5 per cent automobile tax and recommending certain methods of taxing the industry; to the Committee on Ways and Means.

Also, telegrams of Menominee Motor Truck Co., E. O. Merchant, proprietor; Ohio Electric Car Agency; Oakland Motor Co.; Northwestern Haynes Auto Co.; Lawrence Severson; J. M. Brassett; B. O. Kyllo; M. A. Jordan; J. L. Thornton; Brice Automobile Co.; Chalmers Motor Car Co., of Minnesota; Metz Co., Stanley Tomlinson, sales agent, all of Minneapolis, Minn., protesting against proposed 5 per cent tax on automobiles; to the Committee on Ways and Means.

By Mr. MORIN: Petition of the Rotary Club of Pittsburgh, Pa., favoring, as a war measure, absolute national prohibition for and during the period of the war; to the Committee on the Judiciary.

By Mr. PRATT: Petition of the Baptist Church of Trumansburg, N. Y., by Rev. Hugh W. Stewart, pastor, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Mr. M. E. Small, Mr. H. E. Mitchell, Mr. F. E. Collins, Mr. Charles Owen, and sundry other employees of the Thatcher Manufacturing Co., of Elmira, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RANDALL: Memorial of the Federal Council of the Churches of Christ in America, including Methodist Episcopal, Baptist, Lutheran, Presbyterian, Congregational, Episcopal, Christian, and other denominations, with total membership of 18,000,000, for immediate prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROGERS: Petitions of retail druggists of Lowell, Mass., against 5 per cent tax upon all medicines; to the Committee on Ways and Means.

By Mr. ROWE: Petition of the McCall Co., of New York, relative to proposed increase in second-class postage rate; to the Committee on the Post Office and Post Roads.

Also, petitions of the Motor and Accessory Manufacturers' Association and Packard Motor Car Co., of New York, against 5 per cent tax on automobiles; to the Committee on Ways and Means.

Also, petition of Addison Leavens, of New York, favoring placing air service under control of a department separate from the Army and Navy; to the Committee on Military Affairs.

Also, petition of Brooklyn Mutual Building & Loan Association, against taxing building and loan associations; to the Committee on Ways and Means.

Also, petition of Oakley & Co., of New York, against imposition of a stamp tax; to the Committee on Ways and Means.

Also, petition of Millard V. Rives, opposing the sending of an army to Europe; to the Committee on Military Affairs.

By Mr. SNELL: Petition of members of faculty and students of Clarkson College of Technology, Potsdam, N. Y., appealing to the President and the Congress of the United States for legislation prohibiting the consumption of food products in the manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. SNOOK: Petition of citizens of Haviland, Ohio, favoring the raising of the war revenue by an income and inheritance tax and tax on excess profits; to the Committee on Ways and Means.

Also, memorial of Presbyterian Sunday School of Holgate, Ohio, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNYDER: Memorial of First Baptist Church, Newport, N. Y., for constitutional amendment suppressing polygamy; to the Committee on the Judiciary.

Also, petition of citizens of Clinton, N. Y., favoring prohibition in the Army during period of the war; to the Committee on Military Affairs.

By Mr. TEMPLETON: Memorial of Lithuanian national organizations, relative to protection for the Lithuanian nation; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, *May 15, 1917.*

(Legislative day of Friday, May 11, 1917.)

The Senate reassembled at 12 o'clock m., on the expiration of the recess.

INCREASE OF NAVAL ESTABLISHMENT.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, which had been reported from the Committee on Naval Affairs with amendments.

Mr. SHAFROTH. Mr. President, I have a bill in charge which will require no discussion whatever. It is the bill (S. 1811) providing for the counting of service in the Army or Navy of the United States as equivalent to residence and cultivation upon homestead entries, and in the event of the soldier's death in such service providing for the issuance of patent for such land to his widow or minor children. Practically the same measure has been passed as to the soldiers of the Spanish War and also as to the Philippine insurrection. It seems to me that

it will require no discussion whatever. It is a unanimous report from the Committee on Public Lands.

Mr. McCUMBER. I do not think it would lead to debate. However, I shall object to any business but the unfinished business at any time coming up to-day until this unfinished business is disposed of, whether that business requires debate or whether it does not.

Mr. SHAFROTH. I will say to the Senator that a similar bill as to mining claims was lately passed here in five minutes.

Mr. McCUMBER. I know; but there is a bill before the Senate that ought to pass the Senate in less than three minutes.

Mr. SWANSON. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be considered first.

Mr. McCUMBER. I shall object to the committee amendments being considered first, and I will give my reasons for it. There is only one-half of one page of this whole bill that relates to an increase in the Navy. The other fourteen and a half pages are devoted entirely to the creation of officers, admirals, and so forth. I do not want to wait before offering an amendment to the beginning of the bill until the Senate has spent three weeks in disposing of the admiral question.

Mr. SWANSON. There was very little discussion or division so far as the committee amendments are concerned. I understand that it is the rule, anyway, and that usually committee amendments are disposed of first.

Mr. McCUMBER. If there is a rule it can be done, and of course I can not object to the rule.

The VICE PRESIDENT. It is only a rule by unanimous consent.

Mr. McCUMBER. I do not understand it to be the rule. I have no objection to the bill being read for amendment.

Mr. SWANSON. I ask unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCUMBER. Before the reading begins let me suggest that while these seats have ears they have no judgment. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hollis	New	Smoot
Beckham	James	Norris	Sterling
Brandegee	Johnson, Cal	Owen	Sutherland
Chamberlain	Jones, N. Mex.	Page	Swanson
Colt	Jones, Wash.	Penrose	Thomas
Culberson	Kellogg	Pittman	Thompson
Cummins	Kendrick	Pomerene	Townsend
Curtis	Kenyon	Ransdell	Trammell
Dillingham	King	Robinson	Underwood
Fernald	Kirby	Saulsbury	Vardaman
Fletcher	Knox	Shafroth	Wadsworth
Frelinghuysen	La Follette	Sheppard	Warren
Gallinger	Lodge	Sherman	Watson
Gerry	McCumber	Simmons	Weeks
Gore	McKellar	Smith, Ga.	Wolcott
Gronna	Martin	Smith, Md.	
Hardwick	Myers	Smith, Mich.	
Hitchcock	Nelson	Smith, S. C.	

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will allow this announcement to stand for the day.

The VICE PRESIDENT. Sixty-nine Senators have answered to their names. There is a quorum present. The Secretary will proceed with the reading of the bill for amendment.

The Secretary proceeded to read the bill, and read as follows:

Be it enacted, etc., That the authorized enlisted strength of the active list of the Navy is hereby temporarily increased from 87,000 to 150,000, including 4,000 additional apprentice seamen.

SEC. 2. That the authorized enlisted strength of the active list of the Marine Corps is hereby temporarily increased from 17,400 to 30,000, this authorized strength being distributed in the various grades of the enlisted force in the same proportion as those authorized at the date of the approval of this act.

SEC. 3. That enlistments in the Navy and Marine Corps, during such time as the United States may be at war, shall be for four years or for the period of the war or for such shorter period or periods as the President may prescribe.

Mr. McCUMBER. Mr. President, not a Senator, except the Senator having charge of the bill and probably one or two others, is paying the slightest attention to the reading of this portion of the bill. Each one is engaged in conversation with his neighbor. At this time I think it appropriate to offer an amendment. If the Senator in charge of the bill has no objection, I will offer my proposed amendment at this stage, because sections 1, 2, and 3 of the bill contain practically everything there is in the bill, about a half a page, concerning an increase of the Navy and the Marine Corps. All the rest of it relates, as I said before, to the creation of officers, admirals, and so forth, and all the promotions pointing toward a large number of admirals who will be on the retired list when the war is over.

In the meantime, Mr. President, we have a matter, of small concern, I admit, considering the objections that have been made against it so far, and that is the submarine question, which I propose, whether I have any listeners or not, to discuss for a few moments this morning.

I shall offer an amendment which will provide for a board to take up and consider proposed inventions and proposed mechanisms for the protection of merchant vessels. I shall steer entirely clear of any matter concerning the destruction of the submarine. I wish, if it is possible, to bring the attention of the Senate to the question of a possibility of protecting the merchant vessels, not against the submarine but against the torpedo that has left the submarine.

I desire, first, to read an extract from the Post of May 10, four days ago. It is dated London, May 9:

The Reichstag has begun its second reading of the navy budget. Dr. Pfleger, naval reporter of the budget committee, declared that the submarine booty for April would not be less than 1,100,000 tons, and added that the Reichstag looked for a speedy and victorious peace. Vice Admiral von Capell, minister of the navy, said:

THOUSANDS BUILDING U BOATS.

"Thousands upon thousands of hands are actively engaged in producing new U boats and new material for torpedoes and mines. Not only is the number of U boats continually increasing, but the boats are always improving in quality.

"Of course, losses also occur. Our enemies' defenses are increasing in quantity and quality, but there is no radical remedy against U boats.

"A decisive factor is the continually increasing monthly successes, which we ourselves hardly expected. The reports in the enemy press about the number of U boats lost are false. Our losses are small beyond expectation. In addition, weather conditions are improving."

Then it proceeds further. I will read the final paragraph:

1,325 SHIPS DESTROYED.

We expected an average monthly U-boat booty of about 600,000 tons. Actually the result for three months totals 2,800,000 tons. This is 55 per cent above our expectations. In three months 1,325 ships have been sunk.

The U boats guarantee our holding out.

This is rather old, as from 200,000 to 250,000 tons have gone down since May 9.

Mr. President, on Friday, April 27, when the Senate had under consideration a bill for the creation of an army of a million men to put into the line of battle in Europe, with little or no thought whatever as to how or whether that army, or any portion of it, could be transported to Europe, I presented to the Senate facts and figures showing the devastation of the submarine in all its awful reality, and pointed out its fatal effect on this war unless checked. I tried at that time to secure the attention of the chairman of the Committee on Military Affairs, having that bill under consideration, to an amendment which might result in a solution of this submarine menace, and thereby might make our victory sure without the necessity of sending a single transport of our soldiers to battle in the trenches; and I showed that without such a solution famine would defeat our allies before we could get into the war. I regret that I failed to secure either a respectable hearing or a decent consideration of so momentous a matter. And when finally the amendment was offered under the five-minute-debate rule, with no opportunity on my part to answer any objections, none of which had been made to the merit of the amendment, it was brushed aside by the bald declaration of the acting chairman of the Committee on Naval Affairs that there is now a board in the Navy Department investigating this matter thoroughly and having all the money that is needed, and that the bill then under consideration would be followed by a naval bill, which last bill would be the proper one to which to offer this proposed legislation. Eighteen days have elapsed since the Army bill was voted on, and no naval bill has been forthcoming until to-day. During this period of inaction at least 200 ships and about 600,000 tons of shipping have been sunk by the German submarines. In the face of the fact that these ships can be protected from the submarine torpedo, every day's delay of the Senate constitutes a negligence which, to my mind, is little less than treasonable under present conditions.

Mr. President, there has not been and there is no board in existence having the power to do anything whatever toward the protection of the merchant vessel. But upon the mere suggestion that such a board existed, and without any opportunity to refute it, Senators who had paid no attention to any of the facts presented voted against the proposed amendment. Why? They had been too busy to give the submarine problem any consideration. And why too busy? Because, Mr. President, they had just spent more than two hours on the Senate floor in discussing whether they should put into that Army bill an amendment to protect the Members of the United States Senate from the demon of alcoholism. And after this lengthy deliberation this august body, in the face of one of the greatest dilemmas, in the

face of one of the most acute crises that ever confronted the world, brought forth from the profound recesses of its gigantic intelligence and embodied in the Army bill the following provision:

It shall be unlawful to sell, offer, or give away any intoxicating liquors, including beer, ale, or wine, to any Member of the Congress, or to knowingly furnish to such person intoxicating liquors.

It is the first time, Mr. President, I have ever heard of one pleading mental deficiency and then presuming to enact the law to govern his own incapacity. And this provision was strengthened with dire penalties of fines and imprisonments.

I wish, Mr. President, that this provision, which commanded the attention of Senators and caused them to forget even this desperate crisis and even the bill under consideration, could be printed on the walls of the Senate Chamber, so that when any Senator should arise in his seat, in the future, and with swelling chest announce that this is the greatest deliberative body in the world—an announcement which I have heard, I think, several thousand times—it might bring a sense of humiliation and a contrite heart that would choke the utterance.

So, too, the Senator from Oregon, having charge of the Army bill, felt disposed to suggest that any amendment which dealt with the defense of a merchant vessel ought not to be considered on an Army measure, notwithstanding the fact that the whole issue of this war is dependent upon the protection of the merchant vessel, and notwithstanding the further fact that the vessels of our allies and our own American merchant ships are going down to the bottom of the ocean, with all their cargoes, at the rate of at least 10 per day, with a tonnage of about 400,000 per week. The Senator thought an amendment dealing with that vital problem could wait weeks—could bide its time until some measure relating to the Navy might come before the Senate. But the learned Senator evidently felt that the amendment prohibiting the sale of intoxicating liquors to Members of the Senate was too important and too imminent to admit of any delay, and so he could not object to the consideration of that amendment.

I am not criticizing the Senator, because I am compelled to admit that, considering the mental state of any Senate that would vote such a ridiculous proposition into the Army bill, the Senator from Oregon might well be justified in making no objection to this prohibition clause.

Mr. CHAMBERLAIN. Mr. President, I desire to suggest to the Senator, with his permission, that that was not put into the bill in the committee, but was done on the floor of the Senate.

Mr. McCUMBER. I know that it was done on the floor of the Senate, but it was done without any objection whatever from the Senator from Oregon.

Mr. CHAMBERLAIN. I beg the Senator's attention to the fact that it was my suggestion that the original amendment should go into the bill instead of the one of which the Senator is complaining.

Mr. McCUMBER. The Senator voted against that amendment; but that amendment was offered and the Senator did not raise the question that it should not go upon the bill at that time.

Mr. CHAMBERLAIN. Mr. President, I still think, with all due deference to the lecture which the Senator has been giving the Senate, that that was a measure that properly ought to have been directed to the attention of the Naval Committee and ought to have been attached to a naval bill, or ought to have been introduced as a separate and independent measure. The Senator from North Dakota had that right, which he has never exercised.

Mr. McCUMBER. Oh, there is no question but the Senator from Oregon made that statement and that the Senator so thought; but it seems to me that when the Senator thought that such an important proposition as the one suggested by me could bide its time for three weeks until a naval bill should come into the Senate, the Senator might have raised an objection to such a ridiculous amendment as was proposed to be put into the Army bill.

Mr. CHAMBERLAIN. I will say to the Senator from North Dakota that I am heartily in favor of restricting the use of liquors amongst the soldiers, the young men of this country; and I say that, basing my statement on what the German authorities have said. They have said that the use of liquor in the German Army has been more disastrous than have the bullets which they have had to confront. And that has been the testimony of all the belligerents in the European war.

Mr. McCUMBER. I am not going to stop to argue that question; that was not the proposition of sticking in an amendment here that specially related to Congress and the soldiers, but not to the rest of the country.

But the objection of the Senator from Virginia [Mr. SWANSON] and the Senator from Florida [Mr. FLETCHER] in the light of the enormous daily devastation of these unseen sea monsters, on the ground that the amendment would be more relevant to a naval bill than to an Army bill, is simply astounding. An objection, in a crisis of this kind, to such an amendment on any bill that would speed its passage is as ridiculous as a passenger on a sinking ship refusing to accept a life preserver because its color did not match his hose.

While these Senators were so insistent that a provision relating to the protection of a merchant vessel could only be appropriately attached to a naval bill, I am surprised that each of them failed to realize that a bill prohibiting the sale of intoxicating liquors to Members of the Senate would be more appropriate to an irrigation bill or even a flood-control bill. [Laughter.]

Mr. President, to those who read the daily reports of marine disasters it would seem unnecessary to spend one moment explaining what these disasters mean in this war. For more than a year I have been attempting, in my feeble and modest way, to attract the attention of the Senate to the importance of the submarine in this war and what it will accomplish unless we find means to successfully combat it. To-day we are up against a critical situation. The administration and the Congress of the United States seem to fail to realize the situation that is threatening us. Had they so realized it we would have proceeded in the logical way. We would have considered the most imminent problem first—the feeding of our allies. We would have concentrated all our energies and skill upon encouraging the inventive genius of our own country and of the world to help us solve that problem, not along some one particular line or some particular way, but along every possible line of defense. The moment we declared war we would have taken up the question of food supply. We did not do it. We began the organization of an army which could not be utilized under a year. With the submarine accomplishing a devastation that would bring our allies to starvation in six months, we stuck our heads in the sand and dreamed of armies that would be marching a year hence. We closed our ears to the groans of the dying, our eyes to the struggles of the drowning, while we were painting pictures of the Stars and Stripes floating over the trenches of heroic France next year. It is time, Mr. President, we awake to the real situation.

I want to make one last attempt to impress upon this Senate the more than serious aspect of this submarine question, and then point out what I believe will be the only solution, and I am not going to be deterred by the fallacious claim that this is a subject for naval experts only. It is sufficient answer to that to say that the naval experts have had the matter under consideration for nearly three years and have done absolutely nothing, while they have been declaring over and over again that the main thing to which we should direct our efforts is the building of superdreadnaughts.

One of the morning papers of April 30 gave the following from the address made by Dr. Karl Helfferich, German secretary of the interior, to the Reichstag on April 29. He said:

The first month's result of unrestricted submarine warfare excelled the best previous results by 25 per cent; the second month's by 50 per cent. Exact figures can not be given, but in the first two months the freight tonnage sunk exceeded 1,600,000 tons, of which more than 1,000,000 was British.

* * * * * * *

From our figures one may estimate the total tonnage still available for British trade at seven to ten million tons. It is clear the British merchant fleet can not long bear sinkings at the present rate. Adequate substitutes by new construction are impossible, as the British increase in ships in 1916, notwithstanding every effort, was not sufficient even to replace the normal diminution in peace times.

Now, mark these words:

The wooden ships which the United States intends to build to save Great Britain will in all probability only come into use when they have nothing more to save.

That is true. He concluded with these words:

We in Germany have been kept short, but we stand secure. The American apostles of humanity, who are trying to drive our neutral neighbors to war against us with threats of death, will not turn the scales of fate.

I would to Heaven, Mr. President, that these statements made by the German secretary of the interior were mere braggadocio. They are not. We ought to have had judgment enough to have known that Germany would never have defied the United States unless she felt that before the United States could get into this war she could starve the British. She is proceeding along that line. She may retreat day by day along her western battle front, stopping only to inflict greater losses upon her enemies on the offensive than she is suffering, acting only on the defensive. Bold and courageous as have been the British drives, conceding to them and to their French allies

any amount of glory for the desperate battle they are putting up day and night, forcing the foe backward, the fact still remains that the fighting line, which is being pressed eastward a few hundred yards per day, is still 130 to 140 miles from the German border. Germany expects simply to hold her defensive lines until the submarine can accomplish its purpose. And we are giving practically no real or valuable consideration to how we may meet this most important problem.

Mr. WADSWORTH. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from New York?

Mr. McCUMBER. Certainly.

Mr. WADSWORTH. Does the Senator intend to say to the Senate, and have it go into the CONGRESSIONAL RECORD, that the average distance from the German line in France to the German border is from 130 to 140 miles?

Mr. McCUMBER. The average distance may have been reduced now to 120 miles. The line runs very close to the German border at its southern extremity, of course; but the German forces have taken nearly one-fifth of France, which is still in German hands, as well as practically all of Belgium. At the southern end of the line the allied armies are nearer to the German border; but, taking the line as a whole, its average distance from the German border, I would judge, after getting away from the point where it is rather close to the German border, is between 130 and 140 miles. I take these figures from the last statement published in the metropolitan press, which gave those figures as to the distance, and that statement was published a short time ago.

Mr. WADSWORTH. Mr. President, of course I do not mean to interrupt the Senator's address, but his statement as to the distance of the allied lines from the German border is so extreme, and his further statement to the effect that one-fifth of France is in the hands of the Germans is so utterly extreme, that I can not help but classify it as part of that panic which is apparently sought to be created all over this country as to the desperate situation of ourselves and our allies. For one, I can not let this occasion go by—and I am trenching, of course, upon the time of the Senator from North Dakota—without stating that this war is not lost, as would seem to be the impression one might gather from the Senator's remarks. His figures, in my humble judgment, are utterly inaccurate not only as to the amount of territory occupied by German forces but as to the nature of the military events upon the western line in France.

Mr. McCUMBER. Mr. President, I am very thankful to be informed by the Senator; but, as a matter of fact, the record will show that the distance ranges from 130 to 140 miles. I want that to soak in. Before I get through with the discussion of this matter I will try to produce a map showing where the lines were at the time the last map was printed. I am not generally making statements to which I have given no consideration whatever. I have taken the statements, as I have told the Senator, from a publication of less than a week or so ago not only in the Washington Post but also in the New York papers, the Washington Post having reprinted the map appearing in the New York papers.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. McCUMBER. In just a moment. Just here I want to say another thing. We have been saying right along that there was no danger whatever. We have been telling the world that the allies would crush Germany in a few months. We are gradually waking up to the absolute truth, that the submarine is destroying in a month more shipping than the world so far and all the shipyards of the world have been able to produce in the whole year 1916. What I am saying is not begotten of panic; it is to direct the thought of the Committee on Naval Affairs and of the American people to the real situation. I am going to disclose conditions that will show that the Senate ought to have been ashamed to have spent nearly three weeks in the consideration of the bill that only passed last night in the face of the tremendous loss to the shipping of the world and loss of the cargoes carried by that shipping. I now yield to the Senator from Washington.

Mr. POINDEXTER. There is no doubt that a most vital situation is created by the submarine menace, but then the Senator ought to be reassured in that matter. The submarine menace has now been confronting the entire world for two years and a half at least and has been one of the great central features of the war, but we are making progress toward dealing with it. I notice in the Washington Post of May 4 large headlines on the front page of that paper stating that as one incident growing out of the visit of the French and the British high commissioners to the United States, after several conferences with the diplomatic and the naval experts of this Government, these representatives of the allies and their new ally, the United States, were considering—and the Senator ought to bear this in mind, that they are now beginning to consider, so this article says—a campaign to attack the submarines at their bases.

Mr. McCUMBER. I am very glad to know that they are beginning to consider it.

Mr. POINDEXTER. Yes; I think the Senator ought to bear that in mind.

Mr. McCUMBER. I think it is about time they began to consider it.

Mr. POINDEXTER. There is a little, narrow strait between Denmark and Norway and narrow exits around Helgoland through which submarines constructed in Germany necessarily must pass in order to roam along the avenues of commerce of the world and find their prey. They have been doing that for two years and more.

Mr. McCUMBER. Why have they not stopped them?

Mr. POINDEXTER. Well, they will stop them, undoubtedly, because we are beginning to consider now shutting them off at these narrow entrances, and there is not any doubt at all that eventually some move will be made to attack the submarines at that point.

Mr. McCUMBER. Well, Mr. President, if they are beginning to consider the matter, after having seen the shipping wiped off the seas as it has been in the last few months, there is some slight encouragement; but I want to say to the Senator that I have not been so negligent in this matter that I have not read all of that literature, and also read that which came in the daily papers after it. I have read the big headlines saying that we have discovered a means of immediately annihilating the submarine, and that it would be a question of the past; and I have read the headlines in the next day's paper saying that that was a mistake and that they had just begun to think, as the Senator has suggested, along lines of destruction. I am going to deal with that very article before I get through.

Mr. President, the headlines from the New York World of May 2 read:

Americans urged to act at once in checking U boats—French and British officials call for more food ships—Losses greater than can be replaced, says Lord Percy.

The article declares:

British naval experts accompanying the commission headed by Foreign Secretary Balfour have impressed upon officials of this Government the importance of moving as speedily as possible to stay the destruction of the merchant marine of the world carrying munitions and supplies to the armies.

The French naval representatives are fully in accord with the pessimistic views that their British ally takes of the outlook unless some method is speedily devised to curtail the sinking of cargo ships in the German submarine zone.

The Post of May 3 headlines an article on this situation as follows—and I especially call the attention of the Senator from New York [Mr. WADSWORTH] to these headlines, because I think he will find them fully as startling as anything that I have said now in the Senate on this situation.

Mr. WADSWORTH. Mr. President, I hope the Senator does not intend to rival the headlines of the press in making startling statements.

Mr. McCUMBER. No, Mr. President; I would scarcely dare to do that; but the Senator, who has been able to read them every morning, ought not to be startled by the naked truth being told in the Senate.

The Post of May 3 reads as follows:

Allies facing disaster—America menaced as U boats sweep the sea—Impossible to exaggerate the situation, declares Lansing—

Now, Mr. Lansing did make that declaration—

Conditions critical, admit members of British mission—Life of France and Great Britain at stake—Germany has supplies for two years—Only hope declared to lie in speeding up American shipbuilding.

That is as strong as anything that I have said to-day, and possibly a little stronger. I pause here long enough to declare emphatically that this is a forlorn hope; that the real hope and, in my opinion, the only hope lies in protecting each individual ship. A single submarine has sunk nine ships in a single day. It would take half a year to construct one. It is impossible to build as rapidly as the ever-increasing numbers of submarines can destroy. We must thwart the torpedo. That is what I am trying to impress upon the Senate.

This article declares:

The enormous inroads in the world's shipping made by the German submarines within the last few weeks has brought to American Government officials a full realization of the disaster that faces the United States and the allies if the undersea warfare is not checked. Secretary Lansing told the conference that the great destruction of ships was threatening the existence of Great Britain and France and menacing the United States.

Secretary Lansing in a statement during the day declared the seriousness of the submarine situation could not be exaggerated and that it was time the country awoke to the true facts. Reports to the State Department give a total of 80 vessels lost in one week.

Now, there is no questioning that. The fact is that there were 82 of them lost that week, when you get the full number.

"The world's shipping construction in 1916 was less than 2,000,000 tons. If the Germans keep up their present rate of destruction, officials admit without hesitation that their campaign threatens to sweep clean the seas.

"The seriousness of the situation is apparent," said Chairman Denman yesterday. "When we consider the present productivity of the world's shipyards and their highest output likely within the next four months, the entire production will not exceed one-fifth of the monthly loss at the rate given by Secretary Lane."

I wish I had the power to impress this truth upon the Congress and upon the country, the truth declared by our own expert on shipping, that the world's shipyards can not produce in four months one-fifth of the shipping which German submarines are sending to the bottom in one month. If we could so absorb this truth, we might bring the thought of the naval world to bear on the question of shielding the ship against the torpedo.

A very strong editorial in the World of May 4 proposed a standardized ship of 3,000 tons, both steel and wooden, with the hope that we could turn out several thousand of them in a year. But, Mr. President, the present type of 3,000-ton ships, with their 14 knots an hour, is the easiest of all prey for the submarine. If we are to attempt to build faster than the submarines can sink, our only hope is in producing a merchant vessel of double that speed; and even that hope would be slight indeed.

Lord Percy declares that on the result of the race between the combined shipbuilding capacities of the United States and Great Britain and the destruction caused by the German submarine campaign will depend the final issue of the war.

I am quoting rather lavishly, I will admit, but from authorities on both sides of the ocean and those who know of what they are speaking.

If that be true, Mr. President, as suggested by Lord Percy, the final issue of this war is settled, and settled against us, because, as has already been demonstrated, the shipyards of the world are incapable of producing in four months more ships than the German submarines are now sinking in one month. Mr. President, we are spending our time, in my opinion, foolishly in labor on our great warships. We are studying out plans to defend the warship while we are neglecting the only thing that can save this war—the protection of the merchant shipping.

I wish to quote just one more excerpt from the Post of May 3, under the headlines, "Germany to have 700 U boats soon":

GERMANY TO HAVE 700 U BOATS SOON—EXPERT WARNS THAT UNITED STATES MAY YET FACE KAISER'S FLEET.

NEW YORK, *May 2.*

The central powers may have 200 submarines afloat, and I believe that it is possible that they have many more than that, and if, as is more than likely, they have some 500 on the ways at the present time, this would mean that in six months they would have 700 U boats available and 1,200 by next spring.

That is, by the time we will have an army ready.

That was the deliberate and well-considered statement made to-night by J. Bernard Walker, editor of the Scientific American, chairman of the navy committee of the National Security League, at the annual meeting of the league at the Astor Hotel. Mr. Walker spoke as an expert, who had been making a deep study of his subject. He gave statistics of the number of German shipbuilding yards and their capacity, so far as known to-day, and underestimated rather than overestimated in his deductions. Continuing, he said:

"But you ask, Can they supply crews for such a large number of submarines? I answer that the German naval personnel exceeds 150,000 men. Her idle battleships can supply all the men required.

"Here, as I see it, is the immediate danger point in this great conflict into which we have now entered. It is here that we should apply, and should at once apply, our whole effort. If we refuse to do this and elect to fight a purely defensive war, and the allies should have to make a peace favorable to Germany, we may ultimately find ourselves face to face with the high-seas fleet of Germany—of twice the strength of our own to-day."

When this proposed amendment was up for final action, I had but five minutes to present it. It had been previously discussed in the Senate Chamber, but at a time when that Chamber was minus the usual number of Senators. The acting chairman of the Naval Affairs Committee, who had heard no portion of the discussion of the amendment when it was discussed in full, met this serious problem with these words:

Mr. SWANSON. Mr. President, I hope this amendment will not be adopted. This bill will be followed by the naval bill, and that is the proper measure on which to discuss naval matters and naval legislation.

The Senator is absent again, of course, from the Chamber while we are discussing a matter that is most vital to our success in this war, and a matter which certainly belongs on the particular bill he referred to some three weeks ago. There are not many Senators in the Senate Chamber, Mr. President, to pay any attention to this; and I presume that those who are out at lunch, or smoking their cigars in the cloakrooms, will meander leisurely back into the Senate, and, not having heard anything about this question except such as they get from some clerk down in the department, will come back into the Senate and vote "nay" upon any proposition for any kind of an amendment.

But, Mr. President, the Senator was mistaken. It was not followed by the naval bill. Eighteen days have elapsed during which probably two-thirds of a million tons of shipping have been sunk.

Again, he said:

I would like to say for the information of the Senator, that there is now a consulting board in the Navy Department, with Edison at the head, investigating this matter thoroughly.

Mistaken again. There is no consulting board that is investigating this question, either thoroughly or in any other way.

Again, he said:

It (this board) has all the money that is needed.

Mistaken again. There has been no board created by law, and this congregation of divers people who, through the grace of the Secretary of the Navy, are allowed the privilege of sitting together and talking about things in general have at their disposal an appropriation of $25,000, not enough to pay clerk hire, and yet the Senator says they have all the money they need. Yes; if they do nothing, of course, that is true. Mr. President, a torpedo costs $10,000 and your appropriation would be used up in the firing of two torpedoes.

Again says the Senator from Virginia:

It requires no more to discover protection for a merchant ship than a naval ship. The one requires the same protection from a submarine that the other does. Anything that will protect one ship will protect another ship.

Once again the Senator is woefully mistaken.

But he will come in again when this is offered as an amendment and will simply declare that there is a board created which is discussing this matter thoroughly, and it has all the money it needs for its use; and the absent Senators who will not take the trouble to look the matter up will come in and vote as usual against any amendment that will propose to deal with this submarine question. It does not require a seaman or even an expert to realize that a certain mechanism that might protect a war vessel could not be utilized at all upon the lighter-draft merchant ship. The armor itself upon a war vessel, with compartments, might be at least a partial defense against the torpedo. The very weight of such armor would sink a merchant vessel. Is it possible that the Senator can not readily realize that a dreadnaught with a draft of from 30 to 40 feet, with an enormous displacement, might have its center of gravity scarcely disarranged by a net of chains projecting 20 feet from its hull, while the same arrangement in a rough sea would capsize a lighter merchant vessel drawing 15 to 20 feet.

My information is that Mr. Edison is giving his time and research to the matter of discovering through sound the whereabouts of the submarine. That may help to some extent—very little, indeed. Suppose we find out that there is a submarine a couple of miles away, and that we can even learn not only its distance but its location by the sound. We can not see it; and I do not believe we would accomplish very much by shooting at a sound. The chances are a thousand to one that the submarine has seen us long before we have heard the sound, and its torpedo is on its way.

I read into the RECORD the other day a letter from an inventor, which said—now, I am going to repeat this statement; I do not know that Senators will pay any attention to it, but it is right on this question that your board is not considering the merchant ships at all. This letter reads:

On offering my invention to protect merchant ships against torpedoes I was informed by Capt. Smith, who passes on inventions for Secretary Daniels, that the Navy Department is not interested in the protection of merchant ships, and that I must offer my invention to the merchant-ship owners.

Mr. President, that is absolutely true. Capt. Smith has stated substantially the same thing to me, not that he is not interested in the protection of merchant ships, but because the merchant ships belong to the citizens of the United States and not to the Government that they will not give them consideration, and if he has anything that is to protect the merchant ships, let him take it to the owners. It might be just as well here to explain that there is no civil board, advisory or otherwise, that passes judgment as to whether any invention or proposition for defense or offense connected with our naval program justifies the cost of making experiments with it. Capt. Smith, connected with this so-called board as advisory member, simply refers that which he considers of merit to the naval board. It would be an act of lèse majesté for him to attempt to impose his conviction upon this board. I am not criticizing

any naval board, construction or otherwise. They are human as the rest of us. The failure of naval constructors or naval boards to devise any means of protecting a ship against a torpedo working its way through the waves is a criticism of itself stronger than any words can express.

I come now, Mr. President, to a matter of the most stupendous and aggravating national negligence concerning the submarine question. In support of the Senator from Virginia against such an unheard-of thing in this Senate as ingrafting by amendment on one bill a proposition relating to a different subject, the Senator from Colorado [Mr. SHAFROTH] stated—I am glad the Senator is here now, so that I can quote his words:

Mr. President, I was informed at the Navy Department that shields can be used on battleships to protect such ships from being torpedoed, and they said they could be used on the merchant ships, but that they were too expensive to be used, and the owners of the marchant ships would not put them on. And on that account they are prey to the torpedoes.

Can it be possible, Mr. President, that this is true?

Mr. SHAFROTH. Mr. President——

Mr. McCUMBER. I will yield in just a moment. Can it be possible that Great Britain and the United States have had knowledge right along that merchant vessels can be protected by shields from the submarine torpedo and yet are allowing the merchant tonnage and cargoes, upon which the very life at least of Great Britain, France, and Italy depends, to be fed to the ocean? Can it be possible that they are crying out that starvation is staring them in the face and that unless the submarine destruction can be checked they can not maintain this war and must surrender to this new sea monster because the protective shield is too expensive?

I yield to the Senator from Colorado.

Mr. SHAFROTH. I will state to the Senator from North Dakota that the authority which I have for the statement which I made in my remarks the other day was the same Capt. Smith to whom he refers. He made the statement to me that that was the condition, and he illustrated it by the fact that there had been no battleships torpedoed, or at least none to any extent, and that they have no difficulty in shielding the battleships, but that the owners of the merchant ships found it so expensive to put that same shield upon their vessels that they could not make a remunerative return upon their investment; and for that reason they did not do it.

Mr. McCUMBER. That is absolutely correct. Capt. Smith told me substantially the same thing. May I ask the Senator is he a member of the Committee on Naval Affairs?

Mr. SHAFROTH. No; I am not. I am not a member of either the Committee on Military Affairs or the Naval Committee.

Mr. McCUMBER. Then, that accounts, I suppose, for no provision being made in the Naval Committee to use these simple devices that can protect our merchant ships. The Senator, of course, being from the maritime State of Colorado, any suggestion that he might make or that I may make would have very little consideration by a committee that is dealing with the question and having hearings by naval experts every day; but both he and I can understand what the trouble is, and we can understand where the Government has been negligent.

Mr. SHAFROTH. I will state that I have had difficulty enough in trying to get measures through the committees of which I am a member instead of going to other committees where I can not receive as much consideration as from the committees of which I am a member.

Mr. McCUMBER. I am glad there are others.

Mr. HUSTING. Mr. President——

The PRESIDING OFFICER (Mr. NORRIS in the Chair). Does the Senator from North Dakota yield to the Senator from Wisconsin?

Mr. McCUMBER. Certainly.

Mr. HUSTING. Just at this moment, if the Senator please, I will state that I have had a talk with sundry officers in the Navy Department. I do not know that I am at liberty to quote them, but it was to the effect that there was a device, but to be practical it would require dry-docking the vessels to apply it, and that they can not be applied because our docking facilities are too meager to enable us to provide the vessels with shields in time to be of any use.

Mr. McCUMBER. I thank the Senator. There is still another reason which I shall give in a very short time. If it had been demonstrated that these shields could be used successfully, then the Senator has given the reason why they have not been used, because the Government does not own those ships. They are privately owned; and I will tell the Senator the cost of putting them and the cost of propelling that extra weight across the ocean would be so great that there is more profit in insuring them against destruction and thereby selling them to the insurance companies.

Mr. SHAFROTH. Mr. President——

Mr. McCUMBER. I will yield in just a moment. It would occur to the Senator from Colorado as it has occurred to the Senator from North Dakota that if there has been even a promise of success along a line of that kind the administration has been guilty of criminal negligence if it has not tried it out and determined whether or not it was a success; and if it was a success then a bill should have been introduced here long ago commandeering our shipping and putting the shields upon them. The question is not so much the cost but the vital question is whether we are going to get our food across the ocean. Remember that the contents of the cargo in many instances are worth far more than the ship itself.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Will the Senator from North Dakota yield further to the Senator from Colorado?

Mr. McCUMBER. I yield with pleasure.

Mr. SHAFROTH. As to whether or not anybody has been negligent in the way of devising means of evading the effect of the torpedo I do not know, but I will state to the Senator that we are to have a bill before the Senate on to-morrow which appropriates $750,000,000 for the construction of ships, and it seems to me to be very advisable that some experiments at least be made with some of those vessels. The vessels are for the purpose of shipping foodstuffs to the allies, and as the Government is constructing them itself it has the means of putting upon the vessels the very shields that it is said are a safeguard. It seems to me it would be wise to attempt to put this invention upon these vessels so as to avoid the fatal effect of the submarine.

Mr. McKELLAR. Will the Senator yield to me for a moment?

Mr. McCUMBER. I yield.

Mr. McKELLAR. I was not in the Chamber when the Senator spoke a little while ago. I should like to know about what is the cost of these shields. Taking the average ocean liner, can the Senator state about what the cost of making a shield on such a ship would be?

Mr. McCUMBER. The cost is very great; and that is the best information I could get. Of course, it would depend very much upon the character of the shields. Remember that a shield plate half an inch in thickness, struck by the nose of a torpedo, would probably explode the torpedo. Therefore a shield sufficient to guard the entire ship would not of itself cost so very much, but the greater engine power and extra coal that it would take to propel those ships through the ocean might cost considerable.

Mr. SWANSON. Does the Senator mean shields or nets?

Mr. McCUMBER. I am speaking of shields.

Mr. SWANSON. Does the Senator mean armor plate?

Mr. McCUMBER. I was not speaking of armor plate, because armor plate is from 18 inches to 2 or 3 feet in thickness. I am speaking of a shield that may not be more than half an inch thick.

Mr. SWANSON. If the Senator will permit me, the question has been discussed for a long time in the Navy to determine whether to equip a freighter as a battleship can be equipped. The trouble with a freighter—a merchant ship—is that you can not build it in compartments like a battleship. If you did that, it would not carry much freight. A battleship, consisting of a number of compartments, it would take four or five torpedoes to destroy it. One torpedo would not sink it.

This question has been up. It is not any new question. The merchant marine and also the Navy are trying to determine to what extent it would be well to build merchant ships in compartments like a battleship or a destroyer, and to what extent you can put shields or armor plate on and still enable them to carry freight. The only purpose is to carry freight. It does not do any good for a ship to go to Europe unless it carries corn and wheat and oats. It is not to go there and carry nothing, simply taking the risk without any advantage.

The question has been determined by the most expert board to see to what extent these nets and shields can be applied and still carry freight. If the *Lusitania* had had compartments she would have been saved like a battleship. The compartments would not have been sunk by one torpedo. This question is being considered by the finest experts in the world. There is no use to make a battleship out of a merchant ship and send it abroad if it can not carry anything, if it can not hold any wheat, when the compartments would practically be all that it could float. The question has been considered in the most minute and scientific way by various boards.

I made this interruption simply to disabuse the Senator's mind. These matters have been considered in the most scientific way by the best shipbuilders and the best experts and the best men connected with the construction of ships.

Mr. McCUMBER. It is easy to make a broad declaration of that kind; all it costs is the little mental energy and the breath that is used in making the declaration; but I have been down before these boards and made some inquiries. I can get the information from the same source the Senator can, and my information from those in authority is that they are not giving the subject of the protection of the merchant ship any real consideration whatever.

Mr. SWANSON. But, Mr. President——

Mr. McCUMBER. Just a moment. But all the energies of your experts and all the inventive genius that you invite to concentrate itself on this matter is along the idea of destroying the submarine—finding the submarine by sound or otherwise. As a Senator from Washington [Mr. POINDEXTER] said a short time ago, they have finally arrived at the conclusion that they can get ships enough to close in on the submarines at their base. That was nothing new.

Mr. SWANSON. If the Senator will permit me, the Navy, through the Naval Investigating Board, is investigating both the construction of the torpedo and also the submarine defense, and there is rivalry between the two. The shields were thought at one time to be good, and they were, but, then, with scissors you can cut through, the torpedo carrying it away. There was a contest of the best experts in the Navy to develop the torpedo and at the same time to develop the defense against it, which is a wise way, and the two have gone on together with the best science and the best judgment of the best experts in this country.

I will say to the Senator that Admiral Grant, who is now commander of the submarine fleet, has a special board considering the effectiveness of the submarine and protection against them at the same time. At one time in England nets were very effective, but they soon developed a torpedo that overcame them. Both are going along together. When you develop against the torpedo you must develop the torpedo so as to overcome that defense. The Senator is entirely mistaken when he thinks the Navy of America, of England, and of France, and all for the last two years have not been developed, first, to increase the effectiveness of the torpedo, so that we could use it against enemy ships, and, second, to develop the defense against it. Both have been going on together.

Mr. LODGE. Will the Senator yield?

Mr. McCUMBER. I will answer the Senator in a short time. I will first yield to the Senator from Massachusetts.

Mr. LODGE. I merely desire, in connection with the matter of shields, to state that these devices are not shields. The only things that have been used are nets. Torpedo nets have been used on battleships by Germany and by England. They have proved a failure. One ship carrying those nets was destroyed at the Dardanelles and another was destroyed or badly injured at the Jutland Battle. We have never used these nets. The English Navy has now abandoned them, and it is believed that Germany has done the same thing.

The fatal objection to carrying those nets is that they reduce the speed of the ship from 4 to 5 knots. That would make the merchant ship a helpless victim, of course. The submarines could take their own time of destruction. The net is the only thing in the nature of a shield which has been used by any warship or by any battleship.

Mr. McCUMBER. I am afraid the Senator from Massachusetts, like some of the rest of us, is a little bit behind the times.

Mr. LODGE. I am not behind the times, Mr. President.

Mr. McCUMBER. Well, Mr. President, I will not yield.

Mr. LODGE. Very well.

Mr. McCUMBER. But I want to say to the Senator from Massachusetts that as to the matter of which Capt. Smith spoke, he declared that the plate shield can be used with success. I am not an expert, but when the Senator from Massachuetts says these are not shields, that they are simply nets, the Senator is mistaken, or else Capt. Smith, who concurs with the Senator from Massachusetts that nets have gone out, but who says that plate shields can be used, is mistaken and does not know what he is talking about; and I shall not concede that.

Mr. LODGE. Mr. President, will the Senator from North Dakota yield to me?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. McCUMBER. I do.

Mr. LODGE. I do not mean to be behind the times. Within five minutes I have talked with the Chief of the Bureau of Construction—to make sure that I was not wrong about the nets. He tells me that the net is the only thing that could be denominated a shield. I told him about Capt. Smith being quoted here, and he said that Capt. Smith must have been misunderstood.

Mr. McCUMBER. Mr. President, I am certain that I did not misunderstand Capt. Smith. I am certain that the Senator from Colorado did not misunderstand him, for we talked of the whole subject, and Capt. Smith spoke of shields and of plates. We discussed the question of whether or not the plates could be so made by overlapping that they could be brought up close against the side of the hull when the vessel is passing through a zone that was not dangerous, and could also be extended a sufficient number of feet from the side of the vessel to explode a torpedo without the destruction of the ship. I simply make that statement to assure the Senator from Massachusetts that Capt. Smith undoubtedly knew what he was talking about when he was discussing the shield question with me.

Mr. FLETCHER and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Dakota yield; and if so, to whom?

Mr. FLETCHER. I want to ask the Senator from North Dakota a question, if he will permit me.

Mr. McCUMBER. I yield to the Senator.

Mr. FLETCHER. I want to inquire of the Senator, with reference to these shields, which I understand to be steel plates half an inch thick, whether they are to extend below the water line; and if so, how far below the water line; whether they are to protect the vessel below the water line or not; and how much of them will be necessarily carried in the water?

Mr. McCUMBER. Mr. President, I am not posing here as an expert or an inventor, but one needs to be neither to know that such a shield would have to go sufficiently far down into the water to protect the hull of a ship from a torpedo which travels from 8 to 16 feet under water.

Mr. FLETCHER. Then, I understand the Senator to advocate a shield?

Mr. McCUMBER. I am not advocating anything.

Mr. FLETCHER. Well, the Senator seems to be quoting with approval one Capt. Smith. I do not know what Capt. Smith that is.

Mr. LODGE. He is the secretary to the Advisory Board.

Mr. FLETCHER. And he refers to a shield made of steel plate. I was trying to get information from the Senator as to that shield; whether it extends all around the ship and would go as deep in the water as the ship goes, or whether it is only to be a movable affair that can be shifted from one portion of the ship to another. Of course, it stands to reason, if you surround the entire ship with steel plates which are to extend in the water and to draw as much water as the ship draws, you have practically two ships passing through the water; and that, at least, does not appeal to my reason as being a practical proposition.

Mr. McCUMBER. All of those things, Mr. President, could be discussed by the board. Such questions could be handled by them; they could experiment upon the devices and upon their use. If we had a board and ships available, they could make such experiments, but that is not now the case.

I hold in my hand here a little draft—perhaps the department has hundreds—of a plate that is hung by a chain at the side of a vessel with instrumentalities for pushing it out from the hull in a danger zone. It may be that a thickness of a half inch or even perhaps of an inch would not be enough, but a torpedo is not such an enormous object; it, of course, would strike with a certain impact, which could be easily computed by ascertaining its weight and its speed. The force of its impact thus being determined, it could be ascertained whether or not a chisel or anything else could be sent through a single half-inch thickness of steel without exploding the torpedo.

I am not proposing anything; I am simply trying to get an opportunity to allow the inventive genius of the country to concentrate upon one point, and that is the protection of the merchant ships against the submarine torpedo. When I say that practically all of our effort has been along the offensive line rather than the defensive line, I am stating a fact. Almost everything that has been thought out so far is how we shall capture the submarine.

Mr. President, if it is true, as suggested by Capt. Smith, or as suggested by the Senator from Colorado, that we can protect these ships, I do not care if it cost five times as much to operate them, I do not care if they do not travel more than 4 knots an

hour, if they can only get across with their freight. That is the important thing.

If that can be done, the only plea of mitigation that can be urged by the administration of each of these countries to an indictment of treason is the plea of partial or total dementia. I can not believe that the administration of this country or any other country has neglected this defense if it has considered that such a shield could be used to defend the vessel. In that respect I agree with the Senator from Virginia. I am doubtful if they have found a shield that will protect vessels from the submarine torpedo; but I am not doubtful that the ingenuity of the world can circumvent the torpedo, if you give it an opportunity to exercise itself under proper conditions. If such a shield can be used, no matter though the cost is five times the cost of the vessel, it would solve this problem and save this war. Why, then, is it that these Senators, including the senior Senator from Florida who hopes that this amendment will be defeated, because it is not sufficiently relevant to an army bill, did not bring before this Senate at the very beginning of this war a bill to commandeer all of the American shipping and by this time have had scores of American merchant ships traversing the seas, bearing food to our allies and perfectly immune from torpedo attack?

But the Senator from Colorado is partially correct. One section of the Navy Department at least does assert that the merchant vessel can be protected. Whether all agree, I am not informed. But the only excuse that has been given is, as indicated in the excerpt from the letter which I have quoted, that the Government has nothing to do with the privately owned merchant ships.

I put this question directly to one of the officials the other day: Is there no means of protecting the merchant ship from the torpedo? He replied: "Yes; unquestionably the ship could be protected by a shield." He was not talking about nets. "Why, then," I asked him, "in the face of this terrible destruction, has the Government failed to act?" Answer: "Because the Government has nothing to do with the privately owned merchant vessels." Again I asked, "Why, then, do not the owners of the vessels themselves protect them." Answer: "Because the cost of the shield and the extra cost of propelling the vessels across the ocean are such that it is cheaper to insure the vessels."

That is the answer. That does not tend to show that it is not possible to protect vessels by shields. Perhaps it is not possible, but I want to give an opportunity to determine whether or not it is possible, and I do not want to be confined to the naval board alone for very good reasons which I gave when speaking on this subject heretofore.

So, Mr. President, if this statement be true that the shipowner can make more money in taking his chances between getting his ship and cargo across the ocean where it is needed or selling it to the insurance company if he fails, we are by our negligence, our criminal negligence, allowing the seas to be swept of merchant marine and our allies to famish for want of the food which we have. Were there nothing at stake but the vessel we might find some excuse, but I repeat that which I have declared many times in this debate, the world's surplus of food products is limited, and we can not feed a large percentage of it to the waves, even though it were possible to keep up our supply of vessels, in spite of the destruction wrought by the submarine; and I think that is impossible.

I then inquired about the use of these shields. The idea of my informant was that the shield should be drawn by ocean tugs upon each side of the vessel. I myself can see objection to that. My informant did not state any objections that he had to it, but I can see an objection in the possible torpedoing of one of the vessels towing the shield. The point, however, Mr. President, is this: If the vessel can be protected by independent shields, drawn by independent power, the same power, it seems to me, might be put in force by larger and more powerful engines in the vessel itself.

I admit, of course, that it would be necessary to have greater coal capacity, greater and more powerful engines, but I am not ready to admit, and I do not admit, from the best expert information I have been able to obtain, that it can not be done at all because of the allegation that it would take all of the space for the additional machinery that would be necessary. We do not need to make battleships out of merchant vessels and supply them with battleship armor.

Mr. President, I desire to call to the attention of the Senate at this point a little model [exhibiting]. It does not amount to anything, perhaps; it may not be feasible at all; but it is a little model of a ship with a shield on each side that could be thrust out when the ship was passing through the danger zone, with machinery for drawing the shield up to fit into the side of the vessel at the bow when in motion, thus making the vessel only a little wider. It would naturally appeal to the ordinary landsman—and I do not claim to be an expert—that it would not take an enormously greater engine to propel through the waves a vessel equipped with this shield. It seems to me that it could be done with very little more power than that furnished ordinarily by the vessel itself. I am not assuming to be an expert, but what I am asking is that experts and those who think they can accomplish something along this line may have an opportunity.

Many of the older Senators here can remember that when the *Merrimac* was sweeping the seas and no vessel of the Navy could stand against it, we were afraid that the war was lost, but an inventor produced something to combat the *Merrimac*. It was not produced by a great naval board but by an independent inventor, Ericsson, who brought forth the *Monitor* and saved the day. He did not go to Navy boards; he acted upon his own initiative in bringing forth that mechanism, and saved the country, or, at least, helped to save it.

I am not claiming, or even conceding, that there has been devised a workable defense shield. All I am claiming is that there are ingenuity and intelligence enough in the country to devise one if you would simply provide a field of operation for the exercise of that ingenuity. We can not do it unless there is ample opportunity to test those appliances which seem to have merit and to determine what suggestions or proposed mechanisms have merit in them. I want a board free from jealousies and outside of bureau ruts to pass on this question. I want new blood infused into these boards.

Mr. President, I repeat, the vital question of this war is not how much it will cost to get food to our allies but whether we can get that food to them at all. If this shield or anything else can protect the ship the order ought to go forth this minute that not a ship shall leave our ports until it can have this shield of protection. This will not delay or hinder any other work. If this shield is not a protection—and it can be easily determined whether it is or not—then give the American people the opportunity to find something that will protect.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator for a moment?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. McCUMBER. Yes.

Mr. TOWNSEND. Do I understand the Senator to state that any of these suggestions or devices by whomsoever offered are turned down without consideration by the Naval Board?

Mr. McCUMBER. I will say to the Senator that I presume at least ninety-nine out of every one hundred of all the devices conceived by individuals would be useless. Many of the devices brought out are sent not to a board created by law at all, but to a board consisting of a certain number of persons, 20 or 30, selected by Secretary Daniels.

Mr. SMITH of Michigan. The National Defense Board.

Mr. McCUMBER. It is not the National Defense Board, but I think it is called the "consulting board," or something of that kind. Mr. Smith, the expert, is the adviser of that consulting board. They determine, I presume, what devices are not feasible, and others which seem to have promise they refer to the Naval Board. That is all. Then the Naval Board may pass on them or not. They may think that a matter deserves at least some trial, and the Naval Board may think that it does not. The Naval Board declared here a couple of years ago that the submarine was a negligible matter and need not be considered; that the only thing was the great dreadnaught. Now, the Naval Board has been mistaken before and it may be mistaken again.

Mr. SMITH of Michigan. Mr. President, if my colleague will permit me, not only our own Naval Board so declared with reference to the submarine, but the naval boards of Great Britain and France and Germany so declared. It was my pleasure to vote for the purchase of the first submarine ever bought by this Government, and we did it squarely over the head of the Naval Board of experts, who did not believe it had any practical utility at all as a war weapon.

Mr. McCUMBER. We forced it down their throats.

Mr. SMITH of Michigan. And yet the greatest sea power in all the world lies dormant and inactive to-day because she can not get at her enemy, forsooth, on account of this little weapon so much despised a few years ago.

If my colleague will permit me, I am going to make this observation, with the Senator's permission: We have decried in this Chamber, over and over, the submarine. We have denounced it upon both sides. We have denounced it as an inhuman weapon, used to the detriment of mankind; but I prophesy that the time may come when that little invention, which sprang

like magic from the brain of an American, may protect our country from invasion from without. One hundred and fifty million dollars' worth of submarines would make it absolutely impossible for a foreign foe to land transports of soldiers upon our coasts, and I am not finding any fault with it. I saw it put to its practical test the first time it appeared in the river and in Chesapeake Bay, and I went down in one of the first ones ever perfected; but we laymen, whose judgment was, as the Senator says, negligible, were brushed aside, and the experts determined that that was not a matter to be reckoned with at all.

Mr. McCUMBER. I want to say to the Senator that I am not criticizing the board at all. The Senator and myself, if we were in their positions, would probably get into the same ruts.

Mr. SMITH of Michigan. I do not know about that.

Mr. TOWNSEND. I am in very hearty accord with the position the Senator occupies and has occupied so long, namely, that our greatest endeavor should be put forward to meet successfully the attacks of the submarine; and until that question has been solved, it seems to me that much of our other work is absolutely useless.

I rose, however, to say that I have received, as I suppose other Senators have received, suggestions of inventions for the purpose of destroying the effects of the submarine. I have submitted those, confidently believing that the department was considering them, and have had assurances from the Secretary of the Navy that they had been submitted and were receiving proper consideration. I am somewhat disturbed, however, by what the Senator states, for fear that these apparently insignificant matters, which may hold so much of importance to the country, may not receive their proper consideration at the hands of the Navy Department; and if, to secure it, it is necessary or desirable to create a new board, I think the Senate would be criminal if it neglected the duty of providing such a board or tribunal where these matters could be tried out.

Mr. McCUMBER. Let me say to the Senator that I am not asking for a new board. While the language of the amendment denominates it a board created, I am placing on that board men who are already members of the Board of Construction. But, as I stated, I want to get some one else into the board than those men who naturally think only along certain lines. I am not blaming them, but it will do no harm to put other men on a board of that kind. I have given several illustrations of where all of our advancement came from outside sources, and I can give similar illustrations along a hundred different lines of human activity.

In addition to that, I am simply holding this down to one proposition. I want that proposition investigated, and it has not been properly investigated or sufficiently investigated. I am putting the submarine out of the question now, leaving it behind after it has sent its torpedo. I am dealing only with the torpedo, and means of handling that, and that particular branch of the subject has not had adequate consideration.

Mr. President, here is an enemy with which the whole seas can be infested. It is an unseen enemy, under the guidance and control of trained officers and crew. It is almost impossible to know of its approach. We can therefore hope for very meager results from the attempt to capture or avoid its death-dealing missile. But the thing that sinks our ships is not the submarine itself; it is the torpedo that has left the submarine. The torpedo sent on its mission is not guided and controlled by any human mind after it has left the submarine. Its velocity is not irresistible. It travels with its own mechanism at a rate of about 30 miles per hour. It has not the velocity or the impact of a shell fired through the air. The same ingenuity which fashioned and provided its propeller can protect against it. There is enough inventive genius and skill in the United States, earnest and anxious to manifest itself in solving this problem if it can only find the channel through which its devices can be collected, analyzed, and tried out.

Now, I want a board of intelligent men, capable of the broadest possible scope of investigation. No one man of one mind, be he Edison or any other man, is great enough to compass the whole field of that ingenuity which should be brought to bear on this subject. I do not want a board tied down or rutted or obsessed with one single idea or set of ideas along any one particular line of precedents. Of course I want on that board an expert shipbuilder who would know how to apply any mechanism and make it workable and to modify the construction of his vessel to meet the demand. I would want an expert navigator of merchant vessels who would know just the effect of any particular apparatus in the actual navigation of the seas under all conditions in calm or in tempest. I would want expert mechanics schooled in the mechanism used in the great steel and other industries of the country. Then I would want every inventor or mechanic or citizen in the United States who believes that he can present to the board any idea or mechanism, any scheme of protection to the hull of a merchant vessel, to have the opportunity to present his scheme of defense. I would want a board that would weed out that which appears on its face as impracticable and to select those which have a promise of success. Then I would want this board to be clothed with authority to furnish every reasonable facility for trying out those propositions which they deem worthy of consideration, and, finally, to spur into earnest activity the mechanical capabilities. I should offer the most liberal reward to those whose labors might result in a successful defensive mechanism.

Mr. President, I want to read a few excerpts from the Scientific American. These are from Mr. W. H. Fauber:

> Now, if inventions and inventors are such a power in war why is it that our Governments do not follow common-sense business policies and adopt a system which will promptly recompense and award inventors for useful inventions, so that such inventors may proceed with their useful work to the fullest extent of their ability?

And, again:

> Invention and inventors are handicapped because Government officials and business men generally, not being inventors, do not fully understand the subject. The present is the psychological moment for urging long-needed improvements in our patent system and the awakening of our people to a full appreciation of the part invention plays in war and our industries.
>
> It is with this in view that I have proposed a system of awards, a government board of invention and research and a board of award and equity and certain improvements in our patent system.
>
> Lord Northcliffe says in the New York Tribune, April 16: "There is no time for starting a lot of new experiments with wing and engine design."
>
> The writer has great respect for Lord Northcliffe's opinions. If he means that there is no time for governments to do these things, he is right; otherwise, wrong.
>
> Lord Northcliffe is not an inventor. He does not know, and no man knows, what the inventors of the world can do if given a chance. Neither does any board of Government experts know, and by presuming to advise and dictate in things they do not know about they may cost their country hundreds of thousands of lives and victory in war.

Again:

> Lord Northcliffe says in the New York Times, March 4: "There is a fruitful field for the inventor who can develop types of aeroplanes that can land on ships, start from rough water, and be practical for sea observation."
>
> A practical question I would like to ask is: How fruitful to the inventor may this field be? Does the British or the United States Government offer a million dollars to the inventor for such invention?
>
> Inventors are probably as patriotic as the average person, but it takes a lot of money to develop inventions, and men with money are not financing inventors unless they can see prospective returns. Inventors who have been financed on the patriotic basis by patriotic citizens are scarce.
>
> If Great Britain and the United States should each offer a million-dollar award for the Government rights for such an aeroplane invention this would be a stimulus to inventors and enable some of them to find the money for carrying out their projects.
>
> The quickest and cheapest way for the United States and the British Governments to get a new type of motor, 100 per cent better than motors now in use, is to offer a million-dollar award for the Government rights. It would cost nothing to offer it and it would be worth millions to get it.
>
> A million award may save a million lives and decide the war.

What is stated with respect to aeroplanes is equally true with respect to this other and greater subject of defending our ships.

Mr. President, Germany was the only country which seemed at the very beginning of this war to recognize the possibilities of the submarine, and she has played a most cunning game. When she promised this Government in 1915 that she would cease her ruthless submarine warfare she never intended to keep that promise. She ceased only because she had not a sufficient number of submarines to accomplish the result in a period of time so short that some new device could not be invented to meet the undersea power. She proceeded immediately to increase that number until she felt she had a sufficient number to sink a million tons of shipping per month and to build rapidly enough to increase the number in active operation every week. And when she was ready to do that she defied the United States. Had we in 1915 performed our duty, had we and Great Britain proceeded along the line of protecting the merchant vessel rather than hunting the sea over to find the submarine and destroy it, we would to-day have been able, in my humble opinion, to defy the submarine. For more than a year I have been trying to get the Senate and the country to realize that this great world war will not be settled by dreadnaughts but by submarines. I am not so certain that it is not too late to save the day. I can only reiterate that this war will be won or lost according as we are able or unable to invent some mechanism to overcome this undersea torpedo; meet the torpedo and Germany can build all the submarines she sees fit. We can produce food enough and munitions enough to supply ourselves and our allies, but we can not produce food enough to fill the ocean.

It is actually exasperating to read the headlines of our papers proclaiming this food crisis and then advocating as the

only remedy a race between shipbuilding and ship sinking. And all this in the face of the facts that the sinkings to-day are twenty times greater than could be supplied by the whole world's shipyards. It is astounding that these great world-wide war strategists can not also grasp the fact that even if we were able to keep ship construction up to ship destruction the tonnage of food products sunk would soon deplete the world's surplus. Our allies can not eat ships. We must save for them the cargoes the ocean is now swallowing. And we can save that only by protecting the ships against the torpedoes.

Mr. President, all the morning papers of May 6 printed the solacing news that the submarine menace had been solved. Feeling as I do on this subject, I read with intense engerness the text of the communications, only to find that some of the experiments were promising. Reading further, I found that the tests or trials were directed only toward greater possibilities against the submarine itself and had nothing to do with the defense of the merchant ship against the torpedo. And, finally, the whole thing settled down to the proposition that with a sufficient number of ships of all kinds we could surround the submarine base and bottle them up. That is nothing new to the laity. People not connected with the Navy have been asking ever since this war began why that has not been done. It is somewhat strange that we have just now come to the conclusion that it is feasible.

Now, Mr. President, there is no reason why this amendment should not be adopted. If members of the Committee on Naval Affairs have become so imbued with the spirit—too prevalent, I think, among men of special training or calling—that it is presumptuous to create an independent board to meet that which they have failed to meet, they can at least allow this amendment to go through and the conference can add these members to boards already in existence.

Three things are essential: A wider range of selection; second, a full opportunity to test out proposed appliances; that opportunity has not been provided for by appropriation or otherwise along the line of the protection of the ship itself except the battleship.

And, third and more important, that the thought should be directed toward the protection of the ship itself, rather than that which we have been working on for years, new means to capture the submarine. I have no objection to every possible effort being utilized to devise new instrumentalities of destruction against the submarine itself. I can only say that so far that has proven to be a failure and that the other proposition has not been sufficiently investigated and no provision made for trying out those which a board unbiased would show have any possibility of success.

I am asking this, impressed as I am that we need a greater incentive on the part of our mechanics and our inventors, and opportunities to allow them to exercise their efforts toward securing something that will shield our ships and thereby thwart the torpedo.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I desire to ask him a single question. Great Britain is the chief sufferer from the submarine. Can the Senator tell us whether or not Great Britain has taken any practical steps along the line suggested by the Senator or any similar line to protect her ships?

Mr. McCUMBER. Of course, I assume that they have been investigating, and I assume that they have failed so far. I assume that their naval boards have been investigating, and, as suggested by the Senator from Massachusetts [Mr. LODGE], I know they have tried several things, among which were the nets, which the Senator says have been discarded. But the fact that Great Britain has not accomplished anything, the fact that this country has not attemped to accomplish very much along that line up to the present time, is no reason now when this is the vital question why we should not make every possible effort to meet it just as Ericsson met the *Merrimac*.

Mr. GALLINGER. My interrogatory did not include that suggestion. It is no reason why we should not try if others have not tried or if others have tried and failed. I quite agree with the Senator on that proposition. I assume that there are thousands of men, the brightest minds of the United States, working on this proposition. I do not know how many, but I think it is safe to say thousands. If the Senator has a better method of having their inventions considered and tested than the method which now prevails in the Navy Department I think he is fully justified in making the argument he has made, and while I was denied the privilege of listening to the Senator during a considerable part of his interesting address, for the reason that I was engaged in committee work, I shall for myself take the opportunity at the earliest possible moment of reading the Senator's speech with a view of being persuaded as to the soundness of his views, if I conclude that they are sound.

This is a very serious matter and we certainly ought to avail ourselves of every possible opportunity to meet the emergency and to save our ships. This very day we have agreed to an appropriation of $750,000,000 for ships, and it would be nothing short of criminal for us to spend that vast amount of money in building ships and have them subjected to this great danger if there is any possible way of protecting them. I agree with the Senator on that point.

Mr. McCUMBER. It is just along that line that we ought to have a board which could pass on everything that they consider worth trying. I do not want to limit it solely to a naval board. I have given my reasons, which I shall not repeat. That is the first proposition.

The second proposition is that I want a board which will have a law back of it authorizing it to expend the money of the Government in making tests of those things which they think are of promise in defending the ship itself. I admit that they are spending enough money and have been doing everything they can along the line of submarine chasers and along the line of warship protection, but I want it along another line, that is the defense of the merchant ships.

Mr. SWANSON. Mr. President, I have listened with interest to the address of the Senator from North Dakota. I can not concur in the pessimism which characterizes his address. I do not think that we are in the condition he would have us believe we are in in regard to waging this war. We recognize the difficulties in front of us; we realize that it may be a long and tiresome journey; but I am confident the allies and the United States will conduct the war successfully and to a final triumph. I believe the forces of liberty will win against militarism and autocracy.

The Senator has been impressed with the importance of the submarine menace. There is not a man in England, there is not one in France or in the United States who has not been impressed with that for the last two years or more. Everything has been done that money, science, or genius could do to remedy that evil.

There was no occasion for the Senator in speaking of the menace of the submarine to absolutely discredit the use of dreadnaughts. To-day England would not be fighting submarines if she did not have dreadnaughts to give her control of the surface of the sea. She would have been starved into submission in three months more nearly two years ago. It is the nation that controls the surface of the sea that controls in the long run commerce and trade and traffic, with all its possibilities and with all its prosperity. The submarine is simply a menace to the extent that it prevents nations from controlling the surface of the sea. Consequently England preeminent to-day, though it might be threatened by submarines on the ocean, is independent and in control with her battleships.

Regarding the amendment, the Senator labors under the impression that there are no agencies at work solving the problems that seem to disturb his mind. This matter is not controlled at present entirely by the naval board. In 1915, possibly about two years ago, the Secretary of the Navy created a consulting board of the Navy consisting of 23 men outside of the Navy to study submarines, the manner to fight submarines, and to defend ships of all kinds and character against them. The chairman of that board is Edison, the greatest inventor of his age. The board is composed of 23 of the best experts in America in engineering, in invention, in electricity. They are men who have not the naval view entirely, but men who for the last two years have been giving their time, their genius, and all they know upon inventions and submarines and electricity and engineering and steam in all its phases to solve this menace.

Now, to create a new board to set aside, to nullify, to put condemnation on a board that has been working for two years on this line seems to me to be in the direction not of achievement, not in the direction of wisdom, not in the direction of accomplishing something. They have the money; they have the men; and they have the means. The board consists of 23 of the best inventors, engineers, and mechanics, and the best men who possibly can be selected. The only result of the Senator's amendment would be that 4 out of the 23 would be selected and be given a salary of $5,000 each. These men have been serving day and night, and I wish to say that they are investigating the question in the most scientific way. What they have accomplished up to this time has been encouraging until the new submarine danger, more forcible, that Germany has invented. The smaller submarines were very well handled until the new submarine was increased in power and potency and force in the

last six months. These men have been working now to displace them. To select 4 men to commence now and authorize them to undertake the work in which these 23 men, who are not Navy men, have been engaged, it would seem to me, is not wise or proper administration, and it would not accomplish the result nearly as well. If the Senator will look over this list of 23 men, and if he had to select 4 to constitute the board he names, I think he would select 4 of those 23.

More than that, combined with this is the Navy Department of America, of England, of France, and Italy spending all the money with the best genius of the Navy Department, to do what? To try to increase the potency of the submarine and at the same time to do everything they can to defend ships against them.

There is no doubt the Senator's suggestion is right as to making a fortress of a ship and surrounding it with armor. You could surround it with defenses so that a torpedo could not penetrate it, but it would cease to be a ship; it could not navigate; it would be a fortress.

On the question of trying to furnish shields and nets, I will say that nets are used now by Italy in transport ships in taking soldiers to Greece. They are used very effectively on ships of small size, but in rough seas they have not been very encouraging. One of the best defenses they have had against the submarine is the rapidity of the ship and its ability to maintain its course. To the extent that you put on a net or an armor to that extent you destroy that means of dealing with them. One reason why the merchant marine is not as defensible against the submarine as a battleship or a destroyer is due to the method of construction. A battleship is constructed with armor. The more armor you put on the merchant ship the less freight she can carry. You could put armor on the ship until she could not carry any wheat or cotton or corn or oats, and consequently would be useless as a merchant vessel.

In addition to that, you do not build merchant ships with as many compartments as they have in battleships. Take a battleship or a destroyer over 400 feet long and it would take two or three torpedoes to destroy it. If you destroy one compartment and the water enters it the ship can still float. The minute you increase the compartments in the ship you reduce its freight ability; it will carry less freight; it is less useful as a merchant ship.

That problem is being discussed and is being solved and is being experimented with by the consulting board, by the Navy Department, by the Shipping Board, and by persons, civil and naval, in England, France, and Italy. The problem will finally be solved. They have experiments and inventions which are very encouraging, indeed. It is only a question of time when, I believe, the submarine menace will be settled to the satisfaction of England, the United States, and all the allies.

Now, to create a new board, to commence where these men began two years ago on an entire new problem and set aside the experiments and investigations that have been made, seems to me to be ill-timed, and it would not accomplish the result sought to be accomplished by the Senator from North Dakota.

In addition to that, Mr. President, Admiral Grant, who is charged with the submarine flotilla, has a board of naval experts working with the consulting board composed entirely of civilians. They have been for months and months experimenting, practically, theoretically, scientifically, with the defense that is to be made by merchant ships and by battleships against torpedoes and submarines. They have considered the extent to which a torpedo can be deflected by electricity or other forces when it is started on its pathway of destruction. These matters have been experimented with by those people for the last two years, scientifically, theoretically, practically, and it seems to me to be ill-advised to create a new board which would take 30 days, possibly, before it could commence to do what these gentlemen commenced doing a year or two years ago.

With the forces that are at work, every department of the Government, the Navy and the consulting board, and all the people of the country united in an effort to meet this menace, it seems to me it will be met. The inventions are encouraging on all lines. I believe to have the investigation continued as it is now and not start a new board to commence work which has been investigated by the best talent and genius in this country for the last two years is the best course to pursue.

There is not a man who has an invention to protect a battleship or to protect a merchant ship and to fight submarines or to increase the potency of submarines who does not have an opportunity to go before these two boards, the board in the Navy Department, composed entirely of naval experts, and the Consulting Board, composed of 23 civilians who are experts with inventions on this question, and they have been studying it ever since 1915. If you can have any other avenue of investigation exceeding that I should like to see it devised.

Mr. SMITH of Arizona. If the Senator will pardon me——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from Virginia yield to the Senator from Arizona?

Mr. SWANSON. I yield.

Mr. SMITH of Arizona. To show the enormous number of suggestions that we are receiving, I was informed this morning by a gentleman who had business before the department and has a device by which he believes the submarines could be made absolutely ineffective that the department has now 5,000 suggestions coming to it from every source, and all of them that have the least merit are under investigation.

Mr. SWANSON. I suppose I have had as many suggestions made to me as any Senator or Representative. I have never seen any disinclination on the part of the consulting board and the Navy to give them full investigation and test.

It seems to me, with the encouragement we have and the encouragement that comes from the most reliable source, the wise thing to do is to continue the boards we have at present, composed of the most scientific men in America, both naval and civilian. I hope the amendment will not carry.

Mr. McCUMBER. I know that has been the Senator's hope, Mr. President. The Senator says we created a board in 1915 that has been considering this submarine question, and then he proceeds to state what that board, consisting of 23 members, with Mr. Edison at the head of it, is doing; and he further states that that board has all the money it needs. He says it has all the money and all the means that are needed. Where did the board get that money? Your appropriation gave that board $25,000 to cover its clerk hire.

Mr. SWANSON. That is to pay their expenses. They have in addition to that ordnance for ship construction in the Navy.

Mr. McCUMBER. This board has nothing to do with that, Mr. President. The board the Senator is speaking of has $25,000, and it has not a cent more. The other appropriation the Senator is speaking of for building ships applies to the general board, the board of construction. That has all the money it needs; we will admit that; but this consulting board was not created by anything we did. Secretary Daniels asked certain persons if they would act as an advisory board or commission, and he picked out 23 of them. It was not created by any law at all, but we gave it vitality by providing that it should have $25,000 at its disposal. Has that board as a board expended one penny in experimentation?

Mr. SWANSON. Will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Virginia?

Mr. McCUMBER. I yield.

Mr. SWANSON. Take the suggestion of the Senator about trying shields or nets to protect merchant ships. This board of the Navy Department can try shields or nets or armor plate. They can be put there under the control of this board. They can give them torpedoes to try and see whether they will penetrate them or not. Is there any use of having any more appropriations to build submarines to fire torpedoes or to buy armor plate when the Navy Department can furnish all these experiments under the control of a board of scientists?

Mr. McCUMBER. If that argument had come from some farmer out in my State I would not have been surprised, but coming from the acting chairman of the Committee on Naval Affairs, I am surprised.

This consulting board does not do anything. Your General Naval Board does not turn over to it anything. There is just one man with his little coterie who is being utilized at all, and that is Mr. Edison. What is done? These propositions are submitted to this consulting board. What do they do with them? They have their advisory counsel, Mr. Smith, and they look them over, and if they consider any one of them worth investigation they send them to your Naval Board, and the Naval Board passes on them. This consulting board does not pass on anything except to determine what there is of promise and what has no promise, and send the former to the general board.

I called the attention of the Senator to a letter from an inventor who believed that he had something in which there was at least some merit. I do not know whether there is any merit in it or not. He presented it to this board, and it was referred to the other board, and when he went to it they told him they had nothing to do with the merchant vessels, that they were privately owned, and if he had an invention that would protect those ships he ought to take it to the owners.

Does the Senator think that that gentleman was telling an untruth? It is the same information that comes from all of them. They are referred to this one final board by the board for whom we appropriated $25,000. Of course they have no money; that $25,000 they can not use for experimentation; they

could not issue checks against the Treasury. I will assure the Senator he can not find a single voucher for a dollar that has been turned over to those people to experiment with.

Mr. Edison has been working along the line of ascertaining the whereabouts of a submarine by sound. Undoubtedly he is a great expert. He may find some way of detecting the location of a submarine 1, 2, or 5, or even 10 miles away. There is another thing that has been considered, and that is some way of deflecting, through magnetism or electricity, a torpedo. Stop a moment to think of the probable weight of one of those torpedoes and the force with which it travels and its speed. I think it would take something of a magnet to deflect it and turn it out of its course when heading for a ship. None of them have accomplished anything along that line, and there is no claim that they will accomplish anything. When you get right down to the wonderful thing that is going to be accomplished, as stated by the Senator, you get right down to the same old proposition we have had for several years about surrounding the submarine base. If you have ships enough, you can run up along the coast of Norway into Norwegian waters inside the 3-mile limit and around which the submarines sneak under the waters, and by fencing them in you may be able to meet them in that way. Well, that has not been demonstrated yet, if it ever will be. In the meantime give the American inventors, the American people, an opportunity of bringing forth something along the line of the defense of the ship at the same time that you are working along these other lines.

The reading of the bill was resumed at section 4, page 2, line 7.

The next amendment of the Committee on Naval Affairs was, in section 4, page 2, line 10, after the word "discretion," to insert "with the advice and consent of the Senate," and in line 12, after the word "lieutenant," to insert the word "commander," so as to read:

SEC. 4. Additional commissioned officers in the Navy and Marine Corps, based upon the temporary increases herein authorized in the number of enlisted men, shall be temporarily appointed by the President, in his discretion, with the advice and consent of the Senate, not above the grades and ranks of lieutenant commander in the line and staff of the Navy and major in the Marine Corps, the distribution in said grades and ranks to be made in accordance with the provisions of the act of August 29, 1916.

The amendment was agreed to.

Mr. SWANSON. On page 2, line 22, after the word "lieutenant," I move to insert the word "commander," as was done in line 12. It is a typographical omission.

The PRESIDING OFFICER. The amendment proposed by the Senator from Virginia will be stated.

The SECRETARY. In section 4, page 2, line 22, after the word "lieutenant," it is proposed to insert "commander," so as to read:

And that there shall be no permanent or temporary appointments in or permanent or temporary promotions to any grade or rank above that of lieutenant commander in the Navy—

And so forth.

The amendment was agreed to.

The next amendment of the Committee on Naval Affairs was, in section 4, page 3, line 2, after the word "war," to strike out the words "and existing" and to insert the article "the"; in the same line, after the word "deficiency," to insert "existing prior to the passage of this act"; and in line 6, after the word "may," to insert "also," so as to read:

Provided further, That, during the period of the present war, the deficiency existing prior to the passage of this act in the total number of commissioned officers of the Navy and Marine Corps authorized by the act of August 29, 1916, may also be supplied by temporary appointments in the lowest grades and by temporary promotions to all other grades until a sufficient number of officers shall be available for regular appointment or promotion in accordance with existing law.

The amendment was agreed to.

The next amendment was, on page 5, after line 8, to strike out:

SEC. 6. That during the period of the present war the computations to be made by the Secretary of the Navy as prescribed by the act of August 29, 1916, shall be made semiannually as of July 1 and January 1 of each year and at such other times as he may deem necessary; and the Board of Rear Admirals, for selection for promotion prescribed in said act, may be convened at such times as the exigencies of the service may require.

And insert:

SEC. 6. That during the period of the present war the computations to be made by the Secretary of the Navy as prescribed by the act of August 29, 1916, shall be made semiannually as of July 1, and January 1 of each year and at such other times as he may deem necessary; and the Board of Rear Admirals for selection for promotion prescribed in said act may be convened at such times as the exigencies of the service may require, and shall recommend for promotion such number of officers as the Secretary of the Navy may prescribe; and if nine rear admirals can not be convened without injury to the service six rear admirals may constitute the board and four of the members must concur in the recommendations instead of six, as prescribed in said act.

The amendment was agreed to.

Mr. SWANSON. As a substitute for section 11, as printed in the bill, I move the amendment which I send to the desk. The substitute provision merely allows 17 additional clerks in the paymaster's department. No provision was made for them in section 11 as now contained in the bill, and the increase in the authorized strength of the Marine Corps to 30,000 requires these additional clerks in connection with the work of the supply department. I have a very urgent letter from the Secretary of the Navy on that point.

The PRESIDING OFFICER. The Senator from Virginia offers an amendment, which the Secretary will state.

The SECRETARY. On page 8, after line 12, it is proposed to strike out:

SEC. 11. That the appointment of 30 marine gunners and 30 quartermaster's clerks, additional to the number now prescribed by law, is hereby authorized, such appointments to be made in the manner now provided by law.

And insert:

SEC. 11. That the appointment of 30 marine gunners, 30 quartermaster's clerks, and 9 clerks to assistant paymasters, additional to the number now prescribed by law, and the temporary appointment of 8 clerks to assistant paymasters for the war is hereby authorized, such appointments to be made in the manner now provided by law.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Naval Affairs was, in section 12, page 8, at the beginning of line 19, to insert "with the advice and consent of the Senate," so as to make the section read:

SEC. 12. That the temporary appointments and promotions herein authorized shall be made by the President, with the advice and consent of the Senate.

The amendment was agreed to.

The next amendment was, at the beginning of section 15, page 9, line 16, to strike out:

SEC. 15. That on and after May 1, 1917, the pay of all enlisted men of the Navy, during the continuance of the war, be, and it is hereby, increased $15 a month over and above the rates of pay proper as fixed by law for times of peace.

And insert:

That commencing June 1, 1917, and continuing until the termination of the war, all enlisted men of the Navy of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $10 per month; those whose base pay is over $21 and does not exceed $24 per month, an increase of $8 per month; those whose base pay is over $24 and less than $45 per month, an increase of $6 per month; and those whose base pay is $45 or more per month, an increase of $5 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

So as to make the section read:

SEC. 15. That commencing June 1, 1917, and continuing until the termination of the war, all enlisted men of the Navy of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $10 per month; those whose base pay is over $21 and does not exceed $24 per month, an increase of $8 per month; those whose base pay is over $24 and less than $45 per month, an increase of $6 per month; and those whose base pay is $45 or more per month, an increase of $5 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay: *Provided*, That during the continuance of the war, warrant officers, petty officers, and enlisted men of the United States Coast Guard shall receive the same rates of pay as are or may hereafter be prescribed for corresponding grades or ratings and length of service in the Navy.

Mr. WEEKS. Mr. President, I should like the attention of the chairman of the Committee on Military Affairs in connection with this amendment. I do not know whether the chairman of the Committee on Military Affairs has noticed the change provided for in this bill. It does not conform with the provision which I understand is contained in the conference report just made by the chairman of the Military Affairs Committee. It seems to me that there ought to be some agreement which would give the men serving in the Army and the Navy exactly the same rates of pay during the continuance of the war.

Mr. SWANSON. Mr. President, if the Senator will permit me, I took the conference report on the Army bill, furnished me by the chairman of the Committee on Military Affairs of the Senate, and submitted it to Admiral Palmer, of the Bureau of Navigation. He assured me that the increase provided in the amendment now under consideration is precisely the increase provided for in the conference report on the Army bill. I think we all agree that the increases ought to be the same in both branches of the service. The only difference is that the base pay in the Army is slightly less than in the Navy, there being a difference of a few dollars. The amendment gives the same increase of pay to the enlisted men of the Navy as is provided for soldiers in the Army, but because of a slight variance in the pay of the enlisted strength of the Army and the Navy there is a little discrepancy. Admiral Palmer, however, assures me that this amendment provides precisely the same increase for the

enlisted men in the Navy that is proposed for the enlisted men of the Army.

Mr. WEEKS. Has Admiral Palmer seen the conference report which has just been made to the Senate?

Mr. SWANSON. I gave him the copy of the conference report that was handed to me by the chairman of the Military Affairs Committee. Admiral Palmer and Admiral Watts then retired from the room where the committee was in conference, took that agreement, and suggested this provision as being identical with the proposed increase for the enlisted men of the Army, the intention being to give precisely the same increase to the enlisted men of the Navy as is given to the enlisted men of the Army.

Mr. CHAMBERLAIN. Mr. President, the larger base pay of the enlisted men in the Navy will give to them under the amendment larger pay than is received by the enlisted men in the Army.

Mr. SWANSON. The base pay in the Navy has been $17.60, while that of the Army has been $15, the difference being that the Army provides more clothing for its men than does the Navy. In the Navy a man only receives his first suit. So, taking into consideration this circumstance, the base pay has been considered practically the same. The difference has existed for years, but, taking that into account, we have made the same increase on base pay.

Mr. CHAMBERLAIN. I did not go into it with any of the department officials, but I gave the acting chairman of the Committee on Naval Affairs a copy of the agreement reached by the conferees on the Army bill. Since then the plan of increase proposed in the conference report on the Army bill has not been changed, and I assumed that the matter would be investigated by the Senator from Virginia.

Mr. SWANSON. I repeat that while the Naval Committee was in session I went to the Senator from Oregon, chairman of the Committee on Military Affairs, and asked him to give me a statement as to what had been agreed on as to the increase of the pay of enlisted men in the Army, which he did. I then sent for Admiral Palmer, of the Bureau of Navigation, and Admiral Watts, the Judge Advocate of the Navy, and told them to take the provision in the Army bill and draft an amendment that would provide exactly the same increase for the Navy. The amendment which now appears in the bill is what was submitted by them.

I wish to say that if the Army bill as finally passed should provide a different rate of pay than that contained in the conference report, while the bill now pending is in conference I will, in so far as I am able, see that the same increase is given to the enlisted men of the Navy that is given to the enlisted men of the Army.

Mr. WEEKS. I hope the Senator will have an eye to that and be sure that the same rates of pay are provided for men in similar grades in the two branches of the service.

Mr. SWANSON. That is my purpose, as well as the purpose of the Naval Committee.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New York?

Mr. SWANSON. I do.

Mr. CALDER. Then, I understand that under the terms of this amendment the minimum pay for enlisted men in the Navy is $27.60?

Mr. SWANSON. The base pay will be $27.60.

Mr. CALDER. That is the minimum?

Mr. SWANSON. Yes; that is the base pay.

Mr. CALDER. I thank the Senator.

Mr. NELSON. Mr. President, will the Senator yield to me for a question?

Mr. SWANSON. I yield to the Senator.

Mr. NELSON. I desire to call the attention of the Senator from Virginia to section 4, page 2, which contains the following language:

SEC. 4. Additional commissioned officers in the Navy and Marine Corps, based upon the temporary increases herein authorized in the number of enlisted men, shall be temporarily appointed by the President, in his discretion, with the advice and consent of the Senate, not above the grades and ranks of lieutenant commander in the line and staff of the Navy and major in the Marine Corps.

It has been reported to me that certain officers in the Navy claim that would stall and check all promotions in the higher grades. I should like to know how that is.

Mr. SWANSON. I think that is taken care of, as the Senator will see if he will read further on. What he has read relates to temporary appointments. If the Senator will read further on, he will find from line 16, on page 2, to line 10, on page 3, language which I think will entirely obviate any misconception. The number of officers in the Navy is based on 4 per cent of the authorized enlisted strength of the Navy. Then, the apportionment of officers among the different grades is based upon the actual number of officers on the active list. On a strength of 87,000 enlisted men there is a deficiency of 995, nearly a thousand, ensigns and junior lieutenants, and the Navy does not have as many admirals, captains, commanders, and lieutenant commanders as it otherwise would have, for the number of such officers is only a certain percentage of 4 per cent of the authorized strength.

Mr. NELSON. What about the Marine Corps?

Mr. SWANSON. In the Marine Corps the apportionment is based on 4 per cent in the same way.

This bill permits the officers temporarily appointed to be counted in computing the number of officers in the different grades and will allow the number of admirals to be increased to 1 per cent of the total number of officers and the number of captains to 7 per cent. This will permit temporarily, until the Navy has all permanent officers, a complete reorganization of the Navy during this war, with admirals, captains, commanders, and lieutenant commanders based on an authorized strength of 87,000 men.

Mr. NELSON. Now, the bill proposes to increase the Marine Corps up to 30,000, I believe?

Mr. SWANSON. Thirty thousand.

Mr. NELSON. What effect will this provision—that no one higher than the rank of major can be appointed—have upon the appointment of officers in the higher grades?

Mr. SWANSON. There can not be any appointments in higher grades than major on account of this.

Mr. NELSON. I mean, on officers already in the service?

Mr. SWANSON. They will continue in their present positions, but no appointments can be made temporarily higher than major. That was done because the Marine Corps will not move like an army of 30,000, with divisional commanders, some of them major generals. It will move in battalions, in regiments, and smaller divisions. If it were going to be an army and move as 30,000 men, you might as well transfer it to the Army and make it such. Consequently, we have allowed them to appoint officers temporarily as high as majors, on account of the number of battalions that will be used for the marine service.

Mr. NELSON. Then there will be no such thing as lieutenant colonels and colonels?

Mr. SWANSON. They will keep their present numbers. This is a temporary arrangement.

Mr. NELSON. But there will be no such thing for this new corps?

Mr. SWANSON. Not beyond 17,400; there will not be any permanent appointments to the rank of colonel, lieutenant colonel, or brigadier general.

Mr. NELSON. They have nothing, then, in this increase of the Marine Corps of any higher grade than major?

Mr. SWANSON. That is true.

Mr. NELSON. Nothing higher?

Mr. SWANSON. Nothing higher.

Mr. NELSON. In doubling the Marine Corps force?

Mr. SWANSON. In doubling the Marine Corps force, because we thought it was temporary, and then, in addition to that, the Marine Corps is not contemplated to move as an entirety.

Mr. NELSON. The old service is to continue to have its generals, its colonels, and its lieutenant colonels, while this new addition is to have nothing of the kind. Is that it?

Mr. SWANSON. Nothing higher than a major; that is true.

Mr. NELSON. They are to have nothing higher than majors?

Mr. LODGE. They are temporary appointments.

Mr. SWANSON. They are temporary appointments up as high as majors. It is done for the simple reason that the Marine Corps division of 30,000 men of an army must be organized in time as a division. Now, it is not contemplated that the Marine Corps will be in a division of 30,000 men, or operate as a division. It never would operate in that way. We have created a brigadier general, but these additions in enlistment, it is supposed, will work usually in battalions and small detachments, for which we now furnish majors.

Mr. NELSON. Are you not to have any colonels or lieutenant colonels?

Mr. SWANSON. We have enough, we think, to answer for all large movements at present for all large commands. For 17,400 men they have brigadier generals, colonels, and lieutenant colonels. Now, this increase to 30,000 men, it is expected, will move in small detachments not higher than battalions. It is not expected to make an army of it. Consequently, we felt satisfied that promotions to major would be sufficient to answer this purpose.

Mr. NELSON. In other words, you do not conceive that this new force will have any higher organization than a major's command?

Mr. SWANSON. It may have.

Mr. NELSON. You are not to have any regiments or battalions?

Mr. SWANSON. It is expected that they will move mostly in detachments, where majors will be sufficient.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment was agreed to.

Mr. SWANSON. Mr. President, where the word "war" occurs, in line 9, page 10, I should like to insert the word "present," so that it will read "the present war."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 10, line 9, before the word "war," it is proposed to insert the word "present," so that it will read "during the continuance of the present war."

The amendment was agreed to.

The PRESIDING OFFICER. The Chair will call the attention of the Senator from Virginia to the fact that on page 7, line 14, page 9, line 22, and page 2, line 5, the same word should be inserted.

Mr. SWANSON. I should like to have the same word inserted there.

The PRESIDING OFFICER. The amendments will be stated.

The SECRETARY. On page 7, line 14, before the word "war," it is proposed to insert the words "the present."

The amendment was agreed to.

The SECRETARY. On page 9, line 22, it is proposed to insert the word "present" before the word "war."

The amendment was agreed to.

The SECRETARY. On page 2, line 5, before the word "war," it is proposed to insert the word "present."

The amendment was agreed to.

The SECRETARY. On page 10, after line 13, it is proposed to insert a new section, as follows:

SEC. 16. That the President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of the War Department, or of the Navy Department, such vessels, equipment, stations, and personnel of the Coast and Geodetic Survey as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made: *Provided*, That such vessels, equipment, stations, and personnel shall be returned to the Coast and Geodetic Survey when such national emergency ceases, in the opinion of the President, and nothing in this act shall be construed as transferring the Coast and Geodetic Survey or any of its functions from the Department of Commerce except in time of national emergency and to the extent herein provided: *Provided further*, That any of the personnel of the Coast and Geodetic Survey who may be transferred as herein provided shall, while under the jurisdiction of the War Department or Navy Department, have proper military status and shall be subject to the laws, regulations, and orders for the government of the Army or Navy, as the case may be, in so far as the same may be applicable to persons whose retention permanently in the military service of the United States is not contemplated by law: *And provided further*, That the President is authorized to appoint, by and with the advice and consent of the Senate, the field officers of the Coast and Geodetic Survey, who are now officially designated assistants and aids, as follows: Officers now designated assistants and receiving a salary of $2,000 or more per annum shall be appointed hydrographic and geodetic engineers; officers now designated assistants and receiving a salary of $1,200 or greater but less than $2,000 per annum shall be appointed junior hydrographic and geodetic engineers; officers now designated aids shall be appointed aids: *Provided*, That no person shall be appointed aid or shall be promoted from aid to junior hydrographic and geodetic engineer or from junior hydrographic and geodetic engineer to hydrographic and geodetic engineer until after passing a satisfactory mental and physical examination conducted in accordance with regulations prescribed by the Secretary of Commerce, except that the President is authorized to nominate for confirmation the assistants and aids in the service on the date of the passage of this act.

Nothing in this act shall reduce the total amount of pay and allowances they were receiving at the time of transfer. While actually employed in active service under direct orders of the War Department or of the Navy Department members of the Coast and Geodetic Survey shall receive the benefit of all provisions of laws relating to disability incurred in line of duty or loss of life.

When serving with the Army or Navy the relative rank shall be as follows:

Hydrographic and geodetic engineers receiving $4,000 or more shall rank with and after colonels in the Army and captains in the Navy.

Hydrographic and geodetic engineers receiving $3,000 or more but less than $4,000 shall rank with and after lieutenant colonels in the Army and commanders in the Navy.

Hydrographic and geodetic engineers receiving $2,500 or more but less than $3,000 shall rank with and after majors in the Army and lieutenant commanders in the Navy.

Hydrographic and geodetic engineers receiving $2,000 or more but less than $2,500 shall rank with and after captains in the Army and lieutenants in the Navy.

Junior hydrographic and geodetic engineers shall rank with and after first lieutenants in the Army and lieutenants (junior grade) in the Navy.

Aids shall rank with and after second lieutenants in the Army and ensigns in the Navy.

And nothing in this act shall be construed to affect or alter their rates of pay and allowances when not assigned to military duty as hereinbefore mentioned.

The Secretary of War, the Secretary of the Navy, and the Secretary of Commerce shall jointly prescribe regulations governing the duties to be performed by the Coast and Geodetic Survey in time of war, and for the cooperation of that service with the War and Navy Departments in time of peace in preparation for its duties in war, which regulations shall not be effective unless approved by each of the said Secretaries, and included therein may be rules and regulations for making reports and communications between the officers or bureaus of the War and Navy Departments and the Coast and Geodetic Survey.

The amendment was agreed to.

The SECRETARY. Also the following, as a new section

SEC. 17. That nothing contained in the act of August 29, 1916, shall operate to disturb the relative position of officers in the Medical Corps with reference to precedence or promotion, but all such officers otherwise qualified shall be advanced in rank with or ahead of officers in said corps who were their juniors on the date of said act.

Mr. WEEKS. Mr. President, I wish to inquire of the Senator in charge of the bill what that means?

Mr. SWANSON. Mr. President, if the Senator will permit me, in August, 1915, officers took precedence according to the date of their commission. Prior to that time officers took precedence according to their length of service. In the act of last year we provided that officers in the Medical and Staff Corps should be promoted with their running mates in the line. Having changed from 1915 and prior to that as to when their precedence should be—one time according to length of service and the other from date of commission—it resulted that some officers who were junior in the Medical Corps were being advanced, on account of their running mates, prior to senior officers in the Medical Corps. This provision simply provides that no junior in the Medical Corps, on account of his running mate or the change of law from length of service to date of commission shall be advanced over a senior. If the Senator will read the language he will see that it gets rid of that difficulty clearly.

Mr. WEEKS. Does that apply to other Staff Corps as well?

Mr. SWANSON. I do not think there is any provision in other Staff Corps—they are so small—that would operate to do that, but nothing was brought to our attention by way of complaint except the fact that junior medical officers were getting ahead of senior medical officers, and it was put in for that purpose.

Mr. KELLOGG. Mr. President, I should like to make an inquiry of the Senator having charge of the bill. The increase in the Marine Corps is from 17,400 to 30,000?

Mr. SWANSON. Yes; from 17,400 to 30,000.

Mr. KELLOGG. And, as I understood the explanation made by the Senator in response to the senior Senator from Minnesota [Mr. NELSON], there are to be no officers appointed for this additional force above the rank of major?

Mr. LODGE. No temporary appointments?

Mr. SWANSON. No temporary appointments higher than the rank of major. It does not interfere with the permanent appointments under existing law.

Mr. KELLOGG. I know; but there will be no increase of officers?

Mr. SWANSON. Except so far as existing law will permit promotions; but not on account of this increase of force, because it is contemplated that it will be a temporary force that will cease as soon as the war is over.

Mr. KELLOGG. Then, under the present law, promotions can be made for the creation of more brigadier generals, for instance?

Mr. SWANSON. One more, possibly, could be created; yes.

Mr. KELLOGG. Can there be any more colonels or lieutenant colonels?

Mr. SWANSON. Under existing law there might be three more colonels.

Mr. KELLOGG. Then for the 30,000 men you will have only four more officers higher than the rank of major than for the 17,000?

Mr. SWANSON. There will be more lieutenant colonels promoted, as provided by the act of last year.

Mr. LODGE. Mr. President, if the Senator will allow me, for those higher grades, both in the Navy and in the Marine Corps, there are abundant officers in the line now to meet the demands of the increases to 150,000 and 30,000, respectively. The only increase needed is in the lower grades.

Mr. KELLOGG. Then there are more of the higher officers to-day than are needed for the 17,000 men?

Mr. SWANSON. No; if the Senator will permit me, it is not contemplated to assemble the Marine Corps in any larger force than ten or twelve thousand men. It is not to be in a division, like an Army division. Thirty thousand men in an Army division must have a major general. Some of them requested

that a major general should be created. The committee did not think there was any use of having a major general when it was not contemplated to assemble them in a number of 30,000. They help man the ships, make up expeditions, and move in small detachments; so we thought that to allow the appointment of majors, with the increase that would naturally come from colonels, lieutenant colonels, and brigadier generals, would be ample to man the force with officers.

Mr. KELLOGG. Was that the recommendation to the committee by the Navy Department?

Mr. SWANSON. The naval bill, as prepared by Mr. PADGETT and myself, was sent to the Secretary of the Navy, and he wrote a letter recommending the bill prepared on this line, except that we limited it to captains. We did not have any higher promotions than captains, and the House put it up as high as major. That was recommended by the Secretary of the Navy—having the temporary appointments not to exceed captains.

Mr. KELLOGG. Then the Secretary of the Navy did recommend substantially this provision?

Mr. SWANSON. He recommended the provisions contained in this bill.

The PRESIDING OFFICER. The question is on the amendment just stated by the Secretary.

The amendment was agreed to.

The SECRETARY. It is also proposed to insert the following on page 14, following line 4, as a new section:

SEC. 18. That in addition to the provisions of existing law, the President be, and he is hereby, further authorized to designate six officers of the Navy for the command of fleets or subdivisions thereof and, after being so designated, from the date of assuming such command until relinquishment thereof, not more than three of such officers shall each have the rank and pay of an admiral, and the others shall each have the rank and pay of a vice admiral; and the grades of admiral and vice admiral are hereby authorized and continued for the purpose of this act: *Provided*, That the pay of an admiral shall be $10,000 and the pay of a vice admiral $9,000 per annum: *Provided further*, That in time of peace officers for the command of fleets and subdivisions thereof, as herein authorized, shall be designated from among the rear admirals on the active list of the Navy: *Provided further*, That nothing herein contained shall create any vacancy in any grade in the Navy or increase the total number of officers authorized by law: *Provided further*, That when an officer with the rank of admiral or vice admiral is detached from the command of a fleet or subdivision thereof, as herein authorized, he shall return to his regular rank in the list of officers of the Navy and shall thereafter receive only the pay and allowances of such rank: *And provided further*, That nothing in this act shall be held or construed as amending or repealing the provisions of sections 1434, 1463, and 1464 of the Revised Statutes of the United States.

That the provision in the act approved March 3, 1915, for the designation of commanders in chief of certain fleets with the rank of admiral and for the designation of officers second in command of such fleets with the rank of vice admiral be, and the same is hereby, repealed.

Mr. SWANSON. Mr. President, the first part of that amendment is not exactly what we wish. I should like to strike out the words "in addition to the provisions of existing law," because the existing law provides for three admirals and three vice admirals, and this would provide for six. The purpose of this amendment is not to increase the number of admirals or vice admirals, but it is simply to change the existing law, which says we shall have one admiral of the Atlantic Fleet, one of the Pacific Fleet, and one of the Asiatic Fleet, limiting it to the same number of admirals and vice admirals, but eliminating the geographical distinction in reference to them. If it were to read, "in addition to the provisions of existing law," it would simply be construed to mean that it creates these in addition to those. So I should like to strike out the words "in addition to the provisions of existing law."

The PRESIDING OFFICER. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. WEEKS. Mr. President, I want to offer an amendment to that section, which I suppose is in order as long as it is a committee amendment.

Mr. SWANSON. Yes; it is in order.

The PRESIDING OFFICER. The Senator from Massachusetts offers an amendment to the amendment of the committee, which will be stated.

The SECRETARY. After the word "act," in line 14, page 14, it is proposed to insert the following proviso:

Provided, That the selection under the provisions of this section shall be made from the grades of rear admiral or captain on the active list of the Navy.

Mr. SWANSON. Mr. President, I may take that into conference. It simply extends the selection of these officers to the position of captain. It is limited now to rear admirals.

Mr. WEEKS. Mr. President, I am not willing that the Senator shall say that he will "take that into conference" in that tone.

Mr. SWANSON. I did not mean any particular tone. I simply meant that I had no objection to it. I do not know; I might not antagonize it, but I felt that I am not prepared to say now whether it would be wise or not. It would introduce a great deal of friction to take admirals from captains and not simply from the grade of rear admiral. Under this bill we will have about 30 to select from, and I have not given the matter sufficient consideration to say whether the admirals ought to be selected from the grade of captain or not. Under the present law the selection is limited to rear admirals. I will ask the Senator if that is not the substance of his amendment?

Mr. WEEKS. Mr. President, the substance of my amendment is that it limits the President's selection to the grades of rear admiral and captain. As the amendment proposed by the committee reads, there is no limitation. He could appoint a rear admiral from the grade of commander if he wished, or lieutenant, or ensign.

Mr. SWANSON. That was left out here. It was intended to say "rear admiral."

Mr. WEEKS. That you do in time of peace, but not in time of war. I am not sure that you ought to in time of war, but I think in making the selection the President may well be limited to the grades of rear admiral and captain.

Mr. SWANSON. In time of war, I understand one of the sections of this bill that we did not repeal gives the President authority to name almost any man as commander of a fleet, and he must be respected and obeyed as such, except that the designation would not give him the pay.

Mr. WEEKS. Mr. President, I do not think there has ever been in the history of the Navy a case where a man has been given command of a fleet who did not have the rank of a captain; and I think, without any disparagement to anyone, we can limit the grades from which the selections are made to those of rear admiral and captain, which will cover at least 75 officers. If we can not get competent men to command the fleets from that large number, the Navy is certainly in bad condition.

Mr. SWANSON. I have no objection to the amendment being adopted. I will consider it.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was concluded.

Mr. SWANSON. Mr. President, I offer as a committee amendment, to be known as section 19, the matter which I send to the desk.

The PRESIDING OFFICER. The Senator from Virginia offers an amendment, which will be stated.

The SECRETARY. It is proposed to add, at the end of the bill, a new section, as follows:

SEC. 19. That section 44 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended by an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1918, and for other purposes," approved March 4, 1917, be, and is hereby, amended by adding the following to said section:

"*Provided*, That offenses hereunder committed within the Canal Zone or within any defensive sea arena which the President is authorized to establish by said section, shall be cognizable in the District Court of the Canal Zone, and jurisdiction is hereby conferred upon said court to hear and determine all such cases arising under said section and to impose the penalties therein provided for the violation of any of the provisions of said section."

The amendment was agreed to.

Mr. SWANSON. I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Virginia offers an amendment, which will be stated.

The SECRETARY. It is proposed to insert the following as an additional section:

SEC. 20. That hereafter all laws relating to the examination of officers of the Navy for promotion shall be construed to apply to the regular advancement of staff officers to higher ranks on the active list the same as though such advancements in rank were promotions to higher grades: *Provided*, That examinations for such staff officers shall not be required except for such regular advancements in rank.

The amendment was agreed to.

Mr. SWANSON. Now, I have one more.

The PRESIDING OFFICER. The Senator from Virginia offers a further amendment, which will be stated.

The SECRETARY. It is proposed to add, at the end of the bill, a new section, as follows:

SEC. 21. That during the continuance of the present war an extra allowance of 1 ounce of coffee or cocoa, 2 ounces of sugar, 4 ounces of hard bread or its equivalent, and 4 ounces of preserved meat or its equivalent shall be allowed to enlisted men of the deck force when standing night watches between 8 o'clock p. m. and 8 o'clock a. m.

The amendment was agreed to.

Mr. KENYON. Mr. President, I offer an amendment in the shape of a new section at the end of the bill, which I ask the Senator from Virginia if he will accept.

The PRESIDING OFFICER. The Senator from Iowa offers an amendment, which will be stated.

The SECRETARY. It is proposed to add, at the end of the bill, a new section, which will be section 22, as follows:

That the provisions of section 114 of an act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909 (35 Stat., 1109), shall not apply during the present war with Germany to enrollments by Members of Congress in the Navy, including the Marine Corps and Naval Reserve Force.

Mr. KENYON. Mr. President, perhaps I had better explain this; and I ask to have inserted as a part of my remarks section 114, to which I refer.

The PRESIDING OFFICER. Without objection, that order will be made.

The section referred to is as follows:

SEC. 114. Whoever, being elected or appointed a Member of or Delegate to Congress, or a Resident Commissioner, shall, after his election or appointment and either before or after he has qualified, and during his continuance in office, directly or indirectly, himself, or by any other person in trust for him, or for his use or benefit, or on his account, undertake, execute, hold, or enjoy, in whole or in part, any contract or agreement made or entered into in behalf of the United States by any officer or person authorized to make contracts on its behalf shall be fined not more than $3,000. All contracts or agreements made in violation of this section shall be void; and whenever any sum of money is advanced by the United States in consideration of any such contract or agreement it shall forthwith be repaid; and in case of failure or refusal to repay the same when demanded by the proper officer of the department under whose authority such contract or agreement shall have been made or entered into suit shall at once be brought against the person so failing or refusing and his sureties for the recovery of the money so advanced.

Mr. KENYON. Mr. President, I will simply say that that amendment would permit Members of Congress to enlist as seamen in the Navy. Section 114 or the act of March 4, 1909, which prevents any contract being made between a Member of Congress and the Government in any way has been construed by the Judge Advocate General of the Navy to prevent any enlistment of a Member of Congress, because enlistment is a contract. This would not affect the situation as to officers, because under the Constitution no Member of Congress could be an officer without the vacation of his seat. That is the purpose of the amendment. I will not comment on the decision of the Judge Advocate General.

Mr. SWANSON. Mr. President, I accept that amendment, and think it ought to be adopted. Members of Congress who desire to serve in the Navy should be permitted to do so, and I take pleasure in accepting the amendment, so far as I am authorized to do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KELLOGG. I should like to ask the acting chairman of the committee, in reference to the last amendment he offered, if it is necessary for Congress to legislate in detail upon the amount of food furnished to enlisted men in the Navy?

Mr. SWANSON. I will say to the Senator that there is fixed specifically what shall be the food of an enlisted man in the Army and Navy. There is given a discretion that one kind of food can be substituted for another, but to prevent great extravagance, and with the high price of food in all parts of the world, there is a specific allowance of food for enlisted men. This enables the night watchmen to get it.

Mr. KELLOGG. Then every detail down to the number of buttons upon the uniform I suppose is regulated by Congress.

Mr. SWANSON. We try to regulate it so that there will not be any extravagance.

Mr. LODGE. It is done by regulations of the Navy Department and those regulations are made a law by Congress.

Mr. KELLOGG. Congress is putting itself in the position of exercising executive power as well as legislative in all these matters apparently.

Mr. SWANSON. Very generous food is given the American Navy and the Army. The Government is very generous in that respect. There have been complaints sometimes that they were not given enough and others have complained that they were given too much. I think they have fixed a very generous food arrangement.

Mr. FLETCHER. I observe the Senator from Iowa limits the age to 35. We do not know how many Members of Congress that would include.

Mr. SWANSON. It is a temporary appointment.

Mr. WEEKS. Mr. President, I do not wish to offer an amendment, but I wish to direct the attention of the Senator from Virginia to lines 5 and 6, on page 2, and ask if that is intended to give the option to the man who enlists as to the time of his service, whether he shall serve for four years or a shorter period, or during the period of the war?

Mr. SWANSON. It was intended that he should have the option of four years or for the period of the war or for a shorter period as the President may prescribe.

Mr. WEEKS. Is it not possible that the men who are being taken into the service now are being taken into the service on account of the war, and if they enlist for a longer period than the war may last would we not have on our hands a much greater number of men than we would naturally need in the Naval Service after the war is over?

Mr. SWANSON. There might be, though the Senator will remember that one-fourth of the enlisted men go out every year, and we are anxious to have a reenlistment of the men whose terms expire.

Mr. WEEKS. I understood that the President had authorized the recruiting officers to enlist for the war, and that would be naturally the period for a man to serve. I do not care to offer an amendment, only I suggest the possibility that we might have 25,000 men serving for a year when we would not need their services.

Mr. SWANSON. It is considered now that the enlistments are for the period of the war, and consequently for four years or a shorter period, as the emergency may arise; but the committee thought it better to give an opportunity to enlist in this way, giving the choice. It is satisfied there will not be a very great surplus in time of peace.

Mr. FLETCHER. It seems to me that the point raised by the Senator from Massachusetts [Mr. WEEKS] is rather an important one. I should think if the language was for one year or for the period of the war the enlistments would be made for the period of the war, and then if the war terminated inside of one year they would have served their term of enlistment; but if the war terminated inside the period of four years these men would have to serve for four years under that provision. As I understand the construction of the language, the department can hold a man to have enlisted for the period of the war no matter whether his enlistment was for 6 months or 12 months or for the period of the war or whether it was for a longer time. Under this language he would have to serve four years.

Mr. LODGE. I wish to suggest to the Senator from Virginia that there seems to be something in the point the Senator from Florida is making. As the wording is now the President may prescribe a shorter period of enlistment than four years. I think it is intended to allow the President to prescribe the period. I think we ought to word it "for four years or for the period of the war or for such other shorter period or periods as the President may prescribe."

Mr. WEEKS. How could any harm come from the provision if the limitation were made for the duration of the war? That is the period for which we are enlisting these men.

Mr. LODGE. We have enlisted men for the usual term of four years up to 87,000. We are acting under the law as it exists, and those men have enlisted for four years. Now, above that as we are passing the bill it will go up to 150,000, and they are enlisting for the period of the war, and that is prescribed by the department. I think it ought to have the power to prescribe it. It seems to me this does not leave it to the President to prescribe the term. I agree with my colleague.

Mr. FLETCHER. I think, beyond any doubt, if the language remains as it is the men enlisted will have to serve for four years no matter whether the war ends in 6 months or 12 months.

Mr. LODGE. I do not think so.

Mr. SWANSON. If the Senator will permit me, the House has it a little different:

That enlistments in the Navy and Marine Corps, during such time as the United States may be at war, shall be for four years or for the period of the war or for such shorter period or periods as the President may prescribe.

Through a mistake the House changed it. It ought to read:

Shall be for four years, or for such shorter period or periods as the President may prescribe, or for the period of the war.

I offer an amendment to make it conform to the memorandum I have here.

The PRESIDING OFFICER. Will the Senator kindly repeat the amendment.

The SECRETARY. Transpose the words "or for the period of the present war," and put in a comma after the word "prescribe," so that it will read:

SEC. 3. That enlistments in the Navy and Marine Corps, during such time as the United States may be at war, shall be for four years, or for such shorter period or periods as the President may prescribe, or for the period of the present war.

The amendment was agreed to.

Mr. JONES of Washington. On page 4, line 10, I move to strike out "50" and to insert "55."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 4, line 10, before the word "years," it is proposed to strike out "50" and insert "55," so as to read:

Provided, That in making appointments authorized herein the maximum age limit shall be 55 years for commissioned warrant officers—

And so forth.

Mr. SWANSON. I hope the Senator will not insist on that. The Navy Department recommended 40 and then went to 45, and we put it at 50. It seems to me if a man is a lieutenant commander, a junior lieutenant, or a major coming from the outside we ought not to have the limit above 50.

Mr. JONES of Washington. Does not this age also cover that of enlisted men?

Mr. SWANSON. No.

Mr. JONES of Washington. What is the age limit for enlisted men? I read it hurriedly.

Mr. SWANSON. I think 35 years for active service in the Navy. This only covers officers.

Mr. JONES of Washington. The bill now only covers officers?

Mr. SWANSON. It only covers temporary officers.

Mr. JONES of Washington. So the amendment we have put on simply provides for Members of Congress when they become officers?

Mr. SWANSON. No; it provides for them as individuals, as enlisted men, not officers.

Mr. JONES of Washington. I heard the Senator say that the age limit was 50 years for enlisted men when some one suggested that it ought to go to 35

Mr. SWANSON. No; for temporary officers. We are allowed to appoint temporary officers to the enlisted strength, from 93,000 to 150,000. They can not appoint them beyond the age limit of 50 years.

Mr. JONES of Washington. What age will the amendment which was adopted cover?

Mr. SWANSON. I think the requirement for the Navy is 35 years.

Mr. JONES of Washington. In other words, it will only apply to Members of Congress under 35 years of age?

Mr. SWANSON. I think so.

Mr. JONES of Washington. That is the age limit I want to increase.

Mr. SWANSON. The Senator can offer an amendment to the amendment offered by the Senator from Iowa and fix any age limit he pleases.

Mr. JONES of Washington. I should like to offer that amendment to the amendment.

Mr. SWANSON. I hope the Senator will withdraw the one he first proposed.

Mr. JONES of Washington. Very well; because it did not cover what I thought it did from the remark the Senator made a while ago. I move a reconsideration of the vote by which the amendment of the Senator from Iowa [Mr. KENYON] was agreed to.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Iowa will be reconsidered. The Senator from Washington offers an amendment, which will be stated.

Mr. JONES of Washington. I move to add the following proviso:

Provided, That the maximum age limit under the foregoing provision shall be 60 years.

Mr. NORRIS. Will not the Senator provide that there shall be no age limit for Members of Congress? It is not a conscription; it is all voluntary.

Mr. JONES of Washington. I offer the amendment as I proposed it.

Mr. NORRIS. It is partiality to shut out men at 60 who might like to get in.

Mr. SWANSON. It is entirely voluntary. The Navy has no conscription.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. Add at the end of the amendment offered by the Senator from Iowa [Mr. KENYON] the following proviso:

Provided, That the maximum age limit under the foregoing provision shall be 60 years instead of that now provided by law.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McCUMBER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Dakota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hale	McKellar	Smith, Mich.
Broussard	Hardwick	McLean	Smith, S. C.
Calder	Hollis	Martin	Smoot
Chamberlain	Johnson, Cal.	Myers	Sterling
Culberson	Jones, Wash.	New	Sutherland
Curtis	Kellogg	Norris	Swanson
Fernald	Kendrick	Page	Thomas
Fletcher	Kenyon	Pittman	Townsend
France	Kirby	Poindexter	Trammell
Frelinghuysen	Knox	Shafroth	Underwood
Gallinger	Lewis	Sheppard	Vardaman
Gerry	Lodge	Smith, Ariz.	Warren
Gore	McCumber	Smith, Md.	Wolcott

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness.

Mr. THOMAS. The Senator from New Mexico [Mr. JONES] and the Senator from North Carolina [Mr. SIMMONS] are unavoidably absent on official business.

Mr. LEWIS. I beg to announce that the Senator from Kentucky [Mr. BECKHAM], the Senator from Wisconsin [Mr. HUSTING], the Senator from Arkansas [Mr. ROBINSON], and the Senator from Kansas [Mr. THOMPSON] are detained on official business of the Senate.

Mr. WOLCOTT. My colleague [Mr. SAULSBURY] desired me to announce that he is absent on official business.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. There is a quorum of the Senate present.

Mr. KELLOGG. Mr. President——

Mr. McCUMBER. I yield to the Senator from Minnesota.

Mr. KELLOGG. I should like to ask the Senator from North Dakota his construction of the next to the last paragraph of his amendment, which reads as follows——

The PRESIDING OFFICER. The amendment of the Senator from North Dakota has not yet been presented.

Mr. KELLOGG. I beg pardon.

Mr. McCUMBER. Nevertheless the Senator can ask the question.

The PRESIDING OFFICER. The amendment had better be reported.

Mr. McCUMBER. Mr. President, before offering the amendment, I wish to call attention to the fact that we have now a Bureau of Construction and Repair in the Navy Department, the chief of which is Chief Constructor David W. Taylor, and the assistant is Naval Constructor Robert Stocker, United States Navy. In formulating this amendment I have taken care to include every member of this board, so that while it gives the board a designation it nevertheless is but an addition to the membership in a certain bureau during the war. I offer the following amendment as section 3½, between lines 6 and 7, on page 2.

The PRESIDING OFFICER. The Secretary will report the amendment.

The SECRETARY. On page 2, after line 6, insert a new section in the bill, to be known as section 3½, as follows:

SEC. 3½. There is hereby created in the Department of the Navy a board which shall be known and designated as the "board of merchant shipping defenses." Said board shall consist of the Chief Constructor of the Bureau of Construction and Repair of the Navy Department, the naval constructor of such bureau, the Commissioner of Patents, and the following other persons, to be appointed by the President, by and with the advice and consent of the Senate, to wit: One of the highest recognized skill and experience in the construction of merchant ships; one with the highest recognized skill and experience in the navigation of such vessels; and two with the highest recognized skill, experience, and knowledge of mechanical devices used in the great steel manufacturing plants of the country. The chief of construction shall be the chairman of said board

Each member of said board shall receive a salary of $5,000 per year and reasonable expenses while employed in the duties of said board: *Provided*, That officials receiving salaries from the Government shall not have their salaries diminished by reason of services on said board.

The duty of said board and the purpose of its creation is to provide for and perfect in the shortest possible time such mechanical device or devices as can be successfully used and employed upon a merchant ship while navigating the seas to check or deflect the course of a submarine torpedo and to prevent the same from coming in contact with the hull of the merchant vessel, or to explode the same before such contact, or the perfection of any other mechanical device to protect merchant vessels from destruction by submarine other than by use of defense guns.

The said board, immediately upon its organization, shall advertise for suggestions from mechanics, inventors and others, and shall examine into and pass upon the practicability or feasibility of any proposed mechanism. For the purpose of directing the inventive genius of the people of this country toward the protection of merchant shipping against the menace and enormous devastation of submarine torpedoes the sum of $1,000,000 is hereby appropriated as a reward to any person or persons who shall succeed in inventing or producing any mechanism that will accomplish the purpose aforesaid, said sum to be divided among those who have furnished material assistance in the perfecting of any such mechanism in accordance with the degree of services rendered by him or them and to be apportioned by said board.

The said board shall furnish all reasonable assistance and opportunities for testing such proposed means and appliances for accomplishing this end.

Mr. McCUMBER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KELLOGG. Mr. President, let me ask the Senator from North Dakota a question relating to the next to the last paragraph. It reads:

For the purpose of directing the inventive genius of the people of this country toward the protection of merchant shipping against the menace and enormous devastation of submarine torpedoes the sum of $1,000,000 is hereby appropriated as a reward to any person or persons who shall succeed in inventing or producing any mechanism that will accomplish the purpose aforesaid, said sum to be divided among those who have furnished material assistance in the perfecting of any such mechanism in accordance with the degree of services rendered by him or them and to be apportioned by said board.

Do I understand that the board has no discretion, but if a mechanism is discovered which accomplishes the purpose the $1,000,000 must be paid?

Mr. McCUMBER. If any person or number of persons, though they be 100, should succeed, either working together in their efforts or on suggestions from many different sources, should result in securing any mechanism that would protect our ships, then it would be divided according to the efforts or the service that had been rendered.

Mr. KELLOGG. That is not the question. The question is if one man, we will say, produces a discovery, or accomplishes the purposes aforesaid, he must be paid the million dollars, or can he be paid a hundred thousand or two hundred thousand dollars?

Mr. McCUMBER. No; he must be paid the million dollars.

Mr. KELLOGG. Do you in the amendment clearly give the board the power to decide whether the invention has accomplished the purpose?

Mr. McCUMBER. Certainly.

Mr. KELLOGG. Whereabouts?

Mr. McCUMBER. The million dollars can only be awarded in case the invention has accomplished the purpose.

Mr. KELLOGG. I know; but who decides whether it has accomplished the purpose?

Mr. McCUMBER. The board.

Mr. KELLOGG. Where does it say the board shall have the decision?

Mr. McCUMBER. It says, "The board immediately upon its organization," and then proceeds—

to be divided among those who have furnished material assistance in the perfecting of any such mechanism in accordance with the degree of services rendered by him or them and to be apportioned by said board.

If they did not perfect a mechanism that accomplishes the result, there would be nothing to be paid.

Mr. KELLOGG. That is quite true; but I want to find out whether the amendment clearly leaves it to the board to say whether any mechanism has been perfected that will accomplish the object or whether none has been perfected.

Mr. McCUMBER. That is my construction.

Mr. KELLOGG. That is what I wished to know.

Mr. SUTHERLAND. In line 21 the amendment states that the board "shall examine into and pass upon the practicability or feasibility of any proposed mechanism." Does not that answer the question of the Senator from Minnesota?

Mr. KELLOGG. That is rather doubtful.

Mr. McCUMBER. I think not, because by that it was intended simply that they should pass upon the question of the feasibility of a proposed mechanism. There would be so many devices proposed that they could tell in a moment by an examination that some would not be practicable. They would select those which were practicable or feasible and then give an opportunity to try out those which they deemed to be of sufficient merit to warrant their trial.

Mr. KNOX. Mr. President——

Mr. McCUMBER. I yield to the Senator.

Mr. KNOX. I should like to ask the Senator a question. Is it contemplated by the clause to which the Senator from Minnesota has just referred that the board shall actually adopt the device before the award can be distributed?

Mr. McCUMBER. I suppose they will have to demonstrate it beyond any question, and then I assume naturally the Government would adopt it if they demonstrate that it is feasible.

Mr. KNOX. I think it is perfectly clear that they have the power to pass upon the practicability and feasibility of the proposed mechanism. Suppose they do, as a matter of fact, say that it is feasible and practicable but for some reason or other it is not adopted; say, the war should come to a conclusion before it could be put in operation, before the board could pass upon it, what is the Senator's idea, then, about the distribution of the award?

Mr. McCUMBER. The proposed board is to determine the merits of any device, and when they have determined that a device is practicable and will accomplish the result desired, then the person who has invented it should be entitled to his remuneration, whether the war continues or not.

Mr. KNOX. That is what I want to get at.

Mr. McCUMBER. Even if there should be no further war, the discovery would be worth billions to us.

Mr. KNOX. Then, I desire to ask another question of the Senator. There is a proviso in connection with the salary provision that officials receiving salaries from the Government shall not have their salaries diminished by reason of service on the board. Is it contemplated that their salaries may be increased?

Mr. McCUMBER. No, Mr. President, it is not; but it contemplates if any member on this board is receiving less than that salary now that his salary will be increased because of the performance of this added work.

Mr. KNOX. I think it is rather doubtful whether the amendment will bear that construction.

Mr. McCUMBER. If there were a possibility that it would not bear that construction, at least they will be getting the salary which they are now receiving; and I thought that that was sufficient.

Mr. KIRBY. Mr. President——

Mr. McCUMBER. I yield to the Senator from Arkansas.

Mr. KIRBY. The amendment contemplates, as I understand, that the experiments shall be conducted at the Government expense?

Mr. McCUMBER. It does.

Mr. KIRBY. And that the board shall then be paid in addition to that expense. Is that what the amendment contemplates?

Mr. McCUMBER. That is correct.

Mr. KELLOGG. Mr. President——

Mr. McCUMBER. I yield to the Senator from Minnesota.

Mr. KELLOGG. On page 3, line 4, if the Senator would add the words which I am going to suggest, I think the amendment would clearly give the board the power to pass upon the question whether the object has been accomplished. I suggest, on page 3, line 4, after the word "accomplish," to insert "in the judgment of said board."

Mr. McCUMBER. There is no question but that that would make it more certain, and I accept that modification of my amendment, although I think that it is certain the way the amendment now reads.

The PRESIDING OFFICER. Without objection, the amendment to the amendment will be agreed to. The question is on the amendment as amended.

Mr. McCUMBER. Mr. President, I wish merely to say a word. More than a year ago I prophesied in an address upon the floor of the Senate the disasters which have overtaken the merchant marine of the world. I tried at that time to secure the attention of Congress and the attention of the administration to its duty, if possible, to meet the situation by directing its efforts toward protecting our ships against the submarine. Little or no attention was paid to the appeal at that time. Since that time, however, we have realized the full devastation wrought by the submarine. My prophecy at that time has been more than fulfilled. Had we then given the subject the proper consideration, I am quite certain that by this time we should have been able to meet the torpedo question. I think the fact that thousands of ships have gone down to the bottom of the sea, that thousands of lives have been lost, and that cargoes of enormous value have been sunk has been due to the negligence of the great world powers in not exerting their efforts along this particular line; and I want to prophesy again that unless we do something—unless we shall be able to accomplish something along this line—the devastation and destruction during the next six months will be so horrible that we shall only mention them with bated breath. I want to put myself on record by a yea-and-nay vote as voting at least for an attempt to accomplish the result of meeting the great emergency created by the torpedo.

Mr. STERLING. Mr. President, I desire to suggest to the Senator from North Dakota an amendment which will make the matter of payment of the reward a little more clear. I would suggest that after the word "be," in line 4, on page 3, there be inserted the words "paid on approval of such mechanism by said board and to be," so that it will read:

Any mechanism that will accomplish the purpose aforesaid, said sum to be paid on approval of such mechanism by said board and to be divided—

And so forth.

Mr. McCUMBER. I will accept that suggestion, although I do not think it is necessary.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to. The question now is

upon the amendment as amended, upon which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. SMITH of Maryland (when his name was called). In the absence of the Senator from Vermont [Mr. DILLINGHAM], I transfer my pair with that Senator to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. SMITH of Michigan (when his name was called). I am paired with the junior Senator from Missouri [Mr. REED].

Mr. STERLING (when his name was called). I am paired with the Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote.

Mr. TOWNSEND (when his name was called). I have a pair for the afternoon with the senior Senator from Arkansas [Mr. ROBINSON]. Unless I can get a transfer I shall withhold my vote. If permitted to vote, I should vote "yea."

Mr. VARDAMAN (when his name was called). I inquire whether the junior Senator from Idaho [Mr. BRADY] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. VARDAMAN. I have a general pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. WOLCOTT. I desire to announce the absence of my colleague [Mr. SAULSBURY] on official business.

Mr. CURTIS. I have a general pair with the Senator from Georgia [Mr. HARDWICK], and therefore withhold my vote.

Mr. SUTHERLAND. I have a general pair with the junior Senator from Kentucky [Mr. BECKHAM]. In his absence I withhold my vote. If permitted to vote, I should vote "yea."

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Montana [Mr. WALSH] and vote "nay."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Louisiana [Mr. RANSDELL];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Massachusetts [Mr. WEEKS] with the Senator from Kentucky [Mr. JAMES]; and

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN].

Mr. VARDAMAN. I transfer my pair with the junior Senator from Idaho [Mr. BRADY] to the Senator from Kansas [Mr. THOMPSON] and vote "nay."

Mr. LEWIS. I again wish to announce the necessary absence on official business of the senior Senator from Arkansas [Mr. ROBINSON], the junior Senator from Wisconsin [Mr. HUSTING], the junior Senator from Kentucky [Mr. BECKHAM], and the senior Senator from Kansas [Mr. THOMPSON].

Mr. TOWNSEND. I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the senior Senator from Iowa [Mr. CUMMINS] and vote "yea."

The result was announced—yeas 24, nays 36, as follows:

YEAS—24.

Borah	Harding	Kirby	Norris
Calder	Johnson, Cal.	Knox	Penrose
Culberson	Jones, Wash.	La Follette	Poindexter
France	Kellogg	McCumber	Thomas
Frelinghuysen	Kendrick	McLean	Townsend
Gore	Kenyon	New	Watson

NAYS—36.

Bankhead	Jones, N. Mex.	Pomerene	Smoot
Broussard	Lewis	Reed	Stone
Chamberlain	Lodge	Shafroth	Swanson
Fletcher	McKellar	Sheppard	Trammell
Gallinger	Martin	Sherman	Underwood
Gerry	Myers	Simmons	Vardaman
Hale	Nelson	Smith, Ariz.	Wadsworth
Hitchcock	Page	Smith, Ga.	Williams
Hollis	Pittman	Smith, Md.	Wolcott

NOT VOTING—36.

Ashurst	Fernald	Lane	Smith, Mich.
Beckham	Goff	Newlands	Smith, S. C.
Brady	Gronna	Overman	Sterling
Brandegee	Hardwick	Owen	Sutherland
Colt	Hughes	Phelan	Thompson
Cummins	Husting	Ransdell	Tillman
Curtis	James	Robinson	Walsh
Dillingham	Johnson, S. Dak.	Saulsbury	Warren
Fall	King	Shields	Weeks

So Mr. MCCUMBER's amendment as amended was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SWANSON. I move that the Senate request a conference with the House of Representatives on the bill and amendments and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and Mr. SWANSON, Mr. SMITH of Maryland, and Mr. LODGE were appointed conferees on the part of the Senate.

ENLISTMENT OF ALIENS IN THE NAVAL RESERVE FORCE.

Mr. SWANSON. I move that the Senate proceed to the consideration of the bill (H. R. 2337) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2337) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force.

The Secretary read the bill, as follows:

Be it enacted, etc., That the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916, be, and the same is hereby, amended by adding after the proviso under the heading "Naval Reserve Force," which reads as follows: "*Provided*, That citizens of the insular possessions of the United States may enroll in the Naval Auxiliary Reserve," a further proviso, as follows: *Provided further*, That such persons who are not citizens of the United States, but who have or shall have declared their intention to become citizens of the United States, and who are citizens of countries which are at peace with the United States, may enroll in the Naval Reserve Force subject to the condition that they may be discharged from such enrollment at any time within the discretion of the Secretary of the Navy, and such persons who may, under existing law, become citizens of the United States, and who render honorable service in the Naval Reserve Force in time of war for a period of not less than one year may become citizens of the United States without proof of residence on shore and without further requirement than proof of good moral character and certificate from the Secretary of the Navy that such honorable service was actually rendered.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CONSERVATION OF FOOD.

Mr. GORE. Mr. President, I move that the Senate now proceed to the consideration of Order of Business 43, being Senate bill 2263.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. GORE. I now ask unanimous consent that the first reading of the bill be dispensed with.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. LODGE. Mr. President, this is a very important bill. I should like to ask the Senator from Oklahoma if he intends to go on with the bill to-night?

Mr. GORE. I desire to state that my purpose is to yield for a few minutes to the Senator from Colorado [Mr. SHAFROTH].

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. GORE. I do.

Mr. SHAFROTH. I ask unanimous consent for the consideration of Senate bill 1811, which is entitled "A bill providing for the counting of service in the Army and Navy of the United States as equivalent to residence and cultivation upon homestead entries, and in the event of the soldier's death in such service providing for the issuance of patent for such land to his widow or minor children."

The PRESIDING OFFICER. The Chair thinks the bill now under consideration should be first temporarily laid aside.

Mr. GORE. I ask unanimous consent to temporarily lay aside that bill.

The PRESIDING OFFICER. Without objection, that order will be made.

RELIEF OF HOMESTEADERS.

Mr. SHAFROTH. I now renew my motion.

The PRESIDING OFFICER. The Senator from Colorado asks unanimous consent for the present consideration of the bill (S. 1811) providing for the counting of service in the Army or Navy of the United States as equivalent to residence and cultivation upon homestead entries, and in the event of the soldier's

death in such service providing for the issuance of patent for such land to his widow or minor children. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That in every case in which a settler on the public land of the United States under the homestead laws enlists or is actually engaged in the military or naval service of the United States as private soldier, officer, seaman, marine, National Guardsman, or member of any other organization for offense or defense authorized by Congress during the existing war with Germany, or during any other war in which the United States may be engaged, his services therein shall, in the administration of the homestead laws, be construed to be equivalent to all intents and purposes to residence and cultivation for the same length of time upon the tract entered or settled upon; and hereafter no contest shall be initiated on the ground of abandonment, nor allegation of abandonment sustained against any such settler, unless it shall be alleged in the preliminary affidavit or affidavits of contest and proved at the hearing in cases hereafter initiated that the settler's alleged absence from the land was not due to his employment in such service; that if such settler shall be discharged on account of wounds received or disability incurred in the line of duty, then the term of his enlistment shall be deducted from the required length of residence without reference to the time of actual service.

SEC. 2. That in every case in which a settler on the public lands of the United States, under the homestead laws, dies while actually engaged in the military or naval service of the United States as private soldier, officer, seaman, marine, National Guardsman, or member of any other organization for offense or defense authorized by Congress during the existing war with Germany, or during any other war in which the United States may be engaged, his widow, if unmarried, or in case of her death or marriage, then his minor orphan children, or his or their legal representatives, may proceed forthwith to make final proof upon the land so entered and held by the deceased soldier and settler, and shall be entitled to receive Government patent for such land; and that the death of such soldier while so engaged in the service of the United States shall, in the administration of the homestead laws, be construed to be equivalent to a performance of all requirements as to residence and cultivation upon such homestead.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CONSERVATION OF FOOD.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes.

Mr. GORE. Mr. President, in this bill there are one or two clerical errors which I desire first to have corrected.

On page 3, line 1, the word "agreement" should be "arrangement." I ask unanimous consent that that change be made.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 3, line 1, it is proposed to strike out the word "agreement" and to insert in lieu thereof the word "arrangement."

The amendment was agreed to.

Mr. GORE. At the end of line 1, page 3, the word "any" should be "an."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of the line, it is proposed to strike out the word "any" and to insert in lieu thereof the word "an."

The amendment was agreed to.

Mr. GORE. There are two or three committee amendments that I wish to have considered at this time.

The PRESIDING OFFICER. The bill will be read for the consideration of committee amendments. The bill has not been read as yet.

Mr. STERLING. Mr. President, do I understand from the Chair that only the amendments will now be read?

The PRESIDING OFFICER. No; the bill will be read first for committee amendments.

The Secretary proceeded to read the bill.

The first amendment of the Committee on Agriculture and Forestry was, in section 3, page 2, line 23, after the word "person," to strike out the words "to commit or permit preventable waste or deterioration of any necessaries," and the comma, so as to read:

SEC. 3. That it is hereby made unlawful for any person to hoard, or to hold, or enter into any contract or arrangement for any necessaries in excess of an amount reasonably needed to supply his individual or business requirements for a reasonable time.

The amendment was agreed to.

The reading of the bill was resumed and continued to line 18, page 5.

Mr. LODGE. Mr. President, we have reached an amendment there. I think this bill is too important to be considered at this hour with a thin Senate, and I think we ought to have a quorum, at all events. I make the point of no quorum.

Mr. GORE. I wish to say to the Senator that I hope he will allow the bill to be read.

Mr. LODGE. I think this is too important a bill to be put through and the committee amendments disposed of at this hour.

Mr. KENYON. Mr. President, I will ask the Senator from Massachusetts if there are not more Senators here now than there have been at any time to-day?

The PRESIDING OFFICER. The point of no quorum has been made. The roll will be called.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Jones, Wash.	New	Sterling
Broussard	Kellogg	Norris	Sutherland
Calder	Kendrick	Page	Thompson
Chamberlain	Kenyon	Pittman	Trammell
Fernald	Knox	Poindexter	Wadsworth
France	Lodge	Shafroth	Warren
Gallinger	McKellar	Sheppard	Weeks
Gore	McLean	Smith, Ga.	Williams
Gronna	Martin	Smith, Mich.	
Harding	Myers	Smith, S. C.	
Johnson, Cal.	Nelson	Smoot	

The PRESIDING OFFICER. Forty-one Senators have answered to their names—not a quorum. The Secretary will call the names of the absentees.

The Secretary called the names of absent Senators, and Mr. FLETCHER, Mr. KIRBY, Mr. POMERENE, and Mr. SIMMONS answered to their names when called.

Mr. STONE, Mr. JONES of New Mexico, Mr. PENROSE, Mr. THOMAS, Mr. LA FOLLETTE, Mr. LEWIS, Mr. SWANSON, Mr. CURTIS, and Mr. FALL entered the Chamber and answered to their names.

Mr. LEWIS. I desire to announce the absence of Senators BECKHAM, ROBINSON, and HUSTING, who are detained from the Senate on official business.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. There is a quorum present. The question is upon the amendment submitted by the committee, which will be stated.

The SECRETARY. On page 5, line 18, after the word "standard," it is proposed to insert a colon and the following words: "*Provided*, That such requirements and regulations shall not apply to highly perishable fruits and vegetables," so as to read:

Whenever any standard for a receptacle becomes effective under this section no person thereafter shall pack for sale, offer for sale, consign for sale, or sell, in a receptacle, any commodity to which such standard for a receptacle is applicable, unless the receptacle conform to the standard, subject to reasonable variations therefrom permitted in the regulations of the Secretary of Agriculture, or unless the receptacle be so different in form, shape, and capacity as upon ordinary observation clearly to be distinguishable from the standard: *Provided*, That such requirements and regulations shall not apply to highly perishable fruits and vegetables.

The amendment was agreed to.

Mr. GORE. Mr. President, I assume that the pending bill will evoke more or less discussion, but I have no disposition to request its further consideration this afternoon if Senators are not prepared to go forward with it. I wish to say, however, that yielding only to more urgent legislation, if such there be, I shall insist upon the consideration of this measure until it is finally disposed of by the Senate.

I ask unanimous consent to lay aside temporarily the unfinished business.

The PRESIDING OFFICER. Without objection, that order will be made.

PERSONAL EXPLANATION.

Mr. THOMAS. Mr. President, about two weeks ago the daily press of my home city of Denver gave prominent space to a letter of Mr. Ralph W. Smith, chairman of the local branch of one of the national war leagues, which severely criticized my attitude concerning the pending Army bill. When apprised of this, I prepared a reply to Mr. Smith's aspersions, copies of which I mailed to the managers or proprietors of these papers, requesting their publication, that my constituents, in justice to myself, be apprised of my side of the question.

With the single exception of the Evening Express, a Scripps paper, these journals have ignored my request completely. They have neither published my letter, made any reference to it, nor apprised me of its receipt, a course the injustice of which is too obviously manifest to require comment.

Because of this treatment, I am driven to the necessity of reaching my constituency upon this subject through the columns of the CONGRESSIONAL RECORD. I shall therefore beg the indulgence of Senators and trespass upon their time long enough to read my letter to the public.

MAY 5, 1917.

RALPH W. SMITH, Esq.,
Chairman, etc., Denver, Colo.

DEAR SIR: I am in receipt of what the Morning News calls your "scathing reply" to my letter to you of April 23, in which you inform the public and myself, among other things, that you were instructed

by your committee to say that the tenor of my letter was not unexpected. Had you announced that you had been instructed to sign a letter carefully prepared for that purpose you might have escaped some of the responsibility for its recitals.

In giving the public the benefit of our correspondence, why did you omit the telegram which begun it? Was it because you were "instructed" to omit it or did you possess the wit to perceive that its omission was essential to the stale charge of sophistry to which little minds always resort when trying their hands at public discussion?

On April 20 your committee wired me to "give unhesitating and ungrudging support to every measure demanded by the President; also to vote on every occasion in favor of the President's policy relative to the prosecution of the war." Not one measure, but every measure; not one occasion, but every occasion. This language is perfectly plain and comprehends a series of measures beginning with the war declaration of April 5 and ending the Lord only knows where. Collectively they constitute the President's policy.

At the time of its receipt the Senate was considering one of these measures, popularly called the espionage bill. The conscription bill, another of them, had not then been taken from the calendar. Naturally, in my answer, I directed your attention to the pending measure which your telegram covered as fully as the others, telling you why I could not support it as it stood and also informing you that I should give my reasons publicly for every vote I might have "to cast against pending measures"; so that my constituency would know what they were, whether they approved or not, and that I would exercise my powers of independent judgment in determining what to do. I assumed that you knew the tenor of your own telegram and would, therefore, understand the relevancy of my reply; but upon reading your letter, I perceive that I very greatly overrated your intelligence. Perhaps I should have known better.

I am accused of resorting to unworthy tactics to excuse my failure to support the President in a matter of military policy because I refer "to a bill on a wholly different subject"; that it is not "the measure which it (the committee) urged me to support"; and that "the committee can not be diverted from the issue by such sophistry." The effort at diversion with which you charge me finds its sole support upon a perversion of your own. To convict me of the serious offense of sophistry you falsify your own telegram by confining it to a single measure. Be it so, sophism is immeasurably preferable to the low cunning which fabricates a record to support a charge. Your committee is composed for the most part of sensible and experienced business men, who, I am sure, would stoop to no such conduct. Why they should select you for their chairman is comprehensible only upon the theory that you organized it by a petition in which you named yourself for the place. I have heard of men who, in a spirit of thoughtless accommodation, signed a petition asking for their own execution; perhaps some of them still survive and live in Denver.

Having "diverted" yourself from your telegram by altering its language and confining its scope to "a matter of military policy," you misconstrue my letter to suit your purpose and then become "inexpressibly amazed by my charge that the President is ignorant of vitally important features of the measure which you urged me to support, and I insinuate that the President is but little better informed than the committee." In this you take that liberty with my letter which you have exercised with your own telegram. I protest against it. You may mutilate your own record to your heart's content. Mine must remain inviolate.

I have not said that the President was ignorant of the vital features of any measure. With them, he is, of course, familiar. Even you probably know that the "vital features" of the recent draft bill is conscription. I said, and I repeat, that the President was probably as unfamiliar with its details as you were. It is impossible that it should be otherwise. Upon this subject Senator SMITH of Georgia, an ex-member of the Cabinet, speaking on the espionage bill, said yesterday:

"But it has been suggested that the President has approved this proposed legislation. Why, he has not, Mr. President. I have heard his letter read; and pardon me for saying that I have some knowledge of how officers of departments bring bills to the President and how he sends them to committees of Congress. It is utterly impossible for a President to study in detail and master every bill that the head of one of his departments may desire to present to Congress. Take the length of time it has required for the Judiciary Committee to study this bill. Why, the President probably read it in half an hour if he read it at all. Pardon me for saying that when I was Secretary of the Interior I submitted bills to the President of the United States and obtained letters from him, transmitting them with his commendation to the chairman of a committee of Congress, that he knew practically nothing about, and I would write the letter for him. So for Congress to accept the view that the President has mastered in detail a bill of this kind because he sends it to Congress for the consideration of a committee is utterly to misconceive the truth. It is impossible for any human being occupying the office of President, if he combined all the wisdom that has been possessed since the days of Solomon, to master in detail the various pieces of legislation presented to him."

This, I presume, you will construe as a grave reflection upon the President. How tenderly his new-found friends regard him!

A "measure" soon to be considered and "demanded by the President" proposes to raise $1,800,000,000 of additional revenue. Many taxpayers, including some members of the National Defense League, are voicing protests against it louder than the guns of the allies in France. They are anxious to draft our young men for the trenches, but they want their dollars to stay at home. This bill lays a heavy hand on life and accident insurance companies, which, I think, at this crisis should be exempt. Do you agree with me? Or shall I "ungrudgingly and unhesitatingly" accept the bill as it comes from the Treasury Department?

The espionage bill, as drawn, would completely muzzle the press and imprison you, if you thought aloud and your thoughts offended some understrapper of the War Department. Shall I swallow it whole, because the President demands it, through his Attorney General, or compel the excision of its despotic features, which I know the President will applaud?

You remind me of my former support of the President in matters "vitally affecting" the State to its disadvantage, etc. With this expression, you are evidently enamored, else you would not constantly repeat it, like Polly asking for a cracker. I voted to remove the duty on sugar, to which you refer, and long for an opportunity to again do so. My people approved my action then, as they are doing now, for they know that I stood then as now by my convictions and not yours.

I have no doubt your committee's "regret that I have placed myself on the same level with the two discredited Members of the House of Representatives" is measureless. But before they go into mourning, let me assure them, through you, that I must descend to an intellectual level infinitely below that to which they have consigned me before I reach the plane occupied by men who presume to order me to blindly support public measures of whose details they admit their ignorance. And I shall enjoy the confidence of the President, which I now possess, when the frantic zeal of his new converts shall have been extinguished in the chorus of their angry disapproval. Then, as now, I shall probably be instructed by "a committee of which you are chairman" to substitute their judgments for mine. Then, as now, I shall do so, provided they are consistent with my own, and not otherwise.

Yours, very truly,

C. S. THOMAS.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented telegrams in the nature of memorials from the Penn Grain & Feed Co., of Philadelphia, Pa.; the Milwaukee Grain & Feed Co., of Milwaukee, Wis.; the Walker-Gordon Laboratory Co., of Plainsboro, N. J.; and the Farmers' Feed Co. of New York, of New York City, N. Y., remonstrating against the prohibition of the use of grain in the manufacture of malt beverages, as the dried brewers' grain constitutes a valuable and economical food for dairy cattle, which were referred to the Committee on Agriculture and Forestry.

Mr. CURTIS. Mr. President, I have received petitions signed by 30,000 people of Kansas, asking for legislation prohibiting the use of food products in the manufacture of intoxicating liquors during the period of the war, which I present for proper reference.

The VICE PRESIDENT. The petitions will be referred to the Committee on the Judiciary.

Mr. GRONNA presented a petition of the Commercial Club of Devils Lake, N. Dak., praying for the passage of the so-called universal compulsory military training bill, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Hannaford, N. Dak., and a petition of the committee on Federal affairs of the High School of Steele, N. Dak., praying for the supervision and control of all food products and for prohibition during the period of the war, which were referred to the Committee on the Judiciary.

Mr. KNOX presented petitions of sundry citizens of the State of Pennsylvania, praying for national prohibition during the period of the war, which were referred to the Committee on the Judiciary.

Mr. SHEPPARD presented a petition of sundry citizens of Runge, Tex., praying for national prohibition during the period of the war, which was referred to the Committee on the Judiciary.

Mr. SMOOT. I have received certain joint resolutions of the Legislature of the State of Utah, petitioning Congress upon certain subject matters. I desire to present them and ask to have them printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, that order will be made.

The joint resolutions are as follows:

Senate joint resolution 9. Urging that steps be taken by Congress and the several States to call a national meeting to consider the establishment of a definite line of division between Federal and State taxes.

Whereas in the exercise of its taxing power the Federal Government is embracing the sources of revenue heretofore not availed of by that Government; and

Whereas there exists a line which separates the taxable units that equitably and logically may be left solely to State taxation from the units logically belonging to the broader Federal jurisdiction; and

Whereas the establishment of some reasonable line of division giving to the States sole taxing authority below such line and to the Federal Government sole taxing authority above such line would cure much of the trouble existing because of conflict of jurisdiction between States, would relieve the tension between Federal and State Governments, would result in great economy in the levying and collection of taxes, and would relieve the growing dissatisfaction on the part of the taxpayer resulting from irritating and expensive duplication of accounts and reports and double taxation: Now therefore be it

Resolved by the Senate and House of Representatives of the State of Utah, jointly, That we respectfully urge upon the Congress of the United States and the legislatures of the several States the need of holding a congress of the States to consider the subject of Federal and State sources of revenue, with the object of adopting and urging upon the Congress of the United States a definite policy in the segregation of State and Federal revenue; and we urge the legislatures of the other States to provide for attendance of representatives at such congress; and be it further

Resolved, That the President of the United States be invited to appoint a representative and that both Houses of the Congress of the United States be invited to appoint representatives to attend such conference; and be it further

Resolved, That the governor of the State of Utah is hereby requested to urge the governors of other States to recommend favorable action and to arrange for the time and place of such national meeting; and that the governor of Utah be authorized to appoint delegates to represent the State of Utah at such conference; and be it further

Resolved, That a copy of these resolutions be forthwith transmitted by the secretary of the senate to the President of the Senate of the United States and to the Speaker of the House of Representatives of

the United States, a copy hereof to each Member of Congress from the State of Utah, and a copy to the president of the senate and to the speaker of the house of representatives of each State legislature in session at this time.

Approved March 8, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing resolution is a full, true, and complete copy of the original thereof as appears of record in my office.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

Senate joint memorial 2. Memorializing Congress to enact liberal and adequate legislation for development of water-power sites in the public-land States.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the governor and Legislature of the State of Utah, respectfully represent that—

Whereas agricultural, commercial, and manufacturing development is greatly retarded in the public-land States by reason of the fact that the numerous water-power sites on the public domain of the United States within the public-land States, and particularly within the State of Utah, are now incapable of development for want of adequate legislation; and

Whereas heretofore the Representatives of this State have petitioned Congress for a national policy with relation to the public domain that would render the natural resources of the State available for public use and benefit. It is for the best interest of this State and its citizens that these resources be developed and so vested as to render them subject to taxation and thus distribute over a wider area the burden of taxation for local government that is now being borne by less than 25 per cent of the total area of the State. It is particularly important that the vast quantities of water which are now being wasted may be utilized.

If legislation shall be enacted by the Congress of the United States which will encourage the investment of private capital in the development of these power sites, it will stimulate the mining and other industries dependent upon utilization of power for their operation; will render possible the irrigation by pumping of vast areas of arid lands which can not be reached by gravity systems; will encourage manufacturing by reason of the cheap power for such purposes thereby rendered available; will permit of the electrification of railroads, thereby preserving for the use of present and future generations the coal deposits of this and other States for other uses for which electric power is not available, and will otherwise greatly benefit this State and its residents.

The State possesses, through its police powers, ample means to prevent and correct the abuses of monopoly, and to enforce adequate service at fair and reasonable rates, and to secure for its citizens the ultimate benefits resulting from water-power development;

Therefore the governor and the Legislature of the State of Utah respectfully and earnestly petition the Congress of the United States to enact, at the present session, appropriate legislation prescribing a definite, broad, and liberal policy, and a simple and direct method, by which water-power sites on the public domain in Federal ownership and control may be economically developed with careful restrictions to safeguard against the appropriation of power sites and power rights for speculative purposes, and not in good faith for immediate development and use.

The secretary of state of the State of Utah is hereby directed to transmit a copy of this joint memorial to the President, to each House of Congress, and to each Senator and Representative in Congress from this State.

Approved February 9, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 9th day of February, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

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Senate joint memorial 3. A memorial asking the Congress of the United States to authorize the franking of all printed matter of an educational nature issued by the State board of health.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the Senate and House of Representatives of the State of Utah in legislature assembled, being the twelfth regular session, most respectfully petition as follows: That—

Whereas the importance of prompt and accurate record of births, deaths, and communicable diseases is now recognized by all civilized countries as of direct benefit to the Nation; and

Whereas the reporting of these births, deaths, and communicable diseases is now required by Federal and State laws, and it being for the general welfare of the public, your memoralists believe that this expense, in so far as postage is involved, should be borne by the public; and

Whereas the education of the people by means of printed matter pertaining to the preservation of health is conducive to the general public welfare: Therefore

We petition the Congress of the United States to authorize the franking of all reports of births, deaths, and communicable diseases to the proper officer, and all printed matter of an educational character issued by the State board of health to the people of the State in which such matter is issued.

Passed February 6, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 20th day of February, 1917.

In testimony whereof I have hereunto set hy hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

Senate joint memorial 4. A memorial relating to Indian lands formerly within the Uintah Reservation.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the governor and Legislature of Utah, respectfully represent that—

Whereas upon the opening of the Uintah Reservation, situate in the State of Utah, more than 250,000 acres of land were reserved and set apart to be used as grazing lands by the Indians located within said Uintah Reservation; and

Whereas by the terms of the act opening said reservation to settlement, said Indians had been generously provided with lands for home, agricultural, and other purposes, and by reason of such provisions, required but a small part, if any, of said 250,000 acres reserved as aforesaid, for grazing or for any purpose; and

Whereas there are about 1,000 Indians residing within the limits of what was formerly the Uintah Reservation, and their numbers are constantly diminishing, and they make but little use of said 250,000 acres, and said use is a diminishing one, and in time will cease entirely; and

Whereas at least 30,000 acres of said 250,000 acres so set apart as, and claimed to be grazing lands only, are agricultural lands of a high order and can be made to produce agricultural crops such as are common to the district in which they are situate, and there is an abundance of water for their irrigation; and

Whereas there is a demand for lands for home purposes by many citizens of the United States who are desirous of obtaining homes and farms under the homestead laws of the United States; and

Whereas said lands so reserved are contiguous to and adjoin lands upon which thousands of settlers are located, and it is practically impossible for them to utilize their lands without conflicts arising with the Indians claiming said 250,000 acres; and

Whereas it will be for the best interest of the Indians as well as the Government of the United States, and its inhabitants, that the existing situation be changed, and that the agricultural lands aforesaid be thrown open to entry under the land laws of the United States, by those desiring to obtain homes and agricultural lands for home purposes; and that such portion of the residue of said tract not actually required by the Indians for grazing purposes be restored to the public domain or placed within the limits of forest reserves adjoining said tract: Therefore be it

Resolved, That we, the governor and Legislature of the State of Utah, respectfully memorialize the Congress of the United States to enact the necessary legislation which will result in opening for entry to citizens of the United States the 30,000 acres of agricultural lands hereinbefore mentioned, and in restoring to the public domain, or placing within one or more forest reserves, the residue of said 250,000 acres of land which are not necessary for the use of said Indians for grazing purposes.

Approved March 8, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah, on the 8th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

Senate joint memorial 5. Petition for reimbursement to the State of Utah from the Federal Government of $50,000 appropriated and paid by the State of Utah, under act of March, 1913, to Indian war veterans.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the governor and Legislature of the State of Utah, respectfully represent—

Whereas, under an act of the legislature approved March, 1913, the State of Utah appropriated and paid to the Indian war veterans of this State $50,000; and

Whereas said Indian war veterans were defenders of this Government in a period of great hardship and necessity, mostly during the time elapsing between 1847 and 1857, and thereby an inestimable and permanent good was rendered to our common Government by brave and patriotic defenders at the risk of their lives and, in many instances, with the loss of precious blood; and

Whereas the whole redounded to the benefit of our common country, in that it assisted and enabled exposed portions of our frontiers to be settled and organized: Now, therefore,

Your memorialists respectfully pray that our National Congress will, by suitable enactment, reimburse the State of Utah for the said amount of $50,000 which it has paid for the purposes aforesaid redounding to the common good and benefit of our National Government.

Approved March 7, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 7th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 1. A memorial to the Congress of the United States that Congress submit to the States a proposed amendment to the Constitution of the United States prohibiting the sale, manufacture, transportation, importation, and exportation of intoxicating liquors.

To the Senate and House of Representatives of the United States in Congress assembled:

Whereas there is now pending in the Congress of the United States a resolution proposing an amendment to the Constitution of the United States whereby the sale, manufacture, or transportation of intoxicating liquors within, the importation thereof into, and the exportation thereof from, the United States and all territories subject to the jurisdiction thereof for beverage purposes are prohibited; and

Whereas your memorialists favor and desire an amendment to the Constitution of the United States as proposed by said resolution, believing that the happiness, prosperity, and well-being of the people of the United States will be greatly promoted thereby; and

Whereas your memorialists are informed that said resolution has been reported upon favorably by the Judiciary Committees of both Houses of Congress;

Resolved by the Legislature of the State of Utah, That we respectfully memorialize the Congress of the United States that Congress adopt said resolution and that said proposed amendment to the Constitution of the United States be submitted to the legislatures of the States at the earliest possible date for their consideration.

Resolved further, That the secretary of state be, and he is hereby, directed to prepare and transmit forthwith certified copies of this memorial to the President of the United States, to the Presiding Officers of both branches of Congress, and to each of the Senators and Representatives from Utah.

Passed January 25, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 3d day of February, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 3. A memorial to the Congress of the United States that Congress survey and construct an interstate highway or road connecting the Mesa Verde National Park, the Natural Bridges Monument, the Grand Canyon National Monument, and the Mukuntuweap National Monument, and that Congress appropriate the necessary money for such road at an early date.

To the Senate and House of Representatives of United States in Congress assembled:

Whereas the President of the United States, in the exercise of his authority under the act of Congress approved June 8, 1906, entitled "An act for the preservation of American antiquities," has created the Natural Bridges National Monument, the Rainbow Bridge National Monument, the Mukuntuweap National Monument, and the Grand Canyon National Monument, to include the great natural bridges of Utah, the wonderful Rainbow Arch, the Cliff Dwellers' Ruins, the Grand Canyon of the Colorado, and other wonders; and

Whereas Congress has created the Mesa Verde National Park containing certain other remarkable ruins of the cliff dwellers; and

Whereas the country between these great marvels of nature and ruins of antiquity contains many other scenic wonders which have not yet been reserved, and the country is almost entirely undeveloped Government land without railroad or other proper roads which would afford opportunities for the convenient travel of a large mass of people of the United States who would wish to visit them if they could be reached by automobiles; and

Whereas it would be a great benefit to the people of the United States to visit and study these wonders which would be accessible from a road connecting the Mesa Verde National Park, and the Natural Bridges with the Grand Canyon National Monument and the Mukuntuweap National Monument, and there are now trails for the entire distance between them which can be readily converted into an automobile highway; and

Whereas the present Congress has appropriated the sum of $15,000 for the building of a road through the Mukuntuweap National Monument which will attract thousands of people to that monument the coming summer and each succeeding year; and

Whereas a large proportion of these people who visit the accessible monument would proceed to the others and the famous natural bridges of Utah if opportunities were afforded for doing so: Now, therefore, be it

Resolved by the Senate and House of Representatives of the State of Utah in legislature assembled, That the Congress of the United States be respectfully and earnestly petitioned to survey and construct a road which will connect the Mesa Verde National Park, the Natural Bridges, the Grand Canyon National Monument, and the Mukuntuweap National Monument, and that the necessary sum be appropriated by the Congress of the United States for this purpose at an early date.

Resolved further, That our Senators and Representatives in Congress are earnestly requested to use their best efforts toward the securing of the enactment of such a law.

Resolved further, That the Secretary of State be, and he is hereby directed to prepare and transmit forthwith certified copies of this memorial to the President of the United States, to the presiding officers of both branches of Congress, and to each of the Senators and Representatives in Congress from Utah.

Passed February 28, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 5th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 6. A memorial to the Congress of the United States, petitioning the Government to pass the Federal suffrage amendment.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the governor and Legislature of the State of Utah, respectfully represent that—

Whereas the Federal amendment to grant the right of suffrage to women equally with men has been before the Congress of the United States for the past 40 years; and

Whereas the women of the nonsuffrage States feel that the time is come when the Congress should give favorable consideration to this measure of justice to one-half the citizens of these United States: Now, therefore,

The governor and the Legislature of the State of Utah respectfully petition that the said suffrage amendment receive favorable consideration before the sixty-fourth session of Congress adjourns.

Approved, March 2, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 2d day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 8. A memorial to the Congress of the United States of America, petitioning the United States Government to assist in the maintenance of public schools of the State of Utah attended by children of lessees of land in the former Uintah Indian Reservation.

To the Senate and House of Representatives of the United States:

Your memorialists, the governor and the Legislature of the State of Utah, respectfully represent that—

Whereas the school districts of Duchesne and Uintah Counties, in the State of Utah, having a school population of 3,000, 300 of whom are children of lessees of Indian lands in the former Uintah Indian Reservation, have insufficient funds to provide proper educational facilities for the children in such districts owing to the fact that such territory is very sparsely settled; that there are no railroads or other public utilities to produce revenue; and the further fact that such school districts derive no revenue from leaseholders in the former Uintah Indian Reservation; and

Whereas an extensive advertising campaign is now being made for lessees for 100,000 acres more of said Indian lands, which will increase the school population very materially, without increasing the revenue; and

Whereas the settlers of such school districts feel that the education of the children of such leaseholders is a distinct and unfair burden placed upon them; and

Whereas the cost of maintaining the schools in such districts during the required school year amounts to approximately $30 per capita, exclusive of buildings: Now, therefore, be it

Resolved, That the governor and the Legislature of the State of Utah do most respectfully urge and request that Congress appropriate an amount sufficient to cover the cost of educating the children of lessees of land in the said former Uintah Indian Reservation; and

Resolved further, That the secretary of state be, and he is hereby, instructed to forward copies of this memorial to the President, the Senate and House of Representatives, and to Utah's congressional delegation, with the request that they use every legitimate effort to promote the objects of said memorial.

Approved, March 8, 1917.

STATE OF UTAH.
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 8th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 9. A memorial petitioning Congress to rescind the order withdrawing from entry certain lands situate in Uintah County for reservoir purposes.

To the President and to the Senate and House of Representatives of the Congress of the United States:

Whereas the executive department of the Federal Government by recent proclamation withdrew from entry approximately 250,000 acres of land situated within Uintah County, Utah, for the claimed purpose of building a reservoir in order to impound the waters of Green River for use in California; and

Whereas the feasibility of such a project has not been demonstrated; and

Whereas the building of a reservoir within the area withdrawn as aforesaid would destroy several thousand acres of land now occupied, much of which is improved, and would also destroy the town of Randlett and the trading post known as Ouray, and would also deprive many citizens of lands which have been entered by them under the various laws of the United States, and would also result in covering many thousand acres of land now owned by the Government, but which are fertile and susceptible of cultivation and which would furnish homes and farms to a large number of people, and would likewise prevent the construction of contemplated railroads (surveys which have been made), and which are indispensable to the development of the eastern and northeastern part of Utah and portions of Wyoming and Colorado; and

Whereas within said area withdrawn as aforesaid there are large and valuable deposits of gilsonite, elaterite, asphaltum, and other hydrocarbons and also rich and undeveloped oil fields; and

Whereas the value of said land so withdrawn as aforesaid for agricultural and grazing purposes and because of the limitless and inexhaustible deposits of hydrocarbons, including the various kinds of oil common to the oil fields of California and Wyoming, can not be definitely determined, but unquestionably would amount to many millions of dollars; and

Whereas, as stated, the construction of a reservoir upon said withdrawn lands would result in the destruction of homes and valuable property as well as the destruction of lands capable of sustaining thousands of people and yielding millions of dollars in valuable mining and hydrocarbon products, without any adequate or commensurate benefit to the State of California; and

Whereas the execution of the project aforesaid would be greatly injurious, not only to the people of Utah, but to the people of other States, as well as to the Government of the United States; and

Whereas, if it is desirable that reservoirs should be constructed for the purpose of impounding the waters of the Colorado River or any of its tributaries, other sites can be procured where the building of one or more reservoirs would not prove so injurious and work such damage and injury to residents and citizens of Utah and other States and to the Government: Now, therefore, be it

Resolved, That the Legislature of the State of Utah does hereby respectfully protest against the withdrawal of said lands for the purpose aforesaid or for any purpose; and be it

Resolved, That the executive department of the Government be requested to rescind and set aside said order withdrawing said lands for reservoir purposes, to the end that said lands may be restored to the status in which they were found prior to the promulgation of said Executive order of withdrawal. And your petitioners will ever pray.

Approved, March 12, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 12th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

—

House joint memorial 11. A memorial petitioning Congress to make an appropriation for the transcontinental railway semicentennial celebration.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the Legislature of the State of Utah, hereby present for your consideration the following memorial:

Whereas the first transcontinental railway was completed in 1869, when a golden spike was driven at the completion of the work near Ogden, Utah; and

Whereas the accomplishment of this gigantic undertaking was the most potent factor in the development of an empire of wealth, population, and possibilities; and

Whereas the results of the establishment of this transcontinental railway were of lasting and measureless benefit to this Republic in providing homes for a growing population, opportunities for loyal citizens who stand ready to serve their country in any capacity at any time or call; and

Whereas it has been decided by the Legislature of Utah, in its twelfth session, to provide $500,000 for the purpose of holding a golden spike exposition at Ogden, Utah, in the year 1919, commemorating the semicentennial anniversary of the completion of the first transcontinental railway: Therefore

The twelfth session of the Legislature of the State of Utah respectfully requests that the honorable Senate and House of Representatives of the Congress of the United States of America enact such legislation and make such an appropriation for this purpose as may properly indicate the interest and appreciation of the American people for this wonderful achievement.

Also, that a copy of this memorial be furnished Senator SMOOT, Senator KING, and Congressman MAYS and WELLING, for presentation to the Senate and House of Representatives.

Approved, March 8, 1917.

STATE OF UTAH,
OFFICE OF THE SECRETARY OF STATE.

I, Harden Bennion, secretary of state of the State of Utah, do hereby certify that the foregoing memorial is a full, true, and complete copy of the original thereof, which was filed in the office of the secretary of state of the State of Utah on the 8th day of March, 1917.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 30th day of April, A. D. 1917.

[SEAL.] HARDEN BENNION,
Secretary of State.

ARMY AND NAVY DEFICIENCIES.

Mr. MARTIN. I am directed by the Committee on Appropriations, to which was referred the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, to report it favorably with amendments, and I submit a report (No. 41) thereon.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILL AND JOINT RESOLUTIONS INTRODUCED.

A bill and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WEEKS:

A bill (S. 2277) to enable the Secretary of War and the Secretary of the Navy to enter into negotiations for the purchase of the Cape Cod Canal, and for other purposes; to the Committee on Commerce.

By Mr. RANSDELL:

A joint resolution (S. J. Res. 63) to establish a reserve of the Public Health Service; to the Committee on Public Health and National Quarantine.

By Mr. CHAMBERLAIN:

A joint resolution (S. J. Res. 64) proposing an amendment to the Constitution of the United States giving to Congress the power to extend the right of suffrage to residents of the District of Columbia; to the Committee on the District of Columbia.

WAR REVENUE.

Mr. SAULSBURY submitted three amendments intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. WATSON submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

INCREASE OF MILITARY ESTABLISHMENT—CONFERENCE REPORT.

Mr. CHAMBERLAIN. I desire to present a conference report on the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

Of course the report can not be acted upon by the Senate until after the House has taken action, but in order that it may be printed in the RECORD in advance for the information of the Senate I desire to present it.

The PRESIDING OFFICER. Without objection, the conference report will be received and printed in the RECORD.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national defense act, approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national-defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stat. L., p. 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the Volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted

men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion, recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section 1, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section 1, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots, mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President and shall consist of three or more members, none of whom shall

be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

"Such district boards shall review on appeal and affirm, modify, or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final, except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify, or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary

promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national defense act approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section 1 and by section 8 of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $10 per month; those whose base pay is $24, an increase of $8 per month; those whose base pay is $30, $36, or $40, an increase of $6 per month; and those whose base pay is $45 or more, an increase of $5 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

And the Senate agree to the same.

GEO. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.

DUTIES OF POST-OFFICE INSPECTORS.

Mr. REED. Mr. President, I send to the desk a letter from the Postmaster General, which I ask to have read to the Senate.

The PRESIDING OFFICER. Without objection, the letter submitted by the Senator from Missouri will be read.

The Secretary read the letter, as follows:

POST OFFICE DEPARTMENT, UNITED STATES OF AMERICA,
OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 11, 1917.

Hon. JOHN H. BANKHEAD,
United States Senate.

MY DEAR SENATOR BANKHEAD: I was shocked and surprised when my attention was this morning directed to a statement made on the floor of the Senate yesterday by Senator REED, of Missouri. The statement follows:

"I think it is the custom. I think whenever Mr. Post Office Inspector concludes that he wants to open anybody's mail, he just opens it; and if he has made a mistake and got hold of something that has no evidence of any character in it which he wants he seals the letter up. I think he frequently seals it up, sends it on to its destination, watches, then, to see what transpires, gets the reply letter, and opens it. I think such inspectors flagrantly violate the law with reference to all of these letters at all times."

Evidently Senator REED has been grossly deceived with reference to this matter by some evil-disposed person. Of course, I do not undertake to say what may have been done during the former postal administrations by post-office inspectors in the matter of opening letters, but during this administration there has been only one case where a post-office inspector breached the inviolability of mail matter. In the case referred to the post-office inspector, through overzeal in an effort to apprehend a violator of the law, opened a few letters. When this violation of the law on his part was brought to my attention an order was promptly issued dismissing him from the service, and the fact that the inviolability of the mails had been breached was laid before the grand jury; this action was taken notwithstanding the fact that the post-office inspector who had been guilty of the violation of the law referred to was an ex-soldier and had been connected with the department over 30 years and was an inspector in charge whose record theretofore had been good.

There is now law authorizing post-office inspectors, postmasters, or the Postmaster General to open letters which have been mailed save those reaching the dead-letter office; on the contrary, there is an express statute against it. During this administration this law has been strictly enforced, and I feel sure I am safe in saying that, save the instance above cited, no act by a postal employee in violation of this law can be cited.

I am sure that Senator REED had no purpose to do an injustice and wrong to the post-office inspectors, and that he will be only too glad to make the correction when it is brought to his attention. I am writing you, as chairman of the Committee on Post Offices and Post Roads, to request that you bring the matter to Senator REED'S attention, in order that he may know what the truth is about this in so far as the practices and customs of the post-office inspectors under this administration are concerned.

Very sincerely, A. S. BURLESON.

Mr. REED. Mr. President, I have asked that this letter be read, to the end that the statement of the Postmaster General be given as much publicity as my remarks were given. I am delighted to be assured that the custom and practice to which I referred has been entirely discontinued under the present administration. I hope that the Postmaster General is not mistaken.

The statement that I made was made upon information gained in previous years. As the RECORD will show, I was not permitted to entirely conclude my statement. I believe my remarks were made during the progress of an address by the Senator from Montana [Mr. WALSH]. In any event, my recollection is quite distinct that before the subject matter had been disposed of I asked the privilege of making a further statement, but, because the Senator from Montana was pressed for time, he asked me not to insist upon making the statement at that moment. I desire to make the statement now which I intended to make at that time.

Through my connection in an official way with the prosecution of criminals and with those who were concerned in the prosecution of criminals, it came to my knowledge that in a number of cases post-office inspectors were acting in concert with the police officers, of Kansas City, at least, and that they were helping those officers to trace down men charged with crime by following their letters through the mails. I never saw a letter opened, of course, but I have been told by the police officers how

they had in a number of cases been able to follow a man to his hiding place by having a post-office inspector watch for letters that were being delivered to some near relative or to some sweetheart or to some friend. The practice was never to my knowledge employed for the purpose of merely prying into the private business of people, but was employed with the object of tracing criminals. It has been stated to me by those officers that in some cases letters were skillfully opened, their contents examined, then the letters were skillfully closed and forwarded to their destination. Then the individual to whom the letter was addressed was watched as he mailed the reply letter, and in that way the location of the fugitive was discovered.

I have not the slightest doubt that this custom was general in the United States; there is not the slightest doubt on earth in my mind about it. It was, of course, illegal, but it belonged to that kind of illegal acts which we are all inclined more or less to wink at because the purpose, the object, the end is a laudable one, namely, to punish crime.

Mr. President, I am glad to have the assurance of the Postmaster General that since he has been in office nothing of this kind has occurred. I am very glad, indeed, to present his statement to the Senate, to the end that there may be given to it full and absolute publicity.

WAR TAXATION IN GREAT BRITAIN.

Mr. HOLLIS. Mr. President, I desire to have placed in the RECORD without reading an article on war taxation in Great Britain published in the New Republic for May 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

During the 12 months ending March 31 the revenue of the British Government from taxation was nearly $2,600,000,000, almost $1,800,000,000 more than for the last year preceding the war. This additional taxation has not affected the business of the country unfavorably. It has not proved a damper on business enterprise and it has not weakened motives for thrift; not only so, but the taxes have proved positively advantageous. While the standard of life of no class in the community has been seriously lowered, individual consumption of comforts and luxuries has been materially reduced, thus setting free labor and capital for war purposes. Another and even more important advantage has also been secured through the imposition of additional taxation. The evident justice of taxing heavily those whose incomes have risen since the beginning of the war has stimulated the people generally to whole-hearted exertion in every field of economic activity.

In all respects save one the British example affords conclusive ground for the immediate imposition in the United States of taxes as heavy as those now levied in Great Britain. The present scale of these taxes was not adopted at the beginning of the war. Additional taxation was imposed in November, 1914, again in September, 1915, and finally in April, 1916. It is not surprising therefore to find the opinion gaining some currency that we also should adopt a similar course. But here English experience does not yield a valid precedent. It is now generally agreed in Great Britain that the present scale of taxes could with advantage have been imposed at an earlier date, and the reasons for the adoption of the policy of gradual increase of taxation are entirely without force for this country. The cost of modern warfare as well as the duration of the present war were underestimated. The outbreak of war, moreover, occasioned serious dislocation in the trade of the country and a temporary breakdown of the foreign exchanges throughout the world. A moratorium became necessary. Mobilization of a peaceful community for war involved the transfer of a large proportion of the capital and labor of the country from accustomed employments to new uses. None of these conditions is found in the United States at the present time. The entrance of this country into the war does not require anything in the nature of a revolutionary change in our economic activities. Trade with the countries with which we are now at war has long since been at a standstill—the war itself will simply intensify certain influences which have been potent factors in the situation during the last two years. In these circumstances there is not the slightest ground for holding that we can not assume at once and without difficulty the burden of taxation which our British allies have gradually imposed upon themselves and which is to be increased in the budget of the current year.

The backbone of the British structure of taxation is the income tax. The provisions of the law are highly complicated and only the most salient features can be indicated in a short article. Only those with incomes under £130 a year are exempt. Those with incomes between £130 and £400 are allowed an abatement of £120, those with incomes between £400 and £600 an abatement of £100, and between £600 and £700 an abatement of £70. All persons with incomes under £700 are also allowed an abatement of £25 for each child. Those whose income exceeds £700 are taxed on the entire amount.

The lowest rate of the tax is now 2s. 3d. in the pound, or 11¼ per cent on earned incomes under £500. On unearned incomes of £500, that is, incomes derived from investments, the rate is 3s. in the pound. A man with an earned income of £500, thanks to the abatement of £120 and allowing for an abatement of £75 for three children, would then pay a tax of 2s. 3d. on £325, which is equivalent to $183 or 7½ per cent on his entire income of $2,500. From this rate of 2s. 3d. on incomes under £500 the rates advance by a succession of steps until 5s. in the pound or a 25 per cent tax is levied upon the entire amount of unearned incomes of £2,000, and on all earned incomes of £2,500, 5s. in the pound is the standard rate. It is interesting to note that incomes of $4,000 which are entirely exempt in this country are subject to a 12½ per cent tax if earned and to a tax of 17½ per cent if derived from investments.

All income in excess of £2,500 is further subject to supertaxes which also advance in a succession of steps from 10d. on the first £500 of excess to 3s. 6d. on all income over £10,000. A man, then, with an income of $250,000 would pay a tax of 25 per cent on $12,500, higher rates on successive parts of his income up to $50,000, and 42½ per cent on all income in excess of that amount. Income-tax rates were materially increased in April, 1914, but the present income-tax rates in Great Britain impose a burden which ranges from two and one-half to three and one half times that which rested upon taxpayers before the war. For the year ending March 31, 1914, income-tax revenue was only £47,250,000; for the year ending March 31, 1916, the huge sum of £205,033,000 was secured from this source. When account is taken of the British income tax it becomes positively ludicrous for anyone to style as confiscatory the proposal now under consideration to impose a 40 or even 50 per cent tax on the excess of income over $1,000,000.

In virtually all the belligerent countries, excessive profits taxes have been imposed since the beginning of the war. The principle of these taxes is quite unlike the tax on profits above a definite return on capital to which the same name has been given in this country. The English excess profits tax is designed to secure for the State a part of those profits which, generally speaking, are definitely due to the war. In November, 1915, a tax of 50 per cent (raised to 60 per cent in April, 1916) was imposed on all profits in excess of the average profits of each business during two of the last three years preceding the war, the taxpayer being permitted to select the two years which are to serve as a base. This tax has proved unexpectedly remunerative, yielding a revenue of nearly £140,000,000 during the last 12 months. It has not crippled industry. The business community generally has recognized that it is a proper war-revenue measure. For the current year rate of the tax has been advanced from 60 to 80 per cent.

In addition to the income and excess profits taxes, there has been a considerable increase in indirect taxation. Following the wise British tradition, heavy taxes have been imposed on a few articles rather than a multitude of duties and excises on many commodities and services. The duty on tea has been increased from 10 cents to 25 cents a pound; on coffee and cocoa a duty of 10 cents a pound is levied; and on sugar a duty of 3½ cents a pound. These, together with a very considerable increase in the duties on gasoline, tobacco, and alcoholic beverages, are the principal sources from which additional revenue has been derived by means of indirect taxation. Taking customs and excise duties together there has been an increase in revenue from £75,000,000 in 1914 to £127,000,000 for the year ending March 31, 1917. These indirect taxes are indeed high, but it is rightly felt that every class in the community should bear a part of the burden of the war. Moreover, the demand for labor has been greatly intensified. Wages have advanced to such an extent since the outbreak of the war that it is even said that the poorer half of the population, notwithstanding the taxes, is now enjoying greater comfort than ever before. This is a result of war conditions which may well be emphasized in this country, where it has been urged in some quarters that taxes on such articles as sugar and coffee might seriously lower the standard of life of large numbers of the people.

Rates of taxation in this country similar to those now imposed in Great Britain would doubtless yield a much larger sum, since our population is more than twice as numerous. Presumably also the scale of money incomes is somewhat higher. These taxes might therefore be expected to yield a sum sufficient to meet a very considerable part of the war expenditures of the Government during the next 12 months. It would not, of course, be possible to adopt the English taxes without important modifications. It would hardly be feasible to reduce the exemption to $650. Comparatively high exemption in the United States is probably necessary because of the large number of small farmers, most of whom keep no accounts. The reduction of the exemption to $2,000 would seem to be clearly desirable, and probably to $1,500. Owing to this much higher exemption, in order to secure anything like equivalent results, it would be necessary to impose indirect taxes upon a somewhat large number of commodities than are subject to such taxes in Great Britain.

The details of a complete scheme of taxation bristle with difficulties. These can, however, be overcome if it is kept clearly in mind that it is both equitable and desirable to meet the costs of war to the very greatest extent possible during the contest. English experience furnishes us with ample evidence that a country at war can endure heavy taxation. It should also silence the objection that heavy income taxes are confiscatory an objection which betokens a lack of patriotism and which has been strikingly conspicuous by its absence among the heavily taxed people of Great Britain.

Any considerable increase in the rates of income taxation in this country should be accompanied by many changes in the administrative features of the present law. That law is now unsatisfactory both from the point of view of the Government and of the taxpayer. In particular, it contains many undesirable deductions which, while satisfactory to those who enjoy them, are inequitable to the mass of taxpayers. Deductions from income are, for exemple, now allowed for interest on loans secured by securities, the income from which is exempt from taxation. It is most unfortunate that the forthcoming issue of Government bonds is to be a tax-exempt security. It gives to purchasers of large wealth with income subject to heavy income taxes an undeserved advantage over those with small incomes, an advantage which is not fully offset for the Government in a better price for its bonds. A 3½ per cent tax-exempt Government bond will yield very nearly as much as a 6 per cent taxable bond to those with incomes in excess of a million dollars if such incomes are subjected to a 40 per cent tax. To those with small incomes the exemption is of little or no value. It is a most undemocratic arrangement, which will surely tend toward an undesirable concentration of ownership of the bonds. This unsatisfactory prospect is made even worse by the present right to deduct from taxable income, interest on loans secured by the tax-exempt bonds. Again, the net rental value of a house occupied by its owner is not included as income for taxation purposes and interest on the mortgage of such a house may be deducted from taxable income. House owners have therefore a double advantage over those who pay rent, all of whose income is subject to taxation. Defects in the income-tax law become more and more serious as the rates are increased. It will in some degree reconcile taxpayers to increased burdens if they feel that the provisions of the law are fair and equitable.

OLIVER M. W. SPRAGUE.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m., Tuesday, May 15, 1917) the Senate took a recess until to-morrow, Wednesday, May 16, 1917, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 15, 1917.*

The House met at 10.30 a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Lord of all, whose balance trieth the nations, Thou hast established us as a people and laid upon us a mighty trust. Make all who speak or act for this Nation true organs of Thine equity; that through their wisdom and faithfulness Thou mayst be our Lawgiver and Judge; that righteousness may be the girdle of our power; that thus we may hallow Thy Name, in the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendment the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage and better to enforce the criminal laws of the United States, and for other purposes, had insisted upon its amendment, had asked a conference with the House of Representatives on the said bill and the amendment thereto, and had appointed Mr. OVERMAN, Mr. FLETCHER, and Mr. NELSON as the conferees on the part of the Senate.

WAR REVENUE.

Mr. GARNER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the war-revenue bill, with Mr. FOSTER in the chair.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Chairman, I am taking this occasion to have read into the RECORD an amendment which I desire to have considered by the Members of the House. It is to section 1000, found on page 47 of the bill, and the particular part to which the amendment will be offered has reference to the following language:

And if not now dutiable by law a duty of 10 per cent ad valorem.

In other words, I seek to amend the section that imposes a duty of 10 per cent ad valorem on free-listed articles as they now exist. I have prepared an amendment which I shall present at the proper time releasing certain articles from the operation of this clause. In other words, if my amendment should prevail the 10 per cent ad valorem that might be imposed by this act, if enacted in its present condition, would be taken off the articles named in the amendment. I will ask the Clerk to read the amendment in my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois: Page 47, line 22, after the word "valorem," insert:

"*Provided, however,* That the following-named articles shall not be dutiable:

"(a) Antitoxins, vaccine virus, and all other serums derived from animals and used for therapeutic purposes.

"(b) Barks, cinchona or other, from which quinine may be extracted.

"(c) Books, engravings, photographs, etchings, bound or unbound, maps, and charts imported by authority or for the use of the United States or for the use of the Library of Congress.

"(d) Books and music, in raised print, used exclusively by the blind, and all textbooks used in schools and other educational institutions.

"(e) Guano, manures, and all substances used only for manure.

"(f) Iodine, crude or resublimed.

"(g) Lifeboats and life-saving apparatus specially imported by societies and institutions incorporated or established to encourage the saving of human life.

"(h) Miners' rescue appliances, designed for emergency use in mines where artificial breathing is necessary in the presence of poisonous gases, to aid in the saving of human life, and miners' safety lamps and parts, accessories, and appliances for cleaning, repairing, and operating all the foregoing.

"(i) Nux vomica.

"(j) Phosphates, crude.

"(k) Plants, trees, shrubs, roots, seed cane, and seeds, imported by the Department of Agriculture or the United States Botanic Garden.

"(l) Quinia, sulphate of, and all alkaloids or salts of cinchona bark.

"(m) Radium and salts of, radioactive substitutes, selenium and salts of.

"(n) Strychnia or strychnine.

"(o) Nitrate of soda."

Mr. GRAHAM of Illinois. I yield back the balance of my time.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman, as best I may I have been undertaking to study the bill to find out, if possible, if there is any basic principle of taxation according to which the bill has been framed. Many gentlemen have suggested to me that if there were any irregularities and irreconcilable objections, it would be well to pass it on to the Senate and let the Senate correct whatever irregularities there may be. It does not seem to me proper for the House, in which revenue bills must originate, to move with such haste that the Senate will have to scrutinize our work carefully and correct all of the inequalities in the bill. For many days people from my own district who are profoundly interested in the provisions of the bill have written to me, as others have written to you gentlemen, with regard to the effect that it will have upon their business. My own conviction was, as I listened to the gentlemen who had the bill in charge and talked privately with one gentleman particularly who has been very active in its preparation, that but little time would be given for its consideration. I am glad to know that the three or four days which he said would be sufficient for its consideration have been lengthened. It may be, after all, that the old adage that haste makes waste is truer here than elsewhere. I am not convinced that a bill which levies $1,800,000,000 in direct taxes should be quickly passed, with all due deference to the wisdom and ability of the Committee on Ways and Means.

This bill seems to have been written in secret largely, and now we are permitted to listen to the evidence in the case. May I not say that just because a man is unwilling to swallow the bill wholesale he is not therefore to be put down as objecting to the raising of war revenue? Much time has been taken by gentlemen here who insist upon the fact that they are patriotic and that we are in war, as if any man facing the tremendous responsibilities of having voted for the war and for the raising of seven billions of dollars, and then facing the problem to-day of voting $1,800,000,000 in direct taxes, could forget for one moment that we are at war. So that it seems to me it is uncalled for for men to make such protestations of their patriotism in connection with this bill and expect that those statements will secure immunity of criticism on the bill itself. The gentlemen who have led here have disclaimed that they had any basic or fundamental principle upon which the bill is drawn. Indeed, if I remember correctly, some of the leaders have said that they would shut their eyes and vote for it because we are at war. It is quite true that we are at war, but it may be, as gentlemen have suggested, that this is but the beginning of vast sums that are still to be raised, and if that be true, we ought to scan carefully the bill and put it in such form as that when we face the people of the country we shall not be ashamed of the vote that we have cast.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Certainly.

Mr. GARNER. Does the gentleman believe that we ought to collect the amount of money provided for in this bill, $1,800,000,000?

Mr. FAIRFIELD. I do.

Mr. GARNER. The gentleman so far has not criticized the bill except the method of making it up, but when he comes to the criticism of the items I suggest that he impart to the House the manner in which he would make up the bill and the items he would substitute for the ones which he criticizes.

Mr. MANN. That is not necessary.

Mr. FAIRFIELD. No; not necessary; but I might suggest to the gentleman that if we are going to put a direct tax of 5 per cent upon the wholesale price of any commodity, why would it not be fair not to pick out any particular industry but to take the selling price of commodities of all industries, and the volume of business is so great in this country that the effect would be distributed throughout every industry, rather than having it rest basically upon two or three?

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Yes.

Mr. GREEN of Iowa. Does the gentleman think that there are only two or three industries that pay 5 per cent?

Mr. FAIRFIELD. Oh, no; but not by any means all of the industries, nor all of the business of the country, will pay 5 per cent.

Mr. GREEN of Iowa. Is the gentleman aware that there are some industries that will pay a very much larger per cent?

Mr. FAIRFIELD. Certainly.

Mr. GREEN of Iowa. Which these gentlemen who are talking about this 5 per cent entirely overlook.

Mr. FAIRFIELD. No; I do not.

Mr. GREEN of Iowa. The gentleman from Illinois injects that it makes it so much the worse, which shows the gentleman from Illinois has not read the bill——

Mr. MANN. I have read the bill probably more than the Committee on Ways and Means have done.

Mr. GREEN of Iowa. I have heard the sneering remarks of the gentleman from Illinois before; because he has not studied it——

Mr. MANN. The gentleman commenced it.

Mr. GREEN of Iowa. The gentleman from Illinois commenced it and has been doing it right along.

Mr. FAIRFIELD. I will listen for a question. Let me say in regard to these high percentages I do not know, gentlemen, but that ultimately we may believe that an opportunity to do business with 100,000,000 of people in this country is a natural resource, and while in another day men who led on to conquer would have the control of territory to draw therefrom, is it not true that the captains of industry have 100,000,000 of people as a natural resource and that thereby the added percentages that go to excess profits is but a fair return for the opportunity that those men have more than their greater ability, granting such a thing, I believe in it, as mastership in industry. Yet it is true that mastership in industry would have nothing upon which to work were there not millions of people upon whom they can exercise their intellectual ability. And so I do not think these taxes are exorbitant. The problem always in taxation is not altogether of how much it will take but of how much you will leave so that the small industries may not be paralyzed. I think the members of the committee have very frankly recognized that there are some inequalities in the bill. I think they have very frankly recognized that the proposition of billposter advertising is excessive in the taxes that are imposed. We had an example of the manner in which the bill has been drawn in connection with the carbonic-acid gas schedule yesterday.

I know, gentlemen, that a thing like that might slip in, for men had their minds intent upon the larger features of the bill, and yet if that might slip in, may it not be that a further discussion of the bill and a clearer analysis and hearing from men who are directly interested—men whose business is involved—may it not be that it would be wise to pause long enough to see that when the bill is finally passed it shall be reasonably fair? I want to say now that I have not been impressed with the idea that we do not need this amount of money. I think we do, and before long we will need much more, and I believe that the people of this country will rally if they feel that Congress has exercised due care in preserving a fair distribution of these taxes upon the industries. I note that it has been customary here when the automobile industry is spoken of to treat it laughingly, and perhaps most of us have been inclined to look upon the automobile industry as a gold mine and that those industries could be plucked without injury. There is in my district not far from my own home an automobile industry, and the gentlemen who are interested in that have submitted to me some figures in connection with their industry that I want to get before this House. I have known something of how that industry developed. Starting many years ago as wagon makers and buggy builders, slowly, carefully, through long years, this industry was built up, and the men who conduct it were so honest that their names became a synonym for worthy output, and when these men come to me and frankly say to me that their industry is in danger I am not disposed to laugh or sneer. A sneer is not an argument after all, and a loud laugh is not a demonstration, and so it may be that it is wise to look closer at some of these smaller industries to see whether or not we are doing them an injustice. [Applause.]

I should like to submit the following facts relative to the costs and profits of the automobile manufacturing company of which I speak as submitted to me by their officers:

FACTS RELATIVE TO BUSINESS.

The 1917 series of cars as planned includes:

Of model 6-39, 6-cylinder automobiles	2,600
Of model 6-44, 6-cylinder automobiles	400
Total number planned for and for which merchandise is purchased	3,000

Of this, 1,652 still remain unsold, 600 being in the hands of dealers—this number is estimated from reports of salesmen and dealers—and 1,052 cars are still at the factory unsold.

The cost on these 1917 series of cars as figured December 14, 1916, based on costs of materials as purchased then and on labor and overhead costs as records showed for the season just then closed:

Model 6-39.

Material	$689.89
Producing labor	38.35
Overhead, consisting of nonproductive factory labor, office, sales, and advertising costs, freight, drayage, taxes, and insurance	73.68
Total cost	801.92

At the present time the increased cost of the productive labor is full 40 per cent, which makes an increase of $15.34, or a cost of $817.26.

This model of car is now being sold at list price of $1,145, less 25 per cent, leaving a net sale of $858.75, which figures a net profit, according to the first estimate, of $56.83 per car, but now with advanced cost figures a net profit of $41.49 per car.

The proposed tax of 5 per cent on list price on this car would figure a tax of $57.25, thus calling for more than all of the net profit.

On the Model 6-44 car, figured on the same basis of costs as above stated on December 14, 1916, the costs are as follows:

Model 6-44.

Material	$956.44
Productive factory labor	38.35
Overhead expense, consisting of nonproductive factory labor, office sales and advertising, drayage, freight, taxes, and insurance	73.68
Total	1,068.47

At the present time 40 per cent must be added to cost of productive labor, same as above, to the amount of $15.34, making a net cost of $1,083.81. This model of car is now being sold at a list price of $1,535, less 25 per cent, leaving a net sale price of $1,151.25, which would have netted a profit of $82.78 on the original cost estimate, but now leaves profit of $67.44 at present cost of labor.

The proposed tax of 5 per cent on the list price of this car would be $76.75, or more than our entire profit.

The costs of material for these same cars, figuring on present prices of material, which must govern purchases for the 1918 series of cars, will be an advance of fully $100 per car, with the prospect that prices of material will still be greatly increased beyond the present ones.

If the proposed tax goes into effect, with the advanced costs of material, the company would be compelled to advance the list prices on the next series of cars—from which the bulk of revenue must be realized—at least $200 per car, thus making the list price on the 6-39 car $1,345, which would be so much that it would be impossible to make sales.

Also note that this 6-39 car, now listed at $1,145, was first listed at $1,050 in the summer of 1916, and the company was compelled by the advanced costs prior to the figure of December 14, 1916, to raise the list price to $1,145.

It will be gleaned from the above that this law will take more than the net profits from this industry. What is true of this particular plant is true of nearly every small plant in this country manufacturing automobiles and automobile trucks. Of the 450 automobile companies of the country only 12 may be considered as among the larger factories. This bill will drive their competitors out of business and yield to these large industries the whole field without competition. More than that it will deprive thousands upon thousands of workmen and their families of a means of subsistence. It will harm the industry of every community where such an industry is located. What is true of the automobile industry will be true also of many another industry. The truth is that a blanket 5 per cent on particular industries picked out here and there because it is thought that they can be made to pay is vicious in itself. If a law can at all be defended by which the blanket tax of a certain per cent upon the total selling output of any industry, why not extend it to all industries. Under such conditions the tax would be fairly distributed. So vast is the total output of the industries of this country that the tax upon the wholesale selling price of all those industries would be small indeed, and it would not bear heavily upon anyone. As I said in the beginning, if there had been any basic principle upon which this bill is drawn, we would not find ourselves in this condition when considering it. I certainly hope that the bill will be modified sufficiently so that men who have some self-respect with regard to the manner in which taxes should be apportioned will be able to support it. It has come to me that the committee has already prepared a bill in which they are incorporating many amendments, so that some of the inequalities of this bill shall at least be taken out of it. Many men think at this time that it is unwise to alarm and disturb business conditions by attempting to raise such a vast amount the first year. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman and gentlemen of the committee, the administration wants revenue from direct taxation to the amount of $1,500,000,000, and has served notice upon the Senate and House of Representatives, which latter originates revenue. That is as far as the administration has the right to

go. The House of Representatives is now engaged in the business of originating that revenue, and the Committee on Ways and Means of the House have reported a bill which, as I understand, from sitting here a number of days and listening to the committee, does not satisfy any member of that committee. They come in here with a bill which they say, after they have sugar-coated it with oratory and wit, that we want to shut our eyes when we swallow it. The committee seem to be disgusted with the bill, and on several matters all Members of this House must be disgusted. It is for the House, after discussing this bill in a calm, dispassionate way, without prejudice or passion or party, to say whether in this bill, made up as it is of so many different elements, before we swallow it, we are taking poison; whether there are in this bill elements that are to destroy certain American industries; for after we pass the bill, gentlemen, we can not shift our responsibility as Representatives onto the President or on the administration or on any department of the Government. We must take the responsibility with the people. We have been hearing from home and from nearly every industry. We ought to make up our minds at this time whether many of those industries will live and survive under this bill or will be destroyed and perish under it. We ought to get a bill, gentlemen, with the resources of this great country, the richest Nation on the face of the earth, sufficient to raise this amount of revenue by direct taxation without crippling or destroying any single American industry—legal, legitimate, or lawful industry. And, incidentally, we ought to get a bill with revenue enough without legalizing and protecting the liquor traffic of the Nation. Perhaps it is out of order to discuss this at this time, but I hope before we get through with the business of this Congress we may have an opportunity to conduct the affairs of this Government without the aid of the liquor traffic. [Applause.]

I want to call your attention one moment to some features of the bill to which I object and which I think ought to be eliminated. For instance, that part of the income tax that is retroactive, going back into the past, into 1916, after the Government had collected its tax, and the returns have been made and business has adjusted itself to 1916 and corporations and individuals have settled their business for that year with a knowledge of how much they shall pay, and this throws upon them at this late hour the fact that they must have a second tax, and it will demoralize the business of the country. And I say if you want to put upon the individuals and the corporations that pay an income tax for the future a heavier tax, I shall not object to it, if they can stand it, and I think they can. But to go back into the past I object to, for two reasons; one is that it is unconstitutional, in my opinion, and the second is that it is not fair and honest.

I object to second-class postage being increased, because it will demoralize the business of the country. The great business of publishing newspapers—not the big newspapers, but the newspapers in the country towns, the newspapers that are struggling for existence under the high price of print paper at the present time—will be demoralized and destroyed. I come from a district of three counties, in which there are two daily papers, and they are struggling for existence. They go from the one large city in my district into county towns. They pay postage. If you pass this bill as it stands, doubling the second-class postage, they must go out of business, and every newspaper in my district must go out of business.

Mr. STEPHENS of Nebraska. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. STEPHENS of Nebraska. Is it not possible for those newspapers to collect larger subscriptions? Why should they go out of business?

Mr. HERSEY. I think if they should attempt to collect larger subscriptions from their subscribers—and it would not look well to try to increase your subscription by putting on the amount of postage; they must put it larger than that—they would lose their subscription list.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. GRAHAM of Illinois. Let me also add that at this time, owing to the high burdens imposed by the cost of materials and paper, those papers are having all they can do to get along now, without additional impositions.

Mr. HERSEY. I know that is true. They are not making any money, and besides the newspapers of this country, whether they are country papers or city papers, if they have any income, if they are making any income, the individual or corporation pays an income tax. Put it on the income. If they make excess profits, you can tax them under this bill. Put it on the excess profits, but do not destroy the industries of this country.

Mr. STEPHENS of Nebraska. Will the gentleman yield for another question?

Mr. HERSEY. Yes.

Mr. STEPHENS of Nebraska. Can you offer any reason why the Government should do this business for the newspapers for nothing?

Mr. HERSEY. I do not think they are doing it for nothing.

Mr. STEPHENS of Nebraska. They certainly are charging only $11,000,000 a year for doing $99,000,000 worth of business.

Mr. HERSEY. Well, if we believe some figures presented yesterday by a member of the committee on the Post Office and Post Roads, the Government is not losing anything on the matter of postage. Whether they are or whether they are not, that is no reason why you should work an injustice to any industry in this country. The Government may lose postage. They should lose it rather than to lose the industries of this country which contribute toward the wealth and prosperity of the Nation.

Now, there are other sources of income for this great Nation at the present time besides that of trying to cripple some industry like the country newspaper. This committee came into the House with a 10 per cent raise upon the customs duties. There is no reason why you can not raise it more, if you want to, without injuring the industries of this country. It would be a protection to the industries of this country. It is an admission, of course, that you can not run this Nation at the present time under free trade. There is to be a great war debt upon this country at the close of the war. We paid one war debt from the customhouse. We pensioned the soldiers, the widows, and the orphans from the customhouse. We redeemed the greenback and made it as good as gold from the customhouse. We built up this Nation through its industries to be the greatest manufacturing Nation on the globe by a high protective tariff. You will have to have it again. You might as well commence the policy now. The administration admits that they made a mistake by free trade. So they put back the duty on sugar. They enacted a law which they called an antidumping law, I think, to keep foreign labor and production from interfering with the American industry. Now, they come with a 10 per cent raise on the duties, creeping back with an excuse, on account of the war, into what they know is a necessity—a protective tariff in this Nation. After the war the Nation must come to the tariff of McKinley and of Dingley. [Applause on the Republican side.] You might as well commence now to raise your revenue, to come back to the tariff of McKinley and of Dingley, and save the industries of this country from extermination [Applause.]

Mr. REED. Will the gentleman yield for a moment?

Mr. HERSEY. Yes.

Mr. REED. I am very much interested in what the gentleman says, especially about crippling the industries. Has the gentleman considered this, that in the first two years of our so-called war prosperity, according to Dun and Bradstreet, the mortality of the industries of this country was increased 50 per cent the first two years of the war, in both the liabilities and in the number of concerns, in business failures? I say that we can cripple industries and make more failures, just as you have said.

Mr. HERSEY. We agree all right on that.

Mr. REED. We agree on it.

Mr. KITCHIN. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman and gentlemen of the committee, the bill which we are now considering is one which would not be tolerated for one moment if the country was at peace. This sacrifice which the American people are called upon to make is a sacrifice which they are called upon to make because we are at war.

The chairman of the Ways and Means Committee [Mr. KITCHIN], in presenting this bill to the House at the opening of this debate, only justifies it upon that ground. His position is that of the patriot. He is always sincere in every utterance and in every vote which he casts. It is most fortunate for the masses of the people at this time that a man of his type and mold should be chairman of this great committee. If he lived in New York, Indiana, or Ohio, he would be the next nominee of the Democratic Party for President. [Applause.]

Mr. Chairman, I will not discuss in detail the items of this bill. I will in the short time allotted me state my views on the situation.

If I were called upon to outline a method of winning this war, I would first say that it is essentially necessary that you get public sentiment aroused and popularize the war. The idea that heretofore prevailed among the Army officers of Europe as well as of America of "the public be damned" has been

dissipated in every country in Europe. And unless we do popularize the war we will, if we win it at all, win it by pursuing the line of greatest resistance and not the line of least resistance.

Mr. DILLON. Will the gentleman yield?

Mr. SISSON. I prefer not to be interrupted—at least, for the present.

In order to popularize the war you must first convince the American people that we are engaged in a righteous war. You must convince the honest American heart that this war not only will benefit them in their liberty, in their freedom, but that it will also benefit the liberty and freedom of people throughout the world. You must also convince the American people that, in the conduct of the war and in the organization of all of the machinery necessary to win the war, we are not destroying our liberty and our freedom here at home. [Applause.] We must convince the people that we are not endeavoring to destroy government by one man, or government by men, in Europe and establish there a government by law and leave any doubt in the minds of American people that you may be replacing here a government by men for a government by law. [Applause.] If there is one thing that is fundamental in the mind of every great statesman, it is this, that every free government must not only be administered so that every man has equal opportunities, but must also be a government that is administered under and by law; and these rules of law must be applicable to all people alike, and must be made for their benefit and for their happiness in the conduct of their affairs. I believe in a government by law, and not by a man.

It took a great deal of treasure and a great deal of blood to establish this principle here.

Now, there are certain evidences that we may show to the American people whether or not we are in dead earnest about this being a war of sacrifice on the part of all the American people. It will not do to give the people lip service here in this Hall. You have got to give them that service that will show that you are in dead earnest about this being a war of sacrifice. You can not let this be a war where men shall gather around the Capitol and the War Department and the Navy Department and get contracts, out of which they shall make enormous profits and mighty fortunes, and expect the people to be enthusiastic about the war when they are the only ones who are called upon to make sacrifice. You will, Mr. Chairman, make extremely slow progress in popularizing this war. What is needed above all things is to arouse some enthusiasm and determination on the part of the people to win in this world war. It is not enough to have the General Staff and Army officers enthused.

When you take the young man from 21 to 31 years of age and put him in the ranks, when you take him by conscription, you are taking the best years of his life; you are taking frequently from the home that idol which they would give all that there is in the world to keep at home; and when you ask the mother and the father of small means, who are barely eking out enough to make tongue and buckle meet, gentlemen of the House, you can not make them believe that this war is a righteous one if you have taken their boy and taxed them besides this and let them understand that at that selfsame hour men have contracts with the Army and Navy out of which they are making princely fortunes. [Applause.]

Therefore, in order that you may popularize this war among the people it is necessary that the people who have these vast incomes shall make great sacrifices. There was a little paper that came upon your desk, I presume, because it came upon mine, signed by about 15 men of great influence, among them notably a multimillionaire of the State of California, and in that document, to my utter amazement, these men of great wealth said that it was not a fair measure of taxation; that you should make the rate of taxation small on the small income, because if you take from a man of a thousand dollars income even 4 per cent, or a man of $2,000 income 4 per cent, making a small amount in itself, yet it would be perhaps an enormous amount relatively and require some self-denial on his part, whereas in this same document it is said that if from a man of a million dollars income you were to take $900,000 and leave $100,000 remaining for the support of his family, you would simply be depriving him of an opportunity for investing for future profits $900,000, but when you take $900,000 from him you have done his family no injury, because even then they would make no such sacrifice as the man of a small income would make even in paying a much smaller rate.

Mr. Chairman, I will now quote from the pamphlet which I have just mentioned. It is headed, "Who Shall Pay for the War," and is signed by 19 business men, and the paper was issued from 60 Broadway, New York. I quote somewhat at length, because of the source of this remarkable document which breathes a spirit of patriotism which should encourage us all.

On the subject of wages it says:

WAGES.

The increase in wages and incomes has been insignificant in comparison to the enormous rise in prices. Undoubtedly wages have advanced sharply since the war began. In some industries they have risen in a spectacular manner, yet the average wage increase since 1912 has been small, even in union labor, when compared with the rise in the prices in necessaries of life. The index figures published in the April Review of the United States Bureau of Labor statistics show that in the large field of union labor there has been a rise of only 9 points from 1912 to 1916, inclusive. Index figures for 1917 are not yet available, but even if we were to assume that wages have risen as much in the first four months of 1917 as they rose in the whole period from 1912 to 1916, which would be a quite extravagant estimate, we should only have a rise of 18 per cent from 1912 to 1917, while according to Dun certain particularly important food products and necessaries have risen from 46 per cent to 105 per cent in the last three years, and according to the Times Annalist the cost of the food budget of the average American family has gone up 74 per cent in the last two years.

We can not but accept the unwelcome fact that the average American has not in reality shared in the prosperity of the country during the war period. On the contrary, he has lost ground in the economic struggle, in spite of the Nation's advancing aggregate wealth. Wages and incomes have no doubt increased, but there has been at the same time such an inflation in the price of things people must buy in order to live that the average citizen's purchasing power has been steadily diminished. He has been handed more in his pay envelope; he has received a larger salary check and made better earnings from his farm or his business, but in turning the money he has made into food, fuel, rent, household furnishings, etc., he has found that it does not go so far as in times when wages and earnings were much smaller.

WHERE THE TAXABLE WEALTH IS.

Where, then, has the Nation's prosperity gone since the world war began—into whose pockets? And, above all, where may we find the accumulations of wealth which may now be taxed to pay for the war with the least hardship or injustice to the public?

The following figures, selected almost at random from the great list of industrial corporations that have profited by war times, may suggest the answers to the above questions. They may also indicate the economic conditions which lie below the fact reported by Prof. King, of the University of Wisconsin, that 2 per cent of the people of the United States own 65 per cent of the country's total wealth.

Net profits of American industrial corporations.

[Figures shown are the net profits earned for the stockholders, after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporations.	1916	1913
American Can. Co	$7,962,982	$4,376,173
American Smelting & Refining Co	23,252,248	9,756,540
American Hide & Leather Co	1,643,266	475,518
American Beet Sugar Co	2,445,189	881,055
American Locomotive Co	10,769,429	6,185,306
American Steel Foundries Co	3,418,057	1,033,592
American Woolen Co	5,863,819	[1] 1,179,791
American Writing Paper Co	2,524,378	[1] 229,190
Armour & Co	20,100,000	6,028,197
Atlas Powder Co	2,939,790	322,838
Baldwin Locomotive Co	5,982,517	4,017,860
Bethlehem Steel Corporation	43,593,968	5,122,705
Barrett Co. (American Coal Products Co.)	4,247,858	1,835,811
Brown Shoe Co	1,467,757	710,464
Central Leather Co	15,489,201	4,386,345
Colorado Fuel & Iron	2,201,171	1,727,192
Crucible Steel Co	13,223,655	4,905,886
Cuban-American Sugar Co	8,235,113	356,887
E. I. du Pont de Nemours Powder Co	82,107,693	4,582,075
General Chemical Co	12,286,826	2,809,442
Hercules Powder Co	16,658,873	1,017,212
International Agricultural Corporation	1,279,832	[1] 161,493
International Nickel Co	11,748,279	5,009,120
Lackawanna Steel Co	12,218,234	2,755,883
Morris & Co. (packers)	3,832,213	1,916,997
National Enameling & Stamping Co	2,417,803	761,274
New York Air Brake Co	8,214,962	654,512
Phelps-Dodge Corporation	21,974,263	7,907,710
Pittsburgh Steel Co	4,564,068	1,193,669
Railway Steel Spring Co	3,710,805	1,121,660
Republic Iron & Steel Co	14,789,163	3,101,309
Sloss-Sheffield Iron & Steel Co	1,912,624	678,466
Swift & Co	20,465,000	9,250,000
Texas (Oil) Co	13,898,861	6,663,123
United States Steel Corporation	271,531,730	81,216,985
United States Cast Iron Pipe Co	1,308,641	564,427
United Fruit Co	11,943,151	5,315,631
United States Industrial Alcohol Co	4,884,587	652,358
United States Smelting, Refining & Mining Co	8,898,464	3,585,588
Westinghouse Air-Brake Co	9,396,103	5,255,259
Westinghouse Electric & Manufacturing Co	9,666,789	3,164,032
Wilson & Co. (packers)	4,913,873	1,364,245

[1] Deficit.

Taking 24 of the principal companies listed above and comparing their earnings in 1914 and 1916, we find in these two years an increase of 500 per cent, and these increases may be expected to continue. For instance, the steel corporations' last quarter's earning, just published, would indicate, that; for if the percentage is maintained for the whole year, the net sum applicable to dividends for 1917 should be about $450,000,000.

Comparing the increased earnings and the increased stock values of two of these corporations, we get a still more concrete idea of the increased wealth which offers the country a ready source of war taxation:

United States Steel Corporation.

Net earnings 1914	$23,496,768
Net earnings 1916	271,531,730
Increase	248,034,962

Bethlehem Steel Corporation.

Net earnings 1914	$5,590,020
Net earnings 1916	43,593,968
Increase	38,003,948
Average market value of outstanding stock in 1914	17,536,690
Average market value of outstanding stock in 1916	106,112,130
Increase	88,575,440

RAILROADS.

Shareholders of railroads have also improved their position as investors since the war began.

In 1913 the net operating revenue ran approximately from $275 a mile in January to $300 a mile in December. In 1916 the net operating revenue ran approximately from $337 a mile in January to $550 in October.

The net revenue for railroads earning over a million dollars annually for the six months ending January 1, 1917, was practically $700,000,000, which is the largest profit in the history of American railroading.

TAX THE LARGE INCOMES.

Summarizing again we have the immediate necessity of raising immense funds for the Government by bonds and certificates of indebtedness. To pay for these bonds and certificates of indebtedness we have on the one hand the great body of the people and on the other the people of large means. The former, the average citizens, are of moderate means; their average income is less than $1,000 a year, a sum which is continually decreasing in its purchasing power, and is already hardly sufficient to meet the barest necessities of life. These people will do the bulk of the fighting in war time, simply because they compose the bulk of the population. But they can not, and in commonest justice should not, bear anything but a comparatively insignificant part of the war's financial burden. Moreover, they should not be handicapped at such a time by such a burden. The efficiency, the physical condition of this great class that must defend and feed the country should be carefully preserved. They should not be subjected to the anxiety and the hardships that further inroads on their slender incomes or earnings would undoubtedly cause.

Seeking a source of war revenue, we turn from the average citizen to the people of means, who have accumulated wealth under their country's flag and institutions. They can not bear the main burden of defending the Nation in the field or on the sea, because there are not enough of them. But they can and should bear the money burden, and no doubt will be glad to do so if properly impressed with their responsibility. They are financially strong, and they can finance the war from their surplus wealth practically without personal hardship. To them, to their patriotism and willingness to offer to the country whatever it requires, we must look in this hour of general and mutual obligation which the great family of American citizenship has assumed.

A large war tax even to the point of taking all above an income of $100,000 a year would not in any way cripple or discourage these more fortunate citizens. Certainly there should be a tax on small incomes, although the increasing cost of living will probably be tax enough on the average family; and for this reason any income tax on them should be small indeed and graduated so that the burden of actual inconvenience and self-denial shall be equalized as far as possible. The measure of all war taxation should be its effect on the life, health, and happiness of each class of citizenship rather than the size of the contribution made to the Government. All should give in accordance with how much they can give short of distress.

EFFECT OF LARGE TAX ON LARGE INCOMES.

Reducing large incomes for the period of the war and until the war debt is paid (and soon paid) will have a salutary effect on the country. It will tend everywhere to economy and thrift, which, by reducing the demand for luxuries, will lower the cost of necessaries to the general public, whereas the alternative of creating huge bond issues and leaving them unretired for years inevitably tends to inflation, to extravagance, and to raising the cost of living, already an oppressive burden.

RICH INDORSE PLAN.

Along this line Mr. E. W. Scripps, the millionaire newspaper owner of California, said in a memorandum which he sent to the Ways and Means Committee:

"From the source which none of us have yet even dreamed—that of the infliction of a great war—we may draw the greatest reform and the greatest blessings to our people. * * *

"Some of us have very large incomes, and we are prompted, and even by the opinions of society compelled, to indulge in great extravagances. We employ servants who produce nothing for the common good and only minister to our vices. We purchase costly and showy clothing, houses, food, furniture, automobiles, jewelry, etc., the production of which has taken the labor of many hundreds of thousands of men and women, who, if they were not so employed, would be producing other commodities in such quantity as to cheapen them and make them more accessible to the poor

"An enormously high rate of income tax would have the effect of diverting all this labor that is given to practically useless things into other channels where production would be useful to the whole people. * * *

"In the case of the Government of the United States the income is so enormous that out of it could be paid double the amount that the war is costing England annually, and except for the disturbances and readjustment the people of the country would suffer not at all, while they would be greatly benefited by the discipline and the necessity of thinking hard, and perhaps working harder."

Such a policy of paying the war bonds and certificates by taxes on large incomes (assuming that the rich will not evade such taxes, but cooperate patriotically in the effort to have them collected) will materially rehabilitate the very wealthy in the estimation of the public, and it will also make the citizens of smaller means who go to the front feel that they are being loyally supported by the Nation's more fortunate classes.

Speaking of such men, Mr. Scripps said:

"These men, to a large extent at least, suffer extremely from what they feel is the unjust judgment of the great mass of people. * * *

"Now, all of a sudden there is presented to them an opportunity—the Nation's great need for great sums of money—to show their patriotism, to show that they are really unselfish.

"When a man by the practice of business has acquired the habit of investing money profitably it is very difficult for him and really very painful for him to pour out his money in so-called philanthropy; because their own experience and observation have proved to them that the means of philanthropy are generally very wasteful; that it takes from 50 to 75 cents out of every $1 so invested to pay the middle men and the overhead charges; so that only from 25 to 50 cents of the $1 spent ever becomes a real investment. To such men it is a godsend to have the Government come along and take away as an income tax and an inheritance tax their burdensome surplusses."

That this view is shared by business men throughout the country is evidenced by the telegram quoted below, which is one of many similar expressions received from similar sources:

"American Committee on War Finance, 60 Broadway, N. Y.: A board of directors of St. Paul Association of Public and Business Affairs, the big civic and commercial organization of St. Paul, last night adopted with one dissenting vote the following resolution:

"'Whereas many hundreds or thousands of American citizens are to be called upon for the supreme patriotic sacrifice, pledging their lives for their country; and

"'Whereas the least that those remaining at home can do in any measure even approaching the sacrifice of those on the firing line is to pledge their entire financial resources: Therefore be it

"'*Resolved*, That in behalf of this association of nearly five thousand St. Paul business and professional men we urge upon the Government conscription of dollars as well as of men, to be brought about through the imposition of large graduated income taxes, reaching the total absorption for all incomes over $100,000 a year.'

"H. B. R. BRIGGS,
"*Editor St. Paul Daily News.*"

Mr. Chairman, when the wealthy men of this country are willing to sacrifice for the good of the country, when they are willing to sacrifice these mighty incomes, you will have no trouble in getting the boys without incomes to fight as volunteers for the flag. [Applause.] When you go with your conscript officer you will find the young man when he is drawn ready to go, because you will find the mind of the mother and father and the sentiment in that particular block in the city or in that community in the country is thoroughly imbued with the righteous motive and the righteous view of every Member of Congress and every member of the administration, and you will have no trouble in getting your soldiery. But you will have trouble in getting your soldiers unless you can convince them that this war means more freedom, more happiness, more peace, more quiet for the future; and I do not blame them.

When you call upon a man to die, he ought to be called upon to die for a great and an everlasting and an imperishable principle. I have made an effort within the last few weeks to make some investigation of the subject, and I believe I can successfully state, or can state without being successfully contradicted, that no hired army, no army educated and trained as such, has ever advanced the cause of human liberty on this earth. [Applause.] I believe I can also state that it has been the hired soldier that has trampled upon the liberties of mankind. It has been essential to the monarchical governments of the past that you have a great standing army to stand between the monarch and the people and to keep him on the throne. But when governments spring from the consent of the governed, when people shall be consulted at the ballot box and there is enough intelligence to enable the people to fairly register their will at the ballot box and to submit to the will of the majority, you do not need a soldiery. So during this war it ought not only to be our purpose in words, words, words, but in action, too, to say to the world that we do not intend to impoverish the masses, but that the wealth of this country shall contribute of its vast stores that which is necessary to preserve this institution, the Government of the United States, which means so much to them, more in property than it does to the poor and to the man that labors and toils.

Now, I am going to read to you a quotation from the Kansas City Star, and it strikes me that it has in it a principle which, if adopted by this Congress, will tend greatly to popularize our action in the future. I read:

We hold it to be incontrovertible that the Government which demands that men and women give their labor power, their bodies, and their lives to its service should demand also the service, in the interest of these human beings, of all wealth and the product of human toil—property. In the Civil War William R. Nelson used to say, "We took men's lives and paid them $13 a month in depreciated currency, while we were going hat in hand to the rich to borrow money to be repaid in gold." Such a policy is so grotesquely unfair that it would never be tolerated were not the people accustomed to it. By financing the war through borrowing money we put a double burden on the patriot man who does the fighting. We not only take away from him his business and risk his life but we saddle the payment of taxes on him when the war is over to pay the interest on the war debt, if he is so fortunate as to survive. Certainly, if every citizen is under the obligation to serve his country in time of war, the obligation must rest on income as well as on life. If we conscript a soldier, we ought to conscript income.

Then, why should the man who because of age or physical defect can not serve in the Army enjoy his income? A truly democratic policy demands that we conscript incomes as well as men, and we can not afford to make any sham at this conscription of incomes. It must be a real conscription. It must be a real sacrifice to satisfy the boy that is going to-day, and the mother and father that are going to give up the boy. [Applause.]

Oh, you may sit, if you please, in this place of safety and security; you may sit here and cold-bloodedly consider this question of financing this war, and you may be afraid to pursue that line which will call down upon your head the criticism of the public press; but there ought to be in every heart here a sense of duty higher than that of holding our seats in Congress, and the man who would cast a vote in this trying hour to hold his seat in this body which is contradicted by his conscience is unworthy of a seat here. Therefore in the consideration of these questions it should be a consideration that would make for this bill the least burden upon the masses and place the burden of carrying on this war on the shoulders of the people who have the enormous fortunes. My only complaint about this bill is that we are not willing to do as they do in New Zealand, where the income tax, even in peace times, on over $50,000 is 100 per cent.

In Australia they conscript in times of peace 50 per cent of all the incomes over $500,000 and 100 per cent of all incomes over $5,000,000.

Another thing, to my mind, is equally essential to winning this war. Do not keep the people of the United States in the dark as to what is going on. [Applause.] I am unalterably opposed to censoring the press. [Applause.] No man was ever created on this earth good enough and wise enough to censor your thoughts or the expression of your thoughts. [Applause.]

I am willing that the Army and the Navy shall prevent any information getting outside of the United States that might in any way aid the enemy. I am willing that we shall not permit treasonable utterances in the public press; but further than this I will not go with my vote under any circumstances, because I want the people within the United States thoroughly informed of what is going on in the United States and what this administration is doing in reference to the Army and Navy of the United States. [Applause.]

Now, let us see what the censor in Great Britain did. They established first a very rigid censor there. The censor remained for the time being and kept the English people in the dark; but ere long there were two real hardy newspaper editors, who took the chances of imprisonment and attacked the Government in reference to munition contracts. They laid bare the fraud; they laid bare the capacity of the private institutions who had the special privilege in reference to the contracts. The balance of the press took it up, and the result was that there was a revolution in the Cabinet of England, and the newspaper men that called attention of the people to the fraud saved the British Empire, if not the civilization of the world. [Applause..]

I have not myself been fairly treated, in my judgment, by the public press. I have been the victim of as much slander as any man, taking into consideration my obscurity in politics and the obscure position I hold. But I would rather these men in the gallery and that every newspaper in the United States had the absolute right to publish even falsehoods, as false as it is possible for type to make it, than to stop their right to publish that which is the truth and the whole truth.

I am not afraid, gentlemen, of the newspaper when it lies about me. I am afraid of it when it begins to tell the truth about me. [Laughter.] A lie never hurts a public man if he is right in his heart and right in his conscience. You can not hurt a man by falsely representing him, provided, as Jefferson says, "reason is left free to combat it."

After the English realized the mistake they had made, then the Admiralty, the old war dogs of the sea, who were so secretive that they did not want anybody to publish anything—these same war dogs, after they realized what the public press meant to them, organized a campaign of publicity for the British Navy, and it is conducted and carried on to-day.

The same thing practically occurred in France. Let me tell you, if you try to keep the American people in the dark, if you lead them to believe that there is some official somewhere censoring what shall go out from the press gallery to the newspapers in the United States, and that they are not getting the whole truth, you are going to create a great suspicion in the minds of the people which will be infinitely more harmful than all the truths and falsehoods the newspapers can tell. I do not believe the American people, who have been taught from the foundation of the Government to the present time that free speech and a free press shall always be inviolate, would be willing because of a foreign war that the public press should not publish the truth about all officials. If an official does wrong, he ought to be criticized, and if the criticism is harsh it will do no harm.

While an Army officer or a naval officer, like a Congressman, does not like harsh criticism, do you know that harsh criticism does both good, and when they deserve it it will do the Army officer and the naval officer good in the conduct of this war? Good criticism does us all good. If it were not for some criticism back home the votes in this House might be entirely different from time to time.

Ah, gentlemen of the committee, a man that wants to do right is never afraid of the light of day. The cablegrams can be censored going out of the United States, England, and France and the United States can control the information that shall get into Germany, but let us not muzzle the public press. I feel that if I were a friend of Germany and I wanted to arouse suspicion here I would put a muzzle on the public press. As one gentleman said, the devil may have invented a better means of accomplishing wrongdoing than to muzzle the press, but he has not yet done it. The devil has not been able to find anything that will do human freedom and human justice more harm than to muzzle the press.

What do you find that Thomas Jefferson did? In the first amendment to the Constitution he coupled up freedom of the press and speech with the freedom of conscience and religion, and when you shall lay hands on that instrument and shall take the freedom of the press out of it, the next step may be to take out the freedom of religion.

It is not in the piping times of peace that the Constitution is serviceable. It is not when everything is running smooth that we need any constitutional limitation. It is only in times of stress and storm, only in time of war, it is only when the political earthquake comes that we need the constitutional limitation—upheavals overturning public opinion, leaving men with their minds in an unbalanced state. Then it is that we ought to look to that Constitution, the palladium of our liberties, and not set aside the spirit of the first amendment to the Constitution—free speech and free religion. [Applause.]

There have always been two great ideals in government. The older one is that the power to govern and control the people shall be separate and apart from them, or, if you please, over and above them. That is the old idea of government. It was perhaps necessary when people were savages and when they were densely ignorant. It was perhaps necessary when they did not have free speech and a free press. It was perhaps necessary when they did not have schools and a free religion, to preserve the government which has been imposed upon them and to preserve the law that they had nothing to do with making.

There is another idea, the American idea, the modern idea, and that is that all just powers of government spring from the consent of the governed. There are two ideas of government now in the world. One is a modified form of ours, to wit, the German system of government and the German thought. Our system is still as far removed from the German system and German thought as it is possible for governments to be removed, both being civilized communities. When the Government of the United States, through its authorized agents, shall endeavor to determine what a man shall do with his life, then we are adopting to that extent the German or Bismarckian system of government. You adhere to the American system when you say that every man shall determine for himself what he shall do with his life. Shall I cultivate the soil? That shall be determined by me and by the necessities and environments that surround me. Shall I practice law? That shall be determined by the man himself. Shall I practice medicine? Whatever may be your distinct vocation, that you shall determine for yourself, and you shall use your talents in those lines as are best dictated by your own judgment and the environment in which you find yourself. Shall I be a soldier? Yes, if I desire to be a soldier and the Government furnishes me means of training, and we ought to do that. Then let the man be a soldier if he desires to be. But let me tell you what is an ideal far beyond that. The next step which civilization shall take can not be taken by any one nation alone. It must be taken by some sort of international agreement, and that international agreement must be backed up by international thought and international conscience. The people must be taught to think alike, and before we can ever be able to get rid of the armaments that we have been compelled to make, it is necessary that in this immediate thought there shall be full international agreement; and I hope that time has come, and I hope that the good that may be gotten out of this war will be that the people of all of the nations and all of the climes under free speech and a free press, all of the open-hearted, great-minded, great-souled men, shall rise up

and proclaim to the world that while in the past we have been compelled to suffer the evils of mighty armies with their tread that shakes the earth, with the rattling sabers that have made streams and oceans of blood, because we were forced by our neighbors to do it. The object, the aim, and the purpose of this war on the part of every Republican and every Democrat, of every man in America, of every woman and every child, shall be such that we must and shall have an international agreement that will free the world forever from a repetition of what is occurring now; and let the occupant of the White House make his administration so fair, so just, and equitable that not only by utterance but by conduct of the administration he may convince the American people that that thought already is in their minds and hearts, and that that is what he is endeavoring to write upon the hearts and minds of the people of the world. And when that is done, there will be good, unlimited good, come out of this struggle. For in the future the billions now spent in slaying our fellow men can be used in building up the people of all the earth in peaceful pursuits and making for the happiness of mankind. [Applause.]

Mr. SLOAN. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. ROBBINS. Mr. Chairman and gentlemen of the committee, we have witnessed, I think, the most incongrous legislative proceeding in this bill that has ever been brought before this House. For four hours we listened to the argument of the learned and distinguished chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. KITCHIN], attempting to explain the provisions of this bill. He characterized it as illogical, as oppressive, and as bad legislation, and the only thing that he could say to justify it was that we "needed the money," and that is his argument, and that is the argument that we would meet if we met a man in a back alley with a blind mask on his face and a revolver in his hand. He would tell us that he "needed the money." After he had concluded his argument upon the bill we listened to the distinguished Republican leader of the Committee on Ways and Means of this House, the gentleman from Michigan [Mr. FORDNEY], for nearly four hours in his attempt to justify the bill, and he characterized it as the worst piece of legislation he had ever brought out of that committee, but he gagged and strained and finally said that he intended to vote for it and would support it. Then one by one the whole 21 members of that committee, almost, have come forward, and, with one exception, they have agreed to support the bill upon the ground that we were "at war" and that "we needed the money." I submit that that is no reason why we should pass legislation of this kind. I am opposed to this bill for two reasons, although there are many others that could be assigned. In the first place, the bill imposes a tax that is excessive and unnecessary upon our people at a time when they can ill afford to pay it. The other reason is that we ought not to raise all of the revenue necessary to pay so great a portion of war expenses as one-half by the imposition of taxes on the present generation. This bill, if passed—and I warn you gentlemen, because I come from a great industrial section of western Pennsylvania—will create consternation and havoc and terror among the industrial populations of the North and the South, the East and the West.

There is another matter that developed in the discussion of this bill that is most singular. When we declared war on Germany we did it pursuant to what we believed to be our duty, and we took our inspiration from the President of the United States speaking in this room to us when he warned us that Germany had made war upon our commerce, had murdered our citizens, had proscribed a zone within which our ships could not go, and he said in language that is now well nigh historic:

> There is one choice we can not make, we are incapable of making. We will not choose the path of submission and suffer the most sacred rights of our Nation and our people to be ignored or violated. The wrongs against which we now array ourselves are no common wrongs; they cut the very roots of human life.

Pursuant to that message, with it ringing in our ears, we passed a resolution in which we said that the repeated acts of war committed against our Government by Germany had thrust upon the people of the United States a condition that demanded the declaration of war. We hear now nothing about Germany wrecking our ships and murdering our citizens and assailing the sovereignty of our flag, but we are told that we are waging this war in the interest of humanity; that we propose to carry democracy to Europe; that we propose to drive the Hohenzollern family from the throne of Germany, while our soldiers shall fight side by side with the soldiers of King George and that his throne shall not be disturbed. We are told that we propose to reestablish the monarchy in Belgium, and at the same time we are giving money to overthrow autocracy and convert European peoples to an ideal. That we will drive from the throne of the dual monarchy of Austria-Hungary the house of Hapsburg, while loaning money to Italy, whose monarchy we will not disturb because it is aiding us. Gentlemen, I believe it has been stated here this morning, and repeatedly in this debate, that what we want to do is to popularize this war with the American people. I agree to that proposition, but I believe this war will never be indorsed, never will become popular, never will gain the heart and soul of the American people and their support if we leave them believe that we are going over to Europe to overturn established governments which were established by the people of Europe themselves. [Applause.] What we want to do, and what we want to bring more clearly to the attention of the American people, gentlemen, is the purpose that the President laid down for us as the basis upon which this war is to be waged. We are waging this war because the Imperial German Government has attacked our sovereignty on the high seas, has questioned our right of free commercial intercourse with nations with which we are at peace, and has assailed the immutable principles of international law and of right and justice; and we propose, as the President said, not to yield those principles that are right and unassailable. I do not know why this change should come about, unless some ingenious orator or writer or perhaps an inspired press has taken the cue from what Mr. Lincoln did during the War of the Rebellion. Slavery started that war, and when Mr. Lincoln came here on the 4th of March, 1861, to be inaugurated there was already organized and in session at Montgomery, Ala., the Congress of the Confederacy; seven Southern States were in open rebellion against the Government of the United States. But Mr. Lincoln was patient; he made no move until Sumter was assailed, until the flag was shot down, until territory of the United States had been seized, and then he issued his call for volunteers, not to free the slaves but for volunteers to preserve the Union. And from that time on we heard little in the North about freeing the slaves, but much about defending the Union, and the northern soldiers fought to save the Union from that time from dissolution.

When the Government of the United States established an embargo that was drawn around the South to strangle it to death and prevent the importation of supplies and the exportation of cotton to Europe, and when the spindles of Sheffield and Leeds and Manchester were standing idle and the employees were starving at the doors of the closed mills, and there was great danger that the British Government would acknowledge that the South was an independent nation and thereby grant to it the credit due from such act, then Mr. Lincoln sent Mr. Beecher to England to present the case of the Northern States. He instructed him to change the issue and to present to those disconsolate and dissatisfied working people of England this proposition: That if the North was overthrown, slavery would be enforced upon one branch of the English-speaking people, and the common people of England never would sanction that. They had recently abolished slavery from the British Empire. To their eternal credit be it said—for it is well known that the ruling classes of England had determined to recognize the independence of the South—that the common people of England, starving and enduring hardships, stood for the principle that human slavery should not be extended in the United States, and therefore the North was enabled to triumph, and the Union was saved. Now, my friends, it would be of little use indeed for me at this late time in this debate to undertake to criticize the schedules of this bill. Any man who now argues upon this bill finds himself in the position of the two colored boys down in the district of the distinguished chairman of this committee. One colored boy said to the other, "Jackson, if you had your wish of three things in this world, what would you take?" "Well," he said, "I would take watermelon, I would take chicken, and I would take possum. Now," he said, "Rastus, if you had your wish for three things, what would you take?" "Well, Jackson," said Rastus, "you left nothing for me to say." [Laughter.] And so that is about the position we find ourselves in when we come to argue these schedules after three full days' debate. I shall not take up these schedules in detail, as my time will not permit it, but I assail this bill because it is an attempt to extract by extortionate and oppressive taxation from the present generation, who are called upon to fight this war and to suffer and give their lives and blood, if we are to win it, an exorbitant sum of money. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBBINS. May I have a few more minutes just to complete my statement?

Mr. FORDNEY. I yield two minutes more to the gentleman.

Mr. ROBBINS. It would be useless for me to stand here and assail this bill if I did not propose a remedy. I do propose a remedy. This bill raises more money, according to the distinguished gentleman from Illinois [Mr. MADDEN], by $600,000,000 than is necessary. Of course, the distinguished gentleman from Connecticut [Mr. HILL] immediately said that was not true, and both of these gentlemen are sincere; both of them can not be correct, and therefore this bill must be a guess at best. We ought to only undertake to pay one-fourth of the cost of this war by taxation during the war and three-fourths by issuing bonds. Let posterity, for whose benefit this war is being waged, help to pay the cost. England is raising 25 per cent from taxation and the balance from the sale of bonds, France 18 per cent by tax, and Germany 12 per cent, and the balance by the sale of bonds. Let us profit by their experience and follow the same course. This bill is unnecessarily extortionate.

I will tell you how, gentlemen, we can raise this money and not fill the bankrupt courts with litigation, not destroy our own industries, not wreck the corporations and destroy the press of the country, not go back and extract an income tax from last year's income, not bring about all these conditions at this time, when there are greater hardships and suffering among our people of small incomes and greater suffering for the want of actual necessities of life among our working people than there has been within 50 years. When within a generation has flour been $17 a barrel, lard 35 cents a pound, meat 60 cents and up per pound, sugar 11 cents per pound, and all the necessaries of life at the very high price that now prevails? And the purchasing power of money less than half what it was on the 1st day of July, 1914, when the European war opened. There are two objects from which we can raise this entire sum and not disturb any of the business conditions of this country. Let us levy it on the swollen incomes of individuals and corporations arising out of the war profits [applause] and let us make up the deficit by passing a reasonable and proper Republican protective tariff measure. These will provide all the revenue we need. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KITCHIN. Mr. Chairman, I yield 30 minutes to the gentleman from Rhode Island [Mr. O'SHAUNESSY].

Mr. O'SHAUNESSY. Mr. Chairman and gentlemen of the committee, as a member of the Ways and Means Committee, which framed this $1,800,000,000 war-revenue measure, it was my intention to discuss some of the features of the bill at length. I find, however, that the public is justifiably impatient. The public is looking for action and is disinclined for words. I agree with the public, and therefore I am going to speak 1 minute instead of 30 minutes, and patriotically give back 29 minutes of my time. [Applause.]

I believe that the decks should be cleared for action, that we should get to work, and I am strongly of the hope that in the immediate future the committee charged with the consideration of the food bills will bring into this House for quick passage a bill giving to the President of the United States full power and authority to conserve the food supply of this Nation for the benefit of the public and the prosecution of this war. I believe that there should be a gallows erected for every food speculator.

I thank the committee, and yield back the balance of my time. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Iowa [Mr. DOWELL] 15 minutes.

Mr. DOWELL. Mr. Chairman, I shall occupy your attention but a short time.

The Ways and Means Committee a short time ago took up the question of preparing this bill to raise the revenue necessary to meet the expenditures of the Government in the present crisis.

It has been said on this floor that this bill is intended to raise by taxation larger sums of money than any bill ever presented to any legislative body in the world.

I want to discuss as briefly as I may the plan adopted by your committee for raising this revenue.

The distinguished chairman of the Ways and Means Committee [Mr. KITCHIN], in presenting this bill for the consideration of the House, said he proposed to shut his eyes and vote for the bill. The distinguished gentleman from Michigan [Mr. FORDNEY] voiced substantially the same sentiment.

As we all know, the cost of the necessaries of life at the present time has reached a point to which the family with a small income can hardly reach, and in the very near future in this country of bounteous plenty the question of sufficient bread may become one of the problems to be solved.

In framing a revenue bill to raise the great sums necessary in the present emergency every possible effort should be made not to increase the cost of the necessaries of life nor to disturb the business of the country. Already plans are being considered to prevent the cost of these necessaries going beyond the reach of the people, and it occurs to me in this bill, in so far as we are able, we should relieve families of moderate means from any further burdens than are already placed upon them. It therefore follows that so much as is possible of this revenue should be raised from the large incomes and excess profits of those who have profited by this great war.

This bill in some respects followed this plan, and in other respects it places the burdens upon those many of whom can illy afford to pay.

The bill provides a 3 per cent tax on amount paid for freight and 10 per cent on the amount paid for express. It provides a tax of 10 per cent on passenger traffic. It provides a tax of 5 per cent on gas, electric power, light, heat, and so forth, for domestic use. It provides a tax for telephone and telegraph communications. It provides a tax for advertising and advertising space. It provides a tax for insurance. From these sources it is proposed to raise the following sums:

Freight taxation	$77,500,000
Express	15,000,000
Passenger	75,000,000
Electric light, gas, domestic power, telephone service, etc.	30,000,000
Telegraph and telephone messages	7,000,000
Advertising	7,500,000
Insurance	5,000,000

The bill further provides for a stamp tax on nearly all papers, notes, transfers, and so forth, which is intended to raise many millions.

The bill proposes to increase first-class postage to 3 cents per ounce and post cards to 2 cents each. It is estimated this increase will raise $70,000,000 per annum.

The bill provides for an increase of second-class postage sufficient to raise an additional $19,000,000, estimated.

I am calling your attention specifically to this proposed tax, because in nearly all of the items mentioned nearly every dollar will be paid directly by the consumer.

I know, and we all know, that the American people are patriotic and will willingly pay whatever is necessary to be paid within their power in order that this war may be brought to a speedy close. But the people of this country expect this Congress to equitably distribute this burden among the people of the country. And that is the purpose of our examination of this bill to-day, namely, to place these burdens where they can best be carried, and where they ought to be carried.

I received a letter from a friend of mine which I desire to place in the RECORD and which demonstrates the patriotism of the people in being ready to pay whatever fair share of the taxes may be placed upon them. It is as follows:

JONES PIANO CO.,
Des Moines, Iowa, May 11, 1917.

Hon. CASSIUS DOWELL,
Washington, D. C.

MY DEAR CASH: I am receiving letters from various manufacturers and musical organizations requesting that I wire you to protest against the war tax on musical merchandise. It may be refreshing to you in this trying time to know that I am in favor of this tax on musical merchandise even though it gets in on my business.

I am further in favor of an increased corporation tax and progressive increase of tax on incomes. All of these would get me. However, since there is no likelihood of their drafting me on account of my age, I am nevertheless more than a platform and street-corner patriot. I believe that we invited this war, we have profited by the war, and therefore we ought to pay the "fiddler." We now have the money. The next generation might not be so fortunate. I am in favor of conscripting money. In fact I do not believe our men should be conscripted until we have conscripted money in abundance.

Further, if we put the tax on heavy enough to pay as we go there will be no temptation on the part of the rich and powerful to prolong the war unnecessarily. After the Civil War my grandfather and my uncles not only did the fighting but they returned to ruined business, disrupted homes, and then were compelled to bear their burden of taxation in order to pay the expense of the war in which they had fought.

I believe we who are to be left at home in this case should pay all of these expenses and the men who do the fighting should be exempt from war tax. I realize that these are times when you hardly know which way to turn, but I am inclined to believe that you might receive direction and comfort from the God whom we all serve, the God of our fathers, and the God of your mother, and to whom we shall all pray for leadership and for you.

Your friend,

PAUL JONES.

[Applause.]

This letter I received on yesterday, and I have read it because I want you to know that the people at home are willing to go down in their pockets and pay whatever is necessary to pay within their ability to carry this war to a successful conclusion.

While I know the patriotism of our people and I know that they are willing to make whatever sacrifices are necessary in order to conclude this war, I want to briefly suggest to you the method which I believe should be employed to raise this revenue without placing such heavy burdens upon our people.

My position is that these burdens should be distributed in an equitable and fair way. They should not be placed in such a way as will disturb the business interests of our country nor rest too heavily upon the shoulders of those unable to pay.

The tax should be more heavily laid upon war profits and upon high incomes and excess profits. In other words, the great companies who are making these enormous profits out of this war should be compelled to contribute heavily toward the expenses of the war. And in this respect this bill should be amended.

As proof of what I have just stated I want to call your attention briefly to the enormous profits being received by these great companies. I read from the Wall Street Journal, October 11, 1916, page 1, as follows:

BETHLEHEM STEEL CORPORATION ESTIMATED EARNINGS.

Net earnings have averaged more than $5,000,000 per month since the first of the year. As a result, estimates of $60,000,000 for the full year of 1916 are regarded as conservative.

In 1914 the net profits of the Bethlehem Steel Co. is quoted at $5,590,020.

I read further from the Wall Street Journal dated December 22, 1916, page 7:

MIDVALE STEEL CO.

In November the net earnings are understood to have reached the $4,000,000 mark. This figure is after deducting depreciation and month's proportion of fixed charges.

The net profits of the Du Pont Powder Co. for 1916 is reported at $82,107,693, as against $4,831,793 in 1914.

If I am incorrect in any of the quotations, I desire to be corrected.

I am calling your attention to these facts, gentlemen, that you may know the enormous profits that are now being received by these munition plants attributable wholly to this war and because of large contracts on account of this war.

Why should these great companies not pay a large part of this excess profit for the maintenance of the Government during this crisis? This profit was obtained by them through the war and because of the war, and every dollar of it is attributable to the war and is a war profit.

I believe that when we take into consideration the enormous increase in these profits since 1914 we should require these companies to pay more than is provided in this bill instead of placing these burdens upon the necessaries of life.

Mr. GREEN of Iowa. Will the gentleman yield?

The CHAIRMAN. The gentleman's time has expired.

Mr. DOWELL. May I have five minutes more?

Mr. FORDNEY. I yield five minutes more to the gentleman.

Mr. GREEN of Iowa. Will the gentleman yield to me?

Mr. DOWELL. I yield.

Mr. GREEN of Iowa. As I take it, the gentleman believes we should levy a larger tax upon these high profits; that they should pay a higher per cent than a low profit?

Mr. DOWELL. I certainly do.

Mr. GREEN of Iowa. In that connection, then, I understand the gentleman differs very much from the gentleman from Illinois [Mr. MADDEN] who spoke yesterday, and who would levy a tax on any profits, no matter what they were, high or low.

Mr. DOWELL. I would levy these taxes upon the excess profits and the large incomes in order to carry on this war, rather than to go to those who can not afford to pay.

Mr. SWITZER. Will the gentleman yield?

Mr. DOWELL. I can not; I have only a few moments of time.

In this bill the excess-profits-tax rate is 8 per cent at the present time upon the net income after deducting $5,000 and an amount equivalent to 8 per cent of the actual capital invested. This bill proposes to levy an additional tax equivalent to 8 per cent of the net income of corporations and partnerships, determined in the same manner.

In view of the enormous profits received by these companies, this tax is insufficient, unfair, and inadequate, and I propose that it be greatly increased in this bill and burdens elsewhere correspondingly reduced.

Now, I want to call your attention to the profits of the Standard Oil Co. of Indiana, and I quote briefly again from the Wall Street Journal, September 9, 1916, page 5:

THE STANDARD OIL CO. OF INDIANA.

Melon believed near. On especially good buying stock of company advanced to $725 per share September 8, a record high price, and a gain of $100 per share this week. The inference from the strength of the stock is that the time is not far off when the company will distribute to stockholders a larger share of its earnings and perhaps a part of its large surplus. Surplus on December 31 last was close to $27,000,000, and it is certain it is much above that figure now.

On September 11, 1916, the Wall Street Journal gives the following:

Secretary Stohl says: "Talk of stock distribution is wholly anticipatory at present. If we knew how much longer extraordinary conditions due to the war are going to last it would be a simpler matter to make our plans." The company's balance surplus is unofficially estimated well above 115 per cent on the stock. Estimates of the melon now ripening run as high as 100 per cent stock dividends.

I am advised that there are 30 or more of these Standard companies throughout the United States, fixing their own prices without let or hindrance.

According to the statement I have just read, this stock is now worth $725 per share. And, as I understand it, under this bill the excess-profit tax has been increased 8 per cent only.

I want to place this tax where I believe it belongs, and I earnestly hope that in the consideration of this bill it will be so changed that these large fortunes with these great incomes and excess profits brought to these concerns by reason of this terrible war will be made to pay their share of the expenses of this war.

In a few months the young men of our country will be taken from their homes and from the salaries they are receiving—maybe $1,000, $2,000, or $3,000 per year. They will be enlisted in the Army of our country and may be sent to the trenches in France. They will be deprived and their families will be deprived of the salaries these young men have been receiving. In addition to surrendering all of their income and accepting the pay of $25 per month they may be called upon to give up their lives for their country.

Why should we not take from the men who are making the enormous profits out of this war a large part of the sums they are receiving when these young men who are in the service are sacrificing their salaries and their lives for this great Republic? [Applause.] All of the patriotism should not be required of those who are not able to enjoy the large profits of these great munitions factories. I believe that if the distinguished gentleman from North Carolina [Mr. KITCHIN] will assist to amend this bill and place greater burdens of taxation upon these great fortunes and enormous profits he can then vote for the bill without shutting his eyes, and he can afterwards look every man squarely in the face, saying, "I made every man perform his duty." [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming is recognized for 15 minutes.

Mr. MONDELL. Mr. Chairman, I think it was Gen. Sherman who said, "War is hell." Whether the general had in mind, at the time he made that famous declaration, war taxes I do not know, but that declaration applies equally to taxes as it does to the other misfortunes of war as is evidenced by the unanimity with which constituents of some gentlemen oppose first one, then another, and, finally, all of the provisions of this bill.

Mr. Chairman, the gentleman from North Carolina [Mr. KITCHIN] has said that he would shut his eyes and vote for the bill. I shall go him one better. I shall vote for certain amendments in the hope that they will be adopted; but whether they are adopted or not adopted, I shall deem it my duty to vote for the bill, and I shall vote for it with my eyes wide open, realizing what an awful burden it places upon the American people, but believing that the burden of this war should be borne to a considerable extent by this generation and that we must pass such a measure as shall eventually be agreed upon.

On the other hand, if I had been a member of the Committee on Ways and Means and had been allowed to have my way I would not have laid all of the taxes or placed some of them as high as the committee has. I am convinced that there are some features of the bill that are not equitable, and I hope that those features will be carefully discussed and remedied, for even burdens should be equitable burdens, and we can all vote for this bill with a nearer approach to cheerfulness, at least with more resignation, if certain inequitable provisions have been eliminated and certain provisions have been modified.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GARNER. Does the gentleman believe that we should collect the amount of money that is proposed to be collected in this bill?

Mr. MONDELL. If I had the entire responsibility of doing it, I think I would not place upon the American people at this time so heavy a burden as the bill proposes to place on them. I shall vote for the bill, not because it exactly meets my views, but because it seems to be the product of the best judgment of

the committee and will, I hope, when it passes the House, be the product of the best judgment of the House.

But we are placing this burden pretty heavily upon the present generation, and on the people who must not only bear the direct burdens of taxations but the indirect burdens which high prices place on all, particularly those of moderate means.

But, Mr. Chairman, I have not the time now to discuss all the various features of the measure which I hope to see modified. I hope to do that later. I want to discuss in the brief time I have one feature of the bill which, while it has been considerably discussed, has not been discussed at all, so far as I have listened to the debate, from the standpoint from which I desire to approach it. I refer to the provision of the bill which proposes to establish a zone system for second-class mail matter.

I think it may be possible that we are not charging the publishers of newspapers and magazines as much as we should of the cost to the people of the transportation of papers and magazines, and I should be perfectly willing to vote for a provision which proposed some reasonable increase on a flat rate on the newspaper and magazine postage of the country. But I am opposed to the method under which the committee seeks to establish in this country zones of information [applause]—zones of literature, zones for the promulgation of views and ideas. It was the historian Froude who made the statement that a homogeneous and vigorous people may conduct their own affairs under a liberal constitution as long as their personal characters remain undegenerate. The converse of that is—and that was the thought in the mind of the historian—that a non-homogeneous people can not successfully conduct government under a free constitution, and that is true, as evidenced by all the lessons of history. If we have any one problem in this country that we must constantly have in mind and constantly contend against it is that of the tendency of people to become provincial, narrow, sectional in view and thought. And so I approach this question not from the standpoint of the newspapers and their interests, important as they are; not from the standpoint of revenue, important as that is; but from the standpoint of the interests of the American people, from the standpoint of its effect upon the continuation and perpetuation of free institutions.

The gentleman from Connecticut [Mr. HILL] said the other day in the debate, "If you establish this zone system, the magazines will start plants out in your country and they will go to issuing magazines there." Well, if that were to be the effect of it, that would not cure the situation. I am no more in favor of a Wyoming and Nebraska provincialism than I am of a Maine or a Boston or a Louisiana provincialism.

It is true that some of these papers which enjoy the second-rate privilege do not furnish the people with a very high class of literature. There is a lot of soft and sickly sentimentalism in some of it, as evidenced by the extracts read by the gentleman from Illinois [Mr. RAINEY]; there is a goodly lot of touch and go and sensational melodrama, but the weepy sentimentalism and the Sixteen-String-Jack melodrama not only appeals now but always will appeal to certain people, and if we are to have it I want it to be national weepy melodrama; I want it to be national blood and thunder literature rather than the weepy melodrama of Kokomo disseminated in a little circle around Kokomo, and Sheboygan blood-and-thunder sensationalism disseminated in and around Sheboygan and near-by country precincts and localities.

This is not primarily a question of revenue. The sum to be obtained by treating news and literature and the dissemination of information and intelligence as though it were beans and butter sent through the parcel post is relatively pitiably small, but the principle involved is a matter of vastly more importance than that of revenue, of vastly more importance than the interest of the people who publish the newspapers and magazines.

I have a neighbor who since I can remember has taken the New Orleans Picayune. I have a neighbor who takes the San Francisco papers. I have always tried to have New York and Chicago papers in my home. We receive from these papers the point of view of these sections of the country distant from us, and we need that point of view. We must have that point of view if we continue to be a homogeneous people, having the same thoughts, the same aspirations, the same hopes, and the same viewpoint of government and of the blessings of liberty. [Applause.]

It is not a question of a few dollars of revenue, it is not a question of whether or no it is fair or unfair to the newspapers and magazines, it is a question whether it is fair to the American people. [Applause.] I know that the newspapers and magazines are not always fair, they are not always reasonable, they do not always tell the exact truth. There is not one of us who at one time or another has not felt very resentful toward certain newspapers, toward certain magazines, but if they are to make mistakes, if they are to exaggerate, if they are sometimes to be unfair, let it be a national exaggeration and a national unfairness and not provincial and limited and local.

I should not feel any differently in regard to this matter if most magazines in this country, instead of being published at Augusta, Me., or New York or Boston or elsewhere, were published in my State or in my section of the Union. I would, in that case, feel, as I do now, that any system of postal rates calculated to circumscribe them to the locality in which they are published was regrettable and unfortunate. Consider for a moment the situation you would create. Possibly some of us may take the publications that are published in Augusta, Me., to which the gentleman from Illinois referred. I do not happen to subscribe to them myself, but we do take magazines like the Outlook, the Independent, the North American Review, the Atlantic Review, the Century, the Youth's Companion, the Ladies' Home Journal, and they are not going to be transplanted to our western country, as suggested by the gentleman from Connecticut. If they were, it would not help the case any, from my viewpoint, if they could not circulate freely throughout the country. The Nation is large, and the population is great, and its people are intelligent, and they buy magazines and newspapers in great numbers; and right or wrong, it is these great magazines and these great newspapers that are the molders and leaders of the public thought. Wherever they are published it ought to be as easy and as cheap for the citizen to buy them in one part of the Nation as in another. [Applause.] I appeal in this matter not from the standpoint of those who publish these papers and magazines, not from the viewpoint of those who make money out of them, though that viewpoint should be considered, but from the viewpoint of the hopes and aspirations of the American people, from the viewpoint of our hope that we may maintain here what has never been maintained heretofore anywhere else on earth for any considerable time, a great population scattered over a vast territory homogeneous in its views, in its habit of thought, and in its aspirations. [Applause.]

Mr. LONGWORTH. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LONGWORTH. The gentleman is making a very interesting speech, and I want to ask whether he is advocating that there shall be no increase whatever in the second-class mail rates or that there shall be no zone system?

Mr. MONDELL. I am particularly opposed to the zone system. I am not sure but that we might properly increase, even double the rate as a flat rate over the country. But I would want to study that before I advocated it; but if it is equitable, if it is just to make any increase, make it a flat rate. I am not appealing to you because I live in Wyoming or because under your bill we would have to pay there 50, 60 cents, or $1 more per year for certain newspapers and magazines—I might be able to afford to do it and might be willing to do it, but the majority of the people could not afford it, and that would create a condition under which we would each and all of us soon be living in a miserable little zone of local information, local thought, and local ideas.

Mr. GARNER. Will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. GARNER. The basis of the gentleman's objection is not so much against the increase in the revenue of second-class mail matter as against the zone system.

Mr. MONDELL. My argument is primarily against the zone system.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. FORDNEY. I yield to the gentleman two minutes more. I want to ask the gentleman a question. I want to say to the gentleman that first-class mail pays now 2 cents an ounce, or a fractional part thereof, and therefore pays a minimum of 32 cents a pound. It undoubtedly runs up as high as 50 cents a pound for first-class mail matter. Second-class mail matter pays 1 cent a pound. There is an annual loss on mail matter so that the Government must go down into its pocket and pay the loss to the Post Office Department. In the gentleman's opinion, where does that loss come from, the first-class mail matter or the second-class mail matter, and if the 1 cent a pound on second-class mail matter is responsible for the loss, what in the gentleman's opinion is the duty of Congress in removing the injustice?

Mr. MONDELL. I thank the gentleman for that question, and inasmuch as it is quite long, would the gentleman be good enough to yield me five minutes instead of two in which to answer it? [Laughter.]

Mr. FORDNEY. I yield to the gentleman five minutes.

Mr. MONDELL. Now, Mr. Chairman, the question whether or not the second-class mail matter is paying a proper proportion of the cost to the people for carrying it through the mails is a very important question and one that belongs primarily not to the gentleman's committee, but to the Committee on Post Offices and Post Roads. That is a very able committee. I am willing to follow it on anything which after due and careful deliberation they agree upon, other than the zone system.

I am willing to follow the gentleman's committee if they are fully informed on such a flat increase in postal rates as they think under war conditions is fair and equitable and reasonable. I want, however, to call the gentleman's attention to the fact that the policy of carrying second-class mail matter at less than it costs is one long established among English-speaking people—not only ourselves but all the English-speaking people the world over—and we probably never shall reach a condition where properly classified second-class mail matter will be compelled to bear the whole burden of its distribution. It is possible that we have not legislated wisely in differentiating between the various classes of publications now entitled to the second-class mail privilege. My own opinion is that there are certain classes of trade journals now enjoying that privilege which should not enjoy the privilege because they in nowise are journals for the general dissemination of ideas and opinions or news, but that they are in effect commercial advertisers. There may be others which for various reasons are not entitled to the second-class rate. Those are matters of detail to be worked out. What I am particularly objecting to is this idea of treating news and ideas and literature as though they were beans and bacon sent through the parcel post, having no more effect upon the moral and spiritual life of the Nation than those very excellent and necessary products.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. FORDNEY. If the gentleman gets beans and bacon and enlightenment through advertising out in Wyoming, does the gentleman want me to pay for it? You get it and I do not. Do you want me to pay for it? Is that the idea?

Mr. MONDELL. Not beans and bacon.

Mr. FORDNEY. That is what the gentleman said.

Mr. MONDELL. But enlightenment, because we are so broad-minded in Wyoming——

Mr. FORDNEY. Oh, dear!

Mr. MONDELL. That we are willing to get ideas even from Michigan. Some gentlemen do not seem to want to get any ideas from beyond their own provincial boundaries. I get a lot of good ideas, and I get some stuff that I do not agree with—but that sets me to thinking—out of the New Orleans Picayune, which my neighbor takes and which he is good enough to hand to me frequently. It is not a question of asking you to pay for our information, for our enlightenment, but it is the question of all of the people paying for the dissemination of information and enlightenment the country over. That is the proposition.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. FORDNEY. I yield two minutes more to the gentleman from Wyoming, for I want to have this letter read as a question to him, that he may answer it, and if he can not answer it in two minutes I will yield him four. I send the letter to the Clerk's desk and ask to have it read.

The Clerk read as follows:

PHILADELPHIA, *May 14, 1917.*

Hon. JOSEPH W. FORDNEY,
House of Representatives, Washington, D. C.:

Please accept our congratulations on the tax bill reported by the Ways and Means Committee. This bill should go through as it stands. Opponents to it are demanding special privileges and are acting from purely selfish motives, and with no consideration for the general public. We hope that you will succeed in killing all demands for special privilege regardless of source.

HENRY ALTEMUS CO.

Mr. FORDNEY. Can the gentleman answer that in two minutes? If not, I will yield him four minutes.

Mr. MONDELL. Who is Henry Altemus?

Mr. FORDNEY. The letter says that they are a publishing company.

Mr. MONDELL. I can answer that in two minutes. If Henry Altemus, publisher, is in favor of this provision, then by the same token I should be inclined to the opinion it does not affect him at all or if at all then favorably. It probably unfortunately and disastrously affects some of his competitors, and he may be for it because he thinks it is in his personal interest. But I am not discussing the matter from the standpoint of the publisher. I should be as much opposed to it if every publisher were willing to accept it.

Mr. FORDNEY. Does the gentleman know that the statement he is making about the Altemus Co. is correct?

Mr. MONDELL. I do not know anything much about them.

Mr. FORDNEY. Of course he does not, and he ought not to say that.

Mr. MONDELL. But you handed me this pig in a poke.

Mr. FORDNEY. No; I did not. I opened the poke for you. [Laughter.]

Mr. MONDELL. And I had to answer it from general inference of those things which control human action with which we are all more or less familiar. We are not asking for special privilege. It is no special privilege to insist on having this country remain a homogeneous land, to insist on the free and uninterrupted flow of ideas throughout the country.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. With the same habits of thought, with the same ideals, the same aspirations, the same hopes; and the only way to accomplish that is to so provide the dissemination of ideas that the humblest citizen anywhere, even in the remote sections of the Nation, can secure information as readily and cheaply as any other citizen anywhere in the land. [Applause.]

The CHAIRMAN. Does the gentleman yield to the gentleman from Ohio?

Mr. MONDELL. I yield.

Mr. FESS. Will the gentleman from Wyoming allow me to read a paragraph from a letter from the presiding judge of the Springfield common pleas court?

Mr. MONDELL. If I have the time.

Mr. FESS. He says in this letter:

This afternoon I appointed a receiver of a heretofore prosperous publishing house, who based their petition for receivership largely upon the threatened increase of the postal rates, which will practically exhaust any profits they have heretofore made.

That is a letter from Judge Geiger, of the common pleas court of Springfield, Ohio, a man who has no interest whatever in publishing houses.

Mr. MONDELL. Let me make this further suggestion to the gentleman from Michigan.

Mr. FORDNEY. Is the gentleman answering the gentleman from Ohio or me?

Mr. MONDELL. It is a general observation I hope that both will consider.

Mr. FORDNEY. Before the gentleman answers that I desire him to answer me, and I will yield him sufficient time. Here is a concern going into bankruptcy, according to the extract which the gentleman from Ohio has just read, before the law even has passed this House. How wonderful is the effect that this increase in postage is going to have on the concerns now bankrupt!

Mr. MONDELL. Will the gentleman give me two minutes in which to answer that?

Mr. FORDNEY. Yes.

Mr. CANNON. May I suggest, so that he can answer both of us, that if it is bankrupt now before the law goes into effect, is it not likely that it has been bankrupt for some time?

Mr. FORDNEY. Certainly.

Mr. MONDELL. Will the gentleman give me two minutes to answer that?

Mr. FORDNEY. Yes; and I want the gentleman to answer it and to tell me all about this concern that is now bankrupt.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. COOPER of Wisconsin. The gentleman from Michigan asked a question a moment ago which he thought was in reply, by its suggestiveness, to the gentleman's idea and protest against the zone system. The gentleman from Michigan asked the gentleman from Wyoming this question in substance: The gentleman from Wyoming wants to get the benefit in Wyoming, but wants Michigan to pay for it. How is it with the tax on lumber which goes to Michigan, the gentleman himself being a big lumber man?

Mr. FORDNEY. I would inform the gentleman from Wisconsin that there is no duty on lumber. I will inform him another thing, that there is no lumber which goes from the east to Wyoming, and the gentleman ought to know that. If the gentleman knew what he was talking about he would know that.

Mr. COOPER of Wisconsin. Does not this bill put on a 10 per cent tax——

Mr. FORDNEY. This bill will permit it, but it has not gone into effect and it has not hurt anybody yet—has not put that company into bankruptcy.

Mr. COOPER of Wisconsin. The gentleman can not get away with that statement. Does not this bill put a 10 per cent tariff upon lumber?

Mr. FORDNEY. Yes; if it goes into effect.

Mr. COOPER of Wisconsin. I understand it, but the statement the gentleman made would convey an entirely different proposition.

Mr. FORDNEY. No.

Mr. COOPER of Wisconsin. It is intended to put a 10 per cent tariff upon lumber, and it is now on the free list.

Mr. FORDNEY. I will yield additional time to the gentleman from Wyoming, but I want to answer the gentleman from Wisconsin. I have stated to the gentleman from Wisconsin that under existing law there is no duty on rough lumber, and the gentleman ought to know it. He voted either for or against the law. Another thing, there is not any lumber that goes from east of the Mississippi to the State of Wyoming, and never did. The lumber going to Wyoming comes from British Columbia and the Northwest in the United States. If this bill goes into effect a higher rate of duty will be put upon lumber than existed under the Dingley tariff law. That is a suggestion I made to my Democratic friends when they put on the 10 per cent duty on all imports.

Mr. MONDELL. Now, may I have five minutes additional?

Mr. FORDNEY. No; but I will give the gentleman two minutes more. I yield two minutes to the gentleman from Wyoming.

Mr. MONDELL. Wyoming stands for a protective tariff, though it has but one industry affected by a tariff; but it stands for it on the theory of the highest good to the country generally. I had hoped that what I had said would not be brought down to a provincial basis as to how it shall affect Wyoming, or Oregon, or Maine, or California. We object to it just as much because it would tend to make the price of the Sunset Magazine, printed in San Francisco, prohibitive to us as because it makes the price of magazines, like the Outlook, printed in New York, prohibitive to us, and I would protest against it, I believe I would, as vigorously if I lived in Michigan or in New York or in Philadelphia or in Louisiana as I do coming from Wyoming, because it contains a menace, a menace to the future of this Nation and its people. I believe if the day ever comes when we shall treat the dissemination of news, of literature, and information as we treat the shipment of eggs, butter, and milk, we shall have started on the creation of a condition of affairs in this country tending to a provincialism that with the passing of the years will be exceedingly harmful.

Now, as to the case of the firm referred to in the communications presented by the gentleman from Ohio [Mr. FESS]. It would not be at all strange if a publishing firm finding it difficult to meet the constantly increasing costs of material and labor should have been forced into bankruptcy by the threat of this added burden. It might well be the last straw that broke the back of this burdened enterprise. We should give consideration to the interests of the publishers, but I still adhere to my own especial text that even more important is the interest of the people in the wide and unrestricted circulation of newspapers and magazines. It so happens that in this case the interests of the people and of the publishers are along the same lines.

Mr. FORDNEY. Will the gentleman yield?

Mr. MONDELL. I yield.

Mr. FORDNEY. Does the gentleman know of anything transported by freight or by mail at a loss except second-class mail matter? If so, name it.

Mr. MONDELL. It is awful hard——

Mr. FORDNEY. Well, yes; it certainly is.

Mr. MONDELL (continuing). To answer the questions of a gentleman who lacks the imagination to differentiate between hams and lumber and newspapers and magazines. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. STERLING]. [Applause.]

Mr. STERLING of Illinois. Mr. Chairman, it seems to me that some gentlemen are seeking to avoid their responsibility by finding fault with the Committee on Ways and Means. Some gentlemen who have discussed this bill to-day have either misrepresented or misunderstood the attitude of the members of the committee. No one should think that if he had framed this bill it would have been perfect in the opinion of all other Members. No one but himself would have thought so. I am quite sure that every member of the committee who has spoken on the bill has said to the House frankly that in some particulars, and in some cases in many particulars, the bill did not suit them. I am no exception to that rule. If I had written the bill, it would have been different. If any other member of the Committee on Ways and Means had written the bill, it would have been different from what it is and different from what every other member of the committee would have made it. That would be true if the Ways and Means Committee of the House were made up of 23 other members instead of the 23 members who happen now to serve on that committee. I know that is true, because you gentlemen who have stood here and criticized the bill and who have found fault with the Ways and Means Committee for reporting this bill to the House there are no two of you who are agreed in your criticisms of the bill. We might just as well understand now that when this bill goes out of the House it will probably not satisfy a single Member of the House of Representatives in all particulars. And when it comes back here from the Senate it will not satisfy a single Member of this House. But the responsibility was placed upon the members of the Committee on Ways and Means to report a bill to the House which would raise $1,800,000,000. They were for three weeks engaged in that arduous task. They discussed the proposition on every side from every viewpoint, and when we had completed the bill I believed, and I think that every member of that committee believed, that it was the best possible bill that the committee could agree on.

When it goes out of this House it may be changed. There may be some amendments, but it does not follow, because any one of you succeed in getting an amendment, that it will improve the bill in any great degree. It will satisfy you better perhaps, but it will dissatisfy others more. You are only shifting the burden from those whom you represent to those whom somebody else represents. Gentlemen have selected certain parts of the bill, certain schedules and sections, and found fault with them. They would take them out of the bill, but we are bound to produce $1,800,000,000, so if you would take it out of one place you must put it somewhere else. You will simply shift the burden from one class of people or from one class of business to another class of people or another class of business.

Some Members will try to justify their opposition to this bill on the ground that it produces more revenue than the Government needs. My colleague from Illinois [Mr. MADDEN] on yesterday discussed that question at great length. He said we did not need as much revenue as this bill produced by more than $600,000,000. Now, I say to you, gentlemen, that you can not justify opposition to this bill on that ground. We will need every dollar of revenue that this bill will raise and much more. Already, when the Committee on Appropriations brought into this House its appropriation bill appropriating $2,700,000,000 at this session, even then they did not appropriate for the estimates made by the departments by the amount of $760,000,000. The department asked at that time that the House appropriate for war purposes $760,000,000 more than was appropriated by that bill. At that time, which I think was nearly a month ago, the Secretary of the Treasury sent to the House estimates amounting to $3,460,340,000.

A month ago the Secretary of War and the Secretary of the Navy called upon the Secretary of the Treasury for that amount of money to be expended during the remainder of this fiscal year and the fiscal year ending June, 1918. Nobody, no experts in the department, no set of men anywhere can foresee a year ahead the needs of the Government in this crisis. Beginning with the very opening day of this Congress the departments began to send their estimates to the House of Representatives for their needs during that time, and from that time up until the 23d day of April they continued to add day after day to their estimates as things developed in their departments, where they saw money would be needed. And when that bill came in the estimates from the departments then was $3,460,000,000. Then we provided revenue to the amount of $2,000,000,000 by the way of an issue of bonds, and the departments suggested that we raise almost as much money by a direct tax. The idea of the administration was that we should produce by tax as much money as we produced by bonds, on the idea that we should pay one half the cost of the war and the future should pay the other half. If the war is of short duration it will make but little difference how we allot the cost. Either the present or the future can pay it or any part of it without being overburdened. If the war continues and develops as it may, it will not be for us to apportion the costs. We will be compelled by conditions to collect by tax all we can and charge every dollar to the future that our credit will permit. The allied countries have now reached that point. So let us not differ about immaterial things. We hope under this bill to raise almost $2,000,000,000 every year. But the bond issue is but for a single year—that is, the revenue we produce from bonds this year we can not produce from the same bonds another year. And so even though it is fifty-fifty now, next year, if this war develops, as we fear it may, as it probably will, we will need a very much greater amount of revenue than the Government is asking for at this time. And then there will be new bond issues of perhaps $2,000,000,000

more, and other revenue bills until it will not be a question of how much revenue by each method, but how much can we raise by all methods.

Gentlemen have said that England was only raising 25 per cent of her revenue by taxation, France 15 per cent, and Germany 13 per cent. It is not a matter of policy with those nations that they raise so small an amount by taxation each year. It is because they have reached the very limit of their power to tax at all. It is because they can not produce more than 15 or 20 per cent of their revenue by taxation, and they are compelled to raise revenue by the larger issue of bonds, and that will be true in our case if the war goes on and the country becomes deeply involved in it, as we fear it will.

But let us see what the estimates are up to the present time. When the Committee on Appropriations reported the estimates were $3,460,000,000. That does not include $245,000,000 interest on these bonds and Treasury certificates which we authorized to be issued under the bond-issue bill. The interest of $245,000,000 is not included in these estimates. Other estimates amounting to $108,130,000 have been sent to the House since the appropriation bill was reported, making a total of $3,568,471,000 which the departments are asking for and which we must raise if we do our duty in supplying revenue to carry on the war. Add to these estimates $245,000,000 which will be needed to pay the interest on the bonds and we have a total of $3,813,471,000 which we know now must be raised. We have provided for $2,000,000,000 of this by a bond issue and $1,800,000,000 by this bill, a total of $3,800,000,000, which is $13,471,000 less than the amount which we know to a certainty is needed. We know more than that. We have started on a course of shipbuilding. It is proposed to expend $500,000,000 in that way before June 30, 1918. This is covered in no estimate which has come to us, but we know it will be spent as well as though it had been asked for, and that added to the $13,471,000 makes a total of deficits in the revenue of $513,471,000.

So instead of the statement made by my colleague on yesterday, that we were raising $600,000,000 more than the needs of the Government required, we are raising $513,471,000 less than the needs of the Government for the next fiscal year. And that is not all, gentlemen. Every day new things arise in the department in this emergency which the men there can not foresee. They are seeing the need for more money as days go by and as the weeks go by. They can not foretell all the emergencies that will arise in creating and maintaining this great army of 2,000,000 men and this great Navy of 150,000 men, and these estimates will go on increasing until when we meet next winter we will find facing us a much greater deficit in the revenues of the Government than $513,471,000.

I sincerely wish that those gentlemen who are opposing this bill on the ground that it produces too much revenue were right. My prejudices are with them. I listened with the utmost attention to learn, if I could, where we were taxing the people unnecessarily. I would have been glad to have reduced the amount of this bill if they had shown me that the money was not needed. Indeed, I would be glad if we did not have to raise one single dollar by new legislation, but I hoped in vain. They did not show that our revenue measures were unnecessarily high, and no Member of this House need flatter himself that he can justify opposition to the bill on the ground that it is unnecessary. The amount is too small. We had as well realize it now, and get ready to do our full duty in devising ways and means to carry on this war. I have given you only the plain facts, the unerring mathematical conclusions, that are as unpleasant to me as they are to you. Unless peace is attained before the next session of Congress we will have to increase the revenues by $531,471,000 at that time. This I know. The facts are already before us; but I confidently believe that this necessity will be increased to more than a billion by the first Monday in next December.

Now, gentlemen, I want to say a word about one or two features of the bill that have been criticized by some of the Members that were not on the committee. Three or four gentlemen have stood on this floor and condemned in unmeasured terms the excess profits tax. An equal number have stood in the same place and in unmeasured terms commended it as the best feature in this revenue bill. When you gentlemen who were not on the committee are so frank in your views and so pronounced in your opinions and differ so radically, do you wonder that there were some differences and some difficulties in the Committee on Ways and Means in agreeing on a bill of any kind?

Now, an excess-profits tax is not my kind of a tax. I would not resort to it in normal times, but under the circumstances, in my opinion, the committee was absolutely justified in doubling the excess profits tax. Why, let us see just how harsh it is to the men and the corporations that are making immense profits in this country. In the first place, they are allowed to take out of their profits $5,000, and that is a very important item to a corporation that has invested only $100,000. That is a very important item to a corporation that has invested even $200,000, because it means their first exemption is an exemption of 2½ per cent on the capital invested. And, then, in addition to that, they take out 8 per cent, giving to the corporations of $200,000 an exemption, in the first instance, of 10½ per cent.

Now, I think in these times men ought to be satisfied with those profits. It seems to me that that is enough under the circumstances, and that men ought to be willing when the country is in the throes of war, and when the Treasury Department is needing vast sums of money to carry it to a successful issue, to cause men to be satisfied with 10½ cents on every dollar that they have got invested. But that is not all he gets out of it. He gets in addition to this 8 per cent, and in addition to this $5,000 exemption, 84 per cent of all the rest of the profits that he makes. And so these corporations that are making big profits, these concerns that have grown wealthy in times of peace, in times of prosperity, ought not to complain of the excess profits tax.

A great deal has been said about the increased tax on second-class mail matter. My colleague from Illinois [Mr. MADDEN] on yesterday criticized the committee for not imposing a tax on advertising matter instead of increasing the mail rate. He was so unkind as to say that we had failed to impose an advertising tax because it was a burden to newspapers and magazines which tell our constituents whether our conduct here had been good or bad. He said in effect that we were afraid to put a tax on newspaper and magazine advertising. And yet in the same breath he charges the committee with having imposed a tax, an increased burden, on this same kind of publications, which is very much more offensive than would be an advertising tax. Well, whether it would be or not I do not know, but I doubt very much whether my friend from Illinois would vote for an advertising tax that would create revenue worth speaking of. But the committee did have the courage to add $19,000,000 to the revenues of the Government for carrying second-class mail matter. My colleague from Illinois [Mr. MADDEN] has been on a committee for the last 12 years, a strong influential man on that committee, where he might have imposed that tax on second-class mail matter if he had seen fit to do so. But I will not insinuate that the reason he did not do it was because he was afraid of the instrumentalities that told the people whether our conduct was either good or bad.

Now, let me say to you, gentlemen, I believe in all you have said about a subsidy to literature, a subsidy to the diffusion of knowledge, a subsidy to spread information throughout the country. I think no one opposes that. But what we say is this, that the men who manufacture advertising ought to pay the cost of transportation and the cost to the Government of handling their products, just the same as every other industry pays its own cost.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STERLING of Illinois. May I have a few minutes more?

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Would five minutes be sufficient?

Mr. STERLING of Illinois. I think so. If it is not I shall ask for more.

Mr. SLOAN. Mr. Chairman, I yield 5 minutes to the gentleman.

The CHAIRMAN. Will the gentleman yield to the gentleman from Kentucky?

Mr. STERLING of Illinois. Yes.

Mr. THOMAS. I desire to ask the gentleman how much more it costs the Government to carry this second-class mail matter than the Government receives in payment for it?

Mr. STERLING of Illinois. I think the Committee on the Post Office and Post Roads a year ago, or maybe two years ago, made an investigation of that subject and found that the Government was paying about $88,000,000 in addition to the amount that it got for carrying second-class mail matter.

Mr. THOMAS. This bill, then, requires them to pay $19,000,000 of that $88,000,000?

Mr. STERLING of Illinois. Yes. That is all the increase that is made in this bill.

Mr. THOMAS. Well, do you know of any good reason why the newspapers and magazines of the country should be exempted from paying postage, and why should they not pay this $88,000,000 in postage?

Mr. STERLING of Illinois. If the gentleman will permit me, I want to tell the House what I think about this proposition on second-class mail matter. This is one of the provisions of the bill which I thought might well have been different, but the majority of the committee thought that this method was the best, and when the majority said that we ought to adopt this, I voted to report the bill to the House, although it did not agree in all particulars with my idea as to the postage on second-class mail matter. I would not object to information and literature and knowledge being diffused throughout the country at a loss to the Government.

I am perfectly willing to allow all the reading matter contained in the newspapers and magazines to go here and there and everywhere on a flat rate of 1 cent a pound, even though the Government should lose some money on that. But I believe it is one of the very serious sins of omission of the Congress of the United States that it has not required the manufacturers of advertising matter to pay the cost of handling and carrying their products everywhere and wherever they sought to send them. Why subsidize this particular business? Advertising is a distinct business and a profitable one, and we have no right to tax other business to the extent of $88,000,000 per year to carry and distribute the products of the advertiser. We ought to so fix the rate, even by the zone system or some other system, so that every man who sends out advertising to the people pays for it himself and not the Government. He recoups himself by adding the cost to the price of the product, as he should do, and the ultimate consumer pays it, just as the proprietor of every other factory and every other producer pays the freight on his products and adds it to the cost.

Mr. SLOAN. Mr. Chairman, will the gentleman yield for a question?

Mr. STERLING of Illinois. Yes.

Mr. SLOAN. Would it not be a fair proposition to send the reading matter of newspapers and periodicals at a flat 1-cent rate and then charge the parcel-post rate for that portion of the publication devoted to advertising?

Mr. STERLING of Illinois. That is my idea exactly. I have no doubt that a plan of that kind could be arranged by the Committee on the Post Office and Post Roads; and if it would do that, and if the Congress of the United States would adopt something of that kind, we would remove forever from the discussions in this House that ever-recurring question of postage rates and put it behind us for all future years. A postal rate based on that plan could not be justly criticized by anybody. I submit that the provision in this bill is only one step toward making the producers of advertising matter pay a part of the expenses of the Government in carrying their products throughout the country.

Mr. MOORE of Pennsylvania. Mr. Chairman, will my colleague yield?

Mr. STERLING of Illinois. I yield.

Mr. MOORE of Pennsylvania. On the advertising question I take it from what the gentleman says that he would prefer that we should go to the point where we have to tax advertising, having the advertising so taxed that it would be paid by the advertiser and not by the newspapers.

Mr. STERLING of Illinois. I have no doubt any tax we would put upon newspapers and magazines for advertisements would be shifted to the man who has paid for the advertising.

Mr. MOORE of Pennsylvania. Advertising is commerce, of course. It is a business. It is not an individual matter, but a business.

Mr. STERLING of Illinois. Purely a business.

Mr. MOORE of Pennsylvania. And the newspaper takes the advertising from the merchant or the great department store desiring to do business with the public, so that if a newspaper was so forewarned, it could so adjust its rates as that the tax could be paid by the business man who was in the advertising business from the profit point of view?

Mr. STERLING of Illinois. Certainly. The newspaper and the magazine would not pay it at all. The man who paid for the advertisement would pay it, and after he paid it he would collect it from you and me by the increased price of his wares. There is no use talking about it, gentlemen, all these burdens of taxation are paid by the people. There is no escaping that.

Now, gentlemen, we ought not to be stampeded by these letters and telegrams we are getting from all parts of the country. We should not ignore them, but on the contrary give them thoughtful consideration. If they show any reason for amending this bill, we ought to amend it. But these many appeals to put the tax on some one else ought not to influence us. They all realize the tax must come. They do not dispute that. It is but the manifestation of human nature that many people want the other fellow to pay the tax.

I have one letter, however, in to-day's mail which I want to read. It comes to me like a "balm of Gilead." I got it among a great number of protests and faultfindings. I do not know the man that wrote it and never heard of him before, but God bless him, his letter is worthy of being perpetuated by being printed in the RECORD. It is signed by "Henry Altemus Co.," a publishing house in Philadelphia. I am of the opinion, too, that it is a house of some importance. This is what he says:

PHILADELPHIA, PA., *May 15, 1917.*

HON. JOHN A. STERLING,
House of Representatives, Washington, D. C.:

Please accept our congratulations on the tax bill reported by the Ways and Means Committee. This bill should go through as it stands. Opponents to it are demanding special privileges and are acting from purely selfish motives and with no consideration for the general public. We hope that you will succeed in killing all demands for special privilege regardless of source.

HENRY ALTEMUS CO.

But gentlemen must not misunderstand me. I would not have the newspapers nor the magazines cease to carry advertisements. That is, and I presume will continue to be, their great source of profit, but it is a very easy matter to segregate the reading portion of any publication from the advertising portion. The reading portion is what carries the news to the people and diffuses new ideas, and if it is the right kind of literature it is educational in its influence. It is on that theory that the Government many years ago fixed a rate of 1 cent per pound for this kind of mail matter. Since then the business of advertising has grown immensely. It has multiplied prodigiously. It has become one of the most important kinds of business enterprise and commands business talent to carry it on, and in the main it has been profitable. Advertisements are purely a product created by this business enterprise, and the Government has no right to handle it at a loss any more than it has the right to pay the freight on a shipment of any other product and charge it up to the people. The gentleman from Wyoming [Mr. MONDELL] made an eloquent speech for the newspapers and the magazines. I sympathize with everything he said, and I agree with him that the Government can well afford to carry the literary and educational features of publications at a loss, but I draw the line at advertisements. The gentleman's constituents in Wyoming ought to pay the freight on advertisements from Boston and New York which they consume the same as the people in Boston and New York pay the freight on mutton and wool which they get from Wyoming. If Congress could reach the just and righteous consummation of treating all kinds of business on the same unbiased basis, we would forever end this controversy about mail rates on advertising matter.

There is only one item of taxation in this bill that will not be shifted from the man who pays it to the consumer, and that is the inheritance tax. When the man is dead his estate has got to pay the tax into the Treasury of the United States, and he being dead he can not shift it onto the ultimate consumer.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. I yield.

Mr. FESS. Has the gentleman any figures as to how many newspapers would be profitable if there were no advertising features in them at all?

Mr. STERLING of Illinois. I doubt if there would be any newspapers that would pay their way if they eliminated advertising. Considering the manner in which the public has been educated with reference to subscription prices, I doubt if there would be any newspapers that would pay their way under the present subscription prices that newspapers generally charge.

Mr. HELVERING. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. HELVERING. They base their subscriptions on a lower rate in order to enlarge their circulation and thereby obtain the advertisements on which they make their profit?

Mr. STERLING of Illinois. Yes, sir.

Mr. FESS. I would take it that the gentleman would not join the class of those who say that the newspaper should be eliminated if it can not be run at a profit.

Mr. STERLING of Illinois. The newspaper will not be eliminated. I would say this, that an industry that will not pay its way is an industry that the people do not want. That is very plain. If the people want it they will support it. They want and will have newspapers in abundance. But why is it that the Government should undertake by a subsidy first to create and then to maintain industries, such as the advertising industry, and tax other industries to pay the subsidy? Let us distinguish between literature and advertisements. If there are any publications in this country that could not, after we subsidize their literary features, pay their way they ought to stop publication, and the country would be no worse off for it. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. SLOAN. Mr. Chairman, I yield 20 minutes to the gentleman from California [Mr. OSBORNE].

The CHAIRMAN. The gentleman from California is recognized for 20 minutes.

Mr. OSBORNE. Mr. Chairman, when Congress voted for war I was one of the Representatives who so voted, because I believed that war with Germany was inevitable, either now or after the war between the entente powers and the central powers should be finished. We had offended Germany in so many ways since the great war broke out that her Government and people had a deep feeling of resentment. At the conclusion of the great war, when our country, as the only great Nation that had reaped a financial profit from the bloody struggle, and when, for that reason, we would have incurred the dislike, scorn, and contempt of all other nations, Germany would, in my opinion, have called the United States to account for its assumed offenses and with a mighty army and navy it would have exacted from us a tribute of billions, sufficient to recoup her vast expenditures. This consideration, which I believe was the overpowering one that influenced the President and the administration, is the one which most strongly appealed to me when I voted for the war declaration. I believed it far better to accept Germany's challenge at once and have war now, when we would have friends among other nations, and strong allies, rather than to wait one, two, or three years, and then, still unprepared, as we surely would have been, make battle alone and unaided with a resistless, relentless, and merciless foe. I sincerely believe that our national existence as a free and independent people was involved in the decision, and, deeply as I regret that we should have to go to war at all, I firmly believe that we have entered the struggle at exactly the right time and in a holy cause—that of national integrity and existence.

If President Wilson and his advisers reasoned the subject out in this fashion, as I am fully persuaded they did, it was a statesmanlike conclusion, followed by courageous action, to advise Congress to declare war.

I am, therefore, ascribing high and wise motives to the administration, which I unqualifiedly indorse, and I have given and will give it my hearty support in all essential legislation, without thought of partisan or personal considerations.

Having thus defined my position of loyalty to the administration and to the vigorous conduct of the war, I most emphatically wish to dissent from the idea that has more than once been expressed on this floor, directly and indirectly, that such loyalty and purpose require a blind and unquestioning acquiescence upon the part of the Members of Congress in the details of measures presented for consideration, even those that are recommended as emergency war legislation. Especially is this true as to measures vitally affecting the liberties of the people and the freedom of speech and of the press, like the so-called espionage bill or one affecting the business and daily occupations of the people so intimately that it may mean their very existence, like the bill under consideration—the war-revenue bill.

The Members of this House come directly from the people. It is their duty, under the Constitution, to consider well all legislation in time of war, as well as in time of peace, as the direct representatives of the people, and the opinions, and even the necessities, of any other department of the Government do not relieve the Congress from this grave duty and responsibility.

In considering this revenue bill as it is presented to the House by the Committee on Ways and Means, I am impressed with two considerations:

First, that the bill calls for the raising of too great a sum of money at one time.

Second, that in raising this vast sum the load is not in all cases evenly and equitably distributed.

This bill provides for two distinct methods of levying the money to meet the requirement of eighteen hundred millions. The first of these is the levy on incomes and excess profits. This levy is the easiest to raise and will produce the least disturbance in business conditions. In fact, it is somewhat remarkable that comparatively few complaints have been made as to the tremendous and, in this country, unprecedented levies proposed by these features. In my personal experience I have not received a single protest from any person on account of the proposed levies on incomes and excess profits. It will affect business only in the way of curtailing those people who receive large profits from investing that particular money in new enterprises or in enlarging those already existing.

The second and most difficult feature of the bill is that which taxes business and enterprise of nearly every kind. That all lines of business should participate in this war tax is beyond controversy. But the extent of that participation should be governed by high considerations of justice and careful attention to the probable effects of the levy and the manner in which it is made. I maintain that in many instances the application of the tax is made in a way that will tend to the serious discouragement, if not the destruction, of certain lines of business. I can not agree with the distinguished chairman of the Committee on Ways and Means that a tax should be levied upon any line of business without some better reason than that "the Government needs the money." That reasoning would preclude any consideration of the moral rights of citizens to preserve and enjoy the enterprises to which they may have devoted their entire lives. The old fable of "killing the goose that laid the golden egg" is one which might well and profitably be considered by the Members of this House in acting upon this bill.

In contemplating the problem of raising this $1,800,000,000 and that of the vast tax-paying public which will be called upon to meet this vast levy, in addition to the fifteen hundred millions that will be collected this year in the ordinary way for the usual expenses of Government, my mind has reverted to a homely comparison in the remarkable similarity, in respect to burden bearing, of the taxpaying public of the United States, with the mule pack trains which some of you have seen in the mountains of the West and in Mexico. I have had intimate association with mule pack trains; have ridden muleback hundreds, even thousands of miles in the mountains of California, Nevada, Arizona, and Mexico, and have often marveled at the lack of appreciation of that wonderful and useful animal. Not to-day, Mr. Chairman, but some day when you and the House have more time and less important business, I should like to deliver a proper tribute and eulogy to that wonderful product of Missouri and Kentucky—the patient, powerful, faithful, undaunted, and dependable mule—the pioneer of civilization. [Applause.] At the present time, however, I shall confine myself to a eulogy of his counterpart in burden bearing—the taxpaying public. As I have stated, there are many characteristics in common between the two, as you will observe, when I point out some of the characteristics of the pack mule.

At a mine in northern California with which I was connected for several years we were compelled to pack all freight from the end of the wagon road about 16 miles through the canyons and up the mountains to the mine. All machinery had to be made in sections in order that it might be thus conveyed. We had a splendid pack mule train of about 25 animals, of varying capacity, and capable of carrying from 2 to 3 tons of freight on a trip, properly distributed. It was, however, a matter of the greatest importance that the packing of the animals should be done properly. It was necessary that the load should be so arranged that it would not gall the mules and make sores on their backs, and thus diminish their power of transportation, as well as try their none too equable tempers. Well packed, a good mule will carry 250 or 300 pounds, and some unusually powerful animals will even carry 400 pounds. The pack train in motion is not unlike a small government. At its head is what is known as the bell mare, usually a white animal with a bell about her neck and bestrode by a lad who is known as the bell boy. The mules will follow this leader, distinguished by its color and by the tinkle of the bell, hour after hour. While the bell mare never by any chance shows any sentimental regard for her protégés, the mules invariably extend her the greatest deference and consideration, and even affection. The bell mare may be likened to the president of a country, who is to be faithfully followed, and the individual animals of the troop train to the Members of Congress. Then there is the "head packer" of the train—a man of action, who thoroughly understands the character and disposition of every member of his band—usually a man of stentorian voice, gifted in excoriation, and artistic in profanity, who, with the painful and efficient whip known as the "quirt," and with his coat pockets filled with rocks, which from time to time he throws dexterously at the laggards and those who stray from the trail, with abundant adjurations as to the uselessness of the delinquent animals. He may for the purpose of illustration in the character of his duties be likened to the distinguished chairman of the Committee on Ways and Means. In this way the heavy-laden pack train proceeds on its way through the canyon and over the zigzag trails of the mountains, finally safely landing its precious load at its destination, the mine, which could be gotten there in no other way.

It is one of the established facts of geology, well recognized by the hardy prospector of the Sierras, the Rockies, and of picturesque Mexico, that God hides His treasures of gold and silver in the remote and inaccessible mountains, where mules and hardy saddle horses are the only possible means of transport. It must be added that He often places some very poor mines in these difficult situations.

It is a characteristic of the pack mule that he will not pack a pound more than he believes that physically he is able to do. He will make no protest at a pack below or up to the limit, but a pound more literally he will not "stand for." I have seen

them lie down on the trail in patient but determined protest. When a pack mule takes that supreme step, neither scoldings, nor persuasive or violent profanity, nor kicks, nor stones applied by the skillful head packer will induce him to rise. He will wait until his pack is taken off and lightened. With the lighter load he will cheerfully resume the trail as though nothing had happened. It is thus with the taxpayer.

In the particular mule train to which I refer each of the animals enjoyed a distinctive name. One was "Bessie"; another, "General Grant"; still another, "Maggie"; but the most powerful and useful mule of all was known as "The Preacher." These names were given because of some individual quality in the animal or whim of the foreman. "The Preacher" was probably so called because of a stentorian voice which it was his pleasure to exercise with great frequency. He was capable of packing an ordinary load of 400 pounds and was usually chosen for the most difficult packs. There is a great difference between the ordinary pack and what is known as a top pack; that is, a pack like an ore car, or a piece of machinery, that can not be divided and placed on each side of the animal but must be carried on a special arrangement of saddle and necessarily high in the air. The maintaining of equilibrium is important in a pack of that sort. "The Preacher" was chosen to transport a heavy ore car to the mine, and necessarily this stood very high above his back, giving the load an appearance of nearly twice the ordinary height of a mule and with a very considerable weight. In carrying this pack and going up the trail along the side of a mountain chain, at the bottom of which ran a swift mountain stream, "The Preacher," as is the manner of mules, stepped aside from the trail for a little change; it being on the side of the mountain, however, the tendency was for the high-packed car to become top-heavy and tip to one side, and thus disturb the center of gravity. Do what he could, "The Preacher" was unable to reach the level trail again and after a desperate struggle toppled over and was borne down by the heavy top load and rolled swiftly to the bottom of the rocky canyon, 500 feet below, sometimes the poor mule on top and sometimes the car, until finally he lay bleeding, with limbs broken, by the side of the stream. The head packer was compelled to give him the mercy shot to save him from useless suffering, and the car remained at the side of the stream for a considerable time.

The moral of this is that the human prototype of "The Preacher"—the taxpayer of the country—not only should be skillfully loaded and the load well balanced and secured with the celebrated "diamond hitch"—the final triumph of the packing art—which will not permit of shifting of the load, but that he shall not be overloaded. Otherwise he may lie down on the trail or come to a fate no less distressing and tragic than that of the faithful "Preacher" whose story I have told.

Mr. SLOAN. Will the gentleman yield?

Mr. OSBORNE. I will.

Mr. SLOAN. When the mule fails will we have to turn it over to the elephant? [Laughter.]

Mr. OSBORNE. With a great deal of pleasure. [Applause.]

A rather large proportion of the membership of Congress is composed of professional men, and a correspondingly small proportion of business men. More than half of my life I have been engaged in business pursuits of moderate dimensions, similar to those in which, perhaps, nine-tenths of the business men of the United States are engaged. Business of this kind is the lifeblood of the Nation; it is usually conducted with limited capital and on a narrow margin of profit; its success depends largely on the vigilance, activity, and intelligence of those who conduct it; it requires about as much brains to run a small business as it does to run a large one. One condition of its success, and of the success of all business, is that of stability of conditions upon which calculations are based. Suddenly increased costs are always distressing and often fatal to success. Those of you who have been in business will recall the anxieties which have doubtless been experienced by you more than once when some unexpected condition arose, with obligations coming due at a stated time. You may have had troubled days and sleepless nights.

You will also recall with what satisfaction you experienced some easement in the situation, in the way of extension of time on the obligation or by a loan or of some other character which enabled you to pass the crisis and spread the obligation over a greater period, thus enabling you to avoid financial ruin.

These observations have special reference to those provisions in the war-revenue bill which call for the immediate payment of 5 per cent on stocks in the hand of retailers. This provision would be especially onerous to all retail dealers and disastrous to those carrying goods of an expensive character. In this category a marked instance would be that of retail jewelers carrying stocks of from $50,000 to $500,000 in value. Many such are conducting business on a capital far less than that of the stocks in hand and are in debt for very considerable portions of their stock. The tax of 5 per cent upon the stock in hand would probably amount to 25 per cent of their actual capital. The immediate levy of so large an amount upon business at a time when other lines of business were making demands upon the banks for loans would be very likely to lead to disastrous results. I am sure that the Committee on Ways and Means does not intend to bring ruin upon a business or any class of business. The levying of 5 per cent upon sales by wholesalers can take care of itself, as the additional 5 per cent can be added to the price and collected when the sale is made. If the same principle of paying was applied to the retail dealers by way of monthly reports of sales, as is required of the wholesalers and manufacturers, the onerous character of the tax would be very greatly modified. The objection that such course with regard to retailers would result in more difficulty in collecting the tax is not one that is very appealing. The inconvenience of tax collectors is a small matter compared with the life and safety of an honest business built up by honest practices and years of faithful industry.

The statement that the "Government needs the money" is not a moral or statesmanlike reason for abrupt and unnecessarily harsh methods of collecting taxes.

The same reasoning will apply to retroactive taxes where business has been conducted on one basis and taxes are collected arbitrarily upon an entirely different basis than that existing when the business was transacted. The fact that the "Government needs the money" is again no excuse for immoral and illegal exactions.

The arrangement with regard to second-class mail rates is unwise and unjust, in my opinion. That second-class mail rates should be increased I fully concede. But the fact that former Congresses failed to do their duty in this regard is no reason why this Congress, composed in some degree at least of men who had nothing whatever to do with the alleged shortcomings of their predecessors, should proceed to punish newspaper and magazine publishers for availing themselves of the laws that existed. [Applause.] There can be no question that the wide dissemination of intelligence is desirable. That, of course, does not justify charging to the Government the cost of circulating purely advertising matter. I believe that such matter should pay what it costs the Government to circulate it. I object to the zone system, because it tends to denationalize our governmental system. In present conditions we are a remarkably united people. There is no material difference as to the appearance of men and women or the subjects which they discuss or the national aims they have in view between the residents of Boston and New Orleans, of New York and Cincinnati, of Chicago and Charleston, or of any of these cities with Los Angeles, San Francisco, Portland, Seattle, Phoenix, Ariz., or Salt Lake City, Utah. One who has traveled much about the country for the past 30 years will have been impressed with the remarkable nationalization which has been going on in all parts of our common country. This is an encouraging and desirable condition. How far the zone system might tend to hurtfully modify that condition, I am not prepared to say.

If, however, we adopt the zone system, I can see no reason why publishers may not rightfully transport their product by some other means than the mails to a zone where they may have circulation and pay the local rates of the zone within which they may use the mails. I seriously doubt whether a denial of that right would stand the test of law, except possibly as a war measure, and I am doubtful about that. There is no moral reason, and there should be no legal reason, why publishers should be discriminated against and not permitted to use the ordinary methods of transportation, either freight or express, before they turn over their publications to the United States mails.

The assumption that they be compelled to pay the high rate fixed by this bill as a sort of penalty for their past indulgence in the privileges accorded them by Congress or because "the Government needs the money" does not impress me as either moral or sensible.

Mr. Chairman, these are a few of the imperfections that occur to me as being obvious in the present bill. I shall present some amendments to different sections of the bill at the proper time. I sincerely hope that the House of Representatives will find some way to amend this bill so that it will accomplish the purpose intended—that of raising the necessary amount of eighteen hundred millions of dollars without violating any rules of statesmanship, which are intended to conserve, protect, and maintain the principles of even-handed

justice and the welfare of all classes of our people. We should not leave it to a coordinate branch of Congress to mend the mistakes of the rough draft of the bill which has been presented to us but we should do it ourselves, so far as our ability and sense of justice will permit, before it leaves this House.

It is my own judgment, Mr. Chairman, that this bill should be cut in two in the middle. We should provide for the entire eighteen hundred millions. But one-half of the amount, or $900,000,000, should be raised by the issue of indebtedness certificates, or bonds, running over a considerable period of time, thus lessening the dangers of general bankruptcy, precisely as a business man would do if confronted with the obligation of raising a larger amount of money than he could possibly raise without materially interfering with the effectiveness of his business relations and reducing his ability to pay taxes in the future. The other $900,000,000 I would raise by readjusting the schedules of this bill, rearranging the load in the skillful manner that I have described as characteristic of the head packer of the pack train—so that the burden may be distributed in a statesmanlike way; may not unduly and unnecessarily gall and cripple the strong, patient, and honest bearer of the burden, and may not drive any line of honest and legitimate business or any individual into bankruptcy. [Applause.] It is not disloyal to make provision against such dire contingencies.

I am not impressed with the wisdom of the shibboleth which we hear so frequently reported as coming from high official sources, that "this generation should pay the entire expenses of the war." The existence of nations are not divided into generations. A new generation is born every day and a generation dies every day. A nation's life is continuous and partakes of the character of immortality. Ours commenced one hundred and forty-odd years ago, and it is destined to live a thousand years to come. We are now in a great exigency of that national life. It is for us and others who for the time being are as stewards entrusted with authority and with the life and interest of the Nation, to take such steps as are necessary to preserve that life, and to make this Nation one of liberty, of high civilization, and of long endurance. Those who live now must fight the battles of their country. They must undergo unusual hardships. But it is no injustice to borrow upon the future everything that may be necessary to the perpetuity of our Nation and to the security and happiness of our children, and of our children's children, in all the generations to come. It is our duty to exercise that power and to fulfill that responsibility in wisdom, in courage, in justice, and with a high regard for national statesmanship for today and for evermore. [Applause.]

Mr. HELVERING. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania, [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Chairman and gentlemen, every succeeding speech during the progress of this debate convinces me more surely that this revenue measure is of supreme importance in so far as its effects upon the morale of the American people is concerned. If America is to come out of this conflict in which she is engaged with a more complete national consciousness, with the unity of a great people fully established by equal justice to all, then the methods adopted for raising revenue will be largely responsible.

It is equally true that if America falls victim to the disunion wrought by injustice and unequal burdens, the revenue methods will be responsible in great measure for such unhappy results.

The United States is sailing through the biggest storm it has ever attempted to weather. Whether the port reached finally will be better or worse than the one we left will depend upon the way in which the ship of state is guided during the storm.

This war is on the part of America a struggle for maintaining in the world that system of government whose leading object is to elevate the condition of common manhood, to afford all a fair chance in the race of life. It is to establish the principle that all just governments must be one for the people and by the people, its principal object being to advance the greatest good of the greatest number.

Now, the Imperial German Government maintains that such objects can be best attained by an autocracy and autocratic discipline. It maintains that its own benevolent despotism has assured justice to the common people, which can not be secured by democracy and its wasteful, shiftless, haphazard methods.

Here is the clear-cut dividing line. Every true lover of liberty believes that America's contention is right and that justice can best be secured by democracy. But the mere statement proves nothing. The great words we have uttered in entering this war must have great deeds in order to make them effective.

We can in this revenue measure perform an act and adopt a method which will prove that a democracy can secure the support of its wealth in time of need as well as its men. We can in the very method of raising the stupendous sum of $1,800,000,000 provided in this bill prove that this Government can protect and conserve the interests and welfare of the common man in America in time of war as well as in time of peace.

Mr. Chairman, we must see to it that taxation is not levied in such a way as to bring actual want and suffering to one man while it leaves another untouched. Rich men must not profit from this war while the poor bear its burdens. I believe that justice demands the conscription of incomes and excess profits during this war. [Applause.]

God knows the average family in America is being heavily enough taxed to-day without added burdens in this legislation. The food pirates and price manipulators have not hesitated in that direction. Speculators and gamblers have juggled chalk marks on blackboards in grain pits and stock exchanges, and thus levied toll of every dining table in the land.

Let me show you the extent of the tribute levied upon the people of America. I have here an official list issued by the Old Dutch Market of this city showing a comparison of retail food prices during April, 1914, and April, 1917.

In that three-year period sugar has jumped from 4 cents a pound to 9 cents, an increase of 125 per cent.

Flour increased from $7.25 a barrel to $14 a barrel, or 93 per cent.

Corn meal from 2½ cents to 5 cents a pound, or 100 per cent.
Navy beans from 7½ cents to 18 cents a pound, or 140 per cent.
Lima beans from 7 cents to 20 cents a pound, or 185 per cent.
Lard from 12½ cents to 25 cents a pound, or 100 per cent.
Butter from 30 cents to 55 cents a pound, or 83 per cent.
Eggs from 21 cents to 38 cents a dozen, or 80 per cent.
Potatoes from 23 cents to 90 cents a peck, or 291 per cent.
Onions from 4 cents to 13 cents a pound, or 250 per cent.
Cabbage from 3 cents to 15 cents a pound, or 400 per cent.

Here are 11 articles of common daily use, and they show an advance of 167 per cent in the past three years. The entire list of 60 articles of food shows astounding increases, with an average of 85 per cent for all. When you realize that even in 1914 the mounting prices of food supplies had become an acute question, you can understand the tragedy contained in these figures for the average family in America.

Mr. Chairman, a great part of these increases are due to gamblers in foodstuffs and manipulators of produce, whose greed and lust for gold have led them to striking dastardly blows at the very heart of America. For my part I consider them traitors to the Government and would like to see them lined up in front of a firing squad to meet the penalty due to such treason. [Applause.]

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. KELLY of Pennsylvania. Certainly, I yield.

Mr. JOHNSON of Washington. I presume the gentleman saw the circular that was sent around this morning to the effect that the price of food sent to Europe was only 50 per cent of what it is in the United States.

Mr. KELLY of Pennsylvania. That fact only adds to the dangers and fans the flames of discontent. It makes still more criminal the conspiracies of those who are bleeding the people white on unjust prices of foodstuffs in America.

Mr. Chairman, I am contending that the common people of America have been paying taxes levied by criminal jugglers of food prices. Dealing with these conspirators is one of the most important duties growing out of this war. But even after their treasonable machinations are ended, the fact remains that the average man will bear his full share of the burdens of this war. He always has in the past, and this war will be no exception.

Federal reports show that nine-tenths of the wage earners of this country receive less than $1,000 a year. It requires at least that amount to provide decent living conditions for the average family to-day. Less than that sum means underfeeding, or insanitation, or physical decadence. It means a toll levied upon life and health which this Nation can not afford. Maj. Gen. Wm. Gorgas, whose reputation as a scientist is world-wide, says:

> The preventable mortality in this country is greater than the mortality of war. Science knows that the chief cause of disease is poverty; that disease can never be eliminated as long as people are forced to live poorly and close together.

Now, Mr. Chairman, I contend that the great mass of the American people have not in reality shared in the prosperity of the country during the war period. Wage increases have been insignificant in comparison with the rise in prices in every necessity of life. In turning the money he has made into food, fuel, rent, clothing, and so forth, the average man has found that it would not go as far as in times when his earnings were much smaller.

Under such circumstances justice in taxation means that it shall have the same effect upon the conditions of life of the

people who pay it. I demand that taxes shall be laid upon the possessors of vast incomes and the receivers of excess profits to a point where they feel the sting of sacrifice, before they are levied upon the man whose every dollar is needed to maintain a decent standard of existence for himself and family.

It is just to conscript these incomes. The Nation does not borrow men for war; it takes them. Surely money is not to be regarded as more valuable than manhood, property more sacred than persons. Lincoln expressed the truth when he said:

We are for both the man and the dollar, but if we must choose between them we put the man above the dollar.

We have already drafted the manhood for military service on the basic idea of obligation to serve. We should not hesitate for one moment to draft the incomes of the country on the same principle. Upon what we do in this important matter may depend whether we win or lose the democracy for which we went to war. It is possible in taxation bills in Congress to administer as dangerous a blow to democracy as can be given on the battle field by our enemy.

Mr. Chairman, gentlemen have spoken as though the proposal to put the brunt of war taxation upon the receivers of great incomes and immense profits is an unheard of proposition, sure to result in disaster. England proves how baseless such a statement really is. During the 12 months ending March 31 the revenue of the British Government from taxation was nearly $2,600,000,000. The New Republic is authority for the statement that this additional taxation has not affected the business of the country unfavorably and has not proved a damper on business enterprise. On the contrary, the evident justice of taxing heavily those whose incomes have risen since the beginning of the war has stimulated the people generally to whole-hearted activity in every economic field.

The income tax in England has been increased to meet the needs and the excess-profits tax has been created for the same purpose. In the year 1913–14 the income tax yielded $236,245,000. In 1914–15 it increased to $346,995,000. In 1915–16 it produced $641,600,000, and in the present fiscal year, 1916–17, it will yield the stupendous sum of $1,025,165,000.

The excess-profits tax during the present year will bring into the treasury the sum of $699,600,000.

The total revenues from these two sources—income tax and excess profits—in England this year will be $1,724,765,000, or practically the same amount as is carried in this bill now under consideration.

Nor must it be forgotten that this sum is raised on a total income estimated to be $15,000,000,000, while American income is estimated to be three times as great, or $45,000,000,000. That means that if we should raise the entire amount of this bill by income and excess profits taxes alone it would still be but one-third of the burden as levied by England. If we should go as far as Great Britain in these two forms of taxation, we could raise the sum of $5,174,295,000.

In spite of all the specious arguments of those who oppose for selfish reasons the imposition of taxes which will conscript the peaks of vast incomes and profits, this Congress should rewrite the sections of this bill dealing with these subjects. As the bill is now drawn, all incomes up to $500,000 will pay a graduated tax, but after that amount there will be a flat rate. In other words, a considerable number of men will receive special advantages in this bill by enjoying immunity from increased taxation above that limit. There should be, even under the theory of the bill itself, a progressive increase until some point is reached above which the entire income will be taken by the Government. I believe the figure should be fixed at $100,000, which would work absolutely no hardship in the real meaning of the word. It might mean a curtailment of the number of automobiles or pleasure yachts or summer cottages, perhaps, but it would not approach the sacrifice involved in the payment of even a few dollars by those whose incomes can scarcely be made to cover the cost of the actual necessities of life.

It is not confiscation of property, for it would be levied only on the incomes accruing during the war. It would not even be a levy on lands or factories or industries, but it would absorb only a portion of the current incomes from such sources. With the close of the war the tax could be reduced to meet the demands of peace.

For the possessors of great incomes to fight the conscription of their increment above a reasonable figure is shortsighted policy. They should be eager to prove to the people that they are willing to assume their full share of the burdens of this war. If they do not take that attitude now, the day will come when they will regret it with unavailing bitterness. The great mass of the people will endure without protest all sacrifices which are justly theirs to assume in consequence of this war, but they will not quietly endure the injustice of being required to furnish most of the men necessary and pay most of the expense as well.

Some men who belong to the class of the very wealthy have accepted the situation like patriotic Americans. I was glad to see in a market letter recently sent out by a brokerage firm in New York the following statement:

We accept the general principle that wealth as well as persons should be conscripted and that those who risk their lives to fight our battles should not return home to pay for years to come the cost of conducting the war.

In my district there live as many millionaires as in almost any district represented in this House. I believe they are patriotic and loyal to America and will gladly assume their full share of the burden of taxation now made necessary. But if they will not willingly perform their duty, I will vote here to compel them to do it. I recognize no distinction in the obligation resting upon every citizen to serve to his utmost, between the poorest, humblest citizen in America and the man with multiplied millions. I realize, too, that no amount of money can compare in point of sacrifice with that of the man who gives himself, life and all, to his country. [Applause.]

Scan the reports of the great industrial corporations for the last few years and you will see clearly into whose pockets the Nation's prosperity has gone.

I select at random a few corporations from the official reports showing their net profits, after deducting cost of materials, labor, depreciation, interest, and all other charges.

Here is the American Can Co.: It cleared, in 1914, the sum of $2,916,339. In 1916 it had net profits of $7,962,982.

Armour & Co.: In 1914 it had net profits of $7,506,908, and in 1916 its net profits were $20,100,000.

Bethlehem Steel: In 1914 it cleared $5,590,020, and in 1916 its profits had jumped to $43,593,368.

Du Pont Powder Co.: In 1914 it cleared $4,831,793, and in 1916 that figure had been increased to $82,107,693.

Swift & Co.: In 1914 it made clear profits of $9,450,000 and in 1916, $420,465,000.

United States Steel: In 1914 its profits were $23,496,678, and in 1916 it had cleared the sum of $271,531,730.

These are just a few, and the entire list tells the same story in unvarying uniformity. Of 24 companies in this list it is true that their increased profits for 1916 over 1914 is 500 per cent. The excess profits of American corporations for this year over 1914 will mount into the billions.

Does any man contend that these tremendous gains in profits should not be shared with the Government in time of war? I maintain that simple justice demands that a large portion of the profits due to war conditions, as shown in these figures I have just quoted, be turned into the National Treasury to meet the financial needs of the Government in this hour of stress and storm.

Mr. Chairman, this bill is a hodgepodge, haphazard measure in which seemingly all principles of taxations have been sacrificed in order to secure a unanimous report from the Ways and Means Committee.

I need not call attention to the inequalities contained in its provisions, its burdens upon many lines of business. If any one of them is worse than another, it is the additional tax levied upon alcoholic liquors. Such a tax simply links the Government in closer partnership with the liquor business than ever, at the very time when the great American citizenship is rising up in its might to demand that the partnership be forever dissolved. It is inconceivable that we shall go through this war with the liquor traffic levying its toll of destruction upon foodstuffs and man power. Then, why should we give new arguments to those who seek to perpetuate a traffic that is doomed in war time by the law of self-defense? The revenues lost through the abolition of the liquor traffic can be easily made up by increased income and excess-profits taxes, and as it must be done sooner or later why not start right in this first war-taxation measure.

In any case, Russia has proven the wisdom of eliminating the liquor traffic from a purely economic standpoint. The increased production of labor, the marvelous growth of savings deposits among the people have proven that act one of enlightened statesmanship worth almost any sacrifice in itself to secure. It proves that Gladstone was right years ago when he responded to a delegation of London brewers who had come to ask him to levy new taxes on their products to meet governmental needs. He said:

Gentlemen, you need give yourselves no trouble about the revenue. The question of revenue must never stand in the way of needed reforms. But give me a sober population, not wasting their earnings in strong drink, and I shall know where to get the revenue.

Again, if this bill proposes to equalize postal rates it should carry a provision that mail-order house catalogues should pay third-class rates. The Post Office Department is losing millions of dollars a year and private concerns are granted princely subsidies by the classification of these catalogues as parcel post under the zone system. It is a harmful injustice to every local dealer in America, for it gives undue privileges to a few great mail-order houses. If Congress is determined to use every possible variety of taxation in this bill, here is an item that is worthy of consideration, and it would mean increased revenues of from eight or ten million dollars.

Mr. Chairman, upon the American Congress and Executive rests the responsibility of making democracy secure here and now. Bringing it to pass will not mean destruction but development, not undoing by unfoldment, not revolution but evolution, not unlearning but learning more, not retracing our steps but going forward.

By the sacred call to war for democracy we are bound to be true. That call, so nobly answered, must usher in the day of the man called Million. Its program is based on the welfare of the common man, the man of the mill and shop and store and farm. Its purpose rests on his worth; its hope depends upon his strength.

I believe in the power of democracy once it becomes a living truth in the hearts of men. Rich men, thriving from industrial tragedies, may become as unselfish as those other rich men on the doomed *Titanic* and *Lusitania*, who went calmly to their watery graves so that the immigrant women and children might be saved.

If their selfishness is real, it is not so controlling that it can not be dissipated by an appeal stirring enough to make them realize their responsibilities for the common good of America.

It is not only their duty now to bear these tax burdens to the full extent of their ability; it should be their privilege as well. The man who does not recognize the obligation to devoted service now is himself the loser. I care not how wealthy he may be, a man can not be truly satisfied with himself unless he shares the burdens of his country. I defy any man to coldly and selfishly plan for his own personal profit without considering right and wrong and the voice of patriotism. He may spend all his energies selfishly and build his fortune higher and higher; his neglect of justice and the interests of his fellow countrymen make his life and health and possessions less secure. He simply executes sentence of punishment upon himself.

Let no man say that the plan of levying financial burdens solely upon those best able to bear them is impractical. It is simple justice; and justice, after all, is the most practical thing in the world.

Here is an opportunity to adopt a policy worthy of this throbbing dynamic year. By our action we may remove some of the shame from our splendor, some of the brutality from our business, and turn the course of America onward and upward toward real brotherhood, away from the downward path of savage greed and brutal lust for gain.

And, gentlemen of the House, if we walk now with unfaltering footsteps, future generations will follow with sureness and safety. [Applause.]

Mr. SLOAN. Mr. Chairman, I yield 15 minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, I have an amendment which I would like the Clerk to read, which I propose to offer at the proper time.

The Clerk read as follows:

Amendment by Mr. JOHNSON of Washington: Page 23, line 12, strike out the words "or advertising space other than in newspapers and periodicals," so that the section will read:

"SEC. 504. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the amount paid by any person, corporation, partnership, or association to any other person, corporation, partnership, or association for advertising."

Mr. JOHNSON of Washington. Mr. Chairman, I have introduced the amendment for the information of the committee and at the proper time shall ask for its consideration. While I have placed the tax on advertising at 5 per cent, it can be made any reasonable figure—4 per cent, 3 per cent, or even 2 per cent. That can be decided when we reach amendments under the five-minute rule. Also, I desire to give notice that when title 12, which carries the zone system for second-class mail matter, is reached, I shall move to strike out the whole title. I judge that the Committee on Ways and Means desired to take some toll from advertising which is carried on in the United States to the amount of at least $1,000,000,000 a year. I believe that Congress will back up the idea to make modern advertising, which has grown to such proportions that it has actually become a great factor in the high cost of living, pay some of the expenses of carrying on this war.

I understand the committee endeavored to find some way to tax advertising; that the members failed to agree upon a plan, and finally endeavored to strike the whole thing from the bill. I presume that section 504, which taxes outdoor advertising and lets all other advertising go scot free, was left in the bill by mistake. The section should not remain in the bill unless it is so amended to apply to all advertising that can be reached by the Government. The committee estimates that the 5 per cent tax on outdoor advertising will bring in seven and a half million dollars. I doubt if it will bring in one and a half million—probably not one million. I will tell you one reason why. Simply because many of the largest advertisers do their own outdoor advertising—concerns such as the Ingersoll Watch and Castoria. The minute you put 5 per cent on the organized sign business you drive other national advertisers into doing their own work. Away goes the 5 per cent you hope to get for your war chest. Besides, if you tax, as the committee proposes, one line of advertising and not other lines, you drive the big advertisers to the untaxed lines. But a 5 per cent tax—or a 3 per cent tax, if you prefer—will bring in a great sum, and bring it in to a certainty. Five per cent, fifty millions or more. Three per cent, thirty millions, and the beauty of it is the Government gets it and does not bankrupt a whole lot of periodicals with a lopsided zone system, or put one branch of big advertising agents practically out of business by taxing them alone.

Hundreds of publishers of newspapers and periodicals who are writing to Members of Congress say in their letters and statements that they are perfectly willing to bear a full proportion of the war tax. They are willing to give up their profits, many of them say. We will take it that they are. But they do not want to be taxed through a zone system two or three times as much as their profits amount to. And that is exactly what will happen, as I shall show you in a moment. I firmly believe the way is to place a tax on all advertising that can be reached by Uncle Sam. Then it extends to practically all advertising, including the advertising paid for by automobile agents who endeavor to enlarge their business by advertising. This would be a much more proper tax to reach that class than a direct tax of 5 per cent on sales of automobiles, as now in the bill.

Much has been said about the unanimity of the Ways and Means Committee with respect to this war-tax measure. I suspect that the members of that great committee are only in accord because, after wrestling with the bill for three weeks, they found that they could not agree on any rational plan, and therefore reached a sort of truce by which they left all sorts of taxation schemes in the bill—good, bad, and indifferent—and then threw the whole thing into the House and dared the Members to vote against it [applause], a sort of Robin Hood method without rhyme or reason except that the Government needs the money. The Government does not need it, neither to-day nor to-morrow nor until this measure is made as nearly equitable as possible. [Applause.] I think that all must realize that if this bill is not extensively amended in the House it will be practically rewritten in another body, and that it will be fully a month before it is ready for the President's signature.

The trouble is, Mr. Chairman and gentlemen, that we are trying in this bill to provide for a "pay-as-you-enter" war, which accounts for some of the peculiarities of the bill. It undertakes to seize profits in advance that are not yet profits, and to a dead certainty will not be profits under some sections of this measure—the automobile-sales section, for instance—and it fails to take profits that have already been made from war and will continue to be made. In criticism of that last failure I concur in what has been said by the gentleman from Pennsylvania [Mr. KELLY]. This bill puts a tax of 10 cents on each deck of playing cards, which is beyond all reason. It puts an import tax on coffee and a tax of 1 cent per pound on its selling price. If the committee wants some suggestions, it would be far better, in my opinion, rather than have a double tax on coffee, to make it an absolute Government monopoly, particularly as it is proposed right now to bring in and pass a bill to regulate food prices. And on that regulation I agree again with the gentleman from Pennsylvania [Mr. KELLY].

Mr. HELVERING. Will the gentleman yield?

Mr. JOHNSON of Washington. I will; certainly.

Mr. HELVERING. Just for a suggestion, that the import tax of 10 per cent is one matter and the 1 per cent applies only to this quantity of coffee in store which will be taken out on withdrawing it from the customhouse.

Mr. JOHNSON of Washington. I do not object to the 10 per cent import tax. But there is one item, which can be handled entirely by the Government at a real profit and at a minimum of damage, as well as a saving to——

Mr. HELVERING. I thought the gentleman in his statement did not understand the 1 cent part of it.

Mr. JOHNSON of Washington. I did not, and I am glad to be informed. That is why we are having this debate. But, Mr. Chairman, I think I understand what the zone system of second-class postage rates for the carrying of magazines and newspapers through the mails will do. The committee seems to have put the zone system in for the purpose of punishing a few big magazines. That very statement has been made on this floor. Incidentally it will put out a large number of smaller ones, including, for instance, the National Geographic Mazagine, whose editor announces that if the zone system becomes the law his publication will suspend until after the war. In addition to putting a lot of publications out of business, the zone system will be a source of continued trouble and mischief to all publications, and particularly to the small daily and weekly throughout the entire United States, as I shall show. The zone system, as a rule, will restrain and embarrass the newspaper and printing industry from top to bottom, and——

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. JOHNSON of Washington. I will.

Mr. MILLER of Minnesota. If the gentleman does not intend later on to cover this, does the gentleman mind stating about what the difference would amount to of the average city daily—I do not mean the great metropolitan dailies like Chicago or New York, but, for instance, like the gentleman's own paper?

Mr. JOHNSON of Washington. I have not time to discuss metropolitan dailies We know that the metropolitan dailies like those of Minneapolis, Boston, New York, Chicago, Philadelphia, and so forth, reach far beyond two zones, or 150 miles, in influence and circulation.

Mr. MILLER of Minnesota. Take a paper like the one the gentleman knows most about—his own paper, which was exhibited here Saturday and analyzed by the gentleman from Illinois [Mr. RAINEY]—the cost of transportation of its product will not be materially changed.

Mr. JOHNSON of Washington. It will not. It does not even take much advantage of the "free in county" privilege. Nine-tenths of its circulation is delivered by its own carriers. It now pays the Post Office Department, I suppose, about $4 or $5 a month for second-class rates on papers to annual subscribers scattered from Maine to Panama. If I can secure additional time I may discuss in connection with other small papers my own daily newspaper publication, inasmuch as on Saturday it was exhibited to the House, but I sincerely hope that the Members of this House will not subscribe for the Daily Washingtonian, because it is published 3,300 miles away and 6 cents a pound would be too much for me to pay to send it to you. [Laughter.] Particularly, as your Ways and Means Committee says in this bill, "6 cents a pound or fraction thereof when for delivery within the eighth zone." That is to say, one single 4-page county newspaper from more than 1,800 miles away to Washington, D. C., 6 cents. [Laughter.] Why, you can send the thing third-class from Hoquiam to Porto Rico for 1 cent. Or to Toronto, Canada, for 1 cent, and the British Government will forward it around the world if you are traveling—send it from place to place—to London, to Hongkong, to Bombay, and back again, for that same little old 1-cent stamp with Ben Franklin's picture on it. But under the zone system, 6 cents! Think of it! Six cents a week for the editor of the Tombstone Epitaph to send one issue of that delectable paper to Arizona's lone Congressman here in Washington. Well, if Tombstone's weekly paper is not a dead one now, it will be if this bill becomes a law, and no mistake.

Mr. HELVERING. Will the gentleman yield?

Mr. JOHNSON of Washington. With pleasure.

Mr. HELVERING. I understood from the gentleman's amendment he intends to put 5 per cent on advertising?

Mr. JOHNSON of Washington. Yes; or any other small per cent if this committee so wills.

Mr. HELVERING. We took the trouble to inquire of 57 of the small newspapers in the district which I have the honor to represent as to what 5 per cent on advertising would mean, and we find this would run 15 to 25 per cent on the total amount which they receive above running expenses.

Mr. JOHNSON of Washington. Well, it might. I doubt if it runs that much. At any rate, the small newspapers would pass it on to the jeweler, the automobile agent, the tailor, the real-estate agent, and so on, and each one of them would know that through his advertising in his home paper he was helping to finance the war.

Mr. HELVERING. If the gentleman's amendment should be agreed upon there should be some exemption like that carried in the excess-profits tax.

Mr. JOHNSON of Washington. Well, not many. Some advertisers, of course, never pay their bills.

Now, Mr. Chairman, let us see what this zone system does to certain high-class periodicals. First, it adds to the general confusion by creating a zone system different from the parcel-post zone system It consolidates the eight parcel-post zones into six zones and makes the newspaper and periodical rate as follows:

Zones.	Distance.	Present rate.	Zone rate.	Increase.
	Miles.	*Cents.*	*Cents.*	*Per cent.*
First and second zones	50 to 150	1	2	100
Third zone	150 to 300	1	3	200
Fourth and fifth zones	300 to 1,000	1	4	300
Sixth and seventh zones	1,000 to 1,400	1	5	400
Eighth zone	1,400 to 1,800	1	6	500

The publishers are required to put up their newspapers for mailing according to zones. This will be a considerable task for the smaller newspapers who may have here and there a subscriber in the fifth, sixth, or eighth zones. These publishers will have to resort to the intricate key, map, and guide system which is provided by the Post Office Department, and which is described in the United States Official Postal Guide on numerous pages.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. JOHNSON of Washington. I would like an additional 10 minutes.

Mr. SLOAN. I yield the gentleman 15 additional minutes.

Mr. JOHNSON of Washington. Think of the high-grade publications that this scheme will put out of business. Take, for instance, the Outlook, published by Dr. Lyman Abbott in New York at $3 per year. It pays to the Federal Government 25 cents per year per copy for postage. If a subscriber lives in Canada, the Outlook pays for him $1.04 to the Government, and probably charges the subscriber $1 extra. If this zone system remains in this bill, the Outlook will have to pay for all of its subscribers who live a little farther west than Chicago $1.25 additional postage. For a high-class publication such as the Outlook this rate would be prohibitive to citizens west of the Missouri River, who would have to pay a premium of at least $1 more than their fellow citizens in the East for the privilege of reading that splendid publication. The Outlook does not pretend to be a great money-maker. It has not prostituted its columns to advertising. One year of zone system will take fully twice as much as the Outlook's annual profits, and what, then, becomes of the Outlook?

Consider the case of the Youth's Companion, with 400,000 subscribers scattered to thousands of post offices all over the United States. That paper, which is not a heavy advertising medium, has in the State of California 14,372 paid subscribers. It has in the State of Washington 7,317 subscribers. Six copies of the paper make a pound. The publishers have contracted to deliver it for a year to all of these subscribers at $2 each. They are paying 1 cent per pound. They are asked to pay 6 cents, not only for these on the Pacific coast, but for all west of some point this side of Chicago—the exact point I can not locate unless I have a Post Office Department map and key. For every subscription to the Youth's Companion west of that point 6 cents per pound must be paid. That applies to a lot of States—Missouri, Iowa, Arkansas, Texas, North and South Dakota, and others, and all of the intermountain and Pacific coast. Probably most of you Congressmen took the Youth's Companion when you were boys and your children and grandchildren take it now. It weighs 6 copies to the pound. So every five weeks it would pay 5 cents more than now. That would be charged to all subscribers west of the Missouri River. Is that fair?

I asked that question of the gentleman from Illinois [Mr. RAINEY] during his two-hour speech in advocacy of this zone plan Saturday in this form:

Mr. JOHNSON of Washington. If the Curtis publications are as high class as the gentleman says, is there any reason on earth why you should make the Saturday Evening Post cost 5 cents in Washington, D. C., and, say, 15 cents in the State of Washington?

And the following debate occurred:

Mr. RAINEY. Of course. Magazines have two prices—one for the United States and one for Canada.

Mr. JOHNSON of Washington. But I do not live in Canada.

Mr. RAINEY. The magazine that circulates in the United States for $4 a year sells in Canada for $6.50 a year. It is just as easy if they want to add the zone postage to the subscription price—it is just as easy to change the price across the zone lines as it is across the Canadian border.

Mr. JOHNSON of Washington. But it is an added expense to the people in the eighth zone.

Mr. RAINEY. Yes; but the less you get of the greater part of this literature the better, even if you are in the eighth zone.

As a matter of fact, unless the Saturday Evening Post could reach the Pacific coast by means of a low express rate, its retail price out there under this proposed system would be 11 cents. And think of the many other publications to which the 25,000,000 people of the Western States are subscribers.

I made a similar inquiry of the gentleman from Ohio [Mr. LONGWORTH] yesterday, and he made a reply that he would not answer; that he was opposed to sectionalism in this bill. Of course it is not sectionalism to charge all the people west of the Missouri River six times as much for the use of the second-class mail service as is charged the people living in the great populous center within a few hundred miles of New York or within a few hundred miles of Chicago. It is stupidity.

It is not sectionalism to charge a newspaper publisher 6 cents for sending a 1-pound copy of his Sunday newspaper from Washington, D. C., to Tacoma, Wash., and then let any one of you mail the Sunday Washington Post from this city to the Pacific coast for 4 cents under the third-class rates. It is thoughtlessness.

All high-class publications have not prostituted their columns to the advertising game. All are willing to pay a large part of their profits for the cost of this war, but they do not want to be put out of business. I read a letter from the publisher of the Pacific Poultryman, out my way. He says:

I assure you that I believe that not one sound of protest would come at this time of crisis in our country's history from any publisher if he were asked to give only his all, in the way of profits, in order to produce additional revenue for the Government. But it is a fact that if the postal rate be raised by a zone system many, many publishers will be annihilated. Should many have to go out of business the Government would not gain by it.

Why, Mr. Chairman, for that man to send his poultry journal across his own State of Washington would carry him into the fourth and fifth zones. The State is fully 500 miles long. California is at least 1,000 miles long.

It was argued by the gentleman from Connecticut [Mr. HILL] that if eastern papers could be shut out from the western country we might establish such publications of our own. The number of zones per State makes this unlikely, with the high cost of paper and our comparatively limited population. The four-five zone rate in Washington State would shut the Seattle and Tacoma papers out of Spokane and the Spokane papers out of the coast cities. The zone system would make the State of Washington's Sunday papers cost a quarter apiece in Alaska. I——

Mr. SLOAN. One question, please. Is it not a fact, which you know as a newspaper man, that most of these advertising matters are contracted for the year and would run from now until January without relief?

Mr. JOHNSON of Washington. Yes; and that is one of the objections to the zone system, by the way. We can change the amendment I have offered to read "January 1" instead of "June 1" and relieve the situation somewhat.

Gentlemen, the zone system is not a war tax but a clumsy effort to further punish some great big periodicals and to repress and embarrass the newspaper industry—perhaps because they freely criticize Congress. It went out of the Post Office appropriation bill on a point of order made simultaneously by not less than 60 Members, each striving for that privilege. Now, it turns up in this bill, where it does not belong, and occupies most of the time of debate Saturday and most of the day yesterday. Its principal advocate declares that its real purpose is to take toll from a few gigantic publications, primarily the Curtis publications, without caring what must happen to lesser but equally valuable publications. It raises the second-class rate in some cases 500 per cent. Think of it, 500 per cent! Who cares? It will put the National Geographic Magazine out of business. Who cares? But why should that great magazine suspend publication? Is it not exempt from the zone system, which exempts the educational and certain other publications? Is it not educational? I asked two members of the committee, and they said "No." Well, who knows? What a lot of trouble that little word "educational" will raise if the zone section remains in this bill.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. JOHNSON of Washington. Certainly.

Mr. COOPER of Wisconsin. The word "educational" in the gentleman's discussion of the meaning of the word reminds me that in the last number of the Saturday Evening Post I read an article by Blythe on the present situation in China, which is the most interesting and instructive and thoroughly up-to-date and educational article on China I have seen.

Mr. JOHNSON of Washington. Certainly, and there is no doubt but this National Geographic Magazine is as highly an educational publication for people as any other publication in the United States; and it sells, I think, for $2 per year. Their bills for illustrations, I believe, run into many thousands of dollars. That is the kind of periodicals we are willing to put out of business, along with Comfort, which the gentleman from Illinois [Mr. RAINEY] poked so much fun at in his speech. But Comfort might be called an educational paper, because the gentleman from Illinois [Mr. RAINEY] showed that it tried to teach the gentle art of kissing. [Laughter.]

Mr. BORLAND. Would the gentleman care to yield at that point?

Mr. JOHNSON of Washington. Yes.

Mr. BORLAND. The gentleman is a practical publisher——

Mr. JOHNSON of Washington. Oh, in a very small way.

Mr. BORLAND. I want to ask him about a suggestion that has been made to me. There is no limit now on the amount of advertising space that a magazine or paper can send out in connection with the little reading matter that is sent.

Mr. JOHNSON of Washington. No.

Mr. BORLAND. That is the main difficulty. Now, I want to ask the gentleman a question. I have a suggestion here from a publisher in Kansas City, in my district, in which he suggests that advertising pages be rated 8 cents a pound and reading-matter space at 1 cent a pound.

Mr. JOHNSON of Washington. I would not object to that. I would not object to anything that would fall with some equality on all publishers.

Mr. BORLAND. Is not that a practical suggestion, from the gentleman's standpoint?

Mr. JOHNSON of Washington. I think so; but it would require a great deal of inquiry because of fluctuations.

Mr. BORLAND. It seems to me that when the paper was submitted as second-class mail it could designate its advertising space and reading space.

Mr. JOHNSON of Washington. Let us hope that that will be discussed under the five-minute rule.

Mr. Chairman, for myself I can not vote for the war-revenue bill with this zone system in it. The bill will have to be amended in numerous particulars before it gets my vote. Should I then vote for it, I shall do so because of its tariff feature. The flat 10 per cent increase should be raised on a whole lot of things. Why?

I present for your consideration the official statement of the customs business for the district of Washington for the month of March. Examine it and you find that for that month there was imported into that single district in the northwestern corner of the United States goods to the value of $22,326,828, of which nearly all came in free. The exact figures there are:

Free	$21,026,888
Dutiable	1,299,940

Every month the customhouse statement from that district for the past two years has shown a similar proportion. Not a month has passed in that time but that from ten to fifteen millions of dollars worth of goods has come in free, while those paying duty have amounted in value to but five hundred to one million dollars. The amount received for customs duties in all that time has hardly been sufficient for the upkeep of the Puget Sound customhouses. For the month of March, as shown by this statement, the duty collected was $203,742.

Imports from Japan during the first eight months of the current fiscal year totaled $131,551,000, an increase slightly over 100 per cent compared with imports for the similar period for 1912–13 under protection. Japan is running us out of foreign markets in the Far East and invading our own home market. She is giving preference to Japanese goods in her vessels and holding up our own. Her cotton textile exports doubled during 1916 over 1915.

Within the past month more than $8,000,000 in gold have been released by the Federal Treasury for shipment to Japan in settlement of the trade balance, which continues to remain so largely favorable to that country. This balance is made possible by the large sales which Japan makes to us by reason of the free access which the Democratic tariff gives her to American markets. Yet in considering plans for the production of war revenue the Democratic financiers in Congress have resolutely refused to pay any attention to suggestions that additional duties beyond this flat rate of 10 per cent shall be laid upon the foreign goods which are coming to our ports despite the war.

Imports from China increased 90 per cent during the first eight months of the current fiscal year ended February 28, compared with the similar period, 1912–13, under the protective tariff law, or from $26,600,000 for the 1912–13 period to $50,267,000 for the 1916–17 period.

The first eight months of the current fiscal year ended February 28 found Canada running old mother England a close heat in the race for control of a large share of the American market, $181,300,000 worth of Canadian commodities being imported by us compared with $181,627,000 worth of goods "made in England."

This is an increase over our total imports from Canada for the similar period, 1912–13, under a protective tariff law, of just $100,000,000.

Canada soaks us a healthy customs tax for the privilege of doing business in her market, averaging over 20 per cent on all our exports to her. We permit over 90 per cent of her exports to enter our market free of duty.

England raised something like $342,000,000 from customs duties during her fiscal year 1916–17. Ours will produce only about $210,000,000 by June 30, when our fiscal year closes. Let us raise some revenue at the right places—the customhouses.

With such an amount of free trade to the United States going on it is no wonder that we have to turn every which way for taxes in an effort to make up the actual deficit in the Treasury before we start the collection of a war fund. [Applause.]

Mr. FORDNEY. I yield to the gentleman from North Dakota [Mr. YOUNG] 15 minutes.

Mr. YOUNG of North Dakota. Mr. Chairman, I desire to discuss briefly the proposed changes in second-class postal rates. It is true that the amount paid by the publishers of newspapers direct to the Government, if considered by itself, may appear insufficient, but if what the publishers do for the public free of charge is taken into account I believe it will be found that they pay their full share of the cost of the handling of the mails.

Sound and efficient government must rest upon an intelligent, educated public opinion. For that reason it is highly desirable that the citizens of the country should be well informed upon all public questions and all details of government. In this field the newspapers give space worth many millions. Almost every public official, from the President of the United States down to a forest ranger, secures valuable publicity. The President's addresses are sent in advance of delivery to newspapers in all portions of the country, "released for publication" upon the date of delivery. Thousands upon thousands of newspapers print these speeches.

Then, the Cabinet officers send out immense quantities of publicity matter, telling of the activities of their respective departments. And they are quite imperious about it, subordinate officers in some of the bureaus sending out items with directions like this:

> Released for use by papers on ———, 1917, or thereafter. Publications disregarding the release date will be stricken from the mailing list.

And so it goes through the entire category of officeholders, the editors giving the needed publicity to governmental activities. The Postmaster General himself, who discusses this subject in one of his annual reports now before me, gets for the Government advertising of immense value, covering one of the greatest business enterprises in the world—the Post Office Department.

Then the newspapers give to the public without charge a very large amount of valuable advertising space in support of State, county, city, charitable, religious, and other activities, which, if taken into account, would run into very large sums of money. And this is the class of citizens upon whom the catalogue-house men would descend with the idea of wringing from them rates sufficiently increased to enable the Government to give them a reduced rate upon first-class mail matter.

It is a well-established principle among large business concerns that certain lines must be handled at little or no profit. In the conduct of the great Post Office Department thoughtful people can not fail to realize the wisdom of encouraging the circulation of mediums of publicity. There is no telling to what extent letters are written carrying first-class postage about matters advertised in newspapers, big and small. They stimulate all kinds of business. Advertising is the backbone of the Postal Department; cripple it, and its sources of revenue from the sale of first-class postage will be tremendously reduced. The prudent business man will not thoughtlessly cause a radical reduction in his chief source of income. The proposed change in second-class rates displays a lack of statesmanship.

The value of publicity to the departments of the Government is little appreciated by those who have not stopped to think about it. Almost every governmental activity requires publicity. The President of the United States appreciates this, if some other officials forget it. In a recent address he used these words:

> I beg that all editors and publishers everywhere will give as prominent publication and as wide circulation as possible to this appeal.
>
> What is worth asking for is worth paying for.

Mr. Chairman, when I listened to the interesting and entertaining address a few days ago of the gentleman from Illinois [Mr. RAINEY], in which he devoted considerable time to the newspaper published by the gentleman who has just been speaking [Mr. JOHNSON of Washington], I thought that he would probably have something to say about his own paper to-day. But he has been very modest. I sent over to the Library of Congress for the paper published by Representative JOHNSON, because I was interested to look it over after hearing the gentleman from Illinois [Mr. RAINEY].

I find, after looking it over, that if the United States Government had paid to the publishers of the Hoquiam Daily Washingtonian a fair price for all the advertising given to this Government they could afford to send this paper out by first-class postage. [Applause.]

Now, here is a list that I have prepared of the different items that appeared in one issue of that paper that seemed to me to be of great value to this Government. There is a Red Cross item of 33 lines. Newspapers in North Dakota of the character of this paper would charge more than 10 cents a line for reading matter, but we will figure it at 10 cents a line. That would make $3.30. There is an article on crop stimulation, very important at this particular time, 247 lines. That would be $24.70. There is an announcement there of 54 lines made by a United States representative, the county agent. That would be worth $5.40. Then there is another Red Cross item of 4 lines. Then the county agent makes a very complimentary statement with respect to the activity in gardens in that locality. That would make $6.20. There is an article on the sale of war bonds, 27 lines, $2.70. Then there is another Red Cross item of 4 lines, 40 cents. There is a statement, prepared by the United States Department of Agriculture—a very important statement—with respect to food conservation, and this particular statement was given a place in the editorial columns of this paper, 60 lines. That would be $6. These items total up to $52.1

Now, there are a number of other articles in this paper that I think ought to be paid for, too, although they are a little more general in character. I have not, however, itemized them. There is an article on "Lack of engines hampering shipbuilding"; another one on "Government wooden shipyards"; another one, "Army to France at once." There is another one headed, "Balfour says all must help to win."

I want to say, too, that this list I have given you does not have anything to do with the matters that help out the State, the city, and the county governments, and the fraternities and churches and cards of thanks. Not a single one of those items has been included.

Mr. MILLER of Minnesota. Mr. Chairman, will the gentleman yield there for an inquiry?

Mr. YOUNG of North Dakota. Yes.

Mr. MILLER of Minnesota. I assume that the gentleman did not select that particular edition that had a particularly large amount of free material of this class. It was just an ordinary edition?

Mr. YOUNG of North Dakota. Yes. My secretary simply sent over to the Library of Congress and asked to have an issue of this paper sent across. I presume it is an ordinary sample. I want to say it is an excellent paper. [Applause.]

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. With pleasure.

Mr. JOHNSON of Washington. Will the gentleman do me the favor to let me say that I have not edited the paper and have not been concerned with its editing and publishing for five years? I want to say, however, that it is sent free to the Library of Congress, and is the daily paper published farthest west in continental United States. I am proud to have it sent. [Applause.]

Mr. YOUNG of North Dakota. I want to say to the gentleman that I think this issue of May 9 is a fair sample of the paper. Any way it was the paper that was sent over to me from the Library at my request for a copy. It was not specially put up for the purposes of this comparison. I presume there are a large number of other similar papers published in the United States, and it seems to me we would be doing a great injustice to small daily papers and other publications printed throughout the country if we should enact the zone rates contained in this bill. I have a telegram from one of the papers of my own State which reads like this:

> The war taxes on this paper will amount to from $12,000 to $15,000 per year, which we can not stand.

I happen to know that that paper did not pay a dividend last year. The telegram proceeds:

> Many other papers will be as badly situated. The print paper situation has almost broken our backs and added expense will complete the job of putting us out of business. We are willing to give up all profits, if there should be any, but further we can not go.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield there?

Mr. YOUNG of North Dakota. Yes.

Mr. McKENZIE. Are we to understand that this particular newspaper, which now is not doing more than breaking even and not making a dividend, will be compelled by the Government to pay $12,000 to $15,000 taxes? Is that the gentleman's statement?

Mr. YOUNG of North Dakota. This is the statement I have received. It probably refers to the postage rate.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. WINGO. Does the gentleman say that this bill is going to tax that paper $12,000?

Mr. YOUNG of North Dakota. I suppose that it is the computation of what the increased postage bill will amount to.

Mr. WINGO. The gentleman thinks that has reference to the increased postage?

Mr. YOUNG of North Dakota. Undoubtedly that is what he has reference to.

Mr. WINGO. As I understand it, these papers will not be subject to the advertising tax in the newspapers. Is that the gentleman's understanding?

Mr. YOUNG of North Dakota. Yes; that is my understanding. I am discussing the question of the zone system as proposed in this bill.

Mr. AUSTIN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. AUSTIN. May I ask the gentleman if his attention has been called to the National Tribune, the soldiers' publication, the organ of the Grand Army of the Republic, published in Washington, D C.? That has about 150,000 subscribers, scattered all over the United States, in every district, in every State. I have received a letter from the publisher of that paper stating that this bill would practically put that paper out of business. It has not any large local circulation. Its circulation is general, and this increase in the postage rate would simply prevent the publication of the official organ of the Grand Army of the Republic.

Mr. YOUNG of North Dakota. My attention had not been called to that publication; but it seems to me that that paper and papers like the Christian Science Monitor, at Boston, which has a general circulation throughout the United States, and many other such publications, might better have been cited as examples of current literature by the gentleman from Illinois [Mr. RAINEY] than picking out an isolated paper here and there, like the ones the gentleman selected in Maine. It seems to me we ought not to legislate here against particular papers like that in such a way as to at the same time deal a body blow to papers like the Christian Science Monitor, the cleanest daily in the United States; the National Tribune; and other high-class publications.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. BLANTON. Not disparaging this particular paper in any way, would the gentleman claim that if he would inspect any other daily paper published in the United States he would not find it contains just as many articles of merit as this particular publication contains?

Mr. YOUNG of North Dakota. I think that is true. I have examined some North Dakota papers that I will not take the time to read from, those that came to my desk yesterday, and I find that in a general way the newspapers throughout the country are cooperating with this Government, not only in this war, but with every activity of the Government. They are also giving valuable publicity to the State and municipal governments. It seems to be the disposition of the editors to help along all public agencies. Here is a clipping from the Leader, published at Fargo. The same notice was in many other State papers. It reads:

FARM HELP AVAILABLE—REGISTER YOUR NEEDS.

Gov. Frazier has wired advice from Chicago that hundreds of experienced farm hands are registered with the Daily News for employment.

As no provision was made by the last legislative assembly for the labor department to establish a labor bureau, the department is considerably handicapped and without any available funds, nevertheless, I have secured promise of Federal assistance and in the meantime, our office force will devote whatever time is necessary for securing and distributing farm labor, and I respectfully request county officers, farmers, and others to register the needs in their locality with the department of agriculture and labor, Bismarck, N. Dak., stating wages and term of employment, and I further desire the newspapers to cooperate in giving this information general circulation.

J. N. HAGAN,
Commissioner of Agriculture and Labor.

Mr. FESS. Will the gentleman yield?

Mr. YOUNG of North Dakota. I will.

Mr. FESS. The statement was made a while ago that there was no justification in continuing the publication of a newspaper that was not sufficiently profitable. That was based on the statement that the reading matter was not profitable, but that the advertising is. What does my friend say about the discontinuing of reading matter because it is not profitable?

Mr. YOUNG of North Dakota. My view would be this, that if all of the newspapers should suspend publication to-morrow that are not profitable, that are not making money aside from the job printing, the United States would be in a difficult position to get the required publicity needed at this time.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. YOUNG of North Dakota. Certainly.

Mr. MILLER of Minnesota. Isn't it true that the class of newspapers containing the most reading matter are the high-grade papers that would be the first to go out of business?

Mr. YOUNG of North Dakota. That is true, and among the first would be the religious papers printed throughout all the United States, and many other high-class weekly publications.

Mr. DALLINGER. Will the gentleman yield?

Mr. YOUNG of North Dakota. For a question.

Mr. DALLINGER. Is it not a fact that many agricultural papers throughout the country would be put out of business by the bill in its present form?

Mr. YOUNG of North Dakota. I do not know whether they would be put out of business, but it would be a severe blow to them, and I have no doubt that many would have to go out of business.

Mr. McKENZIE. Are not the farm papers exempt under this bill?

Mr. YOUNG of North Dakota. I do not think they are; and besides, I do not think they ask for an exemption excepting such as would also include all other legitimate newspapers.

Mr. FOCHT. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. FOCHT. Does the gentleman know of any newspaper publisher in the country that publishes any paper or magazine anywhere that is in favor of this provision of the bill?

Mr. YOUNG of North Dakota. I have not heard of any.

Mr. FOCHT. Does the gentleman know of any that are against it?

Mr. YOUNG of North Dakota. As far as I have heard from, they are all opposed to it, and it seems to me that in stating the reasons they have given good reasons.

Mr. HAMILTON of Michigan. Will the gentleman from North Dakota allow me to ask him a question?

Mr. YOUNG of North Dakota. Yes.

Mr. HAMILTON of Michigan. The gentleman has referred to the local papers throughout the country. I understand that there is a provision in the bill excepting the daily paper where it is deposited in post offices which have letter carriers for delivery by these carriers from the payment of any increase of postage—that is, that the postage shall remain the same as it is now.

Mr. YOUNG of North Dakota. Such letter carriers are not permitted to carry daily newspapers.

Mr. FORDNEY. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. FORDNEY. I did not hear all that the gentleman said in reference to the agricultural papers. All the agricultural papers or fraternal papers published not for profit of the stockholders are exempt. I will gladly extend the gentleman's time 10 minutes.

Mr. YOUNG of North Dakota. All of the agricultural papers in the United States that amount to anything are published for profit. If there is one that comes into my district that is not published for profit I do not know its name.

Mr. FORDNEY. If a certain number of gentlemen, Members of the House, publish an agricultural paper for special profit, ought they not to be taxed?

Mr. YOUNG of North Dakota. Yes; they ought to pay a reasonable tax. The publishers are willing to pay a reasonable amount. We are talking about this bill that makes an unreasonable demand, a requirement which in many cases will amount to confiscation. A reasonable rate should take into account the services rendered to the Government by the newspapers. But there is a bigger and broader question involved in the consideration of this subject. A free democracy is dependent upon a free public opinion, and a sound, rational, broad, intelligent public opinion is formed by a press of which a portion at least must be nation wide in scope and circulation. Dr. Lyman Abbott affirms that one contributing cause of the Civil War was that the North and South did not understand each other. One contributing cause of the great European war is that the nations speak different languages and do not understand each other. Patriotism

calls for legislation making mutual understanding easier and better. The proposed legislation makes mutual understanding more difficult. It tends to denationalize the Nation.

Mr. STAFFORD. Will the gentleman yield?

Mr. YOUNG of North Dakota. I will.

Mr. STAFFORD. The gentleman from Michigan [Mr. FORDNEY] has all along claimed that the high postal rates would result in taxing the advertisers, but they will raise the subscription price to correspond to the zone rates.

Mr. YOUNG of North Dakota. I think that is possible, but the serious objection is not only that the subscribers will have to pay more but that many will cease to take the publications.

Mr. STAFFORD. There is no question about that as to those that have a national circulation.

Mr. YOUNG of North Dakota. I think it would be a loss to the country for farmers to cease to take these agricultural papers that come now to their homes.

Mr. FORDNEY. Will the gentleman yield further?

Mr. YOUNG of North Dakota. I will.

Mr. FORDNEY. I want to read the language of the bill. Page 52, line 20, says:

Provided further, That in the case of newspapers and periodicals entitled to be entered as second-class matter and maintained by and in the interests of religious, educational, philanthropic, agricultural, labor, or fraternal organizations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual.

Mr. GREENE of Vermont. Will the gentleman from North Dakota allow me a word in reply?

Mr. YOUNG of North Dakota. Yes.

Mr. GREENE of Vermont. Is it not true in this class of publications, as in many others, that what is everybody's business is nobody's business. These publications that are not published for profit contain matter that is really fraternal correspondence, matter that only interests those who take them, and it only circulates in that little circle of those who write for it?

Mr. YOUNG of North Dakota. Yes; that is true.

Mr. FORDNEY. If the gentleman will pardon me, I did not read far enough.

Mr. YOUNG of North Dakota. Well, let us have the rest of it.

Mr. FORDNEY. I made a serious mistake. The class of papers that I referred to pay at the rate of 1½ cents a pound, and do not come under the zone rates.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. JOHNSON of Washington. I have in my hand a typewritten statement from one of the leading publications of the United States, which shows its entire net income this year and estimates that under the zone system which is announced the Government would collect not only the entire amount of the net income but four times its entire net income. That is what the zone system does.

Mr. STAFFORD. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. STAFFORD. I was furnished this morning a statement from the accountant of the publication of Hoard's Dairyman, a newspaper of national circulation and of national repute, the leading dairy paper of the country, which shows that if the zone rates in the bill under consideration are put into force it would amount to more than the net income of the paper. The paper has a very large circulation in the fourth and fifth zones, particularly in New York State, and in those zones alone the total increase of postage under this bill would amount to $21,000.

Mr. YOUNG of North Dakota. Those statements ought to have some influence upon this House, if they have not had any upon the Committee on Ways and Means. Hoard's Dairyman? It takes me back to boyhood.

Mr. FORDNEY. Mr. Chairman, every man taking part in the preparation of this bill or who expects to vote for or against the bill knows that advertising and the price of the paper heretofore fixed by the publisher has been based upon the cost thereof, and the present rate of postage had much to do with that cost. Therefore everyone knows that if the rate of postage is increased the proprietor of that newspaper must get more for his advertising or his paper or go out of business. Every sensible man knows that. What is the use of arguing that question?

Mr. YOUNG of North Dakota. I want to ask the gentleman whether he has placed any other industry in the United States upon that basis?

Mr. STAFFORD. Mr. Chairman, will the gentleman yield to me to make a statement in reply to the gentleman from Michigan as to the basis of advertising?

Mr. YOUNG of North Dakota. Certainly.

Mr. STAFFORD. Mr. Chairman, the basis of advertising as testified to many times before the Committee on the Post Office is one-half cent a line for every 1,000 subscribers. The gentleman from Michigan is pursuing the idea that by raising the subscription price the subscribers will be increased, when, as a matter of fact, by raising the price the rate of advertising will be materially reduced. If he was in favor of taxing advertisements, why did not the committee levy a tax upon advertisements in general, as was suggested by the gentleman from Connecticut [Mr. HILL]?

Mr. FORDNEY. Mr. Chairman, the gentleman from Wisconsin [Mr. STAFFORD], as every other man knows, with a teaspoonfull of brains, knows that every article in this country, agricultural or manufactured, has been increased in price since the war began in Europe, and it has added to the cost of that article to the consumer. Let me answer that by saying that everyone knows that every time the price of an article goes up in this country that increase goes on to the consumer whenever it can be put there. That is true in taxes and it is true in the increased cost in the production. That is true in increased profits, and it is true in everything that tends to raise the price of any article, agricultural or manufactured. It must go to the consumer.

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman from North Dakota yield to me in order that I may ask the gentleman from Michigan a question?

Mr. YOUNG of North Dakota. Yes.

Mr. FORDNEY. Mr. Chairman, I did not mean to be sarcastic, but I just got riled.

Mr. CHANDLER of New York. I want to ask the gentleman from Michigan a question, if the gentleman from North Dakota will permit.

Mr. YOUNG of North Dakota. Certainly.

Mr. CHANDLER of New York. As I understand the position of the gentleman from Michigan it is that the consumer, the American people, are finally to pay all this in any event through the price of the subscription or the price of the advertising rates.

Mr. FORDNEY. The Outlook told you that in their little circular which they sent around the day before yesterday.

Mr. CHANDLER of New York. I have not asked the question yet, if the gentleman will permit me to finish the question.

Mr. FORDNEY. Very well.

Mr. CHANDLER of New York. Suppose the advertisers refuse to pay the increased price of advertising, and suppose the subscribers refuse to subscribe for the journal at an increased price, will not that force the periodical out of business, and is not that the contention that is made?

Mr. FORDNEY. If the gentleman as a lawyer represents a client in court, and he increases his fees, the man either pays the increase or goes to some other attorney, does he not?

Mr. CHANDLER of New York. Certainly.

Mr. FORDNEY. When I go to the market to buy an article and I feel that the merchant is asking me too much for it, I try to buy it somewhere else, but if I must have it I buy it at the best price that I can obtain it for, do I not?

Mr. CHANDLER of New York. Does not the gentleman know that the subscription price of a paper or a magazine may be put so high that a man will not want it or subscribe for it?

Mr. FORDNEY. Yes; and I know also that attorneys' fees may be put so high that they can keep me out of court—although they may not keep me out of jail. [Laughter.]

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. YOUNG of North Dakota. Mr. Chairman, I will ask the gentleman to yield me two or three minutes more.

Mr. FORDNEY. I yield the gentleman five minutes more.

Mr. YOUNG of North Dakota. Mr. Chairman, I think the gentleman from Michigan has forgotten the fact that we passed laws here requiring all newspapers should be paid for in advance, and he is attempting to show that after a newspaper has made a contract with all of its subscribers it can advance the price immediately. He is proposing to tax the newspapers over 100 per cent of their profits, and he is expecting them to get back on the people and raise the price, when they have a contract with them for a year ahead.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. MOORE of Pennsylvania. I do not want to disturb the gentleman's argument, but that is exactly what is going to happen to certain business men who have made contracts.

Mr. YOUNG of North Dakota. I do not think it is a parallel case, and I do not believe the gentleman will claim that. This is a business where the law requires the paper shall be paid for in advance, and presumably all these papers have contracts with their subscribers to send the paper at a certain price.

Mr. MOORE of Pennsylvania. I sympathize with the gentleman's argument, but I observe that that is what is going to happen to business men.

Mr. YOUNG of North Dakota. A war tax should be something temporary, something easily repealed when the emergency is past. This proposal has every earmark of permanent legislation.

The gentleman from Michigan has entirely evaded answering the statement made when I began speaking, and that was that these newspapers, many of them, particularly the paper I read from, contained enough advertising for this Government, if paid for at reasonable rates, to have paid for its circulation at first-class postage rates. The gentleman has not answered that proposition.

Mr. BLANTON. Will the gentleman yield?

Mr. YOUNG of North Dakota. I will.

Mr. BLANTON. Now, in that connection, assuming what is true in regard to this newspaper is true in regard to other newspapers in the United States, the question is now, Does the gentleman contend that the United States Government should pay a bonus to newspapers or permit them to go through the first-class mail because they contain first-class articles in the interest of the Government?

Mr. YOUNG of North Dakota. My contention is that when the gentleman from Illinois [Mr. RAINEY] stated that the newspapers of this country were grafters there never was a greater slander uttered. [Applause.] They are men who have been paying their way, giving the Government full compensation; that is my contention. [Applause.]

Mr. FOCHT. Will the gentleman yield?

Mr. YOUNG of North Dakota. I will.

Mr. FOCHT. Does it not really become a question whether you are going to put them out of business or not? Now, we all know on account of the increased cost of print paper the daily papers under it have been raised 100 per cent; and if you are going to increase the cost to the subscriber 100 per cent, then the original proposition of encouraging the circulation of papers to extend a wider zone of intelligence, such as the gentleman refers to, will be defeated, will it not?

Mr. YOUNG of North Dakota. Certainly.

Mr. FOCHT. Then, in the gentleman's opinion, something must be done with these magazines; but the manner in which this bill has been framed is such that it is clumsy and hopelessly impossible and not acceptable to the newspaper publishers, and hence to the people, because they could not subscribe to the newspapers they desired to take. I understand that to be the real conclusion.

Mr. YOUNG of North Dakota. The gentleman has expressed the situation so well that I am not going to take any more time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred Members are present, a quorum.

Mr. HELVERING. Mr. Chairman, I yield 25 minutes to the gentleman from Michigan [Mr. DOREMUS]. [Applause.]

Mr. DOREMUS. Mr. Chairman and gentlemen of the committee, the gentleman from Kansas [Mr. HELVERING] has given me 25 minutes, and the gentleman from Michigan [Mr. FORDNEY] has agreed to yield me additional time if I desire it. I wish to present the conditions that surround the automobile industry in America to-day in a connected form, and I shall ask the privilege of proceeding for 25 minutes without interruption. At the end of that time I shall be very glad to yield for any question that any Member may desire to ask me.

I listened with deep interest to the remarks of the chairman of the Committee on Ways and Means in presenting this bill to the House. I agree with many statements that he made. I agree with him that at this time every citizen should do his duty and every manufacturer and producer should be willing to surrender all of his profits if necessary to a successful prosecution of this war. [Applause.] I agree with him that we should cast aside every selfish thought and purpose in the consideration of this bill. I agree with him that if this tax falls heavily upon this or that district it affords no justification to a Member from that district for opposing the tax. I do not agree with him, however, that the badge of patriotism in this hour is a meek submission to every line, sentence, paragraph, and section in the bill. The gentleman from North Carolina is just as patriotic as I am, but no more so. Both he and I may be called upon to make the supreme sacrifice before this war is over. The real badge of patriotism to-day is a faithful performance of one's duty as he sees it; and I submit to the gentleman from North Carolina that if there is a section or paragraph in this bill which does violence to the plain principles of justice, no amount of patriotic eloquence should be permitted to obscure it or deter men from the performance of what they regard their plain duty. [Applause.]

I speak to-day not in behalf of any particular district, but in behalf of a great American industry which is now being seriously threatened and to which over 2,000,000 of our people look for a livelihood. This bill provides a tax of 5 per cent upon the gross sales of automobile manufacturers in addition to the excess-profits tax and the corporation tax. Now, how does it work out? This bill says to the steel manufacturer, "If you make a profit of 8 per cent, we will take a portion of the excess."

It says to the automobile manufacturer, "We will take 5 per cent of your total sales whether you make a profit or not."

It says to the copper manufacturer, "You are entitled to a profit of 8 per cent before the Government will tax you."

It says to the automobile manufacturer, "We will gather a tax of 5 per cent upon your business first, and you can take your chance of making a profit afterwards."

It says to the woolen manufacturer, "If your sales exceed your operating cost over 8 per cent, we will take a part of the excess."

It says to the automobile manufacturer, "We will take 5 per cent of your sales regardless of what your cost of operation may be."

It protects the right of the steel manufacturer, the iron manufacturer, and the other great manufacturers to a reasonable profit but denies it to the automobile manufacturer.

Upon the threshold of the most critical period of this Nation's history, when every citizen is expected to do his duty and in return is entitled from his Government to a fair distribution of the burdens of this war, we are confronted by an invidious discrimination that places one great manufacturing industry under a burden that is not borne by the others. No adequate reason has been given for it because none can be given. I charge that the Committee on Ways and Means in preparing this bill reached the conclusion to tax the automobile industry without any investigation of its effects.

I charge that without any inquiry as to the effect of this tax upon either the companies or the men they employ, and upon the naked assumption, unsupported by any ascertained facts, the committee arbitrarily proposed to levy a burden upon this industry that in many instances will amount to a confiscation of the business.

Do the Members of this House realize the magnitude of this industry or its relation to the industrial and commercial welfare of America?

It is estimated by the National Automobile Chamber of Commerce that 1,500,000 automobiles were manufactured in 1916, valued at $810,000,000.

There are 450 manufacturers of automobiles located in 32 States, and 825 manufacturers of parts and accessories located in nearly every State.

There are 25,724 dealers and 23,686 garages dependent upon this industry. Fourteen companies employ 145,000 men. Figuring 300 men for each of the other companies, gives a total of 280,000 wage earners. To this should be added 350,000 employed in the manufacture of bodies, parts, and in supply plants.

The 25,724 automobile dealers will average six employees each; the 23,686 garages will average three employees each.

This gives us a grand total of 855,402 wage earners in this industry and those allied with it. We have no data showing what proportion of these men are married, but surely 2,000,000 would be a very conservative estimate of the number of men, women, and children in America who are dependent upon this industry.

And yet, my friends, in the face of the magnitude of this industry, it is classed in this bill with tennis racquets, golf balls, imitation jewelry, face powder, perfume, vaseline, and Lydia Pinkham's Vegetable Compound. [Applause.]

It is estimated by the National Automobile Chamber of Commerce that when we declared a state of war with Germany very few automobile manufacturers were making over 12 per cent on their turnover. The proposed tax of 5 per cent would take five-twelfths of their profits. Assuming, now, that the tax can not be passed on to the consumer—and I propose to leave that question for the last—it would amount to 41.6 per cent of the profits of the entire trade. It would be equivalent to a tax of 41.6 per cent of the entire net profits for 1916.

I know there are some who believe that this tax can be borne by this industry without injury. This is due to a mistaken idea as to the profits of the business. In considering the justice of this tax I ask you to distinguish a few individual manufacturers from the industry as a whole.

I ask you, for instance, to consider the Ford Motor Co. in a class by itself, for that is where it properly belongs. The Ford plant is to-day the marvel of the manufacturing world. It is the last word in efficiency. It makes a car within the reach of the average man and fears no competition from any quarter. With its 50 great assembling plants—and I wish you gentlemen would mark this statement—with its 50 great assembling plants scattered throughout the United States it can sell its car at the actual cost of production, defeat competition by the saving in freight rates alone, and declare its dividends upon the profit from manufacturing its parts. It manufactured last year 539,000 cars, and it is this immense volume of business that enables it to make enormous profits. Through it a half dozen men have become immensely rich. But would it be fair to judge the success of the entire business by the success of the Ford Motor Co.? And should the ability of this company to pay the proposed tax be accepted as proof that all manufacturers can do the same?

To illustrate the point by a few concrete examples. I submit to you, gentlemen, that there has been a great deal of misrepresentation—unintentional, no doubt—in considering this question. A great deal has been said not only to becloud the issue but to cast a prejudice upon the entire automobile industry. Now, what are the facts?

Take the Studebaker corporation. You have all heard of that. Upon a business of $23,600,000 with its principal model last year it earned 7½ per cent. You propose by this bill to take 5 per cent of their gross sales.

The Chalmers, another car of which you have heard, upon a gross business of $18,000,000, paid 2.1 per cent. By this bill you propose to snag 5 per cent of the gross sales of that business.

I am giving you, members of the committee, the facts in regard to this industry. The Overland, with the second largest production in America, ranking next to the Ford, on sales of $80,000,000 made a profit of 10 per cent.

The Hupmobile, the president of which was a former Member of this House—my predecessor here—upon car sales of $10,000,000 made 1.1 per cent.

You propose by this bill to step in and take 5 per cent of those gross sales. And yet men upon the floor of this House attempt to defend this wrong upon the ground that "we need the money."

Now, a few more. The Chandler Co., upon a business of $12,860,000, made 11⅞ per cent. The Winton Co., upon sales of $9,150,000, made 4⅞ per cent. You propose by this bill to take 5 per cent of their sales. The Saxon Co., upon sales of $15,000,000, made 8 per cent.

Now, my friends, this list could be multiplied, but I have not the time to do it. The Hudson Co., for instance, made 8 per cent on its gross sales of $28,000,000. The manufacture of automobiles is a hazardous business. The path of this industry is strewn with the wrecks of ruined fortunes, dismantled factories, and disappointed ambitions. Within five years 718 concerns have failed or gone out of business, and to-day places are advertised where parts can be obtained for 217 "orphan" cars—cars once manufactured but no longer on the market.

These facts may seem strange to men who talk glibly of the profits of the Ford Motor Co., but they are facts, nevertheless, and I have the lists here for any gentleman who may care to look at them. I am not pleading for a few manufacturers who can pay this tax and live. I am pleading for those who can not pay it and will die. I am not pleading for special privilege for any; I am pleading for even-handed justice for all. This tax, if imposed, would make it impossible to collect an excess-profits tax from the great majority of these manufacturers and largely curtail the personal income tax that would be paid by the individual shareholder. So far as the automobile industry is concerned, it would kill the goose that lays the golden egg by decreasing the revenue both from the excess-profit tax and the personal-income tax.

Comprehend, if you can, the character of what is being attempted in this paragraph of the bill. Other great manufacturers are called upon to pay 16 per cent of their profits above 8 per cent, while these automobile manufacturers are called upon to pay 41.6 per cent of all their profits. Is it possible that Members on this floor, upon the plea of patriotism, are going to stand for an injustice of this character? I doubt if in the entire history of our legislation you can find a perversion of the taxing power that even approximates this proposal in its flippant disregard of the plain principles of justice.

The American people are beginning to appreciate the stern realities of this war. They are prepared to pay their taxes, no matter how heavy they may be, but they will rebel against unjust, unfair, and discriminatory burdens. The automobile manufacturers wish to keep their plants running and their men employed, but they object to a tax that to many of them represents the difference between success and failure.

Now, let us analyze this bill for a moment. The packing houses, the greatest industry in America, are among those whom the Government protects against taxation up to 8 per cent of their profits, while the automobile industry is taxed without regard to its profits. Is it because the Beef Trust has been so magnanimous to the American people that it should be preferred? What is there in the history and the practices of that industrial pirate that should entitle it to greater consideration than is given the automobile industry? The great Steel Corporation is protected against taxation in this bill up to 8 per cent of its profits. What is there in the history and the practices of this octopus that entitles it to greater consideration than is given the automobile industry? Are those who have ruthlessly destroyed competition by methods everywhere condemned to be protected by this Government, and the men who have preserved the principle of competition to be penalized in a country that proclaims the ideals of democracy?

It is sought to justify this tax upon the theory that the automobile is a luxury. The automobile is no longer a luxury in America. It is absolutely essential to the conduct of business and of industry. The Census Bureau reports that the production of business vehicles has grown rapidly from census to census, and that many passenger vehicles have been converted to business uses by their purchasers. The report also shows that the greatest proportional increase in both number and value of vehicles is of trucks, of which the output in 1914 was four times as great in number and eleven times as great in value as in 1909.

The other day you and I voted to authorize the purchase of four or five thousand automobiles for this war. Yet, my friends, this instrumentality of commerce, so vital to our industrial welfare, so essential to the Nation's business, and so indispensable to the successful prosecution of this great war, is classed by the Ways and Means Committee as a luxury.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry?

Mr. DOREMUS. I will yield first to the gentleman later.

Mr. MILLER of Minnesota. Thank you.

Mr. DOREMUS. If the automobile is a luxury, why should the Ways and Means Committee permit 3,500,000 automobiles now in use to escape taxation entirely? By what sort of intellectual jugglery did this great committee reach the conclusion that the three and one-half million automobiles now in use are necessities, to be exempted from taxation, and those hereafter to be purchased are luxuries to be taxed?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Does the gentleman require more time?

Mr. DOREMUS. I should say so.

Mr. MOORE of Pennsylvania. I yield 15 additional minutes to the gentleman.

The CHAIRMAN. The gentleman yields 15 additional minutes.

Mr. DOREMUS. Mr. Chairman, the proposal to tax the automobile industry 5 per cent of its gross sales is grotesque, unjust, unscientific, unbusinesslike, and confiscatory, and can not even be defended from the standpoint of revenue. It will not yield the revenue estimated by the committee, because the estimate is based upon last year's production. That production will be seriously curtailed by the imposition of this burden and the conditions naturally incident to the war. Let me give you a few concrete illustrations to demonstrate the truth of what I am telling you.

The Packard Motor Co. last year made 10,000 automobiles. This year it will make 6,000.

The Hudson Co. last year made 25,000 cars. It will be fortunate this year if it makes 20,000 cars.

The Chandler, an Ohio corporation, has arranged to decrease its production 20 per cent from its original plans.

The McFarlan, an Indiana company, reports 10 per cent of its employees laid off because of war conditions and that the proposed tax would mean a decrease of 50 per cent in its business.

The Davis, another Indiana company, states that its business has decreased 50 per cent since the declaration of war, and that it is now working full force one-half time.

The Chalmers Co., of Detroit, has arranged to decrease its output by 16 to 20 per cent.

The Haynes Co., of Indiana, will decrease its production 50 per cent and lay off a large number of men.

The Anderson, another Indiana company, will reduce its output 25 per cent this year, and is already laying off men.

The Apperson, another Indiana company, has laid off 20 per cent of its employees and planned to reduce its output this year by approximately 50 per cent.

The Stearns, an Ohio company, reports that its business has slowed up fully 50 per cent since the declaration of war, but it feels that this is only temporary. If the slump continues, the company expects to curtail its production fully 50 per cent.

The Allan, another Ohio company, reports a noticeable depression in trade and daily cancellation of orders by dealers.

The Kline Co., of Richmond, Va., reports that the present outlook indicates decreased production of 50 per cent this year and a present decrease in the number of men employed of 20 per cent.

The Sterling Motor Truck Co., of Milwaukee, has reduced its manufacturing schedule for this year by about 50 per cent.

The Mitchell, another Wisconsin company, states that if this tax goes into effect radical cuts every way will be necessary. Owing to increased cost of labor and materials, their products have been dangerously decreased already.

The Moon, a Missouri company, reports that their business is cut at least in half for the present year.

The Pierce-Arrow Co., of Buffalo, N. Y., reports that cancellations of passenger cars last month exceeded new orders by 40 per cent, and that it is arranging to decrease its production.

The Overland Co., of Toledo, Ohio, had 30,000 orders on its books April 1; it now has but 16,500.

There are a number of others, but my time will not permit me to refer to them. The list could be multiplied indefinitely. They indicate conclusively to my mind that the revenue expected from this tax can not be realized; that it will result in a large decrease of the excess profits tax, and the personal-income tax of those engaged in the business.

Now, this is all based upon the assumption that the tax can not be passed on to the consumer without curtailing production, and I think it can be conceded by every Member here that that is the crux of this whole proposition.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Illinois?

Mr. DOREMUS. I will yield in just a few minutes. Can this tax be added to the purchase price without diminishing the production of automobiles? The profits of the automobile industry are made possible only by the large volume of sales, and it is impossible to advance prices on a falling market occasioned by a decreased demand.

I desire now to call your attention to some of the increased prices of materials which manufacturers are obliged to buy.

For the purpose of this illustration I am going to take the Chevrolet car. The shipping weight of this car is 1,625 pounds.

Frame steel (chassis, 120 pounds to make a frame): Eighteen months ago cost $1.35 per hundred pounds; present price, $5.25 per hundred pounds. Increase, 270 per cent.

Body and fender steel (250 pounds per car): Eighteen months ago cost $2.75 per hundred pounds; present price, $8.15 per hundred pounds. Increase, 196 per cent.

Stove-pipe iron (used for making mud-pans, mufflers, etc.): Eighteen months ago cost $1.85 per hundred pounds; present price, $5.75 per hundred pounds. Increase, 200 per cent.

Cast iron (standard northern pig iron, 370 pounds per car): Eighteen months ago cost $13.35 per ton; present price, $43 per ton. Increase, 222 per cent.

Malleable iron (used for transmission cases, motors, and rear axle parts. 130 pounds per car): Eighteen months ago cost $3.90 per hundred pounds; price January 1, 1917, $6.75 per hundred pounds. Increase, 70 per cent.

Forging billets (used in front axle forging and other plain forging, 135 pounds per car): Eighteen months ago cost $40 per ton; present price, $105 per ton. Increase, 162½ per cent.

Brass and copper (radiator and carbureter and electric equipment): Eighteen months ago cost 16½ cents per pound; present price, 38 cents per pound. Increase, 130 per cent.

Rubber tires: Increase, 50 per cent.

And so I might go on and take up every part of this car and show that the increases run all the way from 50 per cent to over 300 per cent.

But I must pass on. By reason of these rapid advances in the price of materials, many of the manufacturers have already been obliged to increase their price to the public. The price of the Hudson car has been advanced twice during the past year and a half. The Packard Motor Co., which attempted two years ago to place a car on the market for $2,600, is now selling the same car for $3,050. It has been obliged to increase the price because of the rapid advances in the cost of all these materials.

As previously pointed out, both of these companies will decrease their output this year. Now, I submit to you in all fairness it ought to appeal to the business judgment of every Member here that under present conditions the increased price of materials and the decreasing demand for cars, both occurring at the same time, will make it impossible for these men to pass this tax on to the consumer without decreasing their production.

It has been suggested in the course of this debate that the retail dealers are making a whole lot of money and that they could easily share a part of this tax. I am afraid, my friends, that during the entire progress of this debate there has been too much conjecture and too much guesswork, and I fear that that charge can also be made against the Committee on Ways and Means in the preparation of the bill.

Now, what about the local dealer, the retail man?

I desire to quote from the sworn testimony of Norvell A. Hawkins, sales manager of the Ford Motor Co., in the case of The Ford Co. against The Union Motor Sales Co.:

> A dealer to have a successful business must incur expense. I would say 10 per cent of the selling price of the car would be their minimum. * * * A garage man can not run his business for less than 10 per cent. * * * He has to teach possibly every member of the man's family to drive the car. * * * He has the adjustments of the car. * * * There is a whole lot of gratuitous work, which all comes out of their profits. That service can not be maintained at our price, could not be maintained by a dealer in furnishing garage and service. It is required that our dealers each must have a demonstrating car. * * * He has that expense and he must maintain a place of business, salesmen, and do suitable advertising. * * * The service given by our agents and dealers to the purchasers, after the sale of the car, is the largest factor of our business. In that respect the automobile business differs from any other that I know of, and I would say that most of the failures in the automobile business could be attributed to lack of service; that is, lack of their sales department to continue service to the owners after the sales.

Mr. DICKINSON. May I ask the gentleman a question right there?

Mr. DOREMUS. If the gentleman will pardon me, I will yield to him in a few minutes. Now, let us figure out the profits of a Ford dealer who sells 100 cars a year. He is what is known in the trade as an average dealer. The Ford Co. sells its cars to its agent or dealer at 15 per cent off the list price.

For these 100 cars he pays the following prices:

60 touring cars, at $306	$18,360.00
30 roadsters, at $293.25	8,797.50
10 chassis, at $276.25	2,762.50
Total purchases	29,920.00
SALES.	
60 touring cars, at $360	21,600.00
30 roadsters, at $345	10,350.00
10 chassis, at $325	3,250.00
Total sales	35,200.00
10 per cent for doing business	3,520.00
	31,680.00
Total purchases	29,920.00
Profit on year's business	1,760.00

I think, although I am not positive about it, that when an agent buys 100 cars he gets a slight additional discount over the 15 per cent. I have not those exact figures, but I will say in that connection that the man who transacts this volume of business must have a cash capital of at least $10,000, and he is entitled to earn 6 per cent on that.

If I had the time, I could pursue the inquiry further with other companies—the Chevrolet, for instance—which pays about the same.

Now, the average discount from the list price of these small automobiles is from 15 to 20 per cent. On the Hudson, the Packard, and the Cadillac it runs between 20 and 25 per cent, and of all the cars sold in this country the discount from the list price on 60 per cent of the entire output is less than 18 per cent.

I desire now to call attention to the advertising argument. The gentleman from North Carolina flashed a copy of the Saturday Evening Post here the other day, as I understand, for the purpose of showing that the automobile industry spends too much money for advertising. There are some advertisers in this magazine to which he did not call attention. On the back of this publication I find the Eastman Kodak Co. with a $5,000 space. Kodaks pay on their excess profits.

Mr. LONGWORTH. If the gentleman will yield, kodaks pay just the same as automobiles.

Mr. DOREMUS. I am glad the gentleman has stated that, for I did not know it. Well, here are "Sunkist oranges," what do they pay? They pay on excess profits. They have a $5,000 space there. Here is a page for Sherwin & Williams

paint; on what do they pay? On their excess profits, and they have a $5,000 space.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MOORE of Pennsylvania. I yield the gentleman five minutes.

Mr. KITCHIN. And I yield the gentleman five minutes more.

Mr. DOREMUS. I have here a statement taken from the Martin's Merchandising Reporting Service, of May 15, showing the percentage of sales spent by prominent advertisers of America for advertising:

	Per cent.
Arrow collars	3½
Cloth-craft clothes	1½
Colgate's preparations	2
Fatima cigarettes	5
Ivory soap	3
Kodaks	3
Old Dutch cleanser	10
Phonographs	5
Sears-Roebuck & Co	10
Sherwin-Williams paint	3½
Universal Portland cement	2
Velvet tobacco	6
Wooltex clothes	2

The percentage of sales in the automobile industry that goes into advertising does not exceed 2 per cent.

Mr. LONGWORTH. Will the gentleman yield?

Mr. DOREMUS. Just a moment, and then I will answer the gentleman. I have some telegrams received here from the presidents of automobile companies. They are as follows:

During last year our expenditures for advertising equaled 1.1 per cent of our net sales.

ALVAN MACAULEY,
President Packard Motor Co.

Cadillac Co.'s expenditure for advertising during past several years was less than three-quarters of 1 per cent of gross sales.

W. C. LELAND,
Secretary Cadillac Motor Car Co.

Advertising expenditure 2.6 per cent of total sales.

H. W. FORD,
President Saxon Motor Car Co.

One and three-tenths per cent.

ROY D. CHAPIN,
President Hudson Motor Car Co.

Now why is it that our manufacturers of automobiles advertise in papers like these. It is because the competition in the automobile business is keen and they are obliged to do it in order to get their share of the trade. I do not know what the condition is down in the district represented by my friend from North Carolina [Mr. KITCHIN]. It is possible that they still cling to the old notion that it does not pay to advertise, but, my friends, we have gotten over that notion up where I reside. [Laughter.]

For the first time during my experience here, and I hope for the last time, I have heard men plead with us to do something that they themselves concede is wrong. I never expected to reach the time when Members of the House would not only vote for but openly advocate an unjust thing in the name of patriotism.

Patriotism, my friends, needs no such advocates. Patriotism thrives only when its seed is sown in the soil of justice.

The gentleman from Michigan [Mr. FORDNEY] admitted that the automobile paragraph of this bill is wrong, and could only be defended upon the ground that we need the money. Yet, in an elaborate presentation of figures he demonstrated that this bill will yield $200,000,000 more than the administration asks us to raise. The plea that we need the money will not suffice for an abuse of the taxing power. No exigency, however great, would justify the Congress in the commission of an acknowledged wrong against any portion of our people. If we can not prosecute this war without knowingly wronging our own people, we had better abandon it. [Applause.] If we are prosecuting this war for democracy, then, in its conduct, let us preserve the principles of democracy. [Applause.]

Mr. Chairman and gentlemen, I have presented this case based upon facts which I have ascertained and know to be true. If the evil consequences, which I fear, shall come to pass, the responsibility for this legislation will be yours and not mine.

I now yield to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER of Minnesota. Mr. Chairman, the gentleman's figures were quite astounding in reference to the percentages being paid in profits. I assume the figures are based upon the capital stock?

Mr. DOREMUS. No; they are all computed upon the basis of the gross output, because that is what it is proposed to levy the tax upon—5 per cent of the gross output.

Mr. MILLER of Minnesota. Then the profits are not upon the capital stock, but upon the total sales?

Mr. DOREMUS. Yes.

Mr. MADDEN. And the tax is on the gross sales also?

Mr. DOREMUS. Yes; that is why the computation is made upon the basis of the gross sales.

Mr. MADDEN. And under this bill they would not be allowed to charge any part of this gross tax up against the expense of manufacturing the car?

Mr. DOREMUS. Not at all.

Mr. LONGWORTH. Mr. Chairman, I should like to ask the gentleman a question about the advertising cost, but I ask it purely for information, because I regard the gentleman as the authority upon this question in the House. I do not know whether I understood the gentleman correctly when he said he was referring to the percentage of the gross sales of the car. I remember I made a statement yesterday, to which the gentleman took exception, when I was basing an estimate, a rough estimate, of the cost of advertising on the cost of the car, not on the gross sales. I want to ask the gentleman if he can tell us how much the Packard Co. pays for advertising in a year? He has referred to the Packard Co.

Mr. DOREMUS. The gentleman means the total amount?

Mr. LONGWORTH. Yes.

Mr. DOREMUS. No. I can give you the percentage, but I can also give you their gross sales, and you can figure it from that.

Mr. LONGWORTH. I do not want the gross business; I want the actual amount expended.

Mr. DOREMUS. I can not give you the actual amount expended. I can give you the percentage of their total sales that went into advertising, and the computation is made upon that basis because it is proposed to levy a tax upon the gross sales. I can not give you the total amount that they expended.

Mr. LONGWORTH. As near as possible, what was the amount?

Mr. DOREMUS. I would not attempt to guess at it.

Mr. LONGWORTH. What was the amount of the gross sales?

Mr. DOREMUS. I think $35,000,000.

Mr. LONGWORTH. And what percentage of the gross sales was the advertising cost to the Packard Co.?

Mr. DOREMUS. One and one-tenth per cent.

Mr. LONGWORTH. That would be a little over $300,000?

Mr. DOREMUS. Approximately.

Mr. LONGWORTH. Is that all they expended for advertising?

Mr. DOREMUS. That is what they telegraphed me this morning, and I have absolutely no doubt that they are telling the exact truth about it.

Mr. LONGWORTH. I am asking for information, because the figures are rather astounding.

Mr. DOREMUS. I have absolutely no doubt that the telegram states the exact truth. The trouble with the gentleman from Ohio is this. He admitted yesterday that his estimate was a pure guess. I am giving you the facts taken from the books of these corporations.

Mr. LONGWORTH. I am simply seeking information, and I will ask if the gentleman can furnish me with the total amount paid for advertising?

Mr. DOREMUS. The gentleman means by the Packard Co.?

Mr. LONGWORTH. Yes. I speak of the Packard Co. because I own a Packard car and the gentleman has referred to the Packard Co.

Mr. DOREMUS. I think a lot of the gentleman from Ohio and I want to accommodate him, and as soon as I get back to my office I shall send a telegram to the Packard Co. and get the total amount they expended for advertising.

Mr. JAMES. Mr. Chairman, does my colleague know what the net increase on material is over last year?

Mr. DOREMUS. I have only the increase for the last year and a half.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DOREMUS. Yes.

Mr. GRAHAM of Illinois. In corroboration of the gentleman's statement, and to supplement it, I want to state what I found out about two automobile factories in my district. The figures are much like what the gentleman has given. One of them is the Moline Auto Co. They make about a thousand cars which they sell for $1,200 each. Their profits on sales last year were 7 per cent. They have already contracted three-fourths of their output for this year. The other company is

the Velie Automobile Co. They made 7.4 per cent net last year, and they told me, and I know it is absolutely true, that their sales last month fell off 30 per cent, and they have already reduced their working force 30 per cent.

Mr. DOREMUS. I have no doubt that that is true. I think the gentleman from Missouri [Mr. DICKINSON] wanted to ask me a question.

Mr. DICKINSON. Will the gentleman yield?

Mr. DOREMUS. I will.

Mr. DICKINSON. I want to ask whether the gentleman can give the committee an estimate or an accurate statement as to the amount of salaries paid by these respective companies that tend to reduce their income?

Mr. DOREMUS. I have not those figures at hand, but the gentleman will find in the census report of 1914 just exactly what was paid in salaries up to that time. I do not think there is any later information that is now available.

Mr. HARDY. Will the gentleman yield?

Mr. DOREMUS. I will.

Mr. HARDY. It seems to me the great point of this case is to be determined perhaps largely by the question of whether the automobile is a luxury or a necessity. Can the gentleman give anything like the percentage of the automobile industry that is devoted to useful trade and that which is devoted to what he might call "joy riding"?

Mr. DOREMUS. I think I know what my friend from Texas refers to. I can give nothing except what I read from the census report, which shows the wonderful increase in the number of business vehicles as compared with passenger vehicles.

Mr. HARDY. About what per cent of this industry is devoted to the production of what might be termed useful vehicles?

Mr. DOREMUS. I have not figured that out.

Mr. MADDEN. Will the gentleman yield for another question?

Mr. DOREMUS. I will.

Mr. MADDEN. Will the gentleman tell the committee how many concerns are engaged in the manufacture of automobiles, approximately?

Mr. DOREMUS. Yes; there are 450 automobile manufacturers in the United States. Of that number 12 of them do 80 per cent of the business, the remaining 438 do the balance of the business.

Mr. MADDEN. And is it the general understanding that most of those automobile concerns do not make any money?

Mr. DOREMUS. Outside of the Ford and one or two others it is very doubtful if any manufacturer to-day makes in excess of 12 per cent upon his turnover, and a great majority of them make much less.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HILL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended two minutes to enable him to answer a question.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield one minute to the gentleman for that purpose.

Mr. KITCHIN. I will yield two minutes.

Mr. HILL. I want to ask the gentleman whether he has proposed any alternative plan for raising this $80,000,000 that is taxed now in the bill against automobiles, tires, and tubes?

Mr. DOREMUS. I am very glad my friend from Connecticut asks that question because it has a vital bearing upon this whole matter. I wish that the Ways and Means Committee had adopted the suggestion of the Secretary of the Treasury and levied a license tax upon every automobile in America. That would have been a just tax, and I believe that 99 per cent of the owners of automobiles in this country would be glad to pay it, thus "doing their bit" to carry on this great war. Now, I will suggest another way: This bill is expected to raise—I would like to have the attention of the gentleman from Connecticut who has asked me the question—this bill proposes to raise $200,000,000 by a 16 per cent tax upon excess profits. You can get $50,000,000 more by making that 20 per cent, and I do not think it would hurt anybody. [Applause.] If you want more you can get it by increasing the tax on these big incomes.

Mr. PLATT. Will the gentleman yield?

Mr. DOREMUS. I will.

Mr. PLATT. Have not a large number of the automobile factories had war orders? And is it not likely that, if the business falls off on account of this tax, they will take war orders to make up more than the business they should lose?

Mr. DOREMUS. I would not like to attempt to look into the future and say that the business which will be lost by this bill will be absorbed in some other industry. I would not want to risk my reputation as a prophet by saying that the men who will be thrown out of work by this bill can find employment elsewhere. If they are thrown out of work, I sincerely hope they can find employment elsewhere, but I doubt it very much.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GORDON. Give the gentleman time enough to answer one question.

Mr. MOORE of Pennsylvania. I yield the gentleman one minute.

Mr. GORDON. I understood the gentleman to say that if we can not prosecute this war without abandoning the prinples of democracy that we had better abandon the war?

Mr. DOREMUS. I will tell you what I said. I said if we could not prosecute this war without committing an acknowledged wrong against the American people, we had better abandon it.

Mr. GORDON. I want to ask the gentleman whether or not the military conscription of the bodies of our young men to prosecute this war is not an acknowledged wrong?

Mr. DOREMUS. That is not an acknowledged wrong; it is an acknowledged right—acknowledged by 90 per cent of the American people. [Applause.]

Mr. GORDON. It would be still more right if we stuck to the 19 to 20 years, I suppose, instead of the 19 to 30?

Mr. DOREMUS. I agree with you that the minimum age should be 21 years.

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Chairman and gentlemen of the committee, I had not intended to say one word during this debate, but it was my purpose to content myself with voting for the bill, but the debate has taken such a range that I can not refrain from saying a few words. The membership of this House, whether the business men of this country do or not, know that this country is at war, and that we must have money to successfully prosecute it. Not a member of the Committee on Ways and Means derived any pleasure in placing upon the people of this country any additional tax burden. We would have preferred not to have levied taxes on anyone, but as we were at war we had to have large additional revenues. The committee thought, considering everything, the bill brought before the House for your consideration is an equitable one. Now, I believe in paying tribute to whom tribute is due and honor to whom honor is due, and that really is what impels me to appear before you for a few moments.

My friend, the gentleman from Michigan [Mr. DOREMUS], said that Mr. Ford occupied a unique position in the automobile world. I agree to that. Gentlemen of the committee, he also occupies a unique position in the business world, for Henry Ford, who will pay more taxes to the Government under this bill than any other six automobile manufacturers in the country combined, is the only business man in the country who will contribute largely to the Government under this tax bill that has not flooded the Ways and Means Committee with telegrams protesting against additional taxation. [Applause.]

Mr. JAMES. Will the gentleman yield?

Mr. CRISP. No; I will not.

Not a member of the Ways and Means Committee, so far as I have been able to ascertain, and I have talked with many of them, has received a single telegram from Henry Ford or a Henry Ford agent, protesting against this taxation.

Mr. FESS. Will the gentleman yield?

Mr. CRISP. No; I will not yield now to the gentleman. I have only five minutes.

In addition to that, Mr. Ford occupies another unique distinction. He is the only manufacturer in the country who pays every man in his employment at least $5 a day. He is a true philanthropist. A great many of the gentlemen that telegraphed and wrote me urging to vote to conscript the boys, favoring conscripting only boys between the ages of 19 and 21 to do all the fighting, are now the ones who are wiring me, "We are willing to do our part, but do not want to pay any more taxes." [Applause.] They do not want to fight; they do not want to pay, but want to pose as patriots.

I feel, fellow Members, that when you conscript the life and blood of the boys that there is no harm done if you make the wealth of the country pay its just and equitable part of the burdens of this war. [Applause.]

Mr. Henry Ford opposed war. I do not know him. I never saw him or had any communication with him in my life, but he spent his money trying to prevent the preparedness program of the administration, believing it best for his country, and he sincerely tried to keep the country out of war; but when the war was declared, as a brave, patriotic, American business man, he tendered to this Government his vast plant to use as it saw

fit, and, in addition to that, although he will pay to the Government more taxes than almost all the other automobile plants put together, not a protest has come from him or any of his agents. I felt that he was thus entitled to be held up to the American public as a business man of whom we have a right to be proud. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, on the 14th day of April, without a dissenting vote, this body passed an act which provided for the issuance of five billion worth of bonds and two billions in certificates with which to prosecute the war with Germany. At that time the people were generally given to understand that the major portion of that load was to be placed upon the shoulders of those best able to bear the burden.

Shortly after war was declared the board of directors of the St. Paul Association of Public and Business Affairs, an organization comprising 5,000 of the leading business and professional men of that enterprising city, met and adopted the following resolution, with one dissenting vote:

Whereas many hundreds of thousands of American citizens are to be called upon for the supreme patriotic sacrifice, pledging their lives for their country; and

Whereas the least that those remaining at home can do in any measure even approaching this sacrifice of those on the firing line is to pledge their entire financial resources: Therefore be it

Resolved, That in behalf of this association of nearly 5,000 St. Paul business and professional men we urge upon the Government conscription of dollars as well as of men, to be brought about through the imposition of large graduated income taxes, reaching the total absorption for all incomes over $100,000 a year.

We all realize that this war will call for unusual sacrifices on the part of everyone, but these sacrifices should be equitably apportioned. The burden should not fall upon any individual in such a manner as to create an actual hardship, yet that is precisely what this measure proposes. It would place an irksome load upon the poor, who are already taxed to the breaking point, and also upon industries which are now operating at or above income.

Permit me to take for an example the proposed increase in second-class postage rates. First, it proposes to place a duty of 10 per cent on import of print paper; and as if this were not sufficient to drive the publishers out of business it would increase the postage rates on second-class matter from 100 to 500 per cent. I fear that the committee was working in the dark when it drafted that particular section, for, knowing the members of the committee as I do, I feel confident that they would not intentionally bring into this Chamber a measure that will drive thousands of necessary publications into bankruptcy; yet that is precisely what it will do.

It is estimated that this advance in second-class postage rates will bring into the coffers of the Government an additional $19,000,000. Let me assure the committee that such an income would not prove permanent. It should require no great financial genius to see that the $19,000,000 which it is proposed to raise through the application of the zone system would in other ways add an additional burden to an already sorely tried industry. Such an income can not be reckoned on present basis of circulation, for that would inevitably contract and cause a loss in revenue; furthermore, the loss in revenue might be much greater than the additional amount you now propose to raise. Nearly $100,000,000 is expended annually for advertising in this country. This advertising brings the Post Office Department a large business in first-class matter, and should Congress ill-advisedly increase second-class postage rates, as proposed by the Ways and Means Committee, there would be an enormous loss in sale of stamps and the Government would thus be the loser by a system of taxation that practically amounts to confiscation. The publishers of the country protest against the plan of this new revenue bill because it seeks to impose excessive and destructive taxes upon established business, which derives no increased profits from war conditions, but which has already been severely punished by greatly increased cost of production due to existing conditions. War thus creates new and abnormal profits for certain classes of industries. These profits, which are in excess of the normal and average profits earned prior to the war, should properly and equitably pay the cost of the war which creates them.

Mr. HARDY. Will the gentleman yield for a question?

Mr. KNUTSON. Certainly.

Mr. HARDY. Will it not be the case that when you take away this unfair right of big centers to send their literature across the continent practically for nothing, that it will tend to build up the local publications and help the little publications of the country?

Mr. KNUTSON. I will say to the gentleman from Texas that there are a large number of scientific, religious, educational, and trade journals published in this country that are necessarily published in the large centers of population. Neither in your section of the country nor in my section of the country could we properly support some of these publications, because the contributors are highly paid men and women, and their circulation is necessarily restricted.

Mr. HARDY. Is not the general effect of this uniform postage rate to destroy the haul of local publications and to concentrate the publication in the big centers?

Mr. KNUTSON. Do you mean under the zone system?

Mr. HARDY. No; under the uniform postage rate.

Mr. KNUTSON. No; I think not. I think the Post Office Department has erred in not shutting out from the mails the purely mail-order publications. Otherwise I do not think it has affected the condition of the smaller dailies or the weeklies at all.

England has found by experience that war profits should pay war taxes, and the bill now before us for consideration makes no effort whatever to tax war profits as distinguished from general profits in industry. The increased postal rates proposed for remote zones are prohibitive and will result in limiting the circulation of newspapers to the first two zones of approximately 150 miles from the point of publication.

Mr. BORLAND. Will the gentleman yield?

Mr. KNUTSON. Yes, sir.

Mr. BORLAND. Would the gentleman support an amendment which would retain the rate of 1 cent a pound on exclusively reading matter, and put a parcel-post rate on the weight devoted to advertising matter?

Mr. KNUTSON. I will say to the gentleman that most of the publications of this country are operating at about cost at the present time, and many of them at below cost, and if you go to work and penalize advertizing you are going to arrive at the same goal that this bill proposes to take us to, and I would not permit myself to tax advertising.

Mr. BORLAND. Is the gentleman advocating that the Government ought to carry an unlimited amount of paid advertising space at a loss?

Mr. KNUTSON. I will admit that after the advertising reaches a certain aggregate it becomes an advertising paper rather than a newspaper or a periodical disseminating information and news.

Mr. BORLAND. There is no limit on the advertising space a publisher may add to his publications.

Mr. KNUTSON. Would not the gentleman think that could be regulated by the Post Office Department rather than by Congress?

Mr. BORLAND. If it has authority. I am perfectly willing to give it the authority, and I am asking the gentleman if he is willing to do so.

Mr. KNUTSON. I am perfectly willing. I am pleading in behalf of newspapers and periodicals that disseminate information.

Mr. BORLAND. I think I see the gentleman's point. We both agree that the dissemination of information and intelligence is desirable.

Mr. KNUTSON. I do not want to tax education, and that is what this bill proposes to do.

This is unwise public policy for the reason that we need in these times a strong nationalism. The successful prosecution of this war and the welfare of the country in the future demand that our people be enabled through the wide circulation of newspapers and periodicals to familiarize themselves with the thought and progress of all parts of their common country. From my experience of many years in the publishing business I am convinced that such prohibitive rates as are proposed in this bill will destroy many publications whose publishers are unable to pass their tax on to the public, and that the tonnage thus driven from the mails will result in a net loss of postal revenue to the Government, and thus destroy at one blow the very object of this new taxation. You not alone propose to pick the fruit, but with one mighty swing of the ax you would cut down the tree that bears the fruit. The publishers will not object to your helping yourself to the fruit, but they object most strenuously to your cutting down the tree and that is practically what this bill proposes.

There is not an industry in the country to-day that is so heavily burdened as is the printing and publishing business. It is absolutely without protection, yet pays the highest salaries and sells for the lowest possible price. Of all lines of human endeavor it is from the very nature of its composition the least able to adjust itself to changing conditions. Other industries can and do "pass the buck" to the ultimate consumer, but this the publishers can not do without sacrificing a large share of their business.

Several years ago one of the large dailies in the Northwest increased its subscription price on mailed papers from $4.80 to $6 per year, and within 18 months its subscription list dwindled 25,000, and the publisher sustained a loss that compelled him to sell his business at a tremendous sacrifice. The new owners immediately lowered the price to the old rate and it has taken them nearly four years to bring the subscription list back to the old figures.

Within the past few days I have received a number of communications protesting against the passage of the proposed advance in second-class postage rates, and I will ask that several of them be inserted in the RECORD. Every one of these letters has come from publishers who are issuing publications that are vitally necessary to the welfare of the people and the Nation. They all declare that they are operating on a very narrow margin of profit or at a positive loss, but without exception they all express a willingness to pay an income tax on their profits up to 100 per cent providing other industries are taxed in a like manner.

You must remember, my friends, that all taxation should be based upon justice. Justice in taxation does not necessarily mean equality in the amount paid, but rather equality in the effect of the tax upon the actual conditions of the life of the people who pay it. A tax of $10 may be a greater burden upon the poor man, when by paying such tax he is compelled to forego many necessities and all luxuries, than would a tax of thousands be upon the wealthy man.

The gentleman from Illinois [Mr. RAINEY], in his speech on Saturday—which, by the way, was replete with wit and sarcasm but rather deficient in logic—took for his text the utterly worthless publications which make Augusta, Me., famous, and in so doing bunched all the publications of the Nation together, regardless of their merit and the work in which they are engaged. If the gentleman from Illinois will bring in a bill that will exclude these worse than worthless publications from the mails altogether, I will gladly support such a measure. However, I do not propose to throw away good wheat because there may be a little chaff mixed with it. Rather, I would run such wheat through a fanning mill and separate the wheat from the chaff. In extenuation of the proposed raise in postage rates the gentleman from Illinois suggested that the publishers raise their price to the public; in other words, "Pass the buck to the consumer." Ah, Mr. Chairman, that is a good Democratic doctrine, and one that no doubt enabled you to raise your large war chest last fall with which you carried on your propaganda of "peace and prosperity." [Applause.]

I want to say to the gentleman from Illinois that the ultimate consumer has just about all that he can do to make both ends meet under Democratic prosperity. Permit me to read you a few figures that will give an excellent idea of the doubtful prosperity under which we are living.

Between April 1, 1914, and April 1, 1917, dairy and garden products increased 84 per cent; meat, 46 per cent; clothing, 49 per cent; metals, 69 per cent; and foodstuffs, 105 per cent.

Yet wages have not anywhere near kept up with the unprecedented increase in cost of living.

An old Irish friend of mine recently wrote me, "If God will forgive me, I'll never vote the Democratic ticket again." To which I replied, "If necessities of life continue to advance, you'll not live to have the chance." [Laughter.]

Following the food riots in New York Miss Helen M. Todd was appointed to make an investigation of the effect on school children of the high cost of food. She reported last week that in the poorer districts diet has been so cut down that the children's scholarship has suffered materially through malnutrition, and that public-school teachers complain that the children are unable to maintain their grades.

No, Mr. Chairman, the publishers can not make further increases in cost to their patrons. To do so would be suicidal. They are between the devil and the deep blue sea. To make matters worse for the small publishers, they have had to meet the competition of the Government printed envelope, which is being put out at an actual loss, and which is made up from postal receipts. The Government is furnishing printed envelopes at less than the printer can buy the plain envelope for.

In this morning's mail I received a letter from a publisher in my district which stated that the Government is selling No. 5 envelopes with business card printed thereon at $21.60 per thousand. The same envelopes cost the printer about $1.65. Uncle Sam will furnish No. 8 envelopes for $22.56 per thousand, with business card printed thereon, and the same envelope costs the printer $3.80 per thousand. The postmaster acts as solicitor. In so doing he is obeying orders of the Post Office Department. This form of competition means the loss of millions of dollars to the small country printer, who does not have the Government exchequer upon which to fall back. In justice to the gentlemen on that side of the House, I will state that this reprehensible and indefensible method has been in vogue for many years and may have been instituted by a Republican administration for all that I know.

Gentlemen, in closing I beg of you to consider well before you pass the provision which will raise the second-class postage rates. Do not, I implore you, do that which will drive thousands of publishers to the wall. Remember that a free press is the greatest single agency for good in existence. Bear in mind that it is the greatest protection of democracy ever devised by man. The American press is performing an invaluable public service in helping to popularize the "liberty loan," and it made possible the enactment of the necessary war legislation. Our press will protect the welfare of the boys at the front and buoy them up in their hours of doubt and stress. It will stimulate their patriotism and courage and cheer the old folks at home. I wish to read the following:

FREE READING FOR CAMPS—PUBLISHERS UNITE IN MOVEMENT TO KEEP THE SOLDIERS SUPPLIED.

Some of the leading publishers of the country have formed the Publishers' Camp Library Committee, to supply free books and magazines for the soldiers in their spare hours. Robert J. Shores, of 225 Fifth Avenue, who is chairman of the committee, said yesterday:

"The young soldier needs reading matter, and by it he will be made a better soldier. We American publishers should thereby supply him with it in a more thorough manner and with a more generous hand than those of any other country or Government. We do not ask a cent. We give the books, pay the freight or expressage to the American Red Cross, Bush Terminal, Brooklyn, and they there distribute them to the soldiers. The same principle applies to magazines. Any person who has a large or small number of books he desires to dispose of free may do the same thing. We are in hopes that our plan may also be extended to the Navy, where, I am told, the new ships have not been provided with the small library which would be so useful to all the men."

With Mr. Shores are Doubleday, Page & Co.; Little, Brown & Co.; Edward J. Clode, Mitchell Kennerley, Alfred A. Knopf, Curtis Publishing Co., the Illustrated Sunday Magazine, the Motion Picture Magazine, the Pictorial Review, Health Culture Magazine, the Penn Publishing Co., and others.

Please bear in mind the great work that the agricultural papers have done and are doing to increase the production and conservation of foods. The publicity given by the American press to all vital economic problems now confronting the Nation can not be paid with money, and we must not reward them with the kiss of a Judas. [Applause.]

PROPOSED POSTAL RATES AS APPLIED TO MINNEAPOLIS JOURNAL.

In the West circulation of metropolitan papers extend great distances west. A careful analysis of the Journal's subscription list shows that the average rate which we would pay under proposed schedule would be 2¾ cents per pound. In 1916 we paid $64,000 newspaper postage on a 1-cent basis. Under new basis we would pay $176,000, an increase of $113,000. Our print paper will cost us $215,000 more than last year, regardless of the fact that the most drastic economies have been introduced, such as reduced volume of reading, elimination of all waste, exchanges, free copies, etc.

In addition a 10 per cent import duty is suggested, which would add $54,000 more. The increased cost of all commodities entering into the business, including labor, ink, metal, etc., are easily $100,000 more, a total of practically $500,000 increased cost all told.

We are in favor of the Government taking such part of our profits as are necessary, but can not see the wisdom of wholly destroying the business, leaving us absolutely no opportunity to pay even a normal income tax. We estimate that the increased postage per subscriber under the proposed schedule would average over $4 per year, which would necessitate doubling our present subscription price, a figure that would not only reduce country circulation but absolutely destroy it. In 1907 the Journal increased its subscription price from $4.80 per year daily and Sunday to $6. Regardless of the fact that we gave all subscribers 60 days to renew at the old price, with 25 men on the road to talk our cause, we lost 25 per cent of our country circulation in less than 12 months, and were obliged to restore the $4.80 price to stop further shrinkage.

GOMPERS'S APPEAL TO FIGHT HIGH TAX ON PRINTED MATTER.

To all organized labor, greeting:

Since our Nation has become involved actively in the gigantic struggle for the world's democracy, new tests and problems must be met and solved. What has made our progress so notable in the past has been the indomitable spirit, thrift, and sense of sacrifice of the men and women of labor for the ultimate greatness of the American labor movement.

Underlying all of our achievements has been the unrestricted right to a free press, unhampered by unwarranted restrictions, and not unduly burdened by excessive taxation in any form. The American Federation of Labor has always protested against unwarranted restrictions upon a free press and will continue protesting until every court and judge in our land will fully observe this great fundamental right and guarantee of liberty of a free people.

Within the past few days a new menace has presented itself to the free press of our country in the legislative proposal to tax unduly printed matter coming under the rules of second-class postage. Under guise of war-revenue measure it is not only proposed to increase the postage rate of second-class matter from 1 to 2 cents a pound, but it is also intended to apply a zone system (district rates), thereby practically increasing the cost of carrying printed matter from 1 cent per pound to 6 cents per pound. No such exorbitant rate as this exists for any class of matter for the longest world's routes, even in war times. Such a tax is strictly prohibitive. It spells disaster and ruin to the labor press of our country and will seriously hamper and retard that part of the public press sympathetic to the appeals and needs of the labor move-

ment. This proposed increase of postage rates on second-class mail matter can only benefit those publications supported and financed by and in the interest of large and gigantic combinations of wealth, and it will destroy those publications barely eking out an existence because of their desire and determination to serve the great mass of our people, working men and women of our country.

The public press, like every other individual, concern, or institution, should be required to pay its just proportion of war taxes. This, however, should be done by increasing the income and inheritance taxes, a tax upon profits and upon land values.

To place a double and triple tax upon the public press is without warrant and excuse and simply means that many publications will be forced out of existence. Such a condition will seriously menace the conditions of life and work of the men and women employed in the printing and closely related and kindred trades by throwing thousands of them out of employment. Shall we sit idly by while the very livelihood of thousands of our fellow workers is placed in jeopardy and while the labor and sympathetic public press is seriously menaced? Can we afford to permit that part of the public press financed by and in the interest of large and wealthy combinations of men to control exclusively the means of information and thereby dominate the minds of the people of our country?

Profits and incomes should be taxed, but the very source of employment of our fellow workers and the maintenance of a liberal and free press should remain unimpaired.

An immediate protest against this proposed increase in postage rates on second-class matter and against the application of the zone system should be immediately directed to every Congressman and Senator. Every central labor union, State federation of labor, and all affiliated unions should immediately voice their protest against this menacing proposal. Action to be effective must be at once. Respond to this appeal without delay. Act now!

Fraternally, yours,

SAMUEL GOMPERS,
President American Federation of Labor.

LITTLE FALLS, MINN., *May 8, 1917.*

Hon. HAROLD KNUTSON, M. C.,
Washington, D. C.

DEAR SIR: We certainly have been hard hit, especially we of the small-daily game. For instance, before the war we were buying print paper at 2½ cents per pound f. o. b. our office; now we are paying 6 cents per pound. We use three tons and over each month, which means an increased cost to us on print paper alone of $200 per month.

We have made no money in the last year on account of this, but have been able to hold our own. If present conditions continue, however, we are going to lose some money this year.

In order to show you the difference in cost of production in 1913 and now, we are giving you the comparison below in detail form:

	1913	Now.
Print paper, per pound	$0.02½	$0.06
Newsink, per pound	.05	.10
Hard inks, per pound	2.00	4.00
Bookkeeper, per month	60.00	80.00
Foreman, per week	20.00	24.00
Ad men, per week	15.00	18.00
Make-up men, per week	14.00	17.00
Linotype operator, per week	15.00	18.00
Press feeders, errand boys, per week, each	4.50	6.00
Reporters, per week	14.00	16.00

If the postage is raised 200 per cent, as is proposed, it will mean another increased cost to us of $30 per month. It will also mean the suspension of several small dailies throughout the country.

Thanking you in advance for anything you can do for us in this matter, we are,

Very truly, yours,

TRANSCRIPT PUBLISHING CO.,
ED. M. LA FOND,
Manager.

THE ENTERPRISE, PRINTING AND PUBLISHING,
Park Rapids, Minn., May 8, 1917.

Hon. HAROLD KNUTSON,
Washington, D. C.

DEAR SIR AND FRIEND: As to the raise in cost of running a newspaper, I have not figured much on the per cent, but have increased my prices for advertising and job work to overcome the difference. Print paper has gone up from $2.40 to $6 per hundred pounds; type metal, from 8 cents to 14 cents per pound; inks, from 100 to 500 per cent; type, about 50 per cent; labor in my office, about 20 per cent. Things are quite different from what they were two years ago. Bond and flat papers have gone up more than 100 per cent.

I have noticed your opposition to the increased postage rate, and you may be sure the boys will appreciate anything that you can do for them in this direction, not that they want to shirk any part of their responsibility or obligations in the strife, but the margin of profit in the country printing office is very close at the present time. If I break even this year I will consider myself fortunate.

Yours, truly,

J. D. HARADON.

BEMIDJI SENTINEL PUBLISHING CO. (INC.),
Bemidji, Minn., May 9, 1917.

HON. HAROLD KNUTSON,
Washington, D. C.

DEAR HAROLD: It surely would be rank injustice to the newspaper men of the country should Congress see fit to double the amount now paid for newspaper postage.

During the past year the cost of producing a newspaper, as shown by our office records, has increased about 40 per cent.

Of this increase we find that paper has advanced 200 per cent, jumping from $2.50 per hundred pounds to $6.50; ink, from 5 cents a pound to 11 cents.

The wages paid have increased to meet the high cost of living by about 33⅓ per cent, and often more. We formerly paid an operator $22.50, now $30 for an eight-hour day; pressman $12, now $15; ad man $18, now $22.50; make-up man $22.50, now $30, etc.

Any effort you make in behalf of the newspaper men will be mightily appreciated, and it is surely showing a splendid spirit when you do what you can in helping to make it possible for the country shop to continue operating. Much more of an increase and we will be forced to close.

Hoping you are enjoying the best of health and that you like the work of a Congressman, I am, awaiting your further demands,

Very sincerely,

H. M. STANTON.

WADENA PIONEER JOURNAL,
Wadena, Minn., May 11, 1917.

Hon. HAROLD KNUTSON,
Washington, D. C.

DEAR FRIEND: Prior to the war print paper cost me $2.45 plus freight from mills in Minnesota. The cost now is $6. I note it is proposed to put a 10 per cent tax on imports, and that will mean an additional advance of probably 50 cents. The difference to the Pioneer Journal in cost of print paper is that to-day is costs us $12.96 per week, as compared with $5.29 not more than one year ago, or a total loss to us of $398.84 yearly.

Labor is the next most serious item. My increase has averaged over 12 per cent, or about $800 annually.

Increase in heating is a serious matter. That amounts to $100 annually.

Increases in job stocks vary. It may be fairly stated that the minimum increase is about 25 per cent, while the maximum is 300 per cent. The average is about 50 per cent, in my judgment, and that means an increased cost of $750 annually.

There are other increases all along the line. Linotype metal is 14 cents to-day, as compared with 7½ before the war. All other metals have at least doubled. This of course affects prices of type. It would be impossible to give in detail all the facts until we have had a full year of business under existing conditions. It is conservative, however, to estimate that the actual increase in cost of producing the business of the Pioneer Journal to-day is $2,500, as compared with a year ago.

Of course, I have tried to meet this condition by increases of my own. However, the subscription price is still $1.50 as always.

My advertising rates were increased about 15 per cent last September, and to make it good I felt it necessary to abandon the flat rate and adopt the sliding scale. This made it necessary to contract the business. Therefore it is impossible to make any further increases of advertising rates until late next fall. And with regard to advertising, it may be interesting to know that the aggregate income from that source has shown little increase. In other words, we are getting better rates but using less space.

I have also increased my charges for job printing, perhaps 15 per cent, but the falling off has been noticeable. People are using less printed stationery. And in this connection it might be just as well to say something about Government competition in the envelope line. To-day the Government is selling a No. 5 envelope printed for $21.60 per thousand. This envelope would cost me $1.65 at the wholesale house in Minneapolis. A No. 8 envelope sells at the post office printed for $22.56 per thousand. The same envelope would cost me $3.80 per thousand in Minneapolis. Postmasters are instructed to and do solicit this business from local business men. The result is that the local printer is doing practically no business in envelopes. It would be fair to estimate that this has deprived me of the sale of 200,000 envelopes in the past year.

The inventory of the Pioneer Journal to-day is $11,000. Its total business in 1916 was $15,076.83, as compared with $15,109.09 for the year 1915.

Any new burdens for the business must be met by increased prices. This seems to mean decreased business for us, and that means less taxes for the Government. It may be added that local and State taxes this year will practically be double last year.

And there is an argument in this: If people quit using printed matter because of increasing prices, it must ultimately mean several things. It will mean less number of letters and parcels for the post office. It must mean a general decrease of business, for extensive advertising denotes business activity. If there is no market for lumber, because people have quit building, the lumberman simply figures that it is throwing away money to advertise. The dealer who advertises baby carriages at a discount in a community of bachelors would be considered a fool. And it is so with everything in the advertising line. If the advertiser has no market, he drops out until conditions change. Additional burdens on printing costs and on advertising means so many chains on business.

My personal opinion is that the newspapers would be glad to pay heavy taxes to help prosecute the war. They could do this without serious handicap if the Government would take vigorous action to prevent their exploitation by robber monopolies. Give us a decent-priced print paper, allowing the manufacturer a decent profit. Let the Government take control of the coal situation. That would save us much money. Soft coal to-day costs twice as much in Wadena as it did one year ago. This one robbery alone would almost pay the interest on the $7,000,000,000 loan. Let the Government look after some of the big thieves and the newspapers can take care of the rest.

Another point. The coal and iron people are patriots if they charge the Government a profit of 100 per cent, when they could get more money from European countries. Yet Congress demands that the newspaper donate advertising for war purposes. Why not demand donations from the other fellows? But, of course, the editor is patriotic enough to give his product. He needs no coercion, no act of Government.

Sincerely,

W. E. VERITY.

FARMERS, TEACHERS, AND WAGE EARNERS BACK PROPOSITION.

Powerful labor and farm organizations have also enthusiastically indorsed the plan of taxing incomes to pay the war debt promptly so that it will not fall on the poor or on future generations, who may have wars of their own to pay for. Prominent in the labor groups are the United Mine Workers of America, whose resolution, adopted at their recent convention in New York City, is as follows:

"Whereas the United States is at war with Germany; and

"Whereas immense war appropriations must be made immediately to supply the Government with funds necessary to carry on the war; and

"Whereas it is of paramount importance in this crisis that the financial burden of the war should be distributed among the citizens of the United States in accordance with their ability to bear it; and

"Whereas in the interest of national unity and a spirit of harmonious cooperation between all classes it is necessary that every citizen should know that the cost of the war will be paid promptly, and not remain as a future burden upon those who fought and their children: Therefore be it

"*Resolved*, That all bonds, certificates of indebtedness, and other obligations issued by the Government for war purposes shall be paid by a tax to be levied on all net incomes in excess of $2,000 (for unmarried persons) and in excess of $3,000 (for married persons), beginning at 2 per cent and increasing on a sliding scale to a point which will permit of no individual retaining an annual net income in excess of $100,000, such war tax to continue until said bonds, certificates of indebtedness, and other obligations issued for war purposes are paid; and be it further

"*Resolved*, That all war supplies or war services, including transportation shall be furnished to the Government at a reasonable profit, to be fixed by Congress; that Congress shall enact legislation preventing the sale of necessaries of life during the war at excessive profits; and that intentional failure to supply the Government with correct figures as to income or as to profits on such sales and service and that furnishing the Government with defective war supplies shall be a felony, punishable by imprisonment."

The Ancient Order of Gleaners has passed resolutions embodying the salient features of the pledge of the American Committee on War Finance.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Ohio [Mr. EMERSON].

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. EMERSON. Mr. Chairman and gentlemen of the House, as we are to conscript men for the purposes of carrying on this war, I believe we should conscript wealth.

I believe if a man is to be taken from his home and family and sent to France to fill the trenches there that those men who stay at home should be called upon to pay liberally for the privilege of enjoying the liberties of a free Republic.

I am opposed to increasing the first-class mail matter postage at this time. We are told this will raise $70,000,000. I am opposed to the sales tax, so called, because I believe it places a tax upon the small manufacturer to the benefit of the large dealer. If we would increase the excess-profits tax by making it double what it is made in this bill it would raise about $200,000,000 more. [Applause].

But the thing that should be taxed the most is the large income. I believe that any man who has an income of over $100,000 should pay a very large part of it to help defray the expenses of this war. I believe that the excess of all incomes over $100,000 should be taxed to the extent of 50 per cent of such excess. I believe that the excess of all incomes over $500,000 should pay 75 per cent of such excess. [Applause.]

When we do this we are allowing any person with such an income sufficient for him to live on and pay all necessary expenses and lay up something each year.

Taxes should be placed where they are least felt. Instead of placing a tax upon the letters that are sent by relatives to each other and letters that are sent to promote the business of the country, place the tax upon excessive profits and upon excessive incomes, for no one can suffer thereby. A company must have the excess profits before they have to pay and the individual must have the excessive income before the tax reaches him. I would rather increase the tax on excessive profits and incomes, than lower the exemption.

I shall propose amendments when the bill is read making the increase in rates as I have indicated, and I believe that it would meet with the approval of the country, and surely no person affected could justly complain. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. ROSE].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for five minutes.

Mr. ROSE. Mr. Chairman and gentlemen of the committee, from a personal standpoint I have always been opposed to war, and I had hoped that every morning's sun would bring us nearer and nearer to the enjoyment of a world peace. [Applause.] But all my hopes were shattered when the distinguished President of the United States, in a calm, dignified, scholarly, convincing manner told us that our rights had been invaded; that we were already at war with the German Imperial Government; and that the right is more precious than peace.

Let me say that shortly thereafter this House, by a large majority, indorsed that statement; and, following that, we declared that we were in a state of war. Following that we provided for a large sum of money, $7,000,000,000, to take care of this war; and, following that, we provided a method for raising an army to conduct this war. And following that again, we are now asked to provide money from the pockets of the people in order to conduct the war in which we are now engaged.

The only thing that annoys me is the fact that the people of the United States do not seem to know that we are in war, and we wonder why it is that there is no enthusiasm throughout the country following the declaration of war. I want to submit to you that in my judgment the cause of the failure to enthuse our people, to have them believe that we are in the throes and the agonies of war, is attributed to just exactly what we are doing now; that is, that we are dragging into our legislation so many things that ought not to be brought in at this time, and we are keeping information from the people which in all conscience should be given them. I have serious doubts whether, unless we are able to have the people know and comprehend the real situation, we shall be able to avoid the feeling of apathy now so prevalent. Our patriotism is not lacking, and our people are willing to do their bit, but something more is needed; but in the limited time allotted me I can not discuss that feature.

I want to address myself more particularly for a few moments to a feature of the present bill now being considered for the purpose of raising $1,800,000,000 by taxation.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for one question?

Mr. ROSE. Yes.

Mr. BLANTON. I would like to ask the gentleman if he does not believe that this new Official Bulletin, which is issued every day, is calculated to advise the people of what is going on in that connection?

Mr. ROSE. That may be; but where does it go? We know it, but nobody else knows it. I do not hear it talked about when I pass in and out among our people. It may be that this Government will do something in the near future to acquaint the people with the dangers now confronting us.

But let me come to the present bill. The first thing that attracts my attention is the fact that this measure lowers the income tax exemption to the sum of $1,000. The bill has been ably presented, and its passage advocated by the gentlemen of the Committee on Ways and Means, and I want to thank them for the candid and manly way in which they have presented it to us and given us all an opportunity to express our views regarding it. But I am particularly concerned because the exemption of incomes is lowered to the sum of $1,000.

Right there, gentlemen, I claim that we are not treating the laboring man as we should treat him. The great manufacturing community that I have the honor to represent is crowded with men of that stamp, and in my judgment it is an outrage that they should be obliged to pay an income tax upon the small sum of $1,000, when not a single man within the hearing of my voice is living upon that sum.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROSE. May I have one minute more?

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman one additional minute.

Mr. ROSE. I would like to have that tax passed on to the men who are more able to pay it. I would like to see it taken away from the man who has not been treated properly at any time and whose wages have never been increased in keeping with the rapid rise in the price of foodstuffs and the necessaries of life. Whether or not we can take care of any particular newspapers and poster-advertising companies which believe they are being mistreated, and whose cause has been ably defended; whether or not we can take care of the makers of automobiles and musical instruments, for whom the gentleman from Michigan [Mr. DOREMUS] so eloquently and forcibly pleaded, in God's name do not impose a tax upon the men who make it possible for you and me to live and who contribute so largely to the prosperity of the country. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROSE. Mr. Chairman, I ask unanimous consent to extend my remarks.

Mr. GARNER. The gentleman already has that right.

The CHAIRMAN. Yes.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. DICKINSON].

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes.

Mr. DICKINSON. Mr. Chairman, it is not my purpose to talk at any length, but I want to refer during the brief time that I shall say anything in regard to this measure to the last remark of the distinguished gentleman from Pennsylvania [Mr. ROSE], who has just spoken in complaint of the income tax. He misconceives the extent to which a man of moderate means has to pay under the income tax. There is an exemption of $1,000, which means a net exemption for a single person, and an exemption of $2,000 for a married person. Under this proposed law a single person would pay 2 per cent on his

net income above $1,000. If his net income is $1,500, he would pay $10, or 2 per cent of $500. If $2,000, he would pay $20.

Under this law a married person or the head of a family with a net income of $3,000 would pay only $20. He pays upon the excess above $2,000. Is that a great injustice? Is that an enormous contribution to be paid by a single person or a married person when this country is involved in the greatest war in its history?

Many believe that the income tax proposed in this bill ought to take a larger percentage of the incomes of those who have large incomes throughout the country. I have always believed that while we took a large per cent of the great incomes, the small incomes, the comparatively small incomes, ought to contribute at least a small percentage. In my conception of government I have believed that all people, according to their means, ought to contribute in times of peace and in war a fair share of the burdens of the Government.

I submit herein a table, showing how this bill as amended will affect incomes in connection with existing law:

Income that will be collected upon specified incomes of married persons under the rates in the war-revenue bill as it passed the House.

Income of—	Total tax.	Present law (per cent of tax of income).	Total tax.	Additional war tax (per cent of tax of income).	Amount.	Total tax (per cent of tax of income).
$1,200						
1,500						
2,000						
3,000			$20	0.67	$20	0.67
4,000			40	1.00	40	1.00
5,000	$20	0.40	60	1.20	80	1.60
7,000	60	.86	120	1.71	180	2.57
10,000	120	1.20	235	2.35	355	3.55
12,000	160	1.33	335	2.79	495	4.12
15,000	220	1.47	510	3.40	730	4.87
20,000	320	1.60	860	4.30	1,180	5.90
30,000	620	2.07	1,660	5.53	2,280	7.60
50,000	1,320	2.64	3,660	7.32	4,980	9.96
75,000	2,470	3.29	7,223	9.51	9,693	12.8
100,000	3,920	3.92	11,910	11.91	15,830	15.83
150,000	7,420	4.95	23,535	15.69	30,955	20.64
200,000	11,420	5.71	37,035	18.52	48,455	24.23
250,000	15,920	6.37	53,035	21.21	68,955	27.58
300,000	20,920	6.97	70,910	23.64	91,830	30.61
400,000	31,920	7.98	110,410	27.60	142,330	35.58
500,000	42,920	8.58	149,910	29.98	192,830	38.55
600,000	54,920	9.15	192,160	32.03	247,080	41.18
700,000	66,920	9.56	236,410	33.77	303,330	43.33
800,000	78,920	9.87	279,660	34.96	358,580	44.83
900,000	90,920	10.10	322,910	35.88	413,830	45.98
1,000,000	102,920	10.29	366,160	36.62	469,080	46.91
10,000,000	1,437,920	14.38	4,596,160	45.96	6,034,080	60.34
30,000,000	4,437,920	14.79	13,996,160	46.65	18,434,080	61.44
100,000,000	14,937,920	14.94	46,896,160	46.90	61,834,080	61.84

Some people have complained of an inheritance tax. In this bill we have lowered the exemption from $50,000 to $25,000. A man who leaves a $50,000 estate to be distributed would have taken out of that estate $250 under this law. This is a small contribution—$1 out of $200—returned to the Government that has thrown its protecting arm around him during all the years while he has accumulated property and wealth. It has shielded and protected him in his lifetime and protected his property, and it is no injustice for the Government to take, on the distribution of his estate, this small contribution.

I have in mind an instance of one estate with which I was familiar, where the owner thereof was a prominent citizen, prominent in church and county affairs, who gave annually to the taxgatherer in the assessment of his estate his property as of the value of $4,000. After his death it was shown in the administration and in the inventory of his estate that he had $50,000 worth of good notes. Thousands like him have evaded taxation.

Now, $250 would be taken out of that estate under this bill as a contribution to the support of the Government. That is a small contribution from the estate of this distinguished citizen, who for many years had withheld from the taxgatherers the knowledge of the fact that he had concealed the larger portion of his estate from taxation, leaving the burden of taxation to be borne by others by not disclosing what property he had. Under this inheritance provision in this bill such estates pay this small contribution and larger estates increased amounts. There is one thing that this law would do—it would serve to uncover estates that have been unlawfully withheld from taxation.

Some States have passed appropriate legislation by which they can recover from such estates where they have beaten the taxgatherer in the past of taxes on property that they have withheld from taxation by concealment. In the few minutes allotted me at this time I can not even mention all the features of this bill.

The duty was devolved upon the Ways and Means Committee to bring in this revenue measure. They have done the best they could under the conditions. No single item in it perhaps meets with the judgment of all members of the committee. It is brought here to this House by the Ways and Means Committee, and the committee invites the criticism of every item in it, and it will take no exception if this House, whose duty it is to pass the measure and perfect it, shall see fit to amend it. They invite the House to better it if it can and if it will. Here in this House to-day and for several days this bill has been attacked by every interest affected. Every interest affected wants to avoid the tax and to thrust the burden upon others. By unanimous vote the other bill providing a bond issue was passed. Congress by an overwhelming vote has declared that we are in a state of war with the greatest military Government on earth, the greatest war in the history of the country or of the world. How are you going to carry on this war without money? The youth of the land are conscripted—your boy and mine—the principal and interest are offered as a sacrifice upon the altar of our country. Right or wrong, your boy and mine have gone, and every selfish interest in this country urges them to the front. The boys will bare their breasts to the destruction of life and health and are willing to give their all in defense of their country. You bid them go, and yet you come here to-day, you of the great automobile industry, and other special interests, and say let them go, but do not compel us to pay a single cent. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. I yield to the gentleman five more minutes.

Mr. DICKINSON. I got a letter to-day from a good woman in my district urging me to use my best efforts to repeal the conscription law. Another letter I got from another good woman asking me to do what I can to reverse the action of Congress and stop this war. Nobody wants war, but we are in it. You can not fight this war without money. This great bill does not take the principal, in my judgment, of any concern involved in any section of this bill. The youth of the land may give their principal and their interest and their all. Oh, I have heard about taxes in my district and yours. You and I would rather our boys would come back safe and sound and we would be willing to pay, if we were able, every dollar of the tax in this bill, affecting our districts, rather than see our boys come back maimed or not at all. [Applause.] Your boy and mine go, and yet these men beg you to pare this bill and not take so large a per cent of their income and their profits.

I stand for the income tax—larger, if necessary. I stand for the excess profits tax. But if the excess profits tax on munitions in time of war comes at a time when the Government has normally increased the expenditure by reason of the conditions making large excess profits possible, shall not those who reap under this unfortunate condition help to pay, when increased appropriations are made necessary by these very conditions? I stand for a policy of a strong contribution from the great estates of this country, so that they can send their money with the boys to fight this war, which can not be successfully fought without men and without money.

Do you want to win the war? We are in it, right or wrong. Oh, this country can not afford to fail. To lose now in this great war, when it is at the height of its career, would blot the history of our country for all time. We must win, and we can win by the use of men and money. [Applause.] Where is there an interest in this country that is willing, with the approval of this country, to say "Tax the rest, but excuse us from our portion of the tax"?

I hope and believe that this measure, which I think has been a well-considered measure, will pass. You may take it and criticize it, but I hope it will pass the House with such amendments as the House may deem proper. I hope it will go to the Senate as speedily as possible, and that a revenue bill commensurate with the needs of this country will pass that body as soon as possible, and the country will then know that the Congress of the United States has responded to the demands and necessities of the country. If you fail to do it, you will be blamed by the people, who look to this body to do its duty and see to it that the United States of America shall stand firm and strong in war as in peace, and shall be triumphant in this greatest struggle in its history. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Chairman, we have been trying hard to understand the cost of second-rate mail matter. It has generally been made rather complicated, and the gentle-

man from Minnesota [Mr. STEENERSON] the other day doubted the reckoning with reference to railway rates. I do not know anything about railway rates. I do know something from seeing the carriers from my home post office day after day carrying mail bags full of newspapers, rather heavy mail bags, in sun or in snow from house to house, delivering them promptly the day after the paper was published, without the slightest mistake, and I have sometimes wondered whether the United States could deliver those papers for a cent a pound. I thought I would inquire what it costs to deliver them by a much cheaper way, namely, by a boy. I have found that in this city of Washington a boy gets $3 a month for delivering the daily Star in the afternoon. He takes out 50 copies of the paper. I have just weighed one of those papers of 12 pages and find that it weighs 3½ ounces. Fifty copies weigh almost exactly 10 pounds—16½ ounces for every five papers—and he gets just about 10 cents a day, or 1 cent a pound.

Again, I am informed that for the delivery of the morning Post, which also has a Sunday paper, they pay the boys $2 a week. The boys go earlier and have a longer trip and carry more papers. Six of the daily Posts for six days would weigh 21 ounces. The Sunday paper weighs fully 11 ounces more, making 2 pounds for the paper for a week. The boy, if he carries 100 papers, carries in a week 200 pounds for $2, or again a cent a pound.

This is underpaid labor, not such wages as we pay to our men in the Post Office who get their thousand dollars a year, and who have to deliver a special paper to a special address instead of any paper of the same class to a line of addresses, who have to ring the bell and hand it in at the door instead of throwing it up to the door, and who have to sort out the papers beforehand in the post office so as to get those addressed to their routes in order. It is worth a good deal more than a cent a pound to deliver in this way, and I am therefore forced to the conclusion that the additional rate of a cent a pound in the first zone is less than the Government has to pay now for the delivery, which has never been counted, as far as I can find out, in making up the Post Office cost.

Will it be paid and how? They say it can not be passed on. I have files here of the New York daily papers and read their prices. The New York Tribune sells for 1 cent a copy in New York City. The daily Tribune costs by mail for a month of 27 days 50 cents, and if the Sunday paper is also sent it costs 75 cents. The New York World sells for 1 cent in Greater New York and 2 cents outside of Greater New York. The American sells for 1 cent in New York City and 2 cents in outlying towns and elsewhere. The Sun sells for 1 cent in Greater New York and sells elsewhere for 2 cents. The Herald sells for 1 cent in Greater New York and 2 cents in suburbs and Rockaway districts and 3 cents on trains and elsewhere. The subscription prices all allow for postage. If postage costs more, the newspapers will get it back someway, and if they have to send their papers down to Washington by special train and sell them here they will charge more. I pay 3 cents for the Tribune every day I purchase it, at the cheapest place, and up to 5 cents in the hotels. Mr. Chairman, taxes will be placed upon the consumer. The newspapers will not fail because of this. It is hard to pay taxes, but it is wrong for the Government to pay other people's expenses without return. I am simply stating it as a matter of justice. Mr. Chairman, have I any more time remaining?

The CHAIRMAN. The gentleman's time is just exhausted.

Mr. PARKER of New Jersey. I just wanted to add, for our country's sake let us pass this bill without delay and show that we are in earnest in this war. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LUNN].

Mr. LUNN. Mr. Chairman, in his address before the House yesterday the gentleman from Ohio [Mr. LONGWORTH] endeavored to justify the present revenue bill submitted by the Ways and Means Committee, of which he is a member. Not once but many times he emphasized, in dealing with a particular portion of the bill, that "this was wrong" or "the principle was wrong" or "the theory was wrong." I do not know how many "wrongs" he emphasized during his address, but at the conclusion he informed the House that taxation must be based on justice. It was perplexing to me to follow his logic, which seemed to be a multiplication of wrongs, in his desire to arrive at a conclusion of justice. He naturally aggravated in my mind the question of how many wrongs it takes to make a right.

There is no question but that the honorable members of the Ways and Means Committee have worked hard in their endeavor to give us a bill that would produce the immense revenue essential to prosecuting the war. To my mind, however, they seem to have lost sight of the principle that, although war demands universal sacrifice, this sacrifice should be equitably apportioned.

The committee contends that their object has been to divide the burden as equally as possible, but have they done this? They have not. The gentleman from Ohio [Mr. LONGWORTH] was quite sure that progress had been made toward equalizing the burden from the fact that, whereas last year some 332,000 individuals paid an income tax, that under this bill, if it becomes a law, the number would be increased to some 4,000,000. The fact is decidedly illuminating. With the exemption lowered to $1,000, the committee finds that only 4,000,000 individuals will pay an income tax. Evidently there are 96,000,000 people in this country whose earnings are, on an average, from nothing up to $1,000 per year.

According to the census of 1910, there were 38,167,000 persons of 10 years and upward engaged in gainful occupations. Of this number about 12,000,000 were engaged in agricultural pursuits. Taking an average from the increase from 1900 to 1910 and applying it, it would, to be liberal, give us in 1917, 45,000,000 engaged in gainful occupations. These people constitute the backbone of our country's welfare. They are staggering under the tremendous problem of trying to meet the present high cost of living on an income of less than $1,000 per year.

War conditions and war prices have forced the average American into a financial position where he can not decently live on his meager income. According to the New York Times Annalist of April 23, 1917, the 25 most common and necessary articles of family use have almost doubled in price in the last two years. According to Dun's index figures, we find that the prices of foodstuffs have increased 105 per cent between April 1, 1914, and April 1, 1917.

A short time ago the Old Dutch Market, incorporated in Washington, D. C., operating a large number of stores selling foodstuffs, published a comparison of prices from April, 1914, and April, 1917. This comparison deals with 60 table necessaries. The average increase on all items considered for that period was 85.3 per cent.

According to the United States Bureau of Labor statistics for April, 1917, flour increased in price 69 per cent for the four years from February 15, 1913, to February 15, 1917; eggs increased in price 61 per cent; potatoes, 224 per cent.

On February 15, 1914, a 16-ounce loaf of bread cost 5½ cents. That bread to-day costs 10 cents per loaf. On April 26 of the present year a food committee was appointed by the Commissioners of the District of Columbia.

Says the committee—

> Interesting figures were obtained from the proprietors of some of the smaller stores, whose business is with the poorer people. They show clearly that the poor have been compelled to resort to the strictest economy in order to provide food, on account of the high prices. Their purchases are of the cheapest possible articles, and in smaller quantities than heretofore. The sale of ordinary cuts of meat in this class of stores seems to have been discontinued, and the meat now purchased consists of hog's livers, hog's kidneys, neck bones, hog's faces—

And so forth. The price of hog's faces to-day, I believe, is 15 cents per pound.

Wages, of course, have advanced sharply since the war began, in some instances in a spectacular manner. But, according to the United States Bureau of Labor Statistics, during the four years from 1912 to 1916, in the large field of union labor, there has been a rise of only 9 points. Index figures for 1917 are not now available, but if we were to grant that during the first four months of 1917 wages increased as much as during the whole period from 1912 to 1916, which, of course, would be an extravagant claim, still we would only have an increase of 18 per cent from 1912 to 1917.

During the last three years, according to Dun's report, foodstuffs have risen from 46 to 105 per cent. If we take the figures of the Times Annalist, the cost of the food budget for the average American family shows an increase of 74 per cent in the last two years.

Facing the facts that we know are bitterly true as regards the poor people, who are reduced to the necessity of doing without ordinary cuts of meat and subsisting on hog's livers, neck bones, and hog's faces, is there a man in this Congress who wants to stand for a revenue measure that in the outworking will pass on to these people further burdens in the way of taxation? To my mind the Members of this House can not by any subterfuge of specious reasoning justify a course which will mean additional hardship to the already hard lot of the poorer classes.

Briefly, I have shown the actual conditions, bitter in the sacrifice involved, that confront the average wage earner in America to-day—an average increase of wages liberally construed of 18 per cent, as against official figures of an increase in foodstuffs averaging from 46 to 105 per cent.

Now, let us consider the condition of the corporations. According to the report of the Commissioner of Internal Revenue, pages 26 and 27, we find in the ratings of 190,911 corporations, big and little, an aggregate net income as of June 30, 1916, of $5,184,442,389. This is an increase of 43 per cent or $2,229,120,000 over the net income of 1915. This 43 per cent increase in the net earnings of all corporations is a bagatelle compared with the larger companies. Taking 24 of the principal corporations and comparing their earnings in 1914 and 1916 we find a net increase of 500 per cent. These enormous net increases will undoubtedly continue.

According to the United States Steel Corporation's last quarter's earnings, which is published, we find that of the percentages maintained for the whole year the net amount applicable to dividends for 1917 would be about $450,000,000, as against net earnings of 1914 amounting to $23,496,769.

Some of these corporations have been liberal toward the Government, such as copper and steel, by offering to the Government their products at a greatly reduced cost, figures which in themselves show the tremendous earnings in the past of these companies. They will still have tremendous earnings, for the many corporations that are furnishing our allies with materials are not conducting their enterprises from the standpoint of philanthropy.

Where then shall we place the burden of taxation? Is it not a part of common sense and statesmanship—which is simply common sense applied to our political affairs—is it not the part of common sense to place the burden where it can be most easily borne? The terrible demands of the war must be met, and if necessity requires it, even the pittance of the poor would have to be taken in spite of the sacrifice involved, but no such necessity now confronts the Nation. Yet, according to the provision of this bill, several hundred millions of dollars will be taken from the pitiful purse of the poor. Every dollar thus extracted will mean robbing children of decent nourishment and decrease their mental as well as physical stamina. This is not necessary, and it would be a tragedy if such a method should be followed. The Government needs eighteen hundred millions of dollars revenue and they should get it and can easily secure it by taxation of incomes, excess profits, inheritances, etc.

The income taxes should be increased almost double. According to the present bill Members of this House who are married, with a salary of $7,500 per year, will pay an income tax of $225, and yet we voted to conscript young men to go to the firing line, with the possibility that hundreds of thousands of them will never return, while our burden is to be $225. Would you men object to paying double that amount, or $450, out of your income, and all other incomes in proportion, rather than extract from the meager earnings of the poor? It seems to me that we should all be glad to pay that increase in the way of an income tax. We should be, at least. And if we are willing to do it ourselves let us have the courage to compel others to do it in like proportions.

The British Government collected by tax, during the 12 months ending March 31, nearly $2,600,000,000, which was eighteen hundred millions more than was collected in the last year preceding the war. This additional taxation did not affect the business of the country unfavorably. It did not penalize business enterprises, and it did not weaken motives for thrift. The standard of life of no class in the community was seriously lowered. Consumption of comforts and luxuries were materially reduced, but this was an advantage, setting free labor and capital for war purposes. The evident justice of heavy taxes upon those whose incomes have risen since the beginning of the war had that invaluable psychological effect of stimulating the British people to devoted exertion in every field of economic activity.

The backbone of the British system of taxation is the income tax. According to Prof. Sprague, the lowest rate of income tax is 11¼ per cent on earned incomes under $2,500. They are wise enough to give an exemption of $125 for each child. We should do that in this country, or even more. We could easily raise $1,000,000,000 of the amount of revenue necessary in this bill by heavily-graded income taxes, without a single person affected thereby being compelled to suffer any great sacrifice.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. LUNN. If the gentleman will give me more time.

Mr. FORDNEY. I will give the gentleman one minute. The gentleman says that he can raise a billion dollars by income taxes. We will raise a billion and thirty million dollars on incomes.

Mr. LUNN. This bill raises $532,000,000 on incomes and then $108,000,000 by putting your hand back into last year's incomes.

Mr. FORDNEY. On income taxes the gentleman said it raises——

Mr. LUNN. And then $200,000,000 on excess profits.

Mr. FORDNEY. Oh, no; it raises $1,300,000,000 on incomes.

Mr. LUNN. Read it; it is right there.

Mr. FORDNEY. I have read it a dozen times.

Mr. LUNN. So have I.

Mr. FORDNEY. The gentleman has not read it or he would know that it raises $1,030,000,000.

Mr. LUNN. Will the gentleman deny that it is $532,000,000 in the report?

Mr. FORDNEY. I repeat that from income taxes there will be raised $1,030,000,000.

Mr. LUNN. We have it right here in your own report. That should be conclusive.

Mr. FORDNEY. I am not talking about the bill, but I am talking about income taxes. There are other laws that raise income taxes besides this proposed law.

Mr. LUNN. I am talking concerning this bill, and the gentleman is talking about taxes that have been or are to be paid additionally on incomes.

Mr. FORDNEY. I am talking about the income tax.

Mr. LUNN. Collected in 1910?

Mr. FORDNEY. It does not make any difference.

Mr. LUNN. How far back does the gentleman go?

Mr. FORDNEY. Oh, nonsense.

Mr. LUNN. The gentleman is talking about an income tax in addition to the amount provided in this bill.

Mr. FORDNEY. That is not what the gentleman said at all.

Mr. LUNN. I beg the gentleman's pardon. Here is the printed report and here are the exact figures. You are getting $532,000,000 by income tax and $108,000,000 on the 1916 retroactive tax. That is what you are getting.

Mr. FORDNEY. The gentleman is wrong.

Mr. LUNN. The other principal method of revenue is by a tax on excess profits. I believe that much of the opposition to excess-profits taxes would be overcome if we would impose it on a more scientific basis. These taxes are imposed in nearly all the belligerent countries. The principle should be to secure for the Nation a part of those profits, which, in general language, are "definitely due to the war." The English excess-profits tax in November, 1915, was 50 per cent and raised to 60 per cent in April, 1916. This was "imposed on all profits in excess of the average profits of each business during two of the last three years preceding the war, the taxpayer being permitted to select the two years, which are to serve as a basis. This tax has proved unexpectedly remunerative, yielding a revenue of nearly $700,000,000 during the last 12 months. It has not crippled industry. The business community generally has recognized that it is a proper war-revenue measure. For the current year the rate of the taxes has been advanced from 60 to 80 per cent." In this connection let me quote a short editorial from the New Republic of May 12:

> The adoption of the English method of computing the excess-profits tax will not only yield a larger revenue without discouraging and alarming ordinary business, but it will prevent the building up of a strong vested interest in the prolongation of war. The copper companies and steel companies are earning so much money over the statutory 8 per cent that they could pay to the Government 12 or 16 per cent of this excess without feeling it. They will still be accumulating surpluses which, unless the war stops soon, will enable them to accumulate almost a dollar in cash for every dollar in previous capitalization, and they will have made these accumulations not because they earned it by any new economic service, but because they earned it by controlling basic raw materials which were being destroyed in huge quantities, and for which, consequently, there was an artificially large demand. It is this kind of profiteering which is both demoralizing and intolerable, which, if it is allowed to continue, will make American participation in the war look like a capitalist conspiracy, and which will create dangerous and lasting public resentment. The most effective way to disarm the popular suspicion which attributes all making of war to the machinations of those who profit from selling war supplies is to prevent such profits from benefiting private individuals.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. I will yield the gentleman a minute. The gentleman and myself seem to misunderstand each other.

Mr. LUNN. I am sure we do.

Mr. FORDNEY. The gentleman spoke about the income tax. This law and the existing law raises $1,030,000,000 from an income tax.

Mr. LUNN. Yes. I admit that; that is revenue raised in other bills during this year.

Mr. FORDNEY. This bill and existing law—there are one or two other bills—but there is no man taxed, even a single man, more than $20 on $2,000 of income.

Mr. LUNN. Do you make any exemption for children?

Mr. FORDNEY A married man has a $2,000 exemption and pays $20 on $3,000.

Mr. LUNN. Does the gentleman make exemption for children?

Mr. FORDNEY. Children are not taxed except through their parents.

Mr. LUNN. They are taxed; you take it out of your bill by not giving them exemption. You penalize a man for raising a family.

Mr. FORDNEY. Does the gentleman believe $20 on a $2,000 income is going to send any man to the poorhouse?

Mr. LUNN. I do not think so.

Mr. FORDNEY. That is what this bill does. That is the maximum tax on $2,000—$20.

Mr. LUNN. Does not the gentleman think, as a matter of principle, exemption for children should be recognized? Our British friends make an exemption of $125 for every child.

Mr. FORDNEY. Wait a minute, my friend. The British income tax is an entirely different tax from our tax. England raises a heavy tax by incomes. They have no state, county, or city taxes as we have in this country.

Mr. LUNN. I am well aware of that fact.

Mr. HILL. Does the gentleman understand that there are no exemptions for the wife in England, and here we make it one thousand for a single man and two thousand for a married man?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LUNN. Will the gentleman yield me two minutes?

Mr. FORDNEY. Yes.

Mr. LUNN. Mr. Chairman, I believe that we could well afford to spend sufficient time on this war-revenue measure to make it a measure that will lend encouragement to the war without proving disastrous either to the poorer people or to the business interests of the Nation. Better go slow and be right in principle than speedily pass a measure which can not be justified on the basis of any scientific principle of equitable taxation. Let us pass a measure so just in its provisions that every citizen of America will feel a new spirit of devotion to their country and consecrate themselves with renewed energies to the prosecution of the mighty task involved in this great war. Injustice never creates enthusiasm. We need enthusiasm among the working people, and it is a hopeless task to stir enthusiasm while the stomach cries. We need enthusiasm among our business men, and they can not grow enthusiastic if their legitimate business is unfairly dealt with. We need publicity to the farthest corners of the country, and we are not going to get it with an unjust tax on periodicals. The bill as drawn will create a monster monopoly of public information. But, Mr. Chairman, more than all, we need an enthusiasm that fires the heart among those boys who are to take up the responsibility of national defense. When these boys who are still in training desire for recreation to smoke a pipe or a cigar or go to a movie or a baseball game, we do not want their enthusiasm to be cooled by facing a war tax. Neither do we want these boys, the great mass of whom are from the working people, to have any reason to believe that while they are willing to lay down their lives for the country, their loved ones at home are suffering unnecessarily by unjust taxation.

Deeply do I feel that the suggestions I have outlined as a method of securing revenue are just and equitable and therefore right. It is best for labor, it is best for business, it is best for all classes in this great country. It will create a new spirit for America—a new spirit of devotion, a new spirit of patriotism—and God knows we need a renaissance of spiritual motive as a driving force in our great endeavor. We have conscripted men, let us have the courage to conscript the dollar. If we do this the great mass of business men of the Nation will put forth a new effort to produce and prosper; the toiling masses will take on new hope and rejoice that a new day has come in this land.

The people of the Nation, one and all, will be inspired with the thought that a new freedom has come to America. They will bear their burdens and make their sacrifices with the conviction that the strong and the weak are not bearing equal burdens, but equitable burdens. They will look up to their flag with a new affection, convinced that its mighty folds serve as a canopy under which a mighty people has, with patriotic devotion, determined that democracy shall not die, and that liberty with justice shall prevail, and that the government of the people, by the people, and for the people shall never perish from off the earth. [Applause.]

Now, I do not want to be unfair. If I am wrong I want to be set right. I do not want you to get a wrong impression, but I feel so deeply that we are up against a great problem. The most of our people with the present high cost of necessities can not bear any further burden, and therefore we should place it where men are able to bear it with the least sacrifice.

Mr. HILL. Will the gentleman yield?

Mr. LUNN. I will.

Mr. HILL. I understood the gentleman to say that if he was wrong he wanted to be set right, and I want to set him right. England makes an exemption of something over $600 only. It makes one exemption. It does not make an exemption for the wife. We make an exemption of $1,000 for a single man and of $2,000 for a married man. England an exemption of about $600, and I understand $200 for each child. Which is the best?

Mr. LUNN. One hundred and twenty-five dollars for each child.

Mr. HILL. It depends upon the number in each family, and our exemptions are a great deal better than England's, and our income taxes are a great deal higher.

Mr. LUNN. Your exemptions for children are not——

Mr. HILL. We do not exempt for children. We exempt for a family where there is a family.

Mr. LUNN. Your exemptions for large incomes are entirely too generous.

Mr. FORDNEY. Mr. Chairman, I yield three minutes to the gentleman from Indiana [Mr. VESTAL].

Mr. VESTAL. Mr. Chairman, in the consideration of this revenue bill it may be presumption upon my part to say anything, but I feel that in justice to my own conscience and to the thousands of persons in the industrial plants in this country I ought to say a word concerning my position. I am opposed to this bill in its present form and shall vote against it unless it is materially modified.

I am sure that we all have the greatest regard for the gentlemen upon this committee, their wisdom, and their patriotism. The distinguished gentleman from North Carolina, the chairman of this committee, however, made a very broad statement in his eloquent appeal in behalf of this measure, in substance, that the men who would oppose this measure of raising this much revenue by increasing the taxes were unpatriotic. In other words, that we of to-day should bear the burden and that future generations should be relieved of the greater portion of the same. I agree with him that we should bear a part, of course, of this burden, but I believe it is more patriotic to so arrange the burden that the industries of this country will be saved that we may have a source of revenue next year and the year after and during the years to come. I believe it is more patriotic to let the industries live, that employment may be given to the thousands of men who depend upon their employment, and the wages they receive to support their families. I may be unduly excited about this matter, but I do not think I am. In my judgment this bill as it now is will put out of business a great many industries in this country, or at least so lessen their activities that thousands of men will be thrown out of employment, and, with food prices as they now are, and getting higher every day, there will be hunger, suffering, and starvation in store for these men.

In my judgment the principle of a 5 per cent tax on gross sales is wrong. I think the tax ought to be on profits. The 5 per cent tax on gross sales would not hurt the big fellow so much probably, but it would, in my judgment, in many instances put the smaller industries out of business. If the tax were on the profit it seems to me at least it would be more just.

It is not so much the men who are at the head of these industries that I am thinking about; it is the man in the plant or in the industry who is depending upon his employment for his living. The manufacturer can in the majority of cases stand it. He can go out of business and still live, but the man who is employed if out of work for a week, two weeks, or a month will be brought to the point of suffering.

In the first place I do not believe we should raise this large sum of money by taxation. And in the second place I think we should only raise the amount we need. And in the third place a great many of the discriminations that are made in this bill should be eliminated.

The only justification of this measure that I have heard is the bare statement that we must have the money. The greater number of the advocates of the bill say they are going to close their eyes and vote for certain items in it. I think practically every member of the committee who has spoken in favor of the bill has made substantially this statement, with the exception of the gentleman from Connecticut, who has made bold to say he was going to vote for it with his eyes open. If the measure is so unjust, so full of inequalities that members of the committee who framed the bill must close their eyes and stifle their consciences to support it, if the best reason they can give and the most convincing argument they can produce is the bare statement that we need the money, I think we should hesitate before casting our vote for the measure.

I do not want to be placed in the attitude of not wanting to raise money to finance this war, but I am objecting to the amount of money proposed to be raised at this time, the inequalities in the bill, and the method used to raise the same.

The statement made by the gentleman from Illinois [Mr. MADDEN] as to the amount of money needed and which should be raised seems to be fair and has not been successfully controverted. Instead of $1,800,000,000, we need, according to the statement of the gentleman from Illinois, about $1,100,000,000, and I believe this amount could be raised in such a way that no industry in this country would be endangered, and I believe that the inequalities could in a great measure be eradicated. That inequalities exist and that discriminations are made is an admitted fact, but when these discriminations are brought to the attention of the committee, they answer, we need the money.

For instance, take section 504 of this bill, which seeks to levy a 5 per cent tax on the industry engaged in the business of advertising through billboards, electric signs, painted signs, and car signs, in fact all advertising except in newspapers and magazines. The tax proposed by this section reaches less than 4 per cent of the total gross income of the entire advertising industry.

I desire to read into the RECORD the affidavit of a number of gentlemen engaged in the advertising industry sought to be taxed under this section of the bill. They are thoroughly conversant with the business, are experts in this line; they say that their knowledge of the facts is based upon books of account and statistics collected by them on this subject, and upon authentic data collected by different advertising associations, and upon actual experience, extending through a period of many years of active work in the advertising field:

It is a fact that the total amount of money expended by the American public for advertising is approximately the sum of $800,000,000 annually. Of this amount at least the sum of $770,000,000 is expended for advertising in newspapers, trade journals, farm papers, magazines, and periodicals. The balance of $30,000,000 is divided as follows: $8,000,000 for billboards, $8,500,000 for painted outdoor and electric signs, $6,000,000 for street-car advertising, and $7,500,000 for miscellaneous advertising, such as theater programs, handbills, tin signs, sporting news announcements, etc.

Therefore the tax proposed by the bill reaches less than 4 per cent of the total gross income of the entire advertising industry.

Poster Advertising Association, by John E. Shoemaker, president; Pennsylvania Poster Advertising Association, by Harry L. Carey, president; Illinois Poster Advertising Association, by W. W. Sauvage; Barron G. Collier, Inc., of Georgia, North Carolina, Mississippi, Kentucky, Colorado, and Utah, by Barron G. Collier, president; Pennsylvania Railways Advertising Co., by James B. Lackey; George Kissam & Co., of Wisconsin, by James B. Lackey; Western Advertising Co., of Missouri, by B. G. Collier; Eastern Advertising Co., of Massachusetts and New Hampshire, by Robert M. Burnett, president; Thomas Cusack Co., by Thomas Cusack, president; Outdoor Advertising Association, by George L. Johnson; the O. J. Gude Co., New York, by Charles O. Maas; Street Railway Advertising Co., by Barron G. Collier, president; Poster Advertising Co., by K. H. Fulton, president; Van Beuren & New York Bill Posting Co., by P. R. Borland; Dixie Poster Advertising Co., of Virginia and North Carolina, by W. W. Workman; American Posting Service, of Chicago, by John H. Logeman; Indiana Poster Advertising Association, by J. E. Morrison; Northern States Poster Advertising Association, by L. N. Scott.

Subscribed and sworn to before me, at the city of Washington, this 15th day of May, 1917.

[SEAL.]

EDMUND W. WHITEHEAD,
Notary Public, District of Columbia.

Can the committee explain why the $30,000,000 should be taxed, or, in other words, why the outside advertising industry, representing business amounting to $30,000,000, should be taxed and the larger amount, $770,000,000, be exempt?

You say you justify this on the ground that the newspapers, trade journals, magazines, and so forth, are hit hard enough by a different sort of tax, but you must admit you are taxing 4 per cent of the gross income of the advertising industry and exempting 96 per cent. With this discriminating 5 per cent tax against this industry it will be put out of business completely. Why? A man comes to an outdoor advertiser to make a contract. In quoting the rate the advertiser will say, "You will have to pay an increase of 5 per cent on account of this tax." The prospective purchaser will refuse to pay it, because he can advertise through the medium of the newspapers and magazines without paying the extra 5 per cent. The purchaser of advertising will buy where he can buy the cheapest, providing he can accomplish the same purpose.

You propose by this bill to collect upon 4 per cent of the gross income of the advertising business 5 per cent, or about $1,500,000, when, in fact, you will have destroyed the business altogether. If you would levy a tax upon the profits or income, while it would be just as unfair and discriminating, their industry would not be destroyed.

This class of citizens is not unpatriotic, and I believe they would, without exception, cheerfully give to the Government all their income, outside of a living, but they have a right to object to having their business destroyed.

A great deal has been said about the automobile industry, and that the proposed tax would not in any wise affect their business; that the extra 5 per cent would be passed on to the purchaser and the manufacturer would not be injured. I believe, with the gentleman from Michigan [Mr. DOREMUS], that when men make those statements they merely guess at the proposition and do not know the facts. I have had handed me by Mr. Crow, president of the Crow-Elkhart Motor Co., of Elkhart, Ind., a very comprehensive statement of actual conditions in automobile manufacturing. It is as follows:

GENERAL STATEMENT OF ACTUAL CONDITIONS IN AUTOMOBILE MANUFACTURING AND REASONS WHY 5 PER CENT TAX ON SELLING PRICE OF AUTOMOBILES IS PROHIBITORY TO THE SMALL AUTOMOBILE MANUFACTURER.

Number of automobile manufacturers in the United States	450
80 per cent automobiles manufactured by 12 concerns	12
20 per cent manufactured by remaining number of manufacturers	438

These 438 automobile factories produce but 20 per cent of the whole number of cars made. The Crow-Elkhart Motor Co. is one of these 438 producers.

The tremendous advance of materials used in 1917 over 1916 is illustrated as follows:

Materials	1916	1917
Cost sheet steel	$3.85	$10.00
Cost bar cold-rolled steel, average	2.80	7.70
Cost lumber, per thousand	74.00	85.00
Cost of tires, per car	45.00	51.75
Cost of artificial leather, per yard	.99	1.45
Cost of bearings, each	2.02	3.24
Cost of cast iron, per pound	.02½	.04½
Cost of malleable castings, per pound	.05½	.08
Cost of aluminum castings, per pound	.35	.80
Cost of brass castings, per pound	.21	.35
Cost of cotton ounce duck, per yard	.14½	.32½
Cost of moss for cushions, per pound	.05½	.08
Cost of excelsior (mineral wool), per ton	26.00	55.00
Cost of cushion spring steel, per set	2.00	3.25
Cost of linoleum, per yard	.62	.87
Cost of steam coal, per ton	2.60	4.75

Cost of paint, general advance, 25 per cent.

Cost of turpentine, linseed oil, solder, etc., general advance, 75 per cent.

Cost of hardware for auto construction, wood screws, cap screws, etc., general advance, 50 per cent.

Labor, skilled and unskilled, general advance, 25 per cent.

General overhead, due to transportation conditions alone, general advance, 33⅓ per cent.

The cost of the raw material has, as you see, increased more than 50 per cent, and, on account of the war, the prices of material will probably go higher. The volume of sales has decreased about 30 per cent. Mr. Crow states that the net profit to his company in 1916, based on the list price of $795 per car, was $49.85. He states that he has added $50 to the list price in 1917, making the list price of the car $845, the $50 being added to take care of the increased cost of material, labor, and so forth. Upon this basis a tax of 5 per cent on the selling price of this car would, by calculation, leave a margin of net profit of 1 per cent. With the increased cost of materials and the uncertainties, I believe this proposed tax would not only prevent the Crow-Elkhart Motor Co. from making any profit, but would compel it to suspend business, thereby putting a great number of workmen out of employment. If these facts, given by the president of this company, are true—and I have every reason to believe they are—they are typical of the other 437 automobile manufacturers. The same condition is true with regard to the Madison Motors Co., of Anderson, Ind., and the Inter-State Motor Co., of Muncie, Ind. While the 12 large concerns might get by with the 5 per cent tax added, all the smaller companies would find themselves in the same condition as the Crow-Elkhart Co., and, in my judgment, a great number of them at least would suspend business, and hence, as far as these industries are concerned, the very object of the bill would be defeated.

What is true of these industries I have mentioned is in a measure true of a number of other industries taxed under the provisions of this bill.

The tax sought to be imposed upon newspapers by the proposed zone system can not be justified except by the same argument always used by the committee, "We need the money." The rate proposed is an increase of from 100 to 400 per cent, and this tax, added to the increased cost of paper, puts an unjust burden upon the publishers of newspapers, and as the gentleman from Minnesota [Mr. KNUTSON] has well said amounts to practically a tax on education. I am informed that the normal price of news print paper is about $40 per ton. Under the proposed bill this amount will be charged for moving a ton of printed sheets

to any part of the first zone, no difference whether the distance be 1 mile or 300 miles. If it is carried to the outer zone the charge amounts to $120 per ton, or three times the cost of print paper.

I do not believe that newspapers should escape their just share of taxes to help support this Government, but I believe the tax proposed under the zone system is unjust and will have the effect of throwing a number of publishers into bankruptcy. I believe the zone system should be eliminated, and a slight flat increase of postage charged on second-class mail matter, and I believe that no news publisher would object to paying his fair share of the taxes necessary to carry on this war.

It is my judgment that the greater part of the money necessary to be raised should be raised from incomes and from excess profits. The burden will then be placed where it rightfully belongs, and no patriotic citizen will object to the taking of a great per cent of his income to support the country that has given him the opportunity to produce such income. This method would insure the safety of our institutions during the period of the war, and leave them on a solid footing when the war is over. True patriotism does not consist in merely saying, "We must have the money," and then shutting our eyes and taxing everything in sight without regard to the future, but in levying a tax that will not only provide for the men who do the fighting at the front but so safeguard our institutions that the opportunity of earning a living shall not be denied the men at home.

And so I contend that it is far better and more patriotic to extend a part of this war indebtedness over a period of years and keep our industrial and business institutions intact that they may keep labor employed, and so have a chance to earn money with which to pay this indebtedness. In other words, save the goose that lays the golden egg, so the egg may be used. Do not kill the goose and lose both.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLACK]. [Applause.]

Mr. BLACK. Mr. Chairman and gentlemen of the House, I do not intend to use the time that the gentleman from North Carolina [Mr. KITCHIN] has allotted me in indulging in any criticism of this bill. I think I have heard more mournful talk during the debate on this war-tax measure than I have heard during the consideration of any other measure since I have been a Member of this House. I think, speaking as an individual Member, that I have received more letters, more telegrams, and more circulars of protest coming from those who are against taxation provided for in this bill than concerning any other measure that we have had before us. Most of these letters and telegrams and circulars start out about like this:

"My Dear Sir: We realize that the country is at war, and we want you to understand that we patriotically stand by the Government. Furthermore, we know that a great deal of money has got to be raised; but—." And then they go on to explain why their particular industry ought not to be taxed. Now, in respect to this, here is about the conclusion that I have come to: These gentlemen have my most sincere sympathy, and I have given what they had to say my very careful consideration, but I am going to vote for this bill on final passage. [Applause.]

The members of the Ways and Means Committee of the House have wrestled with this problem long and hard, and, while I do not approve of every feature of the bill and expect to see it amended in some particular features, I intend to stand behind it on final passage, whether I am in accord with all of its provisions or not.

Now, the gentleman from New York [Mr. LUNN], who has just delivered a very able speech from his viewpoint of the bill, took the position that this measure will draw from the consuming public several hundred million dollars. Now, I contend that is an exaggerated statement, because I know and he should know that the very reason that we are receiving so many protests from some of those who are specially interested in this bill is because they know that it taxes them in such a way that they can not pass it on to the consumer. Now, I can illustrate that point in this way by a practical illustration from the bill itself.

Let us take the 5 cents tax provided for on telegraph and telephone messages. It is well known that this will be paid by the consumer, and, in fact, it was so intended by the Ways and Means Committee. But suppose the tax had been levied in such a way that it could not have been passed on to the consumer, do not ever doubt but that we would have been receiving letters and telegrams of protest from the telegraph and telephone companies before now.

Mr. STEAGALL. Will the gentleman yield?

Mr. BLACK. I have but a short time, but will yield for a moment.

Mr. STEAGALL. Section 503 expressly says that the tax imposed by section 500 shall be paid by the person, corporation, partnership, or association paying for the services or facilities rendered.

Mr. BLACK. Yes; I know that, and it was so intended by the committee. Every consumer will pay it as directed, but you are not receiving protests as to that section. At least, I am not, I will say to the gentleman from New York. Most of the protests which I am receiving are coming from the industries which know they will have to pay the tax and can not pass it on to the consumer. Now, in this connection, permit me to say that I heartily approve the income, the inheritance, and the excess-profits taxes provided for in this bill. It has been strongly contended by some of the Members who have spoken in this debate and is being agitated in the newspapers that we ought not to collect so much money by taxation, but should raise a larger portion of the war expenses by bond issues. I do not agree with that contention. I believe that the gentleman from North Carolina was right when he stated in the course of his remarks last Thursday that one-half of the expenses of this war should be borne by taxation, and not over one-half of it should be saddled as a load on posterity by long-term bond issues.

Any other method would create a favored, tax-exempt bond-holding class, to which future generations would have to pay tribute. Already 2 per cent of the population of the United States own 65 per cent of its wealth; and if we should permit the wealthier classes to still further transfer large amounts of their funds to tax-exempt securities, would it be fair to the people? That, gentlemen, is the question which we will have to meet during the continuance of this war, and we must meet it in the interest of the masses of the people and not any favored few.

Now, I will not undertake to go into a discussion of the details of this bill. My time would be entirely too short for that. What I want to do is to refer briefly to some statements that the distinguished gentleman from Pennsylvania [Mr. MOORE] made on the floor of the House yesterday. Now, the gentleman from Pennsylvania is an eloquent speaker and a very likable colleague, but like all good men he sometimes has a bad day, and yesterday was one of his bad days. I do not often indulge in a colloquy with a Member during his speech, but he made some statements as to the payment of income taxes in the South that caused me to immediately rise and challenge his statement. Now, I do not intend to refer to this matter because of any sectional feeling which I entertain, because I have no sectional feeling.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. BLACK. I will.

Mr. MOORE of Pennsylvania. I think, if the gentleman will remember, I carefully avoided using the word "South" at all. I have too much affection for it. I referred to geographical conditions and named certain States in comparison with other States.

Mr. BLACK. I will get to the point if the gentleman will wait. The gentleman is always an adroit speaker and is as skilled in the manipulation of words as any Member of the House, and so he took up some figures and showed that a certain section of the country, naming a few Northern and Eastern States, paid a certain amount of income tax, and then he took up some more figures and showed that another section, naming the Southern States, paid a certain amount of income tax, and then by this comparison made the inferential charge that the people in the South were tax dodgers.

Now, then, as I have said, I have no sectional feeling whatever in this matter, because just as one stone laid well upon the other makes the massive structure when completed, with all of its beauty and symmetry, just so do the people of the North and the South and the East and the West make this great Commonwealth what it is to-day. Old Uncle Sam, with his great big heart, has room enough to take us all in. It is quite true that the great State of Pennsylvania, for which I have much admiration, pays a larger amount of income tax than does the State of Texas. It is true that it is more densely populated, and your people turn their attention to mining and manufacturing and other gainful occupations and have amassed great wealth, and I do not begrudge them their good fortune. On the other hand, the pioneers that came to Texas have taken the broad prairies covered with grass and have turned them into waving fields of wheat and nodding fields of corn and snowy banks of cotton and are rapidly turning it into one of the greatest agricultural sections in the world. And I submit that the fruit of their toil is just as important to the Nation as are the mining and manufacturing industries of the great Commonwealth of Pennsylvania, rich, as they are, in their highly developed state.

Mr. MOORE of Pennsylvania. Now will the gentleman yield? If I could speak as eloquently about Texas as the gentleman does, I would gladly do so. He is using language that I could never attempt to match in a description of the glories of his own territory, and I hope he will ever be as true to the Lone Star State as I am trying to be true to Pennsylvania. [Applause.]

Mr. BLACK. I thank the gentleman from Pennsylvania. But the part of his speech delivered yesterday which I finally wanted to get down to was that part of it where he said he was going to propose a consumption tax on cotton of $2.50 a bale. He seems to begrudge the South the small amount of prosperity that we have recently had because our great staple has gone to 20 cents a pound.

Mr. MOORE of Pennsylvania. No; I glory in that.

Mr. BLACK. I do not like the gentleman's kind of glory. He forgets that in 1914, when nature smiled upon us, and under the benign influence of the sunshine and the rain, we made the greatest crop in our history—16,500,000 bales—and that we were penalized by marketing conditions for our very thrift and had to sell that crop at an average price of $10 a bale less than it cost to produce it. And yet I say that if it had not been for that crop of 16,500,000 bales that our southern farmers made that year of 1914 we would to-day have a cotton famine, not only in the United States but throughout the world. Does any man here doubt that proposition? It was the carry-over from 1914 that has saved the day.

And I suggest another thing, that if it had not been for the 8,000,000 tons, or thereabouts, of cotton seed that were crushed in the South that year lard compound and other shortening would to-day be beyond the reach of the average poor man. It is high enough as it is; but what would have been the condition if it had not been for that year's great production?

Cotton is not a local asset. I hope that the membership of this House and the people of the United States realize that it is a national asset. Just as the great lumber forests of the Pacific coast, just as the great orange groves of California, just as the great wheat fields and corn fields of the Middle West, just as the wonderful factories and industries of the North and East are national assets, just so is the great cotton crop of the South a national asset. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield two minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I am a believer in the principle that in time of war the heaviest burden of taxation should be borne by those whose percentage of profit has been and will be greatest. In other words, it should visit the heaviest tax burden upon those who have received and will receive the greatest benefit from the commercial activities incident to war. The greatest of all the great fortunes amassed by Americans are those flowing from industrial pursuits. One has but to look at the list of multimillionaires of America to be convinced of this. If one should ask me what are the sources of the greatest of all American fortunes, I should answer the manufacturer, the merchant, and the carrier. Comparatively few great fortunes of the present generation come from other sources. Who ever heard of a multimillionaire farmer who amassed his fortune by tilling the soil? Who ever heard of a multimillionaire professional man amassing millions by following strictly his professional calling? Where is there, in this broad land, a farmer whose net income from farming exceeds a million dollars a year? Where is there a professional man whose strict professional income exceeds that same figure? It is true, a very few great fortunes have come from banking and a few other callings, but the number is small when compared with that wonderful fortune-amassing trilogy of the manufacturer, the merchant, and the carrier of goods and people. Who in America has made the greatest amount of money out of the war in Europe so far? My answer would be this same trilogy. Who will reap the greatest benefits from the continuation of the war activities? My answer would be these same gentlemen. Why, then, should we not visit the greatest proportional burden of the war upon those who have received the greatest benefit? Tax the fortune according to its earning capacity. [Applause.]

I know some will point to a few banking houses which have made great fortunes, with the name of Morgan & Co. first in the list; but, gentlemen, governmental agencies of warring nations will not be as popular in America in the next few years as they have been in the past two and a half years. And if you tax the fortune according to its earning capacity you will catch these bankers as well as all others.

It occurs to me that in these days we should—that is, the Government should—receive the benefits of the fortune-making proclivities of these people. While the man of moderate means, and indeed the man of no means except the earnings of his daily toil, will form the rank and file of the Army and the Navy as a conscript, if you please, why should we not conscript a part of—the major part of—the profits or earnings of the men who do not go to war, but, on the contrary, stay at home and make money? If the poor man has to furnish the blood, why not make the rich man furnish the money in greater proportion to his means than the other? This is not socialism, this is not un-American, it is simply common sense and common honesty between man and man, between the citizen and his Government.

I should favor the raising of the percentage on net incomes between $500,000 and $1,000,000 to 65 per cent and increasing the percentage on net incomes of over $1,000,000 to at least 80 per cent. We touch no part of his property, no part of his investment; we simply say to him, "You can not in these war times—you very rich man—you can not go on accumulating as in times of peace; you must be content—you very rich man—with your fortune, without adding materially to it." We should say to him, "You get the most out of our Government, out of our institutions; it is therefore but fair that you should contribute most." While we, in common with every nation of the world, will be and are straining every resource of our Government, why should not every citizen bear a burden in proportion to his ability to bear it? There is no reason in equity or morals why he should not; equity and morals are crying out that he should.

If a world peace is made more secure as a result of this war, if our institutions are made more permanent, the man of great wealth will be the greatest beneficiary, for then his accumulations will go on thenceforth uninterruptedly. The thousands and millions of soldiers who will engage in the war will—those who are not filling unknown graves—come home far poorer, from a financial basis, than when they marched away. Is there justice in permitting the very wealthy to go on accumulating wealth while the soldiers at the front are becoming poorer every day?

The value of individual wealth to the Nation depends upon the use the individual makes of that wealth. The wealth of an individual is of little value to the Nation in time of stress and trial if the Nation can not in some way use that wealth. A thousand million dollars, the property of individuals, is of little if any use to a nation if locked in a safe-deposit vault. It seems to me that the multimillionaire ought in all good conscience be satisfied if his fortune is secured to him while this war is on; he ought to be satisfied. I do not believe in the confiscation of wealth, but I do believe in making it bear its part, its just and proper share of the governmental burden. I do not believe in confiscating the life of an individual, but the law enacted by this Congress has decreed that the individual, the body of the individual, must bear its proper share of the governmental burden.

Some may ask the question, "If you take in tax the major portion of the income of the very wealthy, who will buy our bonds?" My answer to that question is, the more you raise in taxes the less, automatically, will be the amount of bonds to be bought.

I can not conceive of the patriotism in the heart of the very wealthy man who, taking advantage of the convulsion our country is now in, will want to go on accumulating his fortune. If that is patriotism, then what shall we call the impulse—the studied desire, if you please—of the hundreds of thousands of men who are freely expressing their wish to fill the Army and Navy?

There is another provision in this bill which every Member of this body should carefully consider—that is, the advertising clause, section 504.

It occurs to me there should be no discrimination between different forms of advertising. It is absolutely unfair that the newspapers and periodicals should pay no revenue while all other forms of advertising are taxed 5 per cent on the amount received. I am informed that there is a publication—the Ladies' Home Journal—which charges $126 per inch, single column, for each insertion, while the current rate in the ordinary magazine is from $25 to $75. Yet these periodicals pay no war revenue other than the increase in postage. It occurs to me this is wrong. This is a gross discrimination against the outdoor advertiser. I must suggest to the distinguished committee which framed this measure that if it is just to tax the outdoor advertiser 5 per cent gross on his income it would be equally just to tax the indoor advertiser at the same rate.

The increased postage will, in my judgment, cut little figure with the better established and wealthier publications. My idea would be to discriminate between newspapers and magazines. The daily newspaper is inherently different from the magazine. The reading matter is assembled at far greater cost; it serves an entirely different purpose. I should favor far less tax on newspaper advertisements than on maga-

zine, but I would tax all—out-of-door, the billboard, the newspaper, the magazine, the pamphlet, and all forms of advertising on the income derived therefrom. By this plan, which is fair and equitable, there would be an enormous revenue.

I am afraid the committee has overlooked one of the most fruitful sources of revenue. The American people will have little complaint if all are treated alike—all forms of the same general class of business taxed the same.

I must protest against the discrimination visited upon the out-of-doors advertisers, and I equally protest against the immunity of the newspaper and magazine. I should offset this income against the increased postage rate so that the latter will be materially lessened while the net revenue to the Government will be substantially the same. At the proper time I shall offer suitable amendments on at least these two items. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, already so much time has been taken up in the debate on this bill that I did not intend to speak, believing that opportunity would be offered me when the bill is considered under the five-minute rule to make my observations on some of the provisions of which I do not approve. But yesterday, in my absence for a short time from the floor of the House, the gentleman from Minnesota [Mr. STEENERSON] saw fit to devote a great portion of his time to one of our great commercial firms in the United States, namely, Sears, Roebuck & Co., and its president, Mr. Julius Rosenwald.

I arise not for the purpose of defending that firm or this wonderfully charitable and patriotic gentleman, Mr. Rosenwald, as neither needs any defense at my or any other man's hand, but I arise for the purpose of correcting certain misstatements and insinuations made by the gentleman from Minnesota.

In his speech he has insinuated that this firm is being permitted to ship catalogues to given points in carload lots and then to distribute them locally by parcel post, thereby securing special benefits under the present law.

Only five minutes ago, through the courtesy of the gentleman from New York, I have received from the Post Office Department a statement, which I shall take the liberty of reading, and which will clearly demonstrate that the statements made by the gentleman from Minnesota [Mr. STEENERSON] are not founded on facts. This is what the department has to say:

I find upon examination of our records that Sears, Roebuck & Co., of Chicago, mailed approximately 7,000,000 of their large catalogues during the past year, of which number about 1,000,000 were mailed at Chicago and the others were shipped to their distributing points. The rates on parcel post are so adjusted that the net revenue per pound is practically the same, no matter to which zone shipped, and while the gross revenue would be less when shipped by freight to distributing points and then placed in the mails, the net revenue would be more. In addition to these large catalogues this firm also distributes millions of smaller catalogues twice a year, which are distributed from the Chicago plant. This company does not ship any of its merchandise to distributing points by freight for the purpose of mailing. The postage on the parcels mailed by Sears, Roebuck & Co. at Chicago alone amounts to about $2,500,000 per annum. Notwithstanding the very large amount of postage paid by this concern, it is not given any preference over any other firm, corporation, or individual. Many others distribute their catalogues and some ship their merchandise in the same manner as the company mentioned.

The flat rate of 1 cent for each 2 ounces or fraction thereof which prevailed for catalogues before books were placed in the parcel post did not meet the cost of handling and transportation and they were handled at a loss. The change in the classification of books, which includes catalogues, from third-class matter to parcel post has enabled the department to handle this class of mail at a profit, which before was handled at a loss.

The shipment to certain distributing points by freight and then placing the matter in the mail has not been made possible by order of the Postmaster General, but by the law authorizing the parcel post, which was enacted by the Congress, and which established a zone system. The Government does not have a monopoly on the transportation of fourth-class matter, and any person has a right under the law to ship it a part of the distance either by freight or express and then place it in the mail if he so desires.

No discrimination has been shown by the department in favor of any individual, firm, or corporation in handling their mail, and a single parcel mailed by the individual receives the same consideration as the parcels mailed by the largest concerns.

This report shows beyond any doubt that the firm in question has in no wise taken advantage of the Government or that the Government sustained any loss in handling the business. The literature mailed did not come under the provisions of the second-class rate.

This will suffice as to the statements made against the firm of Sears, Roebuck & Co., but I am more concerned over the unfair and unjust remarks and insinuations made against the president of that firm, Mr. Julius Rosenwald.

The gentleman from Minnesota [Mr. STEENERSON], in trying to be witty, said, among other things, the following:

Now, the principal man in Sears, Roebuck & Co. lives in Chicago. His name is Julius Rosenwald, and I did not know what he would do when I said two years ago, in discussing the catalogue business, that if he did not pay a big sum to the Democratic campaign fund he was an ingrate. [Laughter.] He does not appear as a contributor, but he has served on one of the finance committees of the Democratic campaign, and he is a member of the National Defense League.

Now, I wish to state to the gentleman from Minnesota that if he knew Mr. Rosenwald and knew of his standing, character, and reputation in Chicago, he would not have made these offensive statements about him. It is apparent that the gentleman from Minnesota has but a vague knowledge of Mr. Rosenwald, as, in the first place, he is not a Democrat. I regret it exceedingly [laughter], as the only mistake that I ever knew him to make was when he joined and assisted the Republican Party in the last two campaigns. He all the time has been a Republican, and therefore he never could have served on any Democratic committee. But the gentleman from Minnesota tried to make it appear that because of his service on a Democratic committee and on account of the service he rendered to the Democratic Party he and his firm secured special advantages and the President appointed him on this great advisory commission.

In answer thereto I wish to say this: That President Wilson desired to select the most efficient and the best-posted men in this country for service on the commission, and after a careful survey of all the available and fit men, notwithstanding the fact that Mr. Rosenwald had opposed him in the election, he requested that gentleman to serve on the National Defense League. I assure you he is serving the country there to the best of his ability, without any compensation whatever, not only to his own credit but to the credit of the administration and of the country. Not only does he volunteer his own services to the country but out of his own pocket he pays the compensated assistants that are working under him.

In addition, I wish to say that there is no man in the United States who has done more for the needy people of this Nation, and even of foreign nations, than he. At all times he is ready and willing to contribute his share, and more than his share, toward aiding and assisting those who are oppressed and persecuted not only in this but other lands. I therefore regret exceedingly that the gentleman from Minnesota has seen fit to attack this splendid, high-minded citizen of ours. We who know him in the city of Chicago honor and esteem him for his splendid deeds, for the splendid work which he has done, and for his splendid efforts in behalf of humanity. I regret that the gentleman from Minnesota is not here now, because if he were on the floor now I would demand of him to retract the insinuations or the statements he has made against Mr. Rosenwald.

I think, Mr. Chairman and gentlemen, that it is manifestly unfair and unjust for any Member of Congress, simply because he has the privilege of the floor and the privilege of speech here, to be permitted to assail any man without any justification whatever. Gentlemen, that is the reason I have requested your indulgence, and I hope that in the future not only the gentleman from Minnesota but any other Member of this body, before taking the floor for the purpose of attacking a man, will first ascertain whether his insinuations or attacks are justified. [Applause.] In this case I know that they were not only not justified but they were unwarranted and in most respects untrue and unmerited. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FORDNEY. Mr. Chairman, I was going to yield five minutes to the gentleman from Vermont [Mr. DALE], but I find he is not here. That cleans the slate on this side.

Mr. KITCHIN. Mr. Chairman, I ask that the Clerk read the first section, and then I will move that the committee rise.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc.,

TITLE I.—WAR INCOME TAX.

SECTION 1. That in addition to the normal tax imposed by subdivision (a) of section 1 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, there shall be levied, assessed, collected, and paid a like normal tax of 2 per cent upon the income of every individual received in the calendar year 1917 and every calendar year thereafter.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280, the war revenue bill, and had come to no resolution thereon.

CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business on Calendar Wednesday to-morrow be dispensed with.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to dispense with the Calendar Wednesday business for to-morrow. Is there objection?

There was no objection.

HOUR OF MEETING TO-MORROW—11 O'CLOCK A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. PLATT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting some results from the recent bird census taken in the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

INCREASE OF MILITARY ESTABLISHMENT.

Mr. QUIN, a member of the Committee on Military Affairs, by direction of that committee, submitted a conference report on the bill (H. R. 3545) to increase temporarily the Military Establishment of the United States, to be printed under the rule.

THE ESPIONAGE BILL.

Mr. WEBB. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 291, known as the espionage bill, disagree to the Senate amendment, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table the espionage bill (H. R. 291), disagree to the Senate amendment, and agree to the conference asked for. Is there objection?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. WEBB, Mr. CARLIN, and Mr. VOLSTEAD.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned, under its previous order, until to-morrow, Wednesday, May 16, 1917, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SLAYDEN, from the Committee on the Library, to which was referred the joint resolution (H. J. Res. 86) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C., reported the same without amendment, accompanied by a report (No. 51), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

MOTIONS TO DISCHARGE COMMITTEES.

Under clause 4 of Rule XXVII, motions to discharge committees were filed as follows:

By Mr. MADDEN: To discharge the Committee on Rules from the further consideration of the bill (H. R. 2331) authorizing the appointment of a joint committee on the conduct of the war.

By Mr. MONDELL: To discharge the Committee on the Judiciary from the further consideration of the joint resolution (H. J. Res. 4) proposing an amendment to the Constitution of the United States extending the right of suffrage to women.

By Mr. COOPER of Ohio: To discharge the Committee on the Judiciary from the further consideration of the bill (H. R. 304) to amend an act to incorporate the National McKinley Birthplace Memorial Association, approved March 4, 1911.

By Mr. PAIGE: To discharge the Committee on Banking and Currency from the further consideration of the bill (H. R. 2776) to amend an act entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," approved March 14, 1900, and the amendment thereof, approved March 4, 1907.

By Mr. SLEMP: To discharge the Committee on the Judiciary from the further consideration of the joint resolution (H. J. Res. 19) proposing an amendment to the Constitution of the United States extending the right of suffrage to women.

By Mr. JOHNSON of Washington: To discharge the Committee on the Judiciary from the further consideration of the joint resolution (H. J. Res. 34) proposing an amendment to the Constitution of the United States extending the right of suffrage to women.

By Mr. HULL of Iowa: To discharge the Committee on Interstate and Foreign Commerce from the further consideration of the bill (H. R. 324) to promote the safety of employees and passengers on railroads engaged in interstate or foreign commerce.

By Mr. MEEKER: To discharge the Committee on Reform in the Civil Service from the further consideration of the bill (H. R. 2779) to provide for the retirement of employees in the classified civil service, and for other benefits and purposes in connection therewith.

By Mr. SMITH of Michigan: To discharge the Committee on Invalid Pensions from the further consideration of the bill (H. R. 2871) to provide that in the construction and application of the pension laws a soldier or sailor shall be considered of good health at the time of his enlistment.

By Mr. LANGLEY: To discharge the Committee on the Judiciary from the further consideration of the bill (H. R. 3122) to relieve Congress from the adjudication of private claims against the Government.

By Mr. JOHNSON of Washington: To discharge the Committee on Immigration and Naturalization from the further consideration of the bill (H. R. 3337) to provide for the naturalization of certain aliens.

By Mr. DILLON: To discharge the Committee on Coinage, Weights, and Measures from the further consideration of the bill (H. R. 3637) to establish a standard of weights for various commodities, and for other purposes.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MANN: A bill (H. R. 4448) for the erection of a monument to the memory of Gen. George Rogers Clark at Chicago, Ill.; to the committee on the Library.

By Mr. HELM: A bill (H. R. 4449) to amend section 29 of an act entitled "An act to provide for the Thirteenth and subsequent decennial censuses," approved July 2, 1909; to the Committee on the Census.

By Mr. CRAGO: A bill (H. R. 4450) to authorize the President to appoint Francis P. Fremont, formerly a major in the United States Army, on the active list of the Army; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 4451) to prohibit speculation in food products; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of Michigan: A bill (H. R. 4452) to facilitate the shipment and transportation of coal, and to prohibit storing the same upon freight cars at intermediate stations; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4453) to increase the pension of veteran Civil War widows; to the Committee on Invalid Pensions.

By Mr. FLOOD: Resolution (H. Res. 80) sending greetings to the people of the Republic of Cuba; to the Committee on Foreign Affairs.

By Mr. TIMBERLAKE: Joint resolution (H. J. Res. 89) to relieve the owners of mining claims who have been mustered into the military or naval service of the United States as officers or enlisted men from performing assessment work during the term of such service; to the Committee on Mines and Mining.

By Mr. WEBB: Joint resolution (H. J. Res. 90) conferring certain powers on the President during the war; to the Committee on Interstate and Foreign Commerce.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, requesting the amendment of section 421 of the revised laws of Hawaii, 1915, so that the yearly rental for homesteads under right of purchase lease shall be at the rate of 6 per cent of the appraised value of such homestead instead of 8 per cent; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, commending the stand of the President and pledging loyalty to the United States; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Alaska, favoring the abolishment of the contract system for the caring for the insane of Alaska and that an institution be established in Alaska at once for their proper care and maintenance; to the Committee on the Territories.

Also, memorial from the Legislature of the Territory of Alaska, inviting attention to the formulation of a plan for the leasing of oil lands in the Territory of Alaska; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, urging an amendment to the act of May 11, 1908, relating to the shipment of trophies of game food animals; to the Committee on the Territories.

Also, memorial from the Legislature of the Territory of Alaska, requesting the suspension of section No. 2324 of the Revised Statutes of the United States relating to mining claims during period of enlistment of locator or claim holder in the Army or Navy of the United States; to the Committee on the Territories.

Also, memorial from the Legislature of the Territory of Alaska, to enact necessary legislation for the construction and operation of a pulp and paper factory in the Territory of Alaska; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, requesting that a wireless telegraph station be established at some place on the Kuskokwim River, Alaska; to the Committee on the Territories.

Also, memorial from the Legislature of the Territory of Alaska, asking for an appropriation to build a trunk-line post road from Nome to Candle in the Seward Peninsula via the Kougarok and Imnachik mining districts; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HASTINGS: A bill (H. R. 4454) granting an increase of pension to S. B. Johnson; to the Committee on Invalid Pensions.

By Mr. POU (by request): A bill (H. R. 4455) for the relief of the heirs of Nathaniel Boyden and Oliver H. Dockery; to the Committee on Claims.

By Mr. SMITH of Michigan: A bill (H. R. 4456) granting a pension to Webb W. Belknap; to the Committee on Pensions.

By Mr. STRONG: A bill (H. R. 4457) granting a pension to Mrs. Lavina Spiker; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN (by request); A bill (H. R. 4458) for the relief of Frank H. Walker and Frank E. Smith, a part of whose real property was taken and is now occupied by the United States for the foundation of the west wall of the Government Printing Office, in the city of Washington, and the remainder not taken damaged by reason of the construction and operation of said printing office.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of committee of the Association of American Colleges, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), memorial of Board of Commissioners of Cook County, Ill., relative to establishing an Irish republic; to the Committee on Foreign Affairs.

By Mr. CARY: Petition of F. Mayer Boot & Shoe Co., of Milwaukee, Wis., against bill to amend the Federal banking law; to the Committee on Banking and Currency.

Also, petition of Park Theater, Milwaukee, Wis., relative to tax on theaters; to the Committee on Ways and Means.

By Mr. CLARK of Florida: Petition of Seminole Tribe, No. 29, Improved Order Red Men, asking enactment of law regulating export and price of foodstuffs, favoring volunteer system of raising armies, and pledging support to the Government; to the Committee on Agriculture.

By Mr. CONNELLY of Kansas: Petition of citizens of various counties of Kansas, asking Christian amendment to the Constitution; to the Committee on the Judiciary.

Also, petition of citizens of Osborne County, Kans., asking that pay of soldiers be increased; to the Committee on Military Affairs.

Also, petitions of citizens of Sylvan Grove, North Branch, Jewell County, students and faculty of the Osborne (Kans.) County High School and citizens of Rooks County, Kans., asking national prohibition; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of David Weil's Sons Lithographic Co. against sections 504 and 50c of the revenue bill; to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Memorial of Wisconsin Brewer's' Association, protesting against the passage of the Cummins amendment to the espionage bill; to the Committee on Military Affairs.

By Mr. DYER: Petition of Wheeler & Motter Mercantile Co., of St. Joseph, Mo., against charge of one-tenth of 1 per cent for collection of country checks; to the Committee on Banking and Currency.

By Mr. FOSTER: Petition of citizens of Illinois, favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of the Farm Journal of Philadelphia, Pa., protesting against the proposed zone system for second-class mail; to the Committee on the Post Office and Post Roads.

Also, petitions of the Trades Union Liberty League of Illinois; 50 members of the city council of Chicago; H. W. Orrel, of La Salle; Peru National Bank; Henry Ream; Peru Business Men's Association; Charles W. Helmig; Peru State Bank; Adolph Hoss; C. W. Corwin; Star Brewing Co.; Henry Hoener; Peru Brewing Co.; Andrew Hebel, of Peru, Ill., protesting against the Cummins amendment to the espionage bill; to the Committee on Military Affairs.

By Mr. GALLIVAN: Memorial of board of trustees of the American Defense Society, urging sending to France an expeditionary force of United States troops; to the Committee on Military Affairs.

By Mr. HASTINGS: Memorial of Local Union No. 351, United Association of Plumbers and Steam Fitters, of Muskogee, Okla., asking legislation to curb speculation in foodstuffs; to the Committee on Agriculture.

Also, petition of Al Folsom, of Muskogee, Okla., giving information regarding speculators buying up potato crop; to the Committee on Agriculture.

By Mr. HOLLINGSWORTH: Memorial of City Fireman's Union of East Liverpool, Ohio, favoring food-control bills, etc.; to the Committee on Agriculture.

By Mr. LINTHICUM: Petition of Farmers' Feed Co., of New York; Penn Grain & Feed Co., of Philadelphia, Pa.; and Milwaukee (Wis.) Grain & Feed Co., against prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of F. A. Davis & Sons and Neudecker Tobacco Co., of Baltimore, Md., against increased tax on tobacco; to the Committee on Ways and Means.

Also, petition of the Florsheim Shoe Co., of Chicago, Ill., against duty on hides and skins; to the Committee on Ways and Means.

Also, petition of A. G. Schumacher and Charles M. Stieff, of Baltimore, Md., against 5 per cent tax on musical instruments; to the Committee on Ways and means.

Also, petition of Read Drugs & Chemical Co., of Baltimore, Md., against increase in tax on distilled spirits; to the Committee on Ways and Means.

Also, petition of E. E. Jackson Lumber Co., of Baltimore, Md., protesting against feature of excess-profits and income-tax bills which propose to make taxes retroactive so as to apply on profits of 1916; to the Committee on Ways and Means.

Also, petition of John W. Smith and W. P. Speare, of Baltimore, Md., against increase in postage rates; to the Committee on Ways and Means.

Also, petition of president of the Baltimore Athletic Club, against taxation on club dues; to the Committee on Ways and Means.

Also, petition of John Salmon, Baltimore, Md., favoring 10-cent tax added to the accessible basis of every State in Union as fairer way to collect taxes; to the Committee on Ways and Means.

Also, memorial of Brotherhood of St. Paul of First Methodist Episcopal Church, Baltimore, Md., favoring national prohibition as war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of sundry citizens of Warehouse Point, Conn., favoring national prohibition as war measure; to the Committee on the Judiciary.

By Mr. MORIN: Petition of Oakland Board of Trade of Pittsburgh, Pa., urging the proper authorities of our National Government to adopt such measures as will prevent further manipulation of the markets by speculators, believing that the increasing and prohibitive cost of food is caused by such criminal food speculation, and asking that such persons or combinations as may be found guilty be punished; to the Committee on Agriculture.

By Mr. NOLAN: Telegrams signed by 70 moving-picture manufacturers and exhibitors of San Francisco, Sacramento, San Jose, and Watsonville, Cal., protesting against the proposed tax on moving-picture films and theaters; to the Committee on Ways and Means.

Also, petition of Cigarmakers' Local Union No. 228, and Messrs. Tillman & Bendel, San Francisco, Cal., against any increase of tax on tobacco; to the Committee on Ways and Means.

Also, petition of Kohler & Chase, San Francisco, Cal., protesting against proposed tax on pianos and musical instruments; to the Committee on Ways and Means.

Also petition of California Viticultural Commission, Sacramento, Cal., protesting against the proposed tax on dry and sweet wines and brandy in the new revenue bill; to the Committee on Ways and Means.

Also, telegrams of John T. Williams, Foster & Kleiser Co., and P. H. McCarthy, president of the State Building Trades Council, San Francisco, Cal., protesting against the 5 per cent tax proposed on the gross receipts of billboard advertising; to the Committee on Ways and Means.

Also, telegrams of the State Building Trades Council and the California State Federation of Labor, San Francisco, Cal., protesting against any amendment to the Chinese exclusion act to permit of the importation of Chinese into this country; to the Committee on Immigration and Naturalization.

Also, resolution of Carpenters Union, Local No. 483, of San Francisco, Cal., and Marin County Building Trades Council, San Rafael, Cal., favoring certain methods for raising the war revenue, and protesting against the sale of necessaries of life at excessive profits; to the Committee on Ways and Means.

By Mr. RAINEY: Petitions of Miss Alice Graham and 22 others, of New Salem, Ill., and Illinois Christian Missionary Society, of Bloomington, Ill., favoring prohibition; to the Committee on the Judiciary.

By Mr. RAKER: Memorial of Building Trades Council of San Francisco, Cal., protesting against the espionage bill; to the Committee on Military Affairs.

Also, petition of Kohler & Chase, of San Francisco, Cal., against any excise tax on musical instruments; to the Committee on Ways and Means.

Also, petition of California White & Sugar Pine Manufacturers' Association, of San Francisco, Cal., against proposed 15 per cent advance on lumber; to the Committee on Interstate and Foreign Commerce.

Also, petition of California Cotton Mills Co., Oakland, Cal., favoring increase on import duty on burlaps, and opposing duty on raw jute; to the Committee on Ways and Means.

Also, petition of 19 railway companies of California, relative to tax on passenger fares and commutation tickets; to the Committee on Ways and Means.

Also, petition of Paul Rieger, of San Francisco, Cal., relative to stamp tax; to the Committee on Ways and Means.

Also, petition of Robert Newton Lynch, Chamber of Commerce, San Francisco, Cal., urging assignment of vessels for the purpose of collecting and assembling at Manila cargoes for regular trans-Pacific liners; to the Committee on Interstate and Foreign Commerce.

Also, petition of Brace Hayden, president Dunham, Carrigan, Hayden Co., San Francisco, and Luke W. Peart, vice president Heald's Business College, Sacramento, Cal., favoring bill providing for revision postal rates to increase revenue of the department; to the Committee on the Post Office and Post Roads.

Also, petition of G. O. Ellis, the Sprague Publishing Co., Detroit, Mich., against proposed zone system in second-class postage rates; to the Committee on the Post Office and Post Roads.

By Mr. RANDALL: Petition of 3,097 citizens of Pomona, Cal., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. SMITH of Michigan: Petition of James J. O'Meara and 10 citizens of Kalamazoo, Mich., against tax on cigars; to the Committee on Ways and Means.

Also, petition of printed-book binders, Local Union No. 3, New York City, against increase of postage rates on second-class mail matter; to the Committee on Ways and Means.

Also, petition of Arthur B. Williams and 37 citizens of Battle Creek, Mich., favoring universal military training; to the Committee on Military Affairs.

By Mr. SNELL: Resolutions of National League for Woman's Service, of Ogdensburg, N. Y., heartily indorsing the movement looking toward the prohibition of the manufacture and sale of intoxicating liquors throughout the United States during the period of war; to the Committee on the Judiciary.

By Mr. STINESS: Petition of adult members of St. Paul's Methodist Episcopal Church, of Providence, R. I., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WARD: Memorial of members of the Reformed Church of Woodbourne, N. Y., favoring selective draft; to the Committee on Military Affairs.

Also, petition of Rev. Nicholas Hess and other citizens of Glasco, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *May 16, 1917.*

(Legislative day of Friday, May 11, 1917.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hitchcock	Martin	Smith, Ga.
Calder	Husting	Myers	Smith, S. C.
Chamberlain	James	Nelson	Smoot
Culberson	Johnson, Cal.	New	Sterling
Cummins	Jones, N. Mex.	Norris	Stone
Curtis	Jones, Wash.	Overman	Swanson
Dillingham	Kellogg	Page	Thomas
Fernald	Kendrick	Penrose	Thompson
France	Kenyon	Pittman	Townsend
Frelinghuysen	King	Poindexter	Underwood
Gallinger	Kirby	Saulsbury	Watson
Gerry	La Follette	Shafroth	Weeks
Gore	Lodge	Sheppard	Williams
Gronna	McCumber	Sherman	Wolcott
Hale	McKellar	Simmons	
Hardwick	McLean	Smith, Ariz.	

Mr. CURTIS. I was requested to announce that the senior Senator from Michigan [Mr. SMITH] is temporarily detained from the Senate on official business.

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I ask that this announcement may stand for the day.

Mr. REED. I desire to announce that the junior Senator from Mississippi [Mr. VARDAMAN] is detained from the Senate on official business.

Mr. THOMPSON. I have been requested to announce that the senior Senator from Arkansas [Mr. ROBINSON], the junior Senator from Kentucky [Mr. BECKHAM], the senior Senator from Louisiana [Mr. RANSDELL], and the senior Senator from California [Mr. PHELAN] are detained on official business.

The VICE PRESIDENT. Sixty-two Senators have answered to the roll call. There is a quorum present.

ARMY AND NAVY APPROPRIATIONS.

Mr. MARTIN. I ask unanimous consent that the Senate take up the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes.

The VICE PRESIDENT. The Senator from Virginia asks unanimous consent to proceed to the consideration of House bill 3971. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MARTIN. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

Mr. CUMMINS. Will the Senator from Virginia yield to me long enough to submit a resolution and have it referred to the Committee on Interstate Commerce. I am anxious to have it reach the committee before Friday morning.

Mr. MARTIN. I yield for that purpose.

BOSTON & MAINE RAILROAD.

Mr. CUMMINS. I submit the following resolution and ask that it be referred to the Committee on Interstate Commerce.

The resolution (S. Res. 65) was ordered to be printed and referred to the Committee on Interstate Commerce, as follows:

Whereas it has become important that the Committee on Interstate Commerce be informed respecting the attempts to reorganize and reestablish the Boston & Maine Railroad, with its branches and associated properties, occurring since the separation of said railroad from the New York, New Haven & Hartford Railway property; and

Whereas it is desirable that the inquiry hereinafter requested shall include all the facts and circumstances relating to the financial transactions of the Boston & Maine Railroad, the organization of the Boston Railroad Holding Co., the deposit of the stock of the Boston Railroad Holding Co. in the hands of trustees, the appointment of a receiver for the Boston & Maine Railroad, the consolidation with leased lines, the organization and financing of the Hampden Railroad Corporation, and all other matters connected with the main inquiry: Therefore be it

Resolved, That the Interstate Commerce Commission is hereby requested to make an investigation of all the matters, facts, and circumstances set forth in the foregoing preamble and make report to the Senate of the evidence, its findings, and any recommendations which may seem to it appropriate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House disagrees to the

amendment of the Senate to the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. WEBB, Mr. CARLIN, and Mr. VOLSTEAD managers at the conference on the part of the House.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a joint resolution of the Legislature of the State of California, which will be incorporated in the RECORD and referred to the Committee on the Judiciary.

The joint resolution is as follows:

CALIFORNIA LEGISLATURE,
Sacramento, Cal., May 9, 1917.

To the honorable MEMBERS OF THE UNITED STATES SENATE,
Washington, D. C.

GENTLEMEN: In compliance with the provisions of assembly joint resolution No. 22, adopted by the Legislature of the State of California at the forty-second session, I am sending you a true copy thereof.

Very truly, yours,

B. O. BOOTHBY, *Chief Clerk.*

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the annexed copy of chapter 73, Statutes of 1917, with the original now on file in my office, and that the same is a correct transcript therefrom, and of the whole thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 8th day of May, A. D. 1917.

[SEAL.]

FRANK C. JORDAN,
Secretary of State.
By FRANK H. CORY,
Deputy.

Chapter 73.

Assembly joint resolution No. 22, relative to urging Congress to submit to the legislatures of the States for their ratification an amendment to the United States Constitution granting women the right to vote.

Whereas the women of the United States are being called upon to share the burden and sacrifice incidental to the present national crisis; and

Whereas they are patriotically responding to that call: Therefore be it

Resolved, That denial of the right of women to vote in any part of the Nation on equal terms with the men is an injustice; and be it further

Resolved by the assembly (the senate concurring therein), That we do urge upon Congress the submission to the legislatures of the States, for their ratification, an amendment to the United States Constitution granting women the right to vote.

C. C. YOUNG,
Speaker of the Assembly.
A. H. BREED,
President pro tempore of the Senate.

Adopted in assembly April 20, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Adopted in senate April 23, 1917.

CLIFTON E. BROOKS,
Secretary of the Senate.

This resolution was received by the governor this 27th day of April, A. D. 1917, at 11 o'clock a. m.

MARTIN C. MADSEN,
Private Secretary of the Governor.

Attest:

FRANK C. JORDAN,
Secretary of State.

The VICE PRESIDENT. The Chair lays before the Senate a joint memorial of the Legislature of the Territory of Alaska, which will be incorporated in the RECORD and referred to the Committee on Territories.

The joint memorial is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY FOR THE TERRITORY OF ALASKA,
Juneau, Alaska, May 3, 1917.

PRESIDENT OF THE UNITED STATES SENATE,
Washington, D. C.

DEAR SIR: By direction of the Alaska Territorial Legislature, now in session, I have the honor to send you herewith a certified copy of committee substitute for senate joint resolution No. 1.

Yours, very truly,

CHARLES E. DAVIDSON,
Secretary of Alaska.

Committee substitute for senate joint resolution 1.

Be it resolved by the Senate of the Alaska Legislature (the House of Representatives concurring), That the creation of reservations extending over the public waters of the United States, whether for the purpose of securing monopolistic fishing rights for the benefit of Indians or whites, are inimical not only to the best interests of all the inhabitants of the Territory of Alaska, Indians as well as whites, but also to those of the whole people of the United States.

The Alaska fisheries are among the largest in the world, many millions of dollars having been invested in them. They have added to the industrial well-being of Alaska by giving employment to thousands of fishermen, including both whites and Indians; they have added to the food supply of the Nation by filling the markets of trade with a food product that is at once cheap, palatable, and nutritious.

Commercial fishing is carried on at advantageous points along the shores of most of the islands as well as those of the mainland. These shores are dotted with Indian villages, many of which are larger than the village of the Metlakahtlans, for whose benefit an exclusive and monopolistic fishery has been created. The inhabitants of these Indian villages belong to different tribes, but the individuals of one tribe do not differ from those of another. All the coast Indians, including the Metlakahtlans, have the same characteristic.

There is no reason why the Metlakahtlans, who were inhabitants of British Columbia at the time Alaska was purchased from Russia, should be given monopolistic fishing privileges in the water surrounding Annette Island, when similar rights are not conferred upon the native tribes who resided in Alaska at the time of its purchase.

The Government of the United States owes no duty to a tribe of British Columbia Indians that it does not owe to the native tribes of Alaska. Yet if the monopolistic rights conferred upon the Metlakahtlans were also conferred upon the other tribes with respect to the waters surrounding the various islands and washing the shores of the mainland inhabited by them from time immemorial the white fishermen would lose their employment and means of livelihood and be compelled to retire from the field.

These invasions of the public right of fishery are not only destructive of the rights and privileges of the whites but they confer no benefit upon the Indians. The Indian, like the white man, is the product of his environment. The change wrought in the environment of the Alaska Indian by the advent of the white man has transformed the roving savage into the miner, fisherman, carpenter, and in many instances into the highly skilled mechanic. The development of the fisheries and mines of Alaska has brought the Indian in contact with the new and improved surroundings, and the progress he has made in the race for civilization has been measured in each locality by the extent of the change there wrought.

These rights, ostensibly reserved for the Indian, do not inure to his benefit. In the case of the Annette Island Reservation, a contract was made with a white cannery man, under which the latter, upon making certain payments to the Bureau of Education, has been given the right to enjoy the monopolistic fishing privileges originally reserved to the Metlakahtlan Indians.

These reservations destroy the use value of the fisheries so situated, that they must depend for their supply upon fish caught from the waters from which these owners are excluded, and they destroy to a large extent the sale or market value of all other fisheries, wherever and however situated. In the case of the Annette Island Reservation, one cannery, at least, was dependent to a large extent for its supply upon fish caught from these waters.

The inauguration of this new policy on the part of the Federal Government has injured the stability of the remaining Alaska fisheries not thus directly affected. These, likewise, depend for their fish supply upon the exercise of the common right of fishery, a policy that places this right in jeopardy and is such that its extension may at any time prevent its exercise in any locality, impairs the value of fisheries wherever situated. No one knows who will be the last to stand or the first to fall. The policy destroys those directly affected and menaces all others: Therefore be it

Resolved, That the President, Secretary of the Interior, Secretary of the Bureau of Fisheries, and the Congress be, and they are hereby, petitioned to take such steps as may be necessary to restore to the people of Alaska that ancient right of fishery enjoyed by all those living under the protection of the common law since Magna Charta, by which that right was recognized and confirmed, and to that end that all monopolistic fishing privileges, whether resulting from reservations of the public waters or otherwise, be abolished, so that all may exercise this natural right upon an equal footing.

Passed by the senate April 16, 1917.

O. P. HUBBARD,
President of the Senate.

Attest:

W. M. EDDY,
Secretary of the Senate.

Passed the house April 30, 1917.

LUTHER C. HESS,
Speaker of the House.

Attest:

A. H. ZIEGLER,
Chief Clerk of the House.

UNITED STATES OF AMERICA,
Territory of Alaska, ss:

I, Charles E. Davidson, secretary of Alaska, do hereby certify that the foregoing is a full, true, and correct copy of committee substitute for senate joint resolution No. 1 of the Alaska Territorial Legislature, passed at the third session thereof.

Witness my hand and the seal of the Territory of Alaska, affixed at Juneau, the capital, this 2d day of May, A. D. 1917.

[SEAL.]

CHARLES E. DAVIDSON,
Secretary of Alaska.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution of the Legislature of the Territory of Alaska, which will be incorporated in the RECORD and referred to the Committee on Territories.

The concurrent resolution is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY FOR THE TERRITORY OF ALASKA,
Juneau, Alaska, May 3, 1917.

PRESIDENT OF THE SENATE,
Washington, D. C.

DEAR SIR: By direction of the Alaska Territorial Legislature, now in session, I have the honor to send you herewith a certified copy of senate concurrent resolution No. 7.

Yours, very truly,

CHARLES E. DAVIDSON,
Secretary of Alaska.

Senate concurrent resolution 7.

To the PRESIDENT OF THE DUMA,
Petrograd, Russia:

The Territorial Senate and House of Representatives of the Territory of Alaska in session assembled extend the hand of greeting to our nearest sister Republic, Russia.

Passed the senate April 18, 1917.

O. P. HUBBARD,
President of Senate.

Attest:

W. M. EDDY,
Secretary of Senate.

Passed the house April 20, 1917.

LUTHER C. HESS,
Speaker of House.

Attest:

A. H. ZIEGLER,
Chief Clerk of House.

UNITED STATES OF AMERICA,
Territory of Alaska, ss:

I, Charles E. Davidson, secretary of Alaska, do hereby certify that the above is a full, true, and correct copy of senate concurrent resolution No. 7 of the Alaska Territorial Legislature, passed at the third session thereof.

Witness my hand and the seal of the Territory of Alaska, affixed at Juneau, the capital, this 3d day of May, A. D. 1917.

[SEAL.] CHARLES E. DAVIDSON,
Secretary of Alaska.

The VICE PRESIDENT. The Chair lays before the Senate a joint memorial of the Legislature of the Territory of Alaska, which will be incorporated in the RECORD and referred to the Committee on Territories.

The joint memorial is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY FOR THE TERRITORY OF ALASKA,
Juneau, Alaska, May 3, 1917.

PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: By direction of the Alaska Territorial Legislature, now in session, I have the honor to send you herewith a certified copy of senate joint memorial No. 13.

Yours, very truly, CHARLES E. DAVIDSON,
Secretary of Alaska.

Senate joint memorial 13.

To the Senate and House of Representatives of the United States of America in Congress assembled:

Your memorialists, the Legislature of the Territory of Alaska, in third regular session assembled, do most respectfully represent—

Whereas there are known to be in southeastern and western Alaska many millions of tons of magnetic and chrome iron ore, containing more or less values in copper, with which is associated gold, silver, and molybdenite, the ownership of such bodies being widely distributed among prospectors, small companies, and citizens of Alaska; and

Whereas there is now no means of saving this iron ore, and it is mined and shipped only for its contents of copper, gold, and silver, the iron being thrown on the slag dumps as waste; and

Whereas the people of the Pacific Northwest and Alaska have to pay a heavy advance over the eastern prices for all iron and steel products; and

Whereas the present copper smelters charge exorbitant rates and pay nothing for the iron ore which is thrown away; and

Whereas the smelting of Alaskan ores is either done or dominated by but one American company, of whom various producers have complained of unfair treatment; and

Whereas this magnetic iron ore may be saved by crushing and concentration, and by reason of extremely cheap hydroelectric power to be had in Alaska may be smelted in electric furnaces and converted into steel pig, thus becoming a national asset, besides stimulating mining as well as agricultural and various industries; and

Whereas private capital is not available for this enterprise and the Smelter Trust will not save nor pay for this iron so long as they do not own the ore bodies; and

Whereas a milling and smelting plant of about 200 tons daily capacity for the first unit installed by the Government under the direction of the Bureau of Mines could concentrate this ore, save the iron, copper, and other values, produce a substantial revenue for the Government, and assist the mining industry: Therefore be it

Resolved by the Legislative Assembly of the Territory of Alaska, That we, your memorialists, respectfully request that a Government milling and smelting plant be established in Alaska and operated under the direction of the Bureau of Mines for the purpose of treating the ores above described and other ores of the Territory of Alaska; and be it further

Resolved, That a copy hereof be sent to the President of the United States Senate, Speaker of the United States House of Representatives, Delegate to Congress to the House of Representatives from Alaska, and the Chief of the Bureau of Mines at Washington, D. C.

And for favorable consideration of this petition your memorialists shall ever pray.

Passed the senate April 30, 1917.

O. P. HUBBARD,
President of the Senate.

Attest:

W. M. EDDY,
Secretary of the Senate.

Passed the house May 2, 1917.

LUTHER C. HESS,
Speaker of the House.

Attest:

A. H. ZIEGLER,
Chief Clerk of the House.

UNITED STATES OF AMERICA,
Territory of Alaska, ss:

I, Charles E. Davidson, secretary of Alaska, do hereby certify that the foregoing is a full, true, and correct copy of senate joint memorial No. 13 of the Alaska Territorial Legislature, passed at the third session thereof.

Witness my hand and the seal of the Territory of Alaska, affixed at Juneau, the capital, this 3d day of May, A. D. 1917.

[SEAL.] CHARLES E. DAVIDSON,
Secretary of Alaska.

The VICE PRESIDENT. The Chair lays before the Senate a joint memorial of the Legislature of the Territory of Alaska, which will be incorporated in the RECORD and referred to the Committee on Territories.

The joint memorial is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY FOR THE TERRITORY OF ALASKA,
Juneau, Alaska, May 3, 1917.

PRESIDENT OF THE UNITED STATES SENATE,
Washington, D. C.

SIR: By direction of the Alaska Territorial Legislature, now in session, I have the honor to send you herewith a certified copy of house joint memorial No. 9.

Yours, very truly, CHARLES E. DAVIDSON,
Secretary of Alaska.

House joint memorial 9.

To the President of the United States, the United States Senate, the United States House of Representatives, and to the Delegate in Congress from Alaska:

Your memorialists, the Senate and House of Representatives of the Territory of Alaska, respectfully represent that—

As representing the people of the Territory of Alsaka, your memorialists would most respectfully direct the attention of the United States Government to the need and feasibility of dredging a canal or deepening the channel across Dry Straits as a route for steamers and shipping in the Inside Passage, preferable to the present route via Wrangell Narrows.

Dry Straits lies between Mitkof Island and the tide flats adjoining the mouth of the Stikine River.

Running from Kadin Island (High Island), at a point 4 miles from Wrangell, into Frederick Sound near the northern end of Dry Island, a total distance of 9 miles, there is a channel for fishing boats across Dry Straits at high tide, but it is dry at low tide and the bottom is composed of sand and soil deposits through which it would be easy to cut a channel with a dredge. A jetty 5 miles long, to extend from Kadin Island to Dry Island, would effectively block out and stop the flow at high tide from the Stikine River and would add a large agricultural area to the five thousand-odd acres of clear farm land now lying waiting for the investor and settler at the mouth of this river.

The possibilities and advantage of a deep-water canal in Dry Straits have long been recognized by navigators and local authorities.

In response to the activities of the Wrangell Chamber of Commerce in the year 1905 (and which received the support of Congressman Humphrey of Washington), the United States Government had a naval officer of the United States Navy make a special visit to investigate the Dry Straits proposition. The examination made by this naval officer consisted in the spending of one day on the ground, and his opinion, while undoubtedly favorable from an engineering standpoint, discouraged immediate construction at that time (1905), as he thought the traffic was not large enough to warrant the expense of building a canal.

Development since 1905, however, in commerce and shipping, and the large increase in business generally, in southeastern Alaska during the past 12 years together with the prospects for the future under the Government policy of opening up Alaska, leaves no doubt in our minds that the time has arrived to dredge the Dry Straits Canal. We believe that the interests involved are now more than great enough to justify the cost.

The route now traveled by steamers on the southeastern run is through Wrangell Narrows, and many of the steamers on this run are of over 20-foot draft and too large to pass through the Narrows, and are obliged to take the outside passage around Cape Decision, which means a loss of over 300 miles in making the round trip from Seattle to Juneau, with increased dangers of navigation in treacherous currents where many wrecks have occurred during the past 12 years. It is also to be noted that steamers on this run, going through Wrangell Narrows, are frequently detained for a high stage of tide or for daylight and thus lose a great deal of valuable time, and on account of the tortuous and rocky nature of this channel, which is 20 miles long, it can never be improved to accommodate ships of larger tonnage, and the insurance on vessels going through it will undoubtedly always remain very much higher than anywhere else in southeastern Alaskan waters.

Wrankell Narrows is the most difficult portion of the Inside Passage to southeastern Alaska. It is the only portion where vessels are delayed on account of insufficient depth of water at low tide. An examination and survey of Wrangell Narrows were made in 1902 and 1903, and the reports thereon are printed in House Document No. 39, Fifty-eighth Congress, second session, and in the report of Chief of Engineers for 1904, pages 3656 and 3661.

The distance via Dry Straits, along the route of approach now usually taken by vessels, would be about 10 miles shorter than the present route through Wrangell Narrows. The channel through Wrangell Narrows is lined in many places with rock ledges, and fairly strong currents exist.

On December 22, 1914, there was inserted in the river and harbor bill, H. R. 20189, a clause providing for a survey of Dry Straits. This survey was made in June and July, in the year 1916, under instructions of the United States Engineer's Office, at Seattle, and borings made. Without official information your memorialists do not believe that any rocks or obstacles in the formation were discovered that would be likely to prove a difficulty in the construction of the canal. The report, however, of the engineers, as to the project or its feasibility, has not yet been published.

The report of Capt. G. B. Pillsbury, captain, Corps of Engineers, under date of June 3, 1907, and contained in letter from Secretary of War, subject Dry Straits, Alaska, and being Document No. 556, Sixtieth Congress, first session, contains the commercial statistics for the calendar year 1907 and estimating the value of domestic merchandise shipped to southeastern Alaska ports, north of Dry Straits and Wrangell Narrows, at $2,978,771, and in reference to which he quotes: "The commerce of the Inside Passage is somewhat difficult to ascertain on account of the various destinations of the freight passing through it. It has been necessary to estimate certain of the items but it is believed that these estimates are conservative."

To show the increase of commerce of the Inside Passage since the year 1907 your memorialists would respectfully direct your attention to the following figures for the year 1916, as may be seen by consulting the customs reports for that year, reached through Dry Straits as follows:

Southeastern Alaska	$11,503,521
Southwestern Alaska	9,283,730

Upon careful examination from customs reports it will be seen during the period under review, to wit: That the exports for all of Alaska for the calendar year 1907 amounted to the sum of $27,582,159, and that the exports for all of Alaska for the calendar year 1916 amounted to the sum of $79,051,758.

Your memorialists would further represent and direct your attention to the great importance of the Dry Straits proposition being given careful and serious consideration by the United States Government, especially so at this time when our Nation is in a state of war with foreign nations, for the reason that the present route used by transportation companies is only accessible for ships of certain tonnage and would be impossible for purposes of coast defense for ships of the Navy of the United States, and that if the proposed channel across Dry Straits be made it will be a matter of greater importance to this Nation to know that the largest ships of war could be moved through the Inside Passage via the proposed canal, which could never be done via Wrangell Narrows.

That a copy of this memorial be sent to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the chairman of the Committee on Military Affairs, and to the Delegate to Congress from Alaska.

Therefore, we, your memorialists, request and petition that steps be taken by the United States Government as early as possible for the dredging of Dry Straits.

And your memorialists will ever pray, etc.

Passed the house, April 19, 1917.

LUTHER C. HESS,
Speaker of the House.

Attest:

A. H. ZIEGLER,
Chief Clerk of the House.

Passed the senate April 23, 1917.

O. P. HUBBARD,
President of the Senate.

Attest:

W. M. EDDY,
Secretary of the Senate.

UNITED STATES OF AMERICA,
Territory of Alaska, ss:

I, Charles E. Davidson, secretary of Alaska, do hereby certify that the foregoing is a true, full, and correct copy of house joint memorial No. 9, of the Alaska Territorial Legislature, passed at the third session thereof.

Witness my hand and the seal of the Territory of Alaska, affixed at Juneau, the capital, this 2d day of May, A. D. 1917.

[SEAL.] CHARLES E. DAVIDSON,
Secretary of Alaska.

The VICE PRESIDENT presented a telegram in the nature of a memorial from the General Conference of the Church of the United Brethren in Christ, assembled in Wichita, Kans., remonstrating against any increase in postage rates on magazines and newspapers, which was referred to the Committee on Finance.

He also presented petitions of the Sutherland Presbyterian Sunday School, of Indianapolis, Ind., and of the United Business Men's Association of Philadelphia, Pa., praying for the prohibition of the use of grain for intoxicating liquors, which were referred to the Committee on Agriculture and Forestry.

Mr. GALLINGER presented a petition of the New Hampshire State Committee on Public Safety, praying for the enactment of legislation for the saving of daylight, which was referred to the Committee on Interstate Commerce.

Mr. KING presented a joint memorial of the Legislature of Utah, praying for an appropriation for the Transcontinental Railway Semicentennial Celebration, which was referred to the Committee on Industrial Expositions.

He also presented a joint memorial of the Legislature of Utah, praying for the rescinding of the order withdrawing from entry certain lands situate in Uintah County for reservoir purposes, which was referred to the Committee on Public Lands.

He also presented a joint memorial of the Legislature of Utah, praying for assistance in the maintenance of public schools of the State of Utah attended by children of lessees of land in the former Uintah Indian Reservation, which was referred to the Committee on Indian Affairs.

He also presented a joint memorial of the Legislature of Utah, praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was referred to the Committee on the Judiciary.

He also presented a joint memorial of the Legislature of Utah, praying for a survey and construction of an interstate highway or road connecting the Mesa Verde National Park, the Natural Bridges Monument, the Grand Canyon National Monument, and the Mukuntuweap National Monument, which was referred to the Committee on Public Lands.

He also presented a joint memorial of the Legislature of Utah, praying for national prohibition, which was referred to the Committee on the Judiciary.

He also presented a joint memorial of the Legislature of Utah, praying for the setting aside of that portion of the public domain in Utah known as the "Mukuntuweap National Monument" as a public park under the name of "Little Zion National Park," which was referred to the Committee on Public Lands.

He also presented a joint memorial of the Legislature of Utah, praying for the reimbursement of $50,000 appropriated and paid by the State of Utah under act of March, 1913, to Indian war veterans, which was referred to the Committee on Indian Affairs.

He also presented a joint memorial of the Legislature of Utah, praying that certain Indian lands formerly within the Uintah Reservation be thrown open to homesteaders, which was referred to the Committee on Indian Affairs.

He also presented a joint memorial of the Legislature of Utah, praying for the enactment of legislation to permit the franking of all printed matter of an educational nature issued by the State boards of health, which was referred to the Committee on Post Offices and Post Roads.

He also presented a joint memorial of the Legislature of Utah, praying for the development of water-power sites in the public-land States, which was referred to the Committee on Public Lands.

He also presented a joint resolution of the Legislature of Utah, praying for a national meeting to consider the establishment of a definite line of division between Federal and State taxes, which was referred to the Committee on Finance.

Mr. THOMPSON presented a petition of the Young Men's Christian Association of Kansas, praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Clay County, Kans., praying for the enactment of legislation to found the Government on Christianity, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented petitions of sundry citizens of Old Mystic, Orange, Meriden, Bridgeport, Warehouse Point, Moosup, Central Village, Gales Ferry, Mansfield Center, Eagleville, Gurleyville, and Willimantic, all in the State of Connecticut, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented a memorial of the Allied Printing Trades Council of Waterbury, Conn., remonstrating against an increase of postage rates on newspapers and magazines, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of New Britain, New Haven, Westville, New London, Saybrook Point, Black Hall, Sound View, Middletown, East Hampton, South Lyme, and Waterford, all in the State of Connecticut, praying for the raising of funds for war expenses by income taxes, etc., which were referred to the Committee on Finance.

Mr. HUSTING. I present a concurrent resolution of the Legislature of Wisconsin, which I ask to have printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Wisconsin Senators and Representatives to favor certain governmental policies by reason of war.

Resolved by the senate (the assembly concurring), That in view of a declaration of a state of war, we hereby recommend to our Senators and Representatives in Congress the following war measures for their favorable consideration, if it should be deemed necessary by the President and Congress:

1. The appropriation by income tax of all yearly incomes in excess of $10,000 for the defraying of the expenses of war.

2. Immediate taking over by the United States Government of all railroads, and their operation under a cabinet department, compensation to be made to stockholders on the basis of the physical valuation of the railroads, said compensation to be paid after the physical valuation has been completed.

3. Immediate taking over of all mines and oil fields and wells and their operation without profit under the Federal Bureau of Mines.

4. Immediate taking over by the Federal Government of all storage warehouses for food supplies, and the enactment of a law making speculation in food supplies an act of treason under Articles of War.

5. Dealings between the Government and the workers in all of the industries taken over and operated by the Government shall be conducted through their organizations, with due safeguards for the right of organization among those not yet organized; and be it further

Resolved, That a copy of this resolution, attested by the proper officers of the assembly and senate, be forwarded to the United States Senators and Representatives in Congress from this State forthwith.

EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
L. C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. HUSTING. I present resolutions of the County Board of Wood County, Wis., which I ask to have printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Patriotic resolution passed unanimously; Wood County Board places itself on record in support of the President and the progress of the war.

At the spring session of the Wood County Board, which met here to-day in its regular session, adopted unanimously the following:

"Whereas this Government is now engaged in the greatest war of all history, which for its successful conclusion for our country and its institutions will require the most active and self-sacrificing loyalty and patriotism by all our people: Now, therefore be it

"*Resolved*—

"1. That we, the County Board of Wood County, now in meeting assembled, pledge our united support and loyalty to the President and Congress of the United States in all that they have so far done, and may hereafter in their judgment find necessary and advisable to do, in the prosecution of such war.

"2. That we approve the enlargement of our Army and Navy by conscription, and to such numbers, strength, discipline, and equipment as will insure an early and successful termination of the war, not only for our own country but for liberty and democracy throughout the whole world."

Mr. SMOOT. I have a telegram signed by L. H. Farnsworth, chairman of the Utah State Council of Defense. I simply call the attention of the Senate to it. I am not going to ask that it be incorporated in the RECORD. The council states its apprehension that necessary and vital legislation now before Congress is not being expedited as quickly as the council feels that it ought to be. I do not think it is necessary to have the telegram printed in the RECORD.

AMERICAN RED CROSS.

Mr. WILLIAMS. From the Committee on the Library I report back favorably without amendment the joint resolution (S. J. Res. 61) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C., and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That authority be, and is hereby, given to the Commission on Memorial to Women of the Civil War to grant permission, under such conditions and restrictions as it may deem necessary, to the central committee of the American Red Cross to erect upon square No. 172, in the city of Washington, a temporary building or buildings for the use of the American Red Cross in connection with its work in cooperation with the Government of the United States: *Provided*, That any building or buildings which may be erected under this authority shall be removed and the site or sites thereof placed in good condition within three years from the date of the approval of this resolution, unless otherwise especially provided by Congress: *Provided further*, That the United States shall be put to no expense of any kind by reason of the exercise of the authority hereby conferred.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Mr. PENROSE. I introduce sundry bills for reference.

Mr. JONES of Washington. When bills of a general character are introduced I should like to have the titles read. I do not ask that the titles of private bills be read. I think they ought to be sent to the clerks at the desk and noted and the time of the Senate not taken up with them, but I should like to have the titles of general bills read.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 2278) to organize 10 or more regiments of Indian Cavalry as part of the military forces of the United States, to be known as the North American Indian Cavalry; to the Committee on Military Affairs.

A bill (S. 2279) to grant an allowance to rural mail carriers for maintenance of necessary equipment; to the Committee on Post Offices and Post Roads.

A bill (S. 2280) to reinstate Henry Read Leonard, jr., as an ensign in United States Navy; to the Committee on Naval Affairs.

A bill (S. 2281) granting a pension to Emma J. Corey; and

A bill (S. 2282) granting an increase of pension to Lyman F. Deming; to the Committee on Pensions.

By Mr. CUMMINS:

A bill (S. 2284) granting an increase of pension to William A. Reeves (with accompanying papers); and

A bill (S. 2285) granting an increase of pension to Frederick Enneker (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 2286) granting an increase of pension to William Booth;

A bill (S. 2287) granting an increase of pension to William N. Webb (with accompanying papers); and

A bill (S. 2288) granting an increase of pension to Joseph W. Gay (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of New Mexico:

A bill (S. 2289) granting certain lands to the village of Hot Springs, N. Mex., and for other purposes;

A bill (S. 2290) for the relief of Alma Harris; and

A bill (S. 2291) creating the National Park of the Cliff Cities; to the Committee on Public Lands.

By Mr. GALLINGER:

A bill (S. 2292) granting an increase of pension to George Campbell (with accompanying papers); to the Committee on Pensions.

By Mr. NEWLANDS:

A bill (S. 2293) to amend the act to regulate commerce as amended, and for other purposes; to the Committee on Interstate Commerce.

LAND-SETTLEMENT AND HOMESTEAD COMMISSION.

Mr. SHEPPARD. I wish to introduce a bill, and I should like to have it inserted in the RECORD.

The bill (S. 2283) for a Federal land-settlement and homestead commission was read twice by its title, referred to the Committee on Public Lands, and ordered to be printed in the RECORD, as follows:

Whereas the last census shows that of the 20,000,000 families in the United States less than 6,000,000 owned their homes free from incumbrance, while nearly 11,000,000 families, representing over one-half our population, owned no homes at all; and

Whereas the passing of the home owner in the United States is being accompanied by a general desertion of the rural districts, a rapid decline in the number of our citizens engaged in agriculture, and the concentration of the people in the cities, where more than half of the inhabitants of the Republic are already gathered; and

Whereas such conditions are a steadily increasing menace to the existence, the happiness, and the efficiency of the Nation; and

Whereas the highest form of preparedness for war or peace lies in universal home ownership; and

Whereas nearly all the other leading Governments have adopted constructive land-purchase, and land-settlement policies in order to aid the people in acquiring and maintaining homes: Therefore

Be it enacted, etc., That the Secretary of Agriculture, the Secretary of the Interior, and the Secretary of Labor are hereby constituted a commission to study the question of land settlement in the United States, to be known as the Federal land-settlement and homestead commission.

SEC. 2. That the said commission shall complete its labors and make final report to Congress within one year from date hereof.

SEC. 3. That the commission shall employ such expert and clerical assistance as it may deem necessary, utilizing present employees of the departments of the Government as far as practicable, the total amount expended by them for such assistance and for such incidental expenditures as it may consider essential, not to exceed $50,000, which amount is hereby appropriated out of any money in the Treasury not otherwise appropriated.

SEC. 4. That the members of the commission and its appointees, when traveling on the business of the commission, shall be paid from the funds herein appropriated actual living and transportation expenses to be certified to the Secretary of the Treasury on vouchers authorized and signed by the members of the commission.

SEC. 5. That the commission shall carry on an inquiry covering all parts of the country as to—

First. Methods and results of unregulated private settlement.

Second. Need for more favorable financial terms of purchase by tenants and others desiring to become home owners.

Third. Feasibility and value of adopting in this country some of the land-settlement and home-loan policies of other countries.

Fourth. Feasibility and value of cooperation between State and Federal authorities in aiding the people to acquire homes and for the creation of settlements in which community as well as individual needs are cared for.

Fifth. Methods of not only aiding an individual to acquire a home but also to establish himself permanently on the soil.

Sixth. Methods of regulating land speculation, absentee landlordism, of preventing concentration of land ownership in the few and kindred evils.

Seventh. Such other methods as the commission may find advisable to arrest the alarming growth of tenantry in the United States, the spread of landlordism, and the disappearance of the home-owning American, all of which threatens to reduce the American people to the condition of a people without lands and without homes.

RIVER AND HARBOR APPROPRIATIONS.

Mr. NELSON submitted an amendment intended to be proposed by him to the river and harbor appropriation bill (H. R. 4285), which was referred to the Committee on Commerce and ordered to be printed.

WITHDRAWAL OF PAPERS—JOSHUA E. HOWARD.

On motion of Mr. JAMES, it was

Ordered, That the papers accompanying the bill (S. 2573) granting a pension to Joshua E. Howard, Sixty-fourth Congress, first session, be withdrawn from the files of the Senate, no adverse report having been made thereon.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, informed the Senate that the House of Representatives has recommitted to the committee of conference the report of the committee on the disagreeing votes of the two House on the amendment of the Senate to the bill

(H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

The message also announced that the House had passed the joint resolution (S. J. Res. 61) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

ENROLLED JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 61) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C., and it was thereupon signed by the Vice President.

INCREASE OF MILITARY ESTABLISHMENT.

Mr. CHAMBERLAIN. Mr. President, in view of the fact that the House has recommitted the report on House bill 3545, the Military Establishment bill, to the conference committee, I desire to withdraw the report of the committee which I submitted yesterday informally and in order that it might be printed, so that the bill may go back to conference.

The VICE PRESIDENT. Without objection, the conference report is withdrawn.

ARMY AND NAVY APPROPRIATIONS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. MARTIN. I should like to have my request put to the Senate that the formal reading of the bill be dispensed with.

The VICE PRESIDENT. The Senator from Virginia asks unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

Mr. SMITH of Georgia. Would that exclude, when a particular topic is up, the presentation of an amendment from the floor? I am a little embarrassed on account of an amendment I wish to present by the question upon my mind as to whether it would be an amendment to the committee amendment and would have to come in connection with the committee amendments, or whether it should come afterwards. For that reason I hesitate to consent that the committee amendments shall be considered first.

The VICE PRESIDENT. Of course, the Chair has no means of knowing what the amendment of the Senator from Georgia is.

Mr. MARTIN. I have no idea. Of course, if the Senator objects we can not proceed along the line I have suggested.

Mr. SMITH of Georgia. I am very anxious not to object.

Mr. MARTIN. This practice has been universally followed, and it is the first time I have ever known an objection made to it.

Mr. SMITH of Georgia. If the Senator had been here a few days ago he would have heard the objection made and he would have seen the other course taken. But I am so anxious to facilitate the work of the Senator that I do not make any objection. I shall take my chances.

The VICE PRESIDENT. If there be no objection, then, the bill will be read for action upon the amendments of the committee.

The Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, beginning with line 1 on page 2, to insert:

COUNCIL OF NATIONAL DEFENSE.

For expenses of experimental work and investigations undertaken by the Council of National Defense, by the advisory commission or subordinate bodies, for the employment of a director, expert and clerical expenses, for rental of quarters in the District of Columbia and for the necessary supplies, and for the necessary expenses of members of the council, of the advisory commission, or subordinate bodies going to and attending meetings of the commission or subordinate bodies, $500,000, or so much thereof as may be necessary, in addition to the appropriation for this purpose provided in the "Act making appropriations for the support of the Army for the fiscal year ending June 30, 1918, and for other purposes": *Provided*, That of this original appropriation there shall be available during the current fiscal year for the rent of offices in the District of Columbia the sum of $20,000, or so much thereof as may be necessary, in addition to the appropriation for rent of offices for the Council of National Defense in the District of Columbia made in the Army act above referred to.

Mr. SMITH of Georgia. I do not think this portion of the amendment should be taken up by itself. There is an entire amendment from the committee which goes on through two more pages. It seems to me that the entire amendment ought to be acted upon, and not by piecemeal, especially as there are some amendments to be offered which would affect the entire provision.

Mr. UNDERWOOD. I think the Senator from Georgia is mistaken. The pending amendment relating to a Council of National Defense has no connection whatever with the next two pages, which are in relation to the emergency shipping fund.

Mr. SMITH of Georgia. Then I will modify my suggestion, and, so far as the amendment applies to the Council of National Defense, I shall not object to separate action upon it. I shall only ask that the amendment relating to the emergency shipping fund be treated as a whole.

Mr. WEEKS. Mr. President, this is extremely important legislation about which the Members of the Senate know nothing, as far as its details are concerned. We have not any report of the hearings which have been given; they have not been printed, and perhaps they ought not to be printed. I am not arguing that they should be printed; but I think in appropriating in one bill as much money as we expended for the entire conduct of the Civil War Senators are justified in having from the committee information about all the details of the legislation. I do not believe there is a Senator on the floor who has any desire to curtail the amount of money which the Government needs for the conduct of this war or who has any disposition to delay the action which the committee desires; but I do think we should have a pretty definite explanation made by the committee as to the details relating to this very extravagant amount of money.

If the committee thinks it undesirable to go into details in public, I believe the Senate should go into executive session. Speaking for myself, I am not prepared to vote yes or no on very many of the propositions contained in this bill without knowing something more than I do now about the manner of the expenditure, whether it is all necessary at this time, and many other things which may possibly require explanation, and which may require such explanation as the Senator in charge of the bill thinks it undesirable to make in public. I make this suggestion to him because it does not seem to me that we are justified in hurrying over legislation of this vast importance.

Mr. MARTIN. Mr. President, it is rather difficult to determine the line of demarcation between what ought to be considered behind closed doors and what might go to the public. For instance, in this matter I do not know that secrecy is necessary, but the Secretary of War appeared before the committee, and he made the request that it should not go to the public.

Mr. HARDWICK. If the Senator will pardon me, I really think it should be considered with closed doors.

Mr. MARTIN. I think Senators are entitled to full information. We had only 25 copies of the hearings printed, because many of the officers who appeared before us, and particularly the Secretary of War, requested that the hearings should be considered as confidential. If it will be of any service, I shall be very glad to pass a copy of the hearings to the Senator from Massachusetts, but he will not have time to examine them.

Mr. WEEKS. Speaking for myself, it seems to me that I should take three or four days to study this legislation. Perhaps the explanations which the Senator may be able to give would very much limit the time that I think ought to be taken; but I have not seen the hearings, and other Senators on the floor have not seen them. We know nothing about them.

Mr. MARTIN. I move that the doors be closed in order that the Senate may proceed to the consideration of legislative matters in secret session.

Mr. OVERMAN. I second the motion.

The VICE PRESIDENT. The Sergeant at Arms will clear the galleries and close the doors.

Thereupon (at 12 o'clock and 20 minutes p. m.) the Senate proceeded to deliberate with closed doors. After 4 hours and 50 minutes the doors were reopened.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

Mr. LODGE. Mr. President, I am one of those who favored returning to open legislative session because in connection with the pending amendment there was something I desired to say.

The amendment refers to the Council for National Defense, and is merely an appropriation for their service. The Council for National Defense exists by statute and has certain statutory limitations as to what it shall do, to which apparently slight attention is paid, and to which apparently it is intended to pay still less attention in the future; but so far as this clause goes it is merely an appropriation. I hope that we shall add the amendment of the Senator from South Dakota [Mr. STERLING],

which merely suggests that the law should not be violated by the council.

What I desired to say in this connection was of a general character. I have been watching, Mr. President, the demands in the newspapers for prompt action on the part of Congress, and I have observed the frequency with which we have been called slackers, and that an earnest effort has been made to impress on the public mind that we were doing nothing here.

Mr. President, it is just six weeks to-day, I believe, since war was declared. Let me speak first of my personal experience. I think my own case does not differ from that of any other Senator here. I have worked hard all my life, and I think I know what hard work is.

I have never worked so hard or so much as I have since that declaration of war, and that I think is true of everyone in both branches.

It is said by certain newspapers that we have done nothing. Let us see. The declaration of war was on the 4th of April. Since that time, as a beginning, we passed four great appropriation bills which came over from the last Congress. We then passed a great loan bill carrying five billions in bonds and two billions in Treasury notes. We have passed through both Houses a bill for selective conscription. It is in its very last stage of conference at this moment. It will be a law in a day or two. England and Canada have been discussing conscription under the pressure of war for nearly three years. Neither of them has passed conscription yet. We have done it in both Houses inside of a fortnight.

Is it to be supposed that a complete revolution not only in the traditions of the country but in the traditions of our race, of the people who speak the English language, was to be effected in a morning? It is something on which there was a great, a natural, division of opinion, and it was right to discuss selective conscription and also whether men over conscriptive age could be permitted to offer their lives to their country.

We have passed through both Houses, and it has become law, the bill to take the German ships. We have passed a number of important bills for the Navy, including the bill passed yesterday which increases the seamen to 150,000 and the marines to 30,000. We have passed the spy bill through both Houses. It is now in conference and it will be disposed of finally and become a law very shortly.

Mr. SMITH of Georgia. Will it interrupt the Senator to yield to me for a moment? I wish to call attention to the fact in connection with the spy bill that we devoted more time on that bill to striking from it a provision for news censorship that would satisfy the Department of Justice than to other portions of the bill, and I think even the newspapers will agree with us that it was time well spent.

Mr. LODGE. Mr. President, what the Senator from Georgia says is quite true. The spy bill included 12 separate bills, and where was reason for the great debate? It was caused by the nature of the bill sent down by the administration. The delay grew out of provisions, as the Senator from Georgia has pointed out, which were brought to us here from outside. Yet the cry goes out that we are responsible for the delay.

Mr. FALL. Will it interrupt the Senator——

Mr. LODGE. Not at all.

Mr. FALL. To remind him that aside from the censorship proposition the debate which required the most time was one on which we had absolutely no information from the administration until we had acted, and then later we received information from the administration which might have been imparted in the first place, and which caused us debate as to whether we should reverse our former action.

Mr. LODGE. That is quite true, as all Senators know; it was the chapter relating to exports.

Now, Mr. President, with that list which I have given, and I have given the principal ones which we have dealt with, I say deliberately and after a somewhat extended experience in public life that it shows a remarkable amount of work done. We have also before us to-day this great appropriation bill, which has passed one House. The unfinished business yesterday the Senator from Oklahoma [Mr. GORE] called up was the food bill.

Now, take that whole record; I say it shows unusual and extraordinary work on the part of Congress.

Mr. THOMAS. Mr. President, I think the Senator should also add to the statement which he is now making that the members of the Committee on Finance, practically all of them, except the Senator from New Jersey [Mr. HUGHES], who is ill, have been giving a great part of the time, both when the Senate is in session and not in session, in hearings and investigations of the revenue bill, the largest revenue bill that Congress has ever been called upon to consider.

Mr. LODGE. Yes, Mr. President; those hearings have been going on all the week, calling on the members of the committee for attendance. We have also had work to do on the Naval Committee, and then there is the great work that was done in the Military Affairs Committee, and also in the Agricultural Committee. All this was being done apart from what occurs in this Chamber. I now yield to the Senator from Missouri.

Mr. REED. Mr. President, I simply want to suggest to the Senator from Massachusetts that he has overlooked the fact that the Senate, at least, has in very important particulars amended the banking and currency act, passing in a brief time a bill that ordinarily would have taken a week's discussion. That is one of the bills to which the Senator from Massachusetts did not call attention.

Mr. LODGE. No; I did not mention that; I had forgotten it. We have passed a number of other bills——

Mr. REED. Yes; there are others.

Mr. LODGE. And we have passed them by unanimous consent, bills which under ordinary circumstances would have taken time for their discussion. I repeat, Mr. President, that is an extraordinary record of hard, active, energetic work.

There seems to be an idea abroad that the sole business of Congress is to take a bill which is sent down from some bureau, which has been drafted perhaps by some excellent gentleman who emerged upon the public gaze within the last few months, and that our business is to sit here, have his bill read, and then pass it, with a few commendatory and grateful observations, in the course of the morning hour. I do not know how far what I am saying may reach, but it is just as well, Mr. President, that it should be understood by the press, at least, that this is not the conception of the duties of Congress which I and other Senators and Representatives who feel their responsibility entertain. We are not here to swallow all legislation presented to us from a department and not even look at it. We should be recreant to the people who have elected us if we did not use our utmost efforts to secure the best legislation possible and as rapidly as we can in this great crisis of the country's fate.

Mr. President, under the pressure of war we are having demands made upon us for powers to be invested nominally in the President, but really in Cabinet officers, the heads of bureaus, and in commissions—creatures of the moment—which equal the powers exercised by the great autocracy of Germany. I do not think it is going too far to say that such grants of power ought to be very carefully considered.

We shall not expedite the war by destroying the legislative powers of this Government. We are in danger under this pressure for great haste of losing the confidence of the country, not only confidence in Congress but in both the administration and Congress.

The most important thing for carrying on the war is to keep the industries of the country in the field and farm and factory in the highest state of productivity possible. Such an atmosphere of uncertainty has been created by this demand for powers to interfere with every form of human activity, to be placed in the hands of men of whom the country knows absolutely nothing, that business is absolutely hesitating, is stopping, is languishing. Business and industry can sustain almost anything except suspense and threats hanging over their heads. But at this moment, as I have said, they are languishing.

You must have that spirit of confidence, you must make your farmers, your workingmen, and your business men understand that there is a reasonable certainty in the future that they are not going to be interfered with needlessly and recklessly. If you do not do it, if you allow the present condition of fear to continue, you will find your loans in danger and your sources of taxation drying up.

Therefore, Mr. President, it is more than ever important that these questions should be discussed here; that there should be reasonable and proper discussion. There has not been one instant of needless delay since the 4th of April, to my knowledge. The debate has been all genuine debate. We all want to pass the bills as rapidly as possible, but Congress is not going to be stampeded into passing bills of vast moment not merely from the money point of view but in the constitutional point of view by a demand for powers, because somebody who got control of a bureau or of a commission a little while ago thinks that unless he has unlimited power the country is in danger. The gentlemen who feel in that way have not yet adjusted their relation to the universe.

Mr. President, I earnestly hope that all this legislation will be disposed of as rapidly as possible, as rapidly as we have been acting here up to this moment; but nothing is to be gained by this parrot, echoed cry that Representatives and Senators are "slackers" because they are trying to fulfill the duties

which have been placed upon them. We are not to be stampeded, and we ought not to be. Everyone of us would deserve to be removed from our seats if we gave without thought, without care, all these vast powers which we are asked to give; if we passed bills carrying these gigantic appropriations without even a look at them; if we run through a tax bill which proposes to take from the people annually $1,800,000,000 and not proceed to examine what the effect of those taxes will be. To suppose that such things can be done in an afternoon is a great mistake; and I trust it is an idea that will soon be dismissed from the public mind.

Mr. POINDEXTER. Mr. President, what the Senator from Massachusetts [Mr. LODGE] has said reminds me of another phase of the conduct of the war. One would get the impression from the outcries for legislation that a war can be won by legislating. There never was anything more fallacious. We might enact bills in the way that the Senator from Massachusetts has described, without reading them, at the behest of the administration, from morning until night, week days and Sundays, and yet not advance a foot in the progress toward victory in this war upon which we have launched the Nation.

I do not want to be unduly critical of those who are responsible for the execution of the laws of Congress. I know that I have felt some resentment from time to time at what I have read in the news dispatches from Europe at the bickerings and the captiousness of some members of the legislative bodies of the allies in Europe, and I do not want to fall into the error in which it seems to me they have fallen. Yet pointing out what will be perfectly obvious to everybody when attention is called to it may have a wholesome effect occasionally, especially in view of the disposition, which there seems to be, to create the impression that the entire responsibility is on Congress and that the success or failure of the policy to which our people are committed depends solely upon this branch of the Government.

What is it that the administration wants? Power? What powers do they lack at the present stage of this war, and what use have they made of the powers which, almost in an unparalleled degree, have been conferred upon them? It is now almost three months since the President of the United States declared—and I think that he performed a public duty in making that declaration—that the interests of the citizens of the United States, the integrity of the Nation, the protection of our rights demanded war upon the German submarine.

Now, does the President lack any legislative authority to carry on that war? Does he lack any of the material means which Congress has within its power to grant to carry it on? Yet, although almost a quarter of a year has passed by, I have yet to hear of a single German submarine which has been sunk by the Navy of the United States. Is Congress responsible for that? If we are going to compare the merits or demerits of the different branches of the Government, if Congress is to make an accounting for not passing the necessary legislation, let the executive branch of the Government account for the performance of its duties in the exercise of the power which it has. So far as I have been able to see, since the President announced the policy which received the sanction of Congress, there has been an increase of destruction wrought by the German submarines instead of any lessening of it. Where is the Navy of the United States, so far as this duty is concerned, and what is it doing? Let them render an accounting if we are going to be called to account.

There is another thing to which I desire to refer. So far as power to conduct the war is concerned, not having sunk any German submarines nor captured them, we propose to meet that menace by supplying with others the place of the ships which are sunk by German submarines. The United States, having gone into the war, will render its great service to the allies by supplying tonnage to take the place of that which has been sent to the bottom of the sea by the submarines which we have been unable to control. Congress has met its part of that responsibility. It created the Shipping Board. It has given them great powers. I have not heard anybody contend that the Government has not sufficient power under the act of Congress creating the Shipping Board to carry out its policy in the building of ships to carry food to our allies. We have all read about the plans to meet the menace in that way. We have read and read and reread from day to day of what the Government was going to do; that it was going to build wooden ships. We have heard it iterated and reiterated, ad nauseam almost.

I come from a section of the country which is able to build wooden ships. One of the great industries of the great State of Washington is the production of the material of which these ships would be built. We have the men there to build them. We have great firms that in all the competition and stress of industrial activity have built up great businesses and been able to maintain themselves in the struggle for success, where wit is matched against wit and the capacity for performance is matched against a similar capacity. They have thronged the doors of the Shipping Board, asking to be permitted to aid the Government on such terms as the Government might fix, even though without profit, because, notwithstanding the opinion of some, there burns in the breasts even of the successful men of business a patriotic desire to serve their country. Months and months have gone by; they have been put off for weeks and weeks, looked upon with suspicion, as though they were seeking some selfish advantage, "trying to put something over on the Government," to use a slang phrase. The result of it has been that, although Congress has done its duty, has appropriated ample money and given almost unlimited authority, the executive branch of the Government has yet to let a contract for a single wooden ship, at least so far as the Pacific coast is concerned. They are not able yet, unless it is within the last three or four days, to tell what kind of wooden ships they want. Is Congress at fault for that? I do not think so, and the country does not think so.

I might go on and multiply instances, not, as I have already said, in any spirit of hostile criticism, but in order to point out to Congress and to the country that which should need pointing out, that the conduct of the war is in the hands of the executive branch of the Government, and that there is not only the duty of Congress to grant supplies and authority but the duty of the Executive to make timely and efficient use of the great trust.

Mr. THOMAS. Mr. President, the statement made by the Senator from Massachusetts [Mr. LODGE] just now is most timely and appropriate. It is well that the country's attention should be riveted, for a moment at least, to the amount of business which has been actually transacted by Congress since this special session was called. A moment's reflection upon the list of legislation which we have accomplished will, I think, indicate that, if there has been any fault, it has been in not giving sufficient consideration to it, because many of these acts of legislation are of transcendent importance, going far beyond in some respects anything that the American Congresses have been called upon to enact heretofore. We have other bills before us, of which the one now pending is a good illustration, carrying enormous amounts of money, providing for the use of this money in ways of emergency; and the people will hold us and ought to hold us responsible for a careful consideration of the things for which this money is intended, and for making due provision as to how it shall be expended.

But my purpose in rising, Mr. President, was to express some dissent from the evident conclusion of the Senator from Massachusetts [Mr. LODGE] that the depressions in business to which he referred are caused by our consideration of the delegation of powers in different directions which may affect business. I think that has little to do with the depression which evidently exists in some sections of the country. That, I believe, can be attributed to the natural reaction which always sets in after a declaration of war. War, when first announced, is almost always followed by business reaction, by business depression, and by business discouragement. Then comes the reflex action, and business becomes better, perhaps, than in times of peace. I do not know of a single instance in modern times in which declarations of war have not been followed by these depressions and discouragements. Then, when the Government gets into the market for supplies, the stimulus which is given to business is immediately felt, and, although at terrible cost, the conditions of the country are generally prosperous.

I believe that just as soon as the Government does get into the market—and I am not disposed to criticize it on the ground of being dilatory, because it takes time to frame plans, specifications, and methods of procedure, not only for ship construction but in general—just as soon as the Government gets to utilizing its financial power in the equipment of the Army and the Navy, and that will be very soon, business will react to it, and these possibilities of disaster in business circles and along commercial lines will, I think, entirely disappear.

Mr. FALL. Mr. President, I shall occupy only a few moments of the time while I give a few reasons why I shall not vote for this appropriation.

Under the law by which the Council of National Defense was created, as expounded and explained and reported upon by the Secretary of War, and I believe by the chairman, in his annual report, the purpose was, he says, as follows:

> The act provides for reports to be made from the council to the President, and from the President to Congress, so that a great body of valuable and helpful information will undoubtedly result.

Mr. President, I have no doubt that such reports to Congress would be, as Congress intended they should be, of very material aid and benefit in the deliberations of this body in enacting such legislation as we are continually called upon to enact by the

executive departments of the Government. I have no doubt that if one of the prime purposes for which this board was created were performed by the board, the debate that took place here this morning behind closed doors and that is now taking place in open session could have been obviated. The time need not have been taken up, possibly, if we had had any report showing what this board have been doing and what they propose to do with the large additional amount of money which they ask us now to contribute from the Public Treasury for the continuance of their efforts.

I want to say that I have no doubt, from what information I have been able to gather from outside, piecemeal, here and there, and from the experience of other Senators, as detailed during this debate, that the advisory portion of this board has done very beneficial work. I think I can say, knowingly, that they have collected an enormous amount of very valuable information—information which I think this body should have in its possession in legislating upon appropriation bills and upon other bills granting power. But, unfortunately, the President of the United States has not seen fit to give to the Congress of the United States that information. Unfortunately, the Secretary of War—who doubtless has the reports of this board in his possession—has not seen fit to send them to this body. Therefore we are simply asked blindly to appropriate for continuing the work of a board whose duty it is to make its reports for the information of Congress. We are asked to appropriate a large amount of money without being informed in any respect officially as to what the board is doing.

I am inclined to think that I would not only agree, if we had the report, to appropriate any necessary amount but that for one I would be inclined to vest the advisory portion of this Council of National Defense with some powers which they, in certain instances, have been exercising without any authority of law.

Mr. President, upon the general subject of information to the legislative department of the Government, I for one do not care to legislate, to vote for or against any measure unless I am informed upon it. I have no pride of opinion. It is a matter of absolute indifference to me whether the proposed bill comes here from the War Department, from the Agricultural Department, from the Attorney General, or from any other department of the Government. I propose to consider it exactly as I would if it originated with any Member of this body or with a committee appointed by this body for the purpose of drafting such a proposed bill. I have no prejudices for or against the legislation which we are being continually requested now to enact because it originates with one or another of the executive departments; but I do demand that I shall be treated not as a rubber stamp but as an intelligent human being with certain constitutional duties to perform under an oath which I have taken in becoming a Member of this body. That is the only demand which I make; and in view of the fact that this board has not performed its duties in informing me intelligently, so that as an ordinarily intelligent human being I can act knowingly, I shall vote against spending the people's money any further along this line.

Mr. President, just think of it! We learn from the papers of the United States that we have a commission from Great Britain, and one from France, and one from Italy, whose business it is in this country largely to inform the people of the United States so that we may avoid the mistakes which Great Britain and France and other countries committed at the outbreak of this great war; that we may profit by their example; that we may, as I say, avoid the very costly mistakes which they made, which cost the people of those countries millions of dollars. We are told that this is the purpose of the commissions here. I defy any Member of this body to say that he has any official information upon that subject, unless it has been imparted to him through some member of the executive branch of the Government. In other words, there has been no report of any kind or character, as a preliminary for our action, given us along with a bill which we are requested to swallow whole; there has been no report as to any information obtained from these visiting statesmen which would guide us in our action or which would enable us, possibly, to avoid mistakes which they themselves have made. In the first place, if we knew exactly what the conditions have been in Great Britain and in France leading up to the commission of mistakes by their legislative bodies, we would then necessarily have to compare the conditions existing in this country with the conditions existing there at that time before we could formulate the necessary legislation to avoid such mistakes.

The difficulty is, Mr. President, that the executive departments assume either that we have all the knowledge that they may possess after months of study, or else that it is not necessary for them to impart to us any information, but merely to dictate a command. That is the difficulty. In my judgment, the Congress of the United States, if it did its duty now, by itself and by the people of this country, would immediately appoint a legislative committee to go to England and to go to France and investigate conditions on the ground and report to this body. That is the only way you will ever get any report, because you are ignored by the executive departments of your Government.

If you will discharge the responsibility that the people have placed upon you in electing you Members of the legislative branch of this Government, if you want to inform yourselves, you will take some method immediately to do it. I do not understand how we can be expected to avoid the mistakes with reference to food control or the regulation of prices which may have been made by acts or omissions to act in Great Britain unless we have some information upon which to base action here, by comparing the conditions existing in the United States with those existing at the time the mistake was made in Great Britain or in France. But aside from that we have no information whatsoever upon which we can base any guess or any judgment as to what we shall do relative to any particular thing which is sent here under the wing or under the seal of the executive departments, with simply a demand that we 96 gentlemen place our signature, by the use of a rubber stamp, upon it.

If I have information upon which I can intelligently act, I shall proceed to act without any prejudice or any bias or any partisanship; and I shall, to the very best of my ability, so long as I remain here, and certainly during this emergency, support the executive branch of this Government; but I demand information and the treatment due to a fairly intelligent Member of a coordinate branch of this Government. I will not vote for this proposition to appropriate one dollar until this board discharges its legal duty to this body and tells us what it has been doing. Then we can know whether or not we desire to continue its operations.

Mr. SHAFROTH. Mr. President, it seems to me that the criticism made by the Senator from New Mexico is not well taken. We know that the annual reports that are made by all of the Cabinet officers and the heads of the bureaus under those departments are made in November in order to meet the demands of Congress for the regular session of Congress. This war has come upon us suddenly. The Shipping Board has been busy every minute and every hour of the time between the declaration of war and the present time; and if the Senator will read the confidential evidence that was taken he will find some things that have been done by this board.

Mr. President, I have no sympathy with those who have criticized this body or the other House of Congress for being negligent of their work. I know, and every Senator knows, that there has never before been as much diligent and faithful work performed in six weeks as has been performed by these two Houses since the declaration of war. But, Mr. President, I deplore reference by any Member of this body, in justification of our position, to any supposed negligence upon the part of the executive officers of the Government. If you investigate what they are doing, the enormous work they have to perform, the great number of men that have to be raised, the great problems that have been presented and which must be solved and recommendations made by them, you will find that they have not been sleeping upon their jobs. They have been busy every minute of the days since the declaration of war.

Mr. PENROSE. Mr. President, will the Senator yield?

Mr. SHAFROTH. I yield to the Senator from Pennsylvania.

Mr. PENROSE. I am not informed that anyone, up to the present time, has been criticizing the executive departments for delay.

Mr. SHAFROTH. I think there has been some little reference to it, though not very pointed; but there has been a reference to the fact of things not being done, and not being ready. I do not know that the Senator has been here during all the discussion, but I think there was some reference to it.

Mr. PENROSE. I have been here all day, and I do not recall any criticism in the nature of a charge of delay. There has been a suggestion of incompetence, or an excess of legal power, perhaps working overtime instead of delay. That is very different, however, from a charge of delay. There has been strong insinuation of inefficiency and incompetence and the assumption of powers that were never contemplated in order to coerce the business of the country.

Mr. SHAFROTH. Mr. President, I thought that the remarks of the Senator from Washington [Mr. POINDEXTER] somewhat

reflected upon not only the ability but the diligence of the various departments, or of some departments, and I was sorry to hear a reference of that kind. But, outside of that, it seems to me——

Mr. POINDEXTER. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Washington.

Mr. POINDEXTER. The Senator from Colorado does not dispute any of the facts that I stated, does he?

Mr. SHAFROTH. Mr. President, I think the reference which the Senator made to some of the departments is subject to dispute. I think they are diligent. I think they have been working day and night upon their matters, and that they are as earnest in their desire to get matters in shape for the conduct of this war as any Member of this body.

Mr. POINDEXTER. I agree with the Senator in that; at least, we will assume that to be the case. I did not intend to say—and repudiate the suggestion—that any important officer of the executive departments of the Government was not doing the best that he could or that he was not loyal and patriotic.

Mr. SHAFROTH. I am glad the Senator has made that statement, and I am sorry that I got a different impression from what he was saying.

Mr. POINDEXTER. I want to repeat, though, and point out what I did say, that they have failed to accomplish results, and results are what we are looking for. There has been no damage done to German submarines, for instance. I think there ought to have been, myself, in this length of time since we started to make war on them; and Congress is not going to do that. You can not run a war with a debating society. You have got to have an executive to do that. The Senator from Colorado can frame his own adjectives and make such characterization of it as he feels fit. I am simply pointing to the situation.

The Senator from Colorado can not claim that, with all of the authority we have conferred, we have built or started to build any wooden ships. Now, I say that we have had time enough to begin building wooden ships, and that there have been facilities offered to the Shipping Board by which they could have begun a long time ago to build wooden ships, and could have been fairly on the way toward the construction of tonnage to meet the submarine destruction which they have failed to meet in any other way.

Mr. UNDERWOOD. If the Senator from Colorado will allow me a moment, I think the Senator from Washington has overlooked in his statement that our Government has not done anything with reference to the U boats the news the afternoon paper contains. It says:

United States destroyers now fighting U boats with allied warships in the North Sea—Flotilla flying United States flag active in hostile waters.

So it does appear that our boats are beginning to get into action.

Mr. POINDEXTER. That is the first news I have heard. It is quite refreshing. I am glad to hear it.

Mr. SHAFROTH. Mr. President, of course we are not familiar with the movements of the ships of our Navy, and we ought not to be so informed. What I dislike is a criticism of that kind when the Senator can not possibly be informed with relation to the question. The movement of the Navy is something that must be kept secret, and therefore it is not known to the Members of this body. Consequently, to say that the Navy Department is doing nothing, I think, is an injustice and that which we should not indulge in. It brings a conflict between the executive branch of the Government and the legislative branch, which is not wise.

England has been trying to cope with the submarine boats for a number of years and has not been able to do it except to a limited extent. It can not be possible when we have been at war only six weeks that we should have mastered the situation. So nobody should be criticized for not doing it. All these are problems that take time. They must be studied. On the proposition which the Senator refers to concerning wooden ships the experts differ. Gen. Goethels says in his judgment they should be steel ships. As a matter of fact, they have found out by an examination of the cost that there is very little difference between the cost of wooden ships and steel ships, it being $135 a ton for wooden and $153 for steel ships.

Mr. REED. Mr. President——

Mr. SHAFROTH. In just a moment. The bid that has been made concerning steel ships discloses that one company will undertake the construction of those steel ships under a standardization plan and get them out at the rate of one a day after a period of six months' preparation. With that statement it seems to me that the policy for wooden ships should be reversed, if it were ever undertaken. I yield to the Senator from Missouri.

Mr. REED. In the interest of accuracy and because there have been a number of statements made in the Senate which I believe are erroneous, I think I ought to state, at least, my understanding of the situation. A proposition was entertained to build a large number of wooden ships. It was believed they could be obtained much more rapidly than steel vessels. But afterwards a proposition was submitted to furnish steel vessels with unexpected rapidity, and after consultation it was concluded to accept both propositions. There is no real conflict anywhere, but it is agreed, even conceding that steel ships may be superior to wooden ships, nevertheless it is advisable at this time to build vessels of both kinds. I think that is the fact and that there is no conflict between the board and any other high official.

Mr. SHAFROTH. Mr. President, I think the policy is now to build at least some wooden ships, but I believe the intention is to build a greater number of steel ships.

Mr. President, we ought to take a vote on this proposition. Five hundred thousand dollars is a very small sum to put into the hands of a board that is going to investigate so many of the different activities of the United States. On that account, it seems to me, we should adopt the amendment which is before the Senate at the present time.

Mr. STERLING. I now offer the following amendment to the committee amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. Add at the end of the committee amendment the following:

In the expenditure of said moneys the existence of a state of war shall not be construed as enlarging the powers or duties of the Council of National Defense, but that such powers and duties shall remain as prescribed by the act creating said council, approved August 29, 1916.

Mr. UNDERWOOD. I am not sure whether that changes the law; but if it has any effect at all, it is a change of existing law, and as this item is not a change of law, but merely an appropriation item, I make the point of order that the amendment is legislation on an appropriation bill.

Mr. LODGE. It is a declaration of existing law, and the rule is only as to a change of existing law in this body.

Mr. UNDERWOOD. If it is merely a declaration of existing law, then it accomplishes nothing.

Mr. LODGE. Then there is no possible harm in putting it on the bill. There is no possible harm in saying to those eminent gentlemen we hope they will observe the law, because that is all it amounts to. But the moment it is suggested that they should be kept within the law resistance arises.

Mr. UNDERWOOD. There is no resistance on my part, Mr. President. As to these gentlemen keeping within the law, I do not think that on every appropriation bill and in every item for money to be expended it is necessary to state that we expect the officials of the Government who have the matter in charge to keep within the law. I think that assumption can be indulged in until it is proved to the contrary. But if the Chair holds that this is simply a declaration of existing law, then, of course, the point of order will not be good, and the amendment will mean nothing. If it is an amendment of existing law, I think it should be made at the proper time and in the proper way before the proper committee. Therefore I insist on the point of order and ask the Chair to rule.

The VICE PRESIDENT. There are two questions, and one the Chair would be in doubt about if it were necessary to pass upon it—that is, as to whether this is a general appropriation bill or not, within the meaning of the rules of the Senate. The Chair does not choose to pass on that proposition. The present occupant has ruled a number of times that it was not changing existing law nor was it general legislation to provide in a general appropriation bill how the money shall be used or how it shall not be used. So, as the amendment simply provides that in the expenditure of said money it shall not be used to violate the present statute, the Chair thinks it is in order and overrules the point of order.

The question is on the amendment of the Senator from South Dakota [Mr. STERLING] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. MARTIN. I move that the Senate adjourn until 11 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m., Wednesday, May 16, 1917) the Senate adjourned until to-morrow, Thursday, May 17, 1917, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 16, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We thank Thee, our Father in Heaven, for the good, the true, the noble, the pure, the God-like; and we pray that their tribe may increase until all mankind shall come unto the measure of the stature of the fulness of Christ; that sin and iniquity may be banished from the earth, and peace, joy, and righteousness possess the minds and hearts of all men, to the glory and honor of Thy Holy Name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, had insisted upon its amendments, had asked for a conference with the House of Representatives on the amendments, and had appointed Mr. SWANSON, Mr. SMITH of Maryland, and Mr. LODGE as the conferees on the part of the Senate.

The message also announced that the Senate had passed the bill (S. 1811) providing for the counting of service in the Army or Navy of the United States as equivalent to residence and cultivation upon homestead entries, and in the event of the soldier's death in such service providing for the issuance of patent for such land to his widow or minor children, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendment the bill (H. R. 2337) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force.

EXTENSION OF REMARKS.

Mr. POLK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by having printed therein a communication received from a committee appointed by the citizens of Sussex County, Del., relative to farm labor and the supply of fertilizer; also a communication relating to farm labor; also resolutions of Peach Blossom Grange, of Middletown, Del., relating to the control of food prices.

The SPEAKER. The gentleman from Delaware asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

RESIGNATION OF A MEMBER.

The SPEAKER. The Chair lays before the House the resignation of a Member, which the Clerk will report.

The Clerk read as follows:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 15, 1917.

MY DEAR SIR: Having been ordered on active duty as a reserve officer of the United States Army, I have the honor to state that I have this day transmitted to the governor of Massachusetts my resignation as a Representative in Congress.

Very respectfully, A. P. GARDNER.

Hon. CHAMP CLARK,
Speaker of the House of Representatives,
Washington, D. C.

INCREASE OF THE MILITARY ESTABLISHMENT.

Mr. DENT. Mr. Speaker, I call up the conference report on the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States. In view of the fact that this report is substantially the same as that submitted a few days ago, with the exception of the incorporation of what is known as the Roosevelt amendment, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Alabama calls up a conference report and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 52).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and further conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national defense act, approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stat. L., 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the

Senate: *Provided further*, That the President may in his discretion, recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section 1, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section 1, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft 'Persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may deter-

mine, who shall be appointed by the President: The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

"Such district boards shall review on appeal and affirm, modify or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall, as far as practicable, be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national-defense act approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section 1 and by section 8 of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act shall be for the period of the emergency unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity,

qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $10 per month; those whose base pay is $24, an increase of $8 per month; those whose base pay is $30, $36, or $40, an increase of $6 per month; and those whose base pay is $45 or more, an increase of $5 per month: *Provided*, That the increase of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

And the Senate agree to the same.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.

GEO. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, submit the following written statement explaining the effect of the action agreed on:

The bill as reported back is identically the same as the one reported in Report No. 49, Sixty-fifth Congress, first session, with the exception of the incorporation of the Senate provision, commonly known as the Roosevelt amendment, providing for four divisions to be raised under the volunteer system.

The managers call attention, however, to the fact that said printed report hereto referred to and made a part hereof is amended so as to make its provisions conform to the organization of said four divisions of volunteers.

On page 5 of the printed conference report, after the word "draft" and before the quotation, beginning with the word "persons" and ending with the word "emergency," there should be no punctuation. The bill itself is so drawn and the mistake is made in the printed copy.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.

Mr. MANN. Mr. Speaker, the gentleman from Iowa [Mr. GOOD] expects to make a motion to recommit the conference report. I suggest that he be permitted to offer that motion so that it may be pending and that there be some time for debate agreed upon.

Mr. DENT. How much time does the gentleman suggest?

Mr. MANN. Not to exceed half an hour on a side.

Mr. DENT. Mr. Speaker, I ask unanimous consent that debate on this report be limited to one hour, one half to be controlled by the gentleman from California [Mr. KAHN] and the other half by myself.

Mr. MONTAGUE. Mr. Speaker, reserving the right to object, may I ask the gentleman from Alabama if it is the purpose to have a vote at the expiration of the hour?

Mr. DENT. Mr. Speaker, I will add to that request that the previous question be considered as ordered upon the adoption of the report and the motion to recommit at the expiration of one hour.

The SPEAKER. The gentleman from Alabama asks unanimous consent that debate on this conference report be limited to one hour, one half to be controlled by himself and the other half by the gentleman from California [Mr. KAHN], and that at the end of that time the previous question shall be considered as ordered upon the report and the motion to recommit, which is to be offered by the gentleman from Iowa [Mr. GOOD]. Is there objection?

There was no objection.

Mr. GOOD. Mr. Speaker, I offer the following motion to recommit, which I send to the desk and ask to have read.

The Clerk read as follows:

By Mr. GOOD: I move to recommit the report with instructions to agree to that portion of the Senate amendment reading as follows:

"That all officers and enlisted men of the forces herein provided for, other than the Regular Army, shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army: *Provided*, That on and after May 1, 1917, the pay of all men with the rating of enlisted men during the continuance of the war shall be increased $14 a month over and above the rates of pay proper as fixed by law for times of peace: *Provided further*, That this rate of pay shall apply to enlisted men of the National Guard and to those in the Regular Army now enlisted, called, or drafted into the service of the United States during the war," with an amendment, so that when amended it will read as follows:

"That all officers and enlisted men of the forces herein provided for, other than the Regular Army, shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is $24, an increase of $12 per month; those whose base pay is $30, $36, or $40, an increase of $8 per month; and those whose base pay is $45 or more, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay."

Mr. DENT. Mr. Speaker, I hardly consider it necessary to enter into any further details in explanation of the conference report. Suffice it to say that this particular report is exactly the same as that submitted by the conferees reported on last Saturday, with the single exception of incorporating the so-called Roosevelt amendment, providing for four voluntary divisions to be engrafted on the draft system.

I desire, however, to submit briefly a few remarks and some figures upon the proposition of the gentleman from Iowa [Mr. GOOD] to recommit this bill for the purpose of increasing the pay of the enlisted men. As well as the conferees could, with

the limited time they had, they went as thoroughly into this question as possible. I am sure that it would be absolutely impossible to adopt any system of pay that could be said to be perfect, so that whatever we agree on here or whatever was agreed on in conference, or whatever is suggested by the gentleman from Iowa, is bound to be more or less an arbitrary matter when you come to fix the compensation of the private soldier. I notice that the gentleman from Iowa has changed the form in which this proposition was originally submitted. Originally, it provided a flat increase of $15 a month for every enlisted man in the Army, which, of course, included all of the noncommissioned officers. I stated on the floor the other day that the adoption of that would mean that corporals would receive less pay than privates, and that some sergeants would receive more pay than a second lieutenant who was in command of them.

Mr. AUSTIN. Mr. Speaker, may I ask the gentleman a question?

Mr. DENT. Let me finish my explanation and then I shall be glad to yield. My statement with reference to corporals was accurate, but it may have been misleading to this extent—that is to say, the adoption of the $10 increase rate might also operate in the same way—I am now willing to confess that; but my statement with reference to the pay of a sergeant exceeding that of a second lieutenant was absolutely accurate.

Mr. AUSTIN. May I ask the gentleman a question there?

Mr. DENT. Yes.

Mr. AUSTIN. What is the pay of a sergeant?

Mr. DENT. There are different kinds of sergeants.

Mr. AUSTIN. The highest pay?

Mr. DENT. The highest pay of a sergeant is $99 a month.

Mr. AUSTIN. Fifteen dollars added to that would be $114. What is the pay of a second lieutenant?

Mr. DENT. I will ask the gentleman to let me submit what I have to say in my own way.

Mr. AUSTIN. I thought the gentleman yielded to me to ask a question.

The SPEAKER. The gentleman declined to yield.

Mr. DENT. I do not propose to stand up and be catechised.

Mr. AUSTIN. No; I asked the gentleman a question. I thought he agreed I might ask him a question.

Mr. DENT. I did; and I answered it. Now, for instance, the pay of a sergeant master signal electrician, or, if you please, chief musician, is $99 a month. Let it also be remembered that the enlisted men, including noncommissioned officers, have an allowance of rations and clothing, which the officer does not get. Let it also be remembered that under the law as it now exists every enlisted man in the Army when on foreign service gets an increase of 20 per cent in his pay. Then, if you take these figures of $99 a month, the sergeant now would get $1,188 a year, a clothing allowance of $67.85, a ration allowance of $109.50, and 20 per cent additional pay for foreign service, amounting to $237.60, making a total of $1,602.95, whereas the pay of a second lieutenant is $1,700. If you increase this rate of pay by $15 a month, we find that the base pay of a master signal electrician would be $1,368, his clothing allowance $67.85, has ration allowance $109.50, and his 20 per cent additional pay for foreign service $273.60, making a total annual pay of a master electrician of $1,818.95, or $100 more than a second lieutenant, who is in command over him.

Mr. SLAYDEN. Will the gentleman yield for a question?

Mr. DENT. Yes, sir.

Mr. SLAYDEN. He has the retirement privilege, has he not, at a larger percentage?

Mr. DENT. Oh, of course he has that. Now, Mr. Speaker, I want to add one other thing. I have carefully figured what it would cost the Government, based on the present strength of the Army, or rather the strength of the Army as reported to the Committee on Military Affairs at the last session by The Adjutant General. If we adopt the plan of increasing this pay $15 a month, and if we adopt the plan recommended by the conferees, according to the figures given by The Adjutant General at the last session of Congress, and they are the last figures the committee had, we had 112,000 enlisted men in the Army. Increasing their base pay at $5 a month, we would increase the pay of the Army as it then existed by $1,127,140. If we increase it $15, we increase it by $1,690,710. Then, if we will figure the increased pay that goes to the noncommissioned officers, we will find that under the plan proposed and agreed to by the conferees that the additional cost would be $1,405,961 for an army of about 150,000 men, whereas under the plan of increasing this cost by $15 a month the cost of an army of 150,000 men would be $2,312,295.

In other words, it would cost $900,000 per month extra for every 150,000 men in the Army if we adopt the plan of increasing the pay by $15 a month. Now, Mr. Speaker, I do not think when you take into consideration that the American soldier is fed and clothed, when you take into consideration the fact that he has no actual necessary expenses, it is not fair at this day and time to increase his pay 100 per cent. I think that the conferees have been liberal and fair enough when they give to the private soldier $25 a month. And let it not be forgotten that when he is sent on foreign service that $25 a month—and that is the very lowest pay he gets—is increased one-fifth—$5 a month—so that he will be actually getting on foreign service $30 a month under the plan proposed by the conferees. I reserve the balance of my time.

Mr. KAHN. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. AUSTIN].

Mr. AUSTIN. Mr. Speaker, this House, when the military bill was under consideration, adopted my amendment by a unanimous vote increasing the pay of all enlisted men $15 per month. There was a division in the House, and 250 Members stood up and went on record in favor of the amendment and not a vote in the negative. I took that same amendment to the Senate, where it was offered as an amendment to the Senate bill. There was some discussion. The Senate amended or changed that amendment because some Senators thought that it would double the pay of noncommissioned officers, and in order to give the conferees jurisdiction they changed the wording and also changed the amount from $15 to $14, so as to make it a subject of conference. I do not think there was a vote in the United States Senate against it. In the discussion there Senator WEEKS, who offered the substitute to make it subject to conference between the two Houses, said:

> I assume that the conferees will understand that the purpose is to raise the pay of all enlisted men $15 a month.

Now, what happened? The Senate substituted their bill for the House bill, and when it came back here, under the rules of this House, we could not disagree except to the entire bill. We could not have a vote on that amendment. The conferees—the five Members of this House and three Members of the Senate—did what? They rewrote this section, and they took away from the private soldier $5 a month, against the united action of this House and the united vote of the Senate. What else did they do? They changed the date. The House made that amendment to take effect on the 1st day of May, the Senate the 1st day of April, and the conferees made it take effect the 1st day of July. Now, after the Senate acted on our bill and sent it back, that provision would have been subject to a point of order, had the Senate not substituted its bill for ours, on the ground that the conferees had no right to reduce that amount below the minimum amount fixed in the bill by the Senate or increase it beyond the amount fixed in the House, and had no right to change the date except to change it between the 1st of April and the 1st of May. What happened? Why, the five Members of this House and the three Members of the Senate, disregarding the united voice of both Houses of Congress, changed it against our united action.

Who fixed this amount of $25 per month? Somebody in the War Department. I have stood here and voted for every proposition in the interests of the war, but I think we have reached the time when one or two men in the War Department should not absolutely veto the united voice of the Senate and the House. [Applause.] Where is there a man in this House who will put his hand on his heart and remember his conscience and say that $25 a month is a sufficient sum of money to pay our brave soldiers, thousands and thousands of whom will sacrifice their lives, and thousands of whom will return to their homes sightless and legless? Ninety per cent of our Army will be made up of the plain, common people who are placing their lives on the altar of their country, yet the chairman of the Committee on Military Affairs tells us it is going to cost $1,000,000 or $2,000,000 more. Can you measure the sacrifices of these men in dollars, the lives which will be lost, the limbs they will part with, the suffering and hardships they will endure? Their sufferings, hardships, and losses can not be measured in the paltry, contemptible sum of $25 a month.

Mr. DENT. Will the gentleman permit an interruption?

Mr. AUSTIN. I will if I can have a little more time.

Mr. DENT. I will yield the gentleman one minute so that I can ask him one question.

What does he think about the difference between the paltry sum of $29 and $25?

Mr. AUSTIN. I will go with you and make it what the little Government of Australia makes it, $45 a month; and the population of that country is less than the population of the Empire State of New York. The 4,000,000 people in Australia can pay their patriotic sons $45 a month, and Canada, with a population of 10,000,000, less than New York State, can pay their soldiers $33 a month; but we can vote $7,000,000,000 for this war, we

can give our allies $3,000,000,000 of that money, perhaps even to pay the Canadian soldiers $33 a month, or the Australian soldiers $45 a month, but we can not see the wisdom and justice and fairness of giving our own brave and patriotic American soldiers $30 a month. [Applause.]

Mr. CALDWELL. Will the gentleman yield for a question?

Mr. AUSTIN. If you will give me some time in which to do it.

Mr. CALDWELL. I have not the time and therefore can not yield. I wanted to ask a question.

The SPEAKER pro tempore (Mr. DEWALT in the chair). The gentleman declines to yield.

Mr. AUSTIN. Gentlemen, let us have a record vote on this proposition and let our constituents know who is opposed to paying the pitiable sum of $30 a month to the boys in the trenches and those doing service in our own country.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KAHN. I yield one minute more to the gentleman from Tennessee.

Mr. AUSTIN. The chairman of the Committee on Military Affairs in the Senate, who was on this conference committee, said that he and the Secretary of War were opposed to an increase, namely, that $15 a month, the amount paid in times of peace, was sufficient in time of war. I repudiate it as unjust, unfair, and un-American, and deserving the condemnation of this House. [Applause.]

Mr. KAHN. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Speaker and gentlemen of the House, I dislike very much to disagree with my good friend from California [Mr. KAHN] on this subject and with the majority of the committee. But it is only going to take a very little while this morning to correct an injustice and to do that which is only fair to the enlisted men, if we but take the time now. To-morrow it will be too late.

In a conversation the other day with a gentleman of the Committee on Military Affairs he told me that I was mistaken on this subject, and that the pay to-day of the enlisted man in our Army was more than the pay of the enlisted man in any army of the world. As soon as I received that information I took up the subject with the War Department. I took the matter up with The Adjutant General's Office. I was informed there that they had no information in that department with regard to the pay of the enlisted men in other armies and was referred to the Quartermaster General. I then made inquiry there. I was sent from one man to another until I had interviewed four officers in the Quartermaster's Department. All of them told me they knew nothing in that department regarding the pay of enlisted men in other armies, and I was told to go to the Council of National Defense. I called up the Council of National Defense and was told they had no information on the subject. I then went to the Congressional Library, and Judge Thompson furnished me with the information that the pay of the enlisted man in Canada is $33 per month, the pay of the enlisted man in New Zealand is $37.50 per month, and the pay of the enlisted man in Australia is $45 a month.

Mr. CALDWELL. Will the gentleman yield for a question?

Mr. GOOD. No; I can not yield. Forty-five dollars a month is the pay in Australia. Think of it. Australia pays her enlisted men three times as much as we pay the enlisted man to-day in the Army of the United States.

Mr. AUSTIN. Let me ask the gentleman this question, that if in Canada they do not make an allowance for the wives and children?

Mr. GOOD. Yes; they make an allowance of $20 a month for the wife and $5 a month for a dependent child. This, however, is paid from the patriotic fund raised by taxation on land and in other ways; but it is paid, which is the point. All I have attempted in this amendment is to increase the pay, and to do this I have adopted the language of the conference report. Where the conference report gives the enlisted man an increase of $10 a month, I have increased it to $15 a month, so that the pay of the enlisted man in the United States will be $30 a month instead of $25.

Now, claim will be made that the men of the United States will receive 20 per cent additional while in foreign service, and that is true. But it is not the present intention of the War Department to send very many of the million men that we have appropriated for abroad during the next year. Those men will be in the United States. They will be taken from the farms, from the workshops, the factories, the banking houses, and other institutions, where many of them receive good wages. The pay of the average men on the farms to-day throughout the country is more than $36 a month. In many places it is as much as $50 a month. And when you conscript a boy from the farm and send him to guard a bridge or do other service in the United States in the Army, or send him to the trenches abroad, his father must hire some one to take his place. But, they say, you must do it because of patriotism. I am perfectly willing to adopt that if you will reconstruct your Army bill and fix the pay on the theory of patriotism.

But unfortunately that is not the plan on which our Army is constructed. The pay of a lieutenant general of the Army—while we have none at present, but will have—is $11,000 a year. You have provided the pay of the brigadier general at $8,000 a year.

A MEMBER. A major general.

Mr. GOOD. Yes; a major general, at $8,000 a year. Are we, the Representatives of the people, to say that the boy in the trench is going to make all of the sacrifice, and that he must offer up all of the patriotism, and that the man away back out of danger is to receive all of the pay? I want the boy to do his part, but I want to pay him a living wage. It will be a sad commentary on the democracy for which we fight if we send our boys to the trenches to fight along with the Canadians, who get $33 a month; to fight along with the soldiers from Australia, who get $45 a month—or $15 a month more than our soldiers serving in the United States; or $9 more than our soldiers, even after they receive the allowance of 20 per cent for foreign service.

A major general to-day receives the pay of 45 privates, and even under your amendment he will receive a pay equal to the combined pay of 26 privates. You are exempting the boys who work in the munition factories in the United States. They are exempted from military service. Those boys will get on the average of from $5 to $10 a day, making the shot and shell that the boys in the trench must use. You exempt him, but you say to the enlisted man, to the man whom you are going to draft, "You go to the trenches, and go there at the risk of your life, and at the sacrifice of 50 per cent and even 100 per cent of your earning power." [Applause.]

The SPEAKER pro tempore. The gentleman has used eight minutes.

Mr. GOOD. I reserve the rest of my time.

The SPEAKER pro tempore. The gentleman reserves two minutes.

Mr. DENT. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. THOMAS].

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for five minutes.

Mr. THOMAS. Mr. Speaker and gentlemen of the House, it is true that Congress has been quite a while, as charged by some persons, considering this important Army measure. One great trouble with a portion of the public is if legislation is enacted which it does not approve it declares that such legislation is hasty and ill advised and passed without due consideration. On the other hand, if it approves certain legislation, however important and far reaching it may be, it demands that such measure be enacted into law immediately and without sufficient or no consideration, and if such course is not pursued Congress is severely censured for the apparent delay. A measure of such importance and far-reaching significance, and one fraught with such possible portentous and tremendous results to this Nation as the one now under consideration, should and has received the most earnest and deliberative thought of this Congress.

Every Member of Congress realizes that we must have an army and all are bending their best energies to attain that result. Every Member of Congress, I believe, is willing to make any needed sacrifice for the ultimate triumph of our country. There is no difference of opinion on that point. All are anxious to attain the same desirable end, and the only difference of opinion is as to the best method to attain that end. A part of Congress believes it is best from the beginning to use force, compulsion, conscription to provide an army, while others just as earnestly and honestly believe that our battles can best be fought and victory made more certain by the use of volunteers, men who are willing to fight from motives of patriotism. They believe that instead of using compulsion to raise an army the appeal should be made to the patriotism of a people who have never failed to gallantly respond when the country needed their service.

All legislation is of necessity the result of compromise, and if Congress can not agree on the best measure it should and will accept the best that can be agreed on. I do not believe in conscription except as a means to compel those who first having had an opportunity to enlist in the service, other than the Regular Army, fail to do so. I believe the people of this country are opposed to conscription as a means of raising an army. The idea of force and compulsion is repugnant to their ideas of patriotism. I shall support the measure determined upon by

a majority of this House, trusting and hoping it may prove satisfactory and at least accomplish the desired result, as well as meet the most hopeful expectations of its advocates.

I hold in my hand a clipping from the Washington Post, a newspaper of recent date. I shall not utter any unlovable words toward that paper because it has not, so far as I am aware, done anything to me. If it had the case might be different. [Laughter.]

Gen. Sherman, who had ample experience to know, gave the correct, if forcible and picturesque, definition of war. Men must be trained and disciplined in a rough, hard, and exacting school to be fitted for fighting soldiers.

Luxurious camp living, wrist watches, hot food, and servants to wait on them may fit men for parlor warriors, but can never be a means of properly preparing them for the stern and frightful realities of war.

Bye and bye I will read a part of the paper clipping to which I have just referred, and some portions of it are rich, rare, and racy, and also somewhat instructive and entertaining, as well as mighty interesting reading.

We have a military training school at Fort Myer, just across the Potomac and within the shadow of historic Arlington, where immortal heroes are sleeping their last sleep. I understand there are now at Fort Myer over 2,000 men and boys in training for Army officers, and I trust they may all be successful in passing and that each of them will become a military ornament to his country and a fighting soldier. I say fighting soldier because there is a vast difference between a soldier and a fighting soldier. A volunteer is usually a fighting soldier, and a conscript usually just a soldier. [Applause.]

Pardon the digression, but I will state my information is that over 250,000 men have offered their services to the country in this war, 60,000 of whom are willing to enlist as privates and fight in the trenches, while over 200,000 have offered their services provided they are given commissions as Army officers. [Laughter.]

In my opinion the idea of conscription is unpopular with the masses. I believe it has fallen on the country like a wet blanket, and has much to do with the unwillingness of men to volunteer.

I will now read a part of the clipping to which I referred. It says:

It was 10 o'clock by the rookie's wrist watch when taps sounded last night and he crawled in his bunk to sleep. [Laughter.]

So it seems the rookie at Fort Myer is at least being trained in the use of the wrist watch, just like Pauline and Maude. I am not informed as to whether the Government furnishes the rookies wrist-watch ornaments as a part of their equipage, but presume not, though later on the rookie may file an account against the Government for the price of these formidable, ferocious, and apparently necessary weapons.

Probably, however, wrist watches are a necessary accompaniment to military training and will be quite valuable as a bulwark of safety in the trenches in France.

The clipping says further:

He (the rookie) went to the camp surgeon and was vaccinated in the arm with typhoid prophylactic and in the chest with paratyphoid prophylactic. Several men fainted.

It was very proper that the rookie should be vaccinated, but it seems to me entirely out of order for a would-be soldier and expectant officer at that, who may have to face cannon and bayonets and poisonous gases and blood and death in European trenches, to become unnerved on having to encounter such a small, harmless, and insignificant thing as a surgeon's needle.

The clipping further says:

The equipage given each man consisted of shoes, hats, uniforms and other clothing, and for his quarters he got two blankets, two pillow cases, a pillow, four sheets, mattress, and a folding cot. Uncle Sam has provided desirable quarters.

Well, I should think he has [laughter], but the tragedy of it all is that here is furnished at just one dash out of the box more comfort, not to say luxury, than many a farmer's boy who has been of some real service to his country ever had in all his life.

And next the clipping joyfully says:

They have got servants out there.

That is, the rookies are furnished servants to wait on them, to shine their shoes, may be, serve them when dining and perhaps in any other menial capacity required. That is certainly convenient for the rookie, however hard it may be on the servant. The chronicler, however, does not state whether these servants are gentlemen of Senegambian origin or the plain "little buck privates," as the same paper so flippantly characterizes the private who has enlisted in the ranks to fight for his country with no particular hope of reward but the consciousness of duty well and faithfully performed. I fear there will not be sufficient privates to go around. [Laughter.]

The article mournfully continues:

A lot of rookies would have missed their dinner yesterday had it not been for Washington women who have volunteered to serve during the war.

I am glad to know that the good women of Washington are eager to serve and have freely volunteered for the war. I am glad to know that it was not necessary to conscript them, but I fear the case is different with the male population of Washington. The article further says the Red Cross went out to Fort Myer and took them provisions. It would have been appalling if not heart-rending had the rookies missed their dinner, but thanks to the Red Cross and thoughtful women of Washington, that dire catastrophe was averted. It would have been a rank injustice had not the rookies been supplied with warm food and all the delicacies of the season to appease their fastidious appetites. It would have been one of the great tragedies of this war, and maybe, though I trust not, some of them expect, should they be so unfortunate as to be sent to the French trenches, to be supplied with silver service, warm food, ornamental wrist watches, and an abundance of servants, after the fashion of English officers, to wait on them. [Laughter.]

I have heard it "norated" around in the neighborhood, but can not vouch for the correctness of the statement, that the real trouble about the food was that the rookies demanded warm victuals, and balked at the rations furnished by Uncle Sam.

They may think they are meanly used by Uncle Sam, but if they are sent to Europe they will be fortunate if they receive a sufficient amount of cold horse meat on which to subsist. If they only realized it they are eating their white bread now.

No doubt Phyllis and Gladys and all the other beautiful bevies of lovely Washington girls will take their way to Fort Myer, transported in luxurious and richly appointed limousines. Perhaps they will be chaperoned by Mrs. Van Style, resplendent in silks and jewels. May be on the seat beside each of them will be sitting a worthless bulldog wearing a golden collar around his neck. They will go to call on Cholly the deah boy, to bring him sympathy and sweet consolation for the trials and sufferings he has endured because of his manly and courageous attacks on Uncle Sam's rations, and no doubt will faint along with the male fainters when they learn the real horrible conditions. No doubt they will nearly weep their lovely eyes out with briny tears, and their little tender hearts will almost be broken. [Laughter.]

The soldiers of the Civil War, North and South, the bravest the world ever saw, carried their worldly posessions on their backs in a knapsack, and considered themselves fortunate to get bacon and hardtack and to be afforded the opportunity, when the army was moving, of riding on top of a freight box car. May be the rookies will demand Pullman palaces in which to travel, as well as the other accessories of which I have spoken.

Luxurious quarters, delicate food, and half training will not make soldiers, and no doubt the stern drill masters at Fort Myer will soon dispel the magnificent ideas of the rookie, and will subject him to such work and drilling as will make soldiers. The rookie is usually a manly fellow and a game cock, and when his verdant military ideas are obliterated by stern military discipline he will make a first-class courageous soldier worthy of the traditions of his country.

The approval of a good and beautiful woman is always an inspiration, but it takes something more than ice cream and cake and lobster salad and the sweet smiles of lovely girls to make a soldier, though the latter will go a long way in that direction. [Laughter.]

This measure should apply to all citizens with equal favor. The laws, like the dews of heaven, should fall on all alike, the just and the unjust. Not even that mighty Nimrod, slayer of pet bears and decrepit lions, the famous discoverer of the mystical River of Doubt, and the mythical hero of San Juan should be granted any special privileges by the provisions of this measure.

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired.

Mr. THOMAS. Will you grant me a few minutes more?

Mr. DENT. I yield to the gentleman one minute.

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for one minute more.

Mr. THOMAS. I can not, try as I may, dispel from my mind the memory of that mighty and inspiring preparedness demonstration held in this goodly city, with all its multiplicity and abundance of promises to enlist and serve the country faithfully in case the then prospective hostilities should eventuate. Events have since proved that the multiplicity of those promises have been equaled only by the paucity of performance.

As evidence of these facts, I notice in the newspapers that in one day recently, in this city, 59 persons joined the chamber of commerce, while only 2 enlisted in the service. It seems to me that if this were not the age of steam, and sailing vessels were still in use, the city of Washington, judging from its recent past, could furnish sufficient wind as a motive power to propel the mightiest and most magnificent fleet that ever sailed the Seven Seas.

It seems that they are more ready to enlist for business than for war, and my observations, since I have been in Congress, lead me to the conclusion that some of the population of this town are more ready to loot the Public Treasury than to serve the country in time of peril.

There are many Government employees here, who claim, as I understand, that they can not go to war because their services are indispensable to the proper conduct of public business. The services of no man or set of men is at all necessary to the proper conduct of the public affairs of this Nation. Two-thirds of the employees in the departments could enlist in the Army and their services would not be missed. Women who need the work could be employed to fill their places and would fill them as well or better than the men. This is notably true in the stenographic and typewriting department. And yet the Government holds examinations for this service to which the women are not admitted, and this is a rank injustice. Women are usually more industrious, more faithful, more competent, more truthful, and more dependable than men, and should at least be given an equal opportunity in all examinations. Let the men enlist and fight and the women stay at home and work, and weep, and pray. [Applause.]

I believe, after all, the volunteer system is the best for the success of our arms. Had the President issued a call for a million volunteers and called on each State to furnish its quota, an army would have sprung to the defense of the Nation almost overnight. Training camps could have been established in every State and the volunteers trained by Regular Army officers. A generous and friendly rivalry among the States to furnish the best trained soldiers would have in a short time produced the bravest and most effective fighting force the world ever saw.

We need fleets more than armies, and submarines and aeroplanes more than clanking sabers and the glimmer of golden lace. The Nation has been unduly alarmed by repeated hysterical predictions of the coming of mythical armies and phantom fleets that are about to invade our shores and conquer and destroy us.

Our danger does not lie in that direction. It lies along the ocean pathways in line of the lean and pitiless pirates of the seas, the submarines, and in the trenches of Europe.

Congress will pass a measure of some character to provide an army. The American patriot will willingly respond to his country's call. The flag of our country, the free heart's hope and home, has never yet gone down in defeat, and will wave in triumph from the age-beaten battlements of feudal Europe. [Applause.]

Mr. KAHN. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. ALMON].

The SPEAKER pro tempore. The gentleman from Alabama is recognized for five minutes.

Mr. ALMON. Mr. Speaker, the House fixed the monthly wages of the private soldier at $30, the Senate $29. The conferees, in violation of the express will of both Houses, have in this report fixed it at $25, and I have heard of no good reason why this was done. We have been increasing the wages and salaries of all Government employees from time to time, especially during the past two years, on account of the high cost of living. The cost of living is greater to-day than it has ever been. Wages are higher in all lines of business to-day than at any time in the history of our Nation. Young men will volunteer and be drafted into the military service who are commanding good wages and salaries. In many cases several times $25 per month. I am heartily in favor of the motion to recommit with instructions to the conferees to report $30 per month wages for the private soldier. It is no answer to this motion to say that it will cause delay in the final passage of this bill. The conferees could get together in a few minutes and amend their report in accordance with the motion to recommit.

There is another feature of the conference report that I am opposed to. When this bill passed the House and the Senate, it was expressly provided that the question of exemptions from military service of those who were engaged in industries, including agriculture, and those having others dependent upon them for support should be passed upon by boards of local officers or other citizens in the respective counties. The conference report changes this without an expression from either the House or the Senate, and has made provision for the question of exemptions of those engaged in industries, including farming, shall be passed upon by additional boards established by the President in each Federal judicial district of the United States. I am in favor of the exemptions of all these classes being passed upon and determined by the one board, as provided by the bill when it passed the House and the Senate. I would rather depend upon these county boards to do the right and fair thing than to leave it to a board appointed from the Federal judicial districts, which in many cases embraces a great many counties. I also believe that the local board could do the work quicker and more effectively.

I do not believe that the time has come when the local authorities in the respective counties can not be depended upon to pass on the question of exemption of those engaged in industries, including farming, as well as those engaged in other kinds of business. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ALMON. Mr. Speaker, I make the same request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. KAHN. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. CAMPBELL].

Mr. CAMPBELL of Kansas. Mr. Speaker, I hesitate even to take five minutes, because I am anxious that this bill shall go along on its way to the President. But the few moments it will take to consider this very important measure will not be time wasted, for the bill can be sent to the President to-day after considering this matter, which is of very great importance.

This is incomparably the richest Government engaged in this war. It has been our boast that we pay the highest wage paid by any country in the world. It is proposed to conscript an army. The army is not given an opportunity to volunteer, to show its patriotism by making a voluntary service for the country generally. The conferees agreed to a bill conscripting or drafting the young men of the country from positions in which they received on the farm an average of $36 a month, and from other employments a much higher wage, and it is proposed to force them into the military service at a wage of $25 a month.

It is well at this time to look forward, because a year from now, or 2 years from now, or 10 years from now we will be looking backward to this thing. Men will be explaining what was done with the billions of money that were appropriated, raised by resorting to every variety of taxation. What was done with it? Why was it that the conscript soldier was forced to take the pittance of $25 a month, with all this money that has been raised for the use of this war?

The most important service that will be rendered to the United States during the period of this war will be rendered by the men who do the fighting, by the men who execute orders in the trenches and on the field. These men under the provisions of this bill as it now stands will receive $25 a month if the motion of the gentleman from Iowa to recommit the bill is not agreed to. I submit, therefore, that this bill should be hurriedly recommitted to the conferees with instructions to report it back to the House this afternoon with the provision as originally agreed upon by the House and Senate, making the pay of the soldier $30 a month. That will make it more nearly equal to the pay of the soldiers of Australia, New Zealand, and Canada, whom it is proposed our boys shall meet in the trenches at the front.

Mr. CALDWELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No; the gentleman from New York is in favor of conscripting the boys who are receiving anywhere from $25 to $125 a month now, and forcing them to work in the trenches as soldiers at $25 a month, and I can not yield to him. I believe that this bill should be recommitted and brought back here providing for the pay agreed upon by the House when the bill was before us. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DENT. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma [Mr. FERRIS].

Mr. FERRIS. Mr. Speaker, the war resolution was passed on April 5. The war has proceeded for 40 days. The conscription bill passed April 27, passed the Senate April 28, and the conference report has been presented and voted down once. The gentleman from Iowa now proposes to vote it down again. The three big questions in this bill was, first, conscription, and good men differed about that and we had an intense fight on it, but

that is over; it is settled; that is water gone over the wheel and out of the way. The next big fight was the Roosevelt amendment, and that is settled and out of the way. Now the gentleman from Iowa comes here and attacks the entire report and asks that it be voted down, and for what? Over a detail as to the salary of the Army. It is a detail because no systematic plan has been worked out for the salaries of the several men in the Army. For example, this conference report gives $25 per month to those soldiers who serve at home and 20 per cent increase for those who serve abroad, which makes about $30 if they go abroad. It is almost 100 per cent increase on the salaries they now receive. They now receive $15. This is almost 100 per cent increase over the salaries received in both the Spanish and Civil Wars. I am for good salaries and good treatment for our defenders, but that desire does not call for a voting down of this entire army organization bill. It is asking altogether too much. It should not be done.

As the chairman of the committee [Mr. DENT] has explained to the House, this proposal, if adopted, would give the men more than some of the officers who command them, and that is a ridiculous thing for this House to do and a ridiculous thing for Congress to do. It simply shows how unfortunate it is to put on poorly digested amendments that have received no consideration by the committee. They ought not to do it. If the gentleman from Iowa thinks that they ought to have more pay all along the line, let him bring in a salary bill, let it go to the committee where they can work out a scientific plan whereby the officers and the men may have salaries adjusted along some systematic line.

I have not agreed with a large part of these war proposals, and all I desired was to call the attention of the House to the fact that we ought not every day in the week to vote down this conference report. The time has come when the American people conclude that the House ought to work with a little more speed, and they ought to accomplish more. This war has been in progress 40 days and here we are seeking to delay this for another week.

Mr. HELVERING. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. HELVERING. I want to call the gentleman's attention to the fact that these men will get $12 more a month than they got in the Spanish-American War.

Mr. FERRIS. Yes. I want to call attention to the fact that in the Civil War Congress was in session about a month, and here we have been almost two months, and we ought not again to vote down this conference report, even though some may feel that some of the men ought to have a little more pay. We are in war. We are expected to raise an army. This entire matter is being held up by this bill. The country is entitled to action. Delays are dangerous. This delay is not warranted. This entire matter can be worked out along systematic lines. It has no place here. It smacks of delay, if not of politics, and I submit this is no time for either.

Mr. AUSTIN. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. AUSTIN. Does the gentleman not believe that the increase of pay of the private soldier will help to secure volunteers and make the conscription more satisfactory?

Mr. FERRIS. Mr. Speaker, the volunteer question is out of this proposition. We have voted to conscript the boys, and they are to be conscripted. The Government ought to have the right to begin the organization of this army, to the end that not only the Congress may not be rendered ridiculous but the Republic as well. [Applause.] We have entered this war, and it is not a question whether we like war or do not like war.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. HARDY. I just wish to state that in Texas I believe the average rate of farm labor is not equal to the $25 a month and food.

Mr. FERRIS. The gentleman would know better than I about that, and I accept his statement. I desire to state to gentlemen on the other side of the House that the Republicans have in the past shown unusual, almost unparalleled patriotism in helping to get this work done, and they ought not to join the gentleman from Iowa [Mr. GOOD] in an effort to dawdle along with this and vote this bill down every day or two. The matter is not of far-reaching consequence and can be adjusted any day. It is a matter that can be worked out later and more scientifically.

I desire to say one word about the gentleman from Alabama. The gentleman from Alabama [Mr. DENT] and his committee have had a trying ordeal to go through. They have been voted down and kicked and knocked around already too long. It ought to be stopped. The conference report increases the salary of private soldiers practically 100 per cent. I am in favor of this increase. I reserve the right to increase it again, but this report must be passed. The organization of an army should proceed. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. KAHN. Mr. Speaker, I yield four minutes to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER of Minnesota. Mr. Speaker, I am in favor of the Good amendment, and for reasons that to me are sound. In the first place, this bill does not call to the service men from 19 to 25, as originally proposed. It calls men to the service between the ages of 21 and 31. As we advance the age we more and more draw to the service men who are married, with families dependent upon them.

Mr. GORDON. Those are exempted under the law.

Mr. MILLER of Minnesota. You just keep quiet while I use up my own time in my own way. [Laughter.] We are not only seeking to call these men to the defense of the country, but we command that they come. I for one do not believe that we have the right to command a man with a family dependent upon him for support unless we at the same time pay him a sufficient wage, which will enable him in some measure to support that family. This is not a matter of detail; it is not a trivial matter. The gentleman from Oklahoma [Mr. FERRIS] says it is not of sufficient importance to occupy our time. Good God, what is of sufficient importance to occupy the time of Congress? Two million men are to be called to their country's service, and whether we pay them the amount they deserve or not is to me an important factor. [Applause.]

Mr. FERRIS rose.

Mr. MILLER of Minnesota. I can not yield.

We need not worry because to do this right will take a few more hours. We can do it to-day, or we can at least do it to-morrow. If it ought to be done, let us do it. Anything that is worth doing at all is worth doing well. [Applause.] I have no sympathy for the argument that if we increase the pay of the private to $30 a month that will give him more than a corporal is receiving, and therefore that should not be done. How absurd! Reduced to its last terms, it means that because a corporal is underpaid we likewise should underpay the private. Let us pay the private what he needs, and then give to the corporal and the sergeant the advanced pay that they need. Let us support this Army right. Let us equip it with the best devices ingenuity can devise and money can buy. Let us give the boys to know that when they go to perform their duty in their country's service their pay will be such that their families can in a measure be cared for and supported. It is not true that married men and those with dependents are necessarily exempt. The law says they may be exempted but does not say they shall be. If this war is a real war everyone knows many more millions must be called, and married men will be drafted. This is not entirely theoretical. We all had experience during the period of the mobilization of the National Guard last summer. One of the greatest disadvantages that accrued was because of the dependent families left by the men who were then in one sense drafted to go upon the border.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from California [Mr. KAHN].

Mr. KAHN. Mr. Speaker, the gentleman from Minnesota [Mr. MILLER] is entirely in error when he states that we propose to take into the Army men with families dependent upon them. The bill in express words exempts those very men from service in the Army.

During the time of the Civil War 2,200,000 men marched to their hearts' desire to preserve the Union for $13 a month. The difference between the conference committee's bill and the proposal of the gentleman from Iowa is $5 a month. Is that $5 a month going to determine the question of whether the United States of America in the hour of trial shall have an army or shall not have an army? [Applause.] Is that difference of $5 a month going to determine whether the men in the United States will respond to the call of their country? If that is the case, then our vaunted patriotism has fallen low, indeed. I can not believe it to be so. I have a higher opinion of American patriotism, and I am confident the people of our country hold American patriotism on a higher plane.

What are the facts about this matter? The pay of a soldier under this bill will be $25 a month on his first enlistment. If he has subsequent enlistments he gets additional pay. If he is a private of the first class he gets $3 a month extra. For expert marksmanship he gets $5 additional. So that the privates of the first class who have a number of enlistments under this bill

will get about $37 a month and over and 20 per cent additional if they get foreign service. They will get more than the New Zealander gets and they will get more than the Canadian gets. The Canadian does not get his pay of $33 a month except in the foreign service. The American who gets $25 a month under this bill, when he goes into the foreign service will get an increase of 20 per cent, or $30 a month, and that is all the gentleman from Iowa [Mr. GOOD] is contending for. The moment our private soldier puts his foot on the deck of a ship to go across the Atlantic, under the bill proposed by the conferees his pay will jump to $30 a month.

I submit to the House this proposition: When a bill goes to conference it is necessary for the conferees to give and take. The House conferees could not get everything that we wanted in the bill. We had to yield some things to the Senate. They wanted some things in the legislation just as earnestly as we did. This is a conference report agreed to after mature deliberation, after lengthy discussion on the part of the conferees of the two Houses, and I submit that under the circumstances the House should stand by the conferees. This bill has remained unacted upon for a long time. The country is growing impatient. Let us enact this into law. I feel confident that the pay of the soldiers as proposed in this bill will be satisfactory to the American people and the American soldier.

Mr. HELM. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. HELM. Is it proposed by this motion to recommit to increase the pay of the soldier who never leaves the United States as well as the man who does?

Mr. KAHN. Yes.

Mr. HELM. This increase in the pay of the man who goes to Europe may be justifiable, but unjustifiable in the case of the soldier who does not go abroad.

Mr. KAHN. Under the proposal every soldier in the United States, whether he has foreign service or not, will get an increase of $10 a month under the bill reported by the conferees.

The SPEAKER. The time of the gentleman from California has expired. The gentleman from Iowa has two minutes remaining and the gentleman from Alabama has four.

Mr. GOOD. Mr. Speaker, I anticipated that the argument would be made that has been made upon the floor of this House appealing to the prejudice of men, appealing to you that the country is growing impatient. This bill passed the House Saturday afternoon and went to conference and the conferees never met until yesterday, and now they make the appeal that the country is growing impatient. So is this House, but our impatience is largely due to the violation of the instructions of the House by the conferees. [Applause.] You can adopt this amendment and the conferees can return inside of two hours with a bill doing simple justice to the enlisted man. [Applause.] Oh, the gentleman from California [Mr. KAHN] says the conferees had to give and take. I agree with that proposition. On this proposition the Senate fixed the pay of the private at $29 a month. The House unanimously fixed it at $30 a month, and if the conferees would give and take, they would have fixed the pay somewhere between the two, and yet they have fixed the pay at $25 a month in violation of the instructions of both Houses. [Applause.] There was no give and take; it was all take; it was to take from the pay of private soldiers of the United States. That was the "give-and-take" action of the conferees. [Applause.] Let us not make this the rich man's war and the poor man's fight. Let us do simple justice to-day. Mind you, my friends, when you go home and face the father and mother of the boy who has been drafted and say, "Yes, I voted to decrease his pay to $25 a month when I knew that the pay of the private soldier in Australia was $45 a month," how are you going to explain to that father and mother? Answer that question now by a patriotic vote on this motion to recommit. I beg of you to vote for this motion. [Applause.]

Mr. DENT. Mr. Speaker, it is an absolutely unfair argument to make on the floor of this House that you will take men away from their families and leave them in a dependent condition under the present bill. The exemption clause in this bill provides expressly that those married men or even unmarried men who have dependent families shall be exempted from its operation.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. DENT. No; I can not.

Mr. MILLER of Minnesota. Is that language in the bill?

The SPEAKER. The gentleman declines to yield.

Mr. DENT. The law is so careful to take care of those people that it goes even one step further and provides that even the soldier now in service, whether he be in the Regular Army or in the National Guard, may be discharged if he has a family dependent upon him for support. So that we have absolutely taken care of dependent families in this country. I think that when gentlemen offered this proposition to increase the pay that they were not aware of the fact that there was on the statute books a law giving to a private soldier 20 per cent additional pay while on foreign service. That law has been on the statute book for years. This does not undertake to change it and, as has been stated, the lowest paid private soldier, if he goes upon foreign service, under the bill as agreed to in conference, will receive $30 per month. Now, something has been said here on the floor to the effect that the Senate voted an increase of $14 and the House an increase of $15 a month and the conferees went below both figures. The reason for that was that the Senate changed the figures in order that this matter might be sensibly worked out in conference, because we were told that even Members of the Senate who favored the amendment to increase this pay were not aware of the law that gave the private soldier an increase of 20 per cent when on foreign service. Now, what are we contending for here, Mr. Speaker and gentlemen of the House? You want the private soldier when he is actually engaged in foreign service to get $30 a month and this bill gives it to him. If you adopt this amendment, you give him $35 a month when $30 is all you have been asking for. We have tried to write a sensible bill and we have tried to follow the sentiment of this House as far as we could understand it, and for God's sake let us have a law before the House commits another somersault. [Applause.] We have done the very best we could in order to bring out a bill. We have even gone so far, after accepting your provision that this army should be raised by conscription first instead of by volunteers, as to graft upon the draft system the foolish proposition of allowing 80,000 men in the United States the peculiar privilege of volunteering. We have done that in order to carry out as far as we could the wishes of the House as has been expressed by its votes. Now, let us not again say to the country that we do not know our own minds about anything. Nobody raised this question when it was before the House last Saturday by any motion. It was sent back to conference, and for God's sake let us let the country know that we can take some sort of definite action. [Applause.]

The SPEAKER. The question is upon the motion of the gentleman from Iowa [Mr. GOOD] to recommit the bill with instructions.

Mr. AUSTIN. Mr. Speaker, I ask that the motion to recommit be read again from the Clerk's desk, as there are some Members who did not hear it.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the motion to recommit may be again reported. Is there objection?

Mr. SHERLEY. Mr. Speaker, I object.

The SPEAKER. The gentleman from Kentucky objects. The question is on the motion to recommit with instructions.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. GOOD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 199, nays 178, answered "present" 1, not voting 52, as follows:

YEAS—199.

Almon	Davidson	Hamilton, Mich.	McCormick
Austin	Davis	Harrison, Va.	McKenzie
Ayres	Dempsey	Hastings	McKinley
Bacon	Denison	Haugen	McLaughlin, Pa.
Barnhart	Dill	Heaton	Madden
Bell	Dillon	Heintz	Martin, La.
Bland	Dixon	Hersey	Mason
Bowers	Dominick	Hicks	Mays
Brand	Dooling	Hilliard	Meeker
Britten	Dowell	Hollingsworth	Miller, Minn.
Browne	Dyer	Huddleston	Miller, Wash.
Bruckner	Eagan	Hull, Iowa	Mondell
Brumbaugh	Ellsworth	Hutchinson	Moore, Pa.
Campbell, Kans.	Emerson	Ireland	Moores, Ind.
Cannon	Esch	Johnson, Wash.	Morgan
Carew	Evans	Juul	Morin
Carlin	Fairchild, B. L.	Kearns	Mott
Carter, Mass.	Fairfield	Keating	Mudd
Cary	Farr	Kelley, Mich.	Neely
Chandler, N. Y.	Fess	Kelly, Pa.	Nichols, Mich.
Chandler, Okla.	Focht	Kennedy, Iowa	Nolan
Clark, Pa.	Fordney	Kennedy, R. I.	Norton
Classon	Foss	King	Oliver, N. Y.
Claypool	Francis	Kinkaid	Osborne
Cooper, Ohio	Frear	Knutson	Paige
Cooper, W. Va.	French	Kraus	Peters
Cooper, Wis.	Fuller, Ill.	Kreider	Phelan
Costello	Garland	La Follette	Porter
Cramton	Good	LaGuardia	Powers
Crisp	Goodall	Langley	Purnell
Crosser	Graham, Ill.	Lenroot	Ragsdale
Curry, Cal.	Green, Iowa	Linthicum	Raker
Dale, N. Y.	Greene, Mass.	Little	Ramseyer
Dale, Vt.	Griffin	Lobeck	Randall
Dallinger	Hadley	Lundeen	Reavis
Darrow	Hamill	McArthur	Reed

Robbins	Scully	Sweet	Volstead
Roberts	Sells	Swift	Waldow
Robinson	Sherwood	Switzer	Walsh
Rodenberg	Siegel	Tague	Wason
Rogers	Sinnott	Temple	Watson, Pa.
Rose	Slemp	Thomas	Wheeler
Rowe	Sloan	Thompson	White, Me.
Rowland	Smith, Mich.	Tillman	Williams
Sanders, Ind.	Smith, T. F.	Timberlake	Wilson, Ill.
Sanders, N. Y.	Steenerson	Tinkham	Wood, Ind.
Saunders, Va.	Sterling, Ill.	Towner	Woods, Iowa
Schall	Stiness	Van Dyke	Young, N. Dak.
Scott, Iowa	Strong	Vestal	Zihlman
Scott, Mich.	Sullivan	Voigt	

NAYS—178.

Adamson	Fields	Kahn	Sabath
Alexander	Fisher	Kincheloe	Sanders, La.
Anthony	Fitzgerald	Kitchin	Sanford
Ashbrook	Flood	Larsen	Sears
Aswell	Foster	Lazaro	Shackleford
Bankhead	Freeman	Lea, Cal.	Shallenberger
Barkley	Gard	Lehlbach	Sherley
Bathrick	Garner	Lesher	Sims
Black	Garrett, Tenn.	Lever	Sisson
Blackmon	Garrett, Tex.	Littlepage	Slayden
Blanton	Gillett	Lonergan	Small
Booher	Glass	Longworth	Snell
Borland	Glynn	Lunn	Snook
Brodbeck	Godwin, N. C.	McClintic	Snyder
Browning	Goodwin, Ark.	McFadden	Stafford
Buchanan	Gordon	McKeown	Steagall
Burnett	Graham, Pa.	McLaughlin, Mich	Stedman
Butler	Gray, Ala.	McLemore	Steele
Byrnes, S. C.	Gray, N. J.	Magee	Stephens, Nebr.
Byrns, Tenn.	Greene, Vt.	Mann	Sterling, Pa.
Caldwell	Gregg	Mansfield	Stevenson
Campbell, Pa.	Griest	Mapes	Sumners
Cantrill	Hamlin	Montague	Talbott
Caraway	Hardy	Moon	Taylor, Ark.
Clark, Fla.	Harrison, Miss.	Nicholls, S. C.	Tilson
Coady	Haskell	Oldfield	Treadway
Collier	Hayden	Oliver, Ala.	Venable
Connally, Tex.	Heflin	Olney	Vinson
Connelly, Kans.	Helm	O'Shaunessy	Walker
Crago	Helvering	Overmyer	Ward
Currie, Mich.	Hensley	Overstreet	Watkins
Decker	Hill	Padgett	Watson, Va.
Dent	Holland	Park	Weaver
Denton	Hood	Parker, N. J.	Webb
Dewalt	Houston	Parker, N. Y.	Welling
Dickinson	Howard	Platt	Welty
Dies	Hull, Tenn.	Polk	Whaley
Doolittle	Humphreys	Pou	White, Ohio
Doughton	Husted	Quin	Wilson, La.
Drane	Igoe	Rainey	Wilson, Tex.
Drukker	Jacoway	Ramsey	Wingo
Eagle	James	Rayburn	Wise
Edmonds	Johnson, Ky.	Romjue	Young, Tex.
Elston	Jones, Tex.	Rouse	
Ferris	Jones, Va.	Russell	

ANSWERED "PRESENT"—1.

London

NOT VOTING—52.

Anderson	Fairchild, G. W.	Kettner	Rubey
Bacharach	Flynn	Key, Ohio	Rucker
Candler, Miss.	Fuller, Mass.	Kiess, Pa.	Scott, Pa.
Capstick	Gallagher	Lee, Ga.	Shouse
Carter, Okla.	Gallivan	McAndrews	Smith, Idaho
Church	Gandy	McCulloch	Smith, C. B.
Comstock	Gould	Maher	Stephens, Miss.
Copley	Hamilton, N. Y.	Martin, Ill.	Taylor, Colo.
Cox	Hawley	Nelson	Templeton
Doremus	Hayes	Pratt	Vare
Dunn	Hulbert	Price	Walton
Dupré	Johnson, S. Dak.	Rankin	Winslow
Estopinal	Kehoe	Riordan	Woodyard

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Miss RANKIN (for) with Mr. BACHARACH (against).

Until further notice:

Mr. RIORDAN with Mr. SCOTT of Pennsylvania.

Mr. MARTIN of Illinois with Mr. VARE.

Mr. RUCKER with Mr. TEMPLETON.

Mr. MCANDREWS with Mr. WINSLOW.

Mr. LEE of Georgia with Mr. COPLEY.

Mr. KETTNER with Mr. HAWLEY.

Mr. KEHOE with Mr. PRATT.

Mr. ESTOPINAL with Mr. COMSTOCK.

Mr. DUPRÉ with Mr. GEORGE W. FAIRCHILD.

Mr. GALLIVAN with Mr. HAYES.

Mr. GANDY with Mr. JOHNSON of South Dakota.

Mr. HULBERT with Mr. MCCULLOCH.

Mr. KEY of Ohio with Mr. NELSON.

Mr. DOREMUS with Mr. GOULD.

Mr. CARTER of Oklahoma with Mr. CAPSTICK.

Mr. TAYLOR of Colorado with Mr. WOODYARD.

Mr. SHOUSE with Mr. SMITH of Idaho.

Mr. CANDLER of Mississippi with Mr. DUNN.

Mr. STEPHENS of Mississippi with Mr. KIESS of Pennsylvania.

Mr. GALLAGHER with Mr. HAMILTON of New York.

Miss RANKIN. Mr. Speaker, am I recorded?

The SPEAKER. Were you in the Hall and listening when your name was called?

Miss RANKIN. No.

The SPEAKER. You can not vote, then.

Miss RANKIN. I desired to vote "yea."

The SPEAKER. Inasmuch as the lady was not in the Hall and listening when her name was called, she can not vote.

The result of the vote was announced as above recorded.

On motion of Mr. GOOD, a motion to reconsider the vote by which the bill was recommitted was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 61. Joint resolution to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

EXTENSION OF REMARKS.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the motion to recommit the Army bill.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, we can not hear what is going on.

The SPEAKER. The House will be in order.

INCREASE OF MILITARY ESTABLISHMENT.

Mr. DENT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DENT. That refers it back to the conferees?

The SPEAKER. Yes. You are now exactly where you were when you began. [Laughter.]

TEMPORARY BUILDINGS, RED CROSS.

Mr. SLAYDEN. Mr. Speaker, I ask unanimous consent to take up House joint resolution 86, which proposes to authorize the American Red Cross to construct some temporary buildings to meet a present emergency. The report submitted with the resolution contains a letter from the Secretary of War.

Mr. MANN. Let the resolution be reported.

The SPEAKER. The gentleman from Texas [Mr. SLAYDEN] asks unanimous consent for the present consideration of House joint resolution 86. The Clerk will report it.

The Clerk read as follows:

Joint resolution (H. J. Res. 86) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

Resolved, etc., That authority be, and is hereby, given to the Commission on Memorial to Women of the Civil War to grant permission, under such conditions and restrictions as it may deem necessary, to the central committee of the American Red Cross to erect upon square No. 172, in the city of Washington, a temporary building or buildings for the use of the American Red Cross in connection with its work in cooperation with the Government of the United States: *Provided*, That any building or buildings which may be erected under this authority shall be removed and the site or sites thereof placed in good condition within three years from the date of the approval of this resolution, unless otherwise especially provided by Congress: *Provided further*, That the United States shall be put to no expense of any kind by reason of the exercise of the authority hereby conferred.

The SPEAKER. Is there objection?

Mr. MANN. I reserve the right to object until the gentleman from Texas makes a statement.

Mr. SLAYDEN. Mr. Speaker, I will say to the gentleman, in explanation of the resolution, that the American Red Cross, at the request of the authorities, the War Department particularly, has undertaken the collection of a very large sum of money to provide supplies and means of relieving the distress of people both unconnected with the military service and in connection with it. They have necessarily enlarged the scope of their operations and increased the number of their employees, and there is no room in this big and beautiful building that has just been completed to house them. They ask the privilege of erecting on the same block—and the ground and building both belong to the United States—in the rear of the present building, a temporary one, and that it be permitted to remain, if necessary, for three years.

Mr. MANN. This is on the land occupied by the Red Cross Building, the title to which belongs to the United States?

Mr. SLAYDEN. Yes. It belongs to the United States. It is on the same block with the other building.

Mr. MANN. I make no objection.

Mr. FITZGERALD. Mr. Speaker, will the gentleman yield?

Mr. SLAYDEN. Yes.

Mr. FITZGERALD. Is there any provision, or should there be any, to the effect that the plans for this building should be

approved by the Secretary of War or the Superintendent of Public Buildings and Grounds?

Mr. SLAYDEN. I do not think there is. It is to be only a temporary structure. As a matter of fact they have conferred with the Superintendent of Public Buildings and Grounds; yes.

Now, Mr. Speaker, all objection having been withdrawn, I ask unanimous consent to take from the Speaker's table the Senate joint resolution 61, which passed this morning, and which is identical with this, and pass it in lieu of the House resolution.

The SPEAKER. The gentleman from Texas asks unanimous consent to take Senate joint resolution 61, of identical tenor, and consider that instead of the House resolution. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Joint resolution (S. J. Res. 61) to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

Resolved, etc., That authority be, and is hereby, given to the Commission on Memorial to Women of the Civil War to grant permission, under such conditions and restrictions as it may deem necessary, to the central committee of the American Red Cross to erect upon square No. 172, in the City of Washington, a temporary building or buildings for the use of the American Red Cross in connection with its work in cooperation with the Government of the United States: *Provided*, That any building or buildings which may be erected under this authority shall be removed and the site or sites thereof placed in good condition within three years from the date of the approval of this resolution, unless otherwise especially provided by Congress: *Provided further*, That the United States shall be put to no expense of any kind by reason of the exercise of the authority hereby conferred.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, House joint resolution 86, of similar tenor, will be laid on the table.

There was no objection.

On motion of Mr. SLAYDEN, a motion to reconsider the vote whereby the Senate joint resolution was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. RAKER rose.

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. RAKER. I ask unanimous consent to extend my remarks in the RECORD on House bill 3331.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. MANN. Reserving the right to object, Mr. Speaker, my memory is not sufficiently accurate to identify that bill by number. What is it about?

Mr. RAKER. This bill is for the purpose of relieving the placer-mining claimants from paying annual assessments, those who enlist in the present war; and, second, to relieve desert-land claimants who have made their filings and also have enlisted in the war. The Senate has passed a bill, and it is on the table, the same as the House bill, so far as the mining claimants are concerned, but it does not carry the provision relating to the desert-land claimants.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. COOPER of Ohio. Mr. Speaker, I ask unanimous consent to print in the RECORD a resolution adopted at a patriotic mass meeting of the Slavic-American Patriotic League of the Mahoning Valley of Ohio.

Mr. MANN. What is the request?

Mr. COOPER of Ohio. There was a mass meeting held in my city last night by 25,000 Slavic-Americans, at which meeting they passed resolutions, and I ask unanimous consent to print them in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. FOSTER in the chair.

The CHAIRMAN. Before the adjournment last night the Clerk had read the first section of the bill.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, at the end of line 3, insert:

"*Provided*, That on all net incomes between the stated amounts of exemption as now provided by law and those provided by section 3 hereof the normal tax shall be 2 per cent per annum.

Mr. BORLAND. Mr. Chairman, has the Clerk read to that point on page 2?

The CHAIRMAN. Yes.

Mr. STAFFORD. Mr. Chairman, I take it from the discussion on the floor that it is the intention of the framers of the bill to levy a normal tax of 2 per cent on net incomes between the present exemptions of $3,000 and $4,000, respectively, and the proposed exemptions in the bill of $1,000 and $2,000, respectively. As I read this bill and read it carefully, the normal tax, if this amendment is not adopted, will be 4 per cent on all net incomes above $1,000 and $2,000, respectively. [Cries of "No!" "No!"]

Mr. STAFFORD. I direct the attention of gentlemen who say "No!" "No!" to the phraseology of the bill. Section 1 provides—

That in addition to the normal tax imposed by subdivision (a) of section 1 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, there shall be levied, assessed, collected, and paid a like normal tax of 2 per cent upon the income of every individual received in the calendar year 1917 and every calendar year thereafter.

Now, I wish to direct the attention of the committee to section 1 of the act of September 8, 1916, which it is proposed to amend:

SECTION 1. (a) That there shall be levied, assessed, collected, and paid annually upon the entire net income received in the preceding calendar year from all sources by every individual, a citizen or resident of the United States, a tax of 2 per cent upon such income; and a like tax shall be levied, assessed, collected, and paid annually upon the entire net income received in the preceding calendar year from all sources within the United States by every individual a nonresident alien, including interest on bonds, notes, or other interest-bearing obligations of residents, corporate or otherwise.

Suppose this bill contained nothing more than the first section, I submit to any person here in this House that the normal tax would be 4 per cent. Now, I direct the attention of the committee to the exemption as found in section 3, and I wish to say to the committee that this question was presented at the Treasury Department this morning, when leading officials of the income-tax division took the view that the normal tax will be 4 per cent on all incomes above the changed exemptions. It is to cure that ambiguity, if ambiguity exists, that I offer this amendment.

The only section that would possibly make the normal tax 2 per cent instead of 4 per cent would be section 3, and what does section 3 provide? Read it as carefully as you will and there is nothing that states clearly that the tax shall be 2 per cent on the amount below the present exemption and the new amounts provided in this bill. I read section 3:

The taxes imposed by sections 1 and 2 of this act shall be computed, levied, assessed, collected, and paid upon the same basis and in the same manner as the similar taxes imposed by section 1 of such act of September 8, 1916, except that in the case of the tax imposed by section 1 of this act (a) the exemptions provided in section 7 of such act of September 8, 1916, shall be, respectively, $1,000 and $2,000, instead of $3,000 and $4,000—

And so forth.

In that section you change the minimum amount of the exemption, but you in no wise state that the normal tax shall be changed from 4 per cent or that the additional normal tax shall be 2 per cent, as provided in section 1; that it shall apply to the different amounts between the three and four thousand dollar exemption amounts, respectively, and the one and two thousand amounts, respectively.

To carry out the intention that has been stated time and time again on the floor of the House that it is the purpose to levy but 2 per cent on these amounts between the present exemptions and the lower exemptions as carried in this bill, you must specify that the additional normal tax of 2 per cent shall only apply to the amounts between these two respective stated exemptions.

Mr. LONGWORTH. I want to call the gentleman's attention to lines 18 to 25, on page 4, where it says:

The provisions requiring the normal tax of individuals to be deducted and withheld at the source of the income shall not apply to the new 2 per cent normal tax herein prescribed until on and after January 1, 1918.

Mr. STAFFORD. I have read that very closely, and yet it does not militate against what I have said.

Mr. LONGWORTH. It recites that the normal tax shall be 2 per cent.

Mr. STAFFORD. It says that the provision requiring the normal tax from individuals shall be deducted and withheld at the source of the income shall not apply to the new 2 per cent normal tax until after January 1, 1918, and thereafter shall apply only to incomes exceeding $3,000, as provided, and so forth.

Mr. LONGWORTH. Exactly.

Mr. STAFFORD. That merely states a method as to the return of the different amounts occasioned by the new exemption. That in no way controverts the position I take. I ask the gentleman, supposing only section 1 were a part of this bill, what would be the normal tax in the future upon all incomes?

Mr. LONGWORTH. Four per cent.

Mr. STAFFORD. What are the exemptions in section 3? The exemptions are one and two thousand dollars, and where do you in any way say that the normal tax shall be but 2 per cent on the difference between the present exempted amount of three and four thousand dollars and one and two thousand dollars? You can not get away from it, unless those who are going to construe the law are going to accept the statements made on the floor of the House. In the construction of legislative enactments it is only when there is patent ambiguity upon the face of a measure that they resort to reports upon bills or to discussions upon the floor of the House to construe them.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. LENROOT. Is not the exemption in the bill lowered only for the additional tax proposed—that is, this tax?

Mr. STAFFORD. But what is the tax? It is 4 per cent. You raise the normal tax from 2 to 4 per cent by section 1 of this bill. You amend the present existing law in that particular, and in section 3 you provide a different scale of exemptions, lowering the exemptions from four and three thousand dollars to two and one thousand dollars. Suppose in section 3 you wiped out all exemptions, then I ask the gentleman what would be the normal tax?

Mr. LENROOT. Four per cent.

Mr. STAFFORD. Then how are you going to get at the intention of the framers of the law that the tax of 2 per cent shall apply upon the difference between three and four thousand dollars and one and two thousand dollars?

Mr. LENROOT. But my question was whether section 3 did not reduce the exemptions only for the purpose of these additional exemptions?

Mr. STAFFORD. There is no language in section 3 that says that. It says that the exemption shall be reduced. Section 1 increases the normal tax from 2 to 4 per cent and section 3 says that the exemptions, instead of being three and four thousand dollars, respectively, shall be one and two thousand dollars, respectively. Therefore if the normal tax is 4 per cent you would pay 4 per cent on all amounts above one and two thousand dollars.

Mr. LENROOT. It says except in the case of the taxes imposed by section 1 the exemption shall be as follows. Is there any tax imposed by section 1 except 2 per cent? The other 2 per cent must refer to some other law.

Mr. STAFFORD. That is the very ambiguity I am trying to clear up. There is no question that there is an ambiguity, and I think it might well be argued that the normal tax is 4 per cent, and that it applies upon all amounts above one and two thousand dollars, respectively—

except that in the case of the tax imposed by section 1 of this act (a) the exemptions provided in section 7 of such act—

And so forth, shall be so and so.

Section 1 provides 2 per cent not only on the amounts above one and two thousand dollars, respectively, but above three and four thousand dollars, respectively, up to $20,000. You can not escape it. It is ambiguous, and I think it should be cleared up, so that there can be no question about the construction of it.

Mr. HILL. Mr. Chairman, if the chairman of the committee desires to be heard at this time, I will be glad to have him proceed, but if not I would like to take the floor now.

Mr. KITCHIN. I suggest that the gentleman proceed.

Mr. HILL. Mr. Chairman, I have not the slightest doubt in regard to what this means. I think we actually intended to lay a normal tax of 4 per cent upon sums between $1,000 for a single man and $5,000, and between $2,000 for a married man and $5,000. I think that was just what the committee intended to do, and if this amendment be adopted it will destroy that whole feature of the bill. I voted for the bill with that understanding and expectation, that it did precisely that thing; and if anyone will read section 3 of the bill he will see distinctly that while the normal tax up to the 1st of January next is based upon the old exemption in the old act, that after the 1st of January it becomes 4 per cent for both the old law and this law. That is the only feature in which we have amended the old law. The chairman of the committee, the gentleman from North Carolina [Mr. KITCHIN], shakes his head, but that has been my understanding of it from the start, and it is my understanding now, taking section 3 and section 1 and putting them together.

Mr. LONGWORTH. But the estimates as to the amount of revenue that this law will raise were based upon a 2 per cent rate upon incomes from one to three thousand dollars.

Mr. HILL. I can not help what the estimates were based upon.

Mr. LONGWORTH. I mean that was the understanding.

Mr. HILL. My understanding of it, and I think the understanding of the other members of the committee besides myself, was that this year the old exemption for the old law stands, up to January 1 next; but that next year the exemptions all become alike under the old law and under the new law, and I can not get any other conclusion from it if I take section 1 and section 3 and read them together. That is the way I would like to see it done.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. LENROOT. The gentleman from Michigan [Mr. FORDNEY] the other day——

Mr. HILL. I heard him, and I stated to a gentleman sitting beside me at that time that that was not my understanding.

Mr. LENROOT. He put into the RECORD a table presumably prepared by the committee, or for its use, which was directly contrary to the interpretation the gentleman now gives.

Mr. HILL. I will ask the gentleman if he does not understand it as I do?

Mr. LENROOT. I do not.

Mr. HILL. That is the way I understand it, and evidently the gentleman from Wisconsin [Mr. STAFFORD] understands it in that way, and for that reason has offered his amendment. I have that understanding, and I voted with my eyes wide open. The exemptions in England before the war were $750 and no exemptions for a married man beyond the $750. Prussia had $225; Austria, $113; Italy, $77; Netherlands, $260; and Switzerland, $130. We make it a thousand dollars for single men and $2,000 for married men for the additional tax, and after the 1st of January next we make it $1,000 for the single man and $2,000 for the married man for the old law, but the old law continues to apply at three thousand and four thousand dollars until next January.

Mr. MANN. Will the gentleman yield for a question?

Mr. HILL. Certainly.

Mr. MANN. Has the gentleman had his attention called to the report of the Ways and Means Committee on the bill in this particular?

Mr. HILL. No.

Mr. MANN. Will the gentleman permit me to read what the report says?

Mr. HILL. Certainly.

Mr. MANN. The committee report says:

This title proposes the levying of a normal tax of 2 per cent upon individuals having an income of $1,000 and not more than $3,000 if single and $2,000 and not more than $4,000 if married or the head of a family, and an additional normal tax of 2 per cent upon the net income of individuals having larger incomes—

And so forth.

Mr. HILL. Certainly. The report is not the bill, from which I have taken my construction.

Mr. MANN. I fully agree with the gentleman as to what the bill said.

Mr. HILL. And, then, does the gentleman think I am right?

Mr. MANN. Certainly.

Mr. HILL. So do I. That is what the conferees passed on. I did not give much attention to the report; I had nothing to do with the writing of it, of course, and—well, I will not say any more.

Mr. FORDNEY. Mr. Chairman, I move to strike out the last word. As the gentleman from Wisconsin said, I prepared the table that is found in the RECORD on page 2125. I compared that table of the estimate of taxes to be paid if this bill becomes effective and under its provisions with a table prepared by an expert in the Treasury Department. It was my understanding then and it is my desire now, and has been all the time since this matter was first considered, to tax only such incomes between the lower exemption and the exemption provided for in the old law at 2 per cent on normal taxes. I never heard any question other than that discussed by anybody in the com-

mittee at any time. That is the intention now. If the language of the bill as it is prepared is not clear, it ought to be made clear, but it is my understanding it is clear. I think that the gentleman from Wisconsin is wrong, but if he is right it ought to be made right in the bill. The gentleman thinks that the language is not plain. I never heard the question presented as Mr. HILL has presented it discussed by any member of the committee or anybody else until now. These figures which I have prepared and put in the RECORD show that it was the intention to put 2 per cent on the difference between one and three thousand dollars' exemption for single persons and 2 per cent on all incomes of married people above $2,000 and not in excess of $4,000, as now provided by law. Then the normal tax will apply and pay 4 per cent from that time both as to single persons and married persons. That was the intention of the committee, and I think we have it correct.

Mr. KITCHIN. Mr. Chairman, I can not see any room for doubt or for any other construction of the provision with reference to the normal tax than the construction placed upon it by the gentleman from Michigan and the gentleman from Wisconsin [Mr. LENROOT]. I think that the gentleman from Wisconsin forgets that this bill levies an additional income tax in addition to the tax levied by the present income-tax law. I think that he forgets that the present income-tax law of September 8, 1916, is untouched by this bill. Now read:

SEC. 1. That in addition to the normal tax imposed by subdivision (a) of section 1 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, there shall be levied, assessed, collected, and paid a like normal tax of 2 per cent upon the income of every individual received in the calendar year 1917 and every calendar year thereafter.

The normal tax levied in this section has absolutely nothing to do with the 2 per cent normal tax levied in the act of September 8, 1916. The exemption allowed in the present law of $3,000 for a single and $4,000 for a married person or head of a family remains the same as therein provided for computing the normal tax under that act. Now, this proposed bill levies an additional 2 per cent normal tax, and provides in section 3 that the exemption allowed in computing this additional 2 per cent normal tax shall be $1,000 in the case of single persons and $2,000 in the case of married persons or heads of families.

Mr. GREEN of Iowa. Will the gentleman yield for a suggestion?

Mr. KITCHIN. I will.

Mr. GREEN of Iowa. The old law imposed no tax on those incomes.

Mr. KITCHIN. Exactly. This bill proposes that the exemptions allowed in computing the additional 2 per cent normal tax be reduced for single persons to $1,000 and for married persons to $2,000. The report clearly states that this bill proposes the levying of a normal tax of 2 per cent upon individuals having an income of $1,000 and not more than $3,000 if single and $2,000 and not more than $4,000 if married or the head of a family, and an additional normal tax of 2 per cent upon the net income of individuals having larger incomes and an additional tax of 2 per cent upon the net incomes of corporations, joint-stock companies or associations, and insurance companies. The tax levied in this bill is a new tax upon incomes of single persons from $1,000 up to $3,000, and of married persons from $2,000 up to $4,000.

Now, then, we add to the present normal tax upon incomes of single persons in excess of $3,000 and of married persons or heads of families in excess of $4,000 an additional 2 per cent normal.

Mr. MADDEN. I would like to ask a question right there.

Mr. KITCHIN. Go ahead.

Mr. MADDEN. I understood the gentleman to say we would have to make out two schedules.

Mr. KITCHIN. I said that, when you are construing this bill, it has nothing to do with the present law as far as the normal tax and exemptions are concerned. Before I get through I will show you clearly that you could not adopt language that would make it clearer. Section 1 I have just read. Section 2 levies certain additional taxes in addition to the additional taxes levied by the act of September 8, 1916. We call the taxes levied by this section "surtaxes." Now, then, section 3 tells you about the exemption and what is excepted. I call the gentleman's attention to that. It says:

The taxes imposed by sections 1 and 2 of this act—

Not of the act of September 8, 1916, but of this act—the present bill—

shall be computed, levied, assessed, collected, and paid upon the same basis and in the same manner as the similar taxes imposed by section 1 of such act of September 8, 1916—

If it stopped there, there would be some ground for his construction. But this tax was to be levied, computed, and assessed upon the basis and in the same manner as the act of September 8, 1916, with respect to exemption and everything else—

except—

We continue—

that in the case of the tax imposed by section 1 of this act—

And not this September 8, 1916, act—

except that in the case of the tax imposed by section 1 of this act.

That is, the additional 2 per cent normal.

The exemptions provided in section 7 of such act of September 8, 1916, shall be, respectively, $1,000 and $2,000, instead of $3,000 and $4,000.

That is as clear as language could make it. It goes on to say in making returns for this normal tax you make returns of incomes of $1,000 or over. And when you withhold it at the source—and that was with respect to this new normal tax—withholding it at the source will be so-and-so. We could not make the language clearer. The tax proposed in this bill is an additional tax, and the act of September 8 stands in its strict integrity untouched.

Mr. GRAHAM of Pennsylvania. If the gentleman would yield, section 3, as I regard it, is only to be considered as furnishing an explanation of how the extra 2 per cent imposed by this statute shall be computed and assessed.

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. Yes. So that everything that is in the section is simply in relation to the extra 2 per cent?

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. Therefore under that construction 2 per cent upon this exemption of $1,000 and $2,000, between that and the higher figures, is all that is imposed upon that portion of income under this section?

Mr. KITCHIN. Certainly. I ask the gentleman from Pennsylvania if he sees any doubt in the construction? Is not the language as clear as it can be?

Mr. GRAHAM of Pennsylvania. I think the language is perfectly clear. When you read section 1 you see there is an additional tax of 2 per cent, and, as the chairman has stated, this is a supplementary law and not an amendment of the old law. And when you take section 3 it is simply giving you the method by which the computation under this law is to be made.

Mr. KITCHIN. Surely.

Mr. GRAHAM of Pennsylvania. And when you see that you are dealing only with the 2 per cent provided for in this law, then you get the true meaning of section 3.

Mr. STAFFORD. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. STAFFORD. Is the gentleman from Pennsylvania correct——

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. STAFFORD. I ask unanimous consent that the gentleman's time be extended five minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the time of the gentleman from North Carolina be extended five minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Is the gentleman from Pennsylvania [Mr. GRAHAM] correct in his statement that section 3 merely applies to the additional normal tax provided by section 1, because section 3 in the very first line refers not only to section 1 but section 2 of this act?

Mr. KITCHIN. Of this bill.

Mr. STAFFORD. It is not merely limited to the different exemptions in the bill.

Mr. GRAHAM of Pennsylvania. It is limited to the taxes imposed in this new act.

Mr. STAFFORD. Oh, yes.

Mr. KITCHIN. Here is the plain proposition. Instead of incorporating the administrative features of the present law with reference to the collection and assessment of the income tax in this bill, we simply refer to them for the manner of assessing and collecting the income taxes levied in this bill.

Mr. SWITZER. What is the use of referring to $3,000 and $4,000 as you have in section 3? Does not that tend to confuse?

Mr. KITCHIN. Instead of $3,000 and $4,000 under the present existing law——

Mr. SWITZER. What is the necessity for doing it?

Mr. KITCHIN. There may not be any absolute necessity, but it makes it clearer.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. HILL. Do I understand, then, according to the opinion of the chairman of the committee, that after the 1st of January, 1918, a man in making up his return has two exemptions? For the first 2 per cent he has $3,000 and $4,000 and for the second he has $1,000 and $2,000?

Mr. TOWNER. He has the exemption of $1,000 for a single and $2,000 for a married person under this act.

Mr. HILL. I understand.

Mr. KITCHIN. And then under the present act you have an exemption of $3,000 for a single person and $4,000 for a married person or the head of a family?

Mr. HILL. And that goes on forever, as long as the law stands—two different exemptions under the two acts?

Mr. KITCHIN. Yes.

Mr. HILL. I did not understand it that way at all. I thought we were changing the exemption.

Mr. KITCHIN. The only difference is $40. The exemption allowed a single man is reduced from $3,000 to $1,000. That leaves him $2,000 on which to pay this 2 per cent if he is an unmarried man, and if he is a married man now paying an income tax he will pay 2 per cent upon the difference between $2,000 and $4,000, and it is still $40.

Mr. HILL. I think the understanding of the country was the same as that which I had, that hereafter, after the 1st of January, there would be only $1,000 exemption for the single man and $2,000 for the married man or head of a family.

Mr. KITCHIN. The normal tax will be 4 per cent upon incomes of single persons in excess of $3,000 and upon incomes of married persons or heads of families in excess of $4,000 and 2 per cent upon incomes of single persons between $1,000 and $3,000 and upon incomes of married persons between $2,000 and $4,000. I have never heard it intimated in the Ways and Means Committee in the discussion of this subject at any time that the construction of these provisions or the desire of the committee was other than I have indicated, so far as the new normal tax is concerned.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHANDLER of Oklahoma: Page 2, line 2, after the word "received," insert "from and after the 1st day of June."

Mr. CHANDLER of Oklahoma. Mr. Chairman, the retroactive feature of this bill is not right. It is unjust and un-American, and I believe that every gentleman in this House knows it. I therefore deem it unnecessary to discuss the matter further.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That in addition to the additional tax imposed by subdivision (b) of section 1 of such act of September 8, 1916, there shall be levied, assessed, collected, and paid a like additional tax upon the income of every individual received in the calendar year 1917 and every calendar year thereafter, as follows:

One per centum per annum upon the amount by which the total net income exceeds $5,000 and does not exceed $7,500.

Mr. SHERLEY. Mr. Chairman, I offer an amendment to strike out the word "one," in line 11, page 2, and insert the word "two."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kentucky [Mr. SHERLEY].

Mr. TOWNER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TOWNER. This is an amendment offered to a paragraph. Under the rule is it not the practice to read the entire section?

The CHAIRMAN. Let the Chair state to the gentleman from Iowa that the rule is that appropriation bills and revenue bills are always read by paragraphs.

Mr. TOWNER. That will be the rule in this case?

The CHAIRMAN. That will be the rule unless it is otherwise determined.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that we read the bill by sections.

Mr. MANN. That is impossible. I object.

Mr. KITCHIN. Very well.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Does the Chairman's ruling preclude the offering of an amendment at the end of the section as a substitute for the section?

The CHAIRMAN. No.

Mr. BARKLEY. I was asking as to the construction to be placed upon what the Chair said.

The CHAIRMAN. The Chair thinks a substitute to a section would be in order after it is read.

Mr. MANN. If the Chair will permit me, under the practice under the rule, a substitute for a section can be offered after the first paragraph is read if the mover gives notice.

The CHAIRMAN. The gentleman is correct about that.

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. Going on the theory that we were amending the bill by sections, I refrained from asking the attention of the Chair after the first paragraph was read. I have an amendment to strike out the paragraph and insert a new section. Did I understand the Chair to say that that would not be in order?

The CHAIRMAN. The Chair holds that if a gentleman has an amendment to offer as a substitute for this section it would be in order, as the gentleman from Illinois [Mr. MANN] stated, after the paragraph had been read, to offer his amendment, and then give notice at that time, if that carried, that he would move to strike out all the other part of the section, so that the gentleman will still have the same right to offer it at the end of the section if he gets the recognition of the Chair.

Mr. KEATING. It would not be necessary, then, to vote on the substitute paragraph by paragraph?

The CHAIRMAN. No. That would be but one amendment. Of course, amendments are in order to the substitute.

Mr. KEATING. I serve notice that I will offer a substitute at the proper time.

Mr. TOWNER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TOWNER. The gentleman from Illinois stated that a substitute might be offered to the first paragraph with notice that, if carried, a substitute would be offered for the succeeding paragraphs.

Mr. MANN. What I stated was that when the first paragraph of the bill is read you can offer a substitute for the bill or the section giving notice that if the substitute is agreed to you will move to strike out the other paragraphs or sections as read.

Mr. TOWNER. That is what I intended to state. This is my inquiry, Mr. Chairman. Some of us expect to offer, if we can, amendments to the amounts in each of these paragraphs. That is not offered as a substitute but as an amendment to the paragraph. Would it be in order to make the same announcement and arrangement in regard to the amendment to the first paragraph?

The CHAIRMAN. The Chair thinks not. When the paragraph is read, Members can offer an amendment. It is in order to offer an amendment to the original paragraph as read.

Mr. HOWARD. In other words, the Chair does not mean by his ruling to give any man a monopoly on offering all the amendments to this bill.

The CHAIRMAN. The Chair in what he said did not mean to convey the impression that anyone would have a preference over another in offering amendments.

Mr. HOWARD. I so understood the Chair.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 11, strike out the word "one" and insert the word "two."

Mr. SHERLEY. Mr. Chairman and gentlemen of the committee, if this amendment should receive favorable consideration by the committee I should trust that, either through amendments offered by myself or other Members, similar changes would be made in each of the paragraphs following, increasing the one on line 14 to 3, the one on 17 to 4, and the one on 20 to 5, and thereafter an increase of 25 per cent of the percentages that are named for each group or classification.

I should not undertake to detain the committee by a statement as to the amount of the revenue which these changes

would give in addition to that now expected to be raised by the bill as reported. But I think it is apparent to all thinking men that we are going to need to raise all the money that it is expected the bill will raise, or, in other words, about eighteen hundred million dollars.

I think it is also perfectly apparent to those who have followed the debate that there are a number of provisions in the bill that likely will not stand as reported and probably will go out of the bill.

Mr. KITCHIN. Will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. KITCHIN. Will the gentleman point out what provisions he thinks will go out?

Mr. SHERLEY. I do not think, for instance, that the provision in regard to the zone rate for newspapers is going to stay in the bill [applause], although I express only my judgment of the judgment of the membership.

Mr. KITCHIN. Is it the gentleman's object to supply by the 1 per cent increase the money that would be lost by these provisions going out?

Mr. SHERLEY. My idea is that we ought to raise all the money we can legitimately raise, having in mind the equities in dealing with such a big subject matter, from the income tax for this basic reason—the tax upon the incomes of men is not a tax that by any possibility can destroy the activities of men. [Applause.] A great deal of the criticism of the bill is that it may result in certain cases in totally destroying the particular business of the individual man. Therefore, I for one am desirous of raising as much money from the incomes of men as it is possible without doing an unfair thing.

Mr. LONGWORTH. Will the gentleman yield?

Mr. SHERLEY. Certainly.

Mr. LONGWORTH. I am asking the gentleman for information, how high a rate on the highest income will there be according to the gentleman's plan; what would be the limit?

Mr. SHERLEY. When we get to the larger incomes I should be glad to see new subdivisions mentioned on page 4, lines 4 and 5, whereby you would tax with increased amount the incomes above a million dollars.

Mr. LONGWORTH. What would the gentleman say about changing the figures 33 applying to $500,000?

Mr. SHERLEY. I would have no objection to changing it to 40, but I would rather deal with that when we get to it.

Mr. LONGWORTH. I wanted to know how far the gentleman's suggestion went.

Mr. SHERLEY. I do not think there is any great harm going to come by excess taxes on incomes over $500,000 or $1,000,000. I am not very much concerned about the tragedy that will come to the lives of men whose incomes are of that size. And I do not say that with any idea of speaking against wealth. My 14 years' service here relieves me from any charge of demagogy or appealing to the poor at the expense of the rich.

I submit to the House that the rates we are proposing can be made higher without any great burden. Take the amendment I have offered of changing the tax from 1 per cent to 2 per cent on an income of $7,500. That would make a difference of $25. In other words, the man who receives an income of $7,500 pays an added tax of $25 on the $2,500 income between $5,000 and $7,500. If you make a rate of 2 per cent, you have increased his burden $25. I submit that that increase is not so heavy as to be a real burden on the very large number of people in America whose incomes are between $5,000 and $7,500.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SHERLEY. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHERLEY. That would take, for instance, such an amount from the income of all Members of Congress, and none of us will be hurt by an increase of $25 additional tax. When you get down to the next sum, you make it 3 per cent between incomes of $7,500 and $10,000. You have added $25 there, and so it runs. The big money that is going to be obtained by this taxation is going to come from two sources, the two ends. It is going to come from the increased number of people who will have to pay a tax by virtue of the reduction in the exemption, and also from the very large fortunes, judging by the returns that have been made in the income-tax law heretofore. But this intermediate group will give quite large additional sums without any real burden being placed upon anyone, and realizing that the country must raise by taxation the full amount that this bill carries I make this suggestion. I do not share in the slightest the viewpoint stated by the gentleman from Illinois [Mr. MADDEN] touching the amount of expenditure that will have to be made by this Government, and I do not share the viewpoint of those who would undertake to postpone the proper financing of this war. It is not simply the question of putting the burden upon this generation and future generations, but it is this fundamental fact, that if you do not have proper taxation now you will have the greatest inflation of values that the world ever saw as the result of the tremendous amount of money that we are putting into the circulation of the country. [Applause.]

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. FERRIS. The gentleman from Kentucky stated a moment ago that it was his thought that he would offer increased rates all along down through. I wondered if he had that worked out mathematically, so that he could tell just how much it would increase.

Mr. SHERLEY. I unfortunately have not, and perhaps may be negligent in that, but if I had it would simply be a guess, and a guess similar to the guess the committee makes touching revenues that would be raised here. I do not say that in any disrespect to the committee, but it is impossible for anyone to anticipate the exact amount of revenue that will be obtained from these rates. Oh, yes; we can estimate, and that is the only thing that we now need to be concerned about, inasmuch as these are proposals for increase and not for decrease, and it is a question of whether the particular burden placed upon each man by virtue of these increases is an unfair burden.

I submit to the common sense and judgment of every man here that asking $25 additional money from a man who has an income of from $5,000 to $7,000, $500 is not a burden that he is going to feel in any great sense.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. McCORMICK. I was called from the Chamber for a moment. Has the gentleman suggested to what extent he would increase the tax upon incomes exceeding $500,000 a year, incomes of a million a year and five million and thirty million a year?

Mr. SHERLEY. I only roughly suggested it. I would certainly be willing to take half of all the incomes that are above the amount the gentleman has named.

Mr. MOORE of Pennsylvania. That is done here.

Mr. SHERLEY. Oh, no. The present rate does not do anything of the kind. The present rate fixes upon the basis of somewhere about 40 per cent, and why? Because the 33 per cent applies only to the income that is above $500,000. The 30 per cent applies only to the income above $300,000 and up to $500,000, and so it averages all the way down, and you can not add the 17 per cent of income under existing law to the 33 per cent proposed by the new law and make 50 per cent as representing the 50 per cent upon the entire income of the man. It will not work out in that way. It will work out much less than that, and while I have not worked out accurately what it is, I am informed that it is somewhere about 40 per cent on incomes of a million dollars and it is less, of course, on incomes less than that.

Mr. McCORMICK. Will the gentleman suggest why an income of $5,000,000 should pay 50 per cent?

Mr. SHERLEY. I would be perfectly willing to tax an income of $5,000,000 50 per cent, and I do not think the man would be injured by virtue of it.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. SHERLEY. Mr. Chairman, I will ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHERLEY. I do not desire to punish men of wealth, but every man who has thought at all and who has a conscience knows that taxation is not fair that is simply levied upon a mathematical basis, and that the true rule of taxation is the ability to bear. [Applause.] In other words, the strong should bear proportionately a larger amount than the weak, and if civilization means anything it means the dominance of that thought, as compared with the old thought of purely mathematical equality, which was equality only in mathematics and not in actualities. Therefore I believe that this Congress, not in a spirit of spite, not with a desire to punish men, but as thinking men, realizing something of the burdens of life—we will never, unfortunately, in this world have wisdom enough to do exact justice—ought to endeavor to approximate it, and we can afford to put burdens upon income without destroying industry. The danger that we are under here, in the desire to get revenue, is that by taxing industry you may kill the industry from which you expect to get the revenue, and a tax on incomes can not produce that effect.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. MOORE of Pennsylvania. I am not defending this particular item. I favor putting the tax on the higher fortunes, but this bill provides that a tax of 33 per cent shall be put on incomes above $500,000, in addition to what is provided for in the act of September 8, 1916, which is 10 per cent, which makes 43 per cent, which, plus the 4 per cent normal tax, makes 47 per cent upon incomes of $500,000 and over.

Mr. SHERLEY. Well, but it does not work out that way. I can not help it; the gentleman can read statutes until doomsday, but the mistake he is making is in assuming that the maximum tax applies to the entire income, whereas it only applies to incomes over a certain amount, and when your average is shown you will find the amount is very much less than the total maximum tax.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KEATING. Mr. Chairman, I will ask that the Clerk read the following amendment in my time.

The Clerk read as follows:

On page 2, beginning at line 4, strike out everything down to and including line 5, on page 4, and insert the following:

"SEC. 2. That in addition to the normal tax provided for in section 1 of this act and by subdivision (A) of section 1 of the act entitled 'An act to increase the revenue, and for other purposes,' approved September 8, 1916, there shall be levied, assessed, collected, and paid in lieu of the additional tax now provided by law an additional tax upon the income of every individual received in the calendar year 1917, and every calendar year thereafter, as follows: Two per cent per annum upon the amount by which the total net income exceeds $5,000 and does not exceed $7,500; 4 per cent per annum upon the amount by which the total net income exceeds $7,500 and does not exceed $10,000; 8 per cent per annum upon the amount by which such total net income exceeds $10,000 but does not exceed $20,000; 13 per cent per annum upon the amount by which such total net income exceeds $20,000 but does not exceed $40,000; 18 per cent per annum upon the amount by which such total net income exceeds $40,000 but does not exceed $60,000; 28 per cent per annum upon the amount by which such total net income exceeds $60,000 but does not exceed $80,000; 38 per cent per annum upon the amount by which such total net income exceeds $80,000 but does not exceed $100,000; 48 per cent per annum upon the amount by which such total net income exceeds $100,000 but does not exceed $150,000; 96 per cent per annum upon the amount by which such total net income exceeds $150,000."

Mr. SHERLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SHERLEY. Is it in order to submit such an amendment until the section has been read by paragraphs for amendment?

Mr. KEATING. It is being read in my time.

Mr. SHERLEY. I beg the gentleman's pardon.

Mr. KEATING. When we have concluded the consideration of this section I will move to strike out the entire section and insert the amendment which has been read. The effect of the new section will be to tax all incomes above $150,000, 100 per cent. A man who had an income of $150,000 would be taxed 33⅓ per cent and he would have left a net income of $100,000, but no one in the Republic would have an income in excess of $100,000.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KEATING. I do.

Mr. MOORE of Pennsylvania. After $100,000 all else would be confiscated?

Mr. KEATING. It would be taxed. I presume when you take money for taxes you confiscate.

Mr. MOORE of Pennsylvania. It would be conscripted, as it were?

Mr. KEATING. Exactly that.

Mr. MOORE of Pennsylvania. May I ask if the basis of the plan submitted by the gentleman is that submitted by the association of which Mr. Pinchot is the head?

Mr. KEATING. This is substantially that plan, somewhat changed to meet the requirements of this bill. Now, Mr. Chairman, this amendment will produce between $1,600,000,000 and $1,700,000,000 per year. It will produce that sum of money without oppressing any man, without laying an unreasonable burden upon any industry. It would be a tax levied without regard to a man's occupation and without regard to the business in which he engaged.

Let us consider the objections to the amendment. First, it is urged that the amendment is too radical; that it is too drastic. The fact is that the bill now before the House, recommended by the Committee on Ways and Means, is the really radical bill, because that is a bill that we are assured by hundreds of business men will destroy their business.

Only yesterday the newspapers were filled with reports of the testimony submitted to the Senate Committee on Finance by business men who, testifying under oath, said that if the bill now under consideration is enacted into law they will be driven out of business. The man who advocates legislation which wrecks industry is not only a radical but an anarchist. My amendment will produce the money and no man will be driven out of business.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. KEATING. I can not yield just now. I think we should lay down in considering this legislation some rule that would guide us in the future. I think I can state an accurate rule in a sentence and that is: "A man's obligation to contribute to the support of government at this time is dependent upon his ability to pay."

I was not in favor of conscriptive selection when it had to do with flesh and blood, when it had to do with the things that God makes, but I am in favor of selective conscription when it has to do with machinery, with clothing, with food, with money, with the things that men make. [Applause.] My proposition applies this principle of selective conscription to the problem of raising the money needed to support this Government in time of war. We say to a man who is drawing a salary of $2,000, "The Government recognizes that you are already taxed in the increase in the cost of living. The Government recognizes that the cost of the necessities of life in your case has increased 100 per cent, and that your salary of $2,000 has within the last three years been reduced one-half in purchasing power. Therefore we will deal leniently with you."

Mr. MEEKER. Will the gentleman yield for a question?

Mr. KEATING. I can not just now.

Mr. MEEKER. I would like to ask the gentleman one question right here.

Mr. KEATING. All right.

Mr. MEEKER. What effect would this have on the floating of the loan, on men's purchasing power, if we were to put such a provision in? We are expecting some men to take these bonds by the millions. How would this affect that?

Mr. KEATING. I will answer that now. I had intended to come to it. The argument is that you are about to discourage millionaires from making investments. Well, my friend, if you pass my amendment, we will take the millionaire's money; we will take his excess profits, and we will invest it, because Uncle Sam is not going to put this money in a strong box and permit it to remain there. Uncle Sam will take it and invest it in those things that are necessary in order to maintain an army in the field. If you adopt my amendment, it will not be necessary for you to enact further bond bills or to appeal to millionaires to purchase bonds. The object of this amendment is to take the excess profits and the excess incomes from the rich of this country and use that money to pay the running expenses of the Government.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. KEATING. Yes.

Mr. HUDDLESTON. Will the gentleman permit me to call his attention to the fact that the bond incomes are exempted from income taxes, and therefore that the effect of such an amendment as the gentleman proposes will be to encourage millionaires to buy the bonds?

Mr. KEATING. I presume there is a little something to that argument, but I do not anticipate that the millionaires of this country are going to rush to the Treasury of the United States and invest their money in Government bonds. I do not think the millionaires of this country are going to rush out of this country and invest their money elsewhere. If they leave the United States and seek to invest it elsewhere, where will they go? Will these "patriotic" millionaires take their money and go to Mexico and subject themselves and their belongings to the more spectacular and more effective income tax which is assessed by Señor Villa and Señor Carranza? No; my friends. There is nothing to this theory that the millionaires will leave this country and take their money elsewhere and invest it.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. KEATING. May I have five minutes more?

The CHAIRMAN. The gentleman from Colorado asks unanimous consent for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. SWITZER. How much do you estimate we will raise? What is the estimated amount?

Mr. KEATING. The estimates made upon this amendment have been gone over with some care by experts, and it is their judgment that with this amendment the income-tax returns will be somewhere between $1,600,000,000 and $1,700,000,000.

Mr. SWITZER. How about the succeeding years? Will it hold up?

Mr. KEATING. I have no doubt it will; none whatever. Some gentlemen question that. But why not? These men will go on with their business until the war ends, and at the end of the war they will have an opportunity to once more enjoy their profits, as these taxes will be taken off the statute books. You can not tell me, gentlemen, that the rich men affected by the income tax will attempt to disarrange the entire business structure of this country. It will not be done.

And, then, I have some confidence in the patriotism of the rich men of this country. I witnessed a twentieth-century miracle the other day, something that has never been seen in the Halls of Congress before. I saw three millionaires—real millionaires; not stage millionaires—going into the Committee on Ways and Means and asking that this very amendment be enacted into law. [Applause.] And I want to place their names in the RECORD so that those who are interested may know that we have rich men in this country who in the hour of their country's need were willing not only to give their lives but their money for the support of the Government.

The committee was headed by Amos Pinchot, a pacifist, if you please [applause], the kind of pacifist who during the Spanish-American War served in the Volunteer Army, and when they offered him a commission, although he was the son of a millionaire and of a family that was strong in the councils of the Republican Party, declined to take a commission, but served his country as a private.

E. W. Scripps, a newspaper man, who is not a pacifist, came to this country a poor boy and has built up a great business. He owns some 30 or 40 newspapers throughout the country, and now in his old age he has wired the President of the United States that, so far as he is concerned, he is willing that all incomes above $50,000 should be taken for the support of the Government. And then there was Sumner Gerard, a young man of wealth from New York, brother of the former ambassador to Germany. And these three gentlemen represented a number of rich men who were willing that this kind of an amendment should be written into the law.

Now, what will be the effect of the adoption of this amendment? You can get rid of all of these annoying taxes that business men have been protesting against. You can abolish the taxes on the necessaries of life. You can wipe out this iniquitous and unscientific tariff provision which has been inserted into this bill, and, more important than all, you can prevent the liquor business riveting itself with rivets of gold onto the Government of the United States during the period of the war. [Applause.]

Mr. BLAND. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Colorado yield to the gentleman from Indiana?

Mr. KEATING. I can not yield just now.

My friends, I opposed this war. I opposed it by voice and vote. I opposed conscription. But now that my country has decided to go to war, I want my country to go to war in the most effective fashion. I want my country to have all the men and all the ships and all the money that it needs, and, above all, I want my country to go to war sober. I do not want it to be said that when the greatest Republic in the world went to war it had to finance its Army with a tax on the liquor business. Before this war is over this country will be dry, and the only place where you can get the money with which to supply the deficit in your revenues is by increasing your income tax.

And so I ask this House in all seriousness to adopt this amendment, which will leave to every man who is affected by the tax ample with which to care for himself and for those who are dependent upon him, and which will not in the slightest degree oppress any business in this country.

I thank you. [Applause.]

Mr. Chairman, I desire to incorporate as a part of my remarks, the following statement presented to the Senate Finance Committee by Mr. Amos Pinchot on behalf of the American Committee on War Finance:

Senator SIMMONS and gentlemen, I represent the American Committee on War Finance. Our object is to get you gentlemen to have this war paid for as it goes along largely by a tax on surplus incomes.

This committee is, as you know, a recent organization. It was formed just before war was declared. We issued a declaration of principles and a pledge, advertised a little in the newspapers, and wrote letters to some prominent people. In a few days we got together a group, including lawyers, editors, writers, civic and business men's associations, labor and farm organizations and leaders, a governor of the Federal Reserve Board bank, the chairman of the New York civil-service commission, and so on. To-day, I think I am well within the fact when I say that the organizations which have already passed resolutions indorsing our plan and offering cooperation and support contain several million people.

Since our committee was formed we have had each day an enormous mail, letters from prominent people and people less prominent, from all over the country. They have expressed their belief that the war can not be either justly or efficiently carried on unless people who do not fight but have plenty of money are made to realize their responsibility and forced to give to the Government the use of their wealth, at least to the extent of a heavy tax on large incomes.

We have had little organization; the main work of the committee has been conducted from my office at 60 Broadway, New York City. Our funds have been very limited, as we have found, strange as it may appear, that most rich people are not enthusiastic about backing a project that means heavier taxation on themselves. Yet we have had an overwhelming response, and, if we have another month to work in, I believe we will get to indorse our demand upon you gentlemen for equitable financing of this war all the labor and farm organizations in the country, three-fourths of the civic and business associations; in fact, the demand for a pay-as-you-go war, financed by the people who can do so without great sacrifice, will become not merely what it is now, a broad national demand, but a literally universal one. The people, Mr. Chairman, are solidly behind the movement.

In the last few days we have had resolutions from business, political, and labor organizations, composed of some 500,000 people of good standing. I refer particularly to the resolutions of the four railroad brotherhoods passed on Saturday afternoon, and to those of the city council of Cleveland, Ohio, and to a large number of scattered industrial unions that have sent us the record of their indorsement.

Mr. Chairman, I want to protest quite vigorously against some of the tariff taxation contained in the Ways and Means Committee bill. The ordinary people of the United States are not in a position to be further taxed. They should not be further taxed, and they can not be without their feeling dissatisfied with the Government and especially with this Congress.

Let me show you what I mean. In 1914 I had made for me by statisticians in New York and Washington a comparison between the incomes of ordinary people and the cost of living from 1900 to 1914. I found that in that time incomes—I mean by this wages, salaries, the earnings of small people—had gone up about 27 per cent. The cost of living, figured out in food, fuel, clothing, rent, and household utensils, had gone up in the same year about 40 per cent. In other words, from 1900 up to the outbreak of the war, the average man's income was certainly increasing; but, nothwithstanding this fact, he was actually growing poorer. He received more money for his work or from his business or for his services, but with that money he could buy less of the necessaries of life.

This, Mr. Chairman, is not a matter of speculation. It is a matter of mathematical certainty. Not long ago I was talking with the general counsel of one of our very large industrial corporations. I told him about my investigation of wages and the cost of living, and asked him what he thought about it. He told me that he had just completed a survey of wages and cost of living among his thousands of employees for the last 10 years. He said the result of his survey was precisely the same as the one my statisticians had arrived at. He said that his employees, though they did not realize it themselves on account of getting a fatter pay envelop, had grown steadily poorer in purchasing power and were still growing poorer.

Since the war this situation has grown acute. The cost of living has gone up much faster than ever before. No doubt it will go on going up. Since the war the average man's expense account has still more rapidly outstripped his earning power. Increases in wages and small incomes have been insignificant compared to the rise in prices. That is why our committee protests against the House bill, which intends to raise a thousand millions of dollars this year from taxes taken out of the pocket of the consumer. I will refer you later to figures which prove in detail what I have said generally.

Mr. Chairman, something is happening in the United States that can not help having a serious influence upon the country. While the country is getting rich the people are getting poor. The average American is steadily losing his purchasing power. In other words, wealth is being concentrated in the hands of a comparatively few rich people. In other words again, the great genius and energy of the Nation has not during the last few years benefited the average citizen. We have had a class as opposed to a popular prosperity.

We have got to face this. You have got to face it. You ought to face it now, when you are making up your budget to raise money to carry on the war. The people of the United States have become informed on this subject, and they know what they are up against. They want you as their representatives to help them out.

The revenue bill which you are considering does not seem to me to be a measure representing the necessities of the situation. There is no reason for burdening the consumer, who is already overburdened. It is estimated that the income tax in Great Britain will yield at least $1,000,000,000, which is about $750,000,000 more than it yielded before the war. In the year ending March 31, 1916, the huge sum of £295,033,000 was raised by income taxes. Your bill only intends to raise $532,000,000 in new income taxes. It is estimated that the British excess-profits tax will yield $700,000,000 this year. You only intend to raise $200,000,000 in that way. The population of Great Britain is about 46,000,000; its total wealth, including Ireland, is about $85,000,000,000. Our population is 100,000,000 and our total wealth is estimated from $187,000,000,000 to $230,000,000,000. Certainly it seems as if we ought to be able to raise as much by an income tax, when we are strong and unexhausted, as England can in the third year of the war.

It is true that England does not tax her largest incomes adequately, although through the profits tax and income tax together the percentage is far higher than anything contemplated in the House bill. But England distinguishes between earned and unearned incomes, and taxes the latter very heavily. She also taxes medium incomes much more than the House bill provides, which I think is unwise.

It seems to me that the House bill is undemocratic, unjust to the poor, and unbusinesslike. It bears on the wrong man, discourages the people who must fight the war, and it throws barbed wire into the business machine and taxes it at the wrong end. If Great Britain can raise $1,000,000,000 from incomes without disturbing business, the United States ought to be able to raise $1,500,000,000 or $2,000,000,000 in that way without disturbing business. If Great Britain can put on a $700,000,000 excess-profits tax without disturbing business, we ought to be able to put on a $1,400,000,000 excess-profits tax without disturbing business. What is the matter with American business that it should be disturbed so much more easily than British business by income and profits taxes? And, on the other hand, why should we impose on American business an unscientific and haphazard horizontal increase in the raw materials that industry uses?

Mr. CLAUDE KITCHIN, chairman of the Ways and Means Committee, confessed that he would vote for the revenue bill with his eyes shut, and

that the horizontal increase of 10 per cent on imports, already paying a tariff tax, and on all articles now on the free list, was unscientific and indefensible.

Before the revenue bill becomes a law there should be ability enough in the House and the Senate to make it scientific and defensible, for it will have to be defended on the stump by those who impose this tax in their effort to secure reelection from those upon whom its burden falls.

Evidently the Ways and Means Committee underestimates the patriotism of the business men of the country in considering them unwilling to pay heavy income taxes. It is true the protests have been most bitter at the unscientific tinkering with present productive enterprises, especially in this horizontal increase of tariff rates, including taxes on raw materials. But in my opinion the patriotic business men of the country are willing to contribute heavily from profits and incomes, as long as his productive energies are allowed to function properly. He is willing to be milked if you don't kill the cow.

Take the single item of a 10 per cent tax on hides now on the free list. Shoe manufacturers contend that this will produce a comparatively small revenue for the Government, while enabling the Beef Trust to raise their prices on hides automatically 10 per cent; and that the export-shoe business will be brought to an end, thus crippling an enterprise which would produce large revenues directly to the Government through taxes on incomes and excess profits. At the other end of the line the consumer, who is already paying in the neighborhood of 100 per cent more for shoes, must add not only the 10 per cent increase on hides but an additional increment of taxation for every stage of handling between the manufacturer and the consumer.

The 3 per cent increase in freight rates again automatically makes a readjustment of all business contracts necessary, and, by the time the increase reaches the consumer, it will have multiplied itself several times, thus making a horizontal raising of the cost of living, already mountain high. Again, a 10 per cent tax on passenger rates will, of course, be felt by the man who has to travel for business or chooses to do so for pleasure; but it means a tremendous increase in the expenses of the business man with drummers upon the road.

The same thing is true in the increase in postal rates. To increase the cost of sending letters one-third, when everyone knows that the 2-cent postage on letters already more than pays the cost of distribution, tends again to decrease production.

It is to be hoped that the House, through independent action, or if the House should weakly consent to pass the compromise measure because it received a unanimous report from the Ways and Means Committee, that the Senate will lift the burden of taxation from consumption and place it upon large incomes and profits.

A curious plexus of circumstances lies immediately before us, Mr. Chairman. The public is going to be subjected to conscription. We are going to confiscate the lives of our young men for this war, and at the same time that this confiscation goes on, the public is going to be pinched by poverty, probably by hunger in the near future. We are up against a very serious crisis that demands extraordinarily careful and wise action.

The poor man who goes to the front is not going to be happy or easy in his mind, if he realizes that the rich man, who is too old to fight or in a position so important that he will not be asked to fight, is only going to make a mighty small and insignificant sacrifice. Mr. Chairman, it is more for a man to give his life than it is to give all his money, capital as well as interest. It is more for a man with a family to give $40 from his $3,000 income than it is for a man with a million dollars a year to give all of that million dollars and some of his capital to boot. Why? Because when the $3,000-a-year man gives some of his income, he gives the meat and bread, the shoes and clothes of his children, the coal and rent, his wife's dress, the movie show, and the little luxury that makes life a little less hard on him and those he loves. But the millionaire does not have to give those things, not even if you split his fortune in two. Mr. REAVIS put it well, debating the bill in the House last week. He said:

"You are taking a great deal, so far as actual dollars and cents are concerned, but in the proportionate sacrifice that the men who pay it will make, you are taking a great deal more from the married man with $2,000 who has a family to support than you are from the $10,000,000 man.

"The man with an income of $2,000 whom you tax has to pay this tax from the very necessities of life, while the man with the income of $10,000,000 is paying that income out of funds that he can use only in the way of investment. The relative sacrifice is not to be compared."

Mr. Chairman, I think that we are inclined to underestimate the determination of the people to have this war justly financed. I also think you overestimate the opposition that a real income and a real excess-profits tax would develop on the part of rich people. Rich people will soon realize, if they have not already, that we are in war and that war is neither a tea party nor a director's meeting. They will see men and boys go to the front to die, and they will be ashamed of ever having had a thought or a wish to oppose giving every cent they can raise to back up those men and boys. They will see women and children starving in the next year, and men too. And they will have to go the whole way in giving their money to fight war abroad and suffering at home. They should and must be taxed to pay for the war simply because they have money, and can part with a lot of it without acute physical or mental suffering. God knows the sacrifice of those of us who have money will be trivial enough, when compared with that of the vast majority of the public, who will do the fighting, make the supplies, raise the food, and be the nation's backbone until the war is over and afterwards. They are the people that this bill should consider. They are the people that this Government, in all its branches, should represent. They are the people, in fact, who maintain the Government; and we must remember that they do not maintain it for the purpose of being governed by it, but in order to govern themselves through it.

Lastly, Mr. Chairman, I would like to call your attention to the fact that extreme poverty, caused by the war, joining with the additional rise in the cost of living which this bill will bring about, will precipitate a situation where the proceeds from taxation on the consumer may seriously disappoint you. The House bill may not raise a thousand millions or anything like it. People won't spend money unless they have it. They won't spend it to buy things at prohibitive prices. But you can always tax the people who have money. Their incomes are a sure and safe source of war revenue. England has learned this. We will learn it. Why not learn it now?

The fact is that we have been rather extravagant here in America. Our people have maintained, apparently for social or ornamental purposes, a very large number of multimillionaires. This past year, according to tax returns, there were twice as many people with an income of over a million dollars a year as there were the year before.

Two per cent of the people in the United States own 65 per cent of the wealth. But of those who will fight in this war probably much less than one in a hundred will be men of means. For less than one-half of 1 per cent of our people have, up to date, been rich enough to pay an income tax. If our wealthy classes are to make a substantial contribution, it must be through paying very large income and profit taxes.

WAR PRICES AND INCOMES.

Index figures published in the April Review of the United States Bureau of Labor Statistics indicate that, even in the field of organized labor, there has not been a large raise in wages compared to the raise in the cost of living. The Review says:

"The index numbers appear in the following table, where it will be seen that while wage rates have increased materially and hours of labor have slightly decreased since 1907, the retail prices of food have advanced to a much greater extent, especially in 1916, thus reducing the purchasing power of wages."

In the general field of organized labor, between 1912 and 1917, an estimate that wages had increased 18 per cent would be an extravagant one. I have found no estimate as high as that. The Review of Labor Statistics for April, 1917, says that wages increased 9 points from 1912 to 1916, while retail food prices went up 20 points. As to the incomes of professional people, teachers, clerks, shopkeepers, farmers, and so on, I could not get any broad or definite statistics; there are none. But from such as there are and from talking with them, it seems pretty evident that there has been a fairly small increase in their incomes in the last few years. Since I have been working on the Committee on War Finance, we have had numberless letters from teachers, professors in universities, and men and women in salaried positions, small business men, stating that they have practically had no increase in income during the last few years, and that being taxed to pay for the war will be a very serious hardship.

Let us look at the other side of the shield and see how the cost of living has gone up.

War conditions and war prices have already placed the average American in a financial condition where he can not decently be asked to pay for the war.

The New York Times Annalist, of April 23, 1917, publishes a table showing "index numbers" of the increase in the cost of living in the last two years. It explains the table as follows: "The Annalist index number shows the fluctuations in the average wholesale price of 25 food commodities selected and arranged to represent a theoretical family's food budget." Here are the figures:

For April 24, 1915, index number is 154.
For April 22, 1916, index number is 166.
For April 21, 1917, index number is 270.

In other words, the 25 most common and necessary articles of family use have almost doubled in price in the last two years.

Dun's index figures show similar price increases, as follows: Between April 1, 1914, and April 1, 1917, dairy and garden products increased 84 per cent; meat, 46 per cent; clothing, 49 per cent; metals, 69 per cent; and foodstuffs, 105 per cent.

A few days ago the Old Dutch Market (Inc.), of Washington, D. C., which operates a large string of stores, selling meats, canned goods, eggs, vegetables, etc., published a comparison of prices in April, 1914, and April, 1917. It deals in all with 60 table necessaries. The average increase on all items listed is 85.32 per cent during that period.

As a corollary to this we have the report issued on April 26 of the food committee appointed by the Commissioners of the District of Columbia. "Interesting figures were obtained," says the committee, "from the proprietors of some of the smaller stores, whose business is with the poorer people. They show clearly that the poor have been compelled to resort to the strictest economy in order to provide food, on account of high prices. The purchases are of the cheapest possible articles and in smaller quantities than heretofore. The sale of ordinary cuts of meat in this class of stores seems to have been discontinued, and the meat now purchased consists of hog livers, hog kidneys, neck bones, hog faces, etc."

Following the food riots in New York, Miss Helen M. Todd was appointed to make an investigation of the effect on school children of the high cost of food. She reported last week that in the poorer districts diet has been so cut down that the children's scholarship has suffered materially through malnutrition, and that public-school teachers complain that the children are unable to maintain their grades.

The Review of the United States Bureau of Labor Statistics, for April, 1917, tells the same story. In the four years from February 15, 1913, to February 15, 1917, flour increased in price 69 per cent, eggs 61 per cent, potatoes 224 per cent. A 16-ounce loaf of bread cost, on February 15, 1914, $0.055; on February 15, 1915, $0.062; on February 15, 1916, $0.062; and on February 15, 1917, $0.071. Bread to-day is 10 cents a loaf. As this goes to press wheat is $3 a bushel in the western markets.

As to coal, the Black Diamond Magazine and the Coal Trade Journal show that the average retail price of anthracite range coal in New York was $5 a ton in January, 1915, and $8.75 a ton in January, 1917. Soft coal at the mines was from $0.80 to $1.65 a ton in December, 1914, and from $4.75 to $6.50 a ton in January, 1917; this in the face of yearly increasing output.

Take one particular item, shoes. I could give you quite definite statistics on shoes. I will quote from the Shoe Retailer, the leading periodical of the shoe trade. Its issue of March 24 contains a symposium on the subject from leading manufacturers throughout the country. I will hand in a copy of excerpts from it. Mr. James Coward, of the great retail store of New York, says, "A staple shoe that we sold at $3.95 two years ago sells to-day for $6.50." Mr. Coward said that the increase in price within the next year would be even greater and would begin to climb at once. He said that kid skin that sold a year ago for 32 cents a foot now sells at 80 cents.

Where, then, has the Nation's prosperity gone since the world war began—into whose pockets? And, above all, where may we find the accumulations of wealth which may now be taxed to pay for the war with the least hardship or injustice to the public?

The following figures, selected almost at random from the great list of industrial corporations that have profited by war times, may suggest the answers to the above questions. They may also indicate the economic conditions which lie below the fact, reported by Prof. King, of the University of Wisconsin, that 2 per cent of the people of the United States own 65 per cent of the country's total wealth.

Net profits of American industrial corporations.

[Figures shown are the net profits earned for the stockholders, after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporations.	1916	1915	1914	1913
American Can Co.	$7,962,982	$5,029,273	$2,916,339	$4,376,173
American Smelting & Refining Co.	23,252,248	14,402,732	9,271,565	9,756,540
American Hide & Leather Co.	1,643,266	959,974	107,205	475,518
American Beet Sugar Co.	2,445,189	1,424,654	452,074	881,055
American Locomotive Co.	10,769,429	[1] 1,491,980	2,076,127	6,185,306
American Steel Foundries Co.	3,418,057	[2] 219,574	[2] 231,481	1,033,592
American Woolen Co.	5,863,819	4,080,865	2,788,602	[1] 1,179,791
American Writing Paper Co.	2,524,378	[2] 126,956	[2] 108,310	[2] 229,190
Armour & Co.	20,100,000	11,000,000	7,509,908	6,028,197
Atlas Powder Co.	2,939,790	1,671,762	294,150	322,838
Baldwin Locomotive Co.	5,982,517	2,827,816	350,230	4,017,800
Bethlehem Steel Corporation.	43,593,968	17,762,813	5,590,020	5,122,703
Barrett Co. (American Coal Products Co.)	4,247,858	2,482,236	1,280,476	1,835,811
Brown Shoe Co.	1,467,757	240,322	495,890	710,464
Central Leather Co.	15,489,201	5,626,897	4,876,924	4,386,345
Colorado Fuel & Iron Co.	2,201,171	[2] 334,611	[2] 905,968	1,727,192
Crucible Steel Co.	13,223,655	3,073,750	1,015,039	4,905,886
Cuban-American Sugar Co.	8,235,113	5,594,048	2,705,723	356,887
E. I. du Pont de Nemours Powder Co.	82,107,693	57,257,308	4,831,793	4,582,075
General Chemical Co.	12,286,826	5,958,746	2,857,898	2,809,442
Hercules Powder Co.	16,658,873	4,885,102	1,217,255	1,017,212
International Agricultural Corporation	1,279,832	[1] 160,022	84,908	[1] 161,493
International Nickel Co.	11,748,279	5,598,072	4,792,665	5,009,120
Lackawanna Steel Co.	12,218,234	2,409,108	[1] 1,652,444	2,755,883
Morris & Co. (packers)	3,832,213	2,321,415	2,205,672	1,916,997
National Enameling & Stamping Co.	2,417,803	913,742	548,756	761,274
New York Air Brake Co.	8,214,962	1,343,285	641,046	654,512
Phelps Dodge Corporation.	21,974,263	9,720,475	6,664,839	7,907,710
Pittsburgh Steel Co.	4,564,068	858,160	416,551	1,193,669
Railway Steel Spring Co.	3,710,805	1,363,229	374,454	1,121,660
Republic Iron & Steel Co.	14,789,163	3,515,819	1,028,748	3,101,300
Sloss-Sheffield Iron & Steel Co.	1,912,624	522,388	490,139	678,466
Swift & Co.	20,465,000	14,087,500	9,450,000	9,250,000
Texas (Oil) Co.	13,898,861	6,393,327	6,185,974	6,663,123
United States Steel Corporation.	271,531,730	75,833,833	23,496,768	81,216,985
United States Cast Iron Pipe Co.	1,308,641	[2] 381,387	[1] 59,368	564,427
United Fruit Co.	11,943,151	5,900,522	2,264,911	5,315,631
United States Industrial Alcohol Co.	4,884,587	2,172,013	653,264	652,358
United States Smelting, Refining, & Mining Co.	8,898,464	6,592,324	2,265,641	3,585,588
Westinghouse Air Brake Co.	9,396,103	1,575,839	3,482,994	5,255,259
Westinghouse Electric & Manufacturing Co.	9,666,789	2,009,744	4,058,809	3,164,032
Wilson & Co. (packers)	4,913,873	2,463,732	[3] 1,511,528	1,364,245

[1] Deficit. [2] 19 months. [3] 15 months.

Taking 24 of the principal companies listed above and comparing their earnings in 1914 and 1916, we find in these two years an increase of 500 per cent, and these increases may be expected to continue. For instance, the Steel Corporation's last quarter's earnings, just published, would indicate that; for, if the percentage is maintained for the whole year, the net sum applicable to dividends for 1917 should be about $450,000,000.

Comparing the increased earnings and the increased stock values of two of these corporations, we get a still more concrete idea of the increased wealth which offers the country a ready source of war taxation:

United States Steel Corporation.

Net earnings, 1914	$23,496,768
Net earnings, 1916	271,531,730
Increase	248,034,962
Average market value of outstanding stock in 1914	682,648,282
Average market value of outstanding stock in 1916	961,181,378
Increase	278,533,096

Bethlehem Steel Corporation.

Net earnings, 1914	$5,590,020
Net earnings, 1916	43,593,968
Increase	38,003,948
Average market value of outstanding stock in 1914	17,536,690
Average market value of outstanding stock in 1916	106,112,130
Increase	88,575,440

RAILROADS.

Shareholders of railroads have also improved their position as investors since the war began.

In 1913 the net operating revenue ran approximately from $275 a mile in January to $300 a mile in December. In 1916 the net operating revenue ran approximately from $337 a mile in January to $550 in October.

The net revenue for railroads earning over a million dollars annually for the six months ending January 1, 1917, was practically $700,000,000, which is the largest profit in the history of American railroading.

Mr. LENROOT. Mr. Chairman——

The CHAIRMAN. The gentleman from Wisconsin [Mr. LENROOT] is recognized.

Mr. LENROOT. Mr. Chairman, I shall support the amendment offered by the gentleman from Kentucky [Mr. SHERLEY], proposing in this item to increase the tax 1 per cent, and I shall then support the amendments that he states he expects to offer, making further increases through this section of the bill.

It seems very clear to me that these rates as provided in this bill ought to be increased; that they can be increased in a very substantial amount without hardship or serious sacrifice upon the part of any of the individuals upon whom they will fall, while on the other hand there are many features of the remaining provisions of this bill that will create hardships, and severe hardships, upon those who are least able to bear them; and it is my hope that if we can secure a substantial increase in the income tax, later on in the bill we may eliminate some of the consumption taxes that would fall upon the very poor people of this country if those taxes were allowed to remain.

Now, this proposed amendment operates only upon incomes between $5,000 and $7,500 a year, and, as the gentleman from Kentucky has said, it proposes an increase of $25 over that provided for in the bill. Is there anyone who will say that that $25 will be a hardship upon one who will be compelled to bear it? Members of Congress receiving a salary of $7,500 will be compelled to pay $25 more than they otherwise would. If he is unmarried, he would pay $245 on his congressional salary. With this income rate fixed he would pay $270.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. FESS. I was not in the Hall when the gentleman from Kentucky [Mr. SHERLEY] offered his amendment. How much is it proposed to raise in addition from the income tax by the proposed amendment?

Mr. LENROOT. This bill is being considered by paragraphs, and he has only offered an amendment to the first paragraph; but he states that he will offer increases as we go along through the bill until we reach a maximum of 50 per cent.

Mr. FESS. Has the gentleman any knowledge of the sum total of that increase?

Mr. LENROOT. I have not. I do not know what the gentleman will offer; but I will say this, that I had in mind offering a more moderate amendment than he proposes, increasing all of these rates 25 per cent. If that had been done, the increased levy from that alone under the figures submitted by the committee would have amounted to $93,000,000.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. GREEN of Iowa. What particular taxes would the gentleman eliminate in case the amendment carried?

Mr. LENROOT. I have two particularly in mind: The tax upon light and heat, and the freight-rate tax—that goes directly into consumption.

Mr. GREEN of Iowa. I agree with the gentleman there.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield for a question?

Mr. LENROOT. Yes.

Mr. MOORE of Pennsylvania. The gentleman suggests that we might have increased the income tax rate 25 per cent. Does he mean a flat 25 per cent on all incomes, or would he graduate it?

Mr. LENROOT. I mean taking the same graduations that you have in the bill.

Mr. MOORE of Pennsylvania. On a graduated scale?

Mr. LENROOT. Yes; on the graduated scale?

Mr. GARNER. Increasing it 25 per cent?

Mr. LENROOT. Yes. Now, it has been assumed by some that the highest of these income items in the bill, providing for 33 per cent per annum upon the amount by which the total net income exceeds $500,000, means an income tax of 33 per cent upon the entire income in addition to the other taxes imposed. As the gentleman from Kentucky [Mr. SHERLEY] pointed out, that is not so at all. This 33 per cent applies only in this bill to an amount exceeding $500,000. The 30 per cent tax applies only to an income in excess of $300,000 and below $500,000; but under the statement put into the RECORD by the gentleman from Michigan [Mr. FORDNEY], a man who has an income of $500,000 under the committee bill will pay only 33 per cent of his entire income, all told, while on the face of it some might think from this bill that he is paying 30 per cent in addition to the amount he is now paying.

Mr. GARNER. Let us take Mr. Ford as an example, if I may be permitted to use the illustration. According to the account of his return, made last year, it would be $30,000,000. On the basis of that it would amount to about 46 per cent of Mr. Ford's income.

Mr. LENROOT. Yes. That is the highest figure given by the committee.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield again right there?

Mr. LENROOT. Yes.

Mr. GREEN of Iowa. That will be the case as applied to a man like Mr. Ford. As to men who pay these high taxes, as a rule, the taxes imposed by the bill will take a larger part of their income than that, because they will pay a portion of the corporation tax and the excess profits tax.

Mr. LENROOT. That is true of everybody, no matter what his income is.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. McCORMICK. As a matter of accuracy, I think that incomes of $5,000,000, as the bill stands, would pay 47.7 per cent, and incomes of $10,000.000 would pay 48.85 per cent.

Mr. GREEN of Iowa. If the gentleman will pardon me, it will not be true of everybody. It will not be true of myself. I have no corporation stock of any kind and would have no excess profits.

Mr. LENROOT. It will be if the sources of his income are from corporations and business.

Now, much has been said of the income tax of England, and that in no case does it exceed an income tax of over 50 per cent. I believe that is true, but my understanding is that England to-day imposes a 50 per cent tax upon all incomes in excess of £20.000, or $100,000. Compare that with the provisions of the bill submitted by the committee, and men having an income of $100,000 under this bill will pay a total income tax of only 14.22 per cent as against an income tax in England of 50 per cent.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LENROOT. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCORMICK. May I interrupt the gentleman?

Mr. LENROOT. Yes.

Mr. McCORMICK. The cables report that the British excess profits tax, which is a genuine tax on excess profits, is about to be increased to 80 per cent. It is now 60 per cent.

Mr. LENROOT. That is in addition to the 50 per cent income tax that I have been speaking of.

Mr. MADDEN. But there is quite a difference between the excess profits tax in England and the excess profits tax here.

Mr. LENROOT. Yes; and I am very sorry that we are not pursuing the policy of England in that respect. I believe it would be very much fairer if we could base the profit tax on the profits gained by corporations for two or three years preceding the beginning of the European war, as is the policy of England.

Mr' GORDON. What is the excess profits tax in England?

Mr. LENROOT. Seven hundred million dollars, I believe.

Mr. GORDON. I mean the rate.

Mr. LENROOT. It rises as high as 60 per cent. Now, Mr. Chairman, going back to the amendment, every man in this country, every man in this Congress, ought to bear his share of the burden. Every man ought to be called upon to make a sacrifice, and if not called upon to hazard his life for his country he ought not to complain if he makes the sacrifice of means to such an extent that it is a real sacrifice for him. For any man who has $100,000 income, if we take 50 per cent in excess of that, how much of a sacrifice is that man making for his country? How much is he suffering in being deprived of 50 per cent of his income over and above $100,000? Is it not fair and is it not more just to raise every dollar that we legitimately can through an income tax, a policy which as the gentleman from Kentucky [Mr. SHERLEY] has said will destroy no business, will shut down no factory, but simply take of a man a portion of the profits he receives whether his profits are from investment or whether they be from earnings—something he can easily afford to give up, rather than to have a tax such as is proposed by the committee to make up the sum of eighteen hundred million dollars through the onerous and burdensome consumption taxes which ought not to be imposed unless it is absolutely unavoidable? [Applause.]

Mr. BORLAND. Mr. Chairman, as I understand it, there has been no estimate submitted to the committee or to this House of the amount of additional revenue which would be raised by the amendment offered by the gentleman from Kentucky [Mr. SHERLEY]. Certainly, it seems to me that before we undertake to revise the work of the committee we ought at least to know how much additional revenue would be produced by this suggestion. We ought also to know what items in the bill of proposed revenue it is to take the place of so that we may have an opportunity to balance the items eliminated against the proposition for that revenue.

But aside from the fact that the committee has not worked out this proposition with any care, or not worked it out at all, there is another proposition that I want to suggest to the committee. I am in thorough accord with a great many of the arguments of the gentleman from Kentucky and would consider them unanswerable if this was the only tax bill that I anticipated we would have prepared for the purposes of this war. But when we consider that this may be only the initial tax bill, we see that we must have a well-balanced system of taxation. Wars must be financed in two ways: First, by the ready cash, which is raised by the annual tax bill, and, second, by the borrowing power of the Government. It has always been the case that the length and duration of wars are underestimated.

Almost always the result has been that the borrowing power of the Government decreases as the war goes on; in other words, we resort ordinarily at the beginning of war to a very moderate use of the borrowing power of the Government and the credit is not strained. But as we go on there is a strain on the borrowing power compared with the taxing power left to the Government which begins to show a wide margin. Then the credit of the Government becomes impaired. Sound financiers tell us that the amount of money raised through taxation should increase during each year of the war and the amount relied upon by the sale of bonds should decrease if we want to preserve the just relation between the power of taxation and the power of the national credit. The difficulty is that we ordinarily undertake to reverse it. We must leave to ourselves as wide a margin as possible under the taxing power, and we must leave to ourselves as wide a margin as possible on the extension of our credit.

Mr. SHERLEY. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. SHERLEY. Does the gentleman think that an increase from 1 to 2 per cent of surtax on incomes of a maximum of $7,500 is going to exhaust the taxing power of the Government on incomes?

Mr. BORLAND. No; I do not think so. I trust not. I hope it is not exhausting the taxing power, but I do not know any reason why we should approach the taxing power.

Mr. SHERLEY. It is not approaching it; it is not coming anywhere near to it.

Mr. BORLAND. Suppose we have occasion again and again, not once but twice, and no one knows how many times, to bring in further taxation bills.

Mr. SHERLEY. The gentleman seems to think because we get taxes one way and do not another we are lessening the burden. I am not interested about the amount of taxes to be raised now, but seeking to do it without burdening the people unduly.

Mr. BORLAND. I am quite agreed with the gentleman. I am opposed to indirect taxes, and I think the justification in this particular instance is the fact that they are largely levied on articles of luxury, with the exception of the blanket provision of tariff, the result of which none of us can foresee. I am not content with that; I am not content with several features of the bill. If I had the power to write the bill, I would strike out some of those provisions; but in the main I think the committee has undertaken to work out a well-balanced bill. I want to repeat that in order to finance the war we must maintain a scientific system of taxation. Our powers of taxation to provide for the redemption of and the interest on the issue of the bonds must always be left at a safe margin, and unless the gentleman can find out exactly how much he expects to raise by the change he suggests in the elimination of the particular tax in this bill and the other exemptions, it is our duty to vote it down; in other words, it is our duty to give the committee credit for having made up a well-balanced bill.

Mr. BLAND. Mr. Chairman and gentlemen of the committee, at the very beginning I desire to say that I am fully aware that an enormous sum of money is required of our Government in the conduct of this war and in our efforts to aid those powers that are like us engaged in war against our enemy, and I am also fully conscious of the fact that we have long since become the richest Nation on earth and are capable of contributing the greatest sum of money for a given purpose than any other nation.

It has been my profoundest hope that the bill when it came out of committee would be in such form as to commend itself to our patriotic people as a wise, equitable, and fair revenue-raising law. In some particulars I must in fairness to the able and patriotic members of the Ways and Means Committee concede that they have acted wisely and well. But I can not go back to my tax-burdened people of the second district of Indiana, who in their partiality have sent me here to represent them, and with a clear conscience tell them that I stood for all the burdens and hardships and sacrifices that I know this measure must bring to them, without at least raising any voice

in protest before the committee while the measure is being put into shape for final passage. I know that it will not be safe to refuse to pass the measure when it comes out of the committee. The tremendous undertaking we are engaged in is fraught with too much peril to permit of failure of the passage of a revenue bill by this session of this Congress; but, gentlemen of the committee, I beseech you to look around while you work, and in the name of common sense, of justice and mercy, do not further crush the fallen who in their anguish at this hour plead to you for help. Go to the schools, go to the homes of the laboring class of our people, who of necessity must furnish most of the boys to fight this great war, and see the pale and pinched little faces of children whose health and future usefulness is being undermined on account of the lack of food and clothing. Go to your grocer, your clothier, and your dealer in general merchandise and inquire the prices of the commonest necessities of life before you by certain provisions of this bill drive to further despair these millions of once prosperous Americans, who, in their now destitute condition, each day are required to make new sacrifices and self-denials, and take new burdens to their now bended shoulders.

You say we must raise $1,800,000,000 by this law. I dispute this proposition. I do not contend but that we must eventually raise this sum and several more billions on top of it, but I do contend that it is not necessary at this time, nor is it expedient nor fair, that so large a portion of the expense of the war be raised by this generation, who, with the exception of certain favored ones, are now standing all the burdens they can bear. This war is not for us alone. It is not for our children alone. If it brings anything of glory, anything of worth, anything of value, it will be enjoyed by those who live after we are dead and gone. If we are right in our declaration of war that it is for the perpetuation of our free government, then we fight for those to come as well as those now with us. And right here let me digress long enough to say that I differ with the President's position, if his position can be said to be expressed by his speech the other day at the dedication of the Red Cross Building here in Washington City, and in his last message to Congress, in which he said in substance:

We have no grievances, and are only in this war for the principles of democracy.

It is my belief that not only the democracy of the foreign world is at stake in this war but our own democratic form of government, our own rights and privileges, our very liberties and lives, and had I not so believed I would not have voted for war. Had I not thought that the privileges and blessings bequeathed to us by a heroic ancestry were in jeopardy I would not have given my consent to call to arms a million of our splendid men from the peaceful walks of life.

I think we should raise a large sum of money by the bill, and for the general welfare of the Nation in its present crisis I am willing to vote for a bill that will raise even a larger sum than I think should be taken from our people at this time. I am not one of those obstreperous and obstinate fellows who demand that the views of 435 men shall in all particulars coincide with my own, and shall only oppose in committee the parts of the bill reported by the committee that I can not in conscience approve. But, gentlemen, I am vitally interested in the source of this revenue. We should not by the imposition of this taxing measure create additional and unbearable burdens upon those whose wail of hunger and want we now hear, nor should we foolishly and ill-advisedly kill the goose that lays the golden egg by destroying industries and business enterprises, the continued prosperity of which is our guaranteed source of revenue.

You propose to tax incomes and, in taxing them, to add to the amount taken from future incomes a certain additional per cent of this and future years' income, on account of and based upon income taxes heretofore paid. You also propose to tax excess profits. This is all well and good as far as it goes, but as I see it, you did not go far enough. You also propose in this measure a heavy tax on beverages, cigars, tobacco, snuff, cigarette papers, transportation and amusement tickets, telephone or telegraph messages. Since most of them are under strict construction not classed as absolute necessities, I can approve this item under the circumstances, although I would prefer not to tax the poor man's one luxury, the 5-cent picture show. The tax upon insurance policies, decedent's estate, club dues, and the tax upon bonds, notes, deeds, stock certificates, and so forth, can be borne without unbearable hardships. The flat 10 per cent ad valorem custom duty upon many articles on the present dutiable list of imports, though unscientific and in many respects unfair and injurious, can be tolerated during this emergency. But, gentlemen, your proposed tax upon the necessities of life that are imported into this country free of duty and not in competition with our own products, is an outrageous and inexcusable blow at those who are poor and needy. You should not raise this revenue to carry on this war by a tariff that will make living higher, and if you place this additional load upon the backs of the American toiler you will hear from him in an emphatic way before you are through with it. You say you have not the time to scientifically adjust schedules. You took time in section 1001 of this bill to specifically single out not only the coffee and tea coming into this country but also the coffee and tea in the hands of the wholesalers of the Nation. This action can not be justified even as a war measure, either by a protectionist or a free trader and a tariff for revenue only advocate, if there are such fellows, should be ashamed to put the burden of the revenue of this war upon such articles of necessity as these, which must fall heavily upon the poor man and leave untouched the millions of income and profits of the rich. I know there are men with enormous incomes and business institutions getting very large profits that ask you to be lenient with them, but there are millions in this Nation to-day that only ask for a chance to live, to exist during this awful war. The various members of your committee have on this floor during the last week pleaded guilty to writing the most unscientific and in many instances burdensome and harmful tariff bill ever enacted into law, and your only excuse for doing so is that "we need the money." I admit that we may yet need the money, but I demand that until you can get time to pass a proper tariff law you leave this field untouched and raise the money needed from sources concerning which I will go more into detail later.

I am opposed to that section of your bill that taxes poster advertising and leaves untouched the great mass of newspaper and magazine advertising of the Nation. I want the Members of this House to have the courage to say to the newspapers and magazines, even at the risk of meeting with their opposition at the polls next election, "You shall not be singled out as a privileged class among advertisers." I would either include them or leave section 504 out of this bill altogether, and since I do not believe this House will consent to the proposed zone rate on second-class mail matter, and thus absolutely destroy many worthy agricultural, scientific, religious, and trade-union journals and publications, and whose advertising space is not large, I am of the opinion that it would be the part of wisdom to drop this section from the bill altogether.

It is not fair, nor profitable in the long run to impose a 5 per cent tax on the sale price of an automobile or a musical instrument, or the other manufactured products which you make subject to this tax. This tax is laid without regard to whether the plant is run at a profit or a loss. If it is run at a profit, you decrease your income and excess profits tax, and if at a loss you bury forever the industry that gives employment to our people. Increase your income and excess profits tax, and you can better defend yourself in saying that "we need the money." Let those pay most who are making most. No patriotic American at this hour has the right to complain that because his profits were large we took much of it away from him.

The profit maker is the one man that has much to defend in this war, he is the one man whose mouth should be closed from declaiming against paying the lion's share of expenses of this war. These war times brought him much, and we will not do our full duty unless we make him lay a fair proportion of it upon the alter of his country under whose flag he made it. Listen to these official figures of the net profits of American industrial corporations taken from their own reports:

Corporations.	1913	1916
American Beet Sugar Co.	$851,055	$2,445,189
American Woolen Co. (deficit)	1,179,791	5,883,819
Atlas Powder Co.	322,838	2,937,790
Bethlehem Steel Corporation	5,122,703	43,503,963
Brown Shoe Co.	710,466	1,457,757
Central Leather Co.	4,386,345	15,489,201
United States Steel Corporation	91,216,985	271,511,739
Westinghouse Air-Brake C.	5,255,259	9,396,103

In this bill you propose to take only a small part of this enormous profit of these and other great industrial firms, and at the same time attempt to defend the provisions of this bill that burdens the poor and needy who now, weakened as they are, stagger beneath their burdens, and to jeopardize the life of the little business man and the moderately well-to-do man who are fighting for their existence, but who furnish remunerative employment for our people. You say, "we need the money" and defend that part of this bill that is admitted by everyone will bring great burdens to those already in distress and at the same time you let a gentleman with a $1,000,000 income walk free with more than $500,000 of it which he can not hope to intelligently spend, and you at the same time put a 10 per cent flat duty on meat that comes from Argentina during

these high-price times, when the war is our protective-tariff barrier, and my Democratic friends say this duty is put on the consumer. And while you say "we need the money" you let Henry Ford, with $30,000,000 income, get away with more than $15,000,000 of it. How are you going to defend that provision of your bill, when the Government must surely some day in the near future take charge of the meat distribution in order that our people can get a bite of meat once in a while? Gentlemen, if you want to encourage patriotism in the breasts of our brave people, if you want to marshal the wonderful resources of this Nation and truly put up the best possible front in this war, put the great burden of the expense of it on those who can the most easily afford to give it. I would not go as far as my friend KEATING, who proposes to take practically all of the incomes, because, like the little boy's apple core, there wouldn't be any income.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman, although he did not yield to me

Mr. KEATING. I apologize for my discourtesy. The gentleman says that he is anxious to take the money away from the millionaires. How far is the gentleman willing to go?

Mr. BLAND. I am willing to take enough money to raise the $1,800,000,000 proposed by this bill, after taking out the 10 per cent flat tariff on free-listed articles and after taking out the poster-advertisement clause and a few other unjust and inequitable measures that are in the bill. You do not need to go any further. We do not need to start a revolution here in order to raise this money, and I am afraid the gentleman's provision would revolutionize business and incomes generally.

Mr. KEATING. If you vote for my amendment, you will raise $600,000,000.

Mr. BLAND. The increased postage of this act will increase the postal revenues about 33⅓ per cent—a 2-cent letter will cost 3 cents, a postal card will cost 2 cents, and other increases are made.

Postmasters of the fourth class get all the cancellation of the office up to $200 per year. They get 60 per cent of the next $400 per year; they get 50 per cent of the next $800 per year; they get 40 per cent of the balance they cancel. And every time a first, second, or third class office increases its receipts so many dollars the postmaster gets an increase, and in a few instances this means a $1,000 increase. If a fourth-class post office gets enough receipts, it becomes a third-class office and a new salary schedule goes into effect. With the different classes of post offices goes the village and city delivery, and so forth. Here is a table of the first, second, and third class post-office receipts and salaries which I will ask to have inserted into the RECORD:

Gross receipts.	Salary.
THIRD CLASS.	
$1,900 and not exceeding $2,100	$1,000
$2,100 and not exceeding $2,400	1,100
$2,400 and not exceeding $2,700	1,200
$2,700 and not exceeding $3,000	1,300
$3,000 and not exceeding $3,500	1,400
$3,500 and not exceeding $4,200	1,500
$4,200 and not exceeding $5,000	1,600
$5,000 and not exceeding $6,000	1,700
$6,000 and not exceeding $7,000	1,800
$7,000 and not exceeding $8,000	1,900
SECOND CLASS.	
$8,000 and not exceeding $9,000	2,000
$9,000 and not exceeding $10,000	2,100
$10,000 and not exceeding $11,000	2,200
$11,000 and not exceeding $13,000	2,300
$13,000 and not exceeding $16,000	2,400
$16,000 and not exceeding $20,000	2,500
$20,000 and not exceeding $24,000	2,600
$24,000 and not exceeding $30,000	2,700
$30,000 and not exceeding $35,000	2,800
$35,000 and not exceeding $40,000	2,900
FIRST CLASS.	
$40,000 and not exceeding $45,000	3,000
$45,000 and not exceeding $60,000	3,100
$60,000 and not exceeding $80,000	3,200
$80,000 and not exceeding $110,000	3,300
$110,000 and not exceeding $150,000	3,400
$150,000 and not exceeding $200,000	3,500
$200,000 and not exceeding $260,000	3,600
$260,000 and not exceeding $330,000	3,700
$330,000 and not exceeding $400,000	3,800
$400,000 and not exceeding $450,000	3,900
$450,000 and not exceeding $500,000	4,000
$500,000 and not exceeding $600,000	5,000
$600,000 and upward[1]	6,000

[1] By special acts of Congress the salaries of the postmasters at New York, N. Y., Chicago, Ill., Philadelphia, Pa., Boston, Mass., and St. Louis, Mo., are fixed at $8,000 a year.

Now, to my great surprise—and probably I should not say that, for under all the circumstances I can not say I was unduly surprised, although I had talked with members of the committee on the subject before the bill was reported—I learned, after the bill was agreed upon in committee and before it was taken up in the House, that no provision had been made in the bill to prevent a very large part of this revenue collected from the people on account of war necessity from going into the pockets of the many thousands of postmasters of the Nation.

I prepared an amendment for this bill, and here it is:

And provided further, That the salaries of all postmasters at offices of the first, second, and third classes shall not be increased after July 1, 1917, during the existence of the present war.

And provided further, That the compensation of postmasters at offices of the fourth class shall continue to be computed on the basis of the present rates of postage.

The Post Office Department furnished this information and assisted in getting it up, although I am not committing them one way or the other on this amendment.

I have learned that the chairman of the committee [Mr. KITCHIN], since I prepared the amendment, has received an exact copy of it and intends to introduce it as a committee amendment. I certainly will gladly support the amendment when presented and will offer it if the gentleman from North Carolina does not.

It is my opinion, gentlemen, that when we get through amending this bill it will be much better than it is to-day, and I think that every Member of the House should feel free to vote for a proper amendment and not let his sense of loyalty to the members of that committee, all of whom are splendid men, prevent him from doing his full duty as his conscience dictates. [Applause.]

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, and had come to no resolution thereon.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 61. Joint resolution to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

THE REVENUE BILL.

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue measure.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, with Mr. FOSTER in the chair.

Mr. TOWNER. Mr. Chairman, I shall support the amendment of the gentleman from Kentucky [Mr SHERLEY], but I shall ask the Clerk to read in my time an amendment to this section, which would apply all along to the increases which I would favor.

The Clerk read as follows:

Amendment offered by Mr. TOWNER: Page 2, line 11, strike out "one" and insert "two"; page 2, line 14, strike out "two" and insert "three"; page 2, line 17, strike out "three" and insert "four"; page 2, line 20, strike out "four" and insert "five"; page 2, line 23, strike out "five" and insert "six"; page 3, line 1, strike out "six" and insert "seven"; page 3, line 4, strike out "eight" and insert "ten"; page 3, line 7, strike out "eleven" and insert "twelve"; page 3, line 10, strike out "fourteen" and insert "fifteen"; page 3, line 13, strike out "seventeen" and insert "twenty"; page 3, line 16, strike out "twenty" and insert "twenty-five"; page 3, line 19, strike out "twenty-four" and insert "thirty"; page 3, line 22, strike out "twenty-seven" and insert "thirty-five"; page 4, line 1, strike out "thirty" and insert "forty"; page 4, line 4, strike out "thirty-three" and insert "fifty."

Mr. TOWNER. Mr. Chairman, I favor the increases suggested by this amendment which I have had read, but if the amendment of the gentleman from Kentucky should prevail, then I understand that subsequent consideration will be given to amendments to the other subdivisions that follow. However, the proposition which I have had read gives substantially my idea of the increases that we could be entirely justified in putting into the bill. I think there is no one amongst us who does not realize that there is a great deal of unjustifiable complaint being made by many with regard to the various items of taxation in the bill, but I think that no reasonable man can fail to realize that there are many items of taxation in the bill

that are utterly unjustifiable, if we can secure the money by any other means that will not be so harmful to the business of the country, and especially to the poor man of the country. I think that there is no question but that it would be wise for us, instead of making the decrease in the exemption from $4,000 to $2,000 and $3,000 to $1,000, to provide that the exemption shall be from $4,000 to $3,000 and from $3,000 to $2,000. I will favor that kind of an amendment if it should be offered, or offer it myself. That would decrease by $40,000,000, according to the estimate of the committee, the amount that would be received, and yet I am inclined to think that could be fully justified by the increases now under consideration to the individual income-tax list.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. LONGWORTH. Does the gentleman realize that under his amendment he would put a tax on the larger incomes greater than Great Britain now imposes in the third year of the war?

Mr. TOWNER. Yes. I think on the higher incomes that would be true, but upon those that are lower it would not be true. On the whole, I think this kind of a schedule would be vastly more favorable to American citizens than the English income-tax system, but I suggest to the gentleman that if he thinks the proposed amendments carry too heavy a burden on individuals, that that burden will be so placed as not to bear heavily on the poor man. Neither will it interfere so much with the business of the country. Neither will it bear so heavily on the consumption cost of the necessaries of life. Surely, these are legitimate objects for our consideration.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HOWARD. Mr. Chairman and gentlemen of the committee, a while ago when the gentleman from Kentucky [Mr. SHERLEY] presented his views on the income-tax proposition, I asked recognition for the purpose of opposing it. I do not presume that anybody realizes more definitely than myself that there is a great deal of deprivation to be made during this war and we have got to make that deprivation in order to meet the enormous expenditures of the war. But I do not like the taste of the proposition of the gentleman from Kentucky, and the reason I do not like it is this: He is making up the most comfortable bed for some of our weak-kneed brethren who have got some pet industries in their districts to lie on. The first thing you know we are going to eliminate from this bill by a piecemeal patchwork so many items carried in this bill that we are going to have practically no bill left when we get through. Now, what does this mean? I know. One per cent, striking the little fellows down at the bottom, the men who have got large families in this day and generation of increased cost of living, and with war prices on the rampage has a pretty narrow margin now.

Mr. SHERLEY. If the gentleman will yield, I announced that I was going to carry it out through the other paragraphs.

Mr. HOWARD. I understand the gentleman, and I always delight in listening to the gentleman, because I do not know any man who has been the father of more good sound legislation in this House and who can present a matter with more force and logic and get more gentlemen to see the way he thinks when he is sometimes wrong than my friend the gentleman from Kentucky [Mr. SHERLEY]. [Applause and laughter.] But here is this proposition: The first thing you know, what is going to happen is the beer people are going to come, and they will say, "You have increased the incomes. Let us out." The liquor fellows, the rectifiers, they will say, "You have got this money by income tax, let this tax on the rectifiers go off." Here will come my good friend DOREMUS, of Michigan, and say, "We have got this tax on incomes, let us knock out the tax on automobiles." Now, the gentleman from Ohio the other day in the heat of debate said something about an industry in my district. According to the industry in that district it has been hit harder and heavier than the district of any other gentleman in this House, to wit, the soft-drink industry. You have knocked off 14 per cent. I have not kicked about it, because I take it that the committee will do justice by all where injustice is apparent.

Mr. GREEN of Iowa. The gentleman might have stated it higher, several hundred per cent on the carbonic gas.

Mr. HOWARD. Now, let us see what you have done. I will say it is an injustice to those people to confiscate a business, or make them do business for nothing or at a loss. I say there are injustices in this bill and yet the gentleman from Kentucky starts down at the small incomes to raise it. Now, let us see under this bill what a Member of Congress—I know we have got some pretty well-to-do Members in here, but they are mighty few. I said here a few months ago that the majority of the membership of this House were about 30 seconds ahead of the sheriff with a common-law judgment. [Laughter.] We are all poor men as a rule. But now let us see what we pay. Under the present law we pay $70 a year if we are married. Under this bill we pay a tax equivalent to $205. Under the proposed amendment of Mr. SHERLEY we pay $230. We will take a man who has an income of $7,500 to $10,000. Under the old law he pays $120, under this law he pays $355, and under the scale of the gentleman from Kentucky he will pay $405 on that income. Now, let us see what these men have got.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOWARD. I would like five minutes more, if it is not in violation of the rule.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HOWARD. Now, let us see. These incomes are numerous. More men in this country make $10,000 than make a million dollars, or $500,000 or $50,000. Now, you want to get the great bulk of these taxes, and I will venture the assertion that the gentleman from Kentucky can not come within $25,000,000 this minute of estimating what his increase will produce, and I will venture the assertion that when the expert from the Treasury Department figures his estimate out that they will not increase this $25,000,000 on the incomes the gentleman from Kentucky proposes to increase. Now, I would like to go as far as my distinguished friend from Colorado [Mr. KEATING] on some things. He is a brainy, level-headed, conscientious, devoted representative of his people, but I am afraid that if we went up as high as he went, that folks would immediately get out of business rather than pay all to the country. They would say, "What is the use?" You have got to have some incentive to make a man get out and conduct a business. He proposes to take all of it. I tell you what I do believe. When it comes down to hitting a fellow who is getting over a half million dollars income I am not weak-kneed about going up to him and telling him what I want. I propose to offer an amendment before this debate is over and at the proper place to take 66 per cent on incomes over $500,000.

Mr. SHERLEY. Is not the gentleman making that same soft bed for other people?

Mr. HOWARD. No, sir; I am not, not at all; because I raise the revenue and will get the money and the gentleman's proposition will not.

You are going to knock out the tax on these waybills and receipts, and one thing and another. That is transportation. That is going to be knocked out because you do not want to put a tax on consumption. All of you are going to vote for that flat 10 per cent increase on nondutiable stuff that comes over here. You are going to take it off of consumption, and all of you will vote for it on that side, and if I belonged to that school, I would vote for it, too. All of you are going to vote for that tariff except my friend here from Connecticut. I do not know whether he will swallow it or not.

Oh, my friend from Pennsylvania [Mr. MOORE] might balk at a small tariff of 10 per cent. They believe in 90 and 100 per cent. But you will take it off of your waybills because it is visited on consumption, and you will turn right around and put it on consumption by a tariff. That is what I call consistency. I am in favor of and shall introduce amendments to make the great incomes of this country bear such burden as they should to conduct this war.

Mr. MEEKER. Mr. Chairman, I want just at this time to take a moment to get into the RECORD and before the committee some figures in response to the request of the gentleman from Illinois [Mr. MANN], made when I spoke on Monday as regards the circulation of the St. Louis newspapers. At my request Mr. E. Lansing Ray, the vice president of the Globe-Democrat, has sent in this verified report from St. Louis:

MAY 15, 1917.

Hon. JACOB E. MEEKER,
Washington, D. C.

MY DEAR MR. MEEKER: Following definite information received directly from St. Louis this morning:

Circulation.	County.	City.
Globe-Democrat:	*Per cent.*	*Per cent.*
Daily	49	51
Sunday	60	40
Weekly farm edition	100	.....
Post-Dispatch:		
Daily	8	92
Sunday	55	45
Republic:		
Daily	54	42
Sunday	57	43
Weekly farm edition	100	.....

The county percentages above noted are divided between mail and express shipments, as follows:

Circulation.	Mail.	Express.
Globe-Democrat:	*Per cent.*	*Per cent.*
Daily	93	7
Sunday	88	12
Weekly	100	.....
Post-Dispatch:		
Daily	53	47
Sunday	47	53
Republic:		
Daily	54	4
Sunday	45	12
Weekly	100	.....

From these figures it is apparent that the proposed mail increases will fall very heavily on all three St. Louis papers, and especially so on the two morning papers, which have on their daily editions a large rural-route subscription, which can not be diverted to express and secure the rural-route delivery on the routes. This is a retroactive penalty on us, as subscriptions in most cases on all editions for mail subscribers are taken for a year's term, and no increase can be charged before subscription expirations. The weekly farm editions are all direct mail subscriptions, going straight to the homes of the farmers. There is no city circulation on the weeklies.

I haven't zone distribution figures. Their compilation would mean counting all galley lists, but the total increase of postage charges under proposed basis is approximately correct, as we gave them to you yesterday. Our experts used all possible care to arrive at accurate estimates.

The circulation corrections I mentioned I desired to give you in place of former figures are as follows:

Post-Dispatch Sunday circulation 360,000 instead of 230,000, and Globe-Democrat Sunday circulation 180,000 instead of 163,000.

I will not take any more of the time of the House, but will say that on page 2297 of the RECORD they can see by comparing there—that is, the speech of Monday—what this really means to this one group of papers?

Mr. RUBEY. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. RUBEY. In the speech made by the gentleman the other day he made the statement that the increase that would come to the Globe would be $200,000 annually and to the Republic $175,000.

Mr. MEEKER. Yes.

Mr. RUBEY. And to the Post-Dispatch about $87,000?

Mr. MEEKER. Yes.

Mr. RUBEY. I have the figures here of the postage paid at the end of the last fiscal year, as follows:

Postage paid at cent-a-pound rate on mailings of the following publications, fiscal year ended June 30, 1916.

The St. Louis Globe-Democrat:	
Daily edition	$89,305.47
Semiweekly edition	14,017.91
The St. Louis Republic:	
Daily edition	51,536.96
Semiweekly edition	20,060.34
The St. Louis Post-Dispatch, daily	47,864.01

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEKER. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RUBEY. Now, if the figures given by you are correct, then the amount these papers pay is considerably more than double the amount that they will have to pay under the present rate. And I think that your figures are rather extravagant.

Mr. MEEKER. I will say that all this data which I have given comes to me from the men on the paper. I do not give them on my own authority at all. But I am satisfied as to their integrity. These were the representatives of the newspapers, and I think if the gentleman has received a circular from, for instance, the Outlook and from some of the other papers, saying what this increase is going to mean to them, he will see that this is not much out of line.

Mr. RUBEY. The figures I am giving are from the Post Office Department.

Mr. MEEKER. I thank the gentleman. Mr. Chairman, I yield back the balance of my time.

Mr. SABATH rose.

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Chairman and gentlemen, I am indeed gratified that the gentleman from Georgia [Mr. HOWARD] and the gentleman from Colorado [Mr. KEATING] are going to raise the needed revenue for the Government. [Laughter.] As it is now, I notice that the State the first-named gentleman represents—namely, the State of Georgia—paid into the Treasury of the United States or raised the sum of $1,392,000 last year, and the State of Colorado, $1,665,000. On the other hand, the State of Illinois paid in over $65,000,000, or 50 times as much as Georgia and 40 times as much as Colorado.

I would like to know what taxation these gentlemen will suggest and favor so that their respective States will be doing their part in raising the needed revenue.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Virginia?

Mr. SABATH. In a moment. I would like to know whether the gentleman from Georgia desires to raise the additional revenue by levying it on some of the other States, or whether he is willing that his State and some of the adjoining States should pay a part or a portion of it.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SABATH. In just one moment.

Mr. MOORE of Pennsylvania. I wanted to caution the gentleman that this is a nonsectional bill. [Laughter.]

Mr. SABATH. I know it is; and I know that the gentlemen who framed it intended that it should be, and it is not my desire to bring in sectionalism. No one has ever charged me with it, and I hope no one ever will.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. HARDY. Will the gentleman permit me to suggest that he has simply repeated the oft-made argument of the other side, that the Government gets all its revenue from the port that pays the dues?

Mr. SABATH. Did I understand you to say "port"?

Mr. HARDY. Yes. That is the argument they make.

Mr. SABATH. I am not following their argument. I never did agree with that side. [Laughter.]

Mr. HARDY. I did not say you did.

Mr. SABATH. I want to say that I only agree with them when they are right, and they are right so seldom that it is not very often that I can agree with them. [Laughter.]

Mr. HARDY. I think that there is a fallacy in the argument that the gentleman makes, even conceding that $65,000,000 is paid by Illinois, because it is passed on to the consumer.

Mr. SABATH. Yes; I agree that most of it is paid by the consumer, but not in the gentlemen's States, Georgia, Colorado, or even Texas. This, however, is known. I simply wanted to make a brief observation on a matter that might be of interest to some of the gentlemen here, but inasmuch as I find some objection to that line of argument I will proceed to discuss the amendment that is proposed.

I would like to support the amendment offered by the gentleman from Kentucky [Mr. SHERLEY]. I shall, if my amendment should fail, support his amendment after he reaches the items of about $25,000. I believe up to that time the percentage is fair, and I expect to offer amendments increasing the tax on all incomes above $25,000. Later on I am going to ask unanimous consent that my amendment may be read for the information of the House.

Now, I am willing to raise the needed tax by an income tax so far as we possibly can do it, and I am not going to wait, like my friend from Georgia [Mr. HOWARD], until we reach those whose incomes are above a million dollars. I am willing to start with those who have incomes above $25,000, and commence to raise the tax in proportion, so that there shall be no discrimination. After I have reached the half-million-dollar mark I propose to tax all the incomes 66 per cent. I do not try to go as far as my friend from Colorado [Mr. KEATING], because I do not think his amendment has a chance, notwithstanding the plea that he has made for it. The principle is right but the purpose is wrong.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. HOWARD. Will my friend allow me to correct one statement? I stop where the gentleman starts, and I said that when we got to $500,000 I would tax all over $500,000.

Mr. SABATH. I regret that I have misunderstood the gentleman from Georgia. I am glad the gentleman favors a larger tax on the great incomes and that he agrees with my scale or with my amendment, and is even willing to go me one better.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. I ask five minutes more, so that I may have read the amendment that I desire to offer.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. SABATH. I am going to ask the Clerk to read the amendment that I desire to offer later on.

The Clerk read as follows:

SEC. 2. That in addition to the additional tax imposed by subdivision (b) of section 1 of such act of September 8, 1916, there shall be levied, assessed, collected, and paid a like additional tax upon the income of every individual received in the calendar year 1917 and every calendar year thereafter, as follows:

One per cent per annum upon the amount by which the total net income exceeds $5,000 and does not exceed $7,500;

Two per cent per annum upon the amount by which the total net income exceeds $7,500 and does not exceed $10,000;

Three per cent per annum upon the amount by which the total net income exceeds $10,000 and does not exceed $12,500;

Four per cent per annum upon the amount by which the total net income exceeds $12,500 and does not exceed $15,000;

Five per cent per annum upon the amount by which the total net income exceeds $15,000 and does not exceed $20,000;

Six per cent per annum upon the amount by which the total net income exceeds $20,000 and does not exceed $35,000;

Eight per cent per annum upon the amount by which the total net income exceeds $35,000 and does not exceed $50,000;

Eleven per cent per annum upon the amount by which the total net income exceeds $50,000 and does not exceed $60,000;

Fourteen per cent per annum upon the amount by which the total net income exceeds $60,000 and does not exceed $75,000;

Seventeen per cent per annum upon the amount by which the total net income exceeds $75,000 and does not exceed $100,000;

Twenty per cent per annum upon the amount by which the total net income exceeds $100,000 and does not exceed $125,000;

Twenty-four per cent per annum upon the amount by which the total net income exceeds $125,000 and does not exceed $150,000;

Twenty-seven per cent per annum upon the amount by which the total net income exceeds $150,000 and does not exceed $175,000;

Thirty per cent per annum upon the amount by which the total net income exceeds $175,000 and does not exceed $200,000;

Thirty-three per cent per annum upon the amount by which the total net income exceeds $200,000 and does not exceed $250,000;

Forty per cent per annum upon the amount by which the total net income exceeds $250,000 and does not exceed $300,000;

Forty-five per cent per annum upon the amount by which the total net income exceeds $300,000 and does not exceed $350,000;

Fifty per cent per annum upon the amount by which the total net income exceeds $350,000 and does not exceed $400,000;

Fifty-five per cent per annum upon the amount by which the total net income exceeds $400,000 and does not exceed $450,000;

Sixty per cent per annum upon the amount by which the total net income exceeds $450,000 and does not exceed $500,000; and

Sixty-six per cent per annum upon the amount by which the total net income exceeds $500,000;

Mr. SABATH. I regret that I have not succeeded in having the Clerk read the amendment as I have prepared it; he merely read the lines where it was not intended that the lines should be read. I mean the number of the lines. I do propose to raise the amount up to 66 per cent when we reach the $500,000, or half a million dollars' mark. I believe that after a person has an income of over $50,000 he can afford to pay 10 to 12 per cent, and after his income is over $100,000 he can afford to pay 20 to 25 per cent, and after it is over $200,000, or between $200,000 and $250,000, he will not go broke if he is assessed 40 to 50 per cent, and any man whose income is half a million or above can easily afford to pay 66 per cent and still will have enough with which to buy the necessaries of life. Now, I have no doubt the amendment of the gentleman from Kentucky [Mr. SHERLEY] is well intended.

Mr. COX. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. COX. How much additional tax would the gentleman's figures bring above that estimated by the committee?

Mr. SABATH. I can only guess, but I presume it will raise between four and five hundred million more than the present bill.

Mr. COX. Has the gentleman had any experts to figure it up?

Mr. SABATH. No; I do not rely on experts. We do not and can not always call in the experts. You can get almost any figures you desire from the experts. I am fairly good on figures and come as near as some of those so-called experts.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. MOORE of Pennsylvania. If the House should accept the gentleman's figures and raise more money, what would he move to strike out in lieu thereof?

Mr. SABATH. There are several provisions in the bill that we could strike out without injuring the bill.

Mr. MOORE of Pennsylvania. What would the gentleman strike out, because that would enter into the calculations of the committee? The gentleman has no suggestion?

Mr. SABATH. Oh, yes; I have. If the gentleman will give me more time, I will tell him what I would strike out.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MOORE of Pennsylvania. I ask unanimous consent that the gentleman have five minutes more in order to tell the committee what he would strike out.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the time of the gentleman from Illinois be extended five minutes. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Now, if the gentleman by his amendment raises four or five hundred million dollars additional, what items would he strike out?

Mr. SABATH. I will tell the gentleman a few of the things that I would eliminate. In the first place, I would eliminate the retroactive provision in the bill, wherein you are trying to reach the additional incomes for the year 1916, which in many instances have already been expended. In my opinion this section would cause a great deal of unnecessary complications.

I would also eliminate all of your stamp-tax provisions with the exception of that part which provides for a tax on corporation stock certificates and on all bonds.

I would eliminate section 302, which discriminates to the extent of 15 cents per gallon against the rectifiers, and to that extent favors the distillers. The 15 cents is in addition to the tax of $1.10 which is being paid now on whisky.

I would eliminate section 501, wherein you put the tax on the individual consumer instead of on the corporation.

I would eliminate section 504, which discriminates against the smaller and in favor of the big advertiser.

I would eliminate the tax on 5, 10, and 15 cent moving-picture admission tickets.

I would surely eliminate section 701, which provides for a tax on the dues paid by members of athletic and social clubs.

Above all, I would eliminate section 1000, which places on the duty list raw material which it has taken us years to put on the free list.

I would also eliminate section 1200, which increases the rate on first-class mail from 2 to 3 cents and on post cards from 1 to 2 cents. By no means would I let section 1200 stand, but if additional revenue must be raised from that source, then I would equally and equitably divide the tax between the profitable advertising matter instead of the educational lines.

Nor would I reduce the exemption of married men or heads of families from $4,000 to $2,000. If a reduction must be made, it should not go below $3,000, because, due to the high cost of living, manipulation and speculation in food products, which should be stopped immediately, the cost of maintaining a family is just twice what it was a year or two ago.

Mr. MOORE of Pennsylvania. The gentleman is striking out so much of the bill that he would have to rewrite it.

Mr. SABATH. Oh, no; these items that I would strike out do not amount to as much as we would secure by adopting only one-half of my proposed increase in the income-tax schedule.

Mr. MOORE of Pennsylvania. Would he raise any money to prosecute the war?

Mr. SABATH. Yes; I would raise it from the incomes and excess-profits tax, and by doing so we could in no way be charged with disturbing conditions or discriminating against any industry. By adopting my income-tax schedule and increase of the surplus-profits tax no honest and patriotic citizen could object, as we would be taxing profits and surplus instead of losses and shortages.

Mr. KITCHIN. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. KITCHIN. The gentleman stated that he would knock out section 302. What is that about?

Mr. SABATH. That is a section put in by the committee by mistake. [Laughter.]

Mr. KITCHIN. It refers to rectified whisky, does it not?

Mr. SABATH. That is an additional tax of 15 cents on the small rectifiers. I do not object to an increase in the tax on beer or to an increase in the tax on whisky, but this 15 cents that is put on rectifiers is in addition to the general tax of $2.20 per gallon and is a discrimination in favor of the distillers and against the rectifiers and applies not only to whisky but also to wines that are refined or purified.

Mr. KITCHIN. What other sections did the gentleman want to strike out? I did not catch the numbers.

Mr. SABATH. If I had the time I would give the gentleman all of them. Section 501, 504, 506, 701, 1000, 1200——

Mr. KITCHIN. All right; I have got enough.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HILL. Mr. Chairman, I am opposed to the Sherley amendment, and it is useless to discuss the others if you stop to think a minute on what the others are. The amendment of the gentleman from Kentucky proposes to double the first item, and then increases it consecutively until the change at last would be from about 47 per cent, as proposed by the bill, to 55 per cent. The gentleman from Iowa proposes an amendment which would raise the highest rate to 50 per cent surtax additional under this bill, making about 67 per cent of the whole income. I hope every Member will remember that all taxes in

this bill are additional to the present tax except one which I will refer to in a minute. The gentleman from Colorado puts no limit on his wishes and wants to take it all. Of course, it is useless to discuss his amendment, which is the plan of Mr. Amos Pinchot. It is simply the argument of the highwayman with a pistol in his hand and the victim helpless before him.

The amendment offered by the gentleman from Kentucky is not a reasonable amendment if properly understood. I do not think he quite realizes what it is. I was a Member of Congress when the gentleman from Kentucky came here, and I want to say now that the best argument I ever heard on any subject before the Ways and Means Committee was made by SWAGAR SHERLEY, a new member, on a constitutional question before that committee. I have always looked up to him with admiration and respect and with the firm belief that the longer he stayed here the more he would impress himself upon the people of this country. [Applause.]

I want to ask him now if he considers the amendment he has made, adding 1 per cent to the first item and going on in increasing ratio to the rates in the bill, a fair one?

Mr. SHERLEY. I answer the gentleman by saying that what I propose to do is to add 1 per cent for the first four subdivisions and 25 per cent for all the rest.

Mr. HILL. Let me repeat the question and confine it to one subdivision. Perhaps the question is wholly unnecessary, but I want to ask him whether he believes that the 1 per cent added to the first subdivision is enough or too much or too little, or whether, in his judgement, it is a fair increase?

Mr. SHERLEY. I might answer the gentleman that it approaches justice just as nearly as the arbitrary arrangement which has the approval of the gentleman from Connecticut.

Mr. HILL. I accept the answer that it is fair and a just addition, and if he will turn over to page 5 of the bill he will find that there has already been added 1½ per cent to this section and every other section of the bill relating to the income tax. So the bill is beyond the point where he himself says it is fair and just, for there is $110,000,000 in addition to the rates contained in this schedule—33⅓ per cent of the amount paid under the present law last year.

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. SHERLEY. Some of us think it would be better to raise the taxes on this year's income than to carry that retroactive provision.

Mr. HILL. That is exactly what the committee has done. They have not carried any retroactive provision. There is where the mistake is. The situation was this: We reached a point in the committee where we were $110,000,000 shy of raising the amount which the administration said they must have. How was it to be done? It was discussed whether we should make the normal tax 4 or 5 per cent, or whether we should introduce new features of taxation, whether we should add it to the whisky tax, in which we did not go to the full extent it was desired we should go, to cover that amount, whether we should add it to the tobacco tax or various other taxes, and the final conclusion of the whole matter was that it should be added to the income tax.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. HILL. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HILL. It was finally decided that we should add it to the income tax and have it measured by one-third of the amount which the income-tax payers paid last year. The language is unfortunate. I concede that it gives the appearance of a retroactive tax. It is not. It is an increase of the income tax this year to more than the gentleman's amendment would carry.

Mr. SHERLEY. But it is measured upon the income of last year and is retroactive.

Mr. HILL. You might have said the same thing if we had made the normal tax 5 per cent instead of 4, that it might have been measured as one-half of what the income tax was last year.

Mr. SHERLEY. Oh, no. In one instance you are making your percentage apply to incomes of this year and in the other you are making your percentage apply to incomes of last year.

Mr. HILL. The section reads as follows:

SEC. 5. That every individual, corporation, joint-stock company or association, or insurance company that is liable to pay or that has paid the taxes imposed by Title I of such act of September 8, 1916, upon the net income received in the calendar year 1916, shall pay, in addition to such taxes, a tax equivalent to 33⅓ per cent of such taxes——

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. LENROOT. Does the gentleman contend that that is an annual tax?

Mr. HILL. I do not so contend, but I do contend that it is not. I contend, furthermore, it was put in just that way, in my judgment, in order to prevent its being an annual tax.

Mr. LENROOT. Then the gentleman's argument does not apply to the bill except for the present year.

Mr. HILL. That is all, and we are only legislating for the present year.

Mr. LENROOT. Oh, no; this bill is not limited to that.

Mr. HILL. I understand that; but this additional income is limited to this year, and Congress is going to meet again next year.

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. SHERLEY. What is the gentleman's definition of a retroactive tax?

Mr. HILL. My definition of a retroactive tax is what the administration recommended us to do, and which we threw out by unanimous vote, and that was to put the whole of last year's tax in as a reenactment of the tax of last year. And I call upon the chairman of this committee to say whether in his judgment he meant this simply as a retroactive tax or as an addition to the present year's income tax?

Mr. SHERLEY. It does not matter what you call it. It is based on last year's income.

Mr. HILL. But the administration recommended the reenactment of the whole of it.

Mr. SHERLEY. I am not talking about that.

Mr. HILL. And we repudiated that by a unanimous vote. Mr. Chairman, much has been said here about the English tax. I have the best authority in the United States, in my judgment, Mr. Seligman, of Columbia University, right before me:

The English income tax is now levied at a rate of from about 12 per cent to a rate amounting to about 34 per cent on the highest incomes.

Under this bill a man will have to pay from 47 to 50 per cent of his income at the high rates, and only 4 per cent on the low rates. England starts at 12 per cent and goes to 30 per cent. We go up 20 per cent higher than that. In addition to that for this year, and this year only, we will pay an amount equal to 33⅓ per cent of what the old law called for last year. I think you want to be fair about it. I think the House of Representatives means to be fair, but whether you mean to be fair or not, you can not afford to do this thing, and why? Because you will not get income tax but once each year, and this war may last longer than one year. I do not say that in any threatening way. I say it simply from common-sense business principles. You put into operation such a proposition as Amos Pinchot is fathering—yes; even the proposition going to 67 per cent of incomes, double what England is collecting after the third year of the war, and incomes will run to cover, and there is plenty of cover to run to. Oh, some gentleman said that it would force these men to buy the bonds. Mr. Chairman, I have nothing but contempt for the patriotism of a man who holds it at somebody else's expense. Patriotism that is held in that way will not stand the test when the test comes. But I say incomes will run to cover. Where will they go? State bonds, municipal bonds, county bonds, such bonds of all kinds, all free from taxation—an abundant place for the investment of these incomes. Most of those bonds pay from 4 to 5 per cent, while these bonds pay only three and a half per cent. Which are they going to buy? If you frighten them out of it, they are going there, and, as I heard a Senator say yesterday in the hearings, "If you do such a thing, your bonds and your wall paper will both bear the same value." We can not afford to do this thing. In my judgment, this committee has gone beyond the point of diminishing returns in fixing it as high as we have, and in adding to it the additional tax of $100,000,000 to be placed upon these incomes was, in my judgment, altogether too high.

Mr. FESS. Will the gentleman yield for a question for information?

Mr. HILL. I will.

Mr. FESS. I notice we have something like 11 or 12 sources of taxation in the bill.

Mr. HILL. Yes.

Mr. FESS. One of which is on incomes?

Mr. HILL. Yes.

Mr. FESS. How many sources of taxation has Great Britain—that is, a man who pays an income tax—how many other kinds of taxes does he pay?

Mr. HILL. I will tell the gentleman; I have it right here, absolutely up to date by the Department of Commerce, made for me a few days ago. I have the list right here. Customs—I do

not want to enter upon a controverted question, but I say to you, gentlemen, that England, Ireland, and Scotland last year collected between four hundred and five hundred million dollars from customs, with a population of forty millions of people, and we collected $210,000,000 from a population of 100,000,000 people. On the basis of Great Britain, and applying their rates to our importations and our population, we should raise a thousand million dollars from customs and never reach the protective point. [Applause.] But I do not care to go into that question——

Mr. FESS. What other sources?

Mr. HILL. I will read them to you: Customs, excise, estate, and so forth, and duties, stamps, land tax, house duty, property, and income tax—including supertax—excess-profits duty, land-value duty, postal service, telegraph service, telephone service, Crown lands, receipts from Suez Canal, shares and sundry loans, miscellaneous. Even the panes of glass in the windows are taxed over there. Even the monogram on the automobile is taxed, and I say to you, gentlemen, that if you pursue a policy such as indicated by Mr. Pinchot you will look forward to a time when a man who pays the bills says he will own the country as the privileged classes do in England. I do not want to see any money aristocracy in this country. The income tax is the only thing to-day that saves the privilege of the aristocracy of Great Britain, the immense burdens which they carry. Gentlemen, I would not agree to all that is proposed to be done here, if I had my way about this bill, but I voted for it.

Mr. KEATING. Mr. Chairman, will the gentleman yield for a question?

Mr. HILL. Certainly.

Mr. KEATING. The gentleman has conveyed the impression to the House, I am sure, that the proposed income tax is more drastic than the tax levied in England.

Mr. HILL. I conveyed no impression. I have quoted from the best tax authority in the United States, that England's tax begins at 12 per cent and stops at 30, and ours begins at 4 per cent and stops at 50, and the gentleman proposes to carry it to confiscation.

Mr. LENROOT. Will the gentleman yield for one correction?

Mr. HILL. I do.

Mr. LENROOT. I want to say I heard one of the English commissioners say less than 10 days ago that their maximum was 50 per cent and commenced at £20,000, or $100,000.

Mr. KEATING. Will the gentleman yield for one more question?

Mr. HILL. Yes.

Mr. KEATING. Is it not a fact that England, with her wealth estimated at $85,000,000,000, is raising $1,000,000,000 or more a year from income taxes, and the wealth of the United States is estimated at more than $200,000,000,000, twice as wealthy as England?

Mr. HILL. It is, and the conditions are mighty different. England, with its back to the wall, stands to-day fighting for its life, and the President of the United States told you last Saturday night that this Nation has gone into this war "with no special grievance of its own."

Mr. CANNON. Will the gentleman yield right there for a question suggested by the question just asked him?

Mr. HILL. Yes.

Mr. CANNON. The State of Iowa has the greatest per capita wealth of any State in the Union. The State of Kansas, the State of Nebraska have as great or greater percentage of wealth than Illinois a much greater per capita of wealth than New England, according to the official reports.

Mr. HILL. That is right, if you count the land.

Mr. CANNON. And yet gentlemen speaking of England's wealth and of our wealth overlook the fact that the majority of our wealth in this country is not affected except at the very lowest rate for incomes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HILL. I would like to have about five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut that he have five minutes additional? [After a pause.] The Chair hears none.

Mr. HILL. I want to call attention to one thing more——

Mr. HOUSTON. Will the gentleman yield?

Mr. HILL. In a moment or so. England has no States which lay income taxes of their own. What is laid by the General Government is all there is, nothing more. Here the State from which the gentleman from Wisconsin [Mr. LENROOT] comes lays an income tax; my State has just enacted an income tax in the last session. If I am not mistaken, something like 20 to 25 of the States in the Union now have income taxes, and the same thing is true of inheritance taxes. I stood here a day or two ago and referred to Mr. Harkness, a multimillionaire, who recently died in California. His estate was $40,000,000, as I am told. If this bill had been in operation, gentlemen, we would have taken 40 per cent of his estate, California would have taken 40 per cent of his estate, we would have taken the equal of 2 per cent of the estate for income taxes, and if they had been required to settle and sell the estate to pay these taxes the estate would not have netted enough to have buried him and put a monument over his grave. You have got to consider that there are other things than what we are doing.

The man who pays the income tax that you have added in this bill also pays an income tax under the old law, a corporation tax which comes out of him in many cases, an estate tax which comes out of him at the end, and an excess-profits tax which comes out of him if he is in business, and back of it all the taxes of the locality in which he resides.

Mr. SABATH. Are not all of these taxes that any individual pays first deducted from this income tax, and the only income he pays is on that which is a net profit after paying all of the taxes and all the expenses?

Mr. HILL. I will state just one thing, and then I am going to stop. This House a year ago provided another form of tax-free investments—farm-mortgage bonds to the amount of which there is no limit, 4½ and 5 per cent interest, free of taxes of all kinds and character. This Government loan is 3½ per cent instead of 4½ and 5 per cent. The hiding of the millionaire's income will be because of unfair action by the Government, and as a business proposition it can not afford to be unfair. I stand here as a Republican partisan determined to do my utmost to sustain this administration, according to my ability and my might, and I want all you Democrats to come and help the Republicans in supporting this administration, and not destroy this bill. There is a concerted attack against every form of taxation in this bill, and not alone against this income tax, and when you get through with it you will find you have got no bill left if you indulge individual eccentricities and individual differences of opinion. The committee have worked and struggled hard with the greatest task that was ever before a legislative body. Do I like it? No. Would I make it this way? No. I voted for it in order to stand by a Democratic administration with a gigantic war to wage. Do not let your administration be destroyed by Democratic action. [Applause.]

Mr. KNUTSON. Do I understand the gentleman to say the President has stated that we were in this war for no special reason?

Mr. HILL. We can all read the papers. You can read them as well as I can.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DILLON. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for two minutes. I want to ask him one question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DILLON. Can you tell us anything about the exemption on the English tax?

Mr. HILL. There is one exemption of $650, no distinction being made as to a married man or a single man. My impression is that there is an allowance, as the gentleman from New York [Mr. LUNN] stated yesterday, of $125 for each child. On our basis of exemption of $2,000 for a married man, we are practically making an exemption for a family of eight children.

Mr. DILLON. One other question. I have reference more particularly to the exemption of bonds. What exemptions of bonds do the English make in reference to the income tax?

Mr. HILL. They issued a loan there during the war, about a year ago, in two forms. I wish my friend from Tennessee [Mr. HULL] was here. He told me the other day the rate of interest was 4 per cent, tax free, and 5 per cent, as I remember it, with paying the taxes, and there was very little subscribed on the 4 per cent; but the great bulk of the issue was subscribed for on the basis of 5 per cent, not tax free. As a rule I do not think the Governments of Europe exempt war bonds from taxation.

Mr. FORDNEY. Mr. Chairman——

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. FORDNEY. Mr. Chairman and gentlemen, I do hope the amendment of the gentleman from Kentucky [Mr. SHERLEY] will not be adopted. I have given a great deal of consideration to this matter as set forth in this bill. The additional 1 per cent normal tax recommended by the gentleman from Kentucky means from $80,000,000 to $100,000,000 additional tax upon individual incomes. Last year there were in the neighborhood of 225,000 to 250,000 people who paid a tax on those incomes below $7,500.

Mr. KEATING. Will the gentleman yield for a question for information?

Mr. FORDNEY. Yes.

Mr. KEATING. When the gentleman says the amendment of the gentleman from Kentucky [Mr. SHERLEY] will produce between $80,000,000 and $100,000,000, he means if the gentleman carries out his series of amendments? Is that the idea?

Mr. FORDNEY. No, sir. On the number of people who paid taxes last year under existing law means from $80,000,000 to $100,000,000 additional tax in this law.

Mr. KEATING. By this one amendment?

Mr. FORDNEY. Yes; 1 per cent.

Mr. MOORE of Pennsylvania. Running 1 per cent on the various grades all through the bill.

Mr. SHERLEY. If the gentleman will permit, an actuary of the Treasury Department figured if you carried 1 per cent—which is not my proposition, however—you would get about $26,000,000.

Mr. FORDNEY. Will the gentleman figure it out and come to me with the correct figures?

Mr. SHERLEY. I have got the figures.

Mr. FORDNEY. I will bet you dollars to doughnuts you do not have the figures when you say $26,000,000.

This bill does this, my friend. Under existing law there is a normal tax of 2 per cent on incomes.

Then there is a graduated surtax running up to 13 per cent, making a total of the normal and surtax combined of 15 per cent of income.

This bill provides for an additional 2 per cent normal tax and a graduated surtax running up to 33 per cent, making 35 per cent in all. As provided for in this bill, if it should be enacted into law as the figures are written here incomes above $500,000 will pay 50 per cent of the income in taxes. But the percentage of income, as I stated the other day, in both laws combined, no matter what the income may be, will never reach 50 per cent because of the lower rate paid on the lower income up to $500,000.

If this amendment offered by the gentleman from Kentucky [Mr. SHERLEY] is adopted he will then, no doubt, carry out his plan of graduating the tax and adding more and more on up, according to the figures offered by the gentleman from Iowa [Mr. TOWNER] to 65 per cent on the total income.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FORDNEY. If these rates are added to the rates fixed in this bill you are going to disarrange the whole system as provided for in this bill and you are going to tax the people with incomes beyond any bounds of reason.

Let me say to the gentlemen of the House, too, that it is estimated that the difference in the lowering of the exemptions from $3,000 to $1,000 for single people and from $4,000 to $2,000 for married people will add 4,000,000 additional taxpayers that did not pay taxes under the income-tax law last year.

Mr. WINGO. Mr. Chairman, will the gentleman yield right there?

Mr. FORDNEY. Yes.

Mr. WINGO. What is the estimate of the amount of revenue that that will raise?

Mr. FORDNEY. From $80,000,000 to $100,000,000. The difference between the exemptions provided for in this bill, $1,000 and $2,000, and those in the existing law, $3,000 and $4,000, will yield to the Government, as estimated by the Treasury Department, from $80,000,000 to $100,000,000.

Mr. WINGO. Is that $80,000,000 or $100,000,000 in the table?

Mr. FORDNEY. Yes, sir.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SLOAN. Would not the rearrangement of the rates of the income call for a rearrangement of the taxes placed on excessive profits if you would preserve the symmetry of this bill?

Mr. FORDNEY. Oh, yes.

Mr. SLOAN. As a matter of fact, it was a large problem for the committee to balance the two propositions?

Mr. FORDNEY. Yes. It is estimated that the income tax as carried in this bill, from individuals, will yield $372,000,000 and from corporations $161,000,000. There is no comparison between our income laws and the income laws of England, because our system of taxes in this country is entirely different from the system of taxes in England. Prior to the war, in England a building unoccupied in a city paid no tax at all.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield; yes.

Mr. TOWNER. You spoke about the 65 per cent under the schedule that you put in the RECORD of May 14. The RECORD, as you stated, says that there are only 122 persons who can pay taxes on over $450,000 income, so that the number of persons who would pay the 65 per cent that you speak of would be very small, would it not?

Mr. FORDNEY. Let me read it to the House. Seventy thousand people pay on the first rate, 59,000 persons in the next, and 120,000 persons in the next, or a total of about 250,000 people paying an income on less than $7,500.

Mr. TOWNER. That is very true; but you spoke about the 65 per cent. Sixty-five per cent, according to my schedule, would apply only to those who had an income of over $500,000.

Mr. FORDNEY. The income we are talking about is $5,000. It will catch a lot of people who have lower incomes, and it will work some hardship upon them. But I do not believe the lowering of the exemption to $1,000 is going to beggar any man under the terms of this bill, if it becomes a law. A single man will pay $20 on $2,000. Where is there a man with an income of $2,000 that can not pay $20 toward carrying on this war?

Gentlemen must remember that it will take a great many dollars to give the Government sufficient money to equip our soldiers to meet their enemy in the trenches on the fair and level. The American soldier boy is brave and is not afraid to meet his enemy on a fair footing, on equal terms; but to send your son to the trenches with a gun on his shoulder but with his cartridge box empty and with nothing to eat in his knapsack would not be a fair proposition.

This bill, if we will enact it into law, will raise more money than I think we ought to raise. But this morning I read in the Washington Post a statement of the amount of money to be appropriated for this war this year. It aggregated $3,390,000,000, itemized in that statement in this morning's paper—a much larger sum than I had any idea that the administration would need.

But, gentlemen, if we send our soldiers to Europe we must have ships to send them in. There is no other way for them to go. It is going to require a very large sum of money to build ships and equip them and convoy them safely, to guard against our boys filling a watery grave before they reach the shores of Europe. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MADDEN. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. MADDEN. If we are going to build a lot of ships, would the gentleman levy taxes on the people to pay for building them, or would he issue securities?

Mr. FORDNEY. I have said that we should raise the larger percentage of money by bond sales and put the obligation to pay on future generations 40 years hence, when our country's population will be 250,000,000 people, at the present rate of increase in the population, based on our past history, from 200,000,000 to 250,000,000 people, to pay that debt. [Applause.] But, gentlemen, we are going to use a much larger sum of money than I had any idea of for this war, as set forth this morning in the newspapers. I do not care if it is $4,000,000,000, the people of this country can afford to do the right thing in equipping the Army and meeting this most formidable foe. We have taken a much greater contract than any man believed that we were taking on in my candid opinion.

I need not borrow trouble, gentlemen, but if Russia goes out of this war, O God! what a contract we have taken on. We have either got to send millions of men to Europe or back up. One of those two things is certain. But while we are preparing, some men, and unjustly, too—and I beg of them to retract their statements—have cast reflections on the rich men of the country. They have said, "Let the rich pay because their sons will stay at home and the sons of the poor man will fight this war." Oh, gentlemen, what a mistake you make. What an unjust criticism of the rich man that statement is. The rich man's son is just as patriotic as the poor man's son, and when the rich man gives up his son and all he has on this earth, his wealth along with his son, he certainly is doing his just and equitable share, the same as the poor man.

I have three sons. One has already enlisted. The other two have written me wanting to enlist. They both have families, and I have advised them to wait a little while and see how badly they may be needed. My youngest son, strong, able-bodied boy, had trouble in getting his enlistment. This morning I went

with him to the Navy Department and succeeded in completing his application for entering this war. [Applause.] Oh, gentlemen, I love my children, I love my sons as much as any other man on God's earth loves his sons. I am 63 years of age and have worked hard all my life, but how willingly I will give up the last dollar that I have on this earth if God will send my boys safely back to my home. [Applause.]

Let us be just and equitable to all. We are all of one family, rich and poor. I wish I could see a better feeling between the rich and the poor. It is wrong to try to incite the poor man against the rich.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I ask unanimous consent that the gentleman's time be extended 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FORDNEY. I would love to see a more friendly feeling between the rich and the poor. Where can you see a more beautiful sight than the rich man and the poor man sitting down together, brothers alike? It is a mistake to create a feeling of enmity between men in this country. Wealth can not succeed without the assistance of labor. I do not know how the rich man can do the poor man a greater favor than to give him employment when he needs it that he may furnish him purchasing power to buy bread and butter for his beloved wife and children. The poor man loves his family the same as any other man. Do not, gentlemen, again on the floor of this House attempt to besmirch the character and patriotism of a man of wealth, because there is no such division between the rich and the poor——

Mr. REAVIS. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REAVIS. I agree entirely with what the gentleman said about inciting antagonism between the rich and the poor, but it has been stated on the floor of the House repeatedly that if the tax on great incomes were increased the rich man would run to cover with his income rather than do the patriotic duty of paying the tax to the Government. That is an attack on the rich man.

Mr. FORDNEY. I have stated, and I repeat, there may be some excuse for a poor man doing a thing in violation of law, a dishonest thing, when his wife and children are hungry. If I to-day should hear my wife and my children crying for bread, although I profess to be an honest man, by the heavens above me, if the time comes when I am strong and able and willing to work and can not find work to do, you must teach your chickens to roost high or we will have potpie at my home. [Laughter and applause.] I would steal before I would let them starve.

I could, if I sat on a jury to try a man for stealing bread, excuse him, but there is no excuse for the rich man being a dishonest man. [Applause.] If a rich man steals money, not because he needs it, he does it because he is a natural thief. The poor man may steal because he is forced to it, as he thinks at least. Therefore I have stated, and I want to repeat, that there are dishonest men among both the rich and the poor. God has not perfected the brains of mankind so that all men are honest. I have stated, and let me say again that I believe to put the tax so high on the wealth of this country that they feel injured, some will evade the law if they can. It can be done in this way: A corporation that feels injured because of the income tax you put upon them can pass the surplus and use it as capital instead of paying dividends, and there is no law in this or any land compelling a corporation to pay a dividend to its stockholders.

Mr. REAVIS. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REAVIS. If they earned that money can not you collect an income tax on the revenue whether it has passed it to dividends or to surplus?

Mr. FORDNEY. Under existing law a corporation is permitted to use as capital their original cash paid in and the surplus or earnings, pass the surplus and use it as capital, and from that deduct the $5,000 exemption and 8 per cent on the capital and surplus used before paying excess-profits tax.

Mr. REAVIS. That is the excess-profits tax; but can they do it under the income tax? If they earned the money, it is income.

Mr. FORDNEY. Where do you get your income? Suppose you have stock in a bank and that bank earns 20 per cent on capital invested. Is there any law in the world that will compel the bank to pay more than, say, 5 or 6 per cent, or any sum, on the capital, but can pass the balance to surplus?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. LENROOT. Mr. Chairman, I ask that the gentleman have one minute more.

Mr. CANNON. I hope that he may have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LENROOT. Mr. Chairman, I would like to ask the gentleman from Michigan a question. If these corporations should do that thing which he now suggests, does not the gentleman think that when we convene again in December we will be able to devise some law that will not only reach that sum that should be paid but with penalties attached if they do it?

Mr. FORDNEY. Oh, it is within the power of Congress perhaps to do that; but let me justify what I have said now with the illustration of a man who is honestly passing his profits to surplus, because he finds it necessary to reinvest those profits instead of paying them out as a dividend. You can not reach that man, or if you could you would unjustly compel him to pay a dividend when he needs the surplus as capital. That would be a very difficult problem to handle.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CANNON. I want to state by way of foundation for the question that the great corporations with enormous capital have many stockholders. As I understand it, the total wealth of the United States is from $200,000,000,000 to $210,000,000,000 or $220,000,000,000.

Mr. FORDNEY. It is estimated to be $260,000,000,000 now.

Mr. CANNON. Very well. I see it stated, and I believe it to be true, that the plutocrats, so called, in the United States, with all their aggregate wealth, have not to exceed $10,000,000,000, which is ten thousand million dollars of wealth, and yet gentlemen on this floor orate and talk about this, that, and the other, when in the tide of time $260,000,000,000 never was so universally distributed through 110,000,000 people as it is at this time. [Applause.]

Mr. FORDNEY. Let me say to the gentleman in reply to that, that in 1860 the census of the United States showed the wealth in this country to be $16,000,000,000. In 1910, 50 years later, the wealth of the country was $188,000,000,000, or an increase in wealth in the United States in half a century of $172,000,000,000. It is estimated to-day that the wealth of the United States is $260,000,000,000, while Great Britain and Germany have been 500 years in accumulating a total wealth before the war of the two great nations of $164,000,000,000. Our wealth is greater, our wealth has accumulated in a greater sum in the last half century than the total wealth of those two great nations that have been 500 years accumulating. The people of this country are the wealthiest people in the world, and they are willing to pay. Let us distribute the tax justly and equably, and without prejudice or without discrimination. Let us avoid class legislation if possible. That thought is always uppermost in my mind, and I hope there is no man within the sound of my voice who will say or entertain the opinion that I have ever in all my life, while a Member of this House, voted for or against a law because of my personal interest, for I never have done so.

Mr. DOREMUS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. DOREMUS. My colleague has suggested a way by which corporations can escape the payment of an exorbitant tax by passing the money into their surplus. By Title VI of this bill you are attempting to raise some $200,000,000 by a tax of 5 per cent upon gross sales. Can a manufacturer who is taxed 5 per cent upon his gross sales escape that tax by passing the money to the credit of his surplus account?

Mr. MADDEN. Would he have any surplus?

Mr. MANN. Mr. Chairman, will the gentleman yield to another question in connection with that?

Mr. FORDNEY. Yes.

Mr. MANN. Is it not true that under the income-tax law, the excess-profits tax law, when a corporation passes any profits to surplus taxes are paid upon that as profits?

Mr. FORDNEY. For the one year; yes.

Mr. MANN. It seems to me that that is like paying it on dividends. There is no distinction.

Mr. FORDNEY. Yes; paying a tax on that money passed to surplus; but he uses it the next year as capital and is permitted to deduct 8 per cent on the same as capital used.

Mr. MANN. But if it was paid to an individual the individual would pay upon it?

Mr. FORDNEY. Yes.

Mr. MANN. There is no distinction whatever.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. DOREMUS. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for another minute.
Mr. GREENE of Massachusetts. Make it five minutes.
Mr. DOREMUS. Very well.
The CHAIRMAN. Is there objection?
There was no objection.
Mr. FORDNEY. Gentleman, what I want to say is this: I believe, after nearly one month's consideration by the members of the Ways and Means Committee of this bill, that we have recommended rates more nearly equitable and just to the institutions of the country than some man's brain can, upon the spur of the moment, suggest, and know the effect of his amendment. I appeal to you, gentlemen, to give careful consideration to the amendment now under consideration before you vote upon it and know its full effect.
Mr. McCORMICK. Mr. Chairman, will the gentleman yield?
Mr. FORDNEY. Yes.
Mr. McCORMICK. Under the provisions of the bill the individual who through his stockholdings pays an excess profits tax will be taxed again under the income-tax provisions, will he not?
Mr. FORDNEY. Why, yes. If a corporation pays all taxes up to the time the excess profits tax becomes due or deductable, then the 8 per cent or 16 per cent, as it is now proposed, will be deducted, and the balance divided among the stockholders and go to the individuals, and then that money is taxed when you get to the point where a supertax begins, and not until then.
Mr. McCORMICK. Precisely; and that leads to another question. Why did the committee prefer to doube the excess profits tax rather than seek to raise a like sum through a larger income tax? There are some of us who want light on that point.
Mr. FORDNEY. This 1 per cent on normal incomes, beginning at $5,000, amounts to more money in taxes than a 4 per cent excess profits tax will amount to, 20 per cent instead of 16 per cent excess profits tax. The difference of the 4 per cent gentlemen, will not amount to as much money as this 1 per cent normal tax will, beginning on incomes at $5,000 and running on up.
Mr. DOREMUS. Will the gentleman yield?
Mr. FORDNEY. I will.
Mr. DOREMUS. I do not care to press my colleague unduly——
Mr. FORDNEY. I did not finish my statement to the gentleman. I want to say this: I am now and have been, my friend, opposed to a tax upon gross sales of any man's products, because I believe that a tax on the gross sales is likely to take not only all of his profits but part of his original capital.
Mr. DOREMUS. The gentleman is right.
Mr. FORDNEY. In the automobile business—I would not have mentioned it if it had not been for my good friend——
Mr. DOREMUS. I did not mention it.
Mr. FORDNEY. Let me say this to you, that if there are a large number of small automobile factories that will be driven out of business by this 5 per cent tax on gross sales it has a tendency to create a monopoly, just what every man in this House is opposed to, because it makes it possible for the strong man to continue to do business and put out of business the little man who can not afford to pay the tax on his gross sales. [Applause.]
Mr. BATHRICK. Will the gentleman yield?
Mr. FORDNEY. I will yield if the gentleman will be brief.
Mr. BATHRICK. What seems to me strangely inequitable about this bill is this: A company having a large overcapitalization watered stock—the 8 per cent is figured on that watered stock?
Mr. FORDNEY. No; let me set the gentleman right. This bill provides that capital "actually invested"; that does not mean watered stock. For instance, I know of a firm—a sugar company, a refining company—whose representative testified before the Committee on Ways and Means that of a capital stock of $10,000,000 his firm had but $3,280,000 cash paid in and all the balance was water. The real actual cash paid in by that company is $3,280,000 and not $10,000,000, and they can not deduct 8 per cent of their income based on the par value of that stock because it is not worth its par. It is worth exactly what the cash paid in is, based not on the total stock issued by the company.
Mr. BATHRICK. I am very glad to receive the gentleman's explanation, but in seeking to cure the situation the gentleman has put the bill in a position so that it creates an inequitable condition in another case. For instance, takes a corporation that owns a building and it is rented, where it is receiving rentals. That is its business. The bill requires this: If the lot on which that building stands cost $10,000 20 years ago and the land is now worth $100,000, it would still ask them to figure 8 per cent on the $10,000.
Mr. FORDNEY. Not me, pardon me.
Mr. BATHRICK. Does the bill do it?
Mr. FORDNEY. Yes.
Mr. BATHRICK. That is an inequity.
Mr. LENROOT. Is not upon the value of the property?
Mr. FORDNEY. I do not like to discuss these things, because I discussed them very fully the other day. There to my mind is one of the inequities in the bill, but I fought that out and I have laid down, agreeing to stand by the majority. Amend the bill, if you will; I will be very glad to see you do it. I was whipped in the committee black and blue from head to heels because of these things, but I am a Roman and I said I would stand by the majority of the committee and I intend to do it. [Applause.]
Mr. MOORE of Pennsylvania. Before the gentleman concludes I want to ask him one question.
Mr. FORDNEY. I yield to the gentleman.
Mr. MOORE of Pennsylvania. Several amendments are to be offered to this income-tax provision, one by the gentleman from Kentucky [Mr. SHERLEY]. The gentleman from Iowa [Mr. TOWNER] has one, the gentleman from Colorado [Mr. KEATING] has one, and the gentleman from Illinois [Mr. SABATH] has indicated that he proposes to offer one.
Mr. FORDNEY. All along the same line.
Mr. MOORE of Pennsylvania. I want to ask the gentleman the blunt question, Whether, if any one of these amendments be adopted, it will not dislocate the whole financial arrangement of this bill?
Mr. FORDNEY. Oh, not only dislocate—I hardly know the proper word to use—but it will entirely put it out of joint. Does that explain it better? I do not want to see any of them adopted. They are all wrong, the bill is better as it is now. Gentlemen, I thank you. [Applause.]
Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes. I shall want 10 minutes of that time.
Mr. MASON. Mr. Chairman, I hope the gentleman will give opportunity for 5-minute discussions of amendments that have not yet been——
Mr. KITCHIN. This is just on the first paragraph, I will say to the gentleman.
Mr. MASON. My amendment, which I have offered, is a matter that has not been discussed and I have been waiting patiently to discuss the amendment.
Mr. KITCHIN. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes. The gentleman from Illinois to have 5 minutes, the gentleman from Nebraska 5, and I to have 10 minutes.
The CHAIRMAN. The gentleman from West Virginia [Mr. NEELY] has been seeking recognition.
Mr. KITCHIN. I will make it 25 minutes.
The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that at the end of 25 minutes all debate on this paragraph and all amendments thereto close. Is there objection?
Mr. DOWELL. Mr. Chairman, reserving the right to object, do the amendments upon this paragraph carry with it amendments to the other paragraphs?
Mr. KITCHIN. Oh, no.
The CHAIRMAN. This is just one paragraph.
Mr. DOWELL. What I am inquiring about is: Does not this amendment affect each paragraph in the section?
Mr. KITCHIN. If this amendment is carried, the gentleman from Kentucky [Mr. SHERLEY] has given notice that he will offer as each paragraph is read an amendment increasing the rate.
Mr. DOWELL. Does not the other amendment affect this same paragraph?
Mr. KITCHIN. His other proposed amendment? His amendment will come after we reach the bottom of the section.
Mr. LONGWORTH. And there is the Towner amendment.
Mr. DOWELL. I understand you are going to cut off debate on the paragraph?
Mr. KITCHIN. And not on the section.
The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.
The gentleman from West Virginia [Mr. NEELY] is recognized.
Mr. NEELY. Mr. Chairman, Hon. W. E. Wells, of Newell, W. Va., head of the largest pottery in the world, and one of the richest and also one of the most patriotic men in my district, has written me a letter in which he has very ably expressed his views on the pending measure. In my opinion, Mr. Wells is

entitled to the gratitude of this House for the position he has taken in regard the duty of the wealthy to pay taxes very generously during the continuance of the war. I ask that this letter be read from the Clerk's desk.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

THE HOMER LAUGHLIN CHINA CO.,
Newell, W. Va., April 20, 1917.

Maj. M. M. NEELY,
House Office Building, Washington, D. C.

MY DEAR MAJOR: The revenue measures that must be adopted by Congress to finance the war are a matter of grave concern to all engaged in corporate business, and it occurs to me that you may not be averse to an expression from your constituents.

Presumably a large percentage of the increased revenue that must be provided in the near future must be derived from the profits of individuals, partnerships, and corporations, and this is as it should be. The danger, as I see it, is that the Congress may yield to the pressure that will be brought to bear from some quarters to prevent an adequate increase. The country will assume a tremendous obligation, and unless provision is made to liquidate a considerable proportion by immediate special war taxes the burden upon the future of meeting the interest and retiring the principal will be overwhelming. It will constitute an endless problem for Congress, and will inevitably discourage the growth and development of industry in all lines.

The country is now incomparably richer than ever before, and, presumably, richer than it will be again during your time or mine. It is rich enough to pay as it goes, and while I may be extreme, I should like to see profits taxed high enough to pay at least half of the war bill within a year after the end of the war. Profits are now large, and a heavy tax on excess earnings of, say, all over 8 per cent on actual investment, will yield much more than it will in future years, and in the heat of patriotism will be paid more cheerfully than a much smaller tax later on. For my part, I should like to see the Government take 100 per cent of all profits over 8 per cent.

A small national debt is of little concern to the individual and need hardly be taken into account in the conduct of his business, but such an obligation as that now contemplated partakes of the character of a personal debt. It will hang over every man and his business like a mortgage unless provision is made to defray a large part of it as we go along. The average business man prefers to use his earnings to wipe out his debts before beginning to pay dividends, and I think Congress will be warranted in asking the business men of the Nation to handle this matter as they would a personal debt.

After the war the problem of retaining the world's markets we have recently acquired will become of supreme importance. The result will hinge largely upon the comparative cost of production here and abroad. The cost abroad will be enhanced by the scarcity of men and by the burden of a war debt. If we do escape a similar burden, our chances will be much improved. The discrepancy between production costs will be narrowed. A lower average tariff will equalize.

On the other hand, if our costs increase in proportion to those abroad we will lose an advantage that will never come again. Our industries, in their eagerness to retain their present hold on home and foreign markets, will put up a tremendous fight for higher duties. We shall have a renewal of the old, ugly tariff fight, but more bitter.

The exorbitant prices prevailing to-day on the products of our mills and factories are a national menace and need correction. In the face of a demand exceeding possible production any price will be—in most cases must be paid. Producers have lost their heads in the scramble for profits beyond their wildest dreams. Earnings of 100 per cent or more over cost of production are dangerously common. The extravagant cost of necessities is the result. All the advances that have been made in industrial wages do not equalize the increased living cost. The condition of the country is anomalous. After having as a Nation acquired tremendous wealth as the result of the war, the great mass of the people are worse off than they were before the war—a few thousand millionaires have been made. It does not require a prophet to see that this spells trouble for the future.

Congress may correct this by placing the tax on profits high enough. Obviously producers will not exact unwarranted prices if the added profit goes to the Government. A plan of this kind will to a large extent automatically control prices of food and other necessities. It should prove more effective than direct legislation to that end.

You perhaps know enough of my personal affairs and of those of the corporation I represent to realize that this suggestion is not a selfish one. We are the largest producers of pottery ware in the world and have been prosperous. If we were so inclined we might take advantage of the present market and largely increase earnings, but we have felt that somehow that would not be the patriotic thing to do. Our profits are, and have been, satisfactory, and we stand ready to give all or any part of them to the country for the duration of the war under any system of uniform taxation of earnings that may be adopted. We shall feel that the larger the rate of such taxation the less we shall have to worry about the future.

Very truly, yours, W. E. WELLS.

[Applause.]

The CHAIRMAN. The gentleman from Illinois [Mr. MASON] is recognized for five minutes.

Mr. MASON. Mr. Chairman, the amendment which I have to offer is not to this paragraph but to the section, and I do not care to take the time of the committee while we are considering this.

Mr. MANN. The debate is not closed except as to this paragraph.

Mr. MASON. Yes. I am not offering this to this paragraph. I will wait until I can offer it as an amendment to the section.

Mr. KITCHIN. Mr. Chairman, I exceedingly regret that such a level-headed and patriotic gentleman as the gentleman from Nebraska [Mr. REAVIS] is so credulous as to be caught by this amendment that is offered by the gentleman from Kentucky [Mr. SHERLEY]. Let me assure him that this amendment of the gentleman from Kentucky does not mean that you are going to tax the wealth and the accumulated profits and the big incomes of the men whom the gentleman from Nebraska desires to reach and whom the gentleman from Colorado [Mr. KEATING] desires to reach, but it is in a way a heading off of the accomplishment of that purpose.

I do not say that the gentleman from Kentucky intended to attack this bill, but I do say that if he had had that intention he could not have done it more ingeniously than by this method. I do not say that the gentleman from Kentucky, by this amendment, intended to call forth an affirmative vote by men who are opposed to the whisky tax, or the rectified-whisky tax, or that he did it with the intention to gain the cooperation of the men who are opposed to the automobile tax, or to the tax on pleasure boats, or to the tax on jewelry, or to any other taxes in this bill. But if I myself were opposed to this proposition and wanted to defeat the levying of taxes to the extent of over $200,000,000 in this bill; if I had sat up night after night and studied the matter out, I never could have found a more ingenious way to defeat those taxes than by the introduction of such an amendment as has been offered by the gentleman from Kentucky.

He tells you that his object is not to raise $76,000,000 additional toward financing this war, but that his object and that of the gentleman from Illinois [Mr. MCCORMICK] and others, whose purpose was not to help the Government, was to help some people who are taxed in this bill.

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SHERLEY. I deny the correctness of that statement.

Mr. KITCHIN. Let me tell the gentleman what he said. I asked this question, "What do you intend to strike out of this bill by substituting this money that you will get from this increase of 1 per cent? What things will this increase of income tax replace?" And the gentleman said, "It will replace those proposed to be eliminated by the defeat of the increased rate on second-class mail matter."

Mr. MCCORMICK. Mr. Chairman, I deny that.

Mr. KITCHIN. I am talking about the gentleman from Kentucky [Mr. SHERLEY]. And about an hour afterward the gentleman from Kentucky said it would take the place of part of these retroactive taxes, amounting to $108,000,000. Did not the gentleman from Kentucky say that?

Mr. SHERLEY. No; I did not say that.

Mr. KITCHIN. Well, that was the substance of it, was it not?

Mr. SHERLEY. I said I would rather tax this year's incomes by an increase of the income tax than to tax last year's incomes by a retroactive tax. I am not apologizing for that, and I am not demagoging about it.

Mr. KITCHIN. The gentleman said he was going to raise $76,000,000 by his proposed increases in the income tax.

Now, let me say to the gentleman from Kentucky and to the gentleman from Illinois [Mr. MCCORMICK], and others who are taking the same position, that if higher income-tax rates are agreed to it has been proposed to relieve the income-tax payers from the payment of the $108,000,000 additional income tax, levied upon their 1916 incomes to relieve the rectifiers of the whisky tax; to relieve those who will have to pay the billboard-advertising tax; to relieve the big magazines and newspapers from the payment of $19,000,000 tax for a service on which last year we lost about $90,000,000. The effect of all these proposals is to relieve some particular or special interests.

Ah, my friends, if they want to relieve some persons of this $76,000,000, why in the name of Heaven do they not want to give relief for the $77,500,000 which we are going to take from the freight payers of this country, the men who pay the freight on the flour and the shoes and the meat and the coal, because that is the people's relief? That relieves no special interest. That relieves the interests of all the people, and not the interests of one class. [Applause.]

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from North Carolina yield to the gentleman from Kentucky?

Mr. KITCHIN. Yes.

Mr. SHERLEY. I suggest one. I suggest taking off your 10 per cent tax at the customhouse——

Mr. KITCHIN. Mr. Chairman, I have shown this House what is the harm of this amendment——

Mr. SHERLEY. And I am not demagoging about it.

Mr. KITCHIN. Talk about demagoging! I will show you what this is.

Mr. BURNETT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. BURNETT. May we not, by adopting that, be relieved of the necessity of levying that minimum income tax on those poor fellows that would have to pay upon an income of $1,000 and an income of $2,000?

Mr. KITCHIN. That is passed by.

Mr. BURNETT. But the representatives of the people can do that.

Mr. KITCHIN. I am talking about what can be done on the floor of this House.

Yes; they want to relieve the newspapers and the magazines from this extra postage, the newspapers and the magazines that are costing the Government about $90,000,000—the newspapers and the magazines that the Government is paying a subsidy to the extent of about $90,000,000. Why in the name of common justice, why in the name of the common interests of all the people in this country do they not want to relieve the people of the increase in first-class postage upon which we are making $90,000,000 clear money? They do not want to relieve the people of the eighty or ninety million dollars exacted in this bill, but they want to relieve the newspapers and the magazines, the Saturday Evening Post, Collier's Weekly, the New York World, the New York Herald, and similar publications, which are compelling the people of this country to pay $90,000,000 by way of a subsidy.

Mr. SHERLEY. I beg to suggest to the gentleman that I said that I was in favor of increasing the rate on second-class matter but not in favor of the zone system.

Mr. MOORE of Pennsylvania. The gentleman from Kentucky proposed to relieve the retroactive tax of 1916. Would or would not that relieve Mr. REAVIS's poor?

Mr. KITCHIN. No. Now, what is the reason for this proposal to increase the income-tax rates? It is an intentional, ingenious attack on the bill. You have not heard any man object to the tax levied upon the necessities of the people. You have heard them talk about automobiles and rectified whisky in this debate; you have heard them talk in this debate about billboard advertising; you have heard them talk about second-class postage and the magazines and the newspapers; you have heard them talk in this debate about cutting out the $108,000,000 income payable this year, but not one has intimated that he wants to take out the provisions that relieve the people generally.

Mr. LENROOT. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LENROOT. The gentleman is mistaken, absolutely mistaken, when he says that nobody had any suggestions about relieving the tax on the necessities of life. I was asked as to what I would favor taking the place, and I said I would take out the tax on freight and the tax on heat and light.

Mr. KITCHIN. I beg the pardon of the gentleman from Wisconsin. I did not know that he made a speech on it. I was out of the room at the time.

Mr. LITTLE. And the gentleman overlooked my little talk. [Laughter and applause.]

Mr. KITCHIN. I am sorry I missed it, for I know it must have been a good one.

Now, let us see what tax this bill levies upon the smaller incomes, and I call the attention of the gentleman from Nebraska to this. On a $7,500 income of a married man the present tax is $70; the additional tax levied in the proposed bill is $135, making a total tax of $205, or almost three times the present tax, and yet the gentleman from Kentucky [Mr. SHERLEY] has offered an amendment to increase this tax to $230. Under the present law a married man having an income of $10,000 pays an income tax amounting to $120. Our proposed bill makes it $355, and Mr. SHERLEY makes it $405.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Kentucky [Mr. SHERLEY].

Mr. KITCHIN. I ask that it be again reported.

The Clerk again reported the amendment, as follows:

On page 2, line 11, strike out "one" and insert the word "two."

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Six per cent per annum upon the amount by which the total net income exceeds $20,000 and does not exceed $40,000.

Mr. SISSON. Mr. Chairman, I move to strike out the last word. I had intended to offer some amendments to this bill, beginning at this point, to increase the rate of percentage where the incomes are between twenty and forty thousand dollars, but the gentleman from Colorado [Mr. KEATING] offered his amendment, which covers all of the succeeding paragraphs. I shall therefore not offer the several amendments that I have prepared for these sections.

Now, I agree very heartily with what the gentleman from Michigan [Mr. FORDNEY] said about endeavoring to remove, if it is possible, in this country any feeling between the rich and the poor. If there ever was a time in the history of the Republic when this feeling should be thoroughly removed, this is the time. I was very much gratified when I found no complaint up to date reaching my desk from the very rich people in this country protesting against this great income tax.

Another very refreshing piece of mail came to your desk and to mine from men who have great incomes. The only complaint I have heard about the income tax is that it is too low, and that complaint comes from the rich. That marvelously well written and candid document, if you read it, shows that the rich of the country are willing that there should be a tax placed on their incomes.

Now, I take this position, that if you shall conscript the individual income while this war is going on over $100,000 and leave his original fortune alone that you do him no injury in his vested property rights. The only thing you do if he is earning a million dollars is to defer the investment of the $900,000 until after the war is over. Now, the property which he has accumulated the Government has protected. That is the property that the soldier will protect in this war. I also feel sure that the insinuation that there would be no incentive to the rich to keep their great business going on because their profits would be taken and given to this purpose is an insult to their patriotism, because if he is a patriotic citizen down in his heart, feeling that he is doing his country good, would be the greatest source of satisfaction to a man who wants to do the right thing in life. I believe he would be just as busy, just as active, just as earnest, in earning every dollar he could earn, even though he knew that it is going to pay the expenses of this war and help to save his Government.

So, in order that the time of the committee may not be taken up, I shall content myself with voting for the substitute offered by the gentleman from Colorado [Mr. KEATING] when it is offered.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Eight per cent per annum upon the amount by which the total net income exceeds $40,000 and does not exceed $60,000.

Mr. LENROOT. Mr. Chairman, I move to amend by striking out the word "eight" and inserting in lieu thereof the word "ten."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3 line 4, strike out the word "eight" and insert the word "ten."

Mr. LENROOT. Mr. Chairman, surely from this point on there ought not to be any objection to increasing the proposed rates of income tax by 25 per cent, which this amendment does in this item, and if this should be adopted I shall offer like amendments to the remaining items in the section, increasing this additional tax by 25 per cent. The gentleman from North Carolina [Mr. KITCHIN] made a very ingenious argument upon the amendment proposed by the gentleman from Kentucky [Mr. SHERLEY]. It was a persuasive argument to urge that this man or that man was in favor of increasing this income tax for the purpose of escaping the tax upon liquor or for the purpose of escaping the tax upon automobiles, or for this purpose or that purpose, but all the argument that the gentleman makes does not get away from the proposition that if this income tax is increased, as is proposed by my amendment, it will then be possible for this House to later on strike out the item of the bill which imposes a tax upon light and heat to every man, woman, and child in this country. [Applause.] His argument can not get away from the fact that if this amendment is now adopted we will be able to at least cut out a portion of the item in this bill relating to freight rates, which will impose a charge upon the bread that every family in the United States shall use during the continuation of the war.

The gentleman talks about these special interests, but the real interest that demands our attention is to make as little tax upon consumption, upon that which the average man must use to support himself and his family, as possible, and as large a tax as possible upon those who are best able to pay; and when you come to a tax upon an income of $40,000 to $60,000 a year and increase the surtax rate fixed in the bill by 25 per cent, thereby making it possible to be fair and just to the great mass of the people of the country, shall we say that because there is this interest or that interest that hopes, perchance, to get a reduction in some item in the bill, therefore we shall not do justice now? Who should make the money sacrifice to carry on this war—he who is best able to bear it or he who may be ruined and have to go into bankruptcy? No hardship can come to any man having an income of over $40,000 a year by adding 25 per cent more than is proposed in this bill; and I want to say to the gentleman from North Carolina that if this item is adopted

now I predict that when we come to the item in relation to freight receipts, to the item in relation to heat and light, all that will go out of the bill, but it probably will not unless this income tax is raised, because it will then be the gentleman from North Carolina himself who will come down here and say that we have got to have this money and that we have got to impose this tax upon these poor people, because we need the money. Then the time will have gone by to provide that men receiving large incomes shall pay the tax without sacrifice upon their part and the men who are already paying more than their share will have to pay this, too. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. RAINEY) there were—ayes 84, noes 72.

Mr. RAINEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. LENROOT and Mr. RAINEY to act as tellers.

The committee again divided; and the tellers reported—ayes 98, noes 87.

So the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280 and had come to no resolution thereon.

WITHDRAWAL OF PAPERS.

By unanimous consent, Mr. POWERS was granted leave to withdraw from the files of the House, without leaving copies, papers in the case of William G. Pennington (H. R. 5513, 63d Cong.), no adverse report having been made thereon.

INCREASE OF THE MILITARY ESTABLISHMENT.

Mr. DENT. Mr. Speaker, I submit a conference report upon the bill (H. R. 3545) to temporarily increase the Military Establishment, and for other purposes, and I ask unanimous consent for its present consideration. The conferees have agreed to adopt the instructions that the House gave us to-day.

The SPEAKER. The gentleman from Alabama presents a conference report upon the bill H. R. 3545, and asks unanimous consent for its present consideration, notwithstanding the rule about printing. Is there objection?

Mr. MONDELL. Mr. Speaker, I reserve the right to object.

Mr. NORTON. Mr. Speaker, reserving the right to object, do I understand there are no other changes in the report?

Mr. DENT. The bill is as it was reported before, with the exception of the pay of the enlisted men, which has been changed, as we were instructed to do so by the House.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, do I understand the conferees have agreed to the amendment as adopted by the House this morning?

Mr. DENT. The conferees agreed to the Good amendment exactly as it was written.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the statement, without objection.

There was no objection.

The statement was read.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 53).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and further conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national defense act, approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stat. L., p. 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the Volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions,

depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section 1, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section 1, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials, customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except, any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

"Such district boards shall review on appeal and affirm, modify, or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify, or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local

board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national defense act approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section 1 and by section 8 of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is $24, an increase of $12 per month; those whose base pay is $30, $36, or $40, an increase of $8 per month; and those whose base pay is $45 or more, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

And the Senate agree to the same.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.
GEO. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States submit the following written statement explaining the effect of the action agreed on:

The bill as reported back is identically the same as the one reported in Report No. 49, Sixty-fifth Congress, first session, with the exception of the incorporation of the Senate provision, commonly known as the Roosevelt amendment, providing for four divisions to be raised under the volunteer system.

The managers call attention, however, to the fact that said printed report hereto referred to and made a part hereof is amended so as to make its provisions conform to the organization of said four divisions of volunteers.

On page 5 of the printed conference report after the word "draft" and before the quotation, beginning with the word "persons" and ending with the word "emergency," there should be no punctuation. The bill itself is so drawn and the mistake is made in the printed copy.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.

Mr. DENT. Mr. Speaker, I move the previous question on the adoption of the report.

The SPEAKER. The gentleman from Alabama moves the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

On motion of Mr. DENT, a motion to reconsider the vote by which the conference report was agreed to was laid on the table. [Applause.]

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 2337. An act to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force.

LEAVE OF ABSENCE.

Mr. MOORES of Indiana. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Indiana rise?

Mr. MOORES of Indiana. Mr. Speaker, I rise to ask that Mr. COMSTOCK, of Indiana, who is confined to his bed, be excused from attendance for 10 days.

The SPEAKER. The gentleman from Indiana asks unanimous consent that his colleague [Mr. COMSTOCK] be excused from attendance on the House for 10 days on account of sickness. Is there objection? [After a pause.] The Chair hears none.

HOUR OF MEETING TO-MORROW—11 A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 8 minutes p. m.) the House, under its previous order, adjourned to meet at 11 o'clock a. m. to-morrow, Thursday, May 17, 1917.

MOTIONS TO DISCHARGE COMMITTEES.

Under clause 4 of Rule XXVII, motions to discharge committees were filed as follows:

By Mr. BRITTEN: To discharge the Committee on Interstate and Foreign Commerce from the further consideration of the bill (H. R. 2795) to prohibit the killing and interstate shipment of beef cattle under a certain age.

By Mr. PAIGE: To discharge the Committee on Interstate and Foreign Commerce from the further consideration of the bill (H. R. 3549) creating a division of rural sanitation in the United States Public Health Service.

By Mr. DILLON: To discharge the Committee on Coinage, Weights, and Measures from the further consideration of the bill (H. R. 3772) prohibiting the use of false weights and measures and prescribing penalties therefor.

By Mr. GARLAND: To discharge the Committee on Agriculture from the further consideration of the bill (H. R 3832) to establish game sanctuaries in national forests, and for other purposes.

By Mr. AUSTIN: To discharge the Committee on Interstate and Foreign Commerce from the further consideration of the bill (H. R. 346) to prevent the pollution of navigable rivers or other bodies of water under the control of the United States.

By Mr. HADLEY: To discharge the Committee on the Judiciary from the further consideration of the bill (H. R. 2617) to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish.

By Mr. AUSTIN: To discharge the Committee on Pensions from the further consideration of the bill (H. R. 378) to pension widows and minor children of officers or enlisted men who served in the War with Spain or the Philippine insurrection.

By Mr. MADDEN: To discharge the Committee on the Post Office and Post Roads from the further consideration of the bill (H. R. 1654) to regulate the payment of salaries of post-office

clerks in first and second class post offices and letter carriers in the City Delivery Service.

By Mr. TILSON: To discharge the Committee on Coinage, Weights, and Measures from the further consideration of the bill (H. R. 2361) to provide for the appointment of a commission to standardize screw-thread tolerances.

By Mr. SLEMP: To discharge the Committee on Alcoholic Liquor Traffic from the further consideration of the bill (H. R. 1705) to prohibit the sale or gift of intoxicating liquors to minors within the admiralty and maritime jurisdicton of the United States.

By Mr. GILLETT: To discharge the Committee on Alcoholic Liquor Traffic from the further consideration of the bill (H. R. 3137) to prohibit the exportation of rum and other intoxicants to Africa, and for other purposes.

By Mr. TILSON: To discharge the Committee on Coinage, Weights, and Measures from the further consideration of the bill (H. R. 2878) to regulate and control the manufacture, sale, and use of weights and measures, and of weighing and measuring devices.

By Mr. HULL of Iowa: To discharge the Committee on Reform in the Civil Service from the further consideration of the bill (H. R. 350) to provide for the retirement of employees in the civil service.

By Mr. WILSON of Illinois: To discharge the Committee on Agriculture from the further consideration of the bill (H. R. 2873) providing for the classification of salaries of veterinary inspectors and lay inspectors (grades 1 and 2) employed in the Bureau of Animal Industry, Department of Agriculture.

By Mr. WATSON: To discharge the Committee on Patents from the further consideration of the bill (H. R. 3768) to suspend the rights granted under reissue No. 13848 of patent No. 1053300.

By Mr. CARY: To discharge the Committee on Foreign Affairs from the further consideration of the joint resolution (H. J. Res. 71) advocating the freedom of Ireland.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SELLS: A bill (H. R. 4459) to prevent the manufacture and sale of alcoholic liquors for beverage purposes within the duration of the war in which the United States is now engaged, and providing a penalty; to the Committee on the Judiciary.

By Mr. EVANS: A bill (H. R. 4460) for the relief of homesteaders who enter the military or naval service of the United States; to the Committee on the Public Lands.

By Mr. RAINEY: A bill (H. R. 4461) to repeal sections 35 to 49, inclusive, of the act of June 13, 1898, concerning mixed flour, as amended by the act of March 2, 1901, and as further amended by the act of April 12, 1902, and for other purposes; to the Committee on Ways and Means.

By Mr. McCLINTIC: A bill (H. R. 4462) to prohibit speculation in grain and food products; to the Committee on the Judiciary.

By Mr. HICKS: A bill (H. R. 4463) to increase the efficiency of the United States Coast Guard; to the Committee on Naval Affairs.

By Mr. COPLEY: A bill (H. R. 4464) to acquire a site for a public building at Harvard, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4465) for the erection of a public building at Woodstock, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. FOSS: A bill (H. R. 4466) to purchase or condemn land adjoining the naval training station at Great Lakes, Ill.; to the Committee on Naval Affairs.

By Mr. ADAMSON: A bill (H. R. 4467) to amend the act to regulate commerce, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENCH: Resolution (H. Res. 81) amending the rules of the House of Representatives and providing for the appointment of a committee on memorials and defining the duties of such committee; to the Committee on Rules.

By Mr. LaGUARDIA: Resolution (H. Res. 82) sending message of greetings and good wishes from the representatives of the free people of the United States of America to the representatives of the free people of Russia; to the Committee on Foreign Affairs.

By Mr. CARY: Joint resolution (H. J. Res. 91) calling upon the Secretary of State for information as to the ships of the American Transatlantic Co.; to the Committee on the Merchant Marine and Fisheries.

By the SPEAKER: Memorial of the Territorial Legislature of Alaska, requesting the assistance of Congress in restoring to the people of Alaska certain ancient rights of fishery and in abolishing all monopolistic fishing privileges; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the Territorial Legislature of Alaska, extending greetings to the Republic of Russia; to the Committee on Foreign Affairs.

Also, memorial of Alaska Territorial Legislature, requesting Congress to take the proper steps toward the dredging of the "dry straits" in Alaska; to the Committee on Rivers and Harbors.

Also, memorial of the Territorial Legislature of Alaska, requesting Congress to provide for the establishment of a Government milling and smelting plant in Alaska; to the Committee on Mines and Mining.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DENISON: A bill (H. R. 4468) granting a pension to Fred Robinson; to the Committee on Pensions.

Also, a bill (H. R. 4469) granting an increase of pension to John Todd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4470) granting an increase of pension to George Williams; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 4471) granting an increase of pension to Greenbury Vickery; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 4472) granting a pension to George W. Peters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4473) granting a pension to Samuel M. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4474) granting an increase of pension to Emily Hughes Burch; to the Committee on Pensions.

Also, a bill (H. R. 4475) granting an increase of pension to John J. Dougherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4476) granting an increase of pension to Henderson Morgan; to the Committee on Invalid Pensions.

By Mr. RUSSELL: A bill (H. R. 4477) granting a pension to Robert Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4478) granting a pension to George T. Hubbs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4479) granting a pension to Reuben Barnard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4480) granting a pension to Joel H. Haden; to the Committee on Invalid Pensions.

Mr. McANDREWS: A bill (H. R. 4481) to correct the muster of Cassius C. Roberts; to the Committee on Military Affairs.

By Mr. SWIFT: A bill (H. R. 4482) granting an increase of pension to George L. Clark; to the Committee on Pensions.

By Mr. SWEET: A bill (H. R. 4483) granting an increase of pension to Helen McAffee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4484) granting an increase of pension to Charles Keiderling; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of National Board of the Ancient Order of Hibernians in America, favoring action by the Government of the United States in the interest of home rule for Ireland; to the Committee on Foreign Affairs.

Also (by request), petition of United Business Men's Association of Philadelphia, Pa., advocating prohibiting use of grain in manufacture, distilling, and brewing of liquor during the war now existing between the United States and Germany; to the Committee on the Judiciary.

By Mr. ASHBROOK: Petition of Henry W. Deming and 160 other citizens of Greenville, Ohio, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of Charles Palmer Davis, editor of Current Events, setting out proposals for correct adjustment of matter of taxing periodical advertising and protesting against the proposed zone system of postal rates; to the Committee on the Post Office and Post Roads.

Also, petition of Dr. J. M. T. Finney and Dr. George Walker, of Baltimore, Md., advocating the abrogation of the patent rights on the drug salvarsan, now costly beyond reach of the public; to the Committee on the Judiciary.

Also, petition of Troy Typographical Union, No. 52, Troy, N. Y., opposing increase of postage rate on second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petition of New York Photo Engravers' Union, No 1, of New York City, opposing increase of second-class postage rates; to the Committee on the Post Office and Post Roads.

Also, petition of International Motor Co., of New York, opposing tax on motor trucks; to the Committee on Ways and Means.

Also, petition of Westchester County Commission of General Safety, White Plains, N. Y., proposing that the Government encourage production of farm products by providing minimum prices and other inducements; to the Committee on Agriculture.

Also, petition of United Garment Workers of America, protesting against the proposed zone system on second-class mail rates; to the Committee on the Post Office and Post Roads.

By Mr. DENTON: Petition of Local Union No. 276, International Brotherhood Electrical Engineers, signed by R. R. Waltz, Ed Maxwell, Clyde West, and Dan Stormont, all of Princeton, Ind., recommending a higher tax on incomes and for regulation of the sale of supplies during war; to the Committee on Ways and Means.

By Mr. FOSS: Petition of Messrs. T. Edward Wilder, Frank W. Disbrow, and 25 others, at Chicago, Ill., asking support of the Sheppard-Hulbert bill providing for department of aeronautics; to the Committee on Military Affairs.:

Also, petition of W. F. Doggett and 27 other citizens of Chicago, protesting against the proposed law to forbid use of grain in brewing during wartime; to the Committee on the Judiciary.

Also, petition of First Methodist Episcopal Church of Evanston, Ill., urging the establishment of white zones around the camps of soldiers, from which liquor and prostitution are excluded; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petition of Catholic Church Extension Society of the United States of America, protesting against increase of postage on second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Newark, Ill., opposing proposed automobile tax; to the Committee on Ways and Means.

By Mr. GALLIVAN: Petition of the Military Engineering Committee of New York, favoring the plan that all new units of Engineer troops be organized and maintained by the War Department and not by the individual States; to the Committee on Military Affairs.

By Mr. GRIEST: Petition of sundry citizens of Lancaster County, Pa., protesting against the use of grain in the production of alcoholic liquors; to the Committee on Agriculture.

Also, petition of Rev. Paul G. Hayes, of Lancaster, Pa., urging that war bonds and certificates of indebtedness be redeemed by a direct tax on incomes; to the Committee on Ways and Means.

Also, petition of C. A. Yecker, of Lancaster, Pa., protesting against the proposed tax on theaters and outdoor advertising; to the Committee on Ways and Means.

Also, telegram of J. F. Seldomridge, of Lancaster, Pa., protesting against proposed tax on admissions to county fairs; to the Committee on Ways and Means.

Also, petition of B. Franklin Futer, Jacob Rider, Wilbur Ranck, Harvey Bitzer, S. A. Barley, Harry Hackerty, Harry Vondersmith, Charles Schutte, John Longenecker, George Creswell, and Roy Shreiner, all of Lancaster, Pa., protesting against the proposed 5 per cent tax on automobiles; to the Committee on Ways and Means.

Also, petition of the United States Asbestos Co., of Lancaster, Pa., protesting against the proposed 10 per cent import tax on asbestos; to the Committee on Ways and Means.

Also, petition of Reifsnyder & Sons, and the National Piano Manufacturers' Association, both of Lancaster, Pa., protesting against the proposed 5 per cent tax on pianos and piano players; to the Committee on Ways and Means.

Also, petition of Grace United Evangelical Church, of Lancaster, and Penn Hill first day school and meeting, of Peach Bottom, Pa., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. GRIFFIN: Petition of the New York Photo Engravers' Union, No. 1, opposing the increase of second-class postage rates and the zone system; to the Committee on the Post Office and Post Roads.

Also, petition of Troy Typographical Union, No. 52, opposing increased rate on second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petition of Charles Palmer Davis, editor of Current Events, relating to proposed tax on advertising and to rates of postage on second-class matter; to the Committee on the Post Office and Post Roads.

Also, petition of Westchester County Commission of General Safety, relating to encouragement of food production; to the Committee on Agriculture.

Also, petition of C. C. Donovan, of Santa Rosa, Cal., favoring beer and wine as opposed to whisky and strong drink and opposing extreme prohibition; to the Committee on the Judiciary.

By Mr. LUNDEEN: Resolutions of Hennepin County Medical Society, Stanley Maxeiner, secretary; First Presbyterian Church of Minneapolis, 500 members, Rev. John T. Bergen, pastor; St. Olaf Lodge, International Order of Good Templars, 172 members, Olaf Hoctor, secretary; First Norwegian Danish Methodist Episcopal Church, 400 members, Rev. H. K. Madsen, pastor; Fifth Avenue Congregational Church, 500 members, L. R. Whiting, church clerk; Swedish Elim Mission Church, 107 members, Rev. Nathaniel Franklin, pastor; 500 citizens of southeast Minneapolis, Rev. T. W. Graham, chairman; Bethany Presbyterian Church, 200 members, Rev. Eliot H. Moore, pastor; Men's Club of the Judson Memorial Baptist Church, 300 members, Rev. Mark F. Sanborn, pastor; executive board of the Women's Club of Minneapolis, Mrs. John T. Baxter, president; Minnehaha Methodist Episcopal Church, Rev. Steven M. Bowles, pastor; Oliver Presbyterian Church, T. A. Lavers, clerk of session; Men's Club of the Prospect Park Methodist Episcopal Church, 25 members, F. F. Lindsay, secretary; Jupiter Lodge, International Order of Good Templars, 100 members, B. E. Fosth, secretary; Minneapolis Methodist Preachers, Rev. S. S. Farley, secretary; the Parent-Teachers' Association of the J. S. Pillsbury School District, W. A. Reynolds, C. R. Wise, T. H. Marvin, committee; Northwestern Hardwood Lumberman's Association, J. F. Hayden, secretary; Minnesota Total Abstinence Association, Rev. Gustav Eide, secretary; employees and officers of the Roberts-Hamilton Co.; Minneapolis Iron Store Co.; Minnesota Antisaloon League; Rev. George B. Safford, State superintendent; the Oliver & Leasure Lumber Co.; Northrup, King & Co.; New England Furniture & Carpet Co.; Gamble-Robinson Co.; the Minneapolis Steel & Machinery Co.; Rev. Stanley Roberts, moderator of the Presbyterian Synod of Minnesota, all in the city of Minneapolis, Minn., in favor of national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. NELSON: Petition of sundry citizens of Madison, Wis., asking Congress to prohibit the importation, manufacture, and sale of intoxicating liquors in the island of Porto Rico; to the Committee on the Territories.

By Mr. NOLAN: Petition of Mr. Paul Rieger, of San Francisco, Cal., against the proposed stamp tax on perfumery; to the Committee on Ways and Means.

Also, petition of Charles H. Bates, Washington, D. C., representing the Southern Pacific Railroad Co., recommending that the same tax be applied to motor busses operating as common carriers as is applied to railroads in the new revenue bill; to the Committee on Ways and Means.

Also, petition of W. D. Chick, of San Francisco, Cal., recommending certain exemptions for married men in the new income-tax bill based upon the number of dependent children; to the Committee on Ways and Means.

Also, telegram from Carpenters' Union No. 22, United Brotherhood of Carpenters and Joiners of America, San Francisco, Cal., protesting against any amendment to the Chinese-exclusion act which would permit the importation of Chinese to this country for any purpose; to the Committee on Immigration and Naturalization.

Also, communication from Dunham, Carrigan & Hayden Co., of San Francisco, Cal., praying for the enactment of legislation increasing the rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. RAKER: Telegram from Farmers' Feed Co., New York, in re withdrawal of the use of grains for malt beverages; to the Committee on Agriculture.

Also, telegram by Milwaukee Grain & Feed Co., Milwaukee, Wis., and Penn Grain & Feed Co., of Philadelphia, Pa., in re proposed legislation contemplating the withdrawal of grains from the manufacture of malt beverages; to the Committee on Agriculture.

Also, telegram from Walker Gordon Laboratory Co., milk producers, Plainsboro, N. J., in re withdrawal of the use of grains from manufacture of malt beverages; to the Committee on Agriculture.

Also, letter from Getz Bros. & Co., of San Francisco, Cal., in re various methods of taxation; to the Committee on Ways and Means.

Also, telegram from the McCormick Saeltzer Co., of Redding, Cal., in re tax on automobiles; to the Committee on Ways and Means.

Also, resolution by the Building Trades' Council of San Francisco, protesting against any attempted amendment of the Chinese exclusion act and immigration laws, by C. A. Tvietmoe, secretary; to the Committee on Immigration and Naturalization.

Also, letter from G. W. Brainard, secretary of Board of Trade of San Francisco, Cal., providing for revision of postal rates; to the Committee on the Post Office and Post Roads.

Also, letter from Dr. P. Nick, Los Angeles, Cal., in re bill providing for revision of our postal rates upon a plan that will increase the revenue of the department; to the Committee on the Post Office and Post Roads.

By Mr. RANDALL: Petition of 500 citizens of Glendale, Cal., for war-time prohibition; to the Committee on the Judiciary.

By Mr. ROGERS: Petition of Routhier Delisle, John A. Osgood, Wilfred P. Caisse, jr., and Nellie S. Houls, protesting against the proposed revenue law in taxing crude drugs, prescriptions, and pharmaceuticals; to the Committee on Ways and Means.

By Mr. SNOOK: Petition of Guardians of Liberty Court, No. 81, of Hicksville, Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota: Petition of Cass County Press Club, opposing increase in newspaper postage and advertising rates; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Hannaford, N. Dak., indorsing economic conservation of food program advocated by Secretary Houston, approving national prohibition as a war measure, approving stringent laws to protect the morals of soldier boys, and approving Mr. Roosevelt's plan to raise and lead an army contingent to the European battle fields; to the Committee on the Judiciary.

Also, petition of James H. Wiley and 23 other citizens of Steele, N. Dak., favoring a measure providing for the supervision and control by Congress of all food products and to regulate the price thereof during the present war; to the Committee on Agriculture.

By Mr. ZIHLMAN: Petition of Automobile Club of Kent County, Md., giving assurance of their ardent support of such measures as shall be adopted to uphold the honor of this country; to the Committee on Military Affairs.

SENATE.

THURSDAY, *May 17, 1917.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, our lives are in Thy hands. In the order of Divine providence we are being brought out into a conflict in the world which tests the true and the false, the right and the wrong. We come with reverent purpose in heart before Thee asking that we may have the Divine guidance, that this great Nation of ours may stand for nothing that does not have the Divine approval, but that, being led by Thy spirit, we may work out a larger life for the world, and continue as an instrument in God's hands for the proclamation of the highest and the truest ideals for men. Forgive our personal and national sins. Keep our hearts from every evil purpose. Bring us by Thy truth into perfect conformity with Thy law. For Christ's sake. Amen.

Mr. GALLINGER. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, Cal.	Overman	Sterling
Chamberlain	Jones, N. Mex.	Page	Stone
Culberson	Jones, Wash.	Penrose	Sutherland
Curtis	Kellogg	Pittman	Thomas
Fall	Kenyon	Poindexter	Thompson
Fernald	King	Pomerene	Townsend
Fletcher	Kirby	Shafroth	Trammell
France	Knox	Sheppard	Underwood
Frelinghuysen	La Follette	Sherman	Warren
Gallinger	McKellar	Shields	Weeks
Gerry	McLean	Smith, Ariz.	Williams
Gore	Martin	Smith, Md.	Wolcott
Hale	Myers	Smith, Mich.	
Hardwick	New	Smith, S. C.	
James	Norris	Smoot	

Mr. CURTIS. I announce the absence of the junior Senator from Ohio [Mr. HARDING] on account of illness. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will allow this announcement to stand for the day.

Mr. THOMPSON. I wish to announce that the junior Senator from South Dakota [Mr. JOHNSON] is unavoidably absent and that he has a general pair with the senior Senator from Maine [Mr. FERNALD]. This announcement may stand for the day.

I also wish to announce the unavoidable absence on official business of the junior Senator from Kentucky [Mr. BECKHAM], the senior Senator from California [Mr. PHELAN], and the senior Senator from Louisiana [Mr. RANSDELL].

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. KIRBY. I wish to announce that my colleague, the senior Senator from Arkansas [Mr. ROBINSON], is detained on official business.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding legislative day.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Friday, May 11, 1917, when, on request of Mr. JAMES and by unanimous consent, the further reading was dispensed with and the Journal was approved.

INCREASE OF THE NAVY.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy, recommending an increase in the total appropriation under the head of "Aviation" in the Naval Establishment to $11,325,000, etc. (S. Doc. No. 32), which was referred to the Committee on Naval Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Navy, calling attention to the absolute necessity for the Navy Department being authorized to commandeer the necessary sea tugs to tow small craft to be used for patrol purposes abroad (S. Doc. No. 31), which, with the accompanying papers, was referred to the Committee on Naval Affairs and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. PADGETT, Mr. TALBOTT, and Mr. BUTLER managers at the conference on the part of the House.

Mr. CHAMBERLAIN. Mr. President, immediately after the morning business I shall ask to have the conference report submitted to the Senate, and I shall ask for its adoption.

NEWSPAPER REPORTS OF PROCEEDINGS BEHIND CLOSED DOORS.

Mr. THOMAS. Mr. President, the Senate yesterday spent about five hours in secret legislative session ostensibly for the purpose of discussing subjects the open discussion of which might be deleterious to the public interest. The morning Post utilizes three or four columns in giving a substantially accurate account of what occurred and the New York papers are quite as prolific in publishing similar information.

Mr. MYERS. May I ask the Senator a question? The Senator says the Post gave an accurate account of what occurred.

Mr. THOMAS. I said a substantially accurate account.

Mr. MYERS. Is not the Senator disclosing senatorial secrets when he says the report is accurate? Is he not verifying the newspaper report?

Mr. THOMAS. My purpose in rising is simply to refer to the fact that there are no such things as senatorial secrets. I have come to the conclusion that if Senators desire to occupy considerable space in the columns of the press or if it is necessary to give the public general information concerning matters of public concern, the best way to do so is to hold either an executive session or a secret legislative session. The extent to which information is afterwards given to the public is so graphically illustrated by the publication of the proceedings of yesterday that it seems to me the sooner we abandon the farce of secret legislative sessions the better it will be for us and for the whole country.

Mr. HARDWICK. I think at this time when the country is facing a foreign foe there is some necessity for enforcing our

rule. The Senator from North Carolina [Mr. OVERMAN], in charge of the espionage bill which has now gone to conference, I think, can remedy this situation if he will put in that report a provision that any newspapers which violate the confidence of either House of Congress by publishing its proceedings in secret session shall be barred from the mails. I am prepared for one to support such a proposition.

Mr. FALL. I want to object to the statement that there was published this morning an accurate account of what occurred here yesterday. I think if a punishment could be fixed for newspapers that did not publish an accurate account of what occurred here it would be more appropriate.

Mr. THOMAS. I will modify what I said by saying that the accounts were perhaps more accurate than those which are given of the proceedings in open session of the Senate.

Mr. NEW. Mr. President, I rose to make the point that the Senator from New Mexico [Mr. FALL] has just made. I differ with the distinguished Senator from Colorado. All the accounts in the newspapers of this morning, as far as I have seen them, are full of inaccuracies. It is said in those papers that statements were made on this floor in executive session yesterday that were never made at all, at least if they were I did not hear them, and I was here during the whole of the executive session. It is said that the President was criticized in the Senate in a manner that he was not criticized at all. Nothing of the sort said to have been uttered was said by any Senator on the floor.

I think it is unfair to this body that statements of that kind should be disseminated over the country by the newspapers as they were this morning, and I rise to protest against such inaccurate statements being permitted to go unchallenged.

Mr. FLETCHER. Mr. President, whether the accounts are accurate or inaccurate, there is a very extensive publication of them. If the holding of executive sessions produces the inaccurate statements, columns and columns in length, that is all the more reason why, it seems to me, we might just as well abandon them. There is no possible way of correcting the statements that I know of. They have been published and have gone to the world, and it is impossible to get before the public that they were inaccurate or that they were accurate. So the harm is done just as much in one way as the other.

Mr. HARDWICK. Will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. HARDWICK. In these times when we must have secret legislative sessions, does not the Senator think we ought to fix it so that the newspapers can not publish what purport to be the proceedings?

Mr. FLETCHER. I think it would be well to do something of that sort if it can be done; but I do not know that it is practicable to do it. The suggestion of the Senator from Georgia has considerable merit in it, it strikes me, but I do not know that it is feasible to do it at all. I think it is highly important that we should consider some of these matters in secret legislative session, but the way the matter works out we do not accomplish what we intended. How can we compel them?

Mr. HARDWICK. We can do it simply by providing that we will not permit any newspaper to circulate through the mails that publishes what purports to be the proceedings of a session of Congress in either House that are confidential. That is what we ought to do.

Mr. MYERS. May I say a word to the Senator from Georgia? I want to call his attention to the fact that the Senate has just gone on record in favor of the utmost freedom of the press, without any censorship.

Mr. HARDWICK. Ah, but, if the Senator will pardon me, that does not mean that when either House of Congress solemnly determines that in the interest of public safety publication ought not to be made of its proceedings we should allow the newspapers to make such publications.

Mr. MYERS. I think the action of Congress means that a newspaper can publish anything.

Mr. HARDWICK. If we take this other action, they will not be able to publish this sort of thing; and we ought to take it.

Mr. TOWNSEND. Regular order!

The VICE PRESIDENT. Petitions and memorials are in order.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of sundry citizens of Wabaunsee County, Kans., praying for the enactment of legislation to found the Government on Christianity, which was referred to the Committee on the Judiciary.

He also presented a petition of the congregation of the Memorial Baptist Church, of St. George, S. C., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented a petition of the Central Council of Irish County Associations of Greater Boston, Mass., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a memorial of the Washington (D. C.) Central Labor Union, remonstrating against an increase of postal rates on magazines and newspapers, which was referred to the Committee on Finance.

Mr. ASHURST presented a petition of the faculty of the University of the State of Arizona, praying for a system of heavy-graduated income tax in the raising of revenue to finance the war with Germany, which was referred to the Committee on Finance.

Mr. McLEAN presented memorials of the Old Well Cigar Co., the Graham Earnest Cigar Co., the Ferandex Ernest Co., B. J. Reynolds, John T. Sheehan, and John Oldenschlager, all of Norwalk, in the State of Connecticut, remonstrating against an increase of the tax on tobacco, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of Greenwich, Conn., praying for the enactment of legislation to provide for the saving of daylight, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the Typographical Union of Meriden, Conn., remonstrating against the proposed tax on newspapers and increased mail rate for second-class matter, which was referred to the Committee on Finance.

Mr. SMITH of Maryland presented a memorial of the Leaf Tobacco Association, of Baltimore, Md., remonstrating against the proposed tax on cigarettes and tobacco, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Baltimore, Md., remonstrating against the proposed increase in postage on newspapers and magazines, which was referred to the Committee on Finance.

Mr. GALLINGER presented petitions of sundry citizens of Chester and of the Methodist Episcopal Church of Franklin, in the State of New Hampshire, and of the Vaughn Class, Calvary Baptist Church, of Washington, D. C., praying for national prohibition during the period of the war, which were referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Suncook, Concord, Franklin, Laconia, and Dorchester, all in the State of New Hampshire, praying for an increase in the tax on incomes, which was referred to the Committee on Finance.

Mr. PHELAN presented a petition of the Pacific Aero Club, of San Francisco, Cal., praying for the establishment of a bureau of the Government to take charge of aeronautics, which was referred to the Committee on Naval Affairs.

Mr. SMITH of Arizona presented a petition of the Arizona State Council of Defense, calling attention to the serious agricultural labor situation in Arizona, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of the Trinity Guild, Trinity Parish, of Phoenix, Ariz., and of the Presbytery of the Presbyterian Church of Phoenix, Ariz., praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

COMMITTEE ON PRIVILEGES AND ELECTIONS.

Mr. THOMPSON. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate resolution 62, submitted by the senior Senator from Ohio [Mr. POMERENE], and I ask unanimous consent for its immediate consideration.

The resolution was read, considered, and agreed to, as follows:

Resolved, That the Committee on Privileges and Elections be, and it is hereby, authorized to employ an additional clerk, at the rate of $100 per month, for a period lasting from May 16, 1917, until the end of the present session of the Sixty-fifth Congress, to be paid out of the miscellaneous items of the contingent fund of the Senate.

WABASH RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 2343) granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dodds to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind., and I submit a report (No. 42) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JAMES (for Mr. HUGHES):

A bill (S. 2294) authorizing the appointment of William Henry Armstrong a captain in the Officers' Reserve Corps; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 2295) authorizing the appointment of Jewish chaplains for the Army; to the Committee on Military Affairs.

A bill (S. 2296) admitting civilian employees of the United States Government stricken with tuberculosis to Army and Navy hospitals; to the Committee on Public Health and National Quarantine.

A bill (S. 2297) for the relief of W. M. G. Mackechney; to the Committee on Claims.

A bill (S. 2298) to detach Pecos County, in the State of Texas, from the Del Rio division of the western judicial district of Texas and attach same to the San Angelo division of the northern judicial district of said State; to the Committee on the Judiciary.

By Mr. TOWNSEND:

A bill (S. 2299) for the relief of Harold Holst (with accompanying papers); to the Committee on Naval Affairs.

By Mr. SHAFROTH:

A bill (S. 2300) to provide for the acquisition of a site and the erection thereon of a public building at Lamar, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. STERLING:

A bill (S. 2301) designating certain lands for entry under the provisions of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916, and for other purposes; to the Committee on Public Lands.

By Mr. CALDER:

A bill (S. 2302) to amend section 6 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906; to the Committee on Immigration.

By Mr. KENYON:

A bill (S. 2303) for the relief of John P. Wagner; to the Committee on Military Affairs.

A bill (S. 2304) granting an increase of pension to William W. Daniels (with accompanying papers); and

A bill (S. 2305) granting an increase of pension to Ellen L. Billings (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 2306) granting an increase of pension to William Behre (with accompanying papers); to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 2307) granting an increase of pension to Charles F. Runyan (with accompanying papers); to the Committee on Pensions.

By Mr. STONE:

A bill (S. 2308) to correct the military record of Second Lieut. Van Buren S. Reber (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 2309) for the relief of Seemann & Co.; to the Committee on Finance.

A bill (S. 2310) for the relief of the heirs at law of Jacques Clamorgan; to the Committee on Claims.

A bill (S. 2311) granting an increase of pension to John H. Helser; and

A bill (S. 2312) granting a pension to Samuel T. Holden; to the Committee on Pensions.

By Mr. SMITH of Maryland:

A bill (S. 2313) for the relief of sundry building and loan associations; to the Committee on Claims.

By Mr. CALDER:

A bill (S. 2314) to increase the efficiency of the United States Coast Guard; to the Committee on Naval Affairs.

THE PRESIDENTIAL TERM.

Mr. GORE. I introduce a joint resolution proposing an amendment to the Constitution of the United States, which I ask to have read and referred to the Committee on the Judiciary.

The joint resolution (S. J. Res. 65) proposing an amendment to the Constitution of the United States providing that no person shall be eligible to be elected President who has served for a longer time than one term as President or Vice President, was read the first time by its title and the second time at length and referred to the Committee on the Judiciary, as follows:

Resolved, etc., That the following be proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the States, shall be valid as a part of said Constitution, namely:

"No person who has been twice elected, or who has served for a longer time than one term as President, shall be eligible to be elected or to serve as President or Vice President."

WAR REVENUE.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray the war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

ARMY AND NAVY APPROPRIATIONS.

Mr. GORE submitted an amendment intended to be proposed by him to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, which was ordered to lie on the table and be printed.

NATIONAL DEFENSE.

Mr. CALDER submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

INCREASE OF MILITARY ESTABLISHMENT—CONFERENCE REPORT.

The VICE PRESIDENT. Is there further morning business? [A pause.] The morning business is closed.

Mr. CHAMBERLAIN. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, and I ask for its adoption.

The VICE PRESIDENT. Do Senators desire to have the conference report read in full? It has been printed, and is upon the desks of Senators.

Mr. LA FOLLETTE. I ask to have the conference report read, Mr. President.

The VICE PRESIDENT. The Secretary will read the report.

The Secretary proceeded to read the conference report, and read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national-defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national-defense act, approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national-defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations."

Mr. SMITH of Michigan. Mr. President, I desire to ask the Senator from Oregon to tell us what the National Guard Reserve is. That is a little outside of my line of information. The term is contained in the second paragraph of the conference report which the Secretary has been reading.

Mr. CHAMBERLAIN. There is a provision in the act for organizing recruiting units to fill the depletions that may exist in the organizations which are called into the service. That is the reserve from which we propose to fill the depleted ranks.

Mr. SMITH of Michigan. Then do I understand that there is authority to organize a reserve National Guard in the various States, to be under the jurisdiction of the State authorities until called into active service by the Federal authorities?

Mr. CHAMBERLAIN. Yes, sir.

Mr. SMITH of Michigan. And that under the law as it will stand if the conference report is adopted the National Guard Reserves may be called into the service without any further formality?

Mr. CHAMBERLAIN. Yes. They are a part of the National Guard system.

Mr. SMITH of Michigan. And that they are to be drafted into the military service of the United States, as are members of the National Guard?

Mr. CHAMBERLAIN. Yes.

The Secretary resumed the reading of the conference report, and read as follows:

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national-defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stat. L., 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the Volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion, recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section 1, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section 1, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality."

Mr. SMITH of Michigan. Mr. President, may I ask the Senator from Oregon another question? On page 4 I notice that there is a provision—

That officers with rank not above that of colonel shall be appointed by the President alone.

I suppose that means without the advice and consent of the Senate. Have we not been in the habit of requiring such appointments to be approved by the Senate?

Mr. CHAMBERLAIN. Does the Senator refer to appointments not above the rank of colonel?

Mr. SMITH of Michigan. Yes.

Mr. CHAMBERLAIN. Yes.

Mr. SMITH of Michigan. They have always been sent to the Senate heretofore. Would not the President have the power to make ad interim appointments if the confirming power were still left in the Senate? I do not understand why the Senate should be eliminated from that part of our constitutional duty.

Mr. KNOX. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. SMITH of Michigan. Certainly.

Mr. KNOX. I was just about to ask the question that the Senator from Michigan has asked of the Senator from Oregon; but I want to suggest this idea: Is this in accordance with any precedent in time of war? Of course, the Constitution is perfectly clear that the Congress may empower the President alone to appoint inferior officers, and therefore there would be no doubt, in my judgment, as to the constitutionality of this provision; but what I should like to know is what the custom has been in the past as to officers below the rank of colonel?

Mr. CHAMBERLAIN. Let me say to the Senator that I have never had occasion to look into the precedents. This power is only given to the President as to those officers below the rank of colonel, in order to make the Army as effective as possible and to allow changes to be made whenever and as often as they become necessary.

Mr. REED. Mr. President, I can not hear the Senator.

Mr. SMITH of Michigan. It must have been, then, for one of two reasons—either because these places could not otherwise be filled during the vacation of Congress or when the Senate was not in session, or the Executive wants to make these appointments without reference to the power of the Senate to confirm. I had supposed that the ad interim power would give the President all the latitude that was required to make these appointments during vacation.

Mr. REED. Mr. President, there is such a buzzing in the Chamber that I can not quite hear what the Senator is saying, and I have changed my seat three times to try to hear. I wish the Senator would speak so that we can hear him.

Mr. SMITH of Michigan. I do not know that I ought to take the time even to say what I have said, but there is a provision at the bottom of page 4 of the conference report—

> That officers with rank not above that of colonel shall be appointed by the President alone.

In other words, without the advice and consent of the Senate. If that is necessary in order to get prompt action, I am not unwilling to trust the Commander in Chief, upon whom this responsibility rests, to take such course as he may deem necessary, but the Senate has hitherto guarded with considerable solicitude its right to pass upon such appointments, and I know of no reason why it should not be done in this instance. If the power to make ad interim appointments during the vacation of the Senate exists as to such appointments, why, there should be no embarrassment about the matter at all.

I do not know that I am sufficiently interested to say anything more about it; but gradually the Senate is, willingly or unwillingly, abdicating its constitutional functions. We are not expected to spend very much time discussing any measure that comes to us from a department, and I do not know but that may be the way to enter upon the task with which we are now confronted; but it has not been the custom, nor has it hitherto been the habit, of the Senate to yield this power, and I know of no reason why we should not pass upon these appointments in the usual and customary way.

Mr. CHAMBERLAIN. Mr. President, I will say to the Senator that I do not know of any reason for it except to avoid the delays incident to having these confirmations made; but there is nothing to prevent the President from making——

Mr. REED. Mr. President, I can not hear the chairman of the committee. I wish he would talk so that we can hear him, and speak a little louder.

Mr. CHAMBERLAIN. The President has power to make ad interim appointments. I think there is no question about that; but this provision is just as it passed the Senate the other day. There has been no change made by either the House or the Senate with respect to that particular provision.

There is one thing I want to say to the Senator while I am on my feet. I was not paying strict attention to the reading of the bill at the time the Senator from Michigan asked me a question awhile ago about the National Guard Reserve. I did not note what particular portion of the bill was being read, and I had in mind the recruiting units, and that was what my answer applied to.

Mr. SMITH of Michigan. That is not what I referred to and what led to this discussion.

Mr. CHAMBERLAIN. Later I realized that I had probably misunderstood the request of the Senator for information. The National Guard Reserve is provided for by the national-defense act of June 3, 1916. Those who have served out a part of their enlistment go into the National Guard Reserve, just as those who are in the enlisted personnel of the Army, after three years of service, go into the reserve. I call the Senator's attention to section 78 of the national-defense act of June 3, 1916.

Mr. SMITH of Michigan. I am very familiar with that act; but the National Guard Reserve that is now being formed in various States is being formed without any reference whatever to age or military experience. It seems to be a place where almost any patriot can enter and become enrolled for State service only; and I do not desire by that statement to seem to criticize it. In fact, I favor it.

Mr. CHAMBERLAIN. That is not the National Guard Reserve. They have home guards, and they have every form of establishment, in the different States; but those are not any part either of the Regular Army Reserve or of the National Guard Reserve.

Mr. SMITH of Michigan. Does the Senator mean that they have an age qualification?

Mr. CHAMBERLAIN. In what?

Mr. SMITH of Michigan. In the National Guard of the States.

Mr. CHAMBERLAIN. Oh yes. The enlistment ages in the National Guard are between 18 and 45.

Mr. SMITH of Michigan. I am thinking of what is known as the State Guard that is being organized in a number of the States under the immediate direction of the governor.

Mr. CHAMBERLAIN. There is no legislation that affects these so-called home guards or State guards, as the case may be. This legislation affects the National Guard, the National Guard Reserve, the Regular Army, and the Regular Army Reserve.

Mr. SMITH of Michigan. Going to the other point which I made, I notice that whenever the Senate passes and sends over to the House of Representatives a bill which provides for the creation of officers and the manner of their appointment, unless the bill is safeguarded with our right to confirm the appointee it is not safeguarded at all. It seems to me that it is a privilege that ought not to be lightly waived. I would not make that observation if it depended upon the Senate being in session in order to make such appointments as are provided for in this bill, but the Senator from Oregon [Mr. CHAMBERLAIN], the chairman of the Committee on Military Affairs, and the Senator from Pennsylvania [Mr. KNOX] both admit that the power of ad interim appointment resides in the executive department for these particular officers, and I think they should be confirmed. I do not think it should be waived. The Committee on Naval Affairs, which recently reported the bill passed yesterday, met the same situation and very promptly remedied it, and provided that the new officers created under the act should be named by the President, by and with the advice and consent of the Senate.

I am no special stickler for form, but we thunder loudly in the index when our prerogatives are seemingly encroached upon, and here is a plain case of avoidance without any necessity at all.

Mr. KNOX. Mr. President, I do not wish anyone to infer from the question I asked that I have any hostility toward this provision in the law. I only wanted to know if it happened to lie in the knowledge of the chairman of the Military Affairs Committee or of anyone else whether that had been the custom in any previous wars.

I infer, of course, that this is a matter of convenience. I am told that there will be possibly some 30,000 officers below the rank of colonel to be appointed, and appointed almost at once. Of course that would throw on the Senate a burden that it would be almost impossible to bear, and a duty that it could hardly intelligently discharge, with the other duties that are cast upon it.

I am highly in favor of the provision. I think it is a wise provision, for the sake of economy of time and for convenience. My only purpose was to know whether it was buttressed by the precedents of previous wars.

Mr. SMITH of Michigan. Mr. President, will the Senator from Pennsylvania permit me to ask him whether he feels that the President has abundant power to make these appointments ad interim, even with the usual provision?

Mr. KNOX. There is not any doubt whatever about that, Mr. President; but it is equally true that the Constitution provides for just such a situation as the country is confronted with now; that is, while the Constitution vests in the President the power to make appointments which are to be confirmed by the Senate, it distinctly provides that in respect to minor

offices the Congress may delegate that power to the President alone, so that it is not necessary to encumber the Senate with the detail of appointments to the smaller offices.

The Secretary resumed the reading of the report, and read as follows:

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except, any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'"

Mr. REED. Mr. President, I desire to ask the chairman of the committee if the part that has just been read is the text of the Senate bill?

Mr. CHAMBERLAIN. The fundamental is the same as the Senate bill, although the phraseology has been somewhat changed.

Mr. REED. Why is it that this bill is not printed so that we can have, either by the type, or parallel columns, or in some other way, the benefit of the comparison?

Mr. CHAMBERLAIN. I do not suppose there has ever been a bill printed as often as this has been. I have brought this bill out of the Senate committee informally a number of times, when it was not due here, in order to have it printed in the RECORD, so that the Senators could see it. It is printed now and before the Senate in advance of the papers coming over from the House. The Senator has a copy of it on his desk now, so that we have certainly done all in our power to bring it to the attention of the Senate.

Mr. REED. Mr. President, I think the Senator must have misapprehended my question. I am not criticizing anybody; but I was asking why this conference report might not have been printed in such form that the Senate text would have appeared in one kind of type and the changes in another kind of type, so that as we study it we could tell what had been done by the conferees without going back to a comparison.

Mr. CHAMBERLAIN. I will say to the Senator that that might have been done, but it was not suggested that it be printed in that form. It could have been done.

Mr. REED. It simply compels everybody to do a great deal of work in the way of comparison. This language seemed to me to be new. My recollection of the bill seemed to lead to the conclusion that there had been a good deal of change.

Mr. CHAMBERLAIN. I will say to the Senator that we had a harder time to agree on that section, I believe, than anything else. It was worked over a number of times by the chairman of the House committee, and, in connection with officers from the Judge Advocate General's Office, we had numerous consultations before we could get it in a shape that all could agree on; but it does change the Senate provision somewhat.

Mr. REED. I suppose there will be nothing for us to do except to take those provisions and compare them ourselves, which will take some time.

Mr. McKELLAR. Mr. President, may I ask the chairman of the committee in reference to section 8a, which provides that the service of all persons selected by draft shall terminate at the end of the war? That provision was agreed to by both Houses, but seems to have been left out of the bill, if I am correct about it.

I am laboring under the same difficulty that the Senator from Missouri [Mr. REED] has just stated, because of the print. It may be in some other part of the bill that I have not examined. Will the Senator kindly state whether or not section 8a is in the present bill as reported out of conference?

Mr. CHAMBERLAIN. It is not. It was inserted in the bill on the floor of the Senate. It was never acted upon by the House at all.

Mr. McKELLAR. I have here before me a bill which passed the House of Representatives—well, I believe that was printed with amendments.

Mr. CHAMBERLAIN. I think the Senator will find that that is a Senate amendment.

Mr. McKELLAR. That may be a Senate amendment. At all events; it is left out of the present bill?

Mr. CHAMBERLAIN. Yes, sir.

Mr. SMITH of Georgia. Mr. President, I was unable to comprehend exactly what the Senator from Oregon said. Does it amount to this, that the provision in the bill that the enlistment in the service terminates with the war has been stricken from this bill?

Mr. McKELLAR. It has been stricken from the bill. I will read the Senator the provision in the bill as it passed the Senate. On page 29 of the original print of the bill as it passed the Senate is the following:

That the service of all persons selected by draft under the provisions of this act shall be for the period of the war unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and from and after the date of said proclamation the provisions of this act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be in force and effect.

I recall that that was one of the provisions of which I thought very highly in the bill as it passed the Senate, and in looking

over the present conference report that seems not to be in the bill as reported by the conferees.

Mr. SMITH of Georgia. What is the limitation of the service, then, under this draft?

Mr. McKELLAR. It seems to be not limited. It is made a general law. I am not sure what these changes mean.

Mr. SMITH of Georgia. If the Senator is right, I hope we will send this report back, because the bill never could have passed the Senate except with that limitation.

Mr. McKELLAR. I will say to the Senator from Georgia that I feel exactly the same way about it—that the service ought to be limited to the period of the war—and I was very glad indeed that the Senate kept that provision in, or put it in.

Mr. SMITH of Michigan. Mr. President——

Mr. McKELLAR. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. Let me ask the Senator from Tennessee if the provision beginning with line 15, on page 2, and ending on line 20, page 2, has the effect of doing what the Senator has in mind?

Mr. McKELLAR. That applies to the National Guard only, as I recall. I will ask the chairman of the committee if the effect of leaving out subsection (a) of section 8 is not to leave out the provision about the enlistment being for the period of the war?

Mr. CHAMBERLAIN. Absolutely not.

Mr. McKELLAR. I shall be very glad if the Senator will explain that.

Mr. CHAMBERLAIN. This whole bill, Mr. President——

Mr. WADSWORTH. Mr. President——

Mr. FALL. Mr. President, we can not hear what is being said. It is impossible. Some of us are interested in this matter, and it is absolutely impossible, because of audible conversation and noise in the Chamber, to understand a word that is being said.

The VICE PRESIDENT. The Chair quit, several days ago, trying to maintain any order.

Mr. McKELLAR. So that the chairman may understand exactly what my inquiry is—and it is a mere inquiry—I will repeat my question: I see, by referring to the present report, that there is a limitation during the war on the National Guard, and probably on some other troops, but that there seems to be no limitation on those drafted into the service? In other words, so far as those drafted into the service are concerned, their service does not end with the close of the war. That is the way it looks to me. I am just asking the Senator if I am right about that. I will be glad to have him explain it.

Mr. CHAMBERLAIN. The whole bill is framed on the theory that these provisions are only temporary in character, that the whole business ends with this emergency. If the Senator will look at page 7, the last line at the bottom, he will find the question he has raised answered; that "those drafted shall be required to serve for the period of the existing emergency unless sooner discharged." That applies to the whole force. The preceding section mentions the National Guard. So all the forces raised under this act will be discharged at the end of the emergency.

Mr. McKELLAR. I will say to the Senator that seems to cover that proposition. But I should like to ask the Senator why was subsection (a) stricken out? Why not let it be absolutely certain and beyond question of cavil or interpretation that this force is to serve during the war? In other words, why was subsection (a) left out?

Mr. CHAMBERLAIN. The Senator has been in conferences and he knows that sometimes the members can not have their own way. This bill was for weeks discussed in conference, and it was difficult to reach an agreement among the members of the conference. With reference to that particular amendment, I do not believe that the House conferees or the Senate conferees felt that it was necessary, because the bill itself covered it. In terms, in other words, the whole bill read together shows that the troops are to be maintained only during the emergency. Now, if that section is adopted, I will say to the Senator, just the moment the war closes the whole Army would be disbanded, without any time to muster them out and to prepare the records which are necessary for future reference by the War Department. The Senator knows that in the Civil War it took some weeks and months to discharge the troops, and even now we are seeking all the time to amend the records of soldiers. So the section would have the effect of disbanding the Army without any power on the part of the Government to hold it long enough to make the proper records.

Mr. McKELLAR. I think, if the Senator will examine subsection (a), it provided for that very contingency. In other words, it remained with the President to declare by proclamation that the matter was entirely over before there could be a disbandment of the Army. All I want to say is that I am much interested in having the provision remain, and regret that it was left out, and that the service of this force that is drafted, as well as the National Guard, shall terminate with the end of the war. If it is already provided by the bill, that is entirely satisfactory to me, for that is all I desire in the matter.

Mr. HARDWICK. Mr. President——

Mr. McKELLAR. I yield to the Senator from Georgia.

Mr. HARDWICK. I thought the Senator was through.

Mr. McKELLAR. I yield the floor to the Senator.

The VICE PRESIDENT. The Senator from Georgia.

Mr. HARDWICK. Mr. President, I want to make a statement of this matter. The trouble about this matter is that what the Senator from Oregon claims is accomplished by this provision is not necessarily accomplished by it. In the Senate bill, in a dozen places, where the words "during the existing emergency" occurred the Senate by unanimous consent, with the concurrence of the Senator from Oregon, struck out the word "emergency" and substituted the word "war." In other words, we were drafting troops for this German "war" and not for some vague indefinite thing called an "emergency."

Now, we were willing—at least those who supported the bill were willing—to impose certain burdens upon our people during this war, not during some vague, indefinite, uncertain time called an emergency, which might be a matter of construction, and which is a more or less elastic term. We thought, and the Senator from Oregon agreed with us, that the safest thing to do was to say exactly what everybody contended it meant, which was the German war, not an emergency.

Now, I should like to know why the unanimous enactment of the Senate substituting the word "war" for "emergency" has been rescinded. I can not believe that the House of Representatives would not agree to that if it were urged in conference.

Mr. WARREN. If the Senator will allow me, there was no discussion, as I remember it, over the matter when the word "emergency" was changed to "war."

Mr. HARDWICK. The Senator is mistaken.

Mr. WARREN. I was on the floor and thought I had watched the debate closely.

Mr. HARDWICK. With all deference to the Senator, he is mistaken. I discussed it myself. I brought it up and made substantially the same statement and argument I am making now.

Mr. WARREN. When the Senator says it was determined after discussion, he is mistaken, or I am, because at the time, near the close of the bill, the idea was to let it and sundry other matters go to conference for settlement there if there was any possible question about it.

Mr. HARDWICK. If the Senator will pardon me——

Mr. WARREN. Will the Senator allow me. When we meet the House in conference and the House conferees insist on "emergency" rather than "war," and in our estimation it means one and the same, what are we going to do? Are we going to hold out against the House conferees to the extent of final disagreement?

Mr. HARDWICK. Against the practice mentioned by the Senator from Wyoming I protest here and now.

Mr. FALL. Will the Senator permit an inquiry? I should like to ask members of the conference if that word was not placed in there at the request of the Judge Advocate General?

Mr. WARREN. If the Senator addresses me, I have no remembrance that it was.

Mr. FALL. It is so understood, so that there might be a legal question hereafter as to when the troops should be mustered out.

Mr. HARDWICK. Against the legislative practice referred to by the Senator from Wyoming I want to enter my emphatic protest here and now. The Senator said that the amendment was made by agreement; that the idea was merely to take it to conference. I do not so understand the action of the Senate. I explained to the Senate at the time, and if the Senator from Wyoming was here he heard it, exactly why I urged the change, and the Senator from Oregon agreed that I was right. He agreed that the language should have no other meaning except that, and by unanimous consent the Senate put it in. Then we are informed, "Oh, well, that amounted to nothing; we were merely taking it to conference."

Mr. WARREN. Does the Senator understand that when a bill goes to conference one section or item in disagreement is stronger than the others and that it is not subject to change?

Mr. HARDWICK. The Senator from Georgia understands that when a bill goes to conference the conferees on the part of the Senate are required to enter into a real battle for the Senate provision.

Mr. WARREN. Does the Senator believe that there was no such battle in conference?

Mr. HARDWICK. I doubt it from the Senator's statement, if he wants me to be candid.

Mr. WARREN. Does the Senator mean to say that the conferees on the part of the Senate have been easy and had no battle?

Mr. HARDWICK. Of course, I judged simply by the Senator's remarks. I have no other way of judging.

Mr. WARREN. If the Senator wants to say that the conferees have been easy and had no battle——

Mr. HARDWICK. Does the Senator mean that the Senate conferees made a real fight for this provision?

Mr. WARREN. Certainly, for all the provisions.

Mr. HARDWICK. Did you make a real, obstinate stand for this provision?

Mr. WARREN. The Senator from Georgia may have a different estimation of a battle from what I have. There was no dirk knife or revolver in the business, I will state to the Senator.

Mr. HARDWICK. The Senator from Wyoming lives farther west than I do and may know more about such things than I do, but a real fight is what we had a right to expect from our conferees on this matter.

Mr. CHAMBERLAIN. May I interrupt the Senator for a moment?

Mr. HARDWICK. Let me finish. I protest against adopting amendments which are accepted merely to be carried to conference. The Senate knew what it was doing. The matter was explained to the Senate, and if the Senator from Wyoming was in the Chamber he must have heard the explanation I made on this floor, and almost in this spot, and almost in the words I have made it to-day. If the Senator from Wyoming then opposed it, he kept silent. The Senator from Oregon, the manager of the bill, immediately conceded the point and said the language meant the war, no more than that and no less than that. I then said if that is true, why have any trouble by using a doubtful term? Why not say "war" instead of using a more indefinite term?

Mr. CHAMBERLAIN. May I interrupt the Senator?

Mr. HARDWICK. Certainly.

Mr. CHAMBERLAIN. The Senator is correct about my attitude with reference to this matter when the amendment was suggested by him. I told him I would look it over carefully and indicated the places where the word "emergency" occurred and where the word "war" would be substituted. I took the bill into the committee room and looked it over. I could not do it very well on the floor. I did not see the difference then and I do not see now that there is a difference between the terms, whether we use "emergency" or whether we use "war." I assented readily to the use of the word "war" instead of the word "emergency."

Mr. REED. Mr. President——

Mr. HARDWICK. I yield to the Senator from Missouri.

Mr. REED. Before the chairman of the committee takes his seat, because I want to present the matter to him as well as to the Senator from Georgia, it seems to me as a matter of recollection—and I am speaking purely now as a matter of recollection—that after the bill had been amended by changing the phraseology "present emergency" to "present war," a request was presented by the chairman of the committee to change back to the word "emergency," and the statement was made that the Judge Advocate General had requested that change to be made, and some of us opposed the change back, and the Senate stood by the opposition. I think I am right about that.

Mr. HARDWICK. I think the Senator is right about it. I think the Senator from Oregon will agree to the accuracy of that statement.

Mr. SMITH of Michigan. Mr. President——

Mr. HARDWICK. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. The Navy bill which the Senate passed on the 15th made it very plain that the desire of the Senate was that these enlistments should be for the period of the present war, and in a half dozen amendments the Senate so asserted itself. Of course that bill is in conference, and if it is to come back here under instructions from some bureau officer we may just as well meet it now as meet it then. Some of us believe that the language "the period of the war" has a fixed and definite limitation about it.

Mr. HARDWICK. And is very much stronger than this vague word "emergency."

Mr. SMITH of Michigan. The word "emergency" is elastic and can be extended to a great many situations which are really not contemplated by the bill.

Mr. WARREN. Will the Senator permit me?

Mr. HARDWICK. I yield to the Senator from Wyoming.

Mr. WARREN. Perhaps I spoke loosely when I said matters were allowed to go to conference. The Senator will remember that not only in this bill but in all others over which there is a long struggle when we come near to closing the debate on the bill it is quite a common observation, "Oh, let it go to conference,' as the Senator said, "and settle it there." For instance, there was the matter of the increase of pay for enlisted men. The Senator who offered the first amendment when his attention was called to the imperfections of the first proposal, said, "Fix it so that it may go to conference and settle the whole matter there." He was not certain that it was right, let it go, and said we will send it to conference. It went to conference. It has been a matter of considerable struggle; it went back to the House, was from there returned to the Senate, and it was finally settled, and I think very well settled. In the matter of war or emergency it has been my opinion, and it still is, that there is not the broad difference the Senator and others seem to apprehend. When it was on trial here it was not my intention to object to it, but I was willing that it should go either way, as far as that is concerned. That is what I intended to say to the Senator. But the Senator must remember that very many differences existed in this bill, as with many others, and in this case it was more difficult, because the Senate passed one separate bill and the House another, and when we had two separate bills before us we naturally had much to do to reconcile the differences between the two measures.

Mr. HARDWICK. Did the Senator have a real struggle with the House conferees on this matter?

Mr. WARREN. As I said before, the Senator's idea and mine of a struggle may differ.

Mr. HARDWICK. I am inclined to agree with the Senator about that.

Mr. WARREN. We insisted on our amendments.

Mr. HARDWICK. Do you mean that the House conferees absolutely would not agree to this amendment?

Mr. WARREN. When I say the House would not absolutely agree to it I do not know what the House finally would have done.

Mr. HARDWICK. I think I know.

Mr. WARREN. I know the House conferees stood unanimously for it.

Mr. HARDWICK. On the amendment to change the word "emergency" to "war"?

Mr. WARREN. They refused to accept our insistence.

Mr. HARDWICK. Going back for a moment and passing from that subject, I know, of course, that differences come to conference that can not always be easily adjusted in conference; but nothing ought to go to any conference from this body that is not going to be earnestly and genuinely urged by the Senate conferees. The contrary practice is what I refer to and condemn.

Mr. WARREN. I assume the Senator does not mean to impute the idea that the conferees have been recreant to their trust?

Mr. HARDWICK. Oh, the Senator knows I do not believe that.

Mr. WARREN. Let me say that I tried to retain all the terms of the Senate bill, and I protested against changes to the last. That may not be a fight, it may not be a struggle, in the estimation of the Senator, yet I think it was; and if he had been a member of the conference, he would have been perfectly satisfied that the Senate conferees were as true to this one provision as to many others, and as true to the position as he was.

Mr. FALL. Mr. President——

Mr. HARDWICK. I yield to the Senator from New Mexico.

Mr. FALL. I should like to ask the Senator who has just taken his seat if, at the meeting of the conferees, it was not practically agreed that nothing should be considered except practically a recommittal of the bill by the House to the conference on the proposition known as the Roosevelt amendment?

Mr. WARREN. The Senator asks a question of me?

Mr. FALL. Yes, sir. I am sorry I interrupted the Senator.

Mr. WARREN. I was engaged for the moment.

Mr. FALL. I asked if it was not the fact that the conferees agreed, immediately upon meeting after the action of the House and the House recommitted the bill, that they would not consider anything except the Roosevelt amendment?

Mr. WARREN. We did after there had been another meeting, and the question was whether the bill should be reported back in that form.

Mr. FALL. I should like to ask the Senator if the Senate conferees insisted upon the amendment known as the board-of-control amendment?

Mr. WARREN. They did.

Mr. HARDWICK. Mr. President, there are no very wide differences between myself and the Senator from Wyoming on matters of procedure. It is nothing personal; but there are a good many differences of a substantial nature between us with respect to this matter. The Senate did adopt this amendment after a full understanding of its import. The Senate did adopt this amendment after the gentlemen who finally represented us in the conference agreed that it ought to be made. I am merely giving my own judgment, but I am content to submit, from the statement of the Senator from Wyoming, that no real fight has been made for this amendment at all. I think, in view of its importance—its overwhelming importance—if we are to draft our blood and bone and send them to a foreign soil 3,000 miles away from this country, to fight the battles of the Republic, we ought at least not to put that burden upon them except for war, and for this German war at that.

No language that may be construed in the Judge Advocate General's Office, or somewhere else, to mean something different from that ought to mark the limit of their suffering, the limit of their service, or the measure of their obligation. We ought to put it down plainly and specifically, so that he who runs may read.

Mr. SMITH of Michigan. If the Senator will allow me to make a suggestion to him it was an emergency that took our fleet to Vera Cruz——

Mr. HARDWICK. Exactly.

Mr. SMITH of Michigan. Not a declaration of war. It was an emergency that landed our marines in San Domingo and not a declaration of war.

Mr. HARDWICK. Exactly.

Mr. SMITH of Michigan. It is an emergency that has taken our soldiers to the Mexican border, but there has been no declaration of war against Mexico. But it is a declaration of war which is responsible for this service.

Mr. HARDWICK. I thank the Senator from Michigan for his illuminating contribution, and it is illuminating right here. After this German war is over we might get into some row with some republic in Central America, and then the contention might be made that an emergency was still existing. I do not say that it would be so construed. I hope it would not be, but for one I do not want to make it possible for anybody to take our flesh and blood and draft them to involuntary military service of indefinite duration.

Mr. KELLOGG. Mr. President——

Mr. HARDWICK. I yield to the Senator from Minnesota.

Mr. KELLOGG. Can this country get into war with any Republic without the consent of Congress?

Mr. HARDWICK. I do not know. I am afraid that it has done so in the past.

Mr. LA FOLLETTE. Yes; the Mexican War was without the consent of Congress.

Mr. KELLOGG. I asked the Senator if Congress has not full power to protect the Army against any such attempted use.

Mr. SMITH of Michigan. But it has not done so.

Mr. HARDWICK. But if it refuses to do so, if it refuses now to declare definitely and precisely exactly what it means, and elects to use words capable of construction that have no definite, precise, and fixed meaning, then I would fear whether it would ever do so or not.

Mr. SMITH of Michigan. If I may again interrupt the Senator, our soldiers were put into actual battle in Nicaragua within the last two years without any authority of this Government or any declaration of war by Congress. This is a dangerous precedent.

Mr. HARDWICK. That was an "emergency" and not a war.

Mr. SMITH of Michigan. And the Battle of Coyetepe, in Nicaragua, is full of interest and challenges our attention; yet it has never received any consideration at the hands of Congress at all, although we lost many marines in that battle. In my opinion, there should be some formality about conduct of this character, which the people intrusted solely to their Representatives in Congress.

Mr. FLETCHER. May I interrupt the Senator from Georgia to make a suggestion?

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Florida?

Mr. HARDWICK. Yes; I yield to the Senator.

Mr. FLETCHER. There is not only the use of the word "emergency," but the further use of the qualifying word "existing"—"existing emergency"; it is for the "existing emergency" that this army is raised.

Mr. HARDWICK. Well, what is the "existing emergency"?

Mr. FLETCHER. It is for the "existing emergency," not for "some emergency" that may arise in the future.

Mr. HARDWICK. What is the "existing emergency," the war with Germany?

Mr. FLETCHER. Certainly.

Mr. SMITH of Michigan. I do not find the words "existing emergency" in section 7 of this proposed act.

Mr. HARDWICK. If you ask the military staff, they might tell you that the words "existing emergency" are necessary, so as to keep this country in a state of constant military preparation.

Mr. FLETCHER. I do not think they would make that contention for a minute. But if there is any doubt about that, I call the attention of the Senator from Georgia to the language at the bottom of page 8, where it reads:

For the period of the existing emergency.

Mr. REED. Mr. President——

Mr. HARDWICK. I yield to the Senator from Missouri.

Mr. REED. If the words "existing emergency" mean the existing war——

Mr. HARDWICK. Why not say so?

Mr. REED. Then why did the Judge Advocate General insist on changing the language in the bill? If you are going to make no change in the meaning of a law, why insist on changing the language of the law as against the expressed will of one branch of Congress?

Mr. HARDWICK. Precisely.

Mr. REED. There is an intention to give this act a different construction under the language "existing emergency" than would be given to it under the language "existing war." There is not any use of anybody trying to hide that fact.

Mr. HARDWICK. Precisely, Mr. President; and coupled with that, we not only find that where the word "war" was adopted by the Senate the conferees came back with the word "emergency," or the words "existing emergency" substituted; and not only that, but we sent to the conference section 8a of this bill, which was read just now by the Senator from Tennessee—

SEC. 8a. That the service of all persons selected by draft under the provisions of this act shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and from and after the date of said proclamation the provisions of this act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be in force and effect.

When we remember that we sent that to conference, besides changing the words "existing emergency" wherever they occurred in the bill to "war," and that the conferees not only changed it back from "war" to "existing emergency" but that they struck out section 8a of the bill, I say this matter is of the utmost importance to the Congress and to the country.

Mr. LA FOLLETTE and Mr. FALL addressed the Chair.

Mr. HARDWICK. I yield first to the Senator from Wisconsin, because he first rose.

Mr. LA FOLLETTE. Mr. President, I think it is particularly significant—and I call the attention of the Senator from Georgia to the fact, if it has escaped his attention—that the word "existing," while it appears preceding the word "emergency" in some of these paragraphs, is omitted on page 10, section 4, of the bill which I have in my hand. In the provisions of this bill which relate to draft the word "existing" is, for some strange reason, omitted.

Mr. HARDWICK. Yes, sir; I knew that; but I thank the Senator from Wisconsin for pointing it out.

Mr. LA FOLLETTE. If the Senator will permit me, I will say that we do not get very far fishing in muddy water, but we do not have to search with a microscope to discover the true significance of this change. The military power in this country has been anxious to establish the draft system as a permanent institution.

Mr. HARDWICK. As the permanent policy of this country.

Mr. LA FOLLETTE. Yes; as the permanent policy of the Government.

Mr. HARDWICK. That is what they mean, in my judgment, by this language, and that is why I am objecting to it.

Mr. LA FOLLETTE. That is what the Senator from Georgia is uncovering here.

I beg the Senator's pardon; but, if he will permit me, I desire to say one word more; that is, that it is strikingly significant that both the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Wyoming [Mr. WARREN] say now on the floor here that they attach no particular difference to the meaning of the word "emergency" and the word "war." If that be so, that is pretty nearly a confession that they did not make a real fight for it in conference. If they now attach no difference of meaning to the use of those terms as applied here, then they were not in a position to make a real, earnest fight for the amendments adopted by the Senate in the exercise of its de-

liberate judgment and with the real conviction that in adopting those amendments in eight or nine places in the bill it was doing something of importance and of significance.

I thank the Senator from Georgia for yielding to me.

Mr. HARDWICK. Mr. President, on the 28th day of April, when this bill was before the Senate, the RECORD shows that this occurred:

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. The time of the Senator from Oregon has not expired.

Mr. CHAMBERLAIN. I yield the floor. The Senator from Georgia will call attention to the part of the bill where the word "emergency" occurs, because he has them marked.

Mr. HARDWICK. I have them marked in the bill. There are nine places where the word "emergency" occurs. It is applied to all provisions of the bill—for the men we draft, for the Regular Army, for the militia, and for this extra force. I will submit my proposition, and I think we can secure it by unanimous consent, probably, if the Senator from Oregon agrees. The Senator says that the word "emergency" means war. I hope he is right. There ought not to be room for the slightest doubt or dispute on that question. I therefore ask the Senator to consent to substitute the word "war" for the word "emergency" wherever it occurs in the bill. That should cure the trouble and serve the purpose.

Mr. CHAMBERLAIN. So far as I am concerned, I am willing to consent to it. I talked with the Senator from Georgia about it and expressed a willingness to assent to that change if the Senate was willing to have it made. That is what is intended by the bill, that it should be during the period of the war. I ask that the bill be amended in that respect—

And so on.

Mr. MYERS. Mr. President, may I ask the Senator from Georgia a question?

Mr. HARDWICK. I yield to the Senator.

Mr. MYERS. I have had some experience on conference committees, and I have some feeling in regard thereto. I have been excoriated most fearfully in this Chamber on account of receding as one of the conferees on the part of the Senate from Senate amendments; I have been castigated severely in regard thereto, and have been ordered to go back and stand by Senate amendments. What I wish now to ask is, if the conferees of each branch of Congress merely stand unyieldingly by the precise form of a bill, as it passed in their particular branch, and never give in on anything—never give or take—how could any bill ever be gotten through conference?

Mr. HARDWICK. The Senator is right; but, if the Senator will pardon me, I want to get through. The Senator can discuss the matter in his own time.

Mr. MYERS. I have not finished my question.

Mr. HARDWICK. All right.

Mr. MYERS. If the Senate conferees have gone on and done the best they could——

Mr. HARDWICK. That is not a question; that is a statement.

Mr. MYERS. And the conferees on the part of the other House would not recede, what else could the Senate conferees do?

Mr. HARDWICK. That statement, or the latter part of it, I believe to be an incorrect statement. I do not say that as any sort of reflection, personally or otherwise, on the conferees; but it is perfectly apparent to my mind that if the conferees think that a thing is not worth fighting for they are not apt to make a fight for it, and I do not think they did make such a fight.

Mr. FALL. Mr. President——

Mr. HARDWICK. I yield to the Senator.

Mr. FALL. I want to ask what the Senate conferees took? The Senator from Montana has suggested that conference reports are mutual agreements and that in arriving at them there must be give and take. If the Senator can point to me anything in this bill which the Senate conferees took, except at the command of the House of Representatives, I should like to have it pointed out.

Mr. HARDWICK. Certainly, there must be give and take; but the trouble is that we gave in this case when it was not at all necessary to do so.

Mr. MYERS. The Senator thinks, then, that the Senate conferees did not do their duty and did not make any fight? I ask that simply as a question.

Mr. HARDWICK. The Senator ought not to put any such question as that to a man who has had three days' experience in legislative procedure. I am discussing questions, not men. I do not think this amendment has been fought out as it ought to have been. If the Senator wants me to say that, I will say it; and I will make this further statement, that if this question had been submitted to the House of Representatives at any stage of its proceedings for a vote in that body, whether they would eliminate the word "emergency" and substitute the word "war," and it could not have gotten through the House, then I would say there was some force in the Senator's observation; but that is not true. We fought the question out in the Senate, but it was not even alluded to in the other House, and no issue was joined there upon it.

Mr. SMITH of Georgia. Mr. President, has the Senator the slightest idea that any 10 leaders in the House could have kept in the words "existing emergency" instead of the words "existing war" if the issue had meen made?

Mr. HARDWICK. Not all the leaders in that body combined could have done it, in my judgment. Anyhow, we fought it out here; we thrashed it out here; we discussed it here; we understood it here; and after we got it fixed according to what we thought was right here, to "make assurance double sure," we took section 8a, framed by the Senator from Missouri, and put that in to double rivet it.

Mr. MYERS. The Senator, by intimating that there is no sense in my observation, is putting me in the same class with the Senate conferees. I have the consolation of knowing that I am in very good company, at any rate.

Mr. HARDWICK. Yes; the Senator is in very good company, indeed; but I refer to the Senator's proposition and not to the Senator himself. I, of course, did not mean to be personally disagreeable to the Senator. I merely referred to the proposition and asserted his statement is inapplicable; it does not apply to this case; it does not fit the facts in the case. The House of Representatives did not refuse to yield to us in this matter, and in my judgment it never would have refused to yield to us on it. We have surrendered without a battle; we have struck our flag before a shot was fired; we have surrendered in a matter that I think is of the greatest importance to the country, and as to which there was not the slightest necessity for surrendering.

Mr. STONE. Mr. President, I wish to contribute only a little to this discussion. I am in entire accord with what the Senator from Georgia [Mr. HARDWICK] has stated, but before I occupy the few moments I have in mind to speak I wish to submit a parliamentary inquiry.

We seem now to be debating the clauses of the conference report as they are read. I think the usual and better custom is to complete the reading of the conference report and then take it up for discussion. What I wish to know is, whether, if any particular provision of the conference report is considered now, will that in any wise interfere with the right of a Senator to move an amendment to the provision so considered?

The VICE PRESIDENT. A conference report can not be amended.

Mr. STONE. I may desire to be heard on that question. I am speaking now about the right to move an amendment, or to make any motion, not what the Chair may say about it when it is moved.

The VICE PRESIDENT. The Senator can do anything, so far as that is concerned.

Mr. STONE. The Senator can not do anything. That statement is too broad, with all due respect.

Mr. SMITH of Michigan. Almost anything.

Mr. STONE. But the Senator can attempt to do what he thinks he has a right to do.

The VICE PRESIDENT. That is what the Chair means.

Mr. STONE. Then, I repeat, does the mere debate of a provision in this conference report at this time preclude the right of a Senator later to take up that provision or the whole report for any purpose he wishes?

The VICE PRESIDENT. It does not.

Mr. STONE. That is what I wish to know.

Now, Mr. President, just a word or two by way of supplement to what both the Senator from Georgia [Mr. HARDWICK] and the Senator from Tennessee [Mr. MCKELLAR] have said. I am quite familiar with the parliamentary history of this particular matter. There was here in the Senate at the time this bill was under consideration a well-defined difference of opinion among Senators with respect to what is known as the draft system and the volunteer system. There were Senators who opposed any kind of draft system. Other Senators were opposed to the particular form of the draft system as it appeared in the bill. There were others who favored the volunteer system and insisted upon testing out that plan. All these questions were discussed at length at that time. There were well-defined lines of difference. I myself drafted and offered what is known, and what appears in the bill, as section 8a. I offered that to compose the differences at issue. When I submitted that amendment the Senator from Georgia [Mr. HARDWICK] rose and suggested that the matter I sought to reach and the difficulty I sought to cure might be accomplished by striking out the word "emergency" where it appeared in the bill, as it did occur several times, and inserting the word "war." The Senator from Oregon [Mr. CHAMBERLAIN], in charge of the bill, indicated

that he thought there was no difference between the word "emergency" and the word "war," as used or to be used, and when the suggestion of the Senator from Georgia was about to be agreed to as a solution of the issue the Senator from Nebraska [Mr. NORRIS] asked me if that meant that section 8a, which I had offered, would be withdrawn. I said "No"; that I desired to have that amendment voted upon.

The amendment proposed by the Senator from Georgia striking out the word "emergency," wherever it occurred, and inserting the word "war" was accepted by the Senator from Oregon, as I understood it. Then the amendment which I had offered, which is section 8a, came before the Senate, and numerous Senators said that to put the matter beyond all doubt, beyond all question, even after the word "emergency" was eliminated and the word "war" inserted, section 8a should be agreed to, so that there would be no doubt about conscription ending when peace was reached and declared, as provided for by section 8a at the close of the war with Germany. So section 8a was agreed to unanimously in the Senate.

That is a correct parliamentary record of what occurred, and I join with the Senator from Tennessee and the Senator from Georgia in expressing my astonishment that all these amendments were left out by the conference committee. I can not escape the impression, which they have, that there must have been a motive and influence of some kind from somewhere to bring that about. I absolve our conferees of anything to their discredit, but somewhere and somehow some influence must have operated. It has been stated here, and I think truly stated, that the Army people stand for a permanent conscription policy. They wanted what they have got in this conference report; at least I fear so.

Mr. President, I am opposed to a permanent compulsory-service policy. I so stated in the speech I made in support of the conscription plan proposed in the bill reported by the Military Committee. I supported conscription, as I stated, only as a war measure, and also stated that I would not support such a policy in or for a time of peace, and for that reason I wished it to be made clear beyond peradventure that the conscription plan was to terminate at the end of this war, and the Senate agreed to that view by adopting amendments proposed by the Senator from Georgia and the amendment (section 8a) which I proposed. Now, all these amendments, the one I proposed and those the Senator from Georgia proposed, are all out of this conference bill, and we are left to wander in the realm of conjecture as to where we are and where we get off.

I think it would be wiser to have this bill go back to conference.

Mr. LA FOLLETTE. Mr. President, I direct the attention of the Vice President and Senators to section 5 of the conference report, page 13, line 23, which reads as follows:

Upon conviction in the district court of the United States——

The VICE PRESIDENT. That is not on page 13 in the Chair's print of the bill.

Mr. LA FOLLETTE. I have here a print of the bill as agreed to in conference. That is the way it is entitled.

The VICE PRESIDENT. The Senator should have a copy of the bill as agreed to in the third conference.

Mr. LA FOLLETTE. It will be necessary for me to find the provision, then, if I may be indulged for just a moment. I think no change has been made by the third conference in the provision to which I wish to call the attention of the Vice President and of the Senate; and I am not able just at the moment, to turn to it in the new print which has been handed to me.

The VICE PRESIDENT. Perhaps the chairman of the committee will know, if the Senator will read the clause in the old print.

Mr. OVERMAN. The clerk of the committee can give it to the Senator.

Mr. LA FOLLETTE. Section 5, on page 13 of the print that I have, contains a change made by the conferees, I think in violation of the rules.

As the bill passed the Senate, on page 24, section 4, line 10, it contained this provision:

Be punished by imprisonment for not less than three months nor more than one year.

As the bill passed the House and came to the Senate it contained exactly the same words, as shown on page 10, lines 8 and 9:

Be punished by imprisonment for not less than three months nor more than one year.

As changed by the conferees, the words "less than three months nor" have been dropped out, so that the provision reads:

Shall * * * be punished by imprisonment for not more than one year.

In other words, the conferees, having before them a House provision and a Senate provision with respect to this matter that were identical in terms, have assumed the right to change the legislation with regard to the penalty imposed for non-registering, and to clothe the court with power to impose a different penalty than that which both the House and the Senate have fixed by legislative action. In the third print it is found on page 14, Mr. President. Now, I make the point of order against it.

Mr. SMITH of Georgia. Mr. President, while the conferees may have violated the rule, I should like to ask the Senator if he does not think the change is an improvement?

Mr. LA FOLLETTE. I do not think that makes any difference, Mr. President. I think the danger of permitting conferees to assume the functions of either or both branches of Congress is too grave a danger to be passed over any longer. There are some glaring instances of great wrong having been done as a result of the Senate sanctioning that practice.

Mr. LODGE and Mr. SMITH of Georgia addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I do.

Mr. LODGE. There is a rule in the House which makes new legislation placed in conference reports by conferees out of order. For long years I have wished that we had that rule in the Senate, but I have never found it here and have never been able to get it. It is a wise rule.

Mr. LA FOLLETTE. And yet, Mr. President, I can cite a precedent for the making of a point of order in a case exactly four-square with this, where the Vice President submitted the point of order to the Senate.

Mr. LODGE. I can find a great many where the Senate had deliberately accepted new legislation in conference reports.

Mr. LA FOLLETTE. Mr. President, if it is a good precedent, I think it ought to be followed, rather than the bad precedent cited by the Senator from Massachusetts.

Mr. CHAMBERLAIN. Mr. President——

The VICE PRESIDENT. Shall the Chair rule on the point of order?

Mr. CHAMBERLAIN. I was going to make just one suggestion in reference to that. The bill was amended by the Senate striking out all after the enacting clause of the House bill and substituting a new bill. The House has disagreed to the amendment of the Senate to the House bill, and I think we have a right to consider any change in that amendment and the language of the House bill that we desire to. The Senator from Wisconsin admits that the change is a beneficial one.

Mr. LA FOLLETTE. No; I do not so admit at all. I did not answer that question. I say that the practice is reprehensible, whatever the effect of the change of the language may be.

Mr. CHAMBERLAIN. Possibly that is true in regard to the change of language generally; but I claim that we had an absolute right to do that in this case, because it was simply one amendment.

Mr. LA FOLLETTE. I think that is an added reason why——

Mr. CHAMBERLAIN. As a matter of fact, the members of the conference committee thought that the penalty imposed as the bill passed both bodies was rather severe; and the purpose of it was, really, to modify a punishment which in some cases might be very severe for a given offense.

Mr. WARREN. Mr. President, as to the point of order, that has been ruled on repeatedly. Of course, a motion to send a bill back to conference is in order; but to make a point of order is, under our rules or practices, I think without precedent.

The VICE PRESIDENT. The Chair has a pretty clear recollection of the proceedings of the last four years. The Chair believes—not speaking as to this particular question—that conferees have no authority whatever, where there is no matter in dispute between the House and the Senate, to deliberately legislate upon the question, or to insert new matter in a bill. The precedents of the Senate have been, except in one instance, uniformly to the contrary, it having been the precedent of the Senate that the way to reach those questions was to refuse to agree to the conference report and send the bill back to conference. Upon one occasion the present occupant of the chair, however, felt that the point of order should not be decided by the Chair but should be left to the Senate. It was left to the Senate, and the point of order was sustained by the Senate. Upon another occasion the present occupant of the chair said, when the question arose, that he was going to decide the point of order and reverse the rulings of the Senate. Like everybody else, however, he reserved the right to change his opinion.

This military bill is entirely too important a matter for the Chair to make a test case out of it. The Chair submits this point of order to the Senate for its determination. The question is as to whether the point of order is well taken.

Mr. LA FOLLETTE. On that I ask for the yeas and nays.

Mr. THOMAS. Mr. President——

Mr. McKELLAR. Mr. President, may I ask that the point of order be restated for the information of the Senate?

The VICE PRESIDENT. The point of order is this: In the original bill, as passed by the House, the minimum penalty for failing to register was three months' punishment and the maximum penalty was one year. The Senate amendment also adopted that. When it came into conference the conferees changed it by providing that failure to register should be punished by imprisonment for not more than one year, being a part, however, of an amendment.

Mr. CHAMBERLAIN. Mr. President, it is not a new thing in the Senate to hear the conference committees criticized.

The VICE PRESIDENT. May the Chair make just one further statement before the Senator from Oregon proceeds?

Mr. CHAMBERLAIN. Yes.

The VICE PRESIDENT. The Chair is not speaking as to this particular matter, because the Chair is not advised as to this matter. It was only on general principles that the Chair spoke.

Mr. CHAMBERLAIN. So, I say, I do not mind the criticism of the conference committee, Mr. President; but there has been some suggestion here of improper motives or improper influence in some quarters that induced changes in the bill as it passed the Senate. I do not know whether that is directed toward the committee or toward the War Department. I want to say that, so far as the members of the conference committee are concerned, the suggestion of an improper motive is wholly unjustified; and I want to say in reference to the War Department that in all of the discussions that have taken place between the members of the conference committee and the members of the Military Affairs Committee and officers of the Army and the Secretary of War there has never been a suggestion at any time that this measure was intended other than as a temporary measure.

Now the suggestion is made here by the Senator from Wisconsin [Mr. LA FOLLETTE], I believe, and possibly by the Senator from Missouri [Mr. STONE], that leaving out the word "existing" occasionally where "emergency" is used in the bill shows an intent to fasten a permanent policy of the draft on the country. Mr. President, I believe I have a reasonable amount of intelligence; I do not lay claim to any brilliancy of intellect; but if the War Department had any ulterior purpose to fasten a permanent system on the country they have completely deceived the conferees. There has not been a suggestion at any time that this was intended to establish a permanent system.

Mr. GALLINGER. Mr President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from New Hampshire?

Mr. CHAMBERLAIN. I do.

Mr. GALLINGER. Can the chairman of the committee enlighten me by giving the reason for leaving out the word "existing"? What is the purpose of it?

Mr. CHAMBERLAIN. We had no purpose except to leave the word out where it was unnecessary. The fact is, the question was never raised until right now.

Mr. GALLINGER. But it was in the bill.

Mr. CHAMBERLAIN. It may have been; but there was no purpose in leaving it out, if it has been left out, Mr. President.

I want to say that the conferees of the Senate possibly have not stood for some of these things as long as they ought to have stood for them. I say to the Senate frankly that if this had been any ordinary measure, in any ordinary time, when the House conferees came over here with instructions from the House to put certain things in the bill, I would have remained firm to keep them out. But we are in war. Here we are splitting hairs on propositions in this bill now, with danger at our very doors, and the Senate threatening to send this bill back to conference.

Now, the bill is not perfect. It does not suit me. It does not suit the conferees. But we had a very delicate task to perform. There were members of the conference committee—and I say it with entire respect—who were opposed to the theory of the whole bill. They, as far as they could, were trying to obey the demands of their respective Houses. We tried to do what the Senate wanted. I serve notice on the Senate right now, and I do it coolly and deliberately, that if this bill goes back to conference there will be no military legislation here under 30 or 60 or 90 days.

Mr. STONE. Why?

Mr. CHAMBERLAIN. Why? Because of the differences that exist between the two bodies now, with the House sending the bill back with an immaterial amendment, with a great war threatening the United States, on a question of two or three or four dollars' increase of pay per month for the enlisted man; and, instead of consuming a cherry at one bite, they sent the bill back on two different occasions, and the indications were that it might come back into conference again.

Mr. FALL. Mr. President——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from Oregon yield to the Senator from New Mexico?

Mr. CHAMBERLAIN. Yes.

Mr. FALL. On the first occasion they sent it back with instructions to agree with the Senate, did they not? That was not an attempt to delay things, was it?

Mr. CHAMBERLAIN. No; probably not, Mr. President. Both parties played politics on that, I think. Why, Mr. President, the Members of the House had voted on the so-called Roosevelt proposition once and had turned it down, and they reversed themselves and put it in and instructed their conferees to agree to the Senate amendment.

But, Mr. President, I am just trying to tell in my humble way the difficulties that confronted this committee. If this bill goes back—and it is up to the Senate to say whether it wants to send it back or not—I do not know whether we will be able to agree on any legislation or not.

Mr. HARDWICK. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Georgia?

Mr. CHAMBERLAIN. Yes, sir.

Mr. HARDWICK. Why is it, Mr. President, that the conferees found it necessary to substitute the word "emergency" instead of "war"?

Mr. CHAMBERLAIN. I have been over that. I am not going to waste any more time talking about that, with all due respect to the Senator. We have been over that.

Mr. HARDWICK. Well, I wanted the information.

Mr. CHAMBERLAIN. I have told the Senator.

Mr. HARDWICK. I did not hear it, then.

Mr. CHAMBERLAIN. I have said before, I said when this bill was in the Senate once before, and I have said to-day, that it does not make any difference, according to my way of thinking, whether the word "war" or "emergency" is used in the bill. I may be dull; but I did not see any difference when we agreed to the amendment in the Senate to substitute "war" for "emergency," the first time, and I do not see any difference in it now; but we did insist on retaining it in conference. We did not make as hard a fight as we would have made for all the Senate amendments if it had been an ordinary bill in ordinary times.

The PRESIDING OFFICER. The Senator from Oregon will suspend. The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (S. 2263) to provide further for the national security and defense, to conserve food, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes.

Mr. GORE. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none. The Senator from Oregon will proceed.

Mr. CHAMBERLAIN. Mr. President, there are some distinguished Senators here who are entirely opposed to the principle involved in this bill—that is, compulsory service. Those gentlemen made a gallant fight against the bill when it was in the Senate and they were defeated on that proposition. Now they ought to be willing to accept that feature of the bill after it carried in both the Senate and House and after the conferees of both bodies have agreed to it. Yet the same gentlemen are now making the most strenuous fight against the bill and are undertaking to have it referred to the conference.

I want the Senate to understand how deeply I feel about it, because I know the difficulty the conferees have had ever since they went into the consideration of the bill. We had a hard time to reach an agreement, and I do hope the Senate will decide against the point of order made by the Senator from Wisconsin, because if that point of order is sustained the whole bill goes back to conference.

Mr. SMITH of Georgia. Mr. President, I sympathize with the desire to move rapidly in all legislation, provided that rapid movement is intelligent and thoughtful. We all realize that a

declaration of war has been made, and we are taking steps to organize an army. We all who know anything about it know that it is absolutely essential that officers be provided to take charge of the troops and that men are now being called into camp, beginning last Monday, to be trained for officers. It will be certainly 90 days before they will be ready to assume responsibility as officers.

The active work we are to do now is to be largely on the other side of the Atlantic with our vessels. We began in 1915 to furnish the Navy Department and the administration all the money they needed to prepare the Navy for the contingency that threatened us, and I trust that branch of our military force is reasonably well prepared for immediate service. I do not sympathize with the desire to hasten an unprepared army across the water.

Now, coming to the immediate question in this bill, I do not understand why anyone wishes to use the term "emergency" instead of "this war." I voted for the draft provision; I was willing to vote for it to prepare at once for the war with Germany; but I am opposed to it for any other purpose that I know. I am utterly opposed to it as a permanent part of our military system.

What do we want the word "emergency" for instead of the words "war with Germany"? I do not exactly know, and I do not like the fact that somebody does want it. I do not think the House prefers the word "emergency." I do not believe if the issue was made in the House of Representatives on the words "war with Germany" and the word "emergency" you could hold the House against voting for the term "the war with Germany." I do not believe 15 per cent of the Members of the House would consent to a permanent draft system or vote for it except in view of the war with Germany, the greatest military power in the world, and in recognition of the fact that being at war with the greatest of all military powers we must be prepared to mobilize all the strength of our Nation, if necessary, to meet the responsibilities of this war. It is the war with Germany that brought the vote for the draft system, and nothing else.

I do not see why the language could not stay in the bill that the Senate inserted. The chairman of the committee tells us, as I understood him, that in rewriting the bill he did not observe until the report reached the Senate that the language had been changed.

Mr. CHAMBERLAIN. No.

Mr. SMITH of Georgia. I understood him to make that statement.

Mr. CHAMBERLAIN. No; I consented to have the word "war" substituted for "emergency" in the Senate.

Mr. SMITH of Georgia. I knew that.

Mr. CHAMBERLAIN. It went into conference, and when reported back the word "emergency" was in it. I knew the word was in it.

Mr. SMITH of Georgia. It was the word "existing" then to which the chairman referred. It was a little difficult to catch what the Senator did say. I misunderstood him. He did not know the word "existing" had been left out.

I do not desire to delay this bill but I do desire very much to have an express declaration that this draft system deals with the war with Germany, and that this draft will not continue for some other emergency after the war with Germany is over. If we could present a special bill and put it through cotemporaneously that might accomplish it. Unless something can be done to make that absolutely certain, I do not think we should agree to the conference report.

Mr. WADSWORTH. Will the Senator yield?

Mr. SMITH of Georgia. Yes.

Mr. WADSWORTH. Does the Senator regard it as necessary to put through a bill cotemporaneously with this one in order to make that matter clear? Can it not be done at any time in the judgment of Congress?

Mr. SMITH of Georgia. It should be done at once, if that is what we mean. We can put through a bill declaratory of the meaning of this draft system now. If there is any doubt about the willingness of the Senate to pass such a measure and to say it is limited to the war with Germany, I am unalterably opposed to the passage of this bill or agreeing myself to the conference report.

Mr. THOMAS. Does not the Senator know that an attempt to pass an independent bill regarding that subject would lead to debate?

Mr. SMITH of Georgia. I do not think so. I think the Senate is overwhelmingly in favor of limiting the draft system to the war with Germany.

Mr. HARDWICK. If my colleague will yield, the place to do it is here and now, not later.

Mr. LA FOLLETTE. If the Senator will permit me, the Senate did say, in section 8a as it passed the bill in very specific terms, that the service of all persons selected by draft under the provisions of this act shall be for the period of the war, and so forth. But that is dropped out in this conference report.

Mr. SMITH of Georgia. If this bill means anything else we ought not to pass it; we ought to stop it. There is not any excuse for this conference report to go through except upon the theory that the existing emergency limits the legislation to this war, and the insistence with which the word "emergency" is adhered to makes me feel we ought not to adopt it without qualifications, that it is dangerous.

Mr. CHAMBERLAIN. May I suggest to the Senator, the House had this bill under discussion for several days, and nobody made any question about it. They accepted it as being only a temporary measure. That is the understanding of the House conferees; that is the understanding of everybody; that is the assertion of men connected with the War Department. It is only effective during this struggle.

Mr. SMITH of Georgia. Then what would be the objection to using words limiting it to the war with Germany?

Mr. CHAMBERLAIN. I say to the Senator again, so far as I am individually concerned, I do not see any difference. I have not been able to draw a distinction between "during the war" and "emergency."

Let me say to the Senator, if this bill goes back I want the Senator to understand the difficulty we have had, and we are not going to get together again on this bill. We have just exhausted the very last resources we had to get the bill out of conference at all. If it goes back and the bill is opened up, let me say there are 15 or 20 points of serious difference between us, and if it ever gets opened up it will be opened for all time, and we can never agree on it. I want the Senator to know who will be responsible for that.

Mr. SMITH of Georgia. It was in the hope that I might possibly avoid embarrassing the committee and the legislation that I threw out the suggestion of immediate action on a joint resolution declaring that the term "emergency" as used in the bill must be construed to be the war with Germany.

Mr. FRELINGHUYSEN. Mr. President, a parliamentary inquiry. What would be the status of the conference report if the point of order is sustained?

The PRESIDING OFFICER. It will go back to the committee.

Mr. FRELINGHUYSEN. It defeats the report?

The PRESIDING OFFICER. It recommits it.

Mr. STONE. Recommits it to what?

The PRESIDING OFFICER. To the committee of conference.

Mr. STONE. If the Senator from Georgia will allow me, under the precedents, as I understand them, where the House has acted as it has in this instance and its conferees have been discharged, even a motion to recommit is not in order.

Mr. LODGE. If the Senator will allow me, to recommit it is impossible at this stage, because the conferees of the House have acted; their report has been accepted. I took occasion to look up the question of recommittal with some care the other day in view of the action of the House. All the authorities are uniform. It can not be recommitted if either set of conferees are out of office, and their being out of office is determined by the House having acted. The House have acted and their conferees have ceased to exist.

Mr. STONE. That is the only question, whether the mere acceptance of the report by the House operates in itself to discharge the conferees.

Mr. LODGE. That has been held by all Speakers of the House and I think is uncontested.

The PRESIDING OFFICER. The present occupant of the chair had overlooked the fact that the report had been acted on by the other House. In view of that fact, if the point of order prevails or if the conference report is rejected, another conference will become necessary.

Mr. LODGE. I think the Chair will find on examining the precedents the proper and necessary motion is to insist and ask for another conference.

The PRESIDING OFFICER. Undoubtedly that is correct. That motion will be in order.

Mr. LODGE. It simply bars the motion of recommittal, because there is no longer a conference to recommit it to.

Mr. SMITH of Georgia. Undoubtedly, if the House conferees are discharged, the bill can not be sent back to our conferees, but we could adhere to our former action and ask for a further conference.

Mr. LODGE. Certainly.

The PRESIDING OFFICER. In answer to the interrogatory of the Senator from New Jersey [Mr. FRELINGHUYSEN] as to what would be the status of the conference report in case the point of order which was made by the Senator from Wisconsin [Mr. LA FOLLETTE] should prevail, the Chair inadvertently overlooked the fact in making his reply, as already stated, that the conference report had been acted upon by the House of Representatives, and suggested that the report would go back to conference. The Chair should have stated that if the conference report is rejected and a motion for a new conference should prevail, and the House should agree to it, the bill then would go back to conference.

Mr. LODGE. And, of course, if I may be pardoned a word, the motion to concur, if it be agreed to, will end the matter; but if it fails, then a new conference is asked for.

The PRESIDING OFFICER. That is undoubtedly correct.

Mr. SMITH of Georgia. The opportunity of further conference could unquestionably be given. If we could limit our action to that one feature and send it back, we would have a very simple mode of procedure.

Mr. President, I want to say while I am on the floor the practice of one House passing one bill and the other House passing another bill and referring two entirely different bills to conference is fraught with necessary embarrassment. We ought never to do it. The conferees write a new bill, and neither House of Congress really makes the bill.

Mr. WARREN. The Senator will recognize that having passed one bill here and the House having passed another, the only way in conference was for us to do what we did.

Mr. SMITH of Georgia. I am criticizing what the Senate did before we sent it to conference.

Mr. WARREN. The Senator is right, that it causes great embarrassment. The only excuse, if any is necessary as to the present legislation, is that the effort to hasten legislation caused it to be acted upon simultaneously in both Houses.

Mr. SMITH of Georgia. It is a procedure that delays legislation. When the House bill got here, if we had taken it up and considered the House bill paragraph by paragraph and amended it, we would have been very much closer to action which would have been satisfactory to the Senate and House.

Mr. WARREN. Yet the Senator will remember that in the espionage bill it took considerable time for the House bill to pass after it came here.

Mr. SMITH of Georgia. It is still in conference.

Mr. WARREN. We will now come pretty nearly building up a new bill.

Mr. SMITH of Georgia. It is very bad practice; it practically eliminates action by the Senate or the House and confines us largely to the work of the conferees.

Mr. President, I do not wish to embarrass the committee or the new conferees, but I can not see why we can not carry to the House of Representatives a single proposition embodying a declaration in connection with the bill that its life or the provisions for the draft are to end and the provision for this army is to end with the German war.

Mr. WARREN. The Senator will recognize, however, that the pending motion is upon entirely another matter, which does not reflect at all the point the Senator proposes to reach.

Mr. SMITH of Georgia. I understand that. I am anxious to avoid the limitation of our status to the present motion. I think it is probably true that the conferees exceeded their authority in striking out the three months, but if they had not done it we ought to have at once passed a bill striking the three months from it. To have left the provision that any boy who failed to register, any one of the large number of men who fail to comply with the requirements of the bill should upon conviction be confined not less than three months would have been inexcusable.

Mr. WARREN. Will the Senator allow me?

Mr. SMITH of Georgia. Yes.

Mr. WARREN. I agree with the Senator perfectly on that point; but beyond that is the difficulty, if it is carried to a jury, of ever getting a conviction, because even where a party is guilty, or perhaps ought to be found so, when it is considered excessive the Senator knows it is difficult to obtain conviction. I have in mind, for instance, that my first duty when I came to the Senate was imposed upon me by the request of the United States district judge in my district to enact a law which would give five years' imprisonment as a maximum with out a minimum. It covered such cases as where a soldier stole property of the United States. He would steal a pair of mittens or a cap, or something of that kind, and when the case got before the jury they nearly always found him not guilty. I secured legislation on that point, and the act is now on the statute book.

Mr. SMITH of Georgia. The statement of the Senator simply illustrates and emphasizes the impropriety of leaving the legislation where a minimum sentence must be three months. If this stays in the bill because the conferees could not change it, then we ought to pass at once a bill changing the statute and allowing the judge to make a day's sentence, leaving the sentence to the discretion of the judge without limitation.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Missouri?

Mr. SMITH of Georgia. Yes.

Mr. REED. When this bill was before the committee I called attention to this very clause and asked at the time that the minimum penalty be stricken out, and I could get no support in the committee. Undoubtedly the change in the bill made by the conferees is in the interest of justice both from the standpoint of the enforcement of the law and from the standpoint of humanity, but the matter was considered in the committee because I raised the question in the committee and it was turned down. Of course, the question we are going to vote on here ought not to be on the merits of this particular proposition, but it ought to be on the merits of the legal question, namely, whether the conferees can rewrite a bill.

Mr. SMITH of Georgia. The conferees had to rewrite the bill when two entirely different bills were passed.

Mr. OVERMAN. But not change the substance.

Mr. CHAMBERLAIN. May I ask the Senator a question?

Mr. LODGE. I rose because I thought the Senator had finished.

Mr. SMITH of Georgia. I am about to finish. I was about to finish three or four times when I was asked questions. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. I call the Senator's attention to the fact that this bill is one amendment. We had to agree upon that one amendment, and it was reported back to the House and it receded from its disagreement. The whole amendment is set out.

Mr. SMITH of Georgia. Mr. President, I can not agree to the view that where one amendment made by the Senate is an entire bill the conferees are free to change provisions the same in the House and Senate bills.

Mr. LA FOLLETTE. Will the Senator yield to me for just a moment?

Mr. SMITH of Georgia. I yield.

Mr. LA FOLLETTE. I will withdraw the point of order that I have made in order that the vote may come upon the proposition of sending the conference report back for further consideration.

I shall take the opportunity, Mr. President, if that same provision appears in the conference report when it comes back again, to make a fight upon it. I withdraw the point of order.

The PRESIDING OFFICER. Is there objection to the withdrawal of the point of order? The Chair hears none. The question is on agreeing to the conference report.

Mr. LODGE. Mr. President, I will not take time to discuss the point of order further than to say that there is no Senate rule upon the subject, and never has been. The Senate has decided the question of new matter in a conference report on its merits and it has decided it in different ways. I may recall one rather important occasion, the famous passport amendment. I say "famous" because it has been referred to here many times. That amendment, which settled the question of the Japanese immigration, was put into a conference report. There was not one word on the subject in the bill. It was put in and agreed to by the Senate as an emergency necessity.

The passage on which this point of order was made is an admitted improvement. I will not vote, for one, to defeat the bill on a technicality; I should not think of doing it; but we have an absolute right here in the Senate to decide on anything of that sort. In the first place, I do not believe it is good; but I do not want to go into that at length. This is the substitution of a complete bill for another. It is a recognized method of legislation. We can no more get rid of it than we can get rid of passing a bill through the regular form. It must be done. It is constantly done. But it presents to the conferees a very difficult situation when they have two complete bills out of which they must bring a third.

I have not the slightest question that it was the intention of the conferees to adhere as closely as possible to the rules of the House in regard to new legislation. This bill passed the House with the strictest kind of a rule, and nobody thought of raising this point.

Now, as to the emergency. I am not a friend of excessive powers and I have no desire to expand these powers unduly or keep them in existence beyond the war, but I can not see, my-

self, why there is any great difference between the words "existing emergency" and the word "war." The only emergency that exists is the war with Germany at this moment. There may be others. We may have war with Austria at any moment and it may be necessary to take steps, but when you say "existing emergency" and found your whole bill on that phrase, what possibility is there of its being carried beyond the existing emergency? The words "existing emergency" occur in the third line of the bill, the defining words, which express the purpose of the bill once and for all. There is no court on earth that would not take the words "existing emergency" in the third line as defining the purpose and the life of the bill.

But, Mr. President, I do not think it is a very important point. We use the word "war" in the naval bill. You can not maintain armies without money; and under the Constitution you can not make an appropriation for the Army that runs over two years. This great appropriation which we are making is only calculated for one year. It is all in our hands so long as we hold the purse strings. I do not think there is any danger in the way so long as we use the words "existing emergency."

Mr. SMITH of Georgia. Let me ask the Senator in this connection what would be the objection in putting a clause into the Army bill, which is here before us, defining and carrying out substantially section 8a, "that the draft system shall be limited to the period of the war"?

Mr. LODGE. If there is a desire to pass a joint resolution of that sort, it can be passed through both Houses in a few moments. I do not think it is in the least necessary to do so; but my objection now to sending this bill back to conference is because I am not willing to delay or endanger the bill.

Mr. SMITH of Georgia. I am trying to avoid delaying it, and yet have the safeguard. I would ask the Senator from Massachusetts whether he does not think we could not get an agreement to add to the military bill, which is before us, a clause that would cover this question, namely, providing that the term "emergency" as used in this bill should be defined as relating to the present war?

Mr. LODGE. We could pass a joint resolution to that effect and send it over to the other House. I have no doubt they would agree to it; but I do not want to have this bill go back to conference.

Mr. SMITH of Georgia. I am not proposing to send the bill back to conference, but, after agreeing to the conference report on this bill, we shall at once have before us the military bill.

Mr. LODGE. Does the Senator mean the appropriation bill?

Mr. SMITH of Georgia. Yes.

Mr. LODGE. Certainly; put it in by all means.

Mr. SMITH of Georgia. That, of course, would be subject to a point of order, but I do not think any Senator would make it.

Mr. LODGE. I do not think it would be subject to a point of order. The Chair ruled yesterday, and ruled correctly, about general legislation on that bill, that the bill, in the first place, is not a regular appropriation bill. It is crammed with general legislation.

Mr. SMITH of Georgia. It is not a general appropriation bill.

Mr. LODGE. No.

Mr. SMITH of Georgia. It is subject to legislative provisions.

Mr. LODGE. It is crammed with legislative provisions now.

Mr. SMITH of Georgia. We could put a clause onto that bill similar to section 8a and save the necessity of sending the pending bill back to conference.

Mr. LODGE. I see no reason why we should not do that. Section 8a is a declaration that this legislation is for the war with Germany, is it not? I do not recall at this moment the terms, but I suppose it relates to limiting the legislation to the war with Germany. Is not that true?

Mr. SMITH of Georgia. It is.

Mr. FALL. Will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New Mexico?

Mr. LODGE. Yes.

Mr. FALL. Do I understand the Senator from Massachusetts to say—I know I understood the chairman of the committee to say—that he does not understand the difference between "war" and an "existing emergency"?

Mr. LODGE. Yes; I know they are different words.

Mr. FALL. The use of the word "emergency" in legislation such as this implies preparing for war possibly, if it is a war emergency, or closing up affairs after the war is over. War creates a status, not an emergency, and the emergency is either preparatory to or succeeding the war. That is exactly, in my judgment—I do not want to take the Senator's time—the purpose of this change of words.

Mr. LODGE. There is no emergency now existing or confronting this country to-day except the war with Germany.

Mr. FALL. Well, Mr. President, I must beg to call the Senator's attention to the fact that we have now 40,000 troops on the Mexican border; that members of the National Guard are mustered into the Federal service; and that the Judge Advocate General——

Mr. LODGE. Mr. President——

Mr. FALL. If the Senator will permit me—the Judge Advocate General has declared that there is an emergency, a war existing on the border.

Mr. LODGE. Very well. If there is a war on the Mexican border and an emergency there, that is an argument for using the word "emergency."

Mr. FALL. It would be, of course, for a Senator who favors the draft system, but not for a Senator who does not favor the draft system.

Mr. LODGE. If we need troops in Mexico, we had better use a broad word. My own construction of the language is that it covers the war with Germany. I do not see the slightest danger to be apprehended from using this language. But if anyone is nervous about it, it is perfectly easy to adopt the suggestion of the Senator from Georgia [Mr. SMITH] and put a clause into the pending appropriation bill which will place the matter beyond any doubt.

Mr. STONE. But that will have to go through both Houses.

Mr. LODGE. Well, why not?

Mr. STONE. And would have to go to a conference committee.

Mr. LODGE. Certainly. Mr. President the point with me, and it is a very simple one, is that I want this bill to become law. It has been fully debated; it has been in three conferences. I do not want to delay it; I want it to become law at once, because we are at war. That is just the point where we divide.

Mr. STONE. Mr. President, I understand the Senator from Massachusetts wants this bill to go through and to leave the limitation to be put upon another bill, which must go through the same processes of legislation. We have this limitation on this bill; that is to say, the Senate put it on the bill, but it has been brought back here with the limitation stricken out of the bill. What assurance have we that we can put the limitation on another bill better or any more certainly than we can put it upon this bill?

Mr. LODGE. Well, Mr. President, the point is whether or not the Senate wants to delay this bill. That is the only point.

Mr. STONE. Oh, Mr. President that is all right; everybody wants to pass the bill, and to pass it promptly.

Mr. LODGE. Well, then, let us pass it if everybody wants to pass it.

Mr. STONE. Everybody wants to pass the bill in its main features; but we are coming up here against that question every day. We have got to look a little bit beyond our noses, Mr. President; we have got to see what the effect of legislation is going to be not for this emergency, or for this hour, but for the future as well. Senators come in here—if the Senator from Massachusetts will permit me——

Mr. LODGE. I will yield the floor entirely in a moment, I only want to finish what I was going to say.

Mr. STONE. I am through, except I should like to say this——

Mr. LODGE. Certainly.

Mr. STONE. That Senators come in here and Representatives go into the other House and say "we are at war, and therefore we must not perfect legislation, but we must pass it in any form in which it comes to us." I do not like that.

Mr. LODGE. Mr. President, I spoke yesterday strongly, and as I felt, in favor of the two Houses of Congress taking time to perfect this legislation; but the military bill has been before both Houses for a long time; it has been through three conferences; it has had the fullest and most ample consideration. It is the most essential bill that we have had before us, except the naval bill, which has gone through. It is the most important bill, because you can not fight a war without men; and this is a bill to get the men and to get the Army in order to fight the war. I repeat, it has had full discussion in both Houses, and every day is of importance to have the provisions of the bill carried into effect. My own belief is that if we again send it back to conference it will meet a very long, a very serious, and a very unfortunate delay.

Mr. BECKHAM. Mr. President, what is the status of the point of order made by the Senator from Wisconsin [Mr. LA FOLLETTE]?

The PRESIDING OFFICER. That has been withdrawn, and the question now is on agreeing to the conference report.

Mr. ASHURST obtained the floor.

Mr. STONE. The conference report has not yet been read. All this debate has come up as we have gone along. I asked the Chair some time ago why we did not go on and have the conference report read.

The PRESIDING OFFICER. If the Senator asks that the conference report be read, it will be read.

Mr. STONE. I ask that it be read.

Mr. REED. Mr. President——

Mr. ASHURST. I will yield to any Senator who wishes to interrupt me, but I only desire four or five minutes of time.

Mr. CHAMBERLAIN. I ask the Senator from Arizona if he will not permit the conference report to be read?

Mr. ASHURST. I will.

The PRESIDING OFFICER. The reading of the conference report will be continued.

The Secretary resumed and concluded the reading of the conference report, as follows:

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

"Such district boards shall review on appeal and affirm, modify, or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify, or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national defense act

approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section 1 and by section 8 of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is $24, an increase of $12 per month; those whose base pay is $30, $36, or $40, an increase of $8 per month; and those whose base pay is $45 or more, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

GEORGE E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.
S. H. DENT, jr.,
W. J. FIELDS,
PERCY E. QUIN,
Managers on the part of the House.

Mr. GRONNA. Mr. President, there are only a few Senators present——

The PRESIDING OFFICER. The Senator from Arizona [Mr. ASHURST] has been recognized.

Mr. GRONNA. I simply rise to suggest that we ought to have a quorum here. This is a very important bill.

The PRESIDING OFFICER. The roll will be called.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gallinger	New	Smith, Md.
Bankhead	Gerry	Norris	Smoot
Beckham	Gronna	Owen	Sterling
Brandegee	Hale	Page	Stone
Calder	Husting	Penrose	Sutherland
Chamberlain	Johnson, Cal.	Pittman	Thompson
Culberson	Jones, N. Mex.	Poindexter	Trammell
Cummins	Jones, Wash.	Ransdell	Underwood
Curtis	Kellogg	Robinson	Wadsworth
Dillingham	Kendrick	Shafroth	Warren
Fall	King	Sheppard	Williams
Fernald	Lewis	Sherman	Wolcott
Fletcher	McKellar	Shields	
France	McLean	Simmons	
Frelinghuysen	Nelson	Smith, Ariz.	

Mr. KING. I desire to announce that the junior Senator from Mississippi [Mr. VARDAMAN] is detained from the Chamber on official business.

The PRESIDING OFFICER. Fifty-seven Senators have answered to their names. A quorum is present. The question is on agreeing to the conference report.

Mr. STONE. Mr. President——

The PRESIDING OFFICER. The Senator from Arizona [Mr. ASHURST] is entitled to the floor.

Mr. ASHURST. Mr. President, I wish to premise what I have to say by stating that I shall vote for the adoption of the conference report. Nevertheless I am grievously disappointed that the conferees have left out of the bill an amendment adopted by the Senate, which I shall denominate the Fall amendment, and which I ask the Secretary to read.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

SEC. 9. The President is hereby authorized, and the Secretary of War directed, to call into the service of the United States, by enlistment for the term of the present war, three or more regiments of mounted volunteers, in addition to any other forces herein or otherwise provided, such mounted volunteers to be selected from men between the ages of 18 and 45 years, and under the provisions of section 3 hereof, and to be used in protecting property and citizens along the southern border of the United States, and also to be used in any foreign country, as the President may direct.

SEC. 10. The President is hereby authorized to appoint officers for such volunteer force, making appointment from the members of such volunteers as shall have heretofore served in the Ranger or police forces of the southern border States or as peace officers of the counties or municipalities thereof.

Mr. ASHURST. Mr. President, it will be observed from the reading of the amendment which the Senate adopted when the bill was under consideration that it proposed that certain mounted troops should be enlisted. The purpose of the amendment was that these mounted volunteers should guard the southwest border of this Republic. I do not wish to make any invidious distinction, but I think the American people would feel perfectly secure with respect to the southwest border if the States of Arizona, California, Texas, and New Mexico were to organize three or more regiments of mounted volunteers.

Mr. STONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Missouri?

Mr. ASHURST. Certainly. I am going to be very brief, but I yield to the Senator.

Mr. STONE. Just a question: Does the Senator consider the situation to which he refers as a present emergency?

Mr. ASHURST. Well, Mr. President, those of us who live on the southwestern border generally consider that a certain domain south of us is always an emergency. I am not going to discuss the Mexican question, because we all have our ideas and all have our views, and they have been expressed here at some length, except to say that I think the Senate conferees

were most unfortunate in that they were unable to hold for us this amendment. I am not, however, going to join in any clamor against the conferees. They have taken a piece of legislation which was new and which covered a heretofore untraveled field and they have brought back a very substantial report, and the wonder is that they have agreed as quickly as they have, in view of the enormous difficulties confronting them. But I could not be silent upon this occasion and fail to express the extreme disappointment that must come and does come to all of the people who live on the southwestern border, and who know the parlous and, I might say, the dangerous position in which we are always placed there with respect to Mexico.

Adverting to the atlas, which I have in front of me, it will be observed that from Brownsville, Tex., following the Rio Grande up to where the New Mexico line intersects it, and then following westward and northwestward at times to the Pacific Ocean, we have 1,400 miles—I am not attempting to be accurate, but in round numbers 1,400 miles—of international line, and almost every mile of it may at times be regarded as hostile territory. It is over three times longer than the French lines where the entente and Teutonic allies are fighting now.

Mr. President, assume, for instance—I will begin on the California side—the situation with respect to the boundary line between California and Lower California. A great reclamation project is there, the wonderful and productive Imperial Valley, where a hostile force of only a few men, with a few pounds of powder, could within an hour do damage to the people and to our Government of not less than $100,000,000 in amount. This amendment provides, among other things, that these troopers shall guard the border.

Passing eastward, we come to the town of Yuma, in Arizona, just north of where the Colorado River flows into the Gulf of California. Passing farther eastward, we reach the town of Nogales, in Arizona, where the international line passes through the town. Passing on still farther eastward, we have the very prosperous town of Douglas, with millions of dollars' worth of property within a few rods—not miles, but within a few rods—of the boundary line. The same situation is true right on down to Brownsville. So I must express the extreme disappointment I feel over the fact that this amendment has not been adopted.

I feel, however, that I ought to vote for the conference report, because I do not believe that I should be a party to withholding further from the United States this great piece of legislation simply because one amendment which was most salutary and most necessary has been omitted. I am going to indulge the hope and I am going to believe and I certainly am going to join with others in an effort to see that this legislation is incorporated in some other bill that may pass this Congress.

If this were the only opportunity I could have of securing the adoption and the enactment into law of the Fall amendment, I should feel compelled to vote against the conference report; but after carefully considering the situation, believing that we still have ample and abundant opportunity to have that legislation or some similar legislation enacted, I shall content myself with these remarks and vote for the adoption of the report.

Mr. THOMAS. Mr. President, I opposed the bill to the best of my ability when it was before the Senate. My convictions regarding it have not changed a particle. If it were before the Senate now as then, I should antagonize it now as I did then. But it has reached its final stage, in the shape of a conference report, and is thus presented for our ultimate consideration.

I deem it my duty to submit to the will of the majority, as expressed here, when the final vote was taken upon the bill. The vote was overwhelming in its favor, and substantially as it has been reported back from the conference committee. My opposition to it ended when that vote was taken, and I became one of its supporters, because the majority of my associates had so declared. Majorities govern here, and when officially announced they bind us all.

I am not surprised that some who advocated the bill when before the Senate now discover that the draft may become a permanent feature of our military policy through its final enactment. I never doubted but that would be the result, once it became ingrafted even for a temporary exigency upon our statute books. The fight for compulsory military service, Mr. President, began long ago. It is much older than this bill. Its advocates have successfully taken advantage of the present crisis to secure a majority for it in both Houses, a vote but for which crisis never could have been secured. I do not know of a league or an association in this country, by whatever title it may be known, whether it be an army and navy league, a national-security league, a national-defense league, or any other of the many high-sounding voluntary militant organizations which is not and which has not been devoted—I have no doubt sincerely and earnestly—to the final elimination of the volunteer system and to the permanent substitution for it of a conscriptive system. So I am not surprised that it now appears that the bill as reported from the conference committee should be changed if we would prevent that consequence. But the change, Mr. President, will not prevent it. The same influences—and I am not criticizing them—which place this bill upon the statute books will see that it becomes a permanent feature of our Military Establishment. But I do not complain, for such was the warning I tried to give when, if heeded, we might have prevented the change.

I shall not delay the consideration of this bill a moment. I think, from what I have heard here, that the committee of conference have, in some features of their report, exceeded their powers—not designedly, not willfully, but evidently because it seemed essential to bring the conference to a close and obtain final action upon the bill without further delay. I shall, therefore, notwithstanding this fact, which would prompt me to oppose the conference report under other conditions, vote favorably on the report when the debate closes and a vote is taken.

Mr. FALL. Mr. President, I made some remarks upon this bill when it passed this body originally, or at least when the Senate prepared a bill and sent it to the House. Something has been said again to-day that was urged at that time about the great emergency which exists, and the Senator from Massachusetts [Mr. LODGE], for whom we all have both admiration and great respect, announced to some of those who were not advocating this conference report that there is where they divided from him; that he was in favor of immediate action, and they apparently were not. I announced at the time the bill was presented to the Senate that there was nothing of an emergency nature about it except in the first two or three lines, where the word "emergency" was printed. I hold to that opinion yet. In fact, it has been confirmed and strengthened by the action of the conferees, and by other subsequent events.

Mr. President, in 1914 the Congress of the United States adopted a war measure for exactly this emergency or any other emergency which might come up. It did it during the life of this administration, and a majority of the present Members of the Senate were then Members of the Senate. That law is yet on the statute books. It has not been repealed or amended in any respect. It was put there for exactly this emergency. All that was necessary was, in the adoption of the declaration of war, where the President was authorized to use the land and naval forces of this country, to authorize him to put into effect the machinery of the law upon the statute books. But no! The War Department of this Government, instead of regarding this as an emergency necessitating immediate action and the calling into the field of additional troops, prepared an entirely new measure for the creation of an army. Absolutely ignoring the laws then upon the statute books, which they themselves had requested Congress to pass, they prepared a new measure and submitted it to this body; and now, when this is the first opportunity which has been presented to us for discussing any proposition involved in this conference report, we are told that we must not take time; that those of us who care to discuss it at all are standing in the way of action by this Government. But I for one, Mr. President, as a Member of this body, would prefer at least to hear the Members of the legislative branch criticize some other branch of the Government rather than themselves for dilatoriness in this emergency.

I voted for the declaration of war. I believed that we were confronted with an emergency. I wanted to act then, and I want to act now. This bill does not intend action. With relation to the Regular Army and to the National Guard forces, which are so often referred to here by Senators in this debate, it gives no more authority to the President of the United States with reference to the increase of the members of those two forces than he has under the law now, word for word and line for line. It does give him additional authority to put into effect the draft system with reference to both those bodies as well as the new body; but in so far as creating any other forces is concerned, in so far as adding one man to the National Guard or to the Regular Army is concerned, it does not so do, and does not so pretend to do. You propose to raise the other forces by draft, but, according to the plans being sent out now through the public press and through correspondence from the War Department, of those who are registered none will be required to report even prior to September 1, and then you say that we should not take a few hours' time to discuss this measure!

Mr. President, I resent the attacks continually being made upon this body by those who are accusing the Congress of the United States of being guilty of dilatoriness in this great emergency, and insisting that the Congress shall give additional

power, so that the administrative department of this Government may act. The present laws on our statute books and the Constitution of the United States, after a declaration of war, give practically unlimited powers to the President of the United States. For five years we have been giving to every department or department head every extraordinary power which has been requested of this body. We have offered to the Navy and the Army more money than they would accept. To-day they do not want an army summoned into the field immediately, because they have not the ammunition to place in the guns, nor the guns to place in the hands of the men; and that is not the fault of the Congress of the United States. They are drilling men now in training camps with broomsticks. A Senator near me facetiously suggests that we might go into executive session. I shall possibly have that suggestion made once or twice more before I have concluded my remarks.

Mr. President, I am not going to reiterate what I said when this measure was before Congress; but I did, in opening my remarks, suggest that other matters which had occurred since this bill passed the Senate had influenced me and had confirmed my objections to the bill as it was when it passed. I want to repeat what I then said—that I was in favor of raising a million men immediately, and not 500,000, by calling for 500,000 volunteers and then placing in the hands of the President of the United States the authority to draft into the service the cowards and the slackers who would not serve. But I referred also to the fact, sir, that there have been arguments in this Chamber long years ago as to the constitutionality of any conscription for foreign service. I stated then that I would not dwell at any length upon that point, and I do not intend now to occupy the time of the Senate at any length in arguing this constitutional provision. As I said then I say again, the United States of America has fought two wars on foreign soil, and not by conscripts. It has used the conscription authority twice, and only upon American soil; and there was good reason, and is yet good reason, why this policy should be followed at this time.

We are not a homogeneous people. We are a Nation of more than 100,000,000 people from all the other countries of the world. Millions of former German citizens and their immediate descendants are now loyal citizens of the United States of America. Hundreds of thousands of the former citizens of Holland and their immediate descendants constitute the Dutch portion of our population. Hundreds of thousands of Norwegians, Swedes, Danes, and other Scandinavians inhabit particularly the Northwestern States of this Union. Some numbers of thousands of former citizens of Spain and their immediate descendants inhabit portions of this country; and you propose to draft those citizens into the service against their will to fight, it may be, not for American principles, not for the safety of the United States of America, but because of some idealistic theories held by some man of prominence in the United States.

Volunteers, yes. Mr. President, there is no man in the United States of America who has more love for the French people than I have; but would I drag the soldiers or the men of the United States of America into the bloody ditches in France for the purpose of restoring Alsace and Lorraine? In the case of volunteers who desired to go, I would cheer their departure and speed it; but I would not drag a German of the first generation or a naturalized German citizen to France for the purpose of tearing down the house of Hohenzollern or an Austrian to eject from the throne of Austria a Hapsburg. To fight in the trenches of France as our first line of defense for the safety of this Nation is one proposition. To fight for the freedom of the Dardanelles is another. I would welcome, possibly, volunteers to eject the unspeakable Turk from Europe, but so long as I have a vote I will not conscript an American citizen, possibly a former Turk or of the first generation, for that purpose.

We are justified in going to conscription upon one theory, and one alone, and that is the present national necessity of saving our own institutions, preserving our own freedom and our form of government. Upon that theory alone are we justified in sending our soldiers, either conscripts or volunteers, across the seas. When we are asked to send men upon any other theory, I say, as an American citizen—and, as I claim, as loyal and patriotic as any man in the administrative department, or any other member of this department, or any other citizen of the United States—that I will go to any extreme, conscript every man, every doddering grandfather and every child out of the cradle, for the preservation of this Government and its institutions; but I will never vote to conscript an American citizen to fight a war against a people or against a Government simply because we do not happen to agree that theirs is the proper form of government. Fight for democracy, yes; fight the world for our democracy; but I am no Don Quixote, proposing to reform the world. Some people prefer, apparently, the form of government established in Germany, and I, for one, except as Prussianism threatens our safety, will not conscript an American citizen to tear down the Kaiser.

Therefore I favored the volunteer system, that the President of the United States might take volunteers who, understanding the entire situation, understanding his utterances as he has made them before this body and before the public, understanding his ideals, could, if they chose, proceed to Europe to fight for such ideals, and I believe—that, however, is my personal conviction—to fight there for the security and safety of this country. I can judge of that for myself, and volunteer or not for such service, as I please; but I leave to every other American citizen the privilege of saying whether or not he shall volunteer because the present administration, and possibly the majority of the people of the United States, do not like the Prussian form of government.

Mr. President, one of the matters that I refer to which has occurred since the passage of this bill is set forth in the RECORD of this body for May 14, on page 2364. The Senator from Wisconsin [Mr. LA FOLLETTE] had an amendment then pending which contained restrictions upon the provision, which, at the request of the administrative department, the Senate had placed in the so-called espionage bill, vesting the President of the United States with power to embargo certain products or shipments from this country.

Among other things contained in these limitations was this:

> Nor shall such power so conferred upon the President be used to interfere with the neutral rights of any neutral nation or to coerce the Government of any such neutral nation, directly or indirectly, to engage or participate in the existing war.

I find the remarks of one of the Senators who is favoring the passage of this bill following this amendment which lead me to believe that the intended use of this embargo might be to bring about the change from a neutral condition to that of war of one or the other of the present neutral countries as a matter of national self-defense. The power to embargo certain products to a neutral country when necessary for the defense of this country, in my judgment, is vested, and the authority should be granted, and therefore I voted for that proposition.

But, sir, if the effect of placing in force this embargo is to force the people of Spain or Holland into this war upon one side or the other, and if, nearing of the fate of Serbia, Roumania, and Belgium, they, in self-defense being compelled to embark in the war on one side or the other, with the examples which I have mentioned before them, believed that self-preservation demanded that they should ally themselve with Germany, I do not want to send a Spanish or a Dutch citizen from the United States to fight Spain or Holland, each of which has attempted to maintain her neutrality. Certainly will I not vote to send him to Holland or Spain against his will by the power of conscription.

Should unfortunately Norway, which has always been our friend, be compelled by the operation of the emergency legislation which you have been compelled to pass, or which at least you have passed, to cast her lot in this war with ourselves or with Germany—should that be her unfortunate condition by virtue of the working of the embargo act with which we have empowered the President, and should unfortunately for us her lot be cast with Germany because of the fear of the fate of Belgium and of Servia and Roumania, because we are not prepared to protect her from such a fate, I shall not vote to conscript citizens of Minnesota, Michigan, the Dakotas, and other States of this Union who may be of Norwegian descent, and against his will force this citizen to fight against his relatives and his former Government in a war brought about by the use of power which you have given to the President of the United States. Should, even in self-defense, Norway, Sweden, Denmark, and every other country now remaining neutral be forced into this war on the side of Germany, irrespective of the reasons which they might give, I would send volunteers across the sea to fight them, but I would not conscript a Norwegian to fight Norway, nor a Swede to fight Sweden, nor a Dane to fight Denmark on the idealistic theory advanced by the President of the United States and others in this country, when that war was brought about by our own action or the arbitrary action of the President of the United States under the authority vested in him by your law. Volunteers; yes. Conscripts for that purpose; no. Conscript them to defend our country against the attack of the combined world; yes. Take them from the cradle to the grave and force them into the ranks in defense of their country, but if they will not volunteer do not force them to take foreign service, certainly not unless in absolute necessary defense of this country.

Mr. President, let the great American people have an opportunity to say whether they want this war carried to European shores for purposes such as are expressed by the President of the United States even recently. I, of course, have no knowledge of the authenticity of this published statement of the President in speaking to the Red Cross on, I believe, the 13th of this month. I take it from the Washington Post of the 13th. I shall only read this extract. As I said, whether it is authentic or not I do not pretend to know; I take it as a quotation from the paper:

> We have gone in with no special grievance of our own, because we have always said that we were the friends and servants of mankind. We look for no profit. We look for no advantage. We shall accept no advantage out of this war.

If the war be fought not for self-preservation, if it is to be fought for the idea of Mr. Wilson or anyone else, then let it be fought by such volunteers as he can rally under his banner and not be fought by conscripts whom you force into the ranks.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from New Mexico yield to the Senator from Illinois?

Mr. FALL. For a question.

Mr. LEWIS. May I ask the Senator if he happens to have that speech in his hand. I observe in the public RECORD a distinguished Member of the House charged that the President of the United States said in that speech that we, America, have no issue, no grievance. May I ask the Senator if there is such an expression as that in the speech?

Mr. FALL. I have just read it.

Mr. LEWIS. I just came in. I did not hear it.

Mr. FALL. I will read it again for the benefit of the Senator:

> We have gone in with no special grievance of our own, because we have always said that we were the friends and servants of mankind. We look for no profit. We look for no advantage. We shall accept no advantage out of this war.

Mr. LEWIS. I take it, if the Senator will pardon me, and it will not interfere with his speech, surely the President of the United States did not mean we did not have a grievance. That has been recounted often here and of the world's obligations the great grievance we have. I take it the President must have meant our grievance was not that of others who were fighting for the same common cause.

Mr. FALL. Of course, I do not know what the President had in his mind. I know this, that a short time ago he appeared before the Senate of the United States and he said there would or should be no peace with victory. Does the Senator recall that? Now, I understand he holds to the theory that there will be no sheathing of the sword until the Hohenzollerns are driven from Germany and the Hapsburgs from the Austrian throne and all the world a democracy. The Senator must pardon me if I can not follow the President of the United States in his mental acrobatic feats, and I say that without any disrespect to him.

Mr. LEWIS. If the Senator will pardon me, I do not think it would be fair to the able Senator from New Mexico to intrude myself at this time in his speech in defense of the President, or, rather, in justification of him. Therefore I can not reply to his observation at this time, but later, if the necessity arises, I will offer my version.

Mr. FALL. I want to congratulate the President of the United States upon the fact that the eminent Senator spent an hour or more in attempting to translate the President's former speech in this body, and I realize that the President could not have an abler interpreter.

Mr. LEWIS. Perhaps more will be said later, Mr. President.

Mr. FALL. Now, Mr. President, I have other objections to this conference report than those which I have just been announcing and which are conclusive, to such an extent that had it not been that this conference report carries an amendment for 100,000 volunteers I should have voted for the amendment of the Senator from Wisconsin when it was offered here.

Carrying that amendment for 100,000 volunteers, I should say now, Mr. President, that for the reasons given and those which I shall give later, I shall ask the Senate of the United States when a vote comes on this conference report to excuse me from voting. If it will not do so, I shall vote against the adoption of the report.

Mr. President, we are placing a new military law upon the statute book, while ample power could be given the President by mere resolution to place the machinery which we have at present in operation.

I took occasion to quote from an eminent authority, often appealed to here by those who oppose the volunteer system, in a speech which I made when the bill was pending in the Senate before, and that is Gen. Upton. I called attention then, and I am going to trespass upon the time of the Senate again to read three lines from Upton's report into the RECORD. On page 11 he says:

> Battles are not lost alone on the field; they may be lost beneath the dome of the Capitol, they may be lost in the Cabinet, or they may be lost in the private office of the Secretary of War.

Not only are we commanded to change our entire military system under the whip of emergency, but I am reminded that there has been a good deal of controversy in the War Department itself within recent months as to the organization there of the Military Establishment of the United States.

Congress provided for a General Staff in 1903, and in 1916, the last expression of this body on this subject, by section 5 it was thought by many eminent authorities that powers vested or exercised by the Chief of the General Staff under the provisions of the act of 1903 were taken away or curtailed so that the Secretary of War himself came into direct contact not through the Chief of Staff but in direct contact through the heads of the different departments with those departments himself.

The Judge Advocate General, Gen. Crowder, for whose opinion I have great respect, decided that the act of 1916, section 5, changed the law of 1903. The two opinions are contained in the annual report of the Secretary of War for the year 1916. The Secretary of War overruled Gen. Crowder and declares in effect that section 5 of the law of 1916 meant nothing, and that the Militay Establishment should be the President, the Secretary of War, and the Chief of Staff, the Chief of Staff to go to the different departments and through him alone should the Secretary of War be informed as to what was going on and be advised as to the proper course in all military matters.

Therefore we have existing at present a Military Department, the Chief of Staff of which is a military man. The Secretary of War acts for the President. So between the different departments, for instance, the War College and the General Staff itself in the Military Establishment of this Government, the Chief of Staff is the man who reaches the ear of the President.

Remember what Upton says, "That battles are lost in the office of the Secretary of War," not alone by the troops in the field, that they are lost in the Cabinet, and yet you are placing the lives of all the boys in this country in the hands of the Chief of Staff of the United States Army. Through him and through him alone the President, as Commander in Chief acts, it makes no difference what complaints there may be in the War College.

I want to say to you, Mr. President, that I believe the younger officers in the Regular forces of the United States will compare favorably in intelligence and in learning and in necessary scientific attainments of a military character with the regulars or irregulars or any other force under heaven. I say, however, that you have to-day in your Military Establishment men without necessary experience. I have seen criticisms on the proposed Roosevelt division, and I have heard them here voiced upon the theory that Roosevelt did not have the necessary military training to enable him to command a brigade or a division. I call your attention to his war record. You will find that in actual battle Theodore Roosevelt served as lieutenant colonel while the Chief of Staff never had a higher rank than major.

I am calling your attention to these matters because I propose to illustrate exactly the point that I make. One reason for which I fear the establishment of this military scheme ingrafted upon our democracy and denounce it, is a reason for the fact that I have asked the Congress of the United States to give to the people upon the border of this country a force through which they could be protected in their lives and in their property. My request was granted by this body by a 2 to 1 vote.

I shall hurry along, Mr. President. I am reminded, however, before I go into this latter proposition fully that my motives in offering this "border-patrol" amendment have been questioned. In one of the papers, sometimes called the mouthpiece of the present administration, I find this. It is in the New York World, on the front page, under date of May 9, "Special from Washington":

> No understanding has been reached on the Harding amendment for divisions of volunteers. The prospects are that it will be thrown out——
>
> In conference.
>
> The Fall amendment for volunteers to patrol the Mexican border has aroused many Democrats in Texas and other border States, who charge that an effort to play politics is being made by Senator FALL. Great pressure is being exerted to force the Harding and Fall amendments out of the selective-draft bill.

Mr. President, a "charge" such as this is a very safe one to make. I have been unable to compose my mind to such a con-

dition that I can believe that there was a word of truth in the statement contained in the World, because, of course, anyone who makes such a charge would, except for his absolute cowardice, be a fit recruit for the crew of the German submarine that sank the *Lusitania*, and which sent women and babies of this country to their watery grave. Any paper which would publish a "charge" of this kind, of course, simply establishes the fact in the mind of any impartial man that it is much more desirous of making a political partisan point than of conveying the truth to its readers through its columns.

Enough of that. I shall undertake before closing my remarks to put into the RECORD some documents and leave to the senders of these telegrams and letters the answer to the statement contained in the World.

I am criticized by some of my strong friends because I have no confidence in the present Military Establishment of the United States. I have none. Let me state that as emphatically as possible, and I fear that only through some great national disaster or humiliation will the people of this country be brought to their senses. Battles, as Upton says, are lost "in the private office of the Secretary of War."

Now, let me just review the little war which we have had. Remember that the Judge Advocate General of the United States Army has decided that a state of war existed on the Mexican border. On March 9 of this last year the people of the town of Columbus, in the State of New Mexico, 3 miles from the Mexican border, were resting peacefully in their beds, secure in the belief that they were being protected by the Regular soldiers of the United States under one of the Regular officers of the United States, sent there for that purpose. They knew that the Regular forces of the United States had been notified three days, two days, and one day before that Villa intended an attack upon Columbus. They knew it through the press. They knew it through the statements of Gen. Gavira of the Carranza army in the city of Juarez. They knew it through the statement of Garcia, the Mexican consul, that he himself had not only telephoned to Gen. Pershing to warn him the day before of this attack but that not being satisfied, so that his record might remain clear, he had written him a note that Columbus was going to be attacked.

I wish that you Senators would view with me the scene of that attack and see it as I see it now. This little town upon a sloping plain has only one hillock, a high point, within miles of it, and that almost in the town itself, a lookout point which any man would naturally have chosen and which since the attack has been occupied night and day by the United States forces as a point of observation. Approximately 300 Regular soldiers, Cavalry, were in camp on the south side of the railroad, the town being situated on the northern side; but few if any more than their own number, the Mexican bandits came across the international border to the town 3 miles within United States territory, planted their machine guns within a few feet of the hospital occupied by United States soldiers, in all a first sergeant and 10 men, back of which lay the encampment, and sent their murderers into the streets of that quiet little town and set fire to it and murdered the men and women as they ran out of their burning houses.

Mr. President, it may be that the commanding officer did everything humanly possible to avoid this disaster. It may be that he did everything which he thought was necessary. The fact remains that he was not with his forces himself, but was sleeping in his own house up in the town, and was cut off from joining his troops by the fire of the bandits and the citizens attempting to defend themselves. The fact remains that women and men were shot down in the streets and their homes burned down while under the protection of the national forces under Regular Army officers.

Of course, sir, it is idle in me to say it, but I will guarantee that if you will give me the men I have asked for I will take 25 of them and no thousand Mexican bandits will ever massacre the people in another quiet town in New Mexico, because every man will sleep with his six-shooter in his hand and his rifle by his side, and when he rises he will pour from the muzzle of his gun a stream of fire which will drive back any bandit; and the bandits know it.

There is not an ex-sheriff, an ex-ranger, or an ex-policeman who would not have gone on this high point there, from which he could observe the country for miles. We did not occupy it, although within 65 yards of the American customhouse, but Pancho Villa took his stand there in person and directed the attack. I believe that our Chief of Staff once expressed great admiration for the military qualities of Pancho Villa. I do not wonder that to our Chief of Staff and some of our Regular Army officers Villa appears a second Napoleon, a genius of warfare.

Mr. STONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Missouri?

Mr. FALL. I yield.

Mr. STONE. I have myself thought that Villa was present at that outrageous tragedy to which the Senator refers, but I have seen it so specifically denied that I wondered in the interest of real truth of history whether he was there. The Senator says he was. Is he expressing a mere opinion, or is he basing that opinion upon authentic information?

Mr. FALL. I am basing it, I may say to the Senator, upon the court records. Of course I know the Senator asks the question in good faith.

Mr. STONE. I do.

Mr. FALL. I base it upon the court records, the sworn evidence in the trial of several of Villa's men in the courts of Luna County, in Deming, who were convicted. They testified that Villa not only made the attack but he was engaged in the massacre; they testified that Villa was standing on the hill with the horse holders, and commanded them when the attack took place, and directed the attack. That was also testified to by a little boy of 12 years of age who had his leg shot off, or his leg was amputated after being wounded in this fight. His reasons for being there, as given in the evidence, was to the effect that Villa himself personally had come to his father's house on the way to Columbus and had forced him and his father to go along with him and bear arms, and that he stayed with Villa all during the fight. When the American Cavalry horses were stampeded and driven out by the bandits he thought they were American Cavalry, and he turned and ran and a machine-gun bullet caught him in the leg. This is practically the evidence in the court trial.

Mr. President, I want to call your attention to another incident of this great campaign which we have carried on under our present Military Establishment. There was published in the border papers on the American side, in the El Paso and other papers, including the San Antonio Express, a telegram on the 16th day of June, 1916—Gen. Pershing was then in Mexico at the head of our military expedition—and I take from the pages of the San Antonio Express the quotation which I shall now read. This was published, I may say, in the Chihuahua newspaper, the official paper of Trevino, and is the republication and translation in the newspapers of the United States:

TREVINO SAYS ANY MOVE EXCEPT NORTH MEANS HOSTILITIES.

CHIHUAHUA, *Mexico, June 16.*

Gen. Jacinto Trevino, commander of the division of the north, gave out for publication this afternoon the following message, which he has been directed to transmit to Gen. J. J. Pershing:

"I am instructed to inform you, by First Chief V. Carranza, that any movement of American troops from their present lines to the south, east, or west will be considered as an overt act and will be the signal for hostilities."

The feeling is general in official circles in Chihuahua that a clash with the United States forces, precipitating fighting all along the line, is only a short time away.

On the 18th of June there was published the following in the American papers on this side of the line. I have heard that some one had been criticized for allowing this to leak:

PERSHING GIVES CURT ANSWER TO TREVINO THREAT.

I have not received any orders to remain stationary or withdraw. If I see fit to send troops in pursuit of bandits to the south, east, or west in keeping with the object of this expedition I shall do so.

If any attack is made on any part of my forces while performing such duties, the entire military strength of the expedition will be used against the attacking forces.

Gen. Trevino, as commander in chief of the de facto government's troops in the north, will be held responsible for Mexican forces within striking distance of the American forces.

If there is any doubt as to the authenticity of these documents—of course, I have not seen them—I think that such doubt will be removed from the mind of any Senator who may have access to the archives of the War Department.

Mr. President, Trevino challenged Pershing on the 16th; Pershing accepted Trevino's challenge on the 18th; and on the 21st Trevino's forces at Carrizal shot Boyd and Adair, wounded Morey, and killed a large number of troopers who had been sent out under orders from Gen. Pershing. Was the entire force of the military expedition used against Trevino? No. Was any part of it so used? No. Why not, I ask?

I say to you that from my knowledge of J. J. Pershing there is no braver American soldier living to-day. I say to you that, in my judgment, there is no more honorable man living to-day; that he is no braggart; that never would he have sent that reply to Trevino without fully intending to make good that threat; that never would he have sent it unless he intended to enforce it; and never would he have refrained from enforcing it except that its enforcement would have cost him his career, his life. I make the challenge here now that he was ordered from the secrecy of the office of the Chief of Staff or of the

Secretary of War or the Cabinet room not to carry out his threat to avenge the death of those who died there in the performance of their duty under his orders, and not to seek to rescue those who were carried to the filthy jails of Chihuahua, and who, when sent home, were clothed in rags or with blankets thrown around them to hide their nakedness.

I say to you that in all the annals of the history of any self-respecting Nation there never was written so black a chapter as was written by Pershing against his will and by the conduct of our military under orders from Washington along the American border.

Why, I ask you, in the name of all that is reasonable, when Tompkins rode into Parral in pursuance of Pershing's orders, and was fired upon and his troopers killed, and when he took up a defensive position on the outside and was driven from it by the overwhelming forces of Carranza's troops, why did he leave his dead unavenged and one soldier missing, who is yet missing from the American Army? Will you tell me that any American officer would not have died in his tracks before he would have submitted to this disgrace unless it had been dictated to him by some one from Washington from the secrecy of the Secretary's office or from the Cabinet room? It could not come from the "Dome of the Capitol" in this instance.

When we had gathered, at great expense, stores of feed for our horses and food for our men at San Geronimo, the farthest point south reached by the expedition, from whence to send out forces from time to time under Howze, Tompkins, and others, why, I ask you, did we retreat like whipped armies, burning our stores behind us at San Geronimo? Why did we abandon our headquarters at Namiquipa, the headquarters for months of the commanding general of that expedition, and when we abandoned them, why did we burn $150,000 worth of American stores, which had been paid for by the money of the American people, and which were necessary for the support of the American troops and cavalry horses in that expedition? Why did we come like whipped curs from Mexico, and then, through our commissioners, grovel at the feet of the Mexican "de facto" leader for three months?

Will you tell me that the Military Establishment of this country, as at present constituted, is fit to be trusted with the lives of our boys, to do with them as they please, under a draft system? Ah, they do not want the volunteer, because the American volunteer is a free man; he still remains a free man and a voter, and he has behind him his friends and his family, who also are voters. He is not in the Regular Army, and he dares, and will always dare, to make his voice heard, whether it is by a round robin against rotten beef or whether it is by direct complaint against paper-soled shoes. The regular staff does not want the volunteer; they want conscripts, whom they can control absolutely under their Regular Army officers, and who will not dare to raise their voices in their own defense.

Something is the matter, Senators, with our Regular Army, not in the rank and file, for no braver men ever lived; there are no more patriotic men.

In the battle at Columbus, when taken entirely by surprise because they were not even properly sentineled, some of those engaged first in the fight were furnished with ammunition, which had been broken out of a locker by a first sergeant, but when they finally succeeded in making their way into the fire zone no troops ever fought better. They administered such a thrashing to Villa that he has never again recovered his prestige, and they can be depended upon to do it again. My whole plea is that their lives be not sacrificed to the red tape of a military despotism, such as is being established in the War Department in Washington, D. C., United States of America.

Mr. President, I had taken up the question involved in this amendment providing for a "border patrol" with the War Department. It was not a new matter; it was not simply the thought of a moment. When I offered it here I had received advice upon it from a graduate of West Point who had served with the Indian scouts in the Crook campaign for four years and in every expedition which Crook made on the border of Mexico, and who had then lived, after resigning from the Army, for 20 years in Mexico, on the northern border, and who knows every foot of the country. Not only, however, did I have his advice, but I went directly, through letters, to the Chief of Staff of the United States Army. Not being able to get anything definite from that source directly, I went to the Secretary of War long before I placed this matter here. On February 6, 1917, I wrote a letter to the Chief of Staff, a portion of which I will not read, but it is open to the inspection of the chairman of the Committee on Military Affairs or of any other Senator. I used this language:

Of course you are informed as to conditions along the southern border and in Mexico. I have thought of suggesting to you, and am now doing so, the advisability of providing for certain regiments of mounted infantry for use along the border in the event this country should be drawn into a war with Germany or any other country.

At least three regiments of mounted volunteers could be obtained for service along the border if necessary, but these men will not enter the National Guard, nor would many of the class whom I have in mind join the Regular Army.

Ex-peace officers, rangers, sheriffs, cattlemen, and miners along the border in Arizona, New Mexico, and Texas, who are accustomed to living in the desert country, all more or less disciplined for certain work because of their experience in cattle work, where they must obey orders of the superintendent, foreman, and "straw boss," could make as efficient soldiers and guards for the protection of the border as would any regular Cavalry or other forces. As you know, of course, men for this work should be mounted.

I do not want to interrupt the chairman of the committee, but I thought possibly he might be interested in some of this literature.

Mr. CHAMBERLAIN. My attention was diverted for a moment.

Mr. FALL. On February 8 I had a letter, a portion of which I shall read, from the Chief of Staff upon this subject, in which he said:

While fully appreciating the efficiency of such men, the provisions of existing law provide only for the organization and use of the Regular Army, the National Guard, and United States Volunteers, and forbid the expenditure of public funds on any but the authorized organizations. The organization of all units of such forces must conform to that provided for the corresponding ones of the Regular Army. Should volunteers be authorized, it is probable that many of the men of whom you speak may be secured in the volunteer organizations.

On the 9th I replied to him, saying that I had called his attention to the fact that the law must be modified, simply with the view that, in the event he agreed to the proposition, I would undertake to assist in modifying the law. To that letter he replied on April 10:

I have your letter of February 9, and will send it down to the War College for recommendation in the case.

Thanking you for your letter, and with best wishes for yourself, I am,

Very sincerely, yours, H. L. SCOTT,
Major General, Chief of Staff.

On the 25th I took up the matter direct with the Secretary of War himself, as I was at that time transmitting to him certain information coming from the border States. In this letter of transmittal I say:

I know something about the Secret Service of the United States along the southern border, and am cognizant to a certain extent of the sources of information of the different departments of this Government in that section of our country.

The Rock Island Road, with its El Paso Southwestern System connections, runs through New Mexico to El Paso, Tex., and thence west into Arizona.

The Santa Fe Road runs through New Mexico to El Paso.

The Southern Pacific Road, from California, runs through New Mexico to El Paso.

The Texas-Pacific runs east and west through the State of Texas to El Paso.

The G. H. & S. A. runs through the State of Texas from Galveston to El Paso.

On each of these roads, from the State of Kansas south, from the east boundary of Texas west, and from California east, practically every section man employed, except the foremen, are Mexicans from the Republic of Mexico, and who are constantly shifting from one place to another, and a majority of whom return two or three times a year to the Republic of Mexico.

Large numbers of old Mexico Mexicans are employed in the cotton fields of Texas, in the mines and upon the farms of New Mexico and Arizona, in the beet-sugar fields of Colorado, and in other sections of our country.

These people are not regarded by our native Mexicans as the equal of the latter.

I speak of that with reference to the exact conditions. 50 per cent of our American population in that section being of Mexican descent—

and are regarded by our Mexicans and our citizens generally as constituting a dangerous element in our community, and that from which crimes of a violent character can be expected at any time, and are constantly occurring.

I have called the attention of your department and of the State Department to the necessity of guarding our border, and I again most solemnly warn you of danger, not only from the Mexicans now within our country but from those in Mexico, whether calling themselves Carranzistas or by the name of any other leader.

For more than two years at least two papers have been published in the Republic of Mexico in the Spanish language, through the columns of which Germans have sought to impress the friendship of the German people and the German Government for the Mexicans and the ability and the willingness of Germany and the German people to finance and rehabilitate Mexico.

I can say to you, Senators, that I have copies of those papers in my office, obtained by myself within from 12 to as short a time as 6 months back.

You must know that even recently and now, through confiscations or threatened confiscations and pressure brought to bear by local and so-called governmental officials in Mexico, property of other foreigners is being acquired by Germany in various portions of the Mexican so-called Republic.

I think that reports from agents of the Government in El Paso, Tex., reciting the activities of Germans in Mexico, will have been learned of by the departments here in Washington.

I have suggested to the Chief of Staff here the advisability of amending any Army bill which may be offered by providing for the recruiting of three or more regiments of mounted riflemen to do guard duty along our boder, and particularly in Texas, New Mexico, Arizona, and southern California.

Men for this purpose could be secured immediately, but the age limit should be increased to 50 years.

Men who have been peace officers, Texas rangers, bandits, Indian and Mexican fighters, and who have wiped out the various train-robbing and outlaw bands formerly infesting this country, would gladly serve their country now if called upon for active service in protecting their homes and those of their fellow citizens.

These men can perform the duties which would fall upon them more successfully than would any Cavalry of the United States, any of the Regular forces of the United States, and of the National Guard of the United States, or any new forces to be organized through conscription, draft, or universal service.

I am exceedingly anxious to cooperate with your department, as well as the other departments of this Government, in every way possible.

I used some expression there that might be construed as conveying an intimation that unless the representations should receive proper consideration my cooperation could not be counted upon further than along certain lines, because the lives of my people were at stake.

I had a letter from the Secretary dated April 11, as follows:

WAR DEPARTMENT,
Washington, April 11, 1917.

Hon. A. B. FALL,
United States Senate.

MY DEAR SENATOR: I thank you for your letter of the 5th instant, in which you call the attention of the department to the necessity of guarding our border and suggest the recruiting of three or more regiments of mounted riflemen.

The first question is constantly before the department, and I assure you that its importance is fully appreciated. Until Congress authorizes the raising of a military force for purposes of general defense, I deem it unwise for the department to suggest that authority be given it to organize special troops for special duty. I will, however, have careful study made of your suggestion and will give it full consideration when the matter of organizing new units is up for decision.

Very truly,
NEWTON D. BAKER,
Secretary of War.

I have read these extracts, Mr. President, for the purpose of showing to Senators that this, as I have said, is not a new matter, but that it has been presented and has not been turned down directly by the War Department through the Secretary or the Chief of Staff, expressions from both of whom indicate that at the last hearing they were considering this matter, and both recognized the great efficiency of the force I was suggesting.

Mr. President, with reference to my own interest in this matter, I have been accused by the newspapers for a good many years of being guided by personal, private, material, and financial interests, although I think I have not heretofore been accused of being actuated by partisan motives. I have not undertaken to reply and do not intend to reply to such statements. What I have said with reference to the article in the World was just in passing. I do not care anything about what the newspapers say of myself, but in justice to my constituents, as showing their realization of the conditions and their demand for action, I want to read one or two telegrams, and then I shall ask that the others may be printed in the RECORD. I read first the following:

SANTA FE, N. MEX., *May 10, 1917.*

Hon. ALBERT B. FALL,
Washington, D. C.:

I have been directed by the State legislature—

The State legislature was at that time in special session, called for emergency purposes, war matters, by the governor of the State—

I have been directed by the State legislature to forward to you the following joint memorial adopted by the same:

"*To the Congress of the United States:*

"The Legislature of the State of New Mexico respectfully memorializes and requests the Congress of the United States to adopt the amendment to the Army bill proposed by Senator ALBERT B. FALL providing for organizing three regiments of volunteer cavalry to be recruited in the States of Arizona, New Mexico, and Texas for service along the Mexican border."

ANTONIO LUCERO, *Secretary of State.*

I may say to you who may be interested in the matter that Mr. Lucero, secretary of state, is a Democrat.

I have the following telegram from Bisbee, Ariz.:

BISBEE, ARIZ., *May 8, 1917.*

Senator A. B. FALL,
Washington, D. C.:

This great copper-producing community fully indorses and urges the adoption of your wise amendment to the Senate Army bill. Feel that you have our fullest support.

C. W. ALLEN,
President Warren District Commercial Club.
J. W. WHITE,
President Business Men's Association.

It is possible that the Senator from Arizona [Mr. ASHURST] can tell as to the politics of these gentlemen. I read another telegram from Bisbee:

BISBEE, ARIZ., *May 8, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Representing the mining industry in Arizona, producing 700,000,000 pounds of copper annually, essential to welfare of more than a third of the entire copper output of America, we most vigorously indorse and urge the adoption of your amendment to the Senate Army bill.

J. E. CURRY,
Secretary Arizona Chapter American Mining Congress.

I do not know the politics of Mr. Curry nor of the gentlemen composing the mining congress.

I now read a telegram from the Chamber of Commerce of Douglas, Ariz., one of the great smelting centers; in fact, the great smelting center of the Southwest:

DOUGLAS, ARIZ., *May 7, 1917.*

Senator FALL,
Washington, D. C.:

The Douglas Chamber of Commerce and Mines asks that you support with all vigor the Fall amendment to the Senate Army bill asking for three regiments of volunteer cavalry for border duty. This is very essential to guard mammoth smelting plants at Douglas, as well as El Paso property.

DOUGLAS CHAMBER OF COMMERCE AND MINES,
By OSCAR K. GOLL, *Secretary.*

My general information has been that the majority of these cities in Arizona are not only overwhelmingly Democratic in votes, but that practically all their officials are Democrats. That is simply my general information. I think the Senator from Arizona could tell, for instance, whether or not the mayor of Bisbee is a Democrat.

I now read a telegram from the mayor of Bisbee, Ariz.:

BISBEE, ARIZ., *May 8, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Your amendment to Senate Army bill meets with the fullest indorsement of all the people of this section engaged in the production of copper. We urge its adoption. If it is to be changed make the number of regiments larger.

JACOB I. BRICKSON,
Mayor of Bisbee, Ariz.

Here is a telegram from Albert Steinfeld, whom every old-timer in the Southwest knows. He is from Tucson, Ariz., and his telegram is of the same general tenor and effect.

I have another from O. C. Parker, of Tucson, Ariz.; another from the Tucson Chamber of Commerce, and another from the mayor of Tucson. I am merely making reference to these telegrams, but I shall ask that all of them be published in the RECORD.

The PRESIDING OFFICER. Without objection, permission is granted.

Mr. FALL. I have another telegram from Peter Corpstein, mayor of the city of Phoenix, politics unknown to present deponent.

Here is one from the Rotary Club of Phoenix, Ariz., by P. C. Gettins, president.

The mayor of Yuma, Ariz.—and I heard the Senator from Arizona a short time ago mention the danger that Yuma might be in—sends the following telegram:

YUMA, ARIZ., *May 5, 1917.*

Senator A. B. FALL,
Washington, D. C.:

The city of Yuma urges retention of amendment pertaining to recruiting of mounted volunteers for border service. We feel this would be a distinct economical feature and we are glad our State's congressional Members are for it and hope they assist you in getting the amendment adopted.

GEO. MICHELSEN, *Mayor.*

I have one from the president of the Chamber of Commerce of Phoenix, Ariz.; one from the mayor of Globe, Ariz.; one from another old-timer of Phoenix, who understands something of the conditions on the border; one from Clifton, Ariz., from one of the city officials; one from the superintendent of the Chino Copper Co., at Santa Rita, N. Mex., one of the largest producers of copper in the United States.

I have a telegram from the Chamber of Commerce of Silver City, N. Mex.; another signed by R. L. Young and W. W. Cox, of Las Cruces, N. Mex. I happen to know that Mr. Cox is a Republican and that Mr. Young is one of the most prominent Democratic attorneys in the entire southern part of New Mexico.

I have another telegram from the mayor and city council, as well as the president of the Chamber of Commerce of Deming, N. Mex. I believe that the records of the last election will show that they all voted the Democratic ticket and are in the habit of doing so. I have another from the Silver City National Bank, of Silver City, N. Mex; one from the Silver City

Enterprise; one from Frank T. French, president of the Bascom French Co., at Las Cruces; another from the John H. May Grocery Co., at Las Cruces, N. Mex.; another from the Deming Chamber of Commerce; another from the superintendent of the mill of the Chino Copper Co.; another from the Las Cruces Business Men's Association; another from the president of the American National Bank at Silver City; another from Percy Wilson, mayor of Silver City, N. Mex.; another from E. M. Sawyer, manager of the Phelps-Dodge Co. interests at Tyrone, where they are building up one of the great copper camps of the world.

I also have a telegram from George Kingdon, of Jerome, Ariz. Mr. Kingdon was manager of the Cannanea Copper Co.'s interest in Chihuahua, Mexico, and is now at Jerome, Ariz., in the copper business.

Mr. President, I have trespassed upon the time of the Senate in calling particular attention to these telegrams, so that it may be understood that I have been conscientiously, at least, asking the assistance of the Senate in behalf of the people of my section of the country, the people of the border States. We have had a great many arrests. The officers of the secret service have been very busy in New Mexico. Attempts have recently been made to blow up the great Government structure, the Elephant Butte Dam, and attempts have been made to destroy our coal mines. We furnish all the coal to all the railroads and coal and coke to all the copper mines and smelters throughout the Southwest. Threats have been made to blow them up. One-half of the coal miners in New Mexico are citizens of Austria, and the other employees are practically all foreigners. We have been compelled to do our best to guard ourselves. Of course, the blowing up or destruction of coal mines means the consequent retardation, at any rate, of transportation in the event it becomes necessary for the Government to use our roads for transportation. As I have said heretofore, every mile of every railroad for 800 miles from the border is in the hands of Mexicans. Secret-service men who were working with those irresponsible people have seized the plans of the bridges which were to be blown up and have seized dynamite in their possession.

The Regular Army has been stationed at different points along the border. They do not constitute a mobile force. They are entirely incapable of performing the duties such as I have suggested here to the Senate that it was necessary to have performed by some one. Now, sir, I say there has not been a word of objection by anyone to this amendment. The House conferees struck out the so-called Roosevelt proposition for a volunteer force, and struck out this proposition because it was also a volunteer force.

Since that time the conferees have not considered it, although twice the House has sent back to them this bill under instructions.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Missouri?

Mr. FALL. I do.

Mr. REED. Can the Senator give us any information as to why the House asked to have this bill sent back—why they put in the Roosevelt volunteer force, after having voted against it by an overwhelming vote?

Mr. FALL. I can not. I have not the remotest idea what actuated the House. I have not the slightest information upon the subject. I do not understand the trend of the Senator's question.

Mr. REED. The only trend of my question is to get that information. It has been a complete puzzle to me; and as the Senator was speaking about a matter that was germane, I merely asked to ascertain if he knew.

Mr. FALL. I have not the remotest idea and never understood at all what actuated the House. I supposed that they had, as wise men often do, changed their opinion and had decided that they would provide for a hundred thousand volunteers, and so acted and instructed their conferees, who obeyed their instructions.

Mr. SMITH of Michigan. They concluded to do the right thing; that is all.

Mr. FALL. And then, when the bill came in here, we had no opportunity, of course the Senator realizes, to consider it until now. Although the conference report twice has been printed here, we never could lay our fingers on it. When it went back into the House, we were informed that the House again rejected it for some reason connected with the pay of the enlisted men and sent it back with instructions; and not only the House conferees but, I think, the Senate conferees obeyed the instructions.

Mr. President, I shall not take the responsibility as one lone man here of asking that this bill be sent back to the conferees. In my judgment, it is a foolish measure at this time, for the several reasons which I have given.

In my judgment, the most meritorious part of the entire bill was that which sought to correct the intolerable conditions existing along the southern border of this country. For five years now we have had the Army, and have it now, to the extent of approximately 40,000 men, along that border. Their faces, except while ordered south during the Pershing expedition, have been turned to this side and not to the other. Their desire to do their duty, their patriotism, is unquestioned; but they can not do it when they are tied down, and when the military forces are placed largely in the hands of the foreign department of this Government.

One of the troubles that you are going to have now is the interference of one department with another in the conduct of this war and the insistence of your regular military organization upon controlling every man in the field, whether in the trenches of France or on the Mexican border. You have got to deal with it sooner or later. Congress raises armies. You do not delegate that power, or you are not supposed to delegate it, to anyone else. You are going to meet these propositions sooner or later, or else you are going to meet a great humiliation; and you are going to meet in the enforcement of the provisions of this bill throughout the country such a storm of protest as you never heard rattle around your ears before.

APPENDIX.

TUCSON, ARIZ., *May 4, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

I am in hearty accord your plan to recruit several regiments mounted volunteers, under President's direction, to protect border States and serve elsewhere if needed. Trust your amendment will carry.

ALBERT STEINFELD.

—

TUCSON, ARIZ., *May 4, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

We strongly favor your amendment to Senate Army bill, providing three regiments mounted volunteers for protection of property and citizens of border States and service in foreign countries, under direction of President.

TUCSON CHAMBER OF COMMERCE.

—

TUCSON, ARIZ., *May 4, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

Our citizens are unanimous in their hearty indorsement of your amendment to Senate Army bill, and beg of you to urge its retention.

O. C. PARKER, *Mayor.*

—

PHOENIX, ARIZ., *May 5, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Your amendment to Army bill, to include organization of volunteer Cavalry for border-patrol duty, has our indorsement. We hope the value of this amendment will be appreciated and amendment adopted.

PETER CORPSTEIN,
Mayor City of Phoenix.

—

PHOENIX, ARIZ., *May 5, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Plan for including amendment to Army measure to provide for volunteer Cavalry for border-patrol duty has hearty support of Rotary Club.

P. C. GETTINS, *President.*

—

PHOENIX, ARIZ., *May 5, 1917.*

Hon. ALBERT B. FALL,
Washington, D. C.:

We strongly urge retention of your amendment to Army bill to include provision for border patrol by mounted volunteers.

CHAMBER OF COMMERCE,
H. J. MCCLUNG, *President.*

—

GLOBE, ARIZ., *May 6, 1917.*

Hon. ALBERT B. FALL,
Washington, D. C.:

The protection of citizens and property in border States, as provided for in your amendment to the Senate Army bill, is most vitally important, and the amendment should be enacted into law without fail.

G. D. BARCLAY, *Mayor.*

—

PHOENIX, ARIZ., *May 5, 1917.*

Hon. ALBERT B. FALL,
United States Senate, Washington, D. C.:

I am strongly in favor of retention of your amendment to Senate Army bill.

GEO. J. STONEMAN.

CLIFTON, ARIZ., *May 7, 1917.*

Hon. ALBERT B. FALL,
Capitol Building, Washington, D. C.:

I am in favor of your amendment to Senate Army bill recruiting volunteers for border duty and protection of property and citizens.

NORMAN CARMICHAEL.

—

SANTA RITA, N. MEX., *May 3, 1917.*

Hon. ALBERT B. FALL,
United States Senate, Washington, D. C.:

Have been informed there is possibility of raising volunteer cavalry for border duty. All people of this section approve having a protection as suggested, and any effort in behalf of such legislation will be highly appreciated.

HORACE MOSES,
Superintendent Mine Chino Copper Co.

—

SILVER CITY, N. MEX., *May 3, 1917.*

Hon. ALBERT B. FALL,
Senate Chamber, Washington, D. C.:

We urgently request your support of Volunteer Cavalry bill for border protection. Think it extremely necessary for protection of border counties, especially against raids. Please take this up with a view to immediate action.

CHAMBER OF COMMERCE.

—

LAS CRUCES, N. MEX., *May 1, 1917.*

Hon. ALBERT B. FALL,
United States Senate, Washington, D. C.:

Your amendment providing Volunteer Cavalry for border meets with universal approval. We could get 5,000 signatures to this message. Only such troops as your amendment provides will meet demands. Synopsis of your speech published to-day gives exact facts. Wire if we can be of service. Please wire result in House.

R. L. YOUNG.
W. W. COX.

—

DEMING, N. MEX., *May 3, 1917.*

Senator FALL,
Washington, D. C.:

The entire county indorses your amendment to provide volunteer Cavalry for border protection and urge you to make every effort to secure same.

M. A. NORDHAUS, *Mayor.*
F. L. NORDHAUS, *Chairman Committee.*
J. A. MAHONEY, *President Chamber Commerce.*

—

SILVER CITY, N. MEX., *May 3, 1917.*

Hon. A. B. FALL,
Senate Chamber, Washington D. C.:

We think it absolutely necessary for the protection of the border that immediate action be taken in support of bill to create volunteer Cavalry for border protection. Your prompt action and support will be highly beneficial.

SILVER CITY NATIONAL BANK,
T. L. LOWE, *Vice President.*

—

SILVER CITY, N. MEX., *May 3, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Amendment providing Cavalry regiments for protection on Mexico border has caused great feeling of relief among people of Silver City and vicinity, where tension over threatened border attacks has been quite real. They felt as Congress adopts amendment a great step forward will have been taken for our protection, a protection of which only those who live in border counties realize as urgent and necessary.

SILVER CITY ENTERPRISE.

—

LAS CRUCES, N. MEX., *May 4, 1917.*

Senator A. B. FALL,
United States Senate, Washington, D. C.:

We support in the strongest possible manner your action in the Senate in moving your amendment to provide volunteer Cavalry for the protection of the border. We believe such protection to be absolutely essential. Local sentiment is everywhere with you, and we trust the Secretary of War will give you the troops asked for.

BASCOM FRENCH CO.,
By FRANK T. FRENCH, *President.*

—

LAS CRUCES, N. MEX., *May 4, 1917.*

Senator A. B. FALL,
Washington, D. C.:

We support in strongest manner action in Senate moving your amendment to provide volunteer Cavalry for protection of border. We believe protection absolutely necessary, especially at this time. Danger of raiding greater than ever. Sentiment of this locality approves your action.

THE JOHN H. MAY GROCERY CO.,
By VINCENT B. MAY.

—

DEMING, N. MEX., *May 4, 1917.*

Senator A. B. FALL,
Washington, D. C.:

The Deming Chamber of Commerce wishes to urge upon you the necessity for a border patrol of Cavalry, and ask you to place the matter before the proper persons or department to get results. This is of vital importance to this section.

THE DEMING CHAMBER OF COMMERCE,
By J. A. MAHONEY, *President.*

—

HURLEY, N. MEX, *May 3, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

With reference to proposed legislation regarding raising volunteer Cavalry for border patrol, think this would be good measure, and this community is highly in favor of it and would thank you for anything you can do in aid of such legislation.

W. H. JANNEY,
Superintendent Mill, Chino Copper Co.

LAS CRUCES, N. MEX., *May 4, 1917.*

Senator A. B. FALL,
United States Senate, Washington, D. C.:

We heartily indorse and deem essential your amendment in the Senate providing volunteer Cavalry for border duty, this being considered the most efficient method of coping with raids such as occurred at Columbus last year. It is necessary that some protection be provided border counties, and your action should have weight an consideration, as it shows an intelligent grasp of the situation and local conditions.

LAS CRUCES BUSINESS MEN'S ASSOCIATION.

—

SILVER CITY, N. MEX., *May 3, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

Our people desire passage of bill for volunteer Cavalry for border protection. Urge you to support and press bill.

JACKSON AGEE,
President American National Bank.

—

SILVER CITY, N. MEX., *May 3, 1917.*

Hon. ALBERT B. FALL,
United States Senate, Washington, D. C.:

Understand there is possibility of authority being given to raise volunteer Cavalry for border protection. This seems a necessary expedient, in view of present lack of Cavalry on the border and the urgent need for that arm of the service at that particular place. Silver City is in favor of this and urges you to use every effort to secure it.

PERCY WILSON, *Mayor.*

—

TYRONE, N. MEX., *May 5, 1917.*

Hon. A. B. FALL,
United States Senate, Washington, D. C.:

In behalf of the citizens of Tyrone I request your earnest support of bill providing for a force of volunteer Cavalry on the New Mexico border. It is urgent that protection be provided for towns and mining plants on and near the border, and the proposed Cavalry would most adequately suit the purpose.

E. M. SAWYER,
Manager Phelps-Dodge Interests.

—

JEROME, ARIZ., *May 9, 1917.*

Senator A. B. FALL,
Washington, D. C.:

Think your plan of three regiments of mounted volunteers is fine.

GEO. KINGDON.

Mr. STONE. Mr. President, there are three definite objections I have to this bill as reported by the conference committee. One of them relates to the limitation put on the bill by the conferees as to the time when the conscription authorized should certainly end. I am not going to discuss that question now, for the reason that it has been already adequately debated and I think the subject is quite well understood by Senators. I have already spoken about that and I am willing to leave it where it is.

I wish to address myself especially to the seventh subdivision of section 1, which I will read. It is not long:

Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize and equip, not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army—

If this provision had stopped there it would not have been so objectionable to me as it is. I advocated the conscription policy as against the volunteer policy, and, following the lead of the administration and the Military Committee in that behalf, adhered to the view that the two things could not consistently run on parallel lines; that the one would in large measure disturb the successful administration of the other; still, if this provision had stopped at the point where I ceased reading it would not, as I have said, have been so objectionable to me. But it goes on further to say:

And provided further, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

My judgment protests against both of those provisos. The first one I have read, that no one shall be permitted to enlist under the age of 25 years, is due to this mental attitude on my part: If we are going to have enlistments, and that seems to have been determined upon, and if we are going to have a volunteer army, which seems to have been determined upon, why limit the minimum age of enlistment to 25 years? Why permit a vigorous, ambitious, patriotic young man of 25 years to voluntarily offer his services to his country and deny that privilege to one equally well qualified but somewhat younger, say 24 years of age?

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Wyoming?

Mr. STONE. Yes.

Mr. WARREN. The Senator knows, I presume, that that is the so-called Roosevelt amendment, which passed this body by

a large majority, and while disagreed to by the conference, it went over to the House, where the House adopted it as it is; so that it has really passed both bodies in that way.

Mr. STONE. Yes; I know that.

Mr. WARREN. It is not really within the control of the conferees.

Mr. STONE. I know that. Nevertheless, in a very few words, if I may finish what I have to say on that subject, I express my emphatic dissent to the proposition embraced in that proviso, which denies to young men under 25 years of age the right to enlist voluntarily in the service of the country, while admitting those above that age.

Mr. WARREN. Of course, the Senator knows that they can enlist under that age if they enlist in the Regular Army. In that event they can enlist if they are 18 and over. The provision with regard to these four divisions contains the only restriction of that kind.

Mr. STONE. I fully appreciate what the Senator says, and I have no purpose of entering largely into that field. Take a young man of 24, take a young man of 18 or 19, and he could not get into this volunteer service.

Mr. WARREN. He can get in anywhere except in these four particular divisions authorized in the Roosevelt amendment; that is all.

Mr. SMITH of Michigan. Mr. President, may I interrupt the Senator for a second?

Mr. STONE. Yes.

Mr. SMITH of Michigan. I want to say to the Senator from Missouri that I think Gen. Custer, when he was a major general and marched down Pennsylvania Avenue with the American troops at the close of the Civil War, was not 25 years of age; and I do not believe there were very many brigadier generals that were 25 years of age at the close of the war.

Mr. STONE. I am not able either to verify or to dissent from the statement made by the Senator. My confidence in his historical reading justifies me in believing that he is substantially accurate.

Mr. SMITH of Michigan. I think I am right about it.

Mr. STONE. Mr. President, I voted against the minimum limitation in the bill brought in by the Senator from Oregon of 19 years, fixing the limit for drafting between 19 and 25. I thought 19 was too low. I wanted it 21, and that is what it is now; and I wanted the maximum more than 25, and it is now 30. The drafting age is now between 21 and 30. I am satisfied with that; but I opposed drafting a minor of 19 years or a minor of any age simply because he was not an adult, because he was not a grown man, because he had no voice in these important matters about which we have been legislating, had no influence, and because he was subject under the law to the control of his father as a minor, and I did not believe that the Government of the United States should use its power to go in and take him out of his home nolens volens. But now that has been remedied. Still, Mr. President, if a boy under 21—even 20, 19, or 18—of his own motion and desire should plead to go into the Army to serve his country, and his father and mother were willing, why should he be deprived of that opportunity? So many illustrious examples of the outcome of that very sort of thing in our martial history should make us pause to put that limitation and deprivation upon the patriotic youth of the country. I would not compel them to go, but I would not deny them the right if they wished.

THE ROOSEVELT PROVISO.

But I purpose to speak principally this afternoon with respect to the last proviso I have read. It is this:

And provided further, That no such volunteer force shall be accepted in any unit smaller than a division.

That is the Roosevelt provision, so designated. I want to talk about that. I want to talk about it very deliberately, as expressing my opinion. I do not care whether anybody likes what I am going to say or whether anybody even listens to it; I am going to say it and put it in the RECORD for my own satisfaction, if nothing else.

Mr. President, I am opposed to that provision. I think it is an outrageous thing to put into this law. I am going to talk about Roosevelt, but I am not going to say anything very harsh or bad about him. This is not the occasion to do that. I desire to discuss this Roosevelt business with the utmost conservatism.

Mr. WARREN. As the Senator always does.

Mr. STONE. Not always, but generally. I do not question Mr. Roosevelt's courage or intelligence, but I do question his judgment as a commander of men. I oppose this scheme to authorize him to enlist a large body of volunteers, first, because he is unfit to command; second, because this scheme is both personal and political——

Mr. SMITH of Michigan. Oh, no; not political.

Mr. STONE. Yes; political; and the very worst form of politics, too; and, third, because it is a matter of common knowledge that he has no respect for authority, constitutional or otherwise, and is incapable of subordination or obedience.

I.

I say he is unfit to command, and certainly unfit to command a large body of troops like a division or even a brigade. There is nothing in his experience, his training, or his temperament that would fit him for such a command. Mere physical courage, even though possessed to the point of audacity, is not the sole quality, nor even the most important quality, that fits a man in time of war to command and control the lives, the safety, and the health of great bodies of men, whether in camp, on the march, or on the fighting line.

Roosevelt is practically without military training. It is true that for a short time he did command a regiment in the Spanish-American War of 1898—a regiment of very brave men and willing fighters—and I do not deny that he led them courageously into battle, but he did not command them with judgment. As everyone knows, he got his men into a bad hole, where they were in imminent danger of being decimated and cut to pieces, and no doubt they would have been cut to pieces except for a negro regiment, under trained officers of the Regular Army, who came to the rescue and sheltered and saved him and them. By his own course in the only crisis of his brief and unimportant military career he demonstrated such a lack of poise and sound judgment as to make plain his unfitness to command even a regiment.

II.

I charge that this scheme is both personal and political.

Mr. SMITH of Michigan. I do not believe it, and I do not believe anybody else does.

Mr. STONE. Well, somebody else does.

Mr. SMITH of Michigan. I do not know about that.

Mr. STONE. Well, we will not get into any controversy about that. I do, and I am sure a good many others do. It is smeared all over with politics and most glaring personal favoritism. Plainly the amendment, which, as I have stated, is very properly called the "Roosevelt amendment"—think of that, a provision in a bill like this called the "Roosevelt amendment"!—was framed with the sole idea that it would exclude everybody but Roosevelt. Is not that true? I am going to show that it is true.

So far as I know, Roosevelt is the only man going out to the country proposing to raise a division—remember that, a division! At first, his offer was to raise a smaller body of volunteers; but his ambition grew with what it fed upon, and when competition threatened the bolder idea of raising a division instead of a brigade took root in his mind. Others offered to raise brigades and regiments, and when this happened the colonel's ambition, unwilling to endure competition, raised itself to the higher level of a division.

Mr. CHAMBERLAIN. Will the Senator let me interrupt him for just a moment?

Mr. STONE. Certainly.

Mr. CHAMBERLAIN. In view of the charge the Senator makes that this is political, would the Senator mind inserting in his remarks the vote of the Senate on the Roosevelt amendment?

Mr. STONE. I would not mind doing that if I had it at hand this moment, but I have not. I am, however, going to insert the vote of the House relating to this Roosevelt amendment, as expressed on the conference report. I have not the Senate vote at hand. The Senate did vote for the Roosevelt amendment after the House had rejected it. I can not now recall the exact vote. I wish the Senator would furnish me with this data and I would be glad to insert it in my remarks.

Mr. WARREN. I was going to say I hope the Senator would insert it.

Mr. STONE. I will be glad to do so. I want to insert it. I want to be absolutely fair and square about this matter. I am going to insert the House vote on recommitting the bill to the conference committee on account of Roosevelt—to help Roosevelt. I will try to get in the Senate vote also. I not only want the absolute vote but I want the political vote. I want it in that form. I want it to show the political proportions. That will show it is political.

So far as I am advised, Roosevelt is the only man who has offered to enlist a division.

Mr. SMITH of Michigan. He is the only man who can raise an army.

Mr. STONE. The Senator observes sotto voce that Roosevelt is the only man who can raise an army. I do not know whether that is true or not—I do not believe it is true—but he is not the only man who can raise a brigade or a regiment.

Mr. SMITH of Michigan. There are very few men in private life who could raise a division of soldiers voluntarily.

Mr. STONE. I think he is perhaps one of the few men in private life who might possibly raise a division; he may be the only one who could do so; but there are men who can raise units representing less numbers. What I am objecting to is that you are raising no volunteer force less than a division. I am speaking of the fact that he is the only man proposing to raise a division. Can not some patriotic man be permitted to raise less than a division? Many are offering to do that. It is a striking fact, very peculiar, that the progenitors of this scheme, the authors of this amendment, so framed the amendment as to provide that volunteers should not be accepted in units less than a division. The very language of the amendment discloses its purpose; I had almost said its sinister purpose, but I refrain from using that qualifying phrase. If there were any doubt of that, the speeches made by the Senators who specially favored this amendment prove conclusively what their purpose was, that is, to give Col. Roosevelt a chance to exploit himself as the one great volunteer hero of the war.

Mr. SMITH of Arizona. And shut out everybody else.

Mr. STONE. It would give him a monopoly of opportunity. Both the amendment and the supporting speeches show that the scheme is intended only—I want somebody to disprove this statement if it be untrue—that the scheme is intended only to promote the personal ambitions and fortunes of Theodore Roosevelt.

The speeches of Senators HARDING, LODGE, and JOHNSON of California, for all of whom I have the greatest personal respect, to say nothing of the speeches of other Senators, show beyond peradventure that the amendment was intended to enable Mr. Roosevelt to do a certain thing. They did not say it, but I say that the whole trend of it, the significance of it is to promote Roosevelt's ambitious personal plans, and we all know that no man in America could utilize a chance of that kind to better advantage.

Now for a question, and I am sorry the distinguished Senator from Massachusetts [Mr. LODGE] is not here, because I can quarrel with him in a better humor, it may be, than with some others, because of my long service with him. Among the advocates of this Roosevelt amendment is there one who is a sincere advocate—the Senator from Massachusetts professes to be one of those—of the conscription plan as embodied in the Chamberlain bill, who would have favored such a provision as that in question as an amendment if it had been primarily understood and intended to enable Gen. Scott, Gen. Pershing, or any man, either in private or military life, to raise a division of volunteers? No. I say all of them would have said—the Senator from Massachusetts, especially, would have said—something like this: "If we are to establish the conscription plan outlined in the bill, then you must not send out men authorized to raise large bodies of volunteers." All of them would have denounced the two things as inconsistent. But since Col. Roosevelt is clamoring for this special privilege his friends, including the senior Senator from Massachusetts, rise in the Senate without blushing to demand it for him, and they so frame the measure as to practically exclude everybody else and give Roosevelt a monopoly.

My friend the Senator from Oregon [Mr. CHAMBERLAIN], the chairman of the committee, said he would like to have the vote of the Senate inserted in my remarks. He has agreed to prepare the statement in the way he wishes, although I reserve the right to review it in substance if not in form. I will insert the Senate vote anyhow. I will insert it at the end of my remarks.

This brings me to the partisan phases of this discussion. I have heard much said to the effect that partisanship in this fateful hour of our national life and struggle should be put aside. I agree to that. Is this Roosevelt business partisanship? How are you going to determine that? Here is one way to determine it: The House of Representatives, the chairman of the committee told us only a few minutes ago what we already knew, had first voted down this Roosevelt amendment, which afterwards the Senate adopted. Then, afterwards, in the deliberations of the conference committee, it was agreed to eliminate Roosevelt from the bill, and the conferees so reported to both Houses. But there was a rally of Roosevelt's partisan forces in the House of Representatives, and they succeeded in reversing the former action of the House, and so sent the matter back to conference.

The Senator from Oregon, speaking of it this very afternoon, when his attention was called to this situation, said without qualification that the whole business was a play of politics. Let us see. On the motion in the House to recommit the bill with instructions to the House conferees to stand for the Senate Roosevelt amendment, contrary to the previous action of the House, the vote stood as follows: Ayes—that is, in favor of recommitting with instructions to accept the Roosevelt amendment put on in the Senate—Republicans, 171; Democrats, 44; total, 215. The per cent of Republicans voting for this Roosevelt amendment is 80, of the Democrats voting for the Roosevelt amendment, 20 per cent. I wish here to say that in these tabulations I have left out fractions. Sometimes the fraction would be on the one side and sometimes on the other. I have adopted the nearest round number.

Who voted against this Roosevelt amendment in the House? Republicans so voting numbered 30, led by JULIUS KAHN, who was committed to the draft theory, and who led the fight in the House when, in the first instance, this amendment was voted down; but in this last battle on the conference report KAHN was able to rally only 30 Republicans to his support.

On the vote to recommit and to accept the Roosevelt amendment the Democrats voting against it were 148, Republicans 30. What was the per cent? The per cent voting against it was Republicans 17 per cent, Democrats 83 per cent.

One other thing. Take the entire Republican vote cast in the House at that time on the yeas and nays, and how did it stand? Yeas 171, nays 30, total Republican vote being 201. The per cent of the total Republican vote against the Roosevelt amendment was 14 per cent.

The entire Democratic vote cast on that amendment was 192—yeas 44, nays 148. The per cent against the Roosevelt amendment was 77. That looks to me very much as if it was made a partisan question in the House of Representatives.

Mr. CALDER. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from New York?

Mr. STONE. I yield.

Mr. CALDER. I would like to ask the Senator if he knows that when the Roosevelt amendment was voted down it was voted down by tellers; there was no roll call; but when there was a record vote it carried by the majority he refers to.

Mr. STONE. What is the significance of that? That men voting by tellers for or against voted their real convictions, but were afraid to record themselves, and so changed on a record vote?

Mr. CALDER. If the Senator's inquiry is directed to me, I would say it was the change of sentiment in the country for Mr. Roosevelt. It was caused by the fact that the Members of the House believed the people throughout the United States wished Mr. Roosevelt to go.

Mr. STONE. Mr. President, I pass that by. If we are to have volunteers, why limit the volunteer units to divisions? That is the question I am interested in. It is the provision in the bill which limits it to a division that I am now particularly objecting to. Why not let other men equally able and patriotic, equally anxious to raise not divisions perhaps, but regiments and brigades, have the right to do so?

If this obnoxious amendment could be so broadened as to extend the privilege of performing this service to other men as well as to Col. Roosevelt, and authorize them to raise regiments or brigades, the forces so organized could be combined into larger units under the command of experienced officers, and they would get to the front at least as quickly as the much-exploited Roosevelt contingent, and could get to the front in better form and under better auspices for effective service.

Mr. President, there are Senators—indeed, the very Senators proposing this Roosevelt amendment—who cry out, as I have already said, "We must have no politics in this war." I agree to that sentiment absolutely; I insist upon its strict observance; and I want every Senator to stick squarely to it. It is worse than useless, however, for Senators to declaim against politics in the war while at the same time they are proposing a scheme which is saturated with the very slime of politics.

III.

I have said that Mr. Roosevelt has no respect for authority and that he is incapable of subordination or obedience. His whole career demonstrates the justness of that indictment. It would be the height of unwisdom, indeed it would be dangerous, to confer an important command in a great army upon a man of his temperament. I know that more lately he has declared that all he asks is authority to *raise* a division, and that after he has raised it he would be willing to accept a subordinate command, say, of a brigade of that division; but it would be "Roosevelt's division," and you know as well as I know that he would practically and in effect command it or have a row.

As President he was for more than seven years Commander in Chief of the Army, and no President was ever more dogmatic and dictatorial in the exercise of his authority. Every Senator who served here at that time knows that statement to be true.

He summoned old war-worn and battle-scarred veterans, like Gen. Miles, more than once altogether to stand before him with their toes on the chalk line. Kaiser Wilhelm himself was never more autocratic in a military sense than was President Roosevelt. Talk of authorizing him to raise a division to be distinguished by the name of the "Roosevelt division"—distinguished in that way, written in that way, given out in that way—the "Roosevelt division," and then talk of him taking a subordinate command of that division under some general who had been subject to him for seven and a half years! Do you believe it possible that this man could submit obediently to such authority? Unless he has undergone a marvelous change—and we have no evidence of that—he would not be in France six weeks before he would have the command—the division—in some sort of a ferment. The Army would constantly be bedeviled with round robins, or some other kind of robins, from the very start. We would have his part of the campaign in Cuba reproduced on an aggravated scale.

Why, Mr. President, his very persistence—I want to press this upon your thought—his very persistence in this matter, his individual persistence in this matter, is proof of his trouble-making insubordination. The President of the United States, the Secretary of War, and the military authorities of the Government have united on a plan of a selective draft to raise this great emergency army, and in that view the two Houses of Congress have concurred by an overwhelmingly vote. The President and the Congress have concurred as to that. Numerous Senators and Members of the other House did not approve of the conscriptive plan, but favored the raising of the Army through the agency of volunteers. The great majority, however, took the other view. After both the executive and legislative departments of the Government adopted the selective-draft system with practical unanimity, everybody accepted it as the plan agreed upon and to be carried out, except Roosevelt, and possibly those who may be regarded as his personal partisans. He still persists, and all along has persisted, in clamoring for what? The personal privilege of raising volunteers; and that has been put by him and his partisans upon the ground that he of all others could do that and that he personally wanted to do it. He is the one man in the whole country who will not accept what has been agreed upon, and who refuses to yield to the expressed judgment of the Government and the country. He persists, in spite of the general judgment, in touring the land and employing all the arts of which he is capable to compel the Government to confer this special honor and privilege upon him, to the exclusion of everybody else, and it is so stated on the floor here by Senators who have advocated it. By this course, while professing to approve the selective-draft system—and he does profess to do that—he defiantly—now think of that—defiantly antagonizes the underlying principle of the selective-draft system. While persisting in this course it is no answer for his partisan advocates here to say that in a general way he approves of the selective-draft system. To assume that attitude is the equivalent of saying—now, Senators, is this not true?—that he favors the application of the selective-draft system to everybody but Theodore Roosevelt. He seems to proceed on the theory that he should be exempt from the rules which he says are right rules for the government of the balance of the country. That position is essentially Rooseveltian.

Roosevelt has never stood by or harmoniously cooperated with any organization with which he has ever been connected—civil, political, or military—unless he could dominate it. Every Senator here knows that to be essentially true. The whole country knows it to be true. The history of all this is of too recent date, too fresh in the memories of men, for anyone to question it.

The Senator from Massachusetts said in his speech supporting this amendment that the ex-President, Mr. Roosevelt, would be a strong and inspiring figure in France; that he would be on easy, intimate, influential terms with the President of France and with other important officials in France, and so on and so forth. That is the substance of the Senator's utterance, although not the exact language. If President Wilson thinks he needs Mr. Roosevelt for any purpose of that kind, let the President send him to France for that sort of service in a civil capacity. If the President wishes him for that, let him choose him for it. Mr. Wilson is supposed to be in command; not Roosevelt. I express the opinion that the President of France does not need Mr. Roosevelt's services as a military censor or advisor. I venture to indulge that doubt. The President of France, speaking through Marshal Joffre, says that he wants American soldiers in France under the command of able and experienced officers at the front. He does not need American politicians, but American soldiers, under the guiding hand of officers who know how to command, and who, therefore, know how to obey when obedience is necessary.

In closing, Mr. President, I can not help regarding this scheme as unworthy of the Senate. It should not have been projected at a time when we are considering a subject of such grave importance as that we have had before us, a subject which concerns the raising of a great and effective American Army to fight our battles, and raising it, too, at an enormous expense to the people. When we are considering a question which so vitally concerns the lives and fortunes of millions of men, we should steer clear of partisan politics, whether present or future politics, and of personal favoritism.

Mr. President, it is possible that out of the storm of this war some great figure will emerge—some great figure like Grant, who rose out of the storm of the Civil War—who will so fascinate the patriotic imagination of the American people as to make him a future President of the United States; but for the honor and good repute of our beloved country let us not now go into the unworthy business of manufacturing presidential candidates. Let us really and honestly keep this frightfully, desperately grave business upon which we are engaged wholly outside the domain of partisan politics.

Mr. REED. Mr. President, in line with what the Senator has just said, I want to read a telegram, or a part of a telegram, under date of May 10:

> I have 1,200 young men who want to form an Artillery regiment. Have two West Pointers and 20 Regular Army or militia officers for regimental and battery officers. State adjutant general seems to have no authority to accept same. Can you not intercede for us and save this fine organization?

This is signed by a very responsible and, indeed, a wealthy young man in my city. It is one of many similar offers that have been made.

Mr. JOHNSON of California. I beg that the Senator from Missouri [Mr. STONE] will not leave for a moment.

The amendment, Mr. President, in this particular instance was offered by the distinguished Senator from Ohio [Mr. HARDING] and was supported by the distinguished Senator from Massachusetts [Mr. LODGE]. I regret exceedingly that any response should be made by me to what has just been stated by the distinguished and eloquent Senator from Missouri, but I feel, Mr. President, that I would be wanting in the affection that I have for Theodore Roosevelt if I did not at least register a dissent and answer in a feeble way that which has been said upon this floor to-day. In answering, I answer not in bitterness of spirit at all, and I do not answer in crimination or recrimination in any degree. I answer the distinguished Senator from Missouri because I am the friend of Theodore Roosevelt, and in the territory from which I come when a friend is assailed, it is the duty of his friend, even inadequately, feebly, and weakly, but to the best of his ability, at least to respond.

I listened with surprise; with chagrin—aye, as a Senator of the United States, the youngest in service upon this floor, I listened with humiliation—to the remarks of the senior Senator from Missouri [Mr. STONE] as he excoriated Theodore Roosevelt, and as he held up to the scorn and the contumely of this Nation what he termed contemptuously "the Roosevelt division." With every variety of inflection that it was possible for him to infuse into the words, again and again he spoke of "the Roosevelt division" under this amendment. Had the words come from any other than a Senator of the United States; had the words been uttered in that fashion outside of this particular assemblage; had we heard this sort of thing said by one beyond the portals of this Capitol concerning the Roosevelt division, we would have concluded at once that the utterer desired no division at all of American soldiers in this war. That, of course, would not be imputed to any Senator upon this floor. But I glory, Mr. President, in the Roosevelt division; and notwithstanding the contempt voiced concerning that division, it is with pleasure and with joy and with a bubbling patriotism that I refer to "the Roosevelt division," as the Senator has termed it.

Oh, the Roosevelt division! What is it that is asked? It is asked only by a man who is now really in the twilight of life that he may finally lay down his life for the country that has been his. It is only that he asks that he may serve that country, may go forth to battle for his country's rights, and may do all that may be done by human being in behalf of his Nation. When was it that a nation denied to its sons the right to fight in its behalf? I may be acquitted of the criticism that has been leveled to-day at certain Senators who voted for this amendment alone, because I voted as well to permit volunteers; but the attack that has been made in this Chamber is one that I regret, and it is a very, very sad thing at this particular time.

We have stood shoulder to shoulder, both sides of this Chamber, in this war. I vie with you, sir, and with every man upon the other side, in upholding what may be necessary to be done in this time of national crisis. Every man here,

no matter what his previous political predilections have been, has stood for the right, for Americanism, and for our flag in this great contest. It has remained for to-day in the United States Senate, for the first time in the history of this conflict, and the first occasion since the 2d day of April last, when the President made his glorious address to the Houses of Congress, for politics to be injected into this particular fray and into this world conflict. There is no politics in begging to serve one's country; the politics is in the carping and ungenerous criticism of the request.

To say that Roosevelt desires for personal ambition and political favor hereafter to go to war is indeed to beg the entire question and to deny the entire life of this patriot. To say that he has asked in this particular instance that he may enlist in behalf of his Nation for political reasons is, I submit, without either foundation in fact or foundation, indeed, in any logical deduction that may be drawn from the events of the last few years.

The distinguished Senator has said that Roosevelt has toured the land in the endeavor to do that which he desires. Aye, he has toured the land. He toured the land for preparedness two and a half years ago, and ye laughed at him as hysterical. He toured the land two and a half years ago, and continuously since, for undiluted Americanism, and ye said that he was merely dealing in jingoism. To-day you have adopted his doctrine of preparedness. To-day his undiluted Americanism, to which at first but few listened, has become the slogan of the whole Nation. He toured the land for patriotism, for Americanism, and patriotism and Americanism constitute his offense.

Oh, this attack is a sad, sad thing! This war is no man's war; as has been repeatedly said upon the floor of this Chamber, it is no party's war; and it is a war, no matter what may be the internecine strife against those who wish to fight the war that will be fought and will be fought for the American Nation.

I yield, of course, a ready obedience and obeisance to the extraordinary military knowledge of the distinguished Senator from Missouri. I recognize him as a military strategist who, in a few brief sentences on the floor of this Chamber, can dispose of the services of a man like Theodore Roosevelt, given in time of stress in the nineties, as he gives those services in time of stress like the present. I recall that charge up the hill about which the distinguished Senator sneers this afternoon, and which he has belittled, and which, indeed, he has ridiculed. After all, my friends, Roosevelt fought, and he fought for the United States of America. After all, he asks only that he be permitted to fight to-day for the United States of America; and in that charge up San Juan Hill, take the contemporaneous records and you will find that he fought the fight of a brave man that day, and that he led his command, and that he led them to victory.

Experience is spoken of, the necessity for a military education, and the like. Grant it if you will. There is one thing this man has, one thing that he has proven in the life that he has lived in the open in this Nation: He has red blood in his veins, and he has the ability to fight, and he has the tenacity and the courage to win when he fights; and that is the sort of an American that is needed and is required in this war. I say to you, gentlemen of this particular assemblage, that if a man can raise a division, if he is able to go forward, if he wishes to fight, to die if need be, for his country, it is a sad and it is a humiliating thing that his motives shall be questioned and that his course shall be assailed in the very act near the close of his great career, which is the noblest and greatest of all.

Oh, for more Roosevelts in this Nation! Oh, for more men who will stand upon the hustings and go about the country preaching the undiluted Americanism that all of us claim to have! Oh, for more Roosevelts and more divisions of men who will follow Roosevelt! With more Roosevelts and more Roosevelt divisions the flag of the United States will go forth in this great world conflict to the victory that every real American should desire and demand.

Mr. WILLIAMS. Mr. President, I send to the desk and ask to have read as a part of my remarks a clipping from to-day's Washington Times, which I think somewhat apropos to the situation.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

NOW FOR ACTION.

A good Quaker once encouraged an assailant who was indulging in billingsgate with the remark, "That's right, friend; let the bad stuff out of thee."

The Senate, having spent some four hours yesterday in executive session in letting off the accumulated volume of criticism against the newspapers for hurrying them up, against the people who do not understand the importance of preserving senatorial dignity at all hazards, at the administration for its manifest desire to see the war measures passed, and the Council of National Defense for exceeding its powers, should now be able to get down to business. The mountain duly labored and produced a diminutive mouse, in the form of an amendment requiring the Council of National Defense to obey the laws.

But, seriously, this is no time for insisting on senatorial prerogatives. It is true that the Senate feels that the creator is above any of its creatures, and as it helps to pass legislation making new offices and then has its say concerning the men to fill these offices it feels that no man selected for an important task can possibly know more than a Senator. It feels the contempt of the creator for the creature whenever it indulges in criticism of "some little bureau chief." The big business men, on the other hand, who have patriotically proffered their services to the Government and form the Council of National Defense and its advisory boards and working committees are naturally impatient at being hampered by restrictions which the Senate thinks are necessary to safeguard its own powers. They wonder that it takes days of debate to decide questions on which any educated man, not having his constituents in mind, could express his opinion in five minutes, which an ordinary board of directors could pass upon in a half hour. There must be patience here on both sides. The Senate has heard from the press and from the people that needless delay will not be tolerated, and it will yet find a way to suppress the senatorial proclivity of talking ad libitum. The executive session is not a bad idea in itself, for while its proceedings are always duly reported in the newspapers, the speeches made can not be sent out to one's constituents, and talking for buncombe is largely eliminated.

It is a great task on which the United States has entered, one in which useless delay is hampering and may be fatal. The signs that the Senate begins to appreciate this fact in attempting to defend its habits of procrastination are welcome to the American people.

Mr. WILLIAMS. Mr. President, I have nothing to add to that, except to express the hope that in some way, somehow, we may speed up and attend to the people's business.

In so far as the discussion about the obtrusion of politics into the present situation is concerned, I am sorry to say that I agree with both sides. I think that politics has been brought into it on one side in the way of fighting for position, and on the other side in the way of trying to prevent somebody's fighting for position. I think it is a case of mountains laboring and a ridiculous mouse being born; and I do hope, with all the balance of the one hundred and four millions of the American people, that we will stop useless differences among ourselves, and will try to bring the emergent business of the Republic to a speedy conclusion.

Mr. SMITH of Georgia. Mr. President, I desire to suggest to the Senate that the trouble we have, at least a number of us, growing out of the fact that the conference report has stricken out the language limiting the emergency to the war with Germany, might be obviated by a very brief amendment to the military appropriation bill which we will take up immediately after the conference report, if we adopt the conference report; and for information I wish to read to the Senate an amendment which I shall offer at the close of that bill, numbering it section 4:

That the language "existing emergency" or "emergency" used in the act passed at the present session of Congress entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States" is hereby declared to mean the emergency caused by the war with Germany.

That bill is an appropriation bill for military purposes. I am not sure that this amendment could be offered over objection. We could handle it very easily, however, by temporarily laying aside the conference report—the chairman of the Appropriations Committee has seen this amendment and will accept it—and if we could be allowed to add this amendment to the military bill, I think many of us would vote for the conference report without embarrassment.

I have been impressed with the importance of terminating action upon this conference report, and yet, frankly, I would not have voted for the bill except with the distinct understanding that "the emergency" meant the war with Germany, and I am distressed that those shaping the bill desire to eliminate that language. I believe that a large majority of the Senate meant by that language the war with Germany, and I wish to submit this to the Senate to see if there is any objection to it.

Mr. JONES of Washington. Mr. President, as I remember the reading of that amendment, it says that it is to be construed to mean the emergency caused by the war with Germany.

Mr. SMITH of Georgia. Yes; it limits the emergency to the emergency caused by the war with Germany.

Mr. JONES of Washington. All sorts of things may grow out of the war with Germany.

Mr. SMITH of Georgia. No; I do not think that is the case.

Mr. JONES of Washington. They might. I do not think that language will meet the situation at all.

Mr. SMITH of Georgia. The Senator does not think it goes far enough? Would the Senator agree to this language:

Is hereby declared to mean the war with Germany.

I want to find out if there is any objection on the part of the Senate to adding that language to the House bill.

Mr. PHELAN. I should like to inquire the object of the Senator in limiting the emergency to the war with Germany.

Mr. SMITH of Georgia. We have been debating that quite a while. Many of us are utterly unwilling to give these powers except as incidents of the war with Germany, and in voting for the bill we put that language into it and sent it to conference with that language in it.

Mr. PHELAN. In the event of the adjournment of Congress, should another emergency arise—war with another nation—would not the legislation we have passed to meet the emergency cease and be of no avail?

Mr. SMITH of Georgia. There could not be a war with another nation unless we came and declared war. I for one am utterly opposed, and we have spoken on that for hours to-day, to giving a selective-draft system except for this specific war.

Mr. PHELAN. Do I understand that the Senator contemplates Congress shall remain in session during the entire period of the war?

Mr. SMITH of Georgia. I certainly contemplate that Congress should be in session if war is to be declared.

Mr. SMITH of Arizona. It would be bound to be in session.

Mr. GALLINGER. And whether war or not, if the Senator will permit me, it looks very much like we might be in session for the rest of the year.

The VICE PRESIDENT. The Chair hears no objection to the amendment, and assumes no point of order will be raised against the amendment as presented by the Senator from Georgia. The question now recurs on agreeing to the conference report.

Mr. REED. Mr. President, I desire a little light if I can get it. The Senator from Georgia proposed to withdraw objection to the pending conference report upon some kind of an assurance, a sort of a good-faith assurance here, that no point of order would be raised against an amendment which he has written out and read to us. That is all right so far as it goes, and, of course, if that method is pursued, I do not object, but I confess that as a Member of the Senate I should like to know a little more of the reasons which caused the chairman of the committee to suggest that it is not safe to send the bill back to conference. It went to conference; the House withdrew it from the first conference, reversed its own action, and sent it back. I think the third conference report has been printed. In all these cases the additional conference has been at the request of the House.

I wish the chairman of the committee could take us into his confidence and tell us why it is dangerous to send the bill back.

I confess that I am getting awfully tired of being told that I must do something because some mysterious agency is at work or some mysterious danger is impending or some mysterious thing is going to happen. I think we ought to know. It is inconceivable to me that the House of Representatives would deliberately undertake to forestall and destroy this legislation. It may be that the House of Representatives may desire to submit some other matter. It certainly would be very extraordinary if that body at this late day would ask to reopen the entire question.

I do not fear another Roosevelt amendment, because there is only one Roosevelt. It is barely possible that they might want to open the plan of volunteering to the entire country. But whatever the reasons are I think we are entitled to be given them. Then I am in favor of taking such action with reference to the particular bill that is now before us as we think we ought to take, and let the chances follow.

I ask the chairman of the committee if he can not give us some further light.

Mr. CHAMBERLAIN. Mr. President, I think the Senator from Missouri is in just as good a position as I am to know the objections that are likely to arise if this bill comes up again in another conference, to be considered possibly by new conferees. As a matter of fact, I do not know how far I am permitted to speak of the feeling of the conferees. The House conferees are all splendid and able gentlemen, but there was the Democratic chairman of the Military Affairs Committee on that conference who was originally entirely opposed to the draft principle. It is true when the House declared a policy he followed it out, and he was criticized on the floor of the House because he stood for the House action in excluding the so-called Roosevelt amendment in the first conference. On the other hand, the ranking Republican member of the committee in the conference was in favor of the draft system. The other members of the conference on the part of the House were divided in opinion as to the matter, so it can be seen that our work was not all plain sailing in conference. This diversity of opinion exists in the House.

I call the Senator's attention to one thing that may come up again in conference. It was very bitterly fought out in conference. That is the question of regulating vice and the use of intoxicating liquors in military reservations and camps. All these matters are now a part of the bill and would inevitably come up again. The Senator has no idea of the difficulties we encountered in trying to reach an agreement on this very important measure.

The Senator says that the conference would hardly go back on the action of their respective bodies, yet we find that the Senate itself, after it solemnly passed the so-called Roosevelt amendment, undertakes to reverse the action of the Senate now on the report of the committee. May not the House reverse itself on important provisions of the bill again as it did on the volunteer amendment?

Mr. WILLIAMS. There was not a thing about it in conference.

Mr. CHAMBERLAIN. There was not any difference on that amendment as it is now reported between the Senate and House. The two bodies were in exact accord as the bill is finally reported here. But there is no assurance that either body will stand hitched, as the Senator from Mississippi suggests, and they may change their policy on every phase of the bill if it is taken up again.

Mr. President, it has been argued here all the time that this measure violates the traditions of this country, and nobody has done it more eloquently or more ably than the Senator from Missouri [Mr REED]. That feeling is still in existence. All these questions will come up again and be discussed over again in the House, and in the Senate, too, so far as that is concerned, and consume weeks of time.

My own opinion is, based upon conversations I have had with Members of the House and with Members of the Senate, too, that if this bill goes back to conference there will be no legislation within the next 30 or 60 or 90 days on this subject, and it is very essential that something be done and done quickly.

I can not help but repeat that the whole War Department is tied up in undertaking to do something with respect to increasing the Military Establishment. It is waiting for Congress to act.

I am not one of those who believe we ought to rush things because the press criticizes or some department insists upon its being done, but, Mr. President, I think every one realizes the importance of this situation and the necessity for getting through this bill to provide for the Army.

In this connection I am going to ask to have printed in the RECORD a statement of the history of this bill and its progress through the two Houses. There has been some suggestion that a good deal of time has been taken in the matter. I simply want to put this statement as to what has been done and how promptly it has been done in the RECORD.

The matter referred to is as follows:

HISTORY OF THE SELECTIVE-DRAFT MEASURE IN CONGRESS.

SENATE PROCEEDINGS.

April 16, 1917: First meeting of the Committee on Military Affairs held to consider the measure. Between April 4 and 16 the Committee on Military Affairs was considering the Army appropriation bill, the Military Academy appropriation, and a bill (S. 1786) to amend the national defense act approved June 3, 1916.

April 17, 1917: Measure again considered by the committee. Certain modifications made in the bill as submitted by the Secretary of War, and it was introduced in the Senate by Senator CHAMBERLAIN and known as Senate bill 1871, a bill to authorize the President to increase temporarily the Military Establishment of the United States.

April 18, 1917: Bill considered by committee, certain amendments made thereto, and it was ordered reported to the Senate as amended.

April 19, 1917: Bill reported to the Senate by Senator CHAMBERLAIN with majority report (S. Rept. No. 22) and bill placed on the Senate Calendar.

April 21, 1917: Motion made in Senate by Senator CHAMBERLAIN to proceed to its consideration, and agreed to. Minority report signed by Senators THOMAS, MCKELLAR, REED, KIRBY, and HITCHCOCK submitted to the Senate same day.

April 22, 23, 24, 25, 26, 27, and 28, 1917: Bill considered by Senate.

April 28, 1917: Bill passed by Senate at midnight. Recess taken for 30 minutes.

April 29, 1917: H. R. 3545, the House selective draft bill, placed before the Senate at 12.30 a. m. and referred to the Committee on Military Affairs. Reported back to the Senate by Senator CHAMBERLAIN, striking out all of the House bill after the enacting clause and substituting the provisions of S. 1871 as the latter bill had passed the Senate and bill placed on the Senate Calendar.

April 30 and May 1, 1917: House bill as amended considered.

May 1, 1917: House bill as amended passed by Senate, Senate on motion insisting on its amendment, asking for a conference with the House, and appointing Senators CHAMBERLAIN, HITCHCOCK, and WARREN conferees on the part of the Senate. Senate bill 1871 was thereupon postponed indefinitely by the Senate, it not having been sent to the House of Representatives after its passage by the Senate.

May 1, 1917: House disagreed to the amendment of the Senate and agreed to the conference asked for by the Senate, and appoints Messrs. DENT, FIELDS, QUIN, KAHN, and ANTHONY the conferees on the part of the House.

May 5, 1917: First meeting of the conference committee of the Senate and House.

The same conferees, between May 1 and 5, held conferences on the Army appropriation bill and the Military Academy appropriation bill, and finally disposed of both appropriation bills.

May 7, 8, 9, and 10, 1917: Conference held on the bill.

May 10, 1917: Conference report made in Senate by Senator CHAMBERLAIN, inserting new language for the matter carried in the bill as it was amended by the Senate. Conference report was signed by all the Senate conferees and the House conferees, except Mr. KAHN and Mr. ANTHONY.

May 11, 1917: Conference report made in the House by Mr. DENT.

May 12, 1917: Conference report considered by House and recommitted to the conferees on motion to instruct the House conferees to agree to a certain provision in the bill as it passed the Senate (the so-called Roosevelt provision). Senator CHAMBERLAIN in the Senate withdrew the conference report he had heretofore submitted to the Senate in view of the action of the House of Representatives.

May 14, 1917: Conference committee met in second conference and inserted the provision in the bill as passed by the Senate relating to the voluntary enlistment of not to exceed four infantry divisions, the so-called Roosevelt provision, being the seventh paragraph of section 1.

May 15, 1917: Conference report (second) made to House and Senate.

May 16, 1917: House recommits the bill to the conference committee the second time with instructions to insert in the bill a provision relating to a graduated increase in the pay of the enlisted men. The second conference report heretofore made in the Senate was thereupon withdrawn by Senator CHAMBERLAIN. The conference committee met for the third conference and inserted in the bill the provision relating to the pay of enlisted men, upon which the House conferees had been instructed. Third conference report made in the House and agreed to.

May 17, 1917: Third conference report made in the Senate.

Mr. President, I feel very deeply on the subject of getting this measure through, because I do not believe we can get it out in any reasonable time if it goes back to conference.

Mr. REED. Mr. President, I think all the Members of the Senate appreciate the desirability of getting action. Nobody here will desire to delay the bill. I can not think that the House of Representatives will fail to understand the question in just the same way and be actuated by just as patriotic motives. There has been only one suggestion made by the Senator that it seems to me could possibly open up any prolonged discussion, and that is that the draft proposition is proving unsatisfactory, for I think that is a fair interpretation of the Senator's language, although that is not his language.

Mr. CHAMBERLAIN. I did not mean to say that.

Mr. REED. Of course, if there is such a revolt in the country as will compel the Representatives in Congress to reverse themselves upon that proposition, if there is any such feeling as that in the country, we ought to heed it now, because I say to the chairman of the committee, whom I greatly admire and whose earnest work I appreciate and value, and I say to everyone this war must be carried on by the American people, and whoever expects to carry it to a successful termination would do well to have great regard for the opinion of the American people in the matter of its conduct.

Mr. CHAMBERLAIN. May I interrupt the Senator for just a moment?

Mr. REED. Certainly.

Mr. CHAMBERLAIN. I did not want the Senator to gather from what I had to say that I thought the selective draft was becoming unpopular. On the contrary, I believe the communications I have received contradict that idea. I did not mean to have that understood by the Senator.

Mr. REED. I do not want to state the case so that the Senator will be put in a light he does not desire to be put in. My own notion about it is just as I have heretofore expressed it. But I had my day in court here; I was defeated, and I am not trying to hold the bill up so as to get another vote. If the only thing that is left is the matter of cutting out the language that has been referred to by the Senator from Georgia in his recent remarks, I do not desire to delay final action, although I say to the Senate now that unless it does adopt a resolution construing the bill, it is my opinion that it is the fixed purpose of the War Department to give to the bill an entirely different meaning from that which was intended by Congress. I have not the slightest doubt of it.

I say again, and I want to say it with all respect in the world, but I say it because I think it is my solemn duty as one Member of this body, with all respect in the world for our Military Establishment, without saying that it may not be the best of its size in the world, I yet say that Congress has certain functions to perform. It must represent the American people. I never yet knew a professional military man who understood public opinion or understood how to deal with the civilian population. I think we ought not to tolerate any further interference with the language of bills as written by Congress, and that this language was changed in this bill, directly or indirectly, at the demand of the Military Establishment I can not possibly entertain any doubt.

Mr. KNOX. Mr. President, I should like to say just a few words with a view of acquitting myself of any responsibility for delay upon this measure.

With all respect to the opinions which have been expressed by Senators here to-day in discussing the difference between the language of the bill and the language employed by the Senate, or the difference between the "existing emergency" and "during the present war with Germany," it seems to me to be the difference between tweedledee and tweedledum.

While I have been entirely willing to agree to the amendment that was suggested a few moments ago by the senior Senator from Georgia, saying that we mean by the existing emergency the present war with Germany, I think it is wholly unnecessary. Is there an intelligent child over 12 years in the United States that does not know that the existing emergency is the war with Germany? We are confronted with no other emergency, Mr. President, but the emergency that arises out of the war with Germany.

Mr. WADSWORTH. Mr. President——

Mr. KNOX. Just let me finish this sentence. The language of this conference report is that those who are drafted shall be required to serve for the period of the existing emergency unless sooner discharged, not an emergency, as was suggested this morning, that might arise with some other country later on during the prosecution and conduct of the war, arising with some country, as was suggested, on our own hemisphere. That would not be the existing emergency referred to in this bill. This bill from its title to its conclusion refers not to emergencies generally, not to an emergency which may arise later on, but to the existing emergency.

I repeat, Mr. President, I doubt if anyone has any other conception as to what the existing emergency is than that it is the emergency of the German war.

Mr. WADSWORTH. Will the Senator yield?

Mr. KNOX. I have finished.

Mr. WADSWORTH. May I say, supplementing the remarks of the Senator from Pennsylvania, that it is very easy, to my mind, to think of an existing emergency which may not be terminated with the end of this war. It all depends upon the terms of the treaty of peace when the war shall have ended. The terms of the treaty of peace may not end the emergency. It has happened, I think, at least once in the history of this country that the treaty of peace was not deemed as the ending of the emergency. I think when the War of the Revolution came to a close and the treaty of peace was signed one of the terms of the treaty was that British troops were to be quartered or allowed to be stationed in portions of the then United States until certain other terms of the treaty were fulfilled, and until those troops were withdrawn the emergency of the people of the United States did not cease.

So at the end of the Franco-Prussian War, which, as everyone knows, resulted in the victory of Prussia, one of the terms of the treaty of peace there was that German or Prussian troops should be quartered upon the French people until the indemnity was paid, and so long as German troops were quartered upon French soil the emergency confronting the French people continued to exist. No man dares to prophesy what the terms of the treaty which shall bring this war to a close may be. It may very well be that the signing of the treaty of peace between the United States and its allies upon one side and the Teutonic powers upon the other will not definitely and conclusively end the emergency. It may be necessary for us, in compliance with the very terms of the treaty of peace, to keep this army in being for six months or one year after peace shall have been concluded.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. SMITH of Maryland (when his name was called). My general pair, the Senator from Vermont [Mr. DILLINGHAM], is absent; but I understand that if present he would vote as I shall vote. Therefore I vote. I vote "yea."

Mr. VARDAMAN (when his name was called). I have a general pair with the junior Senator from Idaho [Mr. BRADY]. In his absence I withhold my vote. If I were permitted to vote, I should vote "nay."

While I am on my feet I desire to announce the absence of the Senator from Utah [Mr. KING] on official business.

Mr. WEEKS (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. I understand that if present he would vote on this proposition as I intend to vote. I therefore vote. I vote "yea."

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the senior Senator from New Jersey [Mr. HUGHES] and vote "yea."

The roll call was concluded.

Mr. GERRY (after having voted in the affirmative). I have a general pair with the Senator from New York [Mr. CALDER]. I am informed that that Senator is absent on an important engagement. I also understand that if present he would vote "yea." I will therefore let my vote stand.

Mr. CURTIS. I desire to announce the absence of the junior Senator from Ohio [Mr. HARDING] on account of illness. I am advised that if he were present he would vote "yea."

Mr. FALL. I was not present in the Chamber when my name was called. For reasons that I gave in the remarks which I to-day delivered on this subject, I request to be excused from voting upon this question.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. FERNALD. I have a pair with the junior Senator from South Dakota [Mr. JOHNSON], but I understand that if present he would vote as I shall vote on this question. I therefore vote. I vote "yea."

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is unavoidably absent on official business. If present, he would vote "yea."

Mr. SUTHERLAND. I desire to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], has a general pair with the Senator from South Carolina [Mr. TILLMAN]. If present, my colleague would vote "yea."

The result was announced—yeas 65, nays 8, as follows:

YEAS—65.

Ashurst	Johnson, Cal.	Owen	Smith, Mich.
Bankhead	Jones, N. Mex.	Page	Smith, S. C.
Beckham	Jones, Wash.	Penrose	Smoot
Borah	Kellogg	Phelan	Sterling
Brandegee	Kendrick	Pittman	Sutherland
Chamberlain	Kenyon	Poindexter	Swanson
Cummins	Knox	Pomerene	Thomas
Curtis	Lewis	Ransdell	Thompson
Fernald	Lodge	Reed	Townsend
Fletcher	McCumber	Robinson	Wadsworth
France	McKellar	Saulsbury	Warren
Frelinghuysen	McLean	Shafroth	Weeks
Gallinger	Martin	Sheppard	Williams
Gerry	Nelson	Sherman	Wolcott
Hale	New	Smith, Ariz.	
Hitchcock	Newlands	Smith, Ga.	
Husting	Overman	Smith, Md.	

NAYS—8.

Gore	Hardwick	La Follette	Stone
Gronna	Kirby	Norris	Trammell

NOT VOTING—23.

Brady	Fall	Johnson, S. Dak.	Tillman
Broussard	Goff	King	Underwood
Calder	Harding	Lane	Vardaman
Colt	Hollis	Myers	Walsh
Culberson	Hughes	Shields	Watson
Dillingham	James	Simmons	

So the conference report was agreed to.

DISPOSITION OF CONFERENCE REPORTS (S. DOC. NO. 33).

Mr. STONE. Mr. President, in connection with the matter we have just been considering, and which we have just disposed of, I wish to say that, with the assistance of Mr. Gilfry, who is the author of our book on precedents, we have collated the precedents that relate to the disposition of conference reports. This matter is in a condensed form, and I should like, if there be no objection, to have this compilation printed in the RECORD as a matter of convenient reference.

The VICE PRESIDENT. Is there objection?

Mr. LODGE. I desire to suggest that it may also be printed as a Senate document. I think it would be very convenient in that form.

Mr. SMOOT. That would be very much better.

Mr. STONE. Does the Senator mean to have it printed in that form rather than printed in the RECORD.

Mr. LODGE. No; I suggest that it be printed in both forms.

Mr. SMOOT. Why have it printed in the RECORD?

Mr. STONE. Very well. I ask that it be printed merely as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is made.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 20 minutes spent in executive session the doors were reopened.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until to-morrow at noon.

The motion was agreed to; and (at 5 o'clock and 47 minutes p. m.) the Senate took a recess until to-morrow, Friday, May 18, 1917, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 17, 1917.

REGISTER OF THE LAND OFFICE.

Onias C. Skinner to be register of the land office at Montrose, Colo.

RECEIVER OF PUBLIC MONEYS.

Samuel Butler to be receiver of public moneys at Sacramento, Cal.

PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) Howard M. Lammers to be a lieutenant.

Ensign Fitzhugh Green to be a lieutenant (junior grade).

Ensign Michael Hudson to be a lieutenant (junior grade).

POSTMASTERS.

INDIANA.

M. E. McIntyre, Ambia.

Robert A. Talbott, National Military Home.

IOWA.

S. B. Morrissey, Audubon.

MINNESOTA.

Louis Bauer, Crosby.

C. E. Nightingale, International Falls.

Andrew Johnson, Parkers Prairie.

John Bowden, Spring Valley.

Lida K. Gray, Taylors Falls.

MISSISSIPPI.

Walter W. Lewis, Pascagoula.

OKLAHOMA.

John F. Garner, Mill Creek.

Randolph Laurence, Roff.

SOUTH CAROLINA.

C. W. Milling, Darlington.

N. B. Hargrove, Dillon.

M. B. Watson, Ridge Springs.

J. Mitchell Witsell, Walterboro.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 17, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, we thank Thee for every gleam of light which has illumined the mind and cheered the heart of man in his brave and untiring search for truth. Give us new desires and inspire us with greater energy that we may have more light, especially that light that never shone on land or sea, but that makes for righteousness in the soul of man; that sin and iniquity may take wings and fly away, and righteousness, peace, and joy reign supreme in every heart, in the spirit of the Lord Jesus Christ. Amen.

THE JOURNAL.

The Journal of the proceedings of yesterday was read.

Mr. FOSTER. Mr. Speaker, I notice that the conference report as printed in the RECORD, and I judge it is the same in the Journal, gives the same pay to the enlisted men, and so on, as the original report of the conference committee in the House. It was changed yesterday to correspond to $15 a month increase for the enlisted men, but it does not appear in the RECORD, and I judge it is the same in the Journal. I want to say that I have examined the original papers, which show that that amendment as adopted by the House, offered by the gentleman from Iowa [Mr. GOOD], was correct in the original report, but it is not so printed in the RECORD.

Mr. MANN. Section 10?

Mr. FOSTER. Section 10. Now, if you will observe, the RECORD shows the same old section.

Mr. MANN. I have not examined the RECORD.

Mr. FOSTER. I judge that the gentleman noticed that.

Mr. MANN. I have not examined the RECORD.

Mr. FOSTER. Well, the RECORD shows the same as it was in the first report.

Mr. MANN. I think it ought to be reprinted then.

Mr. FOSTER. I think so.

Mr. MANN. The original conference report is right.

Mr. FOSTER. The original conference report is right, and the corrections as made there were all right. It is not so in the RECORD.

Mr. MANN. How is it in the Journal?

The SPEAKER. The Journal is like the RECORD.

Mr. ROGERS. Is not the report in the RECORD like the one that preceded it?

Mr. FOSTER. If the gentleman will observe the RECORD——

Mr. ROGERS. The statement deals with the Roosevelt amendment on page 2423.

Mr. FOSTER. If you will observe, the RECORD provides——

The SPEAKER. The Chair will call the attention of the gentleman from Illinois [Mr. FOSTER] to a fact that may straighten it out. There were two conference reports made on that bill yesterday.

Mr. FOSTER. I know that, Mr. Speaker, and I am referring to the last one, which provides that enlisted men of the Army of the United States in active service whose pay does not exceed $21 a month shall receive an increase of $10 a month, and so on. Now, the original report shows the $15 per month. That is the amendment that was adopted yesterday.

The SPEAKER. You can not change a bill by changing the RECORD.

Mr. MANN. My colleague states that the conference report is correct.

The SPEAKER. The Clerk reports to the Chair that the original is all right and this is a misprint in the RECORD.

Mr. FOSTER. It ought to be corrected in the RECORD, if that is the case.

Mr. MANN. How is it in the Journal?

The SPEAKER. The same way. The Journal is made up on such matters from the RECORD.

Mr. FOSTER. It ought to be corrected in the Journal so as to correspond.

The SPEAKER. Why, of course.

Mr. FOSTER. So as to correspond with the amendment adopted yesterday by the House.

Mr. MANN. I suggest to my colleague that he ask that the conference report be reprinted in the RECORD correctly and corrected in the Journal.

Mr. FOSTER. I ask that.

The SPEAKER. The gentleman from Illinois [Mr. FOSTER] asks unanimous consent that the report of the conference committee be correctly printed in the RECORD and the correction be made in the Journal. Without objection, it is so ordered. [After a pause.] The Chair hears no objection. That straightens it out.

The Journal was approved.

INCREASE IN THE MILITARY ESTABLISHMENT.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 53).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States, having met, after full and further conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

"First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense act approved June 3, 1916, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section 23 of the national defense act, approved June 3, 1916, and hereafter provisional appointments under said section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

"Second. To draft into the military service of the United States, organize, and officer, in accordance with the provisions of section 111 of said national defense act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

"Third. To raise by draft as herein provided, organize and equip an additional force of 500,000 enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section 38 of the national defense act approved June 3, 1916; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section 23 of the act of Congress approved January 21, 1903 (32 Stats. L., p. 775), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the Volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organization of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion, recommission in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

"Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of 500,000 men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

"Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

"Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this act provided.

"Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four Infantry divisions, the officers of which shall be selected in the manner provided by paragraph 3 of section 1 of this act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under 25 years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

"SEC. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section 1, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April 1, 1917, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlistment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section 1 and section 9 of this act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section 1, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

"SEC. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

"SEC. 4. That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no persons so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mails; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

"The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be credited and established one such local board in each county or similar subdivision in each State, and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this act, and all questions of or claims for including or discharging individuals or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this act authorizing the President to exclude or discharge from the selective draft 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.'

"The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

"Such district boards shall review on appeal and affirm, modify, or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this act, not included within the original jurisdiction of such local boards.

"The decisions of such district boards shall be final except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify or reverse any such decision.

"Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the Nation demands it.

"The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

"SEC. 5. That all male persons between the ages of 21 and 30, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

"SEC. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

"SEC. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of 18 and 40 years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April 1, 1917, either in the Regular Army or in the National Guard, and all persons who have enlisted in the National Guard since June 3, 1916, upon their application, shall be discharged upon the termination of the existing emergency.

"The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

"SEC. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section 114 of the national defense act approved June 3, 1916; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

"SEC. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section 1 and by section 8 of this act, and the temporary appointments in the Regular Army authorized by the first paragraph of section 1 of this act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be superior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

"SEC. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June 1, 1917, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is $24, an increase of $12 per month; those whose base pay is $30, $36, or $40, an increase of $8 per month; and those whose base pay is $45 or more, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay.

"SEC. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

"SEC. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this act, but the

Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than 12 months, or both.

"SEC. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000, or imprisonment for not more than 12 months, or both.

"SEC. 14. That all laws and parts of laws in conflict with the provisions of this act are hereby suspended during the period of this emergency."

And the Senate agree to the same.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
D. R. ANTHONY, Jr.,
Managers on the part of the House.

GEO. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States submit the following written statement explaining the effect of the action agreed on:

The Senate conferees having agreed upon the instructions of the House as to the pay of enlisted men, the bill is reported back with the amendment as to pay incorporated in lieu of the provision heretofore agreed to.

S. H. DENT, Jr.,
W. J. FIELDS,
PERCY E. QUIN,
Managers on the part of the House.

EXTENSION OF REMARKS.

Mr. HUSTED. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a preamble and resolution adopted by the executive committee of the Westchester County Commission of General Safety, held Monday, May 7, 1917.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. TILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting certain matter concerning the Senior Service Corps, at my home town, New Haven, Conn.

The SPEAKER. Is there objection?

There was no objection.

INCREASE OF NAVAL ESTABLISHMENT.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House bill 3330, with Senate amendments, disagree to all the Senate amendments, and agree to the conference asked by the Senate. It is the bill to increase temporarily the enlisted personnel in the Navy.

The SPEAKER. The Clerk will report it.

The Clerk read the title of the bill, as follows:

A bill (H. R. 3330) to temporarily increase the enlisted and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

Mr. MANN. Reserving the right to object, Mr. Speaker—and I do not intend to object—I believe there is one Senate amendment that undertakes to allow Members of Congress to join the Navy.

Mr. PADGETT. Yes; and fixing the age at 60 years. [Laughter.]

Mr. MANN. Of course, a Member of Congress can not join the Navy without severing his relations with Congress. I have no objection to the provision that Members of the present Congress who resign may join the Navy up to 100 years of age, so far as I am concerned, but I do not desire to amend the Constitution in this way or attempt to amend it at the suggestion of the Senate. Probably there was no one in the Senate who knew that there was a constitutional prohibition against it.

Mr. GARNER. Mr. Speaker, may I ask the gentleman from Tennessee if this bill undertakes to permit Members of Congress to serve in the Navy and still serve as Members of Congress?

Mr. PADGETT. That is the purpose of the amendment.

Mr. GARNER. Does the gentleman from Tennessee undertake to put that kind of a provision into the law?

Mr. MANN. We are calling attention to it so that we will not.

Mr. PADGETT. The "gentleman from Tennessee" is not the author of that, and he had not conceived it until he saw it in the papers.

Mr. GARNER. There is a constitutional provision against it, and I understand the House still has some reverence for the Constitution.

Mr. RAGSDALE. Mr. Speaker, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. RAGSDALE. If a Member of Congress were also commissioned in the Navy, where would his duty be?

Mr. PADGETT. I think he would have to determine that himself.

Mr. RAGSDALE. How could we get a quorum here if the Members were on the ships away from Congress?

Mr. PADGETT. I think his first duty would be in the Senate or in the House. I imagine that a 60-year-old Senator or Member of the House in the enlisted force of the Navy would be about as useful as a blind dog chasing a pig in high rye. [Laughter.]

Mr. MANN. There are various other Senate amendments in the bill?

Mr. PADGETT. Oh, yes; quite a number.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the bill H. R. 3330, with Senate amendments, be taken from the Speaker's table, that the House disagree to all the Senate amendments, and agree to the conference asked by the Senate. Is there objection?

Mr. GARNER rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. GARNER. To raise an objection.

The SPEAKER. The gentleman will proceed.

Mr. GARNER. I will, with the permission of the Speaker. I want to ask the gentleman from Tennessee this question: What is the object of the gentleman from Tennessee in sending this bill to conference when he realizes that the purpose of this bill is to permit Members of Congress to join the United States Navy?

Mr. PADGETT. Oh, there are quite a lot of other amendments beside that.

Mr. GARNER. Besides this particular one?

Mr. PADGETT. Oh, yes; a number of them.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Chair announces as the conferees on the part of the House Mr. PADGETT, Mr. TALBOTT, and Mr. BUTLER.

VIRGINIA COUNCIL OF DEFENSE.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing some resolutions adopted by the Council of Defense of Virginia.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD by inserting the resolutions indicated. Is there objection?

There was no objection.

Following are the resolutions referred to:

COMMONWEALTH OF VIRGINIA,
COUNCIL OF DEFENSE,
Richmond, May 15, 1917.

Hon. H. D. FLOOD, M. C.,
Washington, D. C.

MY DEAR SIR: I am instructed by the Virginia Council of Defense to transmit to you the following resolution, which was adopted at the session of the council held here yesterday:

"*Resolved*, That the Virginia Council of Defense unanimously favors national prohibition during the life of the present war, both from the standpoint of efficiency and for the preservation of food, and that the secretary be instructed to bring this action of the Virginia Council of

Defense to the attention of both Senators and all of the Congressmen from Virginia, and urge them to use their influence to obtain the necessary legislation by Congress."

Yours, very truly, W. M. HUNLEY, *Secretary.*

COMMONWEALTH OF VIRGINIA,
COUNCIL OF DEFENSE,
Richmond, May 16, 1917.

Hon. H. D. FLOOD, M. C.,
Washington, D. C.

DEAR SIR: I am directed by the Virginia Council of Defense to transmit to you the following resolutions:

"Whereas it is the conviction of this council that the country is facing a perilous crisis in a condition of almost complete unpreparedness; and

"Whereas the Congress of the United States has delayed beyond reason the enactment of laws necessary to put the country in a state of defense and has disclosed an alarming division of opinion and vacillation of purpose: Therefore be it

"*Resolved*, That the Council of Defense of Virginia do now urge Congress to accept leadership and support the President by forthwith enacting the laws which are essential to the safety of the Nation.

"*Resolved*, That the secretary be directed to communicate these resolutions to the President and Virginia's Representatives in Congress."

Yours, very truly,

W. M. HUNLEY, *Secretary.*

AN AGRICULTURAL ARMY.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an editorial published in the Lake Worth Herald of April 29, 1917, on an agricultural army.

The SPEAKER. The gentleman from Florida asks unanimous consent to extend his remarks in the RECORD by inserting the editorial indicated. Is there objection?

There was no objection.

Following is the editorial referred to:

AN AGRICULTURAL ARMY.

[From the Lake Worth Herald, Apr. 29, 1917.]

There is considerable talk these days about raising food products. In the big cities the people are being urged to plant every available foot of ground and make of it a little home garden. In some of the cities the parks are being plowed and planted. This sort of thing "listens well," but those who follow such advice will not get back one-tenth of what they spend. It would be just as sensible to advise everybody in the country to turn their attention to cooking. Everybody cook, men, women, and children. A vast amount of food would certainly be wasted. If everybody plants there will be watering cans, hoes, rakes, shovels thrown in the scrap heap before summer is half over, and 75 per cent of the seed will be lost on account of ignorance or carelessness.

If there is extensive planting needed, why doesn't the Government organize an agricultural army? There are thousands of fertile acres in nearly every State in the Union where crops might be raised with profit. Furthermore, there are doubtless thousands of young men who would join an agricultural army, because they would be serving their country and getting some valuable experience. Let the soldiers of this army spend one-half day in the fields working with farm tools and machinery, the balance of the day to be spent drilling and learning the work of a soldier. Certainly such an army would raise an abundance of crops, and every State in the Union would profit, as vast acreages would be subject to the plow.

When a world peace has been declared 65 per cent of these men would adopt agriculture as a vocation, and the great "back-to-the-farm" movement, which really means back to nature, where every man belongs, would get the boost it has been looking for for many years and which must come sooner or later. It would be a credit to Uncle Sam to send 1,000,000 men back from the Army if every man returned with a knowledge of farming and a physique second to none, instead of a thorough knowledge of military drill and no desire to do anything else. Raise an army, but make agriculture a drawing card as a way of serving the country as well as fighting in the ranks.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, with Mr. FOSTER in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280. The Clerk will report it.

The Clerk read the title of the bill, as follows:

A bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Eleven per cent per annum upon the amount by which the total net income exceeds $60,000 and does not exceed $80,000.

Mr. LENROOT. Mr. Chairman, I move to amend by striking out the word "eleven" and inserting in lieu thereof the figures "13.75."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Page 3, line 7, strike out the word "eleven" and insert in lieu thereof the figures "13.75."

Mr. GARNER. Mr. Chairman, I want to ask the gentleman just what his purpose is in reference to the balance of the rate contained in this graduated income tax, so that the committee can get an idea of just what other rates he proposes to offer.

Mr. LENROOT. Yes. My purpose is, if this amendment is adopted, to increase each paragraph of the remaining income-tax sections of the bill by 25 per cent. For instance, this paragraph is "11." Increasing it by 25 per cent would make it "13.75." The next is "14," and my amendment would make it "17.50." When we get to 20 per cent that would make it 25.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. LONGWORTH. Has the gentleman calculated what additional revenue that would produce?

Mr. LENROOT. Not exactly, because the tables that have been furnished are not in the same classification with the paragraphs in the bill. I will say, however, that I started out with the proposition of beginning with the first paragraph and increasing each one by 25 per cent; that is, in the first item where it is 1 per cent I would would make it 1.25. That would increase it $70,000,000 or $80,000,000 in addition to what is proposed in this bill.

Mr. LONGWORTH. I would make the rough guess that this would raise something like $55,000,000.

Mr. LENROOT. I should say $60,000,000.

Mr. McCORMICK. That is, if you do not go back.

Mr. BARKLEY. Has the gentleman made a computation to see whether this change in the figures will result in any uneven fractions, which will cause extra labor in making the computations at the Treasury Department?

Mr. LENROOT. Not at all. They are just simple decimals—.25, .50, and .75. There is no difficulty about that.

Mr. GARNER. What rate would that make upon incomes of over $500,000?

Mr. LENROOT. With my amendment to this bill it would make the highest rate 41.25 instead of 33, but I think I may say that I have consulted with the gentleman from Kentucky [Mr. SHERLEY] and I understand that he will offer an amendment further classifying the larger incomes, with a maximum of 50 per cent. And now, unless there is opposition, I do not care to take further time.

Mr. McCORMICK. Ought it not to be explained that the gentleman from Kentucky has amendments reaching incomes up to and including $5,000,000 a year, of which there are quite a number in this country now?

Mr. FORDNEY. Do you mean to say that in this bill the maximum is 50 per cent in addition to existing law, or 50 per cent in all?

Mr. LENROOT. I am stopping with 41.25 per cent, so far as the paragraphs in this bill are concerned. I have stated my understanding of the amendments proposed by the gentleman from Kentucky [Mr. SHERLEY].

Mr. FORDNEY. Then, under the old law, there is 15 per cent added to that.

Mr. LENROOT. About 64 or 65 per cent is the maximum.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, if we are going to raise more money at this time, under the circumstances which I now know, but of which I was not fully cognizant yesterday, I do not see how I, or the Ways and Means Committee, can oppose the amendment of the gentleman from Wisconsin [Mr. LENROOT]. I have a statement from the Secretary of the Treasury showing that instead of needing $1,800,000,000, we need $2,245,000,000. According to this statement, the Government needs every dollar that will be raised by the amendment of the gentleman from Wisconsin [Mr. LENROOT] and every dollar that we can possibly raise by this bill without crippling or destroying any industry in this country, or seriously crippling any individual in this country.

Mr. SABATH. Will the gentleman yield?

Mr. KITCHIN. No; please let me finish my statement.

Mr. SABATH. In connection with this thing—I hate to disturb the gentleman——

Mr. KITCHIN. I wish the gentleman would let me proceed for 10 minutes. The gentleman from Wisconsin [Mr. LENROOT] builded better than he knew yesterday, and better than I knew, and better than we knew. According to the statement of the Secretary of the Treasury, we not only need the $60,000,000 in-

crease which his amendment will produce, but we need about $200,000,000 more than his amendment will produce.

Before I sit down I shall ask the Clerk to read a statement from the Treasury Department, received by me yesterday evening. When the Ways and Means Committee submitted this bill to the House we felt that we needed $1,800,000,000. You will recall that when I presented the bill I said that instead of expending for the balance of this fiscal year and all of next fiscal year $3,800,000,000, which the Treasury Department had then estimated, they would come nearer needing $5,000,000,000. Now comes the statement here that we need $2,245,000,000 instead of $1,800,000,000.

Mr. DOWELL. Will the gentleman yield?

Mr. KITCHIN. Not now. Let me finish my statement, please, and then I will yield. When we prepared this bill we prepared it with the view of raising $1,800,000,000 by taxation at this time. We concluded that the wiser and better and less burdensome policy was to raise about half of this needed amount from incomes and excess-profits taxes, and the other half from general consumption taxes, and in levying the general consumption taxes that we would first proceed to endeavor to raise all we could from taxes upon luxuries and semiluxuries before we taxed necessities, like freight bills, heat and light bills, increase of postage, and so forth. This bill levies additional taxes upon income and excess profits, amounting to about $840,000,000. In this bill we have increased the income tax $532,700,000, in addition to what we are paying now under the present law; and in addition to the $532,700,000 we are also adding what is called the retroactive tax on incomes of last year to the amount of 33⅓ per cent, which makes in round numbers $640,000,000 additional that we have levied upon incomes in this country. Under this bill we increase the corporation income tax for the next year $165,000,000, and for individual incomes $367,000,000, twice as much as we are now getting from individuals. We now raise under the present law $330,000,000, or will this fiscal year ending June 30, 1917, of which $165,000,000 is from corporations and $165,000,000 from individuals, and we have put on top of that in round numbers $640,000,000. So, under the present law and under the proposed bill the income tax, instead of producing $330,000,000 as under the existing law, will produce $970,000,000. Your committee felt that that was just about as high as we ought to go on incomes to raise this $1,800,000,000.

We further raised $200,000,000 extra on excess profits. It is estimated that the present excess-profits tax will yield $200,000,000 a year. This additional excess-profits tax will make $400,000,000 from excess profits.

Mr. McCORMICK. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Illinois.

Mr. McCORMICK. I want to ask the gentleman if he will explain to the committee what consideration was given to the English method of taxing excess profits, and why it was not proposed to the House?

Mr. KITCHIN. When we reach that section I will explain it.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KITCHIN. I do.

Mr. MOORE of Pennsylvania. In view of the information from the Treasury Department that $2,245,000,000 will be needed, is it not the thought of the gentleman that we should increase the sum total of this bill from $1,800,000,000 to $2,245,000,000?

Mr. KITCHIN. I do not believe it will be possible for us to do it. It would be a very difficult proposition. We can find out as we go along.

Mr. MOORE of Pennsylvania. That would make a difference of $445,000,000 that we would have to raise.

Mr. KITCHIN. We are simply making the point that our committee is hardly in a position to oppose this increase of the gentleman from Wisconsin under the circumstances if we are to raise this additional sum at this time.

Mr. MOORE of Pennsylvania. I ask about these totals, because it will be absolutely necessary to provide new sources of revenue if it is the intent of the chairman to advocate an increase from $1,800,000,000, which is the sum total here provided for. We can not increase to any such sum as $2,245,000,000 without readjusting this entire measure.

Mr. KITCHIN. Mr. Chairman, to be candid with the gentleman, I would not attempt to raise at this time the whole extra $400,000,000 in this bill.

Mr. GARNER. Mr. Chairman, if I understand the gentleman's position it is this. If the Ways and Means Committee had taken into consideration the additional information coming to the gentleman from the Secretary of the Treasury showing that there is a need of $420,000,000, that committee might have adopted such a method as the gentleman from Wisconsin [Mr. LENROOT] has suggested.

Mr. KITCHIN. I think if the Secretary of the Treasury had known then that we would absolutely need this increased amount, the Ways and Means Committee would have increased perhaps the income tax and the excess-profits tax and perhaps some other taxes in the bill, and would have searched out somewhere to get some other items by which to raise revenue.

Mr. TOWNER. Mr. Chairman, will the gentleman allow that letter to be read at this time?

Mr. KITCHIN. When I get through.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. HILL. Is there any item in the statement made by the Secretary of the Treasury which, in the opinion of the chairman of this committee, is not absolutely needed for the vigorous prosecution of this war? If there is no such item, why is it not the duty of Congress, if we intend to prosecute the war, to raise the money now?

Mr. KITCHIN. I would say to the gentleman that I would prefer, rather than to attempt to raise it now, to have a little more consideration given to it, to see how best to raise it; and if we could not do that, if we could not find exactly how, then I would say, if it be absolutely necessary, that we should issue some more certificates of indebtedness.

Mr. HILL. The gentleman says he does not propose to oppose this amendment because of the situation. If we are to have further consideration for raising this money, why should not this bill be withdrawn, so that it might be taken up by the committee in a businesslike way, rather than doing it haphazard here upon the floor of the House? I say to the gentleman that I am opposed to the increases that are proposed upon the ground that they will not get us as much money as the bill as drawn will in these very items; and I think I can demonstrate that.

Mr. KITCHIN. I really did not take that view of it, and I had not thought of it in that light. It is possible that some of the rates——

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LANGLEY. Is the gentleman at liberty to state why the Secretary of the Treasury did not know that this additional amount would be needed at the time the other estimate was made?

Mr. KITCHIN. The Senate, as I understand it, has added several hundred million dollars to the appropriation bill—for instance, $750,000,000 on account of ships.

Mr. LANGLEY. Did not the Secretary know that at the time?

Mr. GARNER. It was not estimated for.

Mr. KITCHIN. It was not stated at the time.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. FLOOD. It was stated here upon the floor yesterday that in England they levy a tax of 50 per cent upon all incomes in excess of $100,000. Does the gentleman know whether that is correct or not?

Mr. KITCHIN. That is not true; but England does levy a normal income tax of 25 per cent. I have forgotten how the surtaxes are levied.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LENROOT. Mr. Chairman, I wish to state that I have as authority for that statement one of the members of the English commission.

Mr. KITCHIN. My clerk informs me that it is 42½ per cent over $50,000.

Mr. GARNER. If I understand it, the proposed amendment offered by the gentleman from Wisconsin [Mr. LENROOT] will get an additional revenue of about $55,000,000.

Mr. KITCHIN. Between $50,000,000 and $60,000,000.

Mr. GARNER. Unless the rates are raised so high, as contended by the gentleman from Connecticut [Mr. HILL], that less revenue will be produced than under the present rates. Undoubtedly, with the suggestions of the Secretary of the Treasury, Congress will be called upon again in December for additional revenue or an additional bond issue. It occurs to me that the wiser policy to pursue here is to take this bill and consider each item upon its merits, and determine whether or not $1,800,-

000,000 shall be raised now, and let the additional revenue to be raised go over until December, when the committee can have more time to consider it.

Mr. KITCHIN. What the House in its deliberate judgment fails to raise in this bill we can raise in December. The rates which we propose in this bill, in the brackets contained in the gentleman's amendment and in his proposed amendments hereafter, are these: Eight per cent per annum upon the amount by which the total income exceeds $40,000 and does not exceed $60,000. There the bill proposes an increase of 8 per cent. The present law is 2 per cent, which makes 10 per cent, and then there is the 4 per cent normal, which makes 14 per cent. Therefore, there is 14 per cent in that bracket which will have to be paid, and Mr. LENROOT's proposition is to make it 16 per cent.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LENROOT. The gentleman does not mean that percentage of the total income?

Mr. KITCHIN. No; in that bracket. Our proposal is 8 per cent, and there is already 2 per cent and then the normal income, and the gentleman's addition would bring it up to 16 per cent.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. CANNON. I would be glad to have the gentleman state how much the proposed increase would raise, and whether it is proposed to follow it up by further increases?

Mr. KITCHIN. It is proposed to increase each rate 25 per cent down to and including the rate on $500,000 and over.

Mr. CANNON. How much will be raised by the proposed increases all along the line under this amendment?

Mr. KITCHIN. Between fifty and sixty million dollars; that is, if they made the same income for this calendar year as last year. The estimate is upon that basis.

Mr. CANNON. That is, if the same amount was paid?

Mr. KITCHIN. Yes.

Mr. CANNON. Between fifty and sixty million dollars?

Mr. KITCHIN. Yes.

Mr. CANNON. Then I would ask the gentleman whether it is proposed—so he can answer all the questions without my interrupting—to change that one-third from the levy which is measured by the income tax of 1916?

Mr. KITCHIN. No.

Mr. CANNON. Or whether it is proposed, if these amendments are agreed to, otherwise to change the bill and eliminate some things from taxes that are covered?

Mr. KITCHIN. No; I will say to the gentleman that so far as I know all the members of the Committee on Ways and Means do not propose that, because I think we will need this and much more perhaps. What we do not raise by this bill we can raise additional next session.

Mr. GARNER. May I again interrupt the gentleman?

Mr. KITCHIN. Yes.

Mr. GARNER. If the gentleman had his preference, realizing the new information received from the Treasury Department, would he not prefer to pass this bill substantially in its present form, not accepting the amendment offered by the gentleman from Wisconsin, and let the committee in December or November or October thoroughly consider every question of taxation and consider the method of raising additional revenue to meet the necessities of the Government?

Mr. KITCHIN. If I had my real way about it, I would perhaps do that, but I think the House would prefer to raise this additional amount by the increase of the income tax, if it will raise that amount, because we know as much about that now as if we devoted six years to it. Now, the gentleman from Connecticut [Mr. HILL] has raised an interesting question——

Mr. GARNER. Before the gentleman goes to that. The committee yesterday afternoon voted by about 10 majority to increase a certain rate. I think the expression of the committee, from that vote, undoubtedly favored perhaps the increase of this all along the line, and that was with the expectation of cutting something out of this bill later on. Now, since the information comes from the Treasury Department that we need $430,000,000 more, I can not conceive that this committee will want to cut anything out of this bill that brings any revenue, and it seems to me, under these new conditions, we ought to test the sense of the committee to determine whether or not we want to increase this with a view of cutting something else out of the bill.

Mr. KITCHIN. I would not think that anything would be cut out of the bill, of course.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Chairman, I ask that the gentleman's time be extended for 10 minutes.

The CHAIRMAN. Is there objection?

Mr. MANN. Mr. Chairman, reserving the right to object, I will not object to this, but I would like to inquire whether there is any expectation of finishing this bill during the month of May?

Mr. KITCHIN. Well, that is my desire, although yesterday we only read two pages and a third.

Mr. MANN. Almost all the time that has been occupied in the consideration of this bill has been occupied by members of the Ways and Means Committee, who are seeking to push the bill but occupied the time.

Mr. KITCHIN. No; we did not occupy half of yesterday.

Mr. MANN. That may be, but they are using time now. I am perfectly willing, as far as I am concerned, to defer the passage of the bill until next December. I think we are progressing very rapidly in that direction.

Mr. GREEN of Iowa. If the gentleman will permit, if members of the committee will let the speaker go ahead that might expedite matters a little.

Mr. KITCHIN. As far as I am concerned, I would not take 10 minutes if gentlemen would not interrupt me.

Mr. MANN. I quite agree with the gentleman from Iowa.

The CHAIRMAN. Without objection, the gentleman from North Carolina can proceed for 10 minutes.

There was no objection.

Mr. KITCHIN. Now, in line 7 and that bracket, between $60,000 and $80,000, the committee increased that rate to 11 per cent. The present law is 3 per cent, making it 14 per cent, and the normal tax is 4, making 18 per cent. The gentleman from Wisconsin proposes an amendment which will increase that 2¾ per cent. In the next bracket we increase it 14 per cent; it is already 4 per cent, making 18 per cent, and 4 per cent normal, making 22. The gentleman proposes to increase that 3½ per cent, and so on down. And I understand the gentleman's amendment will amount to about 50 per cent on incomes of $500,000 and over.

Mr. GARNER. Fifty-seven per cent.

Mr. LENROOT. Less than 50 per cent on five hundred thousand.

Mr. KITCHIN. And under the last bracket 50 per cent.

Mr. LENROOT. My rate would be 41.25 as against 33 per cent.

Mr. KITCHIN. That is right. As I said a while ago, that is about as high as I think we ought to go under the circumstances. I do not believe that his increase will work a great injury to these taxpayers. Now, the gentleman from Connecticut [Mr. HILL] has raised a very important question in my mind and one that we ought to consider when we are raising the rates on the larger incomes. For instance, a large exorbitant rate may frustrate the very object of the tax law, and we may not get any taxes or have any incomes upon which to levy taxes. For instance, whenever our income tax is so heavy that the total income on the investment of the business man will be anything around 3½, 4, or 5 per cent, then it will be to his interest to sell out his investment to Tom, Dick, and Harry and invest in United States bonds or State bonds or rural-credit bonds. Thus he will make just as much as if he has as much net income, with no worry and no trouble.

Mr. EMERSON. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. EMERSON. Somebody else would have to own those bonds?

Mr. KITCHIN. But nobody would own those bonds to the extent of making millions of income out of them, because they would be purchased by individuals with smaller incomes. This large increase in the rate would not apply to the little fellow.

Mr. EMERSON. But the exemption is $2,000.

Mr. KITCHIN. The income on each would be three or four thousand dollars. They would get practically no tax from it.

Mr. LAGUARDIA. Does the gentleman suppose that anybody holding them would sell and lose control?

Mr. KITCHIN. I think a man would buy bonds if Congress would take a sufficient amount of his income and continue to take it until it would reduce his total income after deducting the tax down to 3, 4, or 5 per cent. I think I would buy bonds under such circumstances. I think any sensible man would do it. That is, if he is in it for profit or income. If he is in it for philanthropy or to benefit the human race, perhaps he would not do it. It is a grave problem suggested by the gentleman from Connecticut.

Mr. MOORE of Pennsylvania. I think it is, but the gentleman should inform the committee whether or not it has his

approval, because I take it he now approves of this amendment.

Mr. KITCHIN. I said, I do not see how we can oppose it if we are to raise more money at this time.

Mr. MOORE of Pennsylvania. The gentleman from Wisconsin [Mr. LENROOT] indicated that this motion would be followed by another that would relate to incomes in excess of $500,000.

Mr. KITCHIN. He is going to increase all the brackets 25 per cent over our proposed increase.

Mr. MOORE of Pennsylvania. That is one proposition already stated. Now, another proposition made by the gentleman from Wisconsin was that if this increase is attained, it will be followed by a motion to strike out certain taxes imposed on light, heat, and power.

Mr. KITCHIN. I do not think the gentleman would do that unless he could find some other way—upon excess profits, for instance, or some other item—to raise a tax on some other articles to produce the required revenue.

Mr. MOORE of Pennsylvania. I would like to find out whether the gentleman from North Carolina, who seems to have fallen in line with the gentleman from Wisconsin [Mr. LENROOT], is going with him on all fours on these additional matters?

Mr. KITCHIN. No. I will say, however, that if we are to raise additional revenue at this time in excess of the $1,800,000,000 provided in this bill, I do not see how we can oppose this increase. I am not convinced that the proposed rate will be sufficiently low to produce the revenue, and not have the results mentioned by the gentleman from Connecticut.

Mr. MOORE of Pennsylvania. It does not affect the gentleman's position in regard to other paragraphs in the bill?

Mr. KITCHIN. Not at all. I will tell you now that we need every dollar that this bill raises.

Mr. DENISON. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. DENISON. I was going to ask the gentleman if he did not think the exemption of incomes on municipal bonds ought not to be removed?

Mr. KITCHIN. It is contended by some that such bonds should not be taxed by the Federal Government, because then the Government by taxation could destroy all improvements or means of improvements of cities and towns and counties and States. I doubt the advisability of the Federal Government levying a tax upon any of the agencies of the States or the municipalities.

Mr. LONGWORTH. Does not the gentleman think it is a good time to have the Secretary's letter read to the committee?

Mr. MADDEN. I would like to ask if the $400,000,000 for the creation of a new ship line is included in the statement of the Secretary?

Mr. KITCHIN. Four hundred millions.

Mr. MADDEN. Of course, that obligation would not under any circumstances be met by tax at all. It ought to be made by the issuance of securities.

Mr. KITCHIN. The question is whether we should pursue that policy or not.

Mr. HILL. Is it proper to have the letter read?

Mr. KITCHIN. I will have it read now.

Mr. O'SHAUNESSY. Pending the reading of that I would like to ask the chairman of the Ways and Means Committee this question: Is it proposed that we accept the amendments offered by the gentleman from Wisconsin [Mr. LENROOT]?

Mr. KITCHIN. I do not see how we can oppose them if we are to raise this additional money.

Mr. EMERSON. Will the gentleman yield? Be honest about it. After the vote last night——

Mr. SWITZER. Just one word.

Mr. KITCHIN. I think we ought to defer somewhat to the will of the House.

Mr. EMERSON. That is what I mean.

Mr. KITCHIN. Mr. Chairman, I ask for a reading of the statement.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Statement of appropriations for the fiscal year 1918, including deficiencies.

Agriculture	$25,929,113.00
Army	273,046,322.50
Diplomatic	5,082,746.66
District of Columbia	14,172,997.85
Fortifications	51,396,593.00
Indians	11,589,736.67
Legislative	39,894,592.42
Military Academy	1,345,596.18
Navy	517,273,802.08
Pensions	160,060,000.00
Postal Service	331,851,170.00
Permanent appropriations	143,864,830.32
National security and defense	100,000,000.00
Purchase of Danish West Indies	$25,100,000.00
War-risk insurance	10,000,000.00
Alaskan Railway	3,000,000.00
Interest on $2,000,000,000 of bonds for one year	70,000,000.00
Cost of bond issues	7,000,000.00
Miscellaneous appropriations	4,585,090.08
Additional compensation, estimated	25,600,000.00
Deficiencies (Army, $38,524,829; Navy, $9,076,569; pensions, $5,000,000; postal deficiencies, $3,425,175)	68,620,342.53
Total under laws passed for 1918 and deficiencies	1,889,412,933.29
Appropriations pending:	
Military Establishment	2,192,423,535.97
Naval Establishment	503,399,673.87
Miscellaneous	3,662,071.36
(These three items contained in pending bill for war expenses, estimates for which exceed these amounts by $760,855,687.)	
Sundry civil	156,293,031.17
Rivers and harbors	26,893,000.00
Agricultural Department, food control, etc. (food control, $20,510,000; surveys, $3,000,000; fertilizers, $10,000,000; eradication of ticks, $3,000,000; encouraging production, $500,000)	37,010,000.00
War-risk insurance, additional	50,000,000.00
Shipping Board, building ships, etc. (request for $750,000,000 made to Senate Committee on Appropriations, of which $400,000,000 would be immediately available and would be spent by February or March, 1918)	400,000,000.00
	5,259,094,245.66
Add estimates for war expenses not provided in pending bill, estimated to be required by War Department during the fiscal year 1918)	760,855,687.00
Total appropriations passed and pending, including estimates for war expenses as above)	6,019,949,932.66
Deduct as follows:	
Postal Service, payable from postal revenue	$335,276,345.12
Sinking-fund requirement	60,748,000.00
Deficiencies estimated to be expended in 1917 and purchase of Danish West Indies	75,000,000.00
Estimated revenue for 1918 under existing law	1,303,000,000.00
Amount of bond issue	2,000,000,000.00
	3,774,024,345.12
Estimated revenue to be raised over and above present receipts and bond issue	2,245,925,587.54

TREASURY DEPARTMENT, *May 15, 1917.*

Mr. FORDNEY. Mr. Chairman, I want to be heard for a few minutes. I ask unanimous consent.

Mr. MADDEN. And when he gets through, I want to be heard.

Mr. HILL. When they get through, last of all, I want to be heard. [Laughter.]

Mr. McCORMICK. And I would like to file a claim. [Laughter.]

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. FORDNEY. Mr. Chairman and gentlemen of the House, I conscientiously worked on this matter from the beginning and will continue to do so. I am opposed to this amendment, very seriously opposed to it. But I bow to the will of the majority, as I always do. I must do that, willingly or otherwise.

The amendment proposed by the gentleman from Wisconsin [Mr. LENROOT] will increase the income tax by $96,000,000, as I take it, from the figures in the RECORD here. Those were the figures that I inserted in my remarks made last week, found on page 2125 beginning with the division of incomes from $35,000 to $45,000. I took the figure of $45,000 in order to get a fair average between $40,000 and $50,000, and therefore I have no estimate here on the $40,000 or the $50,000 income item. But the taxes collected on incomes by the Treasury Department last year on incomes above $40,000 amounted to $385,924,000. It is estimated that the taxes on incomes this year will be 20 per cent above that sum, based upon reports already in the hands of the Treasury Department, but based upon last year's taxes. This amendment, as I say, will increase the income tax $96,481,000, or 25 per cent of the amount collected last year on these incomes.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LENROOT. I will be glad if the gentleman will explain that in detail. I did not so understand it.

Mr. FORDNEY. The taxes collected last year on incomes by the Government, on incomes from $40,000 up, were $385,924,000. As provided for in this bill, based on the number of people who paid income taxes last year, there will be collected as per provi-

sions in this bill $385,000,000 this year. Add 25 per cent to that, which the gentleman's amendment does—if I am correct in my figures, the gentleman is proposing to add 25 per cent all the way up——

Mr. LENROOT. I add 25 per cent only to the supertax in this bill. The gentleman is talking of 25 per cent of the total amount.

Mr. FORDNEY. Then I am wrong. I figured 25 per cent on all those taxes. But, gentlemen, I believe we have gone to the limit in taxing incomes and corporations before you interfere with the business of the country. That is a thing we all want to avoid.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. McCORMICK. Does not the gentleman think that if the amendment of the gentleman from Wisconsin [Mr. LENROOT] were adopted and section 5, providing for the retroactive tax, were stricken out, the people who pay income taxes would be better off?

Mr. LANGLEY. And better satisfied?

Mr. McCORMICK. Yes; and better satisfied.

Mr. FORDNEY. I will tell you how I will be better satisfied, and I have kept away from this proposition from the beginning until now; but since you open the ball I will let it roll. I am in favor of putting a 2-cent tax on bank checks. I wish to say I now favor this kind of a tax. A 2-cent tax on a bank check of $100 or a fractional part thereof, or 20 cents on a thousand-dollar check, will not hurt any man. It will yield in round numbers $1,000,000,000, and I will demonstrate how that much tax will do it.

Last year there was paid in freight to the railroads of this country in round numbers $2,500,000,000, not including freight paid on water shipments. The railroad freight rates this year, based on the average increase of last year over the year before, will reach $3,000,000,000. Two cents on a hundred dollars, 20 cents on a thousand dollars, if that were all paid by check—and the most of it is, as I think I can show—would amount to $60,000,000. That tax will injure no man.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Indiana?

Mr. FORDNEY. Let me conclude this statement, and then I will yield. Let me show you how far-reaching this payment of tax on the bank check is. Suppose you are a shipper of any product, say wheat. A man pays the harvest hands either in money or by check, or he goes to the bank and gets the money on a check himself. Therefore that check would pay that tax. That wheat is transported to the markets.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MEEKER. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FORDNEY. I thank the gentleman. That wheat is transported by rail, and the freight is paid by check; or if the shipper draws the money from the bank itself he draws the money on the check and must pay the tax. No matter whether it is paid by the individual or a corporation, or how it is paid, the check must be given to the bank for the money by some one. That wheat goes to the mill, and the labor in the mill is paid either by a check, or a check is issued by the proprietor for the money to pay in cash. The flour is then transported by rail to the jobber, and it pays a freight charge, generally by a check, and the flour itself is paid for by check, either directly or indirectly. The flour is sold to the merchant, and then finally to the consumer, and all along the line it must pay by means of a stamp on that check.

There is no telling where it ends, gentlemen. That is the case in paying a stamp tax on a check in payment of any commodity. Take, for instance, lumber—and on lumber I know what I am talking about, because I have been a lumberman all my life. A lumberman buys a piece of timber and pays for it by check. Labor cuts the timber, and the labor is paid by check. The money is drawn from the bank and must be paid on that check. Then the labor in the mill is also paid by check. The lumber is transported by freight. The payment for the lumber is made by check. The lumber goes to the retail yard. It costs money to put this lumber in the yard and take it out again. That is all paid for by check. The purchaser of the lumber who builds a house pays for it by check or draws the money from a bank by check. The labor employed in putting the lumber into the house is paid for by a check, directly or indirectly, and so all along the line. There is no limit to the amount of money that can be raised on bank checks. The $33,000,000,000 worth of manufactured and agricultural products produced last year are paid for by the exchange of paper to the extent of about 95 per cent of its total value, 5 per cent in cash. But even that cash must be drawn from the bank by somebody by check. And all that business, in the various stages of use, from the raw material to the finished product, is transacted by check. Put a stamp tax on bank checks and no man able to have a bank account is going to be injured by a 2-cent stamp upon a bank check of $100, or two one-hundredths of 1 per cent.

Gentlemen, we are in war. The only objection to the stamp upon the bank check is that the little bank may be injured, because a man having money in the bank will put money in his pocket and pay his little bills around town in cash instead of by check. That is the danger to the little bank, but who is going to be injured by that kind of transaction? The money finds its way right back into that bank or some other bank, and, in my opinion, that scarecrow is not a justifiable objection. But I say we are in war. Who will complain at the payment of that kind of tax? No man except a croaker, because it does not injure any industry; it does not put a tax upon the gross sales of the product of any factory. Coal, iron, agricultural products, lumber, cotton, woolen goods, all conceivable kinds of manufactured articles in the land and all conceivable kinds of imports must be paid for by check.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. I ask unanimous consent for five minutes more, and I promise I will stop then.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that he may proceed for five minutes. Is there objection?

There was no objection.

Mr. O'SHAUNESSY. Will the gentleman yield to me now?

Mr. FORDNEY. I will be glad to.

Mr. O'SHAUNESSY. I am very much interested in what the gentleman says, and have a profound appreciation of his horse sense.

Mr. FORDNEY. Thank you, sir.

Mr. O'SHAUNESSY. I want to get this before the committee. Sometimes we proceed here in very disorderly fashion and it is pretty hard to get the knowledge we are looking for. Is it your idea that we should limit the income tax to the amount proposed in the bill now in order that we may have something to tax in the future?

Mr. FORDNEY. That is the whole meat in the coconut.

Mr. O'SHAUNESSY. And you believe we can easily raise $400,000,000 extra by a graduated stamp tax on checks?

Mr. FORDNEY. My good friend—and you are my good friend; you have just paid me a compliment——

Mr. O'SHAUNESSY. Oh, no; I paid you that before.

Mr. FORDNEY. I know; but the gentleman is my beloved friend. I am sincere in this statement. I do believe that a 2-cent tax on a check of $100, or a fractional part thereof, will yield $1,000,000,000 without any doubt, and if we have got to have this money I know of no better way of placing that burden upon the people with the least hardship.

Mr. BUTLER. Was this proposed tax on checks considered by the Ways and Means Committee?

Mr. FORDNEY. Yes; it was discussed.

Mr. BUTLER. Why was it not accepted or adopted?

Mr. FORDNEY. Well, because a majority of the committee did not want it and voted against it. Let me be frank with the gentleman.

Mr. BUTLER. Be frank and tell us all about it.

Mr. FORDNEY. I certainly will. The only way we can do things here or anywhere else is by a majority, when there are more than two men considering a question. There were some things that I did not want to see put into this law, and in consideration of that fact I agreed that I would not press this check-stamp business very hard if other matters were kept out.

Mr. BUTLER. What was the objection to it?

Mr. FORDNEY. I do not know that I could just tell you.

Mr. LANGLEY. I can tell you, if I am permitted.

Mr. FORDNEY. Some men thought it would work an injury upon small banks.

Mr. LANGLEY. I can give you my opinion of it. It would not only hurt small banks, country banks, but it would be too much of a burden on the poor.

Mr. MEEKER. Will the stamp-tax proposition come in as an amendment to this bill?

Mr. FORDNEY. I am only suggesting this way of raising this additional money asked for by the administration. If we must have it, let us be reasonable to the industries of this country that are the bone and sinew of this Nation. Our fac-

tories over the country and our farms employ our labor. I tell you there is a limit we can go to, until our incomes reach the toboggan slide.

Mr. MEEKER. Will the gentleman kindly tell us whether we are going to have an amendment offered and an opportunity to vote on this proposition? That is what we want to know.

Mr. FORDNEY. I have no amendment to offer in this line. If we must have this large sum of money, to be raised by taxation, which I have fought from start to finish—I do not believe we ought to raise $2,000,000,000 now by direct taxation, but that we ought to raise it by a bond issue, as I have repeatedly stated—but if we must have it, let us adopt a bank-check stamp tax, and we can get it without injuring any industry. Let us get away from this tax upon the gross sales of the products of any factory. [Applause.] Let us get it where it is not going to hurt anybody, as it will not by a tax upon bank checks.

Mr. LANGLEY. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman.

Mr. LANGLEY. I think the objection to the bank-check tax, as I endeavored to explain a moment ago, is that it will put the burden of this tax upon 100,000,000 people, while to add an additional tax on incomes, as I shall propose, will affect only about 20,000 people, and the latter are able to stand it, while many of the 100,000,000 people can not.

Mr. FORDNEY. What objection have you to putting a 2-cent stamp on a hundred-dollar check—two one-hundredths of 1 per cent? That is all it will impose upon anyone.

Mr. LANGLEY. Oh, one stamp would not hurt, but it would amount to a good deal in a year for a poor man. Most of them, of small incomes even, keep their savings in a bank now.

Mr. JOHNSON of Washington. Will the gentleman state what was raised by the bank-check stamp tax in the Spanish War?

Mr. FORDNEY. That law imposed a tax of 2 cents on a check of any size, and the law raised $9,000,000. I am advocating a graduated stamp tax, if any at all, of two one-hundredths of 1 per cent on all sizes of bank checks, which will yield $1,000,000,000.

Mr. MADDEN. Mr. Chairman, on last Monday I made the statement that the bill before the House proposed to raise $691,000,000 more than the present needs of the Government. After hearing the statement of the Secretary of the Treasury read I am more convinced than I ever was that I was correct in my figures. He says in his statement that we have $750,000,000 of deficiency for the maintenance of the Army. We have already appropriated for an army that does not exist, and we have appropriated for the army on the theory that it will exist. We are appropriating for a million men for eight months, and we have not a man of the million that we propose to raise, and will not have for the next three months. So I apprehend that there will be no deficiency in the Army appropriation at the end of the present fiscal year. We have appropriated all of the money that the Army will need.

The Secretary of the Treasury calls attention to the fact that there will be $400,000,000 needed for the construction of merchant ships. Now, everybody knows that the construction of merchant ships is not a question that ought to be involved in the taxation, in the direct taxation, of the people. He calls attention to the fact that $10,000,000 will be needed for the purchase of nitrates. Such a bill passed the Senate a short time ago. It is now before the Appropriations Committee. I do not believe that the Appropriations Committee will report any such bill, and that the $10,000,000 is not and will not be an obligation on the Government.

He reports the need of $25,000,000 for other purposes which will not be considered in any part of the conduct of the war. There are numerous items in the report of the Secretary calling for the appropriation of money and taxation of the people which are not deserving of any consideration by the Congress, because they are for things not needed and not necessary in this emergency and ought not to be considered.

Now, I want to call the attention of the committee to the fact that all this amount of money claimed to be needed by the Secretary of the Treasury is based on the theory that there is going to be $750,000,000 deficiency in the Army appropriation. His figures indicate beyond all question the truth of the statement made last Monday when I told the House that the bill before us for consideration contemplated the levy of a tax of $691,000,000 more than the Nation needed. You can not continue on in this way and maintain the confidence of the people. You must give some consideration to the needs of the people from whose resources we must finance this war. If you dry up the stream at the source you will have no supply. You are already having trouble to finance your bonds. Let us do the sensible thing. What we ought to do is to send this bill back to the Committee on Ways and Means. [Applause.]

We ought to establish a policy which we will in the future adhere to. We ought to advise the American people in advance what our policy is to be. We ought to give them an opportunity to adjust their business to the new policy of the Nation, and when they have been given that opportunity we ought to adhere strictly to the policy and collect our revenue under a systematic scientific policy.

We ought to employ the best financial brains that money will buy. [Applause.] We ought to employ the best actuaries that can be obtained. We ought to decide in advance what per cent of taxes we will levy against the people, and what per cent of securities we will issue in the conduct of the war. We ought to decide whether we will issue serial bonds, payable at different periods, and amortize the bonds issued. We ought to familiarize the people with the purpose of the Government before we begin to tax them on terms of uncertainty. It is the uncertainty in the public mind to-day that makes everybody run to cover. You will create bankruptcy all through the business world unless you establish some systematic policy along these lines. The time is here for you to act and use the good common sense which you ought to have. Call in the experts, take the time and consider this bill properly.

We do not need the money to-day; this money is not needed until 1918. We are preparing for the payment of the obligation for the year 1918. Then, why pass a bill to-day that nobody can understand and that has driven every man throughout the country into a state of uncertainty and despair?

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'SHAUNESSY. I ask unanimous consent that the gentleman have one minute more to answer a question. I listened the other day or talked the other day with the gentleman from New York [Mr. SNYDER], a business man on the gentleman's side of the House, and there was no claim on his part that business was being disturbed or that anybody was afraid of the taxes proposed in this bill. [Applause.]

Mr. MADDEN. Mr. SNYDER is only one man in the United States.

Mr. O'SHAUNESSY. But he is a good business man.

Mr. MADDEN. I know that, and I have respect for his judgment.

Mr. GREEN of Iowa. Mr. Chairman, with all deference to my distinguished colleague, the gentleman from Connecticut, there never was a more idle proposition than to send this bill back to the Committee on Ways and Means. [Applause.] The Committee on Ways and Means have undertaken to fix the items of the income tax. The House has shown by its temper and disposition that it proposes to fix it, and I have no objection to letting the House fix it. Send the bill back to the Committee on Ways and Means and let them bring in another one and the House will fix these provisions just the same as it proposes to fix them now. The gentleman from Illinois [Mr. MADDEN] is opposed to the income tax. He wants the income taxes cut down. The House is determined to raise them. [Applause.] He wants to dispense with the excess profits tax.

Mr. MADDEN. Mr. Chairman, I challenge the gentleman's right to make that statement.

Mr. GREEN of Iowa. If the gentleman will be seated until he is recognized——

Mr. MADDEN. Mr. Chairman, I ask the gentleman if he will yield.

Mr. GREEN of Iowa. I yield to the gentleman.

Mr. MADDEN. On what authority does the gentleman make the statement that I am opposed to income taxes?

Mr. GREEN of Iowa. I said the gentleman was opposed to the income taxes in this bill.

Mr. MADDEN. Who told the gentleman that?

Mr. GREEN of Iowa. I heard the gentleman state that, in substance, and every other gentleman did.

Mr. MADDEN. The gentleman heard nothing of the kind, and no one else ever heard the statement.

Mr. GREEN of Iowa. Oh, let the gentleman be seated a moment——

Mr. MADDEN. I do not propose to allow the gentleman to charge me with statements that I never uttered.

Mr. GREEN of Iowa. I do not care whether the gentleman proposes it or not. The gentleman has been speaking here against them. The gentleman has announced also that he is opposed to the excess profits tax. If I correctly understand the temper of the House, it is more likely to raise the excess profits tax than it is to dispense with it.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. I do not want to take up much of the time of the House, and I want to go on for just a few moments. Gentlemen have stated that this bill is something that ought to

be sent back to the committee, and have intimated that it is not prepared in accordance with any specific plan or in accordance with any scientific manner. I showed in my remarks last Saturday fully and completely the plan on which this bill was prepared. I showed at that time, and if any gentleman will take the time to read those remarks he will find it there, that this bill was prepared in accordance with sound principles of economics and in accordance with the accepted principles of taxation. There is not an economist in the country who has made any study of this question that will say the contrary; but, on the contrary, the plan of the bill has been beforehand approved, as I have found, by every school of economy, by every prominent economist in the country, without exception. That is the situation with reference to it.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LONGWORTH. I suggest to the gentleman that the plan was approved by the National Chamber of Commerce.

Mr. GREEN of Iowa. The National Chamber of Commerce, an association representing the business men of the country, from the highest down to the very lowest, had a committee appointed, composed of distinguished bankers and distinguished financiers, of economists known all over the world as men of standing and students of the question, and about a month ago those gentlemen brought in a report presenting a plan for a bill, and it is inserted in the RECORD as an appendix to my speech, and gentlemen will find that the plan of this bill is in general accord with it. I am speaking of the plan, not of the details.

Mr. HUSTED and Mr. FESS rose.

Mr. GREEN of Iowa. I yield to the gentleman from New York.

Mr. HUSTED. Does the gentleman think that the additional $400,000,000 asked for by the Secretary of the Treasury could be equitably distributed under the provisions of this bill without further consideration by the Committee on Ways and Means?

Mr. GREEN of Iowa. I was just coming to that subject, and I will be glad to dispose of it. What does my friend from Ohio desire?

Mr. FESS. I wanted to ask the gentleman this question: Since the bill was written upon the basis of raising $1,800,000,000, and then overnight comes a statement that $750,000,000 more are needed——

Mr. MILLER of Washington. No; $445,000,000.

Mr. FESS. There is a deficiency of $470,000,000, I understand—well, $445,000,000. What assurance has the gentleman that next week there will not be another letter from the Secretary of the Treasury asking for another half million dollars?

Mr. GREEN of Iowa. If we sit from now until next December, the gentleman will find that the estimates are continually increasing, because as we proceed with this war our expenses are going to increase right along. There is no reason for sending the bill back on that account. Even before we had finished the bill we knew that it would take more than $1,800,000,000. The gentleman from Connecticut [Mr. HILL] in refuting the figures given by the gentleman from Illinois [Mr. MADDEN] showed that instead of this bill furnishing too much money under the estimates which were in at the time when we prepared the bill—not now, but then—it would be about $200,000,000 short, I think.

Mr. HILL. Two hundred million dollars short?

Mr. GREEN of Iowa. Two hundred million dollars short, and if you increase the income tax here you still will not have enough to make that up.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. HARDY. If we adopt the plan of the gentleman from Illinois [Mr. MADDEN], will it not be six months before we start to pass this bill?

Mr. GREEN of Iowa. Yes; at least that long.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent that his time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. I understand the gentleman to favor the view that this bill ought not to go back to the committee.

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. The gentleman has heard the gentleman from North Carolina [Mr. KITCHIN] change his view here about the advisability of accepting these increases of the income tax?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. And the gentleman has heard what the gentleman from Michigan [Mr. FORDNEY] has said?

Mr. GREEN of Iowa. Oh, well, I can not permit the gentleman to make a speech.

Mr. GRAHAM of Illinois. Does the gentleman not think, in view of the fact that these gentlemen have reconsidered their opinions about the matter, that the committee ought also to reconsider the bill?

Mr. GREEN of Iowa. If the gentleman had done me the honor to listen to what I have said, he would know that I have stated that if you come back here in one month or two months or six months with this bill this House will fix the rates of the income tax.

Mr. LANGLEY. And that is the proper thing for the House to do.

Mr. GRAHAM of Illinois. I heard that, but that does not answer the question.

Mr. GREEN of Iowa. It does not make any difference about what the committee fixes. It is said that we do not need this much money and that we ought to put the burden, by way of bonds, on future generations. I would like to have you gentlemen listen now to what some distinguished bankers and financiers of the country say about this matter. Here is the conclusion of the report of the United States Chamber of Commerce:

> Modern warfare is extremely costly, and in order to meet any appreciable portion of the expenses during its progress heavy taxation must necessarily be imposed. In European countries it is now generally admitted that far heavier taxes should have been imposed at an earlier stage of the war. The recommendations of the committee in this report are the result of a careful study of the experience of our own people in previous emergencies, and particularly of the very recent experience of other countries.

And Mr. Chase, who was Secretary of the Treasury at the time of our Civil War, called attention to the fact that the great proportion of the expenses ought to be financed as we went along and said in one of his reports in 1863, after he had had some experience with the situation with reference to the great importance of providing beyond all contingency for ordinary expenditures and interest upon debts, and for the largest possible amount of extraordinary expenses by taxation.

And he added to that:

> It is hardly too much—perhaps hardly enough—to say that every dollar raised for extraordinary expenditures or reduction of debt is worth two in the increased value of national securities and increased facilities for the negotiation of indispensable loans.

Mr. RAINEY. Mr. Chairman, the situation which confronts this House is perfectly simple. There are no complications. There is no necessity for undue excitement. We are engaged in the great war, and the country is beginning to realize it and to know what it means. You can not vote armies and navies and merchant ships without voting to pay for them. Part of these additional expenditures have already been authorized by one or the other branch of this Congress. A part of them are merely estimated for. But we are going to need money in tremendous amounts, and this bill, whatever its size, will not be as big as the bill of next year. There is no alchemy by which you can avoid meeting these tremendous war expenses. You can not do it by issuing bonds. We have started in this war upon the theory that we are going to pay at least half of it as we go along by direct taxes, and if we fail to pay that amount, if we have not the courage to provide the methods of collecting one-half of the expenses of this great war as we proceed, then this country, with all its great resources, has lost the first battle in this struggle.

The bonds are not being taken with tremendous avidity throughout the country. The banks have merely announced that they think their customers will take less than a half billion dollars' worth of these bonds. We may expend here in the United States during the next 12 months of time $10,000,000,000 in money; money to be expended by this country and by our allies. You can not place out in the channels of trade this tremendous amount of money without creating prosperity such as the manufacturers and the merchants of this country have not participated in for many years past.

In England they have experienced that same sort of war prosperity. In Canada, according to the reports we get from Canada, merchants and manufacturers are enjoying a prosperity that they never even dreamed of. You can not expend this much money in a country without bringing about prosperity wherever that money goes, but you can not levy taxes without unsettling business to a certain extent, and you need not expect

to do it. We will probably have to go to the suggestion of the gentleman from Michigan [Mr. FORDNEY] and place stamps upon checks. We will probably have to graduate the stamp tax as he suggests. We had a stamp on checks before, but we succeeded then in collecting only $9,000,000 a year from that source. We will be compelled to invent new and ever new methods of taxation as this war proceeds, and we may as well understand that every man's life, every man's fortune, every man's income is pledged to the success of the United States in the war upon which we have entered.

The Committee on Ways and Means have considered this bill, and they have presented as well balanced a measure as it is possible to present, considering the fact that it is a war measure. We are not presenting a bill for the purpose of aiding business in this country. The trouble with citizens of the United States is this: They think they have been benefited in their business for a hundred years by this Government; the Government has been doing things for them, they think, and now they are face to face with the fact that each man and each woman of them must do something for this Government. [Applause.] And this is a strange and new condition for the citizens of the United States to find themselves confronted with. The chairman of the committee has stated that hereafter, as this bill proceeds through this House, the committee will meet every morning to consider the necessary additions to the bill, if any additions are found necessary by the committee, to be suggested to this House.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two minutes more. Is there objection?

Mr. MOORE of Pennsylvania. I ask unanimous consent, Mr. Chairman, that the gentleman may have three minutes, and request him to answer a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. The proposition now that the bill be recommitted to this committee is absolutely untenable. The bill as it stands and as far as it goes is as well-considered and as complete a war measure as it is possible for this committee or any other committee of this House to suggest. The question is not what items you are going to strike out of this bill, but the question to be presented to this committee as the bill proceeds on its way through the House is what you will add to it.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield now?

Mr. RAINEY. Yes.

Mr. MOORE of Pennsylvania. The gentleman is a member of the Committee on Ways and Means and a very prominent one, and I want to ask him whether he will stand for a bill carrying more than $1,800,000,000 at the present time?

Mr. RAINEY. I will stand for any bill that is necessary to finance this war. [Applause.] And I will vote for the amendment proposed by the gentleman from Wisconsin [Mr. LENROOT] if it is necessary to adopt that amendment in order to furnish the amount needed.

Mr. MOORE of Pennsylvania. The gentleman is aware of the fact that the original estimates were $3,800,000,000; $2,000,000,000 to be raised by a bond issue and $1,800,000,000 by taxation.

Mr. RAINEY. I rememebr that.

Mr. MOORE of Pennsylvania. As to that the country is now informed and knows exactly what is coming to it. Does the gentleman think it possible at this time to raise more than that $1,800,000,000 by taxation?

Mr. RAINEY. I think it is proper and possible to raise whatever amount we ought to raise in order to pay one-half of these expenses as we go along. This administration would be possessed of superhuman powers if in this great emergency, in a few days' time, it could correctly prophecy and suggest to the Congress how much money is going to be needed. You can not tell what the Congress will do. Any proposition to increase any man's salary and make any charge on the Treasury goes through Congress as if it were greased. [Laughter.]

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. RAINEY. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. RAINEY. Every enlisted man, whether he serves at home or abroad, it was proposed yesterday should receive an increase of pay, and the proposition went through this House as if it were greased. The next proposition will be to make a differential between the pay of the men who go abroad and the pay of the men who stay at home of $15 or $20 a month, and that will go through this House and the Senate as if it were greased. [Laughter.] You can not make a suggestion of any kind as to any appropriation connected with this war to the Congress that is not adopted enthusiastically and with cheers. But when you commence to talk about raising the money any suggestion with reference to raising it, except to go into the industry of printing bonds, meets with but little enthusiasm here or with the people who are taxed. [Applause.]

We are conscripting our young men, who will be compelled to go to Europe to face the poisonous gases and the shot and the shell of the most completely organized and equipped army the world has ever seen. We have started to crush the mailed dragon of central Europe, and it is now the business of this magnificent new Republic to do that. A year from now we will find ourselves, I predict, the principal antagonist of Germany in the great war now raging. We can not take up this burden and hope to carry it through and keep our "place in the sun" without spending money; and every man's fortune, every man's income, and every man's life is pledged to the undertaking in which we have engaged, and we must vote this money. [Applause.]

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield for a question before he takes his seat?

Mr. RAINEY. Yes; I yield.

Mr. LONGWORTH. My colleague has said that he, as a member of the committee approves, as the war progresses, of paying not less than one-half of all the expenses by taxation?

Mr. RAINEY. Yes.

Mr. LONGWORTH. Of course the gentleman realizes, however, that that is not the position of the committee as a whole for an indefinite period. For myself I have stated very frankly that while I was willing now to support the fifty-fifty proposition for the raising of the first amount of money necessary, I am not willing to subscribe to the proposition that this present generation, so long as the war shall continue, shall pay at least half. [Applause.]

Mr. MEEKER. Mr. Chairman, I move to strike out the last word. The suggestion made by the gentleman from Illinois [Mr. MADDEN] and the suggestion made by the gentleman from Texas [Mr. GARNER] show very clearly the differences in the attitude of the Members on the floor generally as to the wisdom or unwisdom of passing this bill now. The gentleman from Texas [Mr. GARNER] suggested that this bill should be adopted as it is now because we are at war. The fact of it is that is the only excuse I have heard offered by any member of the committee for voting for the bill at all.

Mr. MOORE of Pennsylvania. I ask the gentleman what other excuse there is?

Mr. MEEKER. I will take that up in a moment.

Mr. LONGWORTH. It will be hard work to suggest any other.

Mr. MOORE of Pennsylvania. Is not war the only excuse for it?

Mr. MEEKER. I would not vote for a bad bill for any reason—one that is not economically sound.

Mr. MOORE of Pennsylvania. Would the gentleman vote for conscription, and then fail to vote the money to pay for it?

Mr. MEEKER. If the gentleman will please keep quiet about that conscription business——

Mr. MOORE of Pennsylvania. I hope the gentleman will be kind enough to tell us about it.

Mr. MEEKER. I will be kind to the gentleman in a moment, in my own way. I want to say to the gentleman that, so far as conscription is concerned, I have voted to use the men who were best available for the service; and that is what I think we ought to do with our taxes.

Mr. MOORE of Pennsylvania. And now we are going to vote the money to support them.

Mr. MEEKER. I will make this speech, and the gentleman can get his own time.

The gentleman from Texas [Mr. GARNER] suggests that we pass the bill as it is, and then have the committee meet in October, about four months from now, to prepare the next bill for December, and in the meantime to see how this has worked out during the summer. That is, after all the readjustment of business in every way to meet this taxation, if it can be readjusted in that time, and after three or fourth months of experimentation, if the industry of the country is still living, the gentleman suggests that we adopt another system.

It seems to me that the impatience of certain individuals to rush through a measure that involves only about $2,000,000,000, to have it all done here in about 30 minutes' time, is typical of

the American mind. Gentlemen, if we do not start this revenue-raising system right, it is going to bring us more disaster than anything else. [Applause.] And the whole question with the men who are opposing this measure is that they are insisting that this is not a sound bill for the raising of this revenue. You may talk as you please, you are not going to get subscriptions for these bonds until the industrial and business world knows where it is at on this tax bill. You can preach patriotism all you please in an effort to get men to subscribe, but they will not do so now, because they do not know how long it will be before they are going to lose out in business. I think some of us should admit—I, for one, am willing to admit—that we are not all-wise on these tax questions. We have had this bill here for only a week to consider measures that are to reach to the very end of this long struggle, and on a five-minute debate are called upon to pass our judgment as to how this is going to affect the industrial life of our country. I think the committee should ask that the bill be sent back to it. Nobody is satisfied with it. The gentleman from Pennsylvania [Mr. MOORE] was terribly concerned about conscription, and all of those things. The gentleman from Pennsylvania would not permit himself to cast his vote for any measure if he thought it was going to destroy our new conscription law. If it was going to nullify the selective-draft plan, I fancy he would stand by his convictions and vote against any such measure. I would, and I think we all would.

Now, gentlemen, let us quit talking about this being war. We all know that; but let us hold ourselves down to the one question as to whether these different items as they come through are sound, and as to what effect they are going to have upon the industries from which we expect to raise that revenue. [Applause.] A question was asked me this morning as to whether or not the men who are to manufacture munitions are still to pay their 12½ per cent profit tax which was laid on last year. The question has been put this morning by the representatives of the great jewelry industry of this country as to whether the men in this business are to be called upon to pay the 5 per cent tax on goods that they have had on their shelves, some of them for 20 or 30 years, some of the finest pieces they have carried, and whether that tax is to come on all at once, or whether they are to pay it as they sell their goods. There are a thousand questions of that sort, practical and vital to the men who are standing back at home, while we are voting the money out of their pockets and taking it out of their hides, while we stand here and talk about it. These men have a right to be heard.

Mr. O'SHAUNESSY. May I suggest to you to speak to some of the business men on that side of the aisle and get their opinion on the bill?

Mr. MEEKER. I have heard it expressed privately.

Mr. O'SHAUNESSY. They favor the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEKER. I would like two minutes more.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. MEEKER. I believe the suggestion of the gentleman from Illinois [Mr. MADDEN] is sound. We can afford to wait for 30 days. Some gentleman said to me this morning, "We want to get through and get away from here and get home." Well, the men who have got to pay these bills will be at home for a long time, and I think it is a cheap excuse for the Members of this Congress to be talking now about getting away from here to escape the hot weather. Let us stay here until we have the right kind of a bill if we have to stay until this time next year. If this bill should go back to the committee and all these things that are being thrashed out on the floor here now under the five-minute rule should be considered with the men who come here to assist in the suggestions for financing this war, I believe that it would redound to the credit of this Congress forever. We should go to the country with a bill that is not a mere makeshift, but a bill for which we do not need to make apologies, and one that the Members on both sides of the aisle can agree is a revenue system for financing the war that will stand the test of time as long as the war may last.

Mr. HOWARD. Mr. Chairman and gentlemen of the committe, Members on both sides of the aisle this morning have discussed this question about what we ought to do. The gentleman from North Carolina [Mr. KITCHIN] has told us that we have got to raise $400,000,000 in addition to what the bill calls for.

Mr. KITCHIN. No; that is merely the statement of the Secretary of the Treasury.

Mr. LONGWORTH. Let us understand what this is. Is this a request from the Secretary of the Treasury or only a statement?

Mr. KITCHIN. It is merely a statement showing the amount of estimates of appropriations that will be needed to meet the demands next year. He did not say that we had to raise it all by taxation.

Mr. GARNER. If I correctly understood the gentleman from North Carolina, he wants to raise the amount at this time which is specified in the bill.

Mr. KITCHIN. I said that we would need all the money raised by this proposed amendment and more besides.

Mr. MANN. Will the gentleman yield to me for a moment?

Mr. HOWARD. Yes.

Mr. MANN. How much money now does the Secretary of the Treasury say needs to be expended by the end of the fiscal year?

Mr. GARNER. He just read that.

Mr. MANN. He read the statement of the Secretary of the Treasury. Does the gentleman from Texas know?

Mr. GARNER. I know about as much as the gentleman from Illinois knows about it.

Mr. MANN. I am asking for information; and now the gentleman from Texas butts in, and he knows nothing about it. I want to know if anybody in the House knows how much it is, but nobody can answer.

Mr. KITCHIN. The statement would show about $4,000,000,000.

Mr. MANN. Yes; but how much does the Secretary of the Treasury say is needed to be expended at the end of the fiscal year 1918?

Mr. KITCHIN. That statement shows——

Mr. MANN. I know what the statement shows, but does the gentleman know? The statement was read in the House, but nobody now knows how much is to be expended, and here we are "legislating intelligently." [Applause.]

Mr. HOWARD. Mr. Chairman, I seem to be the innocent bystander. [Laughter.] I want to make a short statement and then you can get hold of the chairman of the committee again and shake him. [Laughter.] He seems to be favored for attack this morning.

I do not care what the Secretary of the Treasury's estimate in that letter is, if it is four hundred or five hundred million dollars. He is modest in his estimate, and you are going to see it. I am going to tell you why he is modest. Under the act of August 29, 1916, in the general Army appropriation bill we created an inoffensive, innocent-looking piece of machinery in this Government known as the Council of National Defense. Its operation under this bill seems to be very modest and only advisory. Seven men were supposed to get together, selected on account of their long experience and superior ability in certain lines to advise different Cabinet members therein mentioned.

I was down this morning to the Munsey Building. I found three entire floors of that large office building with hundreds and hundreds of clerks crowded together working like they were putting out a fire in a broom-sedge patch. There were expert fly speckers, chemists, analysts, insect finders, bug hunters, and people of every conceivable character on the face of the earth crowded down there into that building engaged in national defense. [Laughter and applause.]

Let me show you what has happened. I want to give you, if you will permit me to, some of the facts. If that crowd is turned loose on the Nation for six months longer, they are going to bankrupt it. That is what they are going to do. Let me show you. They have devised a rule to let no contract where the original contractor receives in excess of 10 per cent on the gross expenditures in the consummation of that contract. What will that do? Does it tend to the economy in these gigantic contracts that we are letting? No; it is a direct incentive for every man that receives a contract to raise the cost, because his profits are predicated upon total costs. The more it costs the more the contractor receives.

Let me show you how this thing works. I am not a business man; I have been accused on several occasions of being a modest kind of a lawyer. Let me tell you where the thing figures, and these good business men over here on the Republican side of the aisle will know that what I am stating is the exact truth. Every incentive on the face of the earth to the original contractor under that system is to increase the cost, because every dollar in labor increase, every dollar of increase in the cost of raw material, every dollar of increase in transportation, every dollar that enters into the cost of production of the article, everything increases the ultimate profit that that contractor will get from the Government.

I could give you an illustration of a thing that happened in the city of Atlanta. I will not put it in the RECORD, because I got it from three or four of my native contractors as to what was done there, but if these statements are authentic it is so outrageous, it is so wasteful and extravagant in practice, that I do not feel free to state it on the floor of this House without having the absolute unequivocal proof that it happened.

But I want to say that if the wings of the Council of National Defense are not clipped, and clipped promptly, and the attention of the country called to the enormous expenditures that this war will entail on the taxpayers and all interests of this country under that system of 10 per cent profit basis, it will be disastrous to this Nation. Money does not grow on trees, and when this tax bill is finally passed the people will be fully aware of that fact.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. COOPER of Wisconsin. Does the gentleman think that we should have a press censorship that would suppress the publication of the facts which the gentleman has just given?

Mr. HOWARD. Of course not, and no other sane man does. I always maintained, I will say to the gentleman from Wisconsin, that newspapers have no right to publish matter that would state the whereabouts of our ships or the amount of our munitions, the movements of our Army or our Navy. Those things ought not to be published; they ought to be secret, and if published they ought to be visited by a severe penalty. But let the white light of the noonday sun come into these transactions where the Government of the United States is making contracts for billions of dollars and is calling upon my constituents and your constituents for untold millions to carry on this war.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. MOORE of Pennsylvania. In view of the facts which the gentleman has just narrated and which are highly interesting, does he not think that if we do not speedily pass this eighteen hundred million dollar revenue bill the country will soon be called upon to pass a $4,000,000,000 bill?

Mr. HOWARD. I do. I want to say in conclusion that the Committee on Ways and Means has been criticized here this morning by some gentlemen unmercifully, especially by my delightful friend from Missouri [Mr. MEEKER], a wise man, as everyone knows. Nobody has to prove it, because I know that no one would more readily admit it than the gentleman from Missouri himself; but he gets up here and criticizes this committee. Oh, it is very easy to criticize; it is easy to say, "If I had the doing of this, I would not have done this, that, or the other," and then not say how you would have done it. It is no easy task for these gentlemen to lay their hands on $1,800,000,000 and do equal and exact justice to all.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. Yes.

Mr. MEEKER. Would the gentleman have put the 8 cent tax on gas?

Mr. HOWARD. Why, sure; I would put it on, and I would derive a greater revenue from the gentleman from Missouri than any other source by so doing. [Laughter.] We have got to take the groundwork at least of this great committee; we have got to take their recommendations under consideration and under careful consideration. We have no right to say to this great committee that we will brush aside all of their work to which they have devoted hours and days of study and examination. I hope that the amendment offered by the gentleman from Wisconsin [Mr. LENROOT] will be adopted, and these enormous incomes taxed in proportion to their ability to contribute the necessities of the Nation. These gentlemen who are submitting other plans here for the raising of revenue are trying to make up a bed for those best able to pay to lie upon in ease, so that the people of the Nation will pay this burden by their sweat and their toil upon the consumption of the Nation instead of upon the wealth of the Nation.

Mr. NORTON. Mr. Chairman, the gentleman from Illinois [Mr. RAINEY] said the situation which confronts the House is a very simple one. I agree with that statement. It is a very simple one if it is viewed properly. We are here to provide legislation to raise the money necessary for carrying on the war. The question of greatest importance, it seems to me, is as to who among our people should pay that revenue or the greater part of it. I believe that the funds necessary for the carrying on of this war should be paid by those of our people whom it will least inconvenience. The committee tells us that in addition to the bonds that have been issued we need $1,800,000,000. The amendment that is now proposed by the gentleman from Wisconsin will in effect increase the amount to be paid by those having net incomes between sixty and eighty thousand dollars a year, 25 per cent. I want to say for myself that I believe that the revenue for carrying on the war should be paid for the most part by men who have net yearly incomes of $5,000 and over, rather than by men who toil in ditches, in streets, on the farms, in factories, and offices long hours every day for just a mere living, and who have practically no net income above their frugal living expenses. The problem, I think, is simple if we view it in this way. During this war the men who have large fortunes in this country have made money more rapidly than ever before in the history of the world. I read in the paper yesterday about one man in this city who never raised a bushel of wheat in his life who is reported to have made $3,000,000 in wheat speculations on the board of trade in Chicago during the past month. Another man is reported to have made $5,000,000 in the same kind of trade within the month. Is there any reason why those men should not pay a large per cent of these tremendous profits to carry on this war? Do you think taxing a net income of $10,000, $100,000, or $1,000,000 even 50 per cent will inconvenience the owner of such income as much as levying a tax so as to increase 50 per cent or more the price of the meat, bread, tea, coffee, and sugar of the man whose total income is only $2 or $3 a day will inconvenience him and bring want and misery to the latter and those dependent upon him? I read another statement this morning showing where large manufacturing industries—iron industries, munition factories—have made during the past 12 months thousands of millions of dollars more in net income than they made in 1914 or in 1915, all as a result of present war conditions. I believe this amendment should prevail, and I believe it should be the policy of this House to secure most of the funds necessary to carry on the war during the next fiscal year from an equitable and fair tax on net incomes over and above necessary decent living expenses of the individual, from a tax upon excess profits and from a tax upon inheritances. I believe that the burden of taxation upon foodstuffs and upon transportation facilities—these burdens of taxation that will so directly and surely reach the poor man—should be very light. I do not think it should take us very long to make up this bill and make up a bill that will secure for the Treasury the funds necessary to vigorously and successfully carry on the war.

I want to say a word along the line suggested by the gentleman from Georgia [Mr. HOWARD]. I do not believe this Congress can reasonably expect economy in the expenditure of funds from the Treasury Department, from the War Department, from the Navy Department; nor do I believe that we can with any reasonable safety leave the matter of economy to the President of the United States, as so far he has shown no sense or idea of economy in the expenditure of funds intrusted to be expended in his discretion. If there is going to be any economy practiced in the expenditure of the funds that are raised by this and other revenue bills, that economy must be looked after and enforced by the Congress of the United States.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 25 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate upon the paragraph and all amendments thereto close in 25 minutes. Does the gentleman wish to suggest who shall control the time or how that time shall be allotted?

Mr. FOCHT. Mr. Chairman, I would like to have 10 minutes.

Mr. GILLETT. Mr. Chairman, I would like to have five minutes.

Mr. FITZGERALD. Mr. Chairman, I would like to have more than five minutes.

Mr. LENROOT. Mr. Chairman, I would like to have five minutes.

Mr. KITCHIN. If we are going to have the same debate, why not close upon this paragraph now and vote upon it, because the same character of amendment will be made to the remaining paragraphs, and there are five or six more? I move that all debate upon this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. LENROOT. Mr. Chairman, I do not know that I ought to take even five minutes, inasmuch as I assume and hope that this amendment is to be adopted, but I do think that something ought to be said in reply to some of the suggestions that have been made by some of the members of the Committee on Ways and Means. Some of them who are opposing this amendment are strangely inconsistent in the attitude they take. The gentleman from Michigan [Mr. FORDNEY] and the gentleman from Connecticut [Mr. HILL] are opposed to this amendment

because they say it will drive these men having large incomes to the purchase of bonds that are tax exempt, and therefore we will not get the tax we ought to have.

The gentleman from Texas [Mr. GARNER] says that we can not sell these bonds, that they are going to be a failure and therefore there must be a large taxation for that reason. Surely both of these statements can not be true. And the gentleman from Connecticut [Mr. HILL] and the gentleman from Michigan [Mr. FORDNEY] have suggested that if we increase the rates as I have proposed the rich man will avoid these taxes either by buying tax exempt bonds or by failing to declare dividends and passing profits to surplus.

Mr. HILL. Mr. Chairman, I beg the gentleman's pardon. I have not spoken to the amendment yet and I have made no such statement, neither now nor in the past. The gentleman must be attributing that to somebody else, as I have made no such statement.

Mr. LENROOT. I understood the gentleman yesterday or the day before certainly to make that very statement. Now, I want to say with reference to any men having control of a corporation that passes profits to surplus for the purpose of escaping these income taxes that the Congress of the United States has power in the future to reach that surplus, and if any man in the United States to-day has any idea that he can escape his fair share in that way he had better take notice that he is not going to be able to do it.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LENROOT. I can not; I have only five minutes. I wish I could. Whether or not a larger amount is to be raised by this bill than proposed by gentlemen, or whether or not the bill is to be readjusted, as was argued yesterday, this amendment should be adopted. The gentleman from Michigan, in reply to a question of the gentleman from Rhode Island, said that the reason that there were not larger income taxes proposed in this bill was because they wanted something left to tax in the future. Oh, Mr. Chairman, what an argument. In this bill they tax light and heat, they tax things that the poorest man in the United States must pay for. Oh, they do not propose to leave that a subject for taxation in the future, but they propose to tax him now and let those men who have made large fortunes out of the war escape their fair share now for the purpose of having something to tax in the future. Is it not more just to compel those men to pay their fair share now and strike out some of those items in the bill like light and heat, and save that as a means of taxation in the future if it shall become necessary? As to whether or not, in part, this bill should be recommitted, every man knows that this talk of revising this income-tax schedule next December is utter folly; as this income tax goes out of the House and out of the Senate, and becomes the law, you know and I know that the income-tax schedule will not be revised next December.

Mr. HELVERING rose.

Mr. LENROOT. I can not yield. And if we propose to compel these men with large fortunes to pay their fair share of taxes we must do it now or we will not do it at all. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that we read through this section and then amendments be in order to any paragraph, so we will save so much time.

Mr. LENROOT. Might we not have unanimous consent to offer this as one amendment?

Mr. KITCHIN. And I will ask further now, when it is read, the gentleman be permitted to offer his amendment as one amendment to each one of these paragraphs.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the section be read and that amendments to change the rate be offered in one amendment.

Mr. LANGLEY. Does that preclude any Member offering an amendment?

Mr. KITCHIN. No.

Mr. LANGLEY. Offering any number of amendments he wants?

Mr. KITCHIN. No.

The Clerk read as follows:

Fourteen per cent per annum upon the amount by which the total net income exceeds $80,000 and does not exceed $100,000;

Seventeen per cent per annum upon the amount by which the total net income exceeds $100,000 and does not exceed $150,000;

Twenty per cent per annum upon the amount by which the total net income exceeds $150,000 and does not exceed $200,000;

Twenty-four per cent per annum upon the amount by which the total net income exceeds $200,000 and does not exceed $250,000;

Twenty-seven per cent per annum upon the amount by which the total net income exceeds $250,000 and does not exceed $300,000;

Thirty per cent per annum upon the amount by which the total net income exceeds $300,000 and does not exceed $500,000; and

Thirty-three per cent per annum upon the amount by which the total net income exceeds $500,000.

Mr. SWITZER. Mr. Chairman, I would like to propound a question to the proponent of the amendment.

Mr. LENROOT. Mr. Chairman, I will withhold the amendment that I have to offer until I have prepared it in form, and will offer it later.

Mr. LANGLEY. I want to know if it is in order to offer amendments?

Mr. FOCHT. Mr. Chairman, I understand it is in order now for me to address the House for 10 minutes.

The CHAIRMAN. The Chair did not understand the gentleman had 10 minutes.

Mr. FOCHT. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen, it seems to me that there are two ways by which this matter——

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent, before the gentleman proceeds, that all debate on this section and all amendments thereto end in an hour.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this section and all amendments thereto close in one hour.

Mr. KITCHIN. I will ask that it close at 3 o'clock.

The CHAIRMAN. That all debate on this section and all amendments thereto close at 3 o'clock. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, I object for the present.

Mr. FOCHT. Mr. Chairman, in my humble opinion, we could for the time being at least reach a conclusion with respect to this bill, and these observations are predicated on what was said here this morning. It is proposed by one or two gentlemen that the bill be recommitted to the committee in order that it might be reshaped and refashioned, and then be brought back here in a form that will preclude the measure from again being shot to pieces, as it seems to be now. The other proposal was made by a member of the committee that instead of putting this heavy burden upon the business interests of the country directly, by what is characterized as a monstrous imposition, that a great portion of the revenue from taxation be raised by a graduated stamp tax. We all realize that a stamp tax is a most unpopular tax, because every time a man sends a check he is confronted with the fact that he is paying a tax. That system, gentlemen, would relieve the Government of the enormous cost of collecting, which has not been referred to to any extent here, and would preclude the necessity of an additional army of officeholders to collect these taxes which are proposed in this bill.

This simple tax act would relieve the people of all burdens of detailed reports, and would be the simplest, easiest, and most economical way in which to raise this big war revenue. Therefore both of those propositions should be considered—refer back to the committee or seriously discuss the amendment of the gentleman from Michigan [Mr. FORDNEY] as to stamp taxes. Then we will have reached a conclusion on this bill which is now so unsatisfactory and promises endless debate.

But that is not what I in particular wish to speak about. We have had generalization on this question. We have heard men talk about the burdens upon the people, about confiscation, and I want to bring right home to you, my friends, in a definite and concrete way something that can not be disputed with reference to how far-reaching the provisions of this bill are and how thoroughly unbalanced—at least as to one feature—the zone rate on second-class or newspaper postage. I had supposed the obsequies had been held over this section of the bill, that actually the post-mortem had occurred also, but it seems there are those here who want to pass this bill just as it is, and I feel it my duty before a vote is taken on this question, before we approach any nearer to it, to lay before the House some facts that are most potent and convincing.

As to this zone tax on newspapers, you have heard much. We have heard complaints about this committee in reference to it, but I do not complain of the committee, although we find the committee to have given such little consideration to an important matter like this that it naturally follows that suspicion is excited as to the injustice of many other provisions in the bill. This is so absolutely out of harmony with all business sense and reason that I can not help but believe that it might be better to have the bill go back to the committee and be overhauled, inasmuch as many members of the committee have said here that there are many features to which they are opposed, but that as a whole they would "swallow it." I do not believe the American people want us to "swallow" things with our eyes shut, nor to be, as one Congressman declared here, "rubber-stamp" Congressmen. At least I am not that kind

of a Congressman. I have been for all measures looking to the support of the Government, but I am not a "rubber-stamp" Congressman, and therefore I am going to call attention to at least one feature we find here.

In central Pennsylvania there is an important enterprise that has grown up through the energy and tireless labor of a number of young men through 35 long years. They publish a newspaper that has the largest circulation of any weekly newspaper in the United States. It is known as the Williamsport Grit, with a circulation of 300,000. It circulates throughout the United States, with a very large part of the circulation in the South and Southwest, extending into these wider zones where the post-office charges would be the heaviest.

Under the new tax conditions prior to the proposal of the zone tax the increase of expense or overhead in this office for first-class mail increase, 10 per cent tariff on white paper, increase in freight rates, increase in express, and stamp tax on telegrams, and so forth—will be $40,923.98. That is a pretty fair increase of overhead charges on one printing shop in the United States. But look at what is to be added. The increase now being paid for white paper, due to war conditions——

The CHAIRMAN. The time of the gentleman has expired.

Mr. FOCHT. Mr. Chairman, I would like to have 10 minutes more.

Mr. DOREMUS. Mr. Chairman, I ask unanimous consent that the gentleman have 10 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOCHT. I want these facts to go into the RECORD, and I want you to understand where this firm is going to land.

The gentleman fron. Illinois a while ago talked about getting excited. There will be no excitement in the Grit office, but these men are going to get ready for retirement if this bill goes through in the shape it is proposed. As I was about to say a moment ago, the increase now being paid for white paper due to war conditions is $57,500. The war tax and increased paper bill is $98,423.98. This proposed zone rate on second-class mail will raise their cost to $109,146.44, or a total war tax on this one publishing plant, reared by the energy and labor of these once young men, but now grown gray in the service, to $207,570.42. It is proposed to plunder that institution to that amount and wipe it out of existence.

The president of the Grit Co. is Mr. Dietrich Lamade, one of the best-known journalists and business men in the country, and who is everywhere beloved by the newspaper fraternity for his probity, enterprise, and exalted personal characteristics. He and his associates surely deserve a better fate than to have the honest labor of years of ceaseless endeavor wiped out and the usefulness of their great enterprise forever eclipsed as a result of this ill-advised section of the bill.

When we sat here and listened to that benevolent old gentleman, Mr. Balfour, pleading for help, and asking us to finance the bankrupt nations of Europe, we were willing out of the charity of our hearts to give to him; but let me plead to you now that we do not destroy the industries of our own country and commit, as some one said, the assinine act of drying up the spring from which flows all this revenue. If this bill passes as now framed, you will not get $207,000 from this firm; you will not get even the $40,923.98, for the spring will cease to flow.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FOCHT. I insert herewith the statement to which I have referred:

WAR TAXES AS THEY APPLY TO THE GRIT CO., WILLIAMSPORT, PA.

New taxes created by war-revenue bill.

Increase in first-class mail	$22,923.98
10 per cent tariff on white paper	16,250.00
Increase in freight rate	1,250.00
Increase in express	250.00
Telegrams, stamp tax	250.00
Ordinary war tax	40,923.98
Increase now being paid for white paper due to war conditions	57,500.00
War tax and increased paper bill	98,423.98
Proposed zone rate increase on second-class mail	109,146.44
Total increase due to war	207,570.42

Mr. RAINEY. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close in one hour.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on the paragraph and amendments thereto close in one hour. Is there objection?

Mr. MOORE of Pennsylvania. Will the gentleman modify his request and make it 3 o'clock?

Mr. RAINEY. Yes. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close at 3 o'clock.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this paragraph and amendments thereto close at 3 o'clock. Is there objection? [After a pause.] The Chair hears none.

Mr. LANGLEY. Mr. Chairman, by agreement with the gentleman from Wisconsin, I wish to offer these amendments at this time in advance of his.

The CHAIRMAN. The Chair will not recognize the gentleman now. The gentleman from Massachusetts [Mr. GILLETT] is recognized.

Mr. GILLETT. Mr. Chairman, I wish to say a word about the statement which was sent down this morning by the Secretary of the Treasury and which I understand is used as a basis for the argument that this bill, appropriating $1,800,000,000, is $400,000,000 short. I have read through the estimates which the Secretary of the Treasury submits, and it seems to me they do not justify the argument that is made. Most of them I concede the correctness of in specific detail. There is, to be sure, an estimate of $60,000,000 for the sinking fund, which is superfluous, because that money is never used.

The two items which seem to me novel in this statement of the Secretary of the Treasury and the only two except the $60,000,000 item, which seems to me necessary to be considered, are the item of $400,000,000 for the Shipping Board and the item of $760,000,000 for the Army.

Now, when the Ways and Means Committee submitted this bill of $1,800,000,000 they offered as the basis for that sum the statement of the Secretary of the Treasury that he must raise $3,800,000,000, and that $2,000,000,000 of that was to be paid by bonds, leaving $1,800,000,000 to be raised by taxation.

But the Committee on Ways and Means never gave us any details as to that $3,800,000,000. Whether they relied upon something which the Secretary of the Treasury may have confidentially told them I do not know; whether he specified to them these same items which he now suggests to us I do not know; but probably not, because these are bigger. But it seems to me that the House ought then to have been taken into the confidence of the Committee on Ways and Means and been told how that $3,800,000,000 was made up. I figured it up at the time and I could only make out that we needed about $3,200,000,000.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Yes.

Mr. BORLAND. As I caught the figures—and I think I am correct about this—the only difference in the estimate is the $400,000,000 necessary for the construction of new ships. Is not that the only difference that has been made in these estimates?

Mr. GILLETT. I do not believe that is all. It may be that that is the way the Secretary of the Treasury made up his $3,800,000,000.

As to the $760,000,000 for additional expenses of the Army, the Committee on Appropriations, when the two billion and odd millions were appropriated for the Army some weeks ago, went through the estimates which were submitted by the Secretary of War, and in that we appropriated not all they asked for, but after careful examination we appropriated all that we thought they would spend in the coming year. To be sure, we did allow that we would be back here next winter, and that it was possible that we might then have to make a deficiency appropriation. We always do. But we thought that what we appropriated then was as much as the War Department could probably expend. I think it is. I think the chances are that the War Department, unaccustomed to these enormous expenditures of money, although they may know what they want, will not know how to procure it.

The gentleman from Georgia [Mr. HOWARD] complains of those who sit down in the Munsey Building, and of the way they are giving out contracts. I do not know much about that, but I would much prefer to trust the contracts to them rather than to the heads of some of the departments in Washington to-day. [Applause.] It seems to me that the difficulty is going to be in wisely expending the money already appropriated, and that they will not probably need much of this additional $760,000,000.

And take the $400,000,000 for the Shipping Board. It seems to me that if there is any sum in this bill that could justifiably be paid out of bonds, it is that; because that is purchasing the great instruments of business. It is purchasing ships which, when this war is over, will be in the hands of the Government as an asset. Some, I suppose, will be at the bottom of the sea

because of the submarines; but those which are left, when we consider the condition of the merchant marine of the world at the end of this war, will probably be worth at least as much as they cost, so that $400,000,000 might justifiably be spent out of bonds.

Where it seems to me the Secretary of the Treasury is erroneous is in the claiming that this $760,000,000 for war expenses will inevitably be needed. Now, I am not saying this, Mr. Chairman, because I am out of sympathy with the purposes of the Committee on Ways and Means to raise their fifty-fifty by taxation. For one I differ with many of my colleagues on that point. I agree with the principle adopted by the committee. I applaud them for having the courage to stand by it. Much as I disapprove this bill I think we ought to go as far as we can by taxation in this first year of the war. But it does seem to me that by the statement of the Secretary of the Treasury there is a large margin left in this $1,800,000,000 to meet the emergencies of the coming year.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Yes.

Mr. GREEN of Iowa. I will say to the gentleman that there is nothing of the $400,000,000 provided in this bill. That was not considered at all when the bill was made up.

Mr. GILLETT. How was the $1,800,000,000 made up? Do you know?

Mr. GREEN of Iowa. Yes; we had the details before us.

Mr. GILLETT. You did not give them in your report.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Yes.

Mr. LITTLE. The bill as it now stands is $1,800,000,000. When the addition is made it is $1,200,000,000. You say there is $760,000,000 additional. Do you think that would reduce it to a billion?

Mr. GILLETT. It would be about $1,200,000,000. We undoubtedly will have very much larger expenses than we expect, and we ought to make a good liberal allowance for that.

Mr. LITTLE. How much?

Mr. GILLETT. I do not know. Personally, I do not believe this bill will produce nearly as much revenue as expected, because I believe business will be exceedingly upset and disrupted, and that there will be a vast falling off of revenues. The Secretary of the Treasury thinks they can spend $760,000,000 more for war material. The Committee on Appropriations did not believe it, but when we arrived at our figures we fixed on this basis: We said, "We will give them what we think they will probably spend, but that may be too little, and if it is, Congress will be in session next winter, and by a deficiency appropriation we can make up the balance." So that, while I am willing to concede that in our appropriations we were probably below the limit, I do not think it will reach that $760,000,000.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired?

Mr. LENROOT. Mr. Chairman, I desire to offer an amendment in conformity with the unanimous agreement, and I ask that it be considered as pending, to be voted on at the end of the debate.

Mr. HILL. Do I understand the gentleman wants to speak on the amendment?

The CHAIRMAN. That is the agreement of the committee.

Mr. HILL. Does the gentleman want to speak on the amendment?

The CHAIRMAN. Yes.

Mr. HILL. He has the right to defend it if he wants to, and as a member of the committee I do not wish to crowd him out of he desires to speak.

Mr. LENROOT. I do not desire to speak. I simply want to have the amedment considered pending.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. LENROOT: Strike out "14" in line 10 and insert "17.5."
Line 13, strike out "17" and insert "21.25."
Line 16, strike out "20" and insert "25."
Line 19, strike out "24" and insert "30."
Line 22, strike out "27" and insert "33.75."
Line 1, page 4, strike out "30" and insert "37.5."
And strike out, on page 4, line 3, the word "and."
Strike out, on line 4, page 4, "33" and insert "41.25," and add at the end of line 5 the following: "and does not exceed $1,000,000"; and add a new paragraph to read as follows:
"Forty-five per cent upon the amount by which the total net income exceeds $1,000,000."

Mr. LANGLEY. Mr. Chairman, I should like to offer an amendment and to have it read and pending.

Mr. HILL. I should like to have gentlemen understand that the proposition which has been made here is more than double the present English tax law after three years of war over there. Thirty per cent is the top rate in England, and this will be 62 per cent.

Mr. LANGLEY. Mr. Chairman, I desire to have my amendment read for information.

The CHAIRMAN. The gentleman from Kentucky [Mr. LANGLEY] is recognized to offer an amendment.

Mr. LANGLEY. I do not desire to debate it now, but to have it pending.

Mr. HEFLIN. And then I suggest that we have some time on this side as the debate proceeds.

Mr. MOORE of Pennsylvania. I suggest that that question has not been raised, about this side or that side. It may be raised if the gentleman wishes to raise it.

Mr. HEFLIN. The gentleman on that side made a speech just a moment ago to which I want to reply.

Mr. MOORE of Pennsylvania. I think the gentlemen have all been speaking in the same direction, and up to date there has been no disposition to break the harmony and the enthusiasm with which this bill is being pressed to passage.

Mr. HEFLIN. I want to suggest to my friend from Pennsylvania that it might happen that gentlemen on that side might desire to consume the time that has been fixed, and then we would not have the opportunity to speak on this side.

Mr. MOORE of Pennsylvania. I assume there will be ample opportunity, but the time is limited. I suggest to the gentleman that in due course he and I might differ, he upon his side and I upon mine, upon a question in which we are both interested. I do not want to disturb the harmony of the House.

Mr. HEFLIN. That is true, and I want to say something at this time in a five-minute speech.

Mr. LENROOT. Mr. Chairman, was unanimous consent granted to have my amendment pending and to be voted on at the conclusion of the debate?

The CHAIRMAN. Yes.

Mr. LANGLEY. I ask that my amendment be read.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Kentucky [Mr. LANGLEY].

The Clerk read as follows:

Amendment by Mr. LANGLEY: Page 3, line 13, strike out "seventeen" and insert "twenty"; page 3, line 16, after the word "twenty," insert the word "five"; page 3, line 19, strike out the word "twenty-four" and insert the word "thirty"; page 3, line 22, strike out the word "twenty-seven" and insert the word "forty"; page 4, line 1, strike out the word "thirty" and insert the word "fifty"; page 4, line 4, strike out the word "thirty-three" and insert the word "seventy-five."

Mr. HEFLIN. Mr. Chairman and gentlemen of the committee, I want to say at this time to the House that some gentlemen here do not seem to realize the fact that we are in war and that we ought to pass these measures without unnecessary delay. One gentleman on that side just a little while ago intimated that he was not concerned about reaching a vote, and from his speech I judge that it would not make any difference with him if it took 12 months to pass this bill.

We have passed a bill which provides for drawing an army from the body of the people of this country, and now it is necessary to raise taxes for the support of the Army and for the conduct of the war. All tax bills are unpopular. If you let the fellow who manufactures automobiles strike out taxes on automobiles, he will do it. If you let those who have a million-dollar income strike out the income feature, they will do it. This Congress has got to pass a bill that in its judgment is fair and just. Gentlemen, let us not delay this matter any more than we can help. It is sheer foolishness to talk about referring this bill back to the Ways and Means Committee. Do you know what that committee would do? I believe that it would report it back to the House immediately and you would simply be killing time to recommit it. The committee has given days and weeks of hard study on this measure, and it has brought in here a bill and now let us improve it wherever we can.

But, gentlemen, do not let us delay the passage of necessary legislation. You can not please the Kaiser—the deadliest enemy that civilization has, that liberty has, that peace has, that humanity has upon the earth—you can not please him better than to let him read day after day that we have not yet passed the tax bill, and that we have not yet passed the Army bill. [Applause.]

Lord God of hosts, be with us yet,
Lest we forget, lest we forget!

The American people expect us to act without unnecessary delay.

Some gentlemen have impressed me with the idea that they are not in any big hurry about passing a tax bill of any kind. Some have impressed me that they are not in any hurry about raising an Army. Gentlemen, the time has come

for small differences, for dallying, and delaying to cease, and for us to stand together and pull together for the good of our common country. [Applause.]

Mr. HILL. Mr. Chairman, I am opposed to this amendment. I was opposed to the last one, and I shall oppose it to the end. My first reason is that I do not believe an increase in these rates will raise any more money or, if so, very little. I will come back to that in a minute. In the second place, one gentleman, who seems to be greatly interested, and I justify him, says he wishes this to be done in order to strike out what he is pleased to call the retroactive tax by and by. In other words, it is a proposition to increase a part of the income tax in order to strike out another part of the income tax, which does not strike me as very consistent.

Another reason given for it is that we are going to raise some money to reduce the transportation tax, and so forth. Well, the transportation tax here is $172,000,000, and we have not heard here to-day any claim that this change in these amendments will raise over $85,000,000, in which case it will not take care of the transportation tax, and it will not take care of the retroactive provision, as you choose to call it in this bill.

Now, my reason for thinking that it will not bring in much, if any more money, is this: Take your pencils a minute when you get a chance and you will find out that at an income-tax rate of 12½ per cent it is an even stand-off between a 3½ per cent bond tax free and a 4 per cent bond taxable under the income tax. So that the moment you go above 12½ per cent you offer a premium for a substitution of tax free bonds for 4 per cent taxable bonds.

Mr. SHACKLEFORD. May I interrupt the gentleman for the purpose of asking him a question?

Mr. HILL. Yes; if you will be brief.

Mr. SHACKLEFORD. If it should have the effect the gentleman suggests, of causing capitalists to invest their money in nontaxable securities, would there not be some compensation in the fact that it would increase the market for some bonds that are not going very rapidly?

Mr. HILL. I do not care to go into that at all. I simply say there is a law of economics which can not be avoided, and if you run up against it you are going to get hurt. I am not talking about any individual or anything of that kind. I simply say that if you increase the income-tax rate above 12½ per cent it will have a tendency to drive 4 per cent investments into some kind of tax-free bonds. Raise your rate to 30 per cent and you will drive 5 per cent investments into tax-free bonds. You raise it to 42 per cent and you will drive 6 per cent investments into tax-free bonds. You raise it to 50 per cent and you will drive the 7 per cent investments into tax-free bonds. There are about twenty-five billions of tax-free property in the United States now. We have authorized an unlimited issue of farm mortgage 4½ per cent bonds. I read an enthusiastic appeal to the people of the United States in the paper last night to invest in those bonds. Every motion to increase the rate is a motion to increase the change from the taxable securities into the tax-free securities.

We settled that question, in my judgment unfortunately, a month ago. It is a fact—I may be mistaken—that you have legislated to the point of diminishing returns in the bill as it stands, and that the increase of these rates is unfortunate as a revenue-producing proposition.

As a proposition of justice, of course, there is nobody for a moment who supposes that either of these propositions are just. The proposition advanced by the gentleman from Wisconsin [Mr. LENROOT] levies 62 per cent as the high-rate tax. The high-rate tax of Great Britain to-day is 30 per cent. This leaves ours at 62 per cent. The amendment proposed by the gentleman from Kentucky [Mr. LANGLEY] puts it at 91 per cent. It is just as easy to say 291. Of course it is not necessary to argue a proposition of that kind. I shall vote against any amendment to this proposition. I was not in favor of carrying it beyond the revenue-producing point in the committee.

[The time of Mr. HILL having expired, he was given 10 minutes more.]

Now, Mr. Chairman, a little in the way of personal explanation. I fought this bill to the last day in the committee. For 128 years this Nation has depended on duties at the ports for its revenues. There was not a dollar of revenue of that kind in this bill up to that morning. I say that you can not finance this war on direct taxation of the American people. They will not stand for it. [Applause.] You can not do it. I said to the committee, "I will stand with you if we can widen the base and spread the taxation preparatory to a long war"; and when even the pitiable tariff items that are in here now were put in I said, "I consider myself in honor bound to stand by this proposition." I had a motive in my action this morning when the statement came in from the Secretary of the Treasury, and I asked the chairman whether he proposed to increase this bill to cover that amount. I am relieved from any pledge to support this bill in view of the vote that has just been taken. I will use my individual judgment hereafter as to any amendments offered on this bill.

Mr. Chairman, I came into the House with the determination to loyally stand by this bill as it was, giving the best reasons I could for its support, and loyally accept defeat if we were defeated on any proposition. I had a reason for that. I did not make up my mind hastily as to the position I would take on this bill. I went back 19 years ago to refresh my memory as to what happened during the Spanish War. I have the record here. A Republican administration was in power, and a bill was brought in to pay the expenses of that war. The Democratic Party stood up and demanded that the Republican bill should not be passed, and Mr. Bailey offered as a substitute for it an income tax. Here is the vote—134 in favor of an income tax, 171 against it, and 42 not voting. It was defeated. Exercising their constitutional right, the Democratic Party, in the person of Richard Bland—and my friend will remember it—offered a proposition to pay the bills of the war by issuing greenbacks. That was defeated; and then what happened? The bill came to a final passage to pay the expenses of this Government, under a Republican administration, during the Spanish War. Gallant Joe Wheeler voted to pay them, and one or two others. The vote on that motion was 181 yeas, 131 nays, almost solid Democratic opposition to paying the expenses of this Nation in that war under a Republican administration.

I did not want to see that done now. I wanted to see both parties come together, and I said I will stand and beg and plead with my Republican colleagues "to come up to the help of the Lord against the mighty" and stand with the Democratic administration in the prosecution of this war. But to-day the very bill they bring in is repudiated by the men who prepared it. I would not have prepared the bill in that way. I would have secured a thousand millions, if necessary, from the tariff. What are you doing? Thirteen hundred and seventy million dollars of this bill you do not get until a year from next June. Thirteen hundred and seventy millions! What is this administration to do in the meantime? Issue certificates, sell bonds, issue two billions of certificates. The Secretary says in that statement that he wants four hundred millions made immediately available. You can not get it out of that bill. If the tariff provision was in there, if the bill was passed you would commence to collect the duties to-morrow morning. I tried to get them there. There was an amendment, which I submitted in the committee, which would have raised $365,000,000, and they would have been collecting it before this time if the bill had become a law.

Now, here is the proposition. What are we going to do? I asked the chairman of the committee what he was going to do on subsequent amendments? Are we going to strike out the postage because somebody does not like it; are we going to strike out the retroactive clause because somebody does not like it? I say, let us stand for the bill and go down in defeat if necessary rather than embarrass the administration. There is the situation. It can be done; there is no trouble about it at all, Mr. Chairman.

There are two things that stood fundamentally in the way of this bill; one is sugar and the other is tobacco. We might as well understand it. The bill could be made to meet the expenses of the Government by taxation to the extent demanded by the Treasury. Somebody has asked two or three times why we did not get $40,000,000 out of confectionery or candy. The Secretary of the Treasury recommended it, and we could get it. I have his recommendation here. You know why, because it is made of sugar. It is just as certain as the world. If it was made of steel or iron there would be no trouble; if it was made of lead there would be no trouble. Why, we are practically ignoring the policy of the United States for 128 years and casting into the discard the only policy by which we could collect from the people of the United States enough revenue to-morrow morning if the bill was a law. [Applause.]

If we are to adopt a policy so utterly different from what I understood it was to be, I can not see that I can be pledged any longer to stand by the proposition.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. COOPER of Wisconsin. In conversation here there are some of us who do not understand precisely what the gentleman from Connecticut means by his reference to sugar and tobacco.

Mr. HILL. Oh, the gentleman is too innocent.

Mr. COOPER of Wisconsin. Why, Mr. Chairman——

Mr. HILL. Oh, he is altogether too innocent.

Mr. COOPER of Wisconsin. Will the gentleman permit?

Mr. HILL. Yes.

Mr. COOPER of Wisconsin I do not think it would become me as a Member of this House to rise and ask a question like that unless I meant precisely what I said. I do not know what the gentleman means when he says the trouble is sugar and tobacco. The gentleman has impugned my good faith in asking that question. I am not accustomed to say upon this floor what I do not mean. The two gentlemen who sit across the aisle from me, when I asked them what the gentleman meant by saying sugar and tobacco, both turned to me and said they did not know. Nor did I know, and I do not now know.

Mr. HILL. Mr. Chairman, here is an estimate of items which could properly be considered as fit subjects for taxation aggregating $2,703,000,000. It is not a Republican estimate. No Republican had anything to do with it. It went to the Treasury Department. Out of that came this estimate providing for $1,807,000,000. In it is this item of sugar, $92,000,000, and so it goes on and gives various items, a great many others that I shall not take time to read now.

Mr. COOPER of Wisconsin. What about tobacco?

Mr. HILL. I introduced an amendment absolutely confined to the recommendations of the Secretary of the Treasury, with one exception. I did not want to hurt any man in the sugar industry, and when I offered my amendment proposing to put an excise tax of 1 cent a pound upon it I included an additional duty of 1 cent a pound. We would then have obtained $150,000,000 out of sugar, at the same rate that Great Britain charges to-day. I included in my amendment a duty on tea and coffee. I was voted down. That is all right. I accepted it loyally, and I accepted it up to this time, when it is apparent that the members of the committee themselves are not going to stand by their own measure.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. DYER. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five minutes more in order to answer the gentleman from Wisconsin [Mr. COOPER].

Mr. CANNON. Mr. Chairman, I ask unanimous consent for time in which the gentleman may conclude his remarks.

The CHAIRMAN. The Chair will state that the time has been fixed at 3 o'clock when the debate shall conclude.

Mr. CANNON. I ask unanimous consent to extend that time, so as to permit the gentleman from Connecticut to conclude his remarks.

Mr. KITCHIN. Mr. Chairman, I understand that debate, by unanimous consent, closes at 3 o'clock.

Mr. CANNON. I have put the proposition to extend the time, so as to allow the gentleman from Connecticut to conclude his remarks.

Mr. KITCHIN. How much time does the gentleman want?

Mr. HILL. I will not be long. I think 10 minutes would give me all the time I want.

Mr. KITCHIN. I hope the gentleman from Illinois will modify his request by extending the time for 10 minutes.

Mr. CANNON. If the gentleman sees proper to object to my request, he can do so.

Mr. HILL. Make it 15 minutes.

Mr. KITCHIN. Make it 15 minutes, so that the time for concluding debate shall be 3.15 o'clock.

The CHAIRMAN. Does the gentleman from Illinois accept that modification?

Mr. CANNON. Mr. Chairman, if the gentleman from North Carolina desires to object, he can put his own proposition. I ask unanimous consent that the time be extended, so that the gentleman may be permitted to conclude his remarks.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Connecticut be permitted to conclude his remarks, not to be taken out of the time already allotted.

Mr. KITCHIN. Mr. Chairman, reserving the right to object, I will ask the gentleman from Connecticut if he is satisfied to make it 15 minutes?

Mr. CANNON. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. Is there objection?

Mr. KITCHIN. I object.

Mr. HELVERING. I object.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 15 minutes, not to be taken out of the time already fixed, so that debate shall close at 3.15 o'clock.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the gentleman from Connecticut be permitted to proceed for 15 minutes, not to be taken out of the time fixed. Is there objection?

There was no objection.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HILL. I can not yield now. Mr. Chairman, I have been quoted as saying that I favored the recommittal of this bill. I heard the statement of the Secretary of the Treasury read, and I asked the chairman of the committee if he intended to accept or not to oppose the amendments which were being made to the income tax part of the bill. I said then that in my judgment it would be utterly impossible to get this bill amended so as to cover this on the floor of the House, and if the addition of $400,000,000 necessary for the vigorous prosecution of the war was to be provided for in the bill before its final passage, it ought then to be recommitted. I am in favor of standing by the bill as it is.

The question was asked me wherein sugar had any bearing upon the construction of this bill. I introduced an amendment when we had reached the point of having provided $1,500,000,000 and there was still $300,000,000 more to raise to meet the demand of the administration. I took simply and solely the items which the Secretary of the Treasury had recommended, and the amendment provided for $365,000,000. If we had taken the item on sales of tobacco, which the Secretary of the Treasury had recommended, it would have materially decreased that deficiency. If we had taken the items on sugar which the Secretary had recommended it would have very largely decreased that deficiency. If we had taken other items which the Secretary had recommended there would have been no trouble about making up this bill without excessive taxation in any one direction.

It was not my proposition; it was far, very far, from my political ideas and views, and with three changes only, was what may well be considered an administration proposition.

Here it is. Now, I offered such an amendment. I am going to take time in my 15 minutes to read it:

SEC. —. On and after the day following the passage of this act there shall be levied, collected, and paid, in order to provide additional revenue to defray war expenses, upon the following-named articles when imported from any foreign country into the United States, or into any of its possessions, except the Philippine Islands and the islands of Guam and Tutuila, as additional to any existing rates of duty on said articles, the said rates to be enforced during the continuance of the present war, viz:

Crude rubber, 20 per cent ad valorem; manufactures of rubber and articles in which rubber is the component material of chief value, 10 per cent ad valorem; hides and skins, 10 per cent ad valorem; manufactures of leather and articles in which leather is the component material of chief value, 5 per cent ad valorem; wool, 10 per cent ad valorem; manufactures of wool and articles in which wool is the component material of chief value, 5 per cent ad valorem; raw silk, 20 per cent ad valorem; manufactures of silk and articles in which silk is the component material of chief value, 10 per cent ad valorem; vegetable fibers, 10 per cent ad valorem; manufactures of vegetable fibers and articles in which vegetable fiber is the component material of chief value, 5 per cent ad valorem; lumber, 10 per cent ad valorem; manufactures of lumber and articles in which wood is the component material of chief value, not including wood pulp, 5 per cent ad valorem; tin, 10 cents a pound; cotton, unmanufactured, 2 cents a pound—

The Secretary has recommended every one of those things—

Manufactured cotton and articles in which cotton is the component material of chief value, 10 per cent ad valorem; coffee, unmanufactured, 6 cents a pound, manufactured, 20 per cent ad valorem; tea, 12 cents a pound—

Those three items of tea, coffee, and sugar would have given $240,000,000—

Cocoa, crude, 20 per cent ad valorem; prepared cocoa and chocolate, 10 per cent ad valorem; all oils bearing no duty under existing law, 10 per cent ad valorem; fruits and nuts, 10 per cent ad valorem; works of art, 20 per cent ad valorem; furs, 20 per cent ad valorem; tanned leather, 10 per cent ad valorem; manufactures of iron and steel, 10 per cent ad valorem; antiques, 50 per cent ad valorem; sugar, 1 cent a pound.

SEC. —. On sugar and glucose manufactured in or imported into the United States there shall be levied and collected an excise tax of 1 cent a pound, and the Secretary of the Treasury is hereby directed to make regulations therefor and collect such tax.

This provided for the absolute prevention, as it seemed to me, of any criticism on the part of anybody in the United States of any desire to injure any particular industry, so I added 1 cent a pound to sugar, and then provided on sugar and glucose manufactured or imported into the United States there shall be levied and collected an excise tax of 1 cent a pound, and the Secretary of the Treasury was directed to make regulations therefor and collect such tax. Now, the whole thing was spoiled because the committee did not—and I bowed to it, and I bowed to it loyally and faithfully—did not see fit to include an excise tax and duty on sugar. That took out $150,000,000 from this proposition in one fell sweep, and it therefore became necessary to go to something else to take its place. The gap was filled by what is called the retroactive tax, against which there is much opposition. I loyally accepted the situation, and I

tried to stand by the bill, but if the bill itself is to be emasculated or be destroyed, or rates which, in my judgment, were too high before are to be raised still higher, and we are going to raise the amount of money by piling one tax on top of another and another on top of another, I simply say, just as I have said to the House and said to the committee, I reserve to myself the right now to exercise my individual judgment. It will not make any difference, it is only one vote, but I have stood in the face of denunciation and severe criticism by my own people at home because I stood by this bill. I was trying to stand by a Democratic administration. I had offered alternative propositions, and they were voted down, and I accepted it; but the trouble is, in my judgment, that it is a question of governmental policy, the difference between you gentlemen and me. [Applause.] There is where the difference is.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HILL. Yes, sir.

Mr. MOORE of Pennsylvania. That same Democratic administration now having intimated to the House that it needs instead of $1,800,000,000, $2,245,000,000, does the gentleman think that this bill ought to contain a provision——

Mr. HILL. I have been acting loyally, in accordance with the plan proposed, and I was willing to go back in the committee and try to raise the $445,000,000 on Democratic principles. I could not have done it without touching the luxuries, tobacco, sugar, which is the most widely distributed product in the United States, and puts a tax more equitably upon everybody than any other. I was, as I say, ready, as a Republican, to go back in the committee and try to raise this money if we had to raise it. I felt in accordance with my understanding that it was my duty to stand by you gentlemen in the defense of this bill, but when you gentlemen, two of my colleagues, just now announced that you are not going to stand by the bill in one of its most essential features, the largest single item in it—the income tax—what am I to do? I simply withdraw from the agreement to stand by this bill and say, as I said before, that I shall use my individual judgment concerning it hereafter. [Applause.]

Mr. BORLAND. Mr. Chairman, I want especially to speak in opposition to what was said by my colleague from Missouri [Mr. MEEKER] and the gentleman from Illinois [Mr. MADDEN]. If I correctly interpreted their remarks, and they were serious in their suggestions—if they really meant that the effort to form a tax bill at this time ought to be abandoned and that this measure ought to be committed to some indefinite body of experts that we are not able to designate in order to be studied over for an indefinite length of time, I want to say, without hesitation, that their suggestion is the most damaging that could be made.

Mr. MEEKER. Will the gentleman yield?

Mr. BORLAND. If the gentleman will make his question brief.

Mr. MEEKER. I only want to say that I am in favor of sending this back to the committee and let the committee conduct hearings; that is all.

Mr. BORLAND. I have none of the apprehension that the gentleman expresses, that this bill is going to ruin or disturb business. If I correctly interpret the opinion of the committee, business will not be seriously disturbed. The Republican members of the Ways and Means Committee evidently so felt at the time they reported the bill. The gentleman in predicating his whole remarks upon the idea that somebody's business is going to be ruined started out on a false basis. But that is not all. He started out on a false basis by assuming that any business man of this country, the investors and holders of idle capital, are going to invest in bonds of our Government if we have no tax bill to support those bonds. Yet the gentleman would have us go out, as we are now going out, he having voted for it, I think, and sell $4,000,000,000 worth of securities without a tax bill to support them and without any concrete plan of where the taxes will come from to support them.

The plainest dictates of economic common sense is that we have a tax bill to support the bonds when we offer them to the American public. If the gentleman has learned the first principle of economics, he has learned that at least. I am very glad there has not been any partisanship in this debate so far. I regret exceedingly that the distinguished gentleman from Connecticut [Mr. HILL] has announced his intention not to abide by the general support which he has so generously given the bill. I would say, if I were disposed to compliment the gentleman, that he had won a great victory in putting that 10 per cent blanket tariff tax into this bill and getting the Democrats to vote for it, and he ought to be amply content with that magnificent victory. We do not want to vote for it any more than he wants to vote for an increase in the income tax, but we are each trying loyally to do the same thing, to wit, to sustain the necessary strain upon the American Government at the present time. And that duty is just as imperative upon the minority as it is upon the majority now.

I regret exceedingly to see a form of tax put into this bill which, as I believe, takes $10 out of the consumer for every dollar it puts into the Treasury. I would prefer to take $10 out of the pockets of the American consumer and put that $10 into the American Treasury, if I were going to tax the consumer at all. That is my idea of the tax. The gentleman has succeeded, and I think by loyal effort on his part, to cooperate with other members of the committee, in putting on this bill a tariff provision. Many of us object to that provision and only vote for it on the imperative necessity of agreeing promptly on an efficient tax bill. I think the same inducement, argument, and impulse that led the gentleman from Connecticut to support this bill will lead him still, even though the membership of this House, some on his side and some on ours, conclude to change in material matters some of the features of this bill. I want to remind him that the proposition to increase the income tax came from the Republican side, and I am going to support it on a nonpartisan basis.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. EMERSON. Mr. Chairman, I would like to offer these amendments and ask to have them read and voted on at the end of the discussion.

The CHAIRMAN. The gentleman from Ohio offers amendments, which the Clerk will report.

The Clerk read as follows:

Amendments offered by Mr. EMERSON: Page 3, line 13, strike out lines 13, 14, and 15 and insert in lieu thereof the following:

"Fifty per cent per annum upon the amount by which the total net income exceeds $100,000 but does not exceed $200,000."

Page 3, line 16, strike out lines 16, 17, and 18 and insert in lieu thereof the following:

"Sixty per cent per annum upon the amount by which the total net income exceeds $200,000 but does not exceed $300,000."

Page 3, line 19, strike out lines 19, 20, 21, 22, 23, and 24, and on page 4, lines 1, 2, 3, 4, and 5, and insert in lieu thereof the following:

"Seventy-five per cent per annum upon the amount by which the total net income exceeds $300,000."

The CHAIRMAN. The gentleman from Michigan [Mr. SCOTT] is recognized.

Mr. SCOTT of Michigan. Mr. Chairman and gentlemen of the committee, in the bill now before the House you are attempting to raise by taxation the most stupendous sum of money ever levied by any nation since the origin of time. I realize that it is much easier to criticize than to create, and it is in no spirit of disrespect to the honesty of purpose and the arduous and conscientious work which has been performed by the Ways and Means Committee that I am unable to agree to several items contained in this measure.

In this bill you are presuming to lay the foundation for a system of taxation which will bring sufficient revenue to pay the unprecedented expenses of this Government during the continuation of the present war. The unusual taxes which you impose and the unusual system of taxation which you intend to follow during this war should have the most deliberate consideration, not only of the Ways and Means Committee but of the entire country. I insist that such consideration has not been given to the preparation of this measure. Not a single hearing has been had, and the people of the Nation who must pay this mammoth sum of money have virtually been precluded from presenting undeniable facts, the knowledge of which would have materially changed a number of items in this bill. Every member of your committee has supported the bill with an apology, and I ask you with what less respect and confidence can you expect it to be received by the tax-paying public.

The war-revenue bill should be the very last measure considered by the House, because at that time you would have a much better conception of the amount of money necessary to be raised than you possibly can have now. This bill was presented to the House on May 9. It contained the sum of money which, in the judgment of the officials of the Government and the entire membership of the Ways and Means Committee, was necessary for the next fiscal year. Yet to-day—seven days after you report this bill—you present a statement from the Secretary of the Treasury which says that it will be necessary to raise $425,000,000 more than this bill provides. To accomplish that end the gentleman from North Carolina [Mr. KITCHIN] has indicated that he will not oppose the amendment suggested by the gentleman from Wisconsin [Mr. LENROOT], which purposes to raise the surtax 25 per cent on all annual incomes in excess of $20,000. I do not know that the gentleman's amendment is a sufficient increase, but I supported it, because the man who has a net in-

come of $20,000 a year or more is infinitely better able to share the expense of this war than the man who is earning $2 a day at manual labor.

In the brief time I have, it will be impossible for me to attempt to cover the various items in this bill which I consider to be untenable and fundamentally unsound, but as an illustration on page 48 of the bill you levy a tax of 1 cent per pound on coffee and 2 cents per pound on tea. This only applies to the wholesaler, and in the last analysis everybody knows the consumer pays the tax. If the committee had all the necessary information before them in the preparation of this provision, I would like to ask the committee how they can reconcile the situation I have in mind—and it must exist in every State in this Union. The largest wholesaler in my home State, outside of Detroit and Grand Rapids, sells about 5,000 bags of coffee every year, and under the terms of this bill he is taxed, but the Jewell Tea Co., of Chicago, who sell on an average of 30,000 bags of coffee every month, is not required to pay one cent of tax under the terms of this bill. If you really wish this item to be just and fair, and if you desire to get the revenue, I want you to explain to me why you have picked out the wholesaler, who supplies the small town and country population, to pay this tax and have exempted such gigantic and rich concerns as the Jewell Tea Co., of Chicago; the Great Atlantic & Pacific Tea Co., of New York; Jones Bros., of New York; James Butler, of New York; Thomas Roulston, of Brooklyn; Montgomery Ward & Co., of Chicago; Sears, Roebuck & Co., of Chicago; and many other like concerns.

Mr. KITCHIN. Will the gentleman yield?

Mr. SCOTT of Michigan. Certainly.

Mr. KITCHIN. The committee already have an amendment which proposes to tax all tea and coffee in the hands of all persons, except 50 pounds of tea and 60 pounds of coffee.

Mr. SCOTT of Michigan. I am glad to know that the committee has consented to such a valuable correction to the bill. If we consider the measure long enough, there is a probability that many other valuable corrections will be made, so that it will raise the revenue necessary and will not unjustly injure and even bankrupt the concerns of the country who employ labor and the people themselves.

I question the advisability of your flat tax of 5 per cent on the output of an industry. If it is necessary to take a part or all of their profits, I will vote for it; but do not close your eyes and put them completely out of business, and thus throw out of employment the thousands of men who are in their employ. I have only attempted to call attention to a few of the provisions in this bill which seem to me to be fundamentally unsound. This war will require several tax-revenue bills even larger than the one now before us, and I therefore appeal to the membership of this House to seriously consider the terms and provisions of this first revenue bill in order that the injury done may not be wholly disproportionate to the revenue derived. I am sure you gentlemen must be cognizant of the fact that before we became a party to this war every one of our allies had received enormous credit in this country. The Russian Government had floated a bond issue of $100,000,000 here and France, Italy, and even Great Britain have also drawn upon our wealth and prosperity; and if we, in this bill or any other bill, should cripple or materially impair the concerns in this country I dread even the thought of what the result would be, because this country is now the only Nation on earth which is able to sustain itself and contribute to the support of mankind. [Applause.]

Mr. FITZGERALD. Mr. Chairman, whatever criticism may be made of this bill, in my opinion the Committee on Ways and Means is to be commended for having realized at the outset the necessity of financing a great part of the extraordinary expenses of the Government at this time through taxation. [Applause.]

The history of the attempts to finance previous wars of the United States shows that every attempt to finance a war by long-time or short-time loans has resulted inevitably in financial disaster. It was not successful in the War of 1812, and it nearly bankrupted the United States in the Civil War. It increased the cost of the Civil War by hundreds of millions of dollars because of the inflation and depreciation of the currency of the United States.

The true financial policy is to resort to taxation and loans to such an extent as will enable the Government to obtain by taxation as large a proportion of the money needed as can be obtained without absolutely crippling or paralyzing the industries of the country. If the Committee on Ways and Means has determined at the outset to obtain by taxation 50 per cent of the money required at this time it has done more to establish upon a firm basis the credit of the United States and to make possible the borrowing of money on the obligations of the United States than anything else that has been done or proposed. [Applause.]

We must not shut our eyes to the tremendous task which confronts the American people. We are proposing to spend, to loan, and to raise money on a scale never contemplated by any government before we have actually commenced the grim work of war, and it will necessitate rigid economy not only in governmental matters but in private affairs. It means the elimination of innumerable things that heretofore had been considered as essential for the country but not imperatively necessary for the people.

I have examined the statement of the Secretary of the Treasury, which has been read, and I have had made an analysis of our financial situation from a somewhat different standpoint. I have had in mind roughly the fact that we would expend by the 30th of June, 1918, as we know the facts to-day, $5,100,000,000. That is exclusive of deficiencies to be met hereafter, changes of conditions, new situations, or anything else. I have prepared the following statement, which gives comprehensively the information in a summary way:

Army appropriation act	$273,046,322.50	
Agriculture	25,929,113.00	
Diplomatic and Consular	5,082,746.66	
District of Columbia	14,172,997.85	
Fortification	51,396,593.00	
Indian	11,589,736.67	
Legislative, etc	39,894,592.42	
Naval	517,273,802.08	
Pension	160,060,000.00	
Post Office	331,851,170.00	
Urgent deficiency	4,578,250.00	
General deficiency	163,841,400.52	
	1,598,716,724.70	
Indefinite appropriation to pay 5 and 10 per cent increase in salaries of certain employees	25,000,000.00	
		$1,623,716,724.70
Public acts, including $25,100,000 for Danish West Indies, $10,000,000 for war-risk insurance, $2,060,000 for vocational education, etc	37,731,000.00	
Public resolutions, including $3,000,000 for Alaska Railroad, etc	3,227,000.00	
Private acts, including claims, etc	135,670.08	
		41,093,670.08
Permanent annual and indefinite appropriations		143,864,850.32
		1,808,675,225.10
Regular bills pending:		
Military Academy	$1,344,196.18	
Sundry civil	156,293,031.17	
River and harbor	26,893,000.00	
		184,530,227.35
Total		1,993,205,452.45
Deduct:		
Postal Service (payable from postal revenues)	$331,851,170.00	
Sinking fund	60,748,000.00	
2½ per cent for appropriations remaining unexpended	40,030,136.30	
		432,629,306.30
		1,560,576,146.15
Urgent deficiency bill (Apr. 11), expenses of Congress		68,620.00
Expenses of issuing bonds and certificates of indebtedness		7,063,946.46
Amount of pending deficiency bill for Army, Navy, and shipping fund		3,390,946,381.22
Interest on $2,000,000,000 of bonds for 1 year at 3½ per cent		70,000,000.00
Appropriations to carry out pending bills for food control, encouragement of agriculture, etc		24,510,000.00
Additional amount to be requested for Bureau of War Risk Insurance		50,000,000.00
		5,103,164,493.83
Revenues:		
Under existing law	$1,249,750,000.00	
Bonds for Mexico, Alaska Railroad, etc	195,256,292.00	
Bond issue of present session	2,000,000,000.00	
		3,445,006,292.00
		1,658,158,201.83

It shows that for the ordinary expenses of the Government, as provided in the annual appropriation bills, the total expenditures in the next fiscal year will be about $1,993,205,452.45. Eliminating the postal appropriations, $331,851,170, the sinking-fund requirements on our present basis of $60,748,000, and $40,030,136.30, which is 2½ per cent of the sums appropriated in the annual acts, which is usually unexpended, giving a total of $432,629,306.30, we have a contemplated expenditure for the ordinary expenses of the Government, including those extraordinary provisions for the national defense carried in the regular appropriation bills, of $1,560,576,146.15.

Then there was $68,020 in a deficiency bill, $7,063,946.46 for the issuance of the bonds, the pending emergency national defense deficiency bill of $3,390,394,381.22, and interest on $2,000,000,000 of bonds at 3½ per cent, $70,000,000. There are pending food-control bills carrying appropriations of $24,510,000, and $50,000,000 requisite for the war-risk insurance brings the total estimated expenditures to June 30, 1918, to $5,103,164,493.83.

The estimated revenues under existing laws are $1,249,750,000. We have authorized bonds to the extent of $195,256,292 for the Alaskan Railroads, for the Mexican situation, for the Danish West Indies——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FITZGERALD. I would like to have five minutes if I may.

Mr. KEATING. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes, and that the time of general debate be extended 10 minutes.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent that the time of the gentleman from New York be extended 10 minutes, and that the time of general debate be extended 10 minutes.

Mr. MANN. There is no general debate.

The CHAIRMAN. Is there objection?

Mr. KEATING. This is a very important statement, as a matter of fact. That would make it 3.25 o'clock.

Mr. LANGLEY. Reserving the right to object, I have offered one amendment. I would like to have one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FITZGERALD. It makes, Mr. Chairman, as at present advised, practically two months before the fiscal year commences, an estimated expenditure of $5,103,164,493.83; and to meet these expenditures we have, under the existing law, revenues of $1,249,750,000 and bond authorizations of $195,256,292 under previous legislation and $2,000,000,000 under the act that was passed recently.

If all those bonds were issued and the estimate of the revenues as made realized, the revenues in the next fiscal year, both from those loans and the tax laws, would aggregate $3,445,006,292, leaving $1,658,158,201,83 additional revenue required, as we are at present advised. I understand that it is estimated that the pending bill will raise $1,800,000,000. We must in addition, however——

Mr. MADDEN. Will the gentleman yield for a question?

Mr. FITZGERALD. I yield to the gentleman from Illinois.

Mr. MADDEN. Does that include the $400,000,000 for the ships?

Mr. FITZGERALD. It includes everything.

Mr. MADDEN. And the $750,000,000 deficiency, as stated by the Secretary of the Treasury?

Mr. FITZGERALD. It includes all of the deficiencies provided for or requested at the present time, but not the sum of $760,000,000, which the Secretary of the Treasury states will be required for the War Department in addition to the sums already requested. It does not provide deficiencies that may be requested and necessarily will be incurred in the next fiscal year. It includes $400,000,000 for ships, but does not include $350,000,000 additional for which it is proposed to give authority to contract, and it does not include the expenditure of $250,000,000 additional for the same purpose which has been stated by those who are supposed to know our requirements would be essential. So that if we were to assume that, in addition to the $400,000,000 for ships, there would be required about $600,000,000 additional for ships, it would bring the obligations of the Government to $2,200,000,000 in excess of the amounts that now can be obtained, without providing the additional sums suggested as needed by the War Department.

But there is something else. We have agreed to extend credit to the amount of $3,000,000,000 to the allies, and the wealth of the country must be utilized in the flotation of that loan. That is in excess of the sums already mentioned. While it is true that under the arrangements of the law there will not be any carrying obligations for that loan, the money to advance to the allies must be obtained by loans from the public.

It is stated in the letter of the Secretary of the Treasury that $760,000,000 additional will be required for the War Department next year. When the emergency war deficiency bill was before the House it was pointed out that the estimates of the War Department had been based upon the cost of raising, equipping, and maintaining for one year in the field an army of 1,000,000 men, and it was stated that the appropriations for subsistence, pay, and some other items were recommended upon a two-thirds basis, upon the theory that a million men would not be under arms for the entire year, and upon the further theory that if the organization of that army proceeded more rapidly than was then believed possible by the committee that provision could be made for those items during the next session of Congress, which would convene in December, without any embarrassment whatever to the Army. But Congress, in the bill to increase temporarily the Army of the United States, authorizes in addition the raising and equipment of 500,000 additional men. No one can say just what the necessities of the United States will be for man power in the next year. Of course, we all hope that it will not be necessary ever to send a great force of men abroad, but no one knows just what demands will be made upon the United States to replace the wastage of men at the scene of the great conflict in Europe.

If before the 1st of January conditions should be such that either because of changed conditions in Europe, or because of the belief that the situation was such that it was imperatively necessary that we should prepare for the use of an army right at home, then the administration would necessarily commence to organize or to raise and equip the additional 500,000 men provided. As the figures are to-day, before we have commenced to organize and raise an army, before we have commenced to take part in the military operations upon a scale that can be considered as significant, the obligations for which we must make provision between now and the 30th of June, 1918, is $5,103,164,493.83. If this bill lacks anything, it is that it does not provide enough money to meet those expenditures. We can not draw close and sharp lines in attempting to finance these great operations. We had much better have legislation that will bring into the Treasury a surplus sum instead of an insufficient sum.

While I have the chance I desire to commend to the members of the committee and urge them to read a little pamphlet that has been sent out within a day or two entitled the "Financing of the War," written by Dr. Charles J. Bullock, professor of economics at Harvard University, in which he gives more valuable information in a brief summary than can be obtained in any other place. Those who want to go more deeply into the subject should read Prof. Henry C. Adams's books on the Science of Finance and Public Debts.

I have been impelled to make this brief statement in the hope that I may be of some service in removing from the minds of Members the impression that we are either getting too much money or providing too much. The wisest thing the Ways and Means Committee has done and the most beneficial thing for the Government is at the outset to realize the necessity of obtaining a very considerable sum, as large a sum as possible, for the payment of these extraordinary obligations by means of taxation. We can not bring home to the people of this country the necessity for economy and retrenchment and the elimination of unnecessary things merely by attempting to borrow money and passing on to posterity the burden of this war. And let me suggest that we can not go beyond a certain limit in obtaining money through the borrowing capacity of the Government unless those who are willing to advance the money are awakened to a belief that the Government is utilizing its taxing power to its utmost in order to strengthen the credit of the Government by obtaining the necessary means to pay its debts.

Even those of us who were not participants in the Civil War can remember and those who have studied the subject know that the Government was put to desperate straits to obtain money, because it had started out on the theory that it would obain its money by loans. The enormous issue of greenbacks and noninterest-bearing obligations of the Government and the short-time interest-bearing obligations of the Government were such as almost absolutely to paralyze the credit and the financial system of the United States. We ought to avoid such a situation at this time. The establishment of the Federal Reserve System and the enactment of this legislation are the two greatest safeguards for the security and prosperity of the country. I wish to add my word of commendation to the members of the Committee on Ways and Means for realizing the necessity for legislation of this character at this time; and while it may be desirable and while I shall myself vote for some changes in different places in this bill, on the whole I believe that the committee, under all existing circumstances, have accomplished their task in a manner that, if not in the immediate present, at least in the very near future will evoke the commendation of the country. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. O'SHAUNESSY. I ask that the gentleman have one minute more. I wish to ask him a question.

The CHAIRMAN. The gentleman from Rhode Island asks unanimous consent that the time of the gentleman from New York be extended one minute. Is there objection?

There was no objection.

Mr. O'SHAUNESSY. Did I understand the gentleman to say that the immediate need or necessity for money was $1,600,000,000?

Mr. FITZGERALD. Upon the obligations of the Government now apparent, in addition to the $2,195,000,000 to be obtained by bonds and the existing revenue, we need $1,658,158,201.83.

Mr. O'SHAUNESSY. The bill in providing for $800,000,000 takes care of the necessities of the hour.

Mr. FITZGERALD. As they are; but we know that in time of peace the total expenditures are always greater than those anticipated when the appropriations are made, and under existing circumstances enormous additional demands will undoubtedly be made before the expiration of the next fiscal year.

Mr. SLOAN. Mr. Chairman, I desire to say just a word as a member of the Ways and Means Committee. I thought that this was the least of the four propositions that we have voted or shall be called to vote upon for the session. First, the great declaration; second, the vote of the enormous bond issue; third, the conscripting of men; and, fourth, the conscripting of an amount of money small compared with our indebtedness, and its value infinitesimal compared with that host of humanity which you so readily ordered conscripted a few days ago.

I thought in closing this program it would be of value to the country here and elsewhere for us to present a united front in this House and that the committee which was intrusted with this great undertaking should be able individually and collectively to present a report that would be unanimous. Having presented it with such reservations as were made by the supporting Members we could come into the House here and would receive such benefits as the presumption ordinarily would be from a united report of the committee on the subject of taxation where prejudices of more than a century had been spanned between the two sides of this House. I thought perhaps the very fact that it had been agreed upon would have some weight with some Members in this House, giving some credit not to the younger members, but to the older members of the committee having thus agreed.

I went into the service of that committee in considering this bill with a few distinct ideas of what I wanted to work out. Perhaps I made myself obnoxious to some friends on either side in insisting on some propositions being adopted. They were agreed to not, probably, on account of any pressure and urgency from myself. I thought in the first instance it was due to the country that we should adopt the half-and-half policy—that is, pay one-half the war's expenses by taxation and half by bonds. We agreed that eighteen hundred million dollars should be raised by taxes. I believed we should do that for the excellent reason given yesterday on the floor of the House by the gentleman from Kentucky, Mr. SHERLEY, and again to-day by Mr. FITZGERALD, that if we should avoid a great period of disastrous inflation in this country we must see to it that our bonded indebtedness was kept as low as possible. Then for another reason that it may be that in our stress in a year or two from now we will need the credit to be conserved, strengthened, and buttressed, and not weakened by overissuance of bonds now.

But there was another reason, and that was that the bonds that are now to be issued are issued on terms of 30 years. Thirty years added to the average age of the men who are to be conscripted will make them 56 years of age. I do not believe that it is the intention of the American people—in fact, I do not think it would be wise for this Congress or the American people—to say to the boys, "You are conscripted now to fight the battles. Should you return in health or broken by wound or disease at the end of 30 years you will be compelled to pay the expense of the war." For that reason I was insistent upon the agreement that we should have an eighteen hundred million dollar basis. When men on the committee agreed with me on that proposition that did not suit them, I agreed on their proposition. I felt like living up to it here on the floor of the House. Further, I insisted that a substantial part of this eighteen hundred million dollars should be raised at our ports. I presented a plan with the protection feature emphasized, but it was not approved. I accepted the tariff section as the best that could be agreed upon. I think it is the duty of the committee to stand up for the bill as presented; crude as it is, it is as superior to anything suggested by its frantic critics as something is to nothing. I think our votes on the next paragraph or two will indicate whether or not the agreement of the members of the committee entered into in presenting this report shall be lived up to.

I know a great deal of it is distasteful to me and distasteful to others, but it seems to me that after agreeing to raise eighteen hundred million dollars, and knowing that it is going to be a burden on a great many people, and knowing that we have agreed as a committee to span the ancient differences of this Chamber, that we ought to at least give it a fair support, and say, as far as the committee is concerned, we ought to support it in accordance with our agreement to report.

I am convinced that should you see fit to return this bill to the Committee on Ways and Means, faulty though it is, you will not get a better bill. I doubt very much if there would be anything like the unanimity and agreement with which this bill was presented. [Applause.]

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. I had read yesterday an amendment which was a substitute for this section. Shall I present it now?

The CHAIRMAN. The gentleman has had it read for information.

Mr. MANN. Was it reported?

The CHAIRMAN. It was not reported.

Mr. KEATING. It was read in my time.

Mr. MANN. Then it is not pending.

Mr. KEATING. I offer the amendment.

The Clerk read as follows:

On page 2, beginning at line 4, strike out everything down to and including line 5, on page 4, and insert the following:

"SEC. 2. That in addition to the normal tax provided for in section 1 of this act and by subdivision (A) of section 1 of the act entitled 'An act to increase the revenue, and for other purposes,' approved September 8, 1916, there shall be levied, assessed, collected, and paid in lieu of the additional tax now provided by law an additional tax upon the income of every individual received in the calendar year 1917, and every calendar year thereafter, as follows: Two per cent per annum upon the amount by which the total net income exceeds $5,000 and does not exceed $7,500; 4 per cent per annum upon the amount by which the total net income exceeds $7,500 and does not exceed $10,000; 8 per cent per annum upon the amount by which such total net income exceeds $10,000 but does not exceed $20,000; 13 per cent per annum upon the amount by which such total net income exceeds $20,000 but does not exceed $40,000; 18 per cent per annum upon the amount by which such total net income exceeds $40,000 but does not exceed $60,000; 28 per cent per annum upon the amount by which such total net income exceeds $60,000 but does not exceed $80,000; 38 per cent per annum upon the amount by which such total net income exceeds $80,000 but does not exceed $100,000; 48 per cent per annum upon the amount by which such total net income exceeds $100,000 but does not exceed $150,000; 96 per cent per annum upon the amount by which such total net income exceeds $150,000."

Mr. KEATING. Mr. Chairman, I take it that all the Members of this House are agreed upon one proposition, and that is that we shall pass a revenue bill which will raise at least eighteen hundred million dollars.

The only question of controversy is: How shall that money be raised?

The committee has submitted a proposition by which $900,000,000, or approximately that, is raised by tax on incomes and excess profits and the other $900,000,000 by a tax on the necessaries of life and a tax on industries. My amendment is designed to fairly and frankly place the entire burden upon incomes and excess profits.

Mr. GOOD. Will the gentleman yield?

Mr. KEATING. I can not; I have only five minutes. That is the issue which this House should face. If you go on the theory that the members of the Ways and Means Committee went on, that you should strike at every head that shows without regard to whether you hit it or not, or whether it should be hit or not, the bill now pending is as good a bill as you could bring into the House. But I submit that it is not a logical bill; it is not a scientific bill; it is not a bill that can be defended before the people of this country. That is admitted by practically every gentleman who has addressed the House. My proposal is that we shall adopt a definite principle for financing the war, the principle that the bulk of our new taxes can be and shall be levied upon excess incomes and excess profits. In other words, you should tax the men who are in a position to pay the tax. I hold in my hand a clipping from the Washington Post of May 11 last, which was printed upon the first page of every newspaper in this country, which tells us that the French Chamber of Deputies are now considering a proposition by which they will substitute an income tax for all their direct taxes.

That has been the experience of most of the countries of Europe. They have discovered, as all countries have discovered, that you can not finance wars by bond issues, and that when you place a tax upon necessaries of life, when you destroy industry through taxation you are really increasing the cost of war, and that the simple course, the equitable course, is to tax the excess incomes and the excess profits of a country. England, after fighting a war for more than two years, is now raising through such a tax practically eighteen hundred million dollars. This country has three times as much wealth as England and the income of its people is fully three times as great as the income of the English people. Why not draw on this tremendous res-

ervoir of excess earnings for whatever money may be needed to finance this war?

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. McLEMORE. Mr. Chairman, I have a substitute for the substitute, which I send to the desk and ask to have read.

The CHAIRMAN. The gentleman offers an amendment to the substitute, which the Clerk will report.

The Clerk read as follows:

Amend by striking out all after the word "That" in the first paragraph and inserting the following:

"There shall be assessed, levied, and collected on all incomes during the present calendar year, and during each year or part of year, while the war now existing between the United States and the Imperial Government of Germany shall continue, the following rates or charges, to wit: On incomes exceeding $3,000 and not exceeding $10,000, 5 per cent; on incomes exceeding $10,000 and not exceeding $20,000, 10 per cent; on incomes exceeding $20,000 and not exceeding $30,000, 20 per cent; and on all incomes exceeding $30,000, 100 per cent."

Mr. MANN. Mr. Chairman, a parliamentary inquiry. Is this an amendment to the substitute?

The CHAIRMAN. The Chair was just going to inquire.

Mr. McLEMORE. It is a substitute for the substitute.

The CHAIRMAN. An amendment to the substitute.

Mr. SWITZER. Mr. Chairman, the gentleman from Colorado [Mr. KEATING] seeks to impose a tax in this bill of 96 per cent upon large incomes. As I read the existing law, there is already imposed a tax of 15 per cent on large incomes, and I do not understand how you can collect 96 per cent more.

Mr. KEATING. Mr. Chairman, the gentleman has not understood my amendment. My amendment is to add 96 per cent to the normal tax.

Mr. SWITZER. I can not yield. I have only three minutes.

Mr. KEATING. I do not want the gentleman to make any such statement.

Mr. SWITZER. I propounded a question to the gentleman yesterday as to what the estimate of incomes to be collected would be under his measure, and he said about $1,600,000,000 annually. I asked as to succeeding years, and he said to the House that it would be as much in succeeding years; but it does not matter how many tax experts theorize that such an income could be collected year after year, every Member of this House knows that it can not be done, that they will go into hiding, and there would not be $1,600,000,000 collected the second, the third, or the fourth year.

But I did not rise especially for that purpose. I voted yesterday for the Lenroot amendment. I intend to vote for the other amendments that the gentleman offered here to-day, but I indicated in talking with various Members that if a sufficient revenue were collected by his proposed increase of the income tax I would vote to cut out the retroactive income tax and some other provisions of the bill. As I understand it, this tax will not begin with incomes of $5,000 or $2,000 or $3,000, and it will raise only $65,000,000 of additional income. I desire to give notice that I shall not vote to cut out the retroactive feature of the income tax. I also desire to give notice that I shall not vote to cut out the provision of 3 per cent on freight. It seems to me that that would be distributed in a way that the people will not complain of, and that a 3 per cent tax on freight bills will be borne by the people of the country with less murmur than would a cent and a half a pound excise tax on sugar. I am certain that the provision as to heat and light should be stricken out, and there should be some modification of the second-class mail matter.

Mr. FRENCH. Mr. Chairman, I just want to occupy the attention of the committee for a few minutes.

Volumes have been written upon different methods of raising revenue, and the discussion upon this subject by members of the Ways and Means Committee, especially during the last several days, has been most illuminating. It shall not be my purpose to delay the House by any extended remarks, but I do wish to point out a few matters that it strikes me we should bear in mind in considering the pending measure. In the first place, with the tremendous increase in the expenditures of government during war over the normal expenditures in time of peace, the problem is at once presented whether or not it is the part of wisdom for the present generation to bear a portion of the burden of financing the war; and if so, how much. I have endeavored to gather from the experiences of our own country in the past something that would be helpful in meeting the present situation. In the War of 1812 we financed our enterprise by borrowing from the future, and the result was depreciation in the money of the United States and financial distress. We did the same thing largely in the Civil War, and especially during the first few years, and the result was the same. The War with Mexico was of short duration, and while we pursued the same policy I can not doubt that we were spared from a like experience there by reason of the fact that we were not called upon to extend our credit in any unusual degree. In the War with Spain we adopted for the first time what, in my judgment, is the true policy of requiring the people of the given day to pay in large part the expenditures necessary for our military operations.

To-day there are two courses open; the one looks to throwing the responsibility of financing the war onto the future; the other looks to assuming a large part of the responsibility of financing the war by the people of to-day. If we throw the burden onto the future and increase our bonded indebtedness enormously, in my judgment two results must inevitably follow: First, if the war shall continue so that the indebtedness shall become enormously great, we can not escape the fact that the credit even of our own country will thereby depreciate. Second, by increasing the indebtedness of the country and inflating our currency we shall upset all standards by which we are accustomed to measuring the value of work and commodities, and the result will be that the purchasing power of the dollar will be enormously decreased. Both these ends are disastrous, and, Mr. Chairman, we shall prevent largely both of these results if the present day shall shoulder up under a large share of the burden that war means. In my judgment, there should be no choice, and it is our duty to be as loyal and patriotic with our pocketbooks as we are loyal and patriotic with the lives of our men who will fight our country's battles.

The next question that confronts us is, How can we raise this vast amount of money? In my judgment, we should bear in mind constantly the rule that that method of taxation is best which places the burden of government upon each in proportion to his ability to pay. We could raise all the money necessary to meet the amount proposed in the bill by the Ways and Means Committee by placing a per capita tax of $18 per head upon our people. Were such a tax constitutional, who can say that it would not be most unjust? It would be insignificant from the standpoint of the man of wealth. It would be an enormous burden from the standpoint of the poor man or the poor woman whose income is meager and whose responsibilities are great. Let us see if there can not be worked out some means that will make the people bear the burden in proportion to their ability.

Some of the methods of taxation proposed strike at income, some strike at business, some strike at a tax on such commodities that the poor bear equally with the rich the burden of taxation. The latter alone, of course, we can not tolerate. The tax on business as such, it seems to me, must be considered only with relation to profits. There are some lines of business that are unable to pass on the burden of taxation to a multitude of people and thereby let it fall easily upon the backs of all. There are some businesses that would be crushed under a tax upon the business. This method of taxation, then, must be viewed with greatest care. The proposition of taxing profits or incomes appeals to me as most just, the least burdensome, and the most wise. As long as there are profits a business is not going to the wall. As long as an individual is making an income in excess of the exemptions he is not in want, and a tax can not be a burden upon him in the degree that it must be when it prevents a profit at all or when the tax that is exacted is money that had better be spent for necessaries of life.

Mr. Chairman, I shall support, and I urge upon the House, the Lenroot amendment. I shall support this amendment because it is equitable, because it places a large share of the burden of this war upon the shoulders of those most able to bear it, and fairly, it seems to me, in proportion to that ability.

Again, the bill as it has been reported, was prepared without the committee having had the benefit of extensive hearings. From somewhat careful thought and upon facts that have been presented to me and to the other Members of this House I am led to believe that some of the paragraphs further on in the bill should be modified or stricken out. I refer to those paragraphs that tax business itself and not the profits of business, and also that impose taxes that must fall too nearly equally upon the man of unlimited wealth and the man of no financial means.

These paragraphs can be considered later on, probably next winter, after the committee shall have had extensive hearings. In the meantime let us not impose any tax that may prove inequitable. Let us not impose a tax blindly. Rather let us pass the Lenroot amendment, and to the extent that its provisions will give us revenue we may be sure the revenue thus raised will be upon profit and will in no degree place any business in jeopardy.

Mr. SABATH. Mr. Chairman, yesterday I offered an amendment which unfortunately for me, as well as for the House, the Clerk did not read correctly. For that reason I am going to

ask that the amendment which I offered yesterday be again reported.

The Clerk read as follows:

Mr. SABATH offers the following as a substitute to section 2:

"SEC. 2. That in addition to the additional tax imposed by subdivision (b) of section 1 of such act of September 8, 1916, there shall be levied, assessed, collected, and paid a like additional tax upon the income of every individual received in the calendar year 1917 and every calendar year thereafter, as follows:

"One per cent per annum upon the amount by which the total net income exceeds $5,000 and does not exceed $7,500;

"Two per cent per annum upon the amount by which the total net income exceeds $7,500 and does not exceed $10,000;

"Three per cent per annum upon the amount by which the total net income exceeds $10,000 and does not exceed $12,500;

"Four per cent per annum upon the amount by which the total net income exceeds $12,500 and does not exceed $15,000;

"Five per cent per annum upon the amount by which the total net income exceeds $15,000 and does not exceed $20,000;

"Six per cent per annum upon the amount by which the total net income exceeds $20,000 and does not exceed $35,000;

"Eight per cent per annum upon the amount by which the total net income exceeds $35,000 and does not exceed $50,000;

"Eleven per cent per annum upon the amount by which the total net income exceeds $50,000 and does not exceed $60,000;

"Fourteen per cent per annum upon the amount by which the total net income exceeds $60,000 and does not exceed $75,000;

"Seventeen per cent per annum upon the amount by which the total net income exceeds $75,000 and does not exceed $100,000;

"Twenty per cent per annum upon the amount by which the total net income exceeds $100,000 and does not exceed $125,000;

"Twenty-four per cent per annum upon the amount by which the total net income exceeds $125,000 and does not exceed $150,000;

"Twenty-seven per cent per annum upon the amount by which the total net income exceeds $150,000 and does not exceed $175,000;

"Thirty per cent per annum upon the amount by which the total net income exceeds $175,000 and does not exceed $200,000.

"Thirty-three per cent per annum upon the amount by which the total net income exceeds $200,000 and does not exceed $250,000;

"Forty per cent per annum upon the amount by which the total net income exceeds $250,000 and does not exceed $300,000;

"Forty-five per cent per annum upon the amount by which the total net income exceeds $300,000 and does not exceed $350,000;

"Fifty per cent per annum upon the amount by which the total net income exceeds $350,000 and does not exceed $400,000;

"Fifty-five per cent per annum upon the amount by which the total net income exceeds $400,000 and does not exceed $450,000;

"Sixty per cent per annum upon the amount by which the total net income exceeds $450,000 and does not exceed $500,000; and

"Sixty-six per cent per annum upon the amount by which the total net income exceeds $500,000."

Mr. MANN. Mr. Chairman, I reserve a point of order on the amendment, and make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. How is that amendment offered?

The CHAIRMAN. The Chair understood the gentleman offered his amendment as a substitute.

Mr. SABATH. I offered it as an amendment yesterday and it was pending.

Mr. MANN. It was not offered; it was read. Now there is a substitute pending and an amendment to the substitute. The gentleman's amendment is not in order at this time.

The CHAIRMAN. The Chair understood that the gentleman asked that it be read. The Chair did not understand that the gentleman at this time offered the amendment. Of course, it will not be in order now.

Mr. LANGLEY. Mr. Chairman, inasmuch as gentlemen are anxious to get to a vote on the various amendments that are pending to this section, I shall only take a few moments to explain why I offered the substitute to the amendment proposed by the gentleman from Wisconsin [Mr. LENROOT], and especially as I shall have occasion a little later to discuss the bill more at length. It is manifest from the action that the committee has already taken upon the amendments to the preceding paragraphs that my motion will not be adopted, but I offered it to illustrate the general plan which I think should be followed in raising this enormous war fund. There are millions of people in this country who believe that many large incomes have been greatly augmented as a result of the war in Europe, and that the desire to augment them had much to do with involving us in that war. If that be true, it is an added reason why those incomes should bear, as my motion proposes, a larger share of the financial burden of the war than this bill provides and larger than the gentleman from Wisconsin proposes. I have always believed that in times of peace, even, the burden of government should be placed as much as possible upon those able to bear it and as little as possible upon those not able to bear it. The reasons for that are accentuated by existing war conditions when men of means are receiving benefits from them, while the poor are suffering from them. This is not demagoguery. It is simple justice. I believe also that more of this money should be raised by the sale of bonds and less by taxation now, particularly that kind of taxation that will have to be paid in the end by those whose purchasing power is already so curtailed by high prices that they can scarcely purchase the necessaries of life. But I shall not go into that now. If we can not get an amendment adopted that goes further in the direction I have indicated, I shall vote for the Lenroot amendment as a step in the right direction.

Mr. MANN. What is the amendment?

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LANGLEY: Page 3, line 13, strike out "seventeen" and insert "twenty"; page 3, line 16, after the word "twenty," insert the word "five"; page 3, line 19, strike out the word "twenty-four" and insert the word "thirty"; page 3, line 22, strike out the word "twenty-seven" and insert the word "forty"; page 4, line 1, strike out the word "thirty" and insert the word "fifty"; page 4, line 4, strike out the word "thirty-three" and insert the word "seventy-five."

The CHAIRMAN. Does the Chair understand the gentleman from Kentucky offers this as a substitute?

Mr. LANGLEY. As a substitute to the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The next amendment is that offered by the gentleman from Wisconsin [Mr. LENROOT].

Mr. GARRETT of Tennessee. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT of Tennessess. Is the Chair certain that is correct? My impression is that the question will be on the substitute for the amendment first.

Mr. MANN. No; the substitute is not to the Lenroot amendment but is to the section.

The CHAIRMAN. There is a substitute offered to the section, and the gentleman from Colorado [Mr. KEATING] offered an amendment to the substitute, which is pending. The question now is on the amendment offered by the gentleman from Wisconsin.

Mr. KEATING. Mr. Chairman, may we have the amendment reported? It is just a line or two.

Mr. LANGLEY. Regular order!

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

Mr. SABATH. Mr. Chairman, half of us do not know what the amendment is.

SEVERAL MEMBERS. Regular order!

The CHAIRMAN. The regular order is demanded.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. LENROOT) there were—ayes 123, noes 99.

Mr. GARNER. Mr. Chairman, let us have tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. GARNER and Mr. LENROOT) reported that there were—ayes 146, noes 107.

So the amendment was agreed to. [Applause.]

The CHAIRMAN. The next amendment is that offered by the gentleman from Ohio [Mr. EMERSON].

The Clerk read as follows:

Amendment offered by Mr. EMERSON: Page 3, line 13, strike out lines 13, 14, and 15 and insert in lieu thereof the following: "Fifty per cent per annum upon the amount by which the total net income exceeds $100,000 but does not exceed $200,000."

Page 3, line 16, strike out lines 16, 17, and 18 and insert in lieu thereof the following: "Sixty per cent per annum upon the amount by which the total net income exceeds $200,000 but does not exceed $300,000."

Page 3, line 19, strike out lines 19, 20, 21, 22, 23, and 24 and page 4, lines 1, 2, 3, 4, and 5 and insert in lieu thereof the following: "Seventy-five per cent per annum upon the amount by which the total net income exceeds $300,000."

Mr. MANN. Mr. Chairman, I make the point of order the amendment is not in order, although I am not sure. The committee has just agreed to an amendment fixing the rates. Now, this is offered practically as an amendment to that amendment. The other amendment has been agreed to. I think it is too late.

The CHAIRMAN. The Chair will state this as the situation: Unanimous consent was given to vote upon all the amendments at one time.

Mr. MANN. Well, if the Chair holds this is an amendment pending I have nothing further to say. I have no objection to voting on it.

The CHAIRMAN. The Chair begs to explain that is the situation, and for that reason the amendment possibly ought to have been voted on before.

Mr. MANN. I withdraw the point of order.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from Massachusetts [Mr. PAIGE] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PAIGE: Page 4, line 5, after the figures "500,000," insert "that 65 per cent of the salaries of Members of Congress be turned over to the Secretary of the Treasury during the war with Germany."

[Applause.]

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BUTLER. Division, Mr. Chairman.

Mr. HOWARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. Is this proposition debatable?

The CHAIRMAN. It is not.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. PAIGE], and division has been demanded.

Mr. CANNON. Who offered the amendment?

Mr. MOORE of Pennsylvania. Mr. Chairman, may the amendment be again read? Some gentlemen did not understand it.

The CHAIRMAN. Without objection, the amendment will be again read.

The amendment was again reported.

Mr. HEFLIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HEFLIN. The author of this amendment, I understand, is a millionaire.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. HEFLIN. It ought to be.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The committee divided; and there were—ayes 42, noes 147.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment to the substitute, offered by the gentleman from Texas [Mr. MCLEMORE].

Mr. HARDY. Mr. Chairman, I want to know what it is. [Cries of "Regular order!"]

The CHAIRMAN. Regular order is demanded.

The question was taken, and the amendment to the substitute was rejected.

The CHAIRMAN. The question is now upon the substitute offered by the gentleman from Colorado [Mr. KEATING].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. KEATING. Division, Mr. Chairman.

The committee divided; and there were—ayes 26, noes 145.

So the substitute was rejected.

Mr. MANN. Mr. Chairman, my colleague [Mr. MASON] yesterday gave notice that he would offer an amendment, and was allotted time for that purpose. It was not at the appropriate place. He is unavoidably out of the House to-day, and I ask unanimous consent that it may be in order hereafter for him to offer an amendment at the end of section 2.

Mr. KITCHIN. I have no objection to that.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent that his colleague, the gentleman from Illinois [Mr. MASON] be permitted to offer an amendment at the end of section 2.

Mr. KITCHIN. Mr. Chairman, I want to reserve all points of order on it.

Mr. MANN. Of course it would be subject to a point of order.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FITZGERALD. Mr. Chairman, I offer an amendment as a new section.

The CHAIRMAN. The gentleman from New York [Mr. FITZGERALD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 4, after line 5, insert as a new section:

"SEC. 3. That on and after January 1, 1918, individuals, withholding agents, corporations, joint-stock companies, or associations, and insurance companies liable for income, munitions, or excess-profits taxes, shall pay, without levy, assessment, or notice, simultaneously with the submission of their return of tax, and not later than the last day allowed by law for the submission of such return, the amount of tax for which they are shown by such returns to be liable. If any tax is not paid at the time when it is due under the provisions of this section, there shall be added the sum of 5 per cent to the amount of tax unpaid and interest at the rate of 1 per cent per month upon said tax from the time it became due.

"Collectors of internal revenue are authorized to receive uncertified checks in payment of income, munitions, and excess-profits taxes during such time and under such regulations as the Secretary of the Treasury shall prescribe; but if a check so received shall not be paid by the bank on which it is drawn, the person in payment of whose taxes such check shall have been tendered shall remain liable for the tax and for all legal penalties and additions the same as if such check had not been tendered."

Mr. FITZGERALD. Mr. Chairman, I am in hopes that the committee will accept this amendment, so that if it needs to be perfected it can be done after consideration. The purpose of the amendment——

Mr. GARNER. Will the gentleman yield?

Mr. FITZGERALD. Certainly.

Mr. GARNER. This bill as it is drawn purports not to repeal any of the laws on the books in reference to income, and I doubt whether the gentleman's amendment would reach the taxes that are levied under the old law; and if it would not, it ought to be arranged so that all these taxes be paid at the same time.

Mr. FITZGERALD. I said it may be that upon the examination the committee will desire to modify it in some form. Under the law at present individuals and corporations subject to income tax, munition taxes, or excessive profits taxes first make out a return. The computation of the amount of the tax is a simple matter. The return is mailed to the collectors of internal revenue in various districts. A force of clerks take those returns and put upon the tax bill the amount of tax due as found from the return. Those bills are then mailed to the persons who made out the returns and they then mail their checks in payment. Subsequently another force of clerks is employed to check up to ascertain whether the check corresponds with the bills, and subsequently a third force is put to work to audit the various returns that have been made. It has been estimated that about $500,000 annually can be saved in clerical services if the persons required to make returns be required at the same time to mail a check in payment of the amount of tax the return shows is due.

Mr. MADDEN. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. MADDEN. Does the gentleman think it is more burdensome to pay $500,000 for mailing and compiling and auditing than it would be to compel the man to send his check with his return on the day he made the return, when, in fact, it might well be that the man would not have the money against which to draw a check at the time?

Mr. FITZGERALD. That may be his misfortune two months later when he has to pay it, anyway. His return now must be made by the 1st of March, and under the law he has until the 1st of June to pay the tax without penalty. This simply requires him to pay his tax when he makes out his returns. I do not believe there is any particular burden placed upon the individual by the proposal.

Mr. MADDEN. Mr. Chairman, will the gentleman yield for another question? I want to ask it for information.

Mr. FITZGERALD. Yes.

Mr. MADDEN. The gentleman stated that the individual makes the return and extends the amount of the tax. I do not believe that it is possible for an individual in 9 cases out of 10 to figure out what the amount of the tax is under the forms that are submitted by the Treasury Department. I have never been able to figure it out, and I know something about business methods.

Mr. FITZGERALD. The gentleman then could turn it over to some clerk in his office and he would have no trouble. Any man who can figure out the sum upon which the tax is due will have no trouble at all in determining how much the tax is, and I have not found anybody subject to the tax who, after his return was compiled, did not know exactly how much the tax would be. But we have this cumbersome, antiquated system, which would not exist in any place except in some bureau of the United States Government, where three times these returns are unnecessarily gone over, whereas with a system such as this, when the check is received one audit, one examination by the clerk, would ascertain whether the check for the amount was correct, whether the sum stated is the proper one, and whether the return is final.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARNER. Mr. Chairman, I ask that the gentleman's time be extended five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FITZGERALD. Mr. Chairman, the reason I make the statement that perhaps this amendment may need modification is that the next section provides that the taxes imposed by sections 1 and 2 shall be computed, levied, assessed, collected, and paid upon the same basis and in the same manner as similar taxes imposed by section 1 of the previous law, and it may be that in the working out of the system it will be necessary to make some modification of this plan. But that it is the sensible, businesslike plan no one can doubt.

We were asked at the last session of Congress to give the Secretary of the Treasury $3,000,000 to employ men to audit returns after they had been filed and examined and the bills made out and the money sent in payment of the tax. If, when the return is mailed by the person liable to the tax, he mails at the same time a check for the amount which the return would show was due, then one examination would be sufficient in place of three.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. GARNER. I will say to the gentleman that if the basis of the efficiency committee was correct as to the present law, under the new law the number of renditions taken in would be 4,000,000. You can imagine the amount of clerk hire that would be required for that.

Mr. FITZGERALD. If there will be 4,000,000 renditions under the new law, my recollection is that somewhere under 300,000 persons are now subject to an income-tax return, and we will hardly be able to house the number of persons that would be required to examine, bill, and audit all these returns.

There is another phase of it. It is true that this system will advance the payment of the tax by two or three months; and based upon the estimated amount to be received from these various taxes it will amount to a sum equivalent to about $12,000,000 in interest annually for the use of that money at 3½ per cent. The Bureau of Internal Revenue has unexpectedly and suddenly had cast upon it a tremendous volume of business, an enormous amount of work not contemplated. It has not been, and is not now, organized properly to transact the business devolved upon it, and this is one suggestion made by the Bureau of Efficiency, directed by Congress to make an investigation and determine what reforms could be accomplished. That investigation, based upon the old law itself, without considering these new laws, indicates the saving of at least $500,000. I hope the amendment will be adopted and perfected, and that the system will be put into effect.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HUDDLESTON. Does not the gentleman think his penalty is rather harsh? Does not the gentleman think that 1 or 2 per cent would be more nearly in keeping with the cost of collection?

Mr. FITZGERALD. No. In order to have taxes paid promptly the rule in all cases of taxation is that the penalty must be sufficiently severe to compel the prompt payment of taxes, otherwise the tax will not be paid promptly, for the person subject to the payment of the tax would prefer to make a belated payment of the tax with the added interest, while a penalty of 1 per cent a month would undoubtedly compel prompt compliance with the law.

Mr. KREIDER. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. KREIDER. I would like to ask the gentleman from New York whether it is not a fact that in the forms now sent out to be filled in there is a printed request that the amount of the tax be not extended?

Mr. FITZGERALD. Yes; but the fact that that is in there makes no difference. That is because it is desired to give some clerk an opportunity to do a merely clerical act that the person who figures out the amount of money on which the tax is to be computed can very readily do himself.

Mr. KREIDER. I want to suggest to the gentleman that there is possibly another reason, and that is that there is possibly a chance for an error to creep in. The chances are that the clerk, familiar with figures, will get it correct, and then they are required to render a statement to the party who has to pay the tax. If you are going to send out the statement requesting every individual to make the extension and inclosing a check for the amount of the tax, I venture to say there will be more extra clerical work necessitated by trying to straighten out clerical errors than would be saved by adopting this other method.

Mr. FITZGERALD. That is the gentleman's opinion. I am basing this statement on the examination and on the conclusion drawn from the examination of what has been done. I do not believe there is any particular difficulty involved for a person after he has determined the sum subject to tax to make a very simple computation as to the amount of the tax under the provisions of the law. I hope the amendment will be accepted by the committee, so that it can be perfected and its provisions put into effect.

Mr. SMITH of Michigan. I notice it is stated in the paper that blanks for returns will not be sent out to those people who are not liable for the $1,000 or the $2,000 income tax. I should like to know whether or not it is the policy of the department to allow the person who is to pay the tax to judge for himself whether his income is $2,000 or $1,000?

Mr. FITZGERALD. I can not speak for the department.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KITCHIN. I should like to have the gentleman's time extended two minutes, to make a suggestion.

Mr. MANN. I should like to speak on this first.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MANN. Mr. Chairman, I hope this amendment, or some amendment in its nature, will be agreed to. There is absolutely no legitimate excuse for the amount of red tape in use under the Government. Here are these income returns. A man has to figure up practically the amount of his income tax. He has to make a return of the amount of the income. The tax is on a mere percentage basis. If his income return is correct, when he figures the amount of his income a boy 9 years old can figure the amount of the tax. Of course, there are thousands of cases where the amount of the income is incorrectly figured. Those can be corrected in the Treasury Department under either method. As it is now the Treasury Department has to correct the incorrect returns of the amount of the income and then has to approve the correct returns of the amount of the income and send the bill to everybody. Under the amendment of the gentleman from New York, when the income return is made and the check is presented with it, the Treasury Department will correct any incorrect income returns and notify the person who makes those returns. But the large percentage of the returns are correct, and those correct returns each year have to be gone over again after they have been audited by the Treasury Department. Like some of the other gentlemen here, I make out an income-tax return. I would be perfectly willing to pay my tax in February. It would be a great deal less of a nuisance to me, situated as I am, like many others, to pay the tax then than to wait till I get the return from the Treasury Department. Now, I do not know whether the notices have been sent out yet. I do not know whether I would receive my notice or not. Notice would be sent to some address where I am supposed to live in Chicago.

Mr. GARNER. Will the gentleman yield for a suggestion?

Mr. MANN. Yes.

Mr. GARNER. In talking over the question of making these returns, this identical question, in the Ways and Means Committee, I suggested that that was the policy pursued in making my returns. The gentleman's colleague from Illinois [Mr. RAINEY] said he followed the same idea, having heard my suggestion, and that the collector in Illinois sent his check back to him and said he could not receive it. I said I would like the collector of taxes in my district to send my check back just once, to see what kind of a letter he would get.

Mr. MANN. He probably thought the gentleman's check was a good check, and would not send it back. [Laughter.] Now, as a matter of fact, they have in the Treasury Department a division that goes over all these claims for adjustments. There are many claims for adjustments. I went up to the Treasury Department at one time and sat down with the chief of that department and a number of his employees, and as a matter of curiosity went over a lot of the adjustments, and I found they were spending hours—I would not say days—in adjusting claims of less than 18 cents. That is a useless piece of red tape. However, I would like to suggest to the gentleman from New York [Mr. FITZGERALD] that where a man or a corporation makes a return and sends a check with the return, and on auditing in the Treasury Department it is found that the check is not large enough, but that the payment has been made in good faith, no undue penalty should attach. I think the gentleman said the penalty was 5 per cent, and 1 per cent a month. I do not know whether he meant both, but it ought not to be 5 per cent when the money was paid in good faith. There ought to be no undue penalty on that.

Mr. KELLY of Pennsylvania. Mr. Chairman, I have just noted in the report of the Commissioner of Internal Revenue a section which it seems to me bears directly on this matter, and ought to give us reason to pause before action. This seems at first blush to be a valuable reform. Perhaps the purpose is correct, but it may work a tremendous hardship upon a host of American citizens. In the last report of the Commissioner of Internal Revenue I find this statement:

> An analysis of the situation has shown that further tax was due the Government in 63 per cent of the number of returns designated for investigation, and that an average of $200 resulted from each examination. Coincident with the examination of returns in hand there has been pursued a diligent search for delinquents, and investigations of this character have resulted in securing returns in 52 per cent of the cases initiated, with an average yield of $30 tax.

It is proposed in this bill to increase the number of income-tax payers by the million. These persons have not been familiar with making out income-tax reports. Mistakes are bound to creep in, and a heavy penalty is to be laid upon those who make mistakes——

Mr. GARNER. If the gentleman will allow me, I think he has confused the idea of those who do not return all the income that they should have returned to the Government, rather than the technical point he speaks of.

Mr. KELLY of Pennsylvania. No; the bureau after investigation finds that errors are made, and has to go over all reports. Now, no clerical hire is going to be saved when the proposition is considered that every return must be duly authenticated. The report of the Commissioner of Internal Revenue further shows that it is vastly important to scan carefully the reports in order to determine that the original sums upon which the percentages are figured are correct. I read from the report:

> The problem of income-tax collections resolves itself into a matter of locating the individuals who have taxable incomes and of ascertaining the taxable amounts; and it is of more than ordinary interest to observe that the actual experience of the Government in the collection of internal taxes and customs duties has demonstrated the necessity of securing information that will enable it to determine for itself whether or not a taxpayer's declaration is true, and by this means to assert and collect the full amount of tax where evasion has been attempted.

That is part of the proposition here involved, and should be considered. These amounts as now reported are found difficult to ascertain exactly, and I submit to you that it is going to be a severe hardship to have 5 per cent added and 1 per cent a month added to 2,000,000 new taxpayers who are entirely unfamiliar with income-tax calculations.

Mr. STAFFORD. Will the gentleman yield?

Mr. KELLY of Pennsylvania. Yes.

Mr. STAFFORD. All members of the Committee on Appropriations are familiar with the circumstances where persons making returns, particularly corporations, have not complied with the law. That condition will remain, whatever the method of payment is.

Mr. KELLY of Pennsylvania. The gentleman misunderstands my position. All these returns must be considered and examined by clerks, and if it is found that errors creep in it will make it necessary to investigate every such case.

Mr. STAFFORD. The cases instanced by the commissioner in the report are where returns have been gone over and by reason of erroneous bookkeeping methods or intentional misrepresentations they have ferreted out millions of dollars owing to the Government.

Mr. KELLY of Pennsylvania. My point is that all these must be gone over by clerks.

Mr. STAFFORD. If they are defective and defrauding the Government.

Mr. BARNHART. Will the gentleman yield?

Mr. KELLY of Pennsylvania. Yes.

Mr. BARNHART. The remarks of the gentleman from Pennsylvania do not remove the abuse referred to in the amendment offered by the gentleman from New York. These reports have to be gone over now, but the amendment of the gentleman from New York will remove the necessity of going into duplication, making duplicate reports and making returns.

Mr. KELLY of Pennsylvania. It seems to me that the duplicate reports are to be made anyway, and you penalize the small taxpayers, who are unfamiliar with income-tax calculations, and they will be subjected to so much more hardship.

Mr. STAFFORD. Will the gentleman yield?

Mr. KELLY of Pennsylvania. Yes.

Mr. STAFFORD. That is the present penalty under existing law, of 5 per cent if not paid when due.

Mr. KELLY of Pennsylvania. The gentleman knows that this makes the taxpayer himself figure the amount and send in a check.

Mr. STAFFORD. Yes; the amount that he finds due the Government.

Mr. KELLY of Pennsylvania. And that gives an opportunity for still more mistakes. We should not act hastily on this matter without knowing its full scope.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to pass this over and take it up to-morrow morning, because if it is going to be amended it should make a new section and be put in after section 5 as section 6.

The CHAIRMAN (Mr. SAUNDERS). The gentleman from North Carolina asks unanimous consent that the amendment offered by the gentleman from New York may be passed over, to be taken up in the morning. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 4. That in addition to the tax imposed by section 10 of such act of September 8, 1916, there shall be levied, assessed, collected, and paid a like tax of 2 per cent upon the income received in the calendar year 1917 and every calendar year thereafter, by every corporation, joint-stock company or association, or insurance company, subject to the tax imposed by that section, except that if it has fixed its own fiscal year, the tax imposed by this section shall be levied, assessed, collected, and paid only on that portion of its income for the fiscal year ending during the calendar year 1917 which the period between January 1, 1917, and the end of such fiscal year bears to the whole of such fiscal year.

The tax imposed by this section shall be computed, levied, assessed, collected, and paid upon the same incomes and in the same manner as the tax imposed by section 10 of such act of September 8, 1916.

Mr. LITTLE. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 4, line 11, strike out lines 11, 12, 13, 14, 15, 16, 17, and 18 except "the pro-," and strike out lines 25, 24, and all of 23 after "and eighteen."

Mr. LITTLE. Mr. Chairman, the effect of this proposition is to eliminate the incomes of $1,000 and $2,000 from the effect of this bill. This is offered purely in a spirit of business equity. For a little bit be kind enough to follow me and I will explain the theory upon which this amendment is presented. If you will turn to page 11 of the report, you will find that there are 12 divisions of this income to be derived by the Government from this bill. Of these the first two, you will find, draw the money from the large fund of wealth in this country. The others are all paid practically by men of incomes under $3,000. For that reason, purely as a business proposition, as a matter of equity, I think they have paid enough, and there is no reason why they should be assessed upon their incomes.

You take Title III, and that is a tax upon liquor of various kinds. Ninety-nine per cent of the people of this country take 99 per cent of the drinks and pay 99 per cent of that tax. The rich man's share is negligible in the sum total. When they pay 99 per cent of that tax you pass on to the next one—cigars and tobacco—and you find that 99 per cent of that tax is paid by the people whose incomes are of the class mentioned. Then under Title V you have freight. An immense majority of the receipts of freight will be from people with small incomes or will finally be passed on to them. Express, passenger tickets, seats, and berth taxes are mainly paid by them, and the gas and most of the telephone service will be contributed by them. Of telephone and telegraph messages, a large majority will be paid by these people. Take Title VI, as to the automobile. That is more or less divided, and the rich man's tax will run a little higher. But take the musical instruments, phonographs, records, motion pictures, any tax of that kind is paid by the people of that class almost unaided. Jewelry will be divided, but the tax on sporting goods, perfumes, cosmetics—and poor as they are they use them—will be paid by this class. Those with the large incomes will never know there are such taxes. Said the mosquito to the palm tree, in the Egyptian tale, "Do I weigh you down?" Said the palm tree, "If you had not spoken, I would not know you were there."

To illustrate, here is a million-dollar tax on chewing gum that will mostly come out of these people with incomes under $3,000, for nobody worth a million dollars ever takes a chew of gum. [Laughter.] Consider admission to theaters—these fellows will pay practically all of that tax. Club dues will probably come from the other fellow. The war estate tax will be paid by the rich, amounting to six millions, and I think they can stand that without much privation. The $70,000,000 additional postage falls principally on one of the comforts of average people as a direct tax. A third of the money raised by this bill will be paid by men of large incomes, or sufficient ones. Ninety per cent of $1,200,000,000 is assessed against those who part with every dollar with anxiety for the future.

Gentlemen, when you have gone through the revenue bill and laid two-thirds of it on the people with small incomes, why do you not go off and let them alone and get the rest out of the people who can afford to pay it? Why do you keep your hand on the poor man's pocket all the time. Taxes should be levied on wealth, not on people; people make soldiers. This is not an appeal to your sentiment, it is a pure business proposition. If you look at the bill you will see that they pay two-thirds of the revenue without the income tax, and now you want to fix the income tax upon them.

I heard some one say that a tax of $20 on a $2,000 income did not amount to much. Yes, it does. He has to pay the tax on everything that he has and on pretty near everything that he does, and then you want him to pay a tax on his income. Why do you stick him in here? I can not see any reason, sense, or justice in it. Everything has mounted in price except the aver-

age man's income. He has troubles of his own without rubbing Aladdin's lamp for you. He has paid all that he ought, and why do you not let him go in peace? Why assess these people on every item of their daily routine? Their total income tax is a small affair and does not amount to much, comparatively, anyway, and I suggest that it is about time to give them a little rest. The class that fights a war should not be expected to finance the war. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was rejected.

Mr. BURNETT. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. BURNETT: On page 4, line 5, after "$500,000" insert:

"That 50 per cent of the salaries of Members of Congress who voted for the resolution declaring war shall be withheld by the Secretary of the Treasury during the war with Germany and covered into the Treasury, to be used in conducting the war."

Mr. MANN. Mr. Chairman, would it be in order to modify the amendment to have the money apply on the construction of an asylum for gentlemen who offer such amendments?

Mr. BURNETT. I hope so, because I would then have the good company of the gentleman from Illinois. Mr. Chairman, I hope no man who voted for that resolution will make the point of order.

Mr. KITCHIN. Mr. Chairman, I make the point of order.

The CHAIRMAN. The question is on the amendment.

The question was taken.

Mr. MANN. Mr. Chairman, I ask for a division upon that.

Mr. KITCHIN. Oh, no.

Mr. MANN. Oh, yes; let us know how far we are going with this foolishness.

The committee divided; and there were—ayes 1, noes 99.

So the amendment was rejected.

Mr. CURRY of California. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 4, line 14, strike out "$1,000 and $2,000" and insert in lieu thereof "$2,000 and $3,000," and on line 17 strike out "$1,000" and insert in lieu thereof "$2,000."

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. The amendment in substance is the same as that which has just been voted down, offered by the gentleman from Kansas.

The CHAIRMAN. The Chair did not follow the order of the amendment so as to be able to say offhand whether this is the same amendment or not.

Mr. MOORE of Pennsylvania. The motion of the gentleman from Kansas was to strike out all of the provisions which provide for an exemption and leave the law as it is now, and this is substantially the same.

Mr. MANN. Oh, no; this changes the amount.

Mr. MOORE of Pennsylvania. I did not so understand. Very well.

Mr. CURRY of California. Mr. Chairman, the best speech, I think, that was made on patriotism and universal obligation upon the floor of this House since this extra session of Congress began was made yesterday by the gentleman from Michigan, Mr. FORDNEY. There are no classes in the United States, and any man who tries to divide our people along class lines, particularly at the present time, is almost a traitor to the fundamental principles of our American institutions. [Applause.] We are all Americans in heart, and mind, and thought, and soul, and in deed. The poor man of to-day may be the rich man of to-morrow, and the rich man's son who inherits a fortune, unless he also inherits intellect and ability, may and probably will lose his patrimony, so that there is no such thing as class in this country. In this war the rich and the poor will shed their blood under the Stars and Stripes, and the rich and the poor will pay taxes, and they ought to; but the poor man's indirect taxes under the provisions of this bill are proportionately as great as are the direct taxes levied on those who enjoy large incomes. The people should pay taxes according to their ability to pay and not along class lines. The exemption of $1,000 for a single man and $2,000 for a married man would be just were it not for the extraordinary high cost of the necessaries of life. At the present time flour is $20 a barrel and bread is 10 cents a loaf, butter is 50 cents a pound, beans are 15 cents a pound, potatoes 8 cents a pound, onions 13 cents a pound, and cabbage 18 cents a pound, and ham, bacon, and beef are luxuries. The cost of the necessaries of life are extraordinarily high and will remain so during the balance of this war.

I know a man employed in the Capitol Building who makes twelve hundred dollars a year who said a couple of days ago that for one month he had not had an egg or any butter in his house because he could not afford to buy them. He has a family of five, of whom three are children going to school. I have not offered this amendment as a demagogic proposition, as a proposition to appeal to the passions and prejudices of poor people, but simply as a matter of equity and justice. Yesterday it was stated that the lowering of the exemption to $1,000 on a single man and to $2,000 on a married man would probably bring into the Treasury $100,000,000. If the exemption on a single man is raised to $2,000 and on a married man to $3,000, it will probably reduce that amount by from twenty-five to forty million dollars a year, which we can stand very readily, having automatically gradually increased the tax on the larger incomes. As a matter of justice and as a matter of right to these poor people, I think that this amendment should be adopted. As written in the bill at the present time, the lowering of the exemption to $1,000 on single men and to $2,000 on married men will tax nearly every mechanic, every clerk, every small-business man, every small farmer, and every struggling young professional man in the United States. All ought to pay who can, but I think that in justice and equity my amendment ought to be adopted.

During the war every American man and woman will be called upon to and will willingly make sacrifices. They will give of their money freely and their life's blood and the lives of those dear to them when necessary. My only son, C. F. Curry, jr., quit his studies in the university where he would have graduated in law next month to go to the Presidio in San Francisco, where he is now attending the Officers' Reserve training camp. The sons of Speaker CLARK, Mr. FORDNEY, Mr. SHALLENBERGER, Mr. TAYLOR of Colorado, and probably the sons of other Members are serving with the colors. Rich and poor will shed their blood and contribute the sinews of war willingly, but there is no present reason to tax the poor beyond their ability to pay, and to compel them to make a sacrifice that the financial conditions of the country do not warrant.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HILL. Mr. Chairman, I sincerely hope that the amendment will not be adopted and that the exemption will not be changed. In the Civil War I paid a tax on $600, having then a salary of $1,200. We have raised this to $1,000 for a single man and $2,000 for a married man. The highest exemption that I know of to-day is in Great Britain, and it is $650, with $125 allowance, as I am informed, for each child, and nothing for the married man. If this were a time of peace, and if we were fixing this as a basis for the current expenses of the Government, it would be entirely different, but we are fixing it as a war measure. We have practically voted for universal service and that necessarily means universal taxation or universal assistance in the way of contributing to the expenses of the Government. Both the millionaire and the poor man are subject to conscription, both are subject to rendering their personal service to the Government as well. Each pays in proportion to his ability in addition to his service. I understood the gentleman to say that this brings a hundred million dollars additional to this bill. If you change it, it takes one hundred millions away from the bill. I hope the exemption will stand just as it is—one thousand and two thousand.

Mr. FESS. Will the gentleman yield?

Mr. HILL. I will.

Mr. FESS. Reverting to the English system, what is the rate of taxation on the incomes that begin with $650?

Mr. HILL. Twelve per cent, and this is 2 per cent.

Mr. LONGWORTH. Mr. Chairman, I just want a minute.

Mr. MANN. Mr. Chairman, I do not want to take the gentleman from Ohio off the floor, but I would like to make this suggestion to the Chair if he will permit: The committee is all on one side and I do not think the rule applies to a member of the committee being entitled to recognition ahead of everybody else.

The CHAIRMAN. The Chair tries to distribute recognition so that both sides to the controversy will be recognized.

Mr. LONGWORTH. Mr. Chairman, I only want to say a word——

Mr. MOORE of Pennsylvania. Before the gentleman passes from that point, if he will permit me to say this: An attack having been made upon the bill of the Committee on Ways and Means, should not a member of the committee be recognized to reply?

Mr. LONGWORTH. Well, I am going to say two words, then. I join with my colleague, the gentleman from Connecticut [Mr. HILL] in the hope, the very great hope, that this amendment will not be adopted. It is anticipated, gentlemen, that about 4,000,000 people would pay the tax provided in this bill. Now,

that is only 4 per cent of the population of the United States. Only 370,000 people to-day pay the tax with the $3,000 and $4,000 exemptions. That is less than one-third of 1 per cent of the population of the United States. We have this morning passed amendments which multiply the taxes on the higher incomes by as much as five, raising it 500 per cent over the present income tax. Is it fair that one-third of 1 per cent, or 1 per cent as probably would be the case if the amendment of the gentleman from California is adopted, should be called upon to pay the main part of these war expenses? Gentlemen have asked what the exemptions were in other countries. The highest exemption in the world to-day, so far as I know, is in England where it is $650. In Germany the exemption is between $400 and $500, in most of the Cantons of Switzerland it is $50; in Australia and other Republics the exemptions run along about $100. In Japan it is less than $100—I think $80—but I can not claim exact accuracy on these figures when I have to give them offhand. So that even if we keep it at a thousand dollars, gentlemen, that will be nearly twice as high as the exemption in any other country under the sun. I think it would be in the highest degree unfair; it would be unwise public policy if we shall undertake to collect the greater amount of this bill by an income tax and not allow a reasonable number of people to pay it. There is not a man in this country in my opinion who has an income of $2,000 to-day who would object to paying $20, and that is all he would have to pay with our present exemption, for his share of this war. Gentlemen, you will entirely defeat the balance of the whole scheme of taxation as provided in this bill if you increase by any amount the exemptions of a thousand and two thousand as we have them now.

Mr. FERRIS. Mr. Chairman, I long hesitate to set up my judgment against the members of the committee, but if the committee has the facts it is proposed to take a hundred million dollars out of a special class in this country, the men and women working for small salaries and the men and women who are least able to bear the burden——

Mr. LONGWORTH. If the gentleman will permit, it does not amount to nearly as much as that.

Mr. FERRIS. That is the gentleman's statement. How much does this lowering of exemption yield?

Mr. LONGWORTH. Will the gentleman from North Carolina state how much it is estimated with the reduction?

Mr. KITCHIN. Twenty-seven million dollars.

Mr. LONGWORTH. Twenty-seven million dollars. That is the total reduction provided by this bill from the present exemption, only $27,000,000.

Mr. FERRIS. The statement was made in debate two or three times, but at any rate——

Mr. HILL. I made the statement from a remark the gentleman from California made on the floor, but he said in conversation that he did not wish to be so understood, and he thinks it would take about $50,000,000.

Mr. FERRIS. Whether it is twenty-seven million or fifty million or eighty-seven million or a hundred million, there seems to be quite a controversy about the exact amount, it is too much to take out of these poorly paid clerks.

Mr. KITCHIN. There is no controversy.

Mr. FERRIS. How much is it? No one seems to know. Either set of figures will serve to prove all I am contending for.

Mr. KITCHIN. Twenty-seven million. That is based upon the most reliable information of experts we can get.

Mr. FERRIS. The report says eighty-five million.

Mr. KITCHIN. It does not say that.

Mr. LENROOT. That is in Mr. FORDNEY's speech.

Mr. FERRIS. All right. We will take that——

Mr. KITCHIN. The gentleman from Michigan [Mr. FORDNEY] was mistaken.

Mr. FERRIS. We will adopt the statement of the chairman of the committee, who says it will take $27,000,000. I do not know whether it was correct or not.

Mr. CURRY of California. It was based on the statement of the gentleman from Ohio [Mr. LONGWORTH] yesterday that these exemptions down to $1,000 and $2,000 would bring into the Treasury $100,000,000. The raising of these exemptions of $2,000 on single men and $3,000 on married men probably would reduce the amount from $25,000,000 to $50,000,000.

Mr. LONGWORTH. I made no such statement.

Mr. CURRY of California. I stated that the lower exemption would make about $25,000,000 to $50,000,000 more.

Mr. FERRIS. If we do nothing else perhaps we can at least find out how much money we are actually taking from them in taxes. That will aid the House some in arriving at an intelligent conclusion. But be that as it may, it takes a very large amount of money from a class of people that can ill afford to pay it. Twenty years ago, when I was working for a similar salary, we bought shoes for $2.50 a pair when now we pay $7 for them. Twenty years ago we bought a good suit of clothes for $12, when now we pay $35 to $75. Twenty years ago, when I worked for a salary of that sort, you could clothe yourself and feed yourself for one-third of what you can do it now. I tell you that the heaping of an income tax on these small-salaried people will bring hardships that will make every one of us ashamed of ourselves. It ought not to be done. I know the Ways and Means Committee had to comb the whole Republic to get enough with which to run this war and will have to comb it again, and possibly you will have to include these cheap clerks and take away from them the last penny they have later on, to carry on this war, but let us not do that in the initial bill.

The first thing we did was to conscript 10,000,000 of our boys. I call attention to the fact that a good many of those 10,000,000 boys, a large percentage of them, are working for $75 a month to $1,000 and $1,500 a year. Our own secretaries work for $1,500 a year, and we propose to tax them, most of them, and I am not in favor of it.

These small-salaried people ought not to pay for this war.

Mr. TOWNER. Mr. Chairman, according to the statement that was made by the gentleman from Michigan [Mr. FORDNEY] on the data obtained from the Treasury Department this lowering of the exemption as proposed by the bill would amount to $85,000,000. That is based upon a reduction in the amount of the exemptions from four to two thousand and from three to one thousand. This amendment, if adopted, would increase the exemption so that the reduction would be from four to three thousand and from three to two thousand. Presumably that would cut that $85,000,000 in two, so that it would mean a reduction of about $42,000,000.

Mr. FORDNEY. I wish to state to the gentleman that I made that statement, and it is based on this fact: If the lowering of that exemption brings in 4,000,000 people to pay this tax that do not now pay it, it will amount to $20 each, which is $80,000,000, is it not?

Mr. KITCHIN. They might not all pay it.

Mr. TOWNER. In any event, the amount that will be received by thus lowering the exemptions is not, in my judgment, sufficient to warrant the reductions contemplated in this bill. It will amount, if gentlemen are correct that the burden will be light, to a very small amount of money, hardly enough to pay for the cost of the collection of it. With three or four dollars from an individual and the necessity of going through his accounts and calculating them, it will not pay for the inquisitorial power that will be used to force these men into the taxing class.

I want gentlemen who are voting upon this proposition to remember that this war will or will not be popular in the extent to which it lays burdens on the common people of the country. You could do nothing, in my judgment, that would be so heavy an imposition, that would be so seriously resented, as to go into every home in this land, as it would practically mean if you reduce the exemptions to where they are in the bill, with a tax collector forcing nearly all the people to make a report. Every man who receives more than $1,000 a year will be required to make a report under oath. He will be required to account for every dollar he receives; for all increases made to his property, as well as for his cash received. It would mean that the small farmer would have to account for every pig and calf that he sold; that his wife would have to account for every dozen of eggs and pound of butter she traded at the grocery store. It would mean that every man who receives a fair salary would have to pay an income tax. All through this bill taxes are imposed which will finally rest on the small consumer. Already thus heavily burdened, this added burden will come as a crushing weight. The American citizen pays in the aggregate a heavy burden of local taxes. He is taxed to build roads, to support schools, to carry on the most expensive governmental system on earth. The Englishman is not thus taxed. If his income tax is heavy, his local tax is light. With these contemplated war taxes the American citizen will be taxed more than any other citizen in the world. It is proposed to have our current taxes to carry 50 per cent or more of the cost of the war. In Great Britain current taxes are only 26 per cent of the total. To carry the heavy burden of local and State, and ordinary taxes and then this great additional burden of war taxes is loading our people too heavily. I am in favor of the Curry amendment because it will materially lessen the burden to the people who most need the exemption.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from California [Mr. CURRY].

The CHAIRMAN. The gentleman from New York offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the amendment offered by Mr. CURRY of California: Page 4 line 14, after the word "respectively," strike out "$1,000" and "$2,000" and insert in place thereof "$1,500" and "$2,500"; and, on line 17, strike out "$1,000" and insert in place thereof "$1,500."

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. GARRETT of Tennessee having taken the chair as Speaker pro tempore a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 2343. An act granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dobbs to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind.

THE REVENUE BILL.

The committee resumed its session.

Mr. LAGUARDIA. Mr. Chairman, I do not quite agree with the reasons stated by the gentleman from Iowa [Mr. TOWNER] that a certain class of people will resent the inquisition coupled with the making of the necessary tax returns. I base the reason for my proposed amendment solely on the ability to pay.

If you will but stop to reason for a moment you will see that we have a vast number of men and women in this country in the $1,000 and $1,200 class. Now, then, if we were only imposing an income tax, it would be fair to go even lower than the $1,000 exemption; but under this bill we are taxing the necessities of life to an extent unheard of in this country. We tax the man's light and heat, his tobacco, his insurance, his beer or soda, his amusements, his club dues, and whatnot; and if you take the proportion that the $1,200 man will pay of these extra taxes and compare it with the proportion of the same taxes that will be paid by a single man earning $2,500 you will see that the $1,000 or $1,200 man has already paid his share.

A MEMBER. On tea and coffee, for example.

Mr. LAGUARDIA. Yes; on tea and coffee. You must take the amount that each person pays and get the proportion that that amount bears to his total earnings, and if you will do that you will see that it will be fair and just to exempt a single man $1,500 and a married man $2,500.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HASTINGS. Why not leave this tax in there, and strike out the other provisions when you come to them elsewhere in the bill?

Mr. LAGUARDIA. Because we have just had a vote on that.

Mr. HASTINGS. I mean these other items.

Mr. LAGUARDIA. Judging from the temper and attitude of the House, I do not see much hope in that.

Gentlemen, I seriously urge the adoption of my amendment exempting the single man $1,500 and the married man $2,000. They will pay their just share through the other taxes in this bill.

Mr. FORDNEY. Mr. Chairman, I would like to have two or three minutes. I want to say to the gentlemen of the House, in reference to this exemption, that I think I am right in the figures I inserted in the RECORD. The exemption provided for in this bill is $1,000 on single persons, whereas under the existing law it is $3,000. The exemption has been lowered $2,000. The average income is the basis of figuring, and is divided halfway between the higher and lower exemption, and in this way the tax would be $20 a person. That is a pretty fair way of averaging the income of people with lower salaries or incomes, and $20 per person on 4,000,000 people would amount to a tax of $80,000,000.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BARKLEY. Does not the gentleman know that there are many millions of people whose salaries are only $2,200, and that if married they would pay on only $200, which would be $4, instead of $20, as he has figured?

Mr. FORDNEY. The gentleman means married or single people?

Mr. BARKLEY. If he is a single man, he would pay $24, and if he is a married man he would pay only $4.

Mr. FORDNEY. If he is single, he would pay how much?

Mr. BARKLEY. If his income is $1,200, he would pay an income tax on the difference between $1,200 and $1,000. If his salary is $2,000, he would pay an income tax of $20.

Mr. FORDNEY. Let me call the gentleman's attention to this fact: During the Civil War the first income tax imposed on the people first fixed the exemption at $800, and all incomes between $800 and $5,000 were taxed 3 per cent. The following year the exemption was lowered to $600 and the tax was fixed at 5 per cent instead of 3 per cent. That lowering of the exemption by $200 per person and the increasing of the tax by 2 per cent more than doubled up the income taxes collected the following year. In other words, it increased the income the Government received from those taxes in one year from $32,000,000 to $72,000,000.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. In a minute. I say, gentlemen, when we are estimating that 4,000,000 are the only number that will be affected by this exemption, we have the number entirely too low. If you change those lower exemptions, you are going to take from $50,000,000 to $100,000,000 out of this bill. Now I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. Is it not a fact that the reason the amount jumped up so in the Civil War was that it compelled a large number of people who had not been making a report, although they were subject to an income tax, to make a report, and that may be true in this case?

Mr. FORDNEY. That may be true. It is claimed by the Secretary of the Treasury that there are a very large number of people in the United States now evading the law by not making a report—people whose income falls within the meaning of the law. I asked to have an amendment added to this bill, and I would like to see the bill yet so amended, that the Government would post in every post office in the United States, at least in every county seat in this country, the names of the people making returns, so that people might know whether or not his neighbor whose duty it is to pay this tax has made his return. I do not want to know the amount of his return; all I want to know is that he makes a return.

Mr. SLOAN. Is it not a fact that on those already paying the income tax there will in each case, married and single, be an increase of $40, which will amount to nearly $15,000,000 additional?

Mr. FORDNEY. Yes. Some gentlemen have said, "Oh, the poor man has to pay this tax in another way, because he has to pay a tax on his coffee. There is no tax on coffee, but this bill provides 10 per cent ad valorem on coffee and tea imported, as it does on all other imports. Last year's importations of coffee averaged 9 cents a pound, and 10 per cent ad valorem is nine-tenths of a cent a pound on the coffee a man will use each year. God knows he will not go to the poorhouse on account of that tax. The tax is so small he will not know it when he pays it.

Mr. CANNON. Mr. Chairman, I listened with much interest to the remarks of my friend the gentleman from Iowa [Mr. TOWNER] and the gentleman from Oklahoma [Mr. FERRIS]. Now, the amount of income tax paid in the year 1916 by residents of the State of Iowa was $277,000. Yet her per capita wealth was $3,600, or $600 or $700 more than the per capita wealth of New York and substantially more than the per capita wealth of Illinois. Oklahoma paid more than Iowa. She paid $489,000 as against Iowa's income tax of $277,000. But Oklahoma has, say, $1,200 less per capita wealth than Iowa. And I might go on right through. Oh, how we do protect our own! [Laughter.] I do not think, in Oklahoma or Iowa, those magnificent, wealthy States—and Nebraska is along in the same line—any injustice will be done to Iowa and Nebraska when the exemption is lowered to $2,000 for a married man and $1,000 for a single man. [Applause.]

Mr. BURNETT. Mr. Chairman, I hope that the Curry amendment will be adopted. The people who will be benefited by that amendment are not the people who brought on this war but they are the silent workers at home and are the ones who will be affected by the tax on the breakfast table.

Mr. FERRIS. And by the conscription, too.

Mr. BURNETT. And by the conscription. They are many of them people who will not be exempted from conscription because they are employed in the munition factories but are those who will be expected to fight the battles of our country. Mr. Chairman, the Lenroot amendment just adopted takes care of any deficit that the increasing of the amount of these exemptions will make. That Lenroot amendment falls where it ought to fall, on the idle rich. In a little while some gentlemen who are supporting this bill up to this time will make great complaint in behalf of the magazines and of the big newspapers

of the country that are responsible for this war and that want to get off without an increase of their postage. Gentlemen, the question before this House is, Are you going to lay this tax on the mechanic and carpenter in your town, the single man getting a yearly income of $1,000, or the married mechanic getting $2,000 income, or the farmer, or the clerk, or the little merchant in the country, who were at home attending to their business when this great war was being foisted upon the country by the magazines and the newspapers that are now trying to get immunity from the increase of taxation against them? That is a question that is up to the Members representing the rural districts and the towns where the poorer people of this country live.

Those who are protesting against the Curry amendment, as a rule, are gentlemen representing the immense wealth of the country. I believe, Mr. Chairman, that it is not right that the man who is toiling for his daily bread, the married man with a big family and an income of $2,000 a year, or the young man with an income of $1,000 a year, perhaps with a dependent mother, father, or sister supported out of that income, should have to pay this tax that has been fastened upon the country by people who are growing rich by the war. Now, that is not demagogy, Mr. Chairman, it is simply an expression of justice and right. We did right a while ago when we adopted the Lenroot amendment, and I believe that this House is going to carry out the same principle that it then laid down by saying that the single man with a salary of $1,000 and the married man with a salary of $2,000, who are having placed upon them the burdens of the increased cost of living, ought not to have to pay the taxes that have been incurred by the war that they had no part in bringing on. I hope that the same unanimity with which the Members of this House a while ago rallied to the support of the Lenroot amendment will cause them to rally to the Curry amendment in order that justice may be done to this poorer class of people upon whom this burden will fall.

Rents are soaring, flour and other foodstuffs are climbing, and how do you expect the little farmer, the poor working man, and the poor clerk or school-teacher to support his family and pay an income tax when you just voted down an amendment to make the Member of Congress pay 65 per cent of his salary of $7,500 per year? Gentlemen, this thing is not being fairly divided, and the day of retribution is sure to come.

Mr. ALMON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. Is the gentleman opposed to the amendment or in favor of it?

Mr. ALMON. I am in favor of it.

The CHAIRMAN. Is there anyone opposed to the amendment?

Mr. KREIDER. I should like to say something against the amendment, if I may be recognized.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania.

Mr. KREIDER. Mr. Chairman, not to-day but on previous occasions Members of this House have appealed to the patriotism not only of Members of Congress but of the people at large. I would like to hear some of those patriotic speeches now. The levying of this tax is made necessary because we have engaged in the European war. The extent of the sacrifices in life, suffering, and treasure we must make to win no one can foretell. Those who were most anxious to uphold the dignity of the Nation then are now, it seems, the least willing to pay the expenses which attends that effort.

I take the position and assert that every patriotic American citizen does not consider paying his mite toward the expenses for the prosecution of this war a burden, but rather a privilege, and I seriously object to having all men whose incomes are less then $3,000 classed as unpatriotic. These people are just as patriotic and just as anxious to fight the battles and contribute to the support of the Nation as those with large incomes, and the truth is that it is this class that makes up the rank and file of our Army and Navy, but they can not all go to the front, and those who do not and can not go are anxious and willing to contribute according to their ability toward the expenses, so that they, too, may have the consciousness and pride of having done their share in supporting the Army and Navy of their country.

Let them have the privilege of that personal pride that comes to them in realizing that it is their Army, their Navy, their war, and their country that is engaged in this struggle; let them have the privilege of showing by actual deeds that they are not slackers and of no account, but, on the contrary, they are paying and contributing their proportionate share of the expense.

I do not care how low you make the tax, make it as low as one-tenth of 1 per cent of the income, if you will, and then graduate by increasing the percentage or rate as the income increases, which will, of course, compel the wealthier classes to pay the large amounts, but by so doing you will recognize those with small incomes and thereby increase their pride and patriotism.

I do not care what the income amounts to in the budget, or how much it will swell the budget, but I repeat that patriotic American citizens ought to be permitted to pay their mite toward the defense of their country. I do not believe that it is a good policy in a church organization to permit one or two parishioners to pay all the expenses of running the church, but I believe that if you want a good live active church, the poorer members must be recognized and be given the opportunity to contribute as their circumstances will permit, even if it is only 1 penny or 5 cents each Sunday, so that they can all have the consciousness of feeling that they are helping to support the church of which they are members. If I had my way about it I would lower the exemption and lower the rate. I would, by the passage of this act, indicate to every man, whether he is handling a pick and shovel, or running a railroad, or president of a bank, whether he is an employee or an employer, whether he is rich or poor, whether his income is large or small, that he is considered by this Congress an American citizen and a part and parcel of this great American people and Government.

Mr. Chairman, it is not a question of dollars and cents that we need to-day, it is patriotism. The standing together, the wiping out of classes, the melting and welding together of the interests of all the American people and for the benefit of the whole country. This must be done if we are going to win this war.

You are not going to stimulate patriotism by letting a few rich men in this country pay the expenses of the war and letting those with small incomes feel that they have no part in it.

I do not regard the paying of $1 or even $10 as placing a great burden on any man, and I do not think, in fact, I am sure that no patriotic citizen regards it so.

Unfortunately we have had on the floor of this House during the consideration of this income-tax measure men who have been making speeches for home consumption only; these speeches they will have printed and sent to their districts so their constituents may see what a gallant fight they are making here in their behalf in order that they may be exempt from this tax. Let me ask those of you who have done this, How are you going to square your action in regard to the conscription bill? When you passed a law authorizing the drafting out of the homes of these very people their sons if they be over 21 years of age and taking them from their loving mother's arms and compelling them to take their chances for their lives in the trenches of Europe and when I offered an amendment requiring that only those volunteering for this duty should be sent, you voted it down. Now, when a little money less than it takes to buy a sucking pig is required you gag and haggle.

I repeat I would like to see and hear a little more of that patriotism we heard so much of a short time ago.

Let those men who were so eager to plunge this country into a war with a European nation then now come forward and pledge their all, their lives and wealth. [Applause.]

Oh, yes; we had a vote a few moments ago whether Members of Congress should contribute a portion of their salaries toward the payment of these war expenses which was voted down, and when I called for a division possibly a half a dozen or so voted with me. I would like to have a roll call on that proposition and then I would like to compare the vote with the vote that was taken when the war resolution was passed.

Oh, yes; we are great patriots when we can let the other fellow do the fighting and pay the bill. We are all ready to agree with Artemus Ward in letting our wife's relations go to war.

Mr. BURNETT. Will the gentleman yield?

Mr. KREIDER. Yes.

Mr. BURNETT. We have had one illustrious example, the gentleman from Massachusetts, Mr. Gardner, is the only warrior who has enlisted so far.

Mr. KREIDER. Yes; and he went as a colonel, a commander. Unfortunately my constituents can not all go as colonels.

Let me impress upon you the fact that the great need after all in America to-day is patriotism. Let every man, woman, and child in the United States be proud of their American citizenship; let them prize it more highly than ever before and let them feel that they are a part and parcel of this great country, and do not deny them recognition nor the opportunity of contributing their mite (however insignificant it may seem, as com-

pared with those with large incomes) in supporting and upholding that flag with the Stars and Stripes in the great conflict that is before us.

Mr. KITCHIN. I ask unanimous consent that all debate on these amendments as to exemption may be closed in six minutes.

Mr. CRAMTON. Does that include all amendments——

Mr. KITCHIN. The amendments as to these exemptions.

The CHAIRMAN. The gentleman asks unanimous consent that all debate upon this paragraph and amendments thereto close in six minutes.

Mr. KITCHIN. All debate on the exemptions.

The CHAIRMAN. All debate on the exemption amendments shall close in six minutes. Is there objection?

There was no objection.

Mr. LUNN. I have an amendment as to married men and children, and I can not get it in until after these two.

Mr. KITCHIN. This only refers to these exemptions here.

Mr. ALMON. Mr. Chairman and gentlemen of the House, I am like the gentleman from Oklahoma [Mr. FERRIS], not inclined to undertake to amend an important part of this bill which has a unanimous report from the Ways and Means Committee. The exemptions from income tax in time of peace was fixed at $3,000 for a single man and $4,000 for a married man. This bill reduces the first to $1,000 and the second to $2,000. The amendment offered by the gentleman from California [Mr. CURRY] fixes the exemption at $2,000 for a single man and $3,000 for a married man. I think this is about right under present conditions, and I am in favor of the amendment. We should not lose sight of the fact that persons of small income who are affected by this proposed amendment will be forced to pay something additional as the result of almost every item of tax provided for in this bill. We should also remember that the present living expenses of those who are affected by this amendment is more than double what it was before the commencement of the European war. We should also remember that they pay State, county, and municipal taxes and all other taxes imposed by law.

Mr. CANNON. Will the gentleman yield?

Mr. ALMON. Yes.

Mr. CANNON. The gentleman's State in 1916 paid a total income tax of $109,000.

Mr. ALMON. That may be true, but it has nothing to do with the question under consideration. I will say to my distinguished and venerable friend, Mr. CANNON, of Illinois, that the people of Alabama always do their duty and pay their full share of taxes to the National Government. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CANNON. I ask unanimous consent that the gentleman have an additional minute. The principal industry of the gentleman's State, I believe, is agriculture?

Mr. ALMON. Yes; and mining and manufacturing. I believe Alabama is now about the third State in the manufacture of iron and coal and has some of the largest cotton mills in the South.

Mr. CANNON. Manufactures and agriculture under the draft law are exempt.

Mr. ALMON. They are not; but the law provides that those engaged in industries, including farming, may be exempt from the draft system if found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the war.

Mr. CANNON. The President can exempt them.

Mr. ALMON. The military bill which has passed both Houses provides that the President may make rules and regulations and appoint boards to determine who shall be exempt from military duty in accordance with the act of Congress, but I want to say to the gentleman from Illinois that no matter what business the men of Alabama between the ages of 21 and 31 are engaged in they are loyal, patriotic American citizens, and that they will respond to the call of their country. Alabama will furnish her full quota of soldiers according to her population. She will furnish as many soldiers, according to population, as will the State of Illinois, or any other State in the Union. And it is no concern of the gentleman from Illinois as to whether they come from the farms, the shops, mines, cotton mills, or any other class of business. They will not only respond, but they will discharge their duties as soldiers as they have always done as private citizens.

Mr. CANNON. They are exempt from conscription and probably can do better service in Alabama than they can in the trenches.

Mr. ALMON. As I have said before, it is of no concern of the gentleman from Illinois from which class of citizens the State of Alabama, which I have the honor to represent in part, furnishes her quota of soldiers during this war. No matter whether they are from our citizens engaged in industries, factories, or from behind the plow upon the farm. They will be brave and gallant men and will be as fearless soldiers as any who have ever marched on a battle field. And there will be no slackers or cowards among them. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman. I ask that the gentleman's time be extended for two minutes in order that I may propound an inquiry.

Mr. FORDNEY. Mr. Chairman, I object.

Mr. RUSSELL. Mr. Chairman, I believe I am just as good a friend of the man who makes his living by honest toil as anybody in this House. I came from among that class myself, and I am proud of it. The argument that is made here to-day in favor of exempting men who have incomes of $2,000 does not stand the light of logic and reason. My friend from Alabama [Mr. BURNETT] says that it will impose a tax upon the poor laboring man in his district. I submit that in my district—and I will guarantee in his—there is not a man who makes his living by honest toil, a laboring man if you please, who gets $2,000 a year. There are about 300 working days in the year when Sundays and holidays are taken out, and if a man makes $6 a day—and very few men who labor for a living make that much salary—he will get only $1,800 a year, and under this bill will not pay a single dollar of tax. If there is a man who makes his living by honest toil upon the farm or upon the railroad or in the shops who is so fortunate as to make $8 a day, then he gets $2,400 a year, and will pay taxes on only $400, after deducting his taxes, or less than $8 per year. The man in my district who is a laboring man and who is fortunate enough to get that much salary, I believe, will be patriotic enough to want to pay this small tax to carry on and to win this war. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. All time has expired. It is fixed by the committee. The question is on the amendment of the gentleman from New York [Mr. LAGUARDIA] to the amendment of the gentleman from California [Mr. CURRY].

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from California [Mr. CURRY].

The question was taken; and on a division (demanded by Mr. CURRY of California) there were—ayes 50, noes 100.

So the amendment was rejected.

Mr. McCORMICK. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 4, at the end of section 3, strike out the period and insert the following:

"*Provided*, That if the person making the return under section 1 of this act (a) shall be the head of a family there shall be an additional exemption of $200 for each minor child dependent upon the taxable parent, but this provision shall operate only in the case of one parent in the same family."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

Mr. LUNN. Mr. Chairman, I did not quite understand the wording of the amendment offered by the gentleman from Illinois [Mr. McCORMICK], and it may be that, as worded, it rules out the one which I desire to offer. I offer the following amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LUNN: Page 4, line 15, after the figures "$4,000," insert "and $150 exemption shall be allowed to the head of a family for each child below the age of 16."

Mr. LUNN. Mr. Chairman——

The CHAIRMAN. Debate has been closed by order of the committee. The question is on the amendment offered by the gentleman from New York.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Mr. Chairman, the gentleman from New York [Mr. LUNN] had a distinct understanding, I believe, with the gentleman from North Carolina that he would be privileged to offer this amendment and debate it.

Mr. KITCHIN. Oh, no.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LUNN].

The question was taken; and on a division (demanded by Mr. LONDON) there were—ayes 47, noes 78.

So the amendment was rejected.

Mr. CRAMTON. Mr. Chairman, I desire to offer an amendment, which I send to the Clerk's desk.

Mr. LUNN. Mr. Chairman, I demand tellers upon that vote.

Mr. KITCHIN. Mr. Chairman, it is too late. I make the point of order that the demand comes too late.

The CHAIRMAN. The demand for tellers comes too late, as the Chair had already recognized the gentleman from Michigan.

Mr. CRAMTON. Mr. Chairman, I desire to offer the amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. CRAMTON: At the end of line 17 insert "in the case of unmarried persons, and $2,000 or over in the case of married persons."

Mr. CRAMTON. Mr. Chairman, in explanation of that amendment——

The CHAIRMAN. Debate has been closed by order of the committee.

Mr. CRAMTON. But I had an express understanding with the gentleman from North Carolina. I made the inquiry as to whether it applied to the whole section and was assured that it did not.

The CHAIRMAN. The Chair distinctly stated that the gentleman from North Carolina asked unanimous consent that in six minutes all debate would be closed on the section and all amendments thereto.

Mr. CRAMTON. And thereupon I made an inquiry, and the gentleman from North Carolina corrected the Chair.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that debate upon this and the amendment of the gentleman from New York be extended for 10 minutes. They misunderstood the matter—five minutes each.

Mr. STAFFORD. Was it not the distinct understanding, as stated by the gentleman, that debate would be closed only so far as the exemption amendments were concerned?

Mr. KITCHIN. On the exemption amendments? It is all right. I ask unanimous consent that the time be extended 15 minutes——

Mr. SNYDER. I object.

The CHAIRMAN. The gentleman from New York objects.

Mr. CRAMTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. The amendment which I have offered is not as to exemptions, and an examination of the reporter's notes will show that upon the statement by the Chair I made the inquiry of the gentleman from North Carolina as to whether it was his purpose to have that request apply to the section or only to pending amendments, and he stated it was only as to the exemption amendments. Therefore I withdrew my objection. The notes will sustain my statement. I only desire five minutes. This is not an exemption amendment, but I think one of interest to the committee.

Mr. KITCHIN. I think that was the understanding that it should only be as to exemption amendments. If this is not an exemption amendment——

Mr. CRAMTON. It is not.

The CHAIRMAN. The Chair understood the gentleman from North Carolina——

Mr. MOORE of Pennsylvania. I ask that the amendment be read again.

The CHAIRMAN. If the Chair understands debate is continued then of course the Chair will so hold; but the Chair stated that the gentleman from North Carolina asked that debate close in six minutes and so stated to the committee. If he is in error about that of course the Chair would like to be corrected and be fair to every Member here.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this section and the amendments close in 15 minutes.

Mr. SNYDER. Mr. Chairman, I object.

Mr. KITCHIN. It will save time.

Mr. CRAMTON. An examination of the reporter's notes will substantiate my statement.

Mr. SNYDER. I think it is a different amendment, and I withdraw the objection.

Mr. MOORE of Pennsylvania. I want to say to my friend who is inclined to object that I listened distinctly to the request made by the gentleman from Michigan and the answer of the gentleman from North Carolina. I agree thoroughly with what the gentleman from North Carolina and the gentleman from Michigan say, that this understanding was only to apply to exemption amendments. If it is not an exemption amendment then it would not apply and I want the amendment read so that we can understand it.

Mr. SNYDER. If it is a different amendment I will withdraw the objection.

Mr. KITCHIN. I ask unanimous consent that debate on this section and all amendments thereto be closed in 15 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this section and all amendments thereto be closed in 15 minutes. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the right to object, until the amendment is read we can not tell whether this amendment applies to exemptions or not. If it does apply to exemptions, then a point of order would lie against it.

The CHAIRMAN. Without objection, the amendment will be again reported.

Mr. MOORE of Pennsylvania. I ask that it be read in order to understand the meaning of the motion.

The amendment was again reported.

Mr. MOORE of Pennsylvania. I make the point of order that it does apply to exemptions.

Mr. CRAMTON. Oh, Mr. Chairman, I ask the gentleman to accept my statement. I will withdraw the amendment after making an explanation, if the gentleman does not then think I know what I am talking about.

Mr. MOORE of Pennsylvania. It would probably save time to let the gentleman make his statement.

Mr. KITCHIN. I will say to the gentleman that with the amendments already voted down I hardly think this comes within the exemptions——

Mr. CRAMTON. It is not an exemption amendment; I think I know what it is.

Mr. KITCHIN. I think it is not.

Mr. CRAMTON. I would have been through before this.

Mr. KITCHIN. It is one of the return amendments. I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

A MEMBER. Five minutes.

Mr. KITCHIN. Fifteen minutes. I want to give the gentleman from New York an opportunity also.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Now, Mr. Chairman, the purpose of this whole act is to raise revenues to support our armies at the front. Every dollar that we can save of useless expense in the collection of those revenues is better than a dollar of new tax, because it places a burden on nobody and a dollar of new tax does. In the bill as it now stands a married man with an income of between $1,000 and $2,000 must make a return, although he has no tax to pay. That will entail upon the Government the handling of millions of useless returns, hundreds of thousands of dollars of expense. And so, in harmony with the amendment offered by the gentleman from New York [Mr. FITZGERALD], I have offered this amendment, and in support of it I have not a report of the Efficiency Commission, but a report from a man in Detroit, who is an able business man and who for the past four years has been collector of internal revenue, and who has the following to say about this proposition.

I ask that it be read in my time.

The CHAIRMAN. The Clerk will read the letter.

The Clerk read as follows:

TREASURY DEPARTMENT,
INTERNAL-REVENUE SERVICE,
Detroit, Mich., May 10, 1917.

TO MEMBERS OF CONGRESS FROM STATE OF MICHIGAN:

I wish to call attention to features of the income-tax proposals in the forthcoming revenue bill which would entail a great deal of hardship upon citizens without benefit or revenue to the Government:

I refer to filing returns of income of persons whose net income is between $1,000 and $2,000 and who are not liable to the tax.

In the first district of Michigan it is estimated not less than 250,000 people will be compelled to file returns if this feature applies to all whose net income is $1,000 or more, with the result that the files of the Treasury Department will be cumbered with an enormous mass of returns of persons who are not liable to tax—married men and heads of families.

It is suggested that in connection with this feature of the law no person whose net income is not such as to render him liable to tax under the law be required to file a return. This point is brought out because the present income-tax law requires everyone who receives a net income of $3,000 or more to make return, with the result that many thousands of returns are filed from which the Government derives no tax, and which entails an enormous expense, unnecessarily incurred, and which could be avoided by eliminating such returns.

We estimate that this would reduce the number of returns required by law to be filed by at least three-fourths, with no tax lost to the Government.

Yours, respectfully,
JAMES J. BRADY,
Collector.

Mr. CRAMTON. Now, Mr. Chairman, this will not save any money for anybody except the Government. That man who has been collecting revenue for four years under the income-tax law at Detroit says it will save hundreds of thousands of dollars. That is the kind of an amendment we ought to be looking for, and I hope you can see your way clear to adopt it.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That in addition to the tax imposed by section 10 of such act of September 8, 1916, there shall be levied, assessed, collected, and paid a like tax of 2 per cent upon the income received in the calendar year 1917 and every calendar year thereafter, by every corporation, joint-stock company or association, or insurance company, subject to the tax imposed by that section, except that if it has fixed its own fiscal year, the tax imposed by this section shall be levied, assessed, collected, and paid only on that portion of its income for the fiscal year ending during the calendar year 1917 which the period between January 1, 1917, and the end of such fiscal year bears to the whole of such fiscal year.

The tax imposed by this section shall be computed, levied, assessed, collected, and paid upon the same incomes and in the same manner as the tax imposed by section 10 of such act of September 8, 1916.

Mr. STERLING of Illinois. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. STERLING of Illinois offers the following amendment: Insert at the end of section 4, page 5, the following:

"*Provided*, That any corporation which is the owner or holder of the stock of another corporation shall not be required to pay the tax imposed by this section and the tax imposed by section 10 entitled 'An act to increase the revenue, and for other purposes, approved September 8, 1916,' on incomes derived from dividends on such stock on which the tax has been previously paid."

Mr. STERLING of Illinois. Mr. Chairman, the purpose of this amendment is to avoid paying a tax on the same income twice.

Mr. MOORE of Pennsylvania. Pardon me just a minute. Does this refer to holding companies?

Mr. STERLING of Illinois. Holding companies and any other corporations that own stock in any other corporation.

Mr. MOORE of Pennsylvania. It is not in the printed bill?

Mr. STERLING of Illinois. No; it is not in the printed bill.

Mr. MOORE of Pennsylvania. It was agreed to by the committee?

Mr. STERLING of Illinois. This was not agreed to. This was not presented to the committee. The same proposition was presented to the committee in reference to the excess-profit tax, but there was no amendment offered in the committee and no discussion in the committee with reference to double payment of this tax on incomes. As it is now, the corporation pays 2 per cent income tax. This bill adds 2 per cent more, and corporations will pay an income tax of 4 per cent. Now, if some other corporation owns stock in a corporation, it must also pay this 4 per cent tax on that income which it receives from the first corporation, and thus that income, coming from a single source, being a single income, is taxed twice, and the purpose of this amendment is to avoid that double taxation.

Mr. DUPRÉ. Will the gentleman yield for a question?

Mr. STERLING of Illinois. I yield.

Mr. DUPRÉ. I call attention to page 8, lines 19 to 22, inclusive. I want to ask wherein that provision fails to meet the suggestion that the gentleman makes? I am in sympathy with his amendment.

Mr. STERLING of Illinois. That relates to the excess-profit tax. When we come to that part of the bill, I desire to offer this same amendment in reference to that, because I think that provision in the bill now with reference to that is very uncertain. I doubt very much whether it will exempt the tax under the old law and the tax under this law also. The purpose of the amendment is to exempt the double payment of both the old tax and the tax proposed in this bill.

Mr. RUSSELL. Will the gentleman yield?

Mr. STERLING of Illinois. I will.

Mr. RUSSELL. Under the law as it is now the dividend of an individual stockholder in a bank is exempt, is it not?

Mr. STERLING of Illinois. Yes.

Mr. RUSSELL. What you are trying now is simply to make the same law apply to a corporation that applies to an individual?

Mr. STERLING of Illinois. Yes.

Mr. MOORE of Pennsylvania. There is an operating company and a holding company. When the operating company pays, the purpose of your amendment, as I understand it, is to prevent a second payment on the proceeds that may be in the holding company?

Mr. STERLING of Illinois. That is it exactly.

Mr. MOORE of Pennsylvania. But what is in the holding company over and above what is in the operating company will not be excused?

Mr. STERLING of Illinois. Certainly not.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes; I yield to the gentleman.

Mr. LENROOT. In the case of an individual receiving dividends from a corporation, although that corporation has paid the corporation tax, the individual is not exempted from the income tax, is he?

Mr. STERLING of Illinois. No. But here is the point: The individual does not pay the tax.

Mr. LENROOT. He pays his individual tax?

Mr. STERLING of Illinois. Yes; but the individuals that own the stock in the holding company have to pay the income tax, too; so that you really make them pay the tax three times.

Mr. LENROOT. Is not the principle of the corporation tax an excise tax on the corporation, and should not the holding company be considered a corporation subject to that excise tax?

Mr. STERLING of Illinois. I think not. I think there you are simply taxing the same income twice. It is not just at all. There is no more justice in paying an excise tax twice than any other tax.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. GREEN of Iowa. I think the gentleman misunderstood a question that was asked him. I said that section 204, on page 8, applied to the excess-profits tax.

Mr. STERLING of Illinois. Yes. Section 204 applies to the act of September 8, 1916. That is the income tax.

Mr. FORDNEY. That is the excess-profits tax.

Mr. STERLING of Illinois. I will say in reply to the gentleman this: I think the provision that was put in by the committee applies to the excess-profits tax; but, in any event, it is very uncertain in its language, and I doubt whether it would exempt the double payment of both the old and new tax.

Mr. GREEN of Iowa. If the gentleman will pardon me, he has got the dates of those acts mixed. The excess-profits tax was passed March 3, 1917.

Mr. STERLING of Illinois. This amendment that I am offering now exempts the present corporation income tax imposed by this bill and also the tax imposed by section 10 of the act of 1916. That is the income tax. The excess-profits tax was passed in 1917, on the 3d of last March.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. STAFFORD. As I understand it, the purpose of the gentleman's amendment is not only to exempt the 2 per cent additional corporation tax provided in this section but also to exempt the original 2 per cent tax that is provided in the act of September last?

Mr. STERLING of Illinois. Yes; to exempt them both.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. HARDY. Do I understand the gentleman to say that if an individual owns stock in a corporation, and the corporation pays a tax on its income, the individual is not required to pay a tax on his income so derived?

Mr. STERLING of Illinois. I did not say so.

Mr. HARDY. Is the individual required to pay a tax on the income that he derives from the corporation, which itself pays a tax?

Mr. STERLING of Illinois. I do not think so.

Mr. HARDY. Well, if the individual stockholder must pay a tax upon his income derived from a corporation which has paid the tax, that is double taxation, too.

Mr. STERLING of Illinois. Yes; but the stockholder in the holding corporation pays just the same, so that it will be paid three times under that theory. He gets his share of the income from the holding corporation, and if he pays the tax it will be paid three times.

Mr. HARDY. So that it is a question of a threefold payment instead of a double payment?

Mr. STERLING of Illinois. Yes.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. GRAHAM of Illinois. I want to see if I have got this right or not.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STERLING of Illinois. I ask for one more minute, Mr. Chairman.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GRAHAM of Illinois. I want to see if I have this right in my mind. If I understand your proposition, if the income of the operating corporation has paid this particular tax, then the holding corporation does not pay the tax?

Mr. STERLING of Illinois. No.

Mr. GRAHAM of Illinois. How is it in general taxation? Suppose you have an operating corporation and a holding corporation. They both pay taxes on that same fund, do they not?

Mr. STERLING of Illinois. No.

Mr. GRAHAM of Illinois. It is property, and it is properly taxable.

Mr. STERLING of Illinois. It all belongs to the same person, and the same persons are paying it twice.

Mr. GRAHAM of Illinois. If it is subject to general taxation, it would be subject to taxation twice.

Mr. STERLING of Illinois. It would not. Out in Illinois it would be subject to taxation in the hands of the person who had it on the 1st day of April. It would not be subject to taxation in the hands of any other person.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. KITCHIN. Mr. Chairman, I hope the amendment of the gentleman from Illinois [Mr. STERLING] will not pass.

In the first place, we will lose, I should say, not less than $20,000,000 or $25,000,000 in revenue. In the next place, I believe that every corporation, whether it is a holding corporation or not, should pay the normal income tax upon all its income. While the individual now does not pay the normal tax upon the income which he receives from the dividends of corporations that pay that tax, the individual does pay the surtax on the income received as dividends. While the corporation does not pay a surtax at all, no matter whether it makes $50,000 or $1,000,000 or $10,000,000, it ought to pay a normal tax upon all its income. We relieve the holding companies or any other corporation from paying an excess-profits tax upon the dividends received from its subsidiary companies upon which the tax has already been paid. This proposition is entirely different from the normal income tax. For instance, under the gentleman's amendment the United States Steel Corporation would not pay any tax. The United Cigar Co., which, I understand, is largely a holding company, would not pay a dollar, because all of its dividends come from subsidiary companies. I believe a company like the United States Steel Corporation ought to pay the regular normal income tax. When it comes to the excess-profits tax, I believe it is fair to exempt it from the dividends which it receives from the subsidiary companies, but I believe all corporations, whether holding companies or not, ought to pay the normal tax upon their entire net income.

Mr. STERLING of Illinois. Mr. Chairman, I ask unanimous consent for three minutes in which to reply to the gentleman from North Carolina.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. STERLING of Illinois. I hope every Member will understand this proposition. There is no use for gentlemen to talk about taxing corporations. Corporations are owned by individuals. When a corporation issues stock, and another corporation buys some of that stock, as the law is now and as this law will be if we do not adopt this amendment, the corporation that issued the stock and collects the income will pay the income tax on it. Then a portion of that income goes to the holding or owning corporation that has bought some of this stock. That corporation must then account for its income, and it pays the normal tax on that income. Then that holding corporation contributes these funds to the individuals, and they pay their income taxes assessed against them as individuals. So there is no use for gentlemen to talk about taxing corporations. Corporations in the long run do not pay taxes. The taxes come from the people who own the stock. It comes out of the individuals. Under those circumstances they pay the tax three times, if you do not adopt this amendment. I do not know why that kind of property should be compelled to bear these extra burdens. We had just as well be fair about it. I do not know whether it will amount to $20,000,000 or $25,000,000 or not. I do not think it will amount to that. But if it amounts to that much, so much the better reason for adopting this amendment, so much greater is the wrong if all of this property is taxed twice. If the people who own this stock are compelled to stand this tax three times, the greater the amount, the greater the wrong.

Mr. HARDY. Will the gentleman yield for a question?

Mr. STERLING of Illinois. I yield to the gentleman from Texas.

Mr. HARDY. Here is a railroad company that has invested a part of its surplus in the stock of some other company. You admit that if the dividend had gone to the private person who held that stock, he would pay a tax on the income derived from the stock?

Mr. STERLING of Illinois. Yes.

Mr. HARDY. But this railroad company, having bought the stock, would be relieved?

Mr. STERLING of Illinois. Yes; and the owners of the railroad stock have got to pay their income taxes, so the burden is simply shifted from the railroad company to the stockholders of the railroad company.

Mr. LENROOT. Suppose it goes to surplus, and is not passed out in dividends at all?

Mr. STERLING of Illinois. This proposition has nothing to do with that.

Mr. HARDY. As in the case of the large insurance companies.

Mr. FORDNEY. It still goes to the stockholders in the end.

Mr. STERLING of Illinois. If it goes to surplus, it is still property belonging to the stockholders. This does not affect the right of a corporation to pass its earnings to surplus.

Mr. HARDY. Is not the New York Equitable a great insurance company that owns thousands of such stocks, and never passes them on to its stockholders?

Mr. STERLING of Illinois. I do not know whether it does that or not. This will not affect it, in any event.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. GRAHAM of Pennsylvania. I should like to say just a word, Mr. Chairman. It seems to me that the amendment offered by the gentleman from Illinois is a fair and equitable one. Unless this amendment is adopted there is double taxation, and if there is anything that is obnoxious to American legislation in every State it is double taxation. I respectfully suggest that where the normal tax is paid by the operating company there ought to be no normal tax paid by the holding company. If the tax is paid by the individuals in the holding company on their income the holding company stands only in the relation of a trustee, and no trustee is compelled to pay an income tax on the holdings for the cestui que trust.

Mr. LENROOT. Mr. Chairman, I hope this amendment will not be adopted, and it can not in principle be defended. This tax when it applies to a holding corporation is an excise tax on that corporation. That corporation is a citizen of the United States and enjoys certain privileges as such, and the very theory of the corporation tax is to reach all such corporations.

Now, as to the double-taxation proposition, it was suggested during the debate on the income tax that men of great fortunes would escape the income tax because instead of paying dividends they would pass the dividends and put the earnings into surplus. Now, you exempt the holding corporation and you are inviting that thing and saying to the large stockholders of holding corporations, "If you put your earnings into surplus you will not have to pay the income tax." They not only will not pay the income tax on the dividends, because there need be none, but they will pass it to surplus, and if you exempt the holding corporation you will get no tax at all.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield for a question?

Mr. LENROOT. Yes.

Mr. GRAHAM of Pennsylvania. How can any corporation avoid the tax by carrying it to surplus? I know I have heard a lot said on the floor, and the gentleman from Michigan made the statement. How can it escape?

Mr. LENROOT. It is very plain. Suppose here is a corporation with a directorate that is controlled by some very wealthy men and under the law a large portion of their incomes would be taken. That board of directors can pass the dividends, declare no dividend, and then the stockholders of that corporation will have no income tax to pay, so far as the earnings of that corporation are concerned. Is that correct?

Mr. GRAHAM of Pennsylvania. But the corporation will pay the tax.

Mr. LENROOT. Ah, but you are relieving them.

Mr. GRAHAM of Pennsylvania. This amendment only proposes to do away with the double taxation. If corporation A has some surplus it is not using for the time being in its business, it must have it put aside for investment in another stock company or corporation, and suppose in the meantime there is a dividend

paid by this other corporation. The other corporation has paid its normal tax and why should the second corporation pay an income tax on the other corporation's property that has already paid a normal tax?

Mr. LENROOT. Suppose an individual desires to escape an ordinary income tax through the dividends that he would naturally receive from the holding corporation?

Mr. GRAHAM of Pennsylvania. Will the gentleman permit me to ask him another question?

Mr. LENROOT. Let me answer the first one.

Mr. GRAHAM of Pennsylvania. What has the attempt of an individual to escape discharging his duty to do with the square question between the two corporations which taxes the same property?

Mr. LENROOT. They are not the same. One taxes one corporation and the other taxes another corporation.

Mr. GRAHAM of Pennsylvania. It is on the same property.

Mr. LENROOT. I do not propose to let the gentleman get away from this proposition that he now seeks to, where he says it would be impossible for a man to evade his income tax through turning it over to surplus.

Mr. GRAHAM of Pennsylvania. I merely said that that was no answer to my proposition.

Mr. LENROOT. The gentleman denied the accuracy of my statement.

Mr. KITCHIN. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. KITCHIN. Is not it a fact that practically all the so-called holding companies of the corporations are organized for the purpose of getting all of the subsidiary competing companies into a monopoly?

Mr. LENROOT. Absolutely; and that is their very purpose, and this amendment would be putting a premium on that kind of corporation.

Mr. FORDNEY. Mr. Chairman, I want three minutes on this amendment. The contention of the gentleman from Illinois [Mr. STERLING] is correct. It was demonstrated to the committee by the gentleman from Illinois [Mr. RAINEY] that under the laws of Illinois an electric railway company could not organize under the laws of that State and get a charter to build a road from Chicago to St. Louis. They must organize a new company every time they go by a town from one town to another. Under the laws of the State of Illinois a holding company is organized holding these small companies of an electric railway that go from one distant point to another in the State of Illinois. The holding company has no other income except from the small companies, and it is all one company. That holding company is organized to get around the embarrassing laws in the State of Illinois, and the holding company has no other business except to receive the income from those small companies organized to build a road from one town to another. It is all the one company, and unless you adopt this amendment you are going to make those various small companies pay a tax and the holding company also pay over again that same tax. If that is not correct, I want some man to correct me. That is the statement of the gentleman from Illinois [Mr. RAINEY], made when this bill was being considered in the Committee on Ways and Means, and it convinced me that the holding company should not be called upon to pay a tax, and this bill will tax them twice unless you adopt some such amendment as the gentleman from Illinois [Mr. STERLING] has offered here.

Mr. GRAHAM of Illinois rose.

Mr. DOOLITTLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DOOLITTLE. What is the regular order?

The CHAIRMAN. It is considering the amendment offered by the gentleman from Illinois [Mr. STERLING].

Mr. ALEXANDER. Mr. Chairman, has not debate upon that amendment been exhausted?

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman asks unanimous consent that all debate upon this amendment shall close?

Mr. KITCHIN. Yes; that all debate upon the section and all amendments thereto shall close in 10 minutes.

Mr. FORDNEY. Close it in five minutes.

The CHAIRMAN. Is there objection?

Mr. FORDNEY. I object. We ought not to run along here indefinitely on a subject thoroughly discussed. I want gentlemen to talk and have plenty of time; but why not make that five minutes?

Mr. KITCHIN. Make it six minutes.

Mr. FORDNEY. Very well, I accept that.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Chairman, it will only take me one minute to say what I have got to say. [Applause.] That is the first real hearty applause that I have received in this House. I practice law in Illinois, and I have listened with some attention to what the gentleman from Michigan [Mr. FORDNEY] has said about this thing. He is mistaken about it.

Mr. FORDNEY. I got it from the gentleman from Illinois [Mr. RAINEY].

Mr. GRAHAM of Illinois. Well, if that is his contention, he is mistaken. I know what the law is, because I have organized these railroads down there. We have two laws in Illinois—one by which you can organize interurban roads between towns—and that is the law that the gentleman speaks of.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. STERLING of Illinois. I want to say to the gentleman that he may have practiced law in Illinois, but to organize an electric interurban railroad in Illinois you have to do it under the railroad law. There is not any law for organizing interurban railroads in Illinois.

Mr. GRAHAM of Illinois. There is a law in Illinois known as the general railroad law, under which these roads are organized, and that does not require you to build only between towns, but under that you can go all over the State of Illinois, and I believe the gentleman will admit that that is true. These corporations do not need to own and organize any holding corporations. They can be organized under the general railroad law. Then they would pay their taxes and their excess-profits taxes like anyone else, and I believe they ought to do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. STERLING of Illinois) there were—ayes 17, noes 71.

So the amendment was rejected.

The Clerk read as follows:

SEC. 5. That every individual, corporation, joint-stock company or association, or insurance company, that is liable to pay or that has paid the taxes imposed by Title I of such act of September 8, 1916, upon the net income received in the calendar year 1916, shall pay, in addition to such taxes, a tax equivalent to 33⅓ per cent of such taxes, to be assessed and collected under the provisions of existing law, and paid on or before September 15, 1917, except that in the case of a corporation, joint-stock company or association, or insurance company, which has fixed its own fiscal year, such tax shall be paid within 165 days after the close of the fiscal year ending during the calendar year 1917.

Mr. MADDEN. Mr. Chairman, I move to strike out the section.

Mr. KITCHIN. Mr. Chairman, can we not come to some agreement about time for debate upon this and all amendments to the section? How would 30 or 40 minutes do?

Mr. MOORE of Pennsylvania. Would it not be better to leave the matter open until to-morrow?

Mr. KITCHIN. Oh, then, gentlemen will want to debate it for three hours. I have talked with some gentlemen who are very much opposed to this, and they are willing to have 30 minutes. Let us put it at 45 minutes.

Mr. MADDEN. Make it an hour.

Mr. MANN. Make it half an hour on a side.

Mr. KITCHIN. Very well, half an hour for those in favor and half an hour for those opposed to it.

Mr. DYER. Who will control the time?

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto be closed in one hour, and that half the time be controlled——

Mr. MANN. Well, half of the time to be allotted to those in favor and half to those against.

Mr. KITCHIN. And the gentleman from Illinois [Mr. MADDEN] to control the time of those against, and I will control the time of those in favor of the section.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that there shall be one hour's debate upon section 5, just read, and all amendments thereto, one half the time to be controlled by the gentleman from Illinois [Mr. MADDEN] and the other half by the gentleman from North Carolina. Is there objection? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now arise.

The motion was agreed to.

Accordingly the committee rose; and Mr. GARRETT of Tennessee having assumed the chair as Speaker pro tempore, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280 and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW—11 A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p. m.) the House, under its previous order, adjourned to meet at 11 a. m. to-morrow, Friday, May 18, 1917.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting a report on estimates and plans for works of river and harbor improvement that will best provide adequate facilities for operations of the fleet for defense of the harbors on the Atlantic, Gulf, and Pacific coasts of the United States (H. Doc. No. 140); to the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the chief clerk of the Court of Claims, transmitting order of dismissal by the court in the cases of Annie C. Manchester and Henry J. Thompson (H. Doc. No. 141); to the Committee on Claims and ordered to be printed.

3. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of George D. McKinney *v.* The United States (H. Doc. No. 142); to the Committee on War Claims and ordered to be printed.

4. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Clarence J. Door et al., children and heirs of Joseph B. Door, deceased, *v.* The United States (H. Doc. No. 143); to the Committee on War Claims and ordered to be printed.

5. A letter from the Secretary of the Navy, submitting tentative drafts of amendments with the recommendation that they be inserted in the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes (H. Doc. No. 144); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CANTRILL: A bill (H. R. 4485) regulating the compensation and assignment of employees in the Internal-Revenue Service, and for other purposes; to the Committee on Expenditures in the Treasury Department.

By Mr. CLARK of Pennsylvania: A bill (H. R. 4486) to amend the act of Congress approved June 27, 1890, entitled "An act granting pensions to soldiers and sailors who are incapacitated for the performance of manual labor, and providing for pensions to widows, minor children, and dependent parents," and including the amendments thereto; to the Committee on Pensions.

By Mr. HICKS: A bill (H. R. 4487) to prevent the desecration of the flag of the United States; to the Committee on the Judiciary.

By Mr. DRANE: A bill (H. R. 4488) providing for the marking and protection of the battle field known as Dades Massacre, in Sumter County, Fla., and for the erection of a monument thereon; to the Committee on the Library.

By Mr. POWERS: A bill (H. R. 4489) to provide for the erection of a public building at Corbin, in the State of Kentucky; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4490) to provide for the erection of a public building at Pineville, in the State of Kentucky; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4491) to increase the pensions of the blind who served in the War with Spain; to the Committee on Pensions.

Also, a bill (H. R. 4492) to increase the pensions of the blind who served in the War with Mexico or the Civil War; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4493) to provide for the erection of a public building at Barbourville, in the State of Kentucky; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4494) to provide for the erection of a public building at Harlan, in the State of Kentucky; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4495) granting a pension to teamsters, bridge builders, and railroad repairers who were in the service of the United States during the War with Spain; to the Committee on Pensions.

Also, a bill (H. R. 4496) granting a pension to teamsters, bridge builders, and railroad repairers who were in the service of the United States during the Mexican War or the Civil War; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4497) granting pensions to Army teamsters of the Mexican War or the Civil War; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4498) recognizing the military service of, and giving pensionable status under all pension laws of the United States to, persons serving under United States officers as home guards, militia, teamsters, or other provisional troops or field employees during the Mexican War, the Civil War, or the Spanish-American War; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4499) recognizing the military service of and giving pensionable status under all pension laws of the United States to persons serving under United States officers as home guards, militia, teamsters, or other provisional troops or field employees during the War with Spain; to the Committee on Pensions.

Also, a bill (H. R. 4500) granting pensions to Army teamsters of the War with Spain; to the Committee on Pensions.

Also, a bill (H. R. 4501) to extend the provisions of the pension act of May 11, 1912, and the act of April 19, 1908, as amended by act of September 8, 1916, to the officers and enlisted men of all State militia and other State organizations that rendered service to the Government during the Spanish-American War for a period of 90 days or more, and providing pensions for their widows, minor children, and dependent parents, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 4502) to adopt the project and plan of improving the Cumberland River above Nashville in Kentucky and Tennessee as recommended by the Department of Engineers, United States Army, in report made on February 4, 1914, and to authorize the Secretary of War to commence, continue, and complete the locking and damming of said river from Lock No. 21 to Lock No. 7, in accordance with said plan recommended by the Department of Engineers; to the Committee on Rivers and Harbors.

By Mr. ADAMSON: A bill (H. R. 4503) to fix the status and rights of officers of the Public Health Service when serving with the Coast Guard, the Army, or the Navy; to the Committee on Interstate and Foreign Commerce.

By Mr. SMALL: A bill (H. R. 4504) to amend an act entitled "An act making an appropriation for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1899; to the Committee on Rivers and Harbors.

By Mr. CHURCH: Joint resolution (H. J. Res. 92) to promote the efficiency and utilization of the resources and industries of the United States, to lessen the expenses of the present war, and rehabilitate the destructive effects of war; to the Committee on Patents.

By the SPEAKER: Memorial of the Legislature of the State of Utah, requesting Congress to authorize the franking of all reports of births, deaths, and communicable diseases to the proper officer and all printed matter of an educational character issued by the State board of health to the people of the State in which such matter is issued; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Utah, requesting Congress to make provision for the survey and construction of a road connecting the Mesa Verde National Park, the Natural Bridges, the Grand Canyon national monument, and the Mukuntuweap national monument; to the Committee on Roads.

Also, memorial of the Legislature of the State of Utah, urging Congress to adopt the woman-suffrage amendment to the Constitution; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Utah, requesting Congress to appropriate sufficient money to educate the children of lessees of land in the former Uintah Indian Reservation; to the Committee on Education.

Also, memorial of the Legislature of the State of Utah, requesting Congress to enact the necessary legislation which will result in the opening for entry to citizens of the United States certain Indian lands in the State of Utah; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Utah, urging Congress to pass the national prohibition amendment to the Constitution; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Utah, requesting Congress to appropriate money to be used in connection with the holding of the Golden Spike Exposition at Ogden, Utah, in the year 1919; to the Committee on Industrial Arts and Expositions.

Also, memorial of the Legislature of the State of Utah, urging Congress to pass the bill introduced in the Senate by Senator SMOOT, of Utah, providing for making Little Zion Canyon a public park, to be known as Little Zion National Park; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Utah, requesting Congress to reimburse the State of Utah in the amount of $50,000 which was appropriated by the State of Utah and paid to Indian war veterans; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Utah, requesting Congress to enact water-power legislation which will safeguard against the appropriation of power sites for speculative purposes; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Utah, inviting Congress to appoint representatives to attend a congress of delegates of the States of the Union for the purpose of adopting a definite policy in the segregation of State and Federal revenue; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Alaska, favoring legislation providing that employees in the Government service in Alaska be citizens of the United States; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, favoring the passage of legislation requiring at least 50 per cent of the funds derived from the sale of town sites on the Government-owned railroad in Alaska to be devoted to making improvements within the respective towns; to the Committee on the Territories.

Also, memorial of the Legislature of the State of Oregon, urging the passage of the Volunteer retired bill, giving the same aid according to rank as that given retired officers of the Regular Army; to the Committee on Military Affairs.

Also, memorial from the Legislature of the Territory of Alaska, indorsing the action of the United States in the present international crisis and pledging aid and support; to the Committee on Foreign Affairs.

Also, memorial from the Legislature of the Territory of Hawaii, indorsing the position taken by the United States, as voiced by the President, in the present crisis between the United States and Germany and pledging its aid and support; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, favoring the passage of a law requiring all Federal appointees to be a resident of the Territory of Hawaii for at least one year prior to their appointment; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, requesting Congress to take measures regulating the price of anthracite coal and other commodities; to the Committee on Mines and Mining.

Also, memorial of the Legislature of the State of California, favoring legislation for the sale of timber in the national forest reserves and the building of dams and reservoirs to conserve the waters of said State and protection from floods; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Arizona, urging a just and expeditious allotment to the Indians attached to the Colorado Indian Reservation of lands in said reservation; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Rhode Island, indorsing daylight saving and urging Congress to pass necessary legislation; to the Committee on Interstate and Foreign Commerce.

Also, memorial from the Legislature of the Territory of Hawaii, approving universal military training; to the Committee on Military Affairs.

Also, memorial from the Legislature of the State of California, favoring a fairer and more adequate compensation for those engaged in the naval and military service of the United States; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Utah, petitioning Congress to rescind the order withdrawing from entry certain lands situate in Uintah County for reservoir purposes; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Iowa, pledging the resources of that State to the Government of the United States in the present war; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Colorado, favoring the national prohibition constitutional amendment, and also to make Washington, D. C., antisaloon territory; to the Committee on the Judiciary.

By Mr. DALE of New York: Memorial of the Legislature of the State of New York, requesting the State Department at Washington to enter upon such negotiations with its allies as will make clear the status of foreign-born citizens and persons who have declared their intention to become citizens of the United States and their enlistment in the Army or Navy be free from any question of loyalty; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of Pennsylvania: A bill (H. R. 4505) granting an increase of pension to George Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4506) granting a pension to Eliza Mead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4507) granting a pension to Elmer Green; to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 4508) for the further relief of Hans Peter Guttormsen; to the Committee on Claims.

By Mr. CRAGO: A bill (H. R. 4509) granting a pension to Moses R. Smith; to the Committee on Pensions.

By Mr. DEWALT: A bill (H. R. 4510) granting an increase of pension to Amanda Wade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4511) granting an increase of pension to Mary A. Walk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4512) granting a pension to Elias Hartman; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 4513) for the relief of Arthur R. Pinkerton; to the Committee on Claims.

Also, a bill (H. R. 4514) for the relief of William R. Bozeman; to the Committee on Claims.

Also, a bill (H. R. 4515) for the relief of George Olsen; to the Committee on Claims.

Also, a bill (H. R. 4516) for the relief of W. H. Overocker; to the Committee on Claims.

Also, a bill (H. R. 4517) for the relief of Charles H. Wilson; to the Committee on Claims.

By Mr. EAGAN: A bill (H. R. 4518) granting an increase of pension to James D. Brinkerhoff; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 4519) providing for the sale of an abandoned homestead entry; to the Committee on the Public Lands.

By Mr. GARLAND: A bill (H. R. 4520) to correct the military record of John A. Swartzwelder; to the Committee on Military Affairs.

By Mr. IRELAND: A bill (H. R. 4521) granting a pension to Jane Gilson; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 4522) granting a pension to Georgianna McNatt Mills; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 4523) granting a pension to Mitchell Hyden; to the Committee on Pensions.

Also, a bill (H. R. 4524) to remove the charge of desertion from the military record of Amos Bennett; to the Committee on Military Affairs.

Also, a bill (H. R. 4525) to remove the charge of desertion from the military record of James M. Cook; to the Committee on Military Affairs.

Also, a bill (H. R. 4526) to remove the charge of desertion from the military record of J. W. Hardwick; to the Committee on Military Affairs.

Also, a bill (H. R 4527) to remove the charge of desertion from the military record of Porter Hill; to the Committee on Military Affairs.

Also, a bill (H. R. 4528) for the relief of Emily J. Mullins; to the Committee on Claims.

Also, a bill (H. R. 4529) for the relief of the heirs of Morgan Davidson; to the Committee on War Claims.

Also, a bill (H. R. 4530) for the allowance of certain claims for back pay growing out of service in the Army during the Civil War, as reported by the Court of Claims; to the Committee on War Claims.

By Mr. SWITZER: A bill (H. R. 4531) granting a pension to William D. Kelton; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 4532) granting an increase of pension to Susan W. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4533) granting an increase of pension to George N. Thurlow; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of Westchester County (N. Y.) Commission of General Safety, relative to solution of the problem of production; to the Committee on Agriculture.

Also (by request), memorial of Central Council of Irish County Associations of Greater Boston, relative to Irish freedom; to the Committee on Foreign Affairs.

Also (by request), memorial of Grand Igloo Pioneers of Alaska, against law to divest the Territory of just control in natural resources, etc.; to the Committee on the Territories.

By Mr. BRODBECK: Petition of ministers, officers, and members of the First Church of the Brethren, of York, Pa., asking conservation of foodstuffs and prohibition as war measure; to the Committee on Agriculture.

By Mr. COOPER of Wisconsin: Memorial of Bartenders' Local, Kenosha, Wis., protesting against prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petitions of sundry publishing concerns of New York, against proposed increase in second-class postage; to the Committee on the Post Office and Post Roads.

By Mr. EAGAN: Petition of Westchester County (N. Y.) Commission of General Safety, relative to solution of the problem of production; to the Committee on Agriculture.

By Mr. FULLER of Illinois: Memorial of patriotic mass meeting at La Salle, Ill., pledging support to the administration in the prosecution of the war, etc.; to the Committee on Military Affairs.

Also, petition of Woman's Party, of Cook County, Ill., favoring tax on land values; to the Committee on Ways and Means.

Also, petition of Hoard's Dairyman, of Port Atkinson, Wis., opposing the zone system for second-class mail matter; to the Committee on Ways and Means.

Also, petition of the National Piano Manufacturers' Association of America, New York Piano Manufacturers' Association, Chicago Piano and Organ Association, and Music Industries Chamber of Commerce, protesting against proposed excise tax on sales of musical instruments; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of Harvard Club, of Boston, Mass., pledging loyalty and support to the President and the Government; to the Committee on Military Affairs.

By Mr. LINTHICUM: Petition of the Baltimore (Md.) Federation of Labor, relative to food control; to the Committee on Agriculture.

Also, petition of sundry citizens, the Maryland Car Wheel Works, Louis Wolf, and H. Gamse & Bro., all of Baltimore, Md., against increase in postage on second-class matter; to the Committee on the Post Office and Post Roads.

Also, petition of the Kenneweg Co., of Cumberland, Md., against method of taxing tea and coffee; to the Committee on Ways and Means.

Also, petition of the Leaf Tobacco Association, of Baltimore, Md., against increase in tax of leaf tobacco; to the Committee on Ways and Means.

Also, petition of Schultz Bro., Baltimore, Md., against tax on excess profits of corporations; to the Committee on Ways and Means.

Also, petitions of the Merchants' and Manufacturers' Journal, Baltimore, Md., against increasing second-class rates on trade publications; to the Committee on Ways and Means.

Also, petitions of the Henry L. Wampole Co., Thomas J. Kurdle, Phillips Bros. Co., and Evan W. Hook & Co., Baltimore, Md., against exchange charged for collection of out-of-town checks; to the Committee on Banking and Currency.

Also, petition of Dalton Johnson, manager Sterling Tire Corporation, against extra tax on automobiles; to the Committee on Ways and Means.

Also, petition of D. T. Buzby & Co., Baltimore, Md., against import duty of 10 per cent on all articles now on the free list; to the Committee on Ways and Means.

Also, petition of Walker Gordon Laboratory Co., of New York, and H. A. Brehm, of Baltimore, Md., against prohibition as war measure; to the Committee on the Judiciary.

By Mr. PAIGE: Resolutions of First Congregational Church, Palmer; First Parish of Templeton; Methodist Episcopal Church, Leominster; First Congregational Church, Royalston; Selectmen of Royalston; School Committee of Royalston; West Fitchburg Methodist Episcopal Church, Fitchburg; Highland Baptist Church, Fitchburg; Pilgrim Congregational Church, Leominster; Baldwinsville Grange, Baldwinsville; Union Evangelical Church, Three Rivers; Congregational Church, New Braintree; and Baptist Church, Holden, all in the State of Massachusetts, in favor of national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRATT: Petition of the Methodist Episcopal Church of Prattsburg, N. Y., by Rev. E. W. Collings, pastor, and G. W. Gelder, secretary, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the Baptist Church of Prattsburg, N. Y., by Rev. Reo. A. Orton, pastor, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Methodist Episcopal Church of Groton, N. Y., by Mr. Foster T. Van Buskirk, secretary, favoring the Blanton-Kenyon bill for prohibition during the period of the war; to the Committee on the Judiciary.

Also, petition of Allied Printing Trades Council of Elmira, N. Y., by Mr. George F. Sullivan, secretary and treasurer, protesting against any increase in second-class postage rates or change in the system of handling the second-class postage matter; to the Committee on Ways and Means.

Also, petition of Presbyterian Church of Prattsburg, N. Y., by Rev. Frank H. Bisbee, pastor, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RAINEY: Petition of T. C. Horckenberg and 19 other citizens of New Salem, Ill., favoring national prohibition; to the Committee on the Judiciary.

By Mr. RAKER: Memorial of executive committee of the Vaughn Class, of Washington, D. C., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROWE: Petitions of sundry publishing companies of New York, against increase in second-class postage rates; to the Committee on the Post Office and Post Roads.

Also, petition of Pearsall & Co., of New York, against tax on selling prices of automobiles; to the Committee on Ways and Means.

Also, petition of Charles Ham, of Brooklyn, N. Y., favoring direct taxes on incomes; to the Committee on Ways and Means.

Also, petition of C. H. Selick, of New York, protesting against reimposition of a stamp tax; to the Committee on Ways and Means.

Also, memorial of members of the executive committee of the American Defense Society, urging that troops be sent to France at early date; to the Committee on Military Affairs.

Also, petition of Music Industries Chamber of Commerce of the United States of America, against excess tax on pianos and piano players; to the Committee on Ways and Means.

By Mr. SCULLY: Memorial of Westchester County (N. Y.) Commission of General Safety, relative to a solution of the problem of production; to the Committee on Agriculture.

Also, petitions of the Priscilla Publishing Co., Boston, Mass., and Newark (N. J.) Typographical Union No. 103, against increase in second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, memorial of Manufacturers' and Merchants' Association of New Jersey, against national prohibition law during the war; to the Committee on the Judiciary.

Also, memorial of Federation of Labor, asking a congressional investigation into the bomb throwing at San Francisco in July, 1916; to the Committee on Labor.

By Mr. SNELL: Resolution of Center Methodist Episcopal Church of Dickinson Center, N. Y., favoring the enactment of a law prohibiting food products for alcoholic liquors and also the sale of them for beverage purposes during the war; to the Committee on the Judiciary.

Also, resolution of Methodist Episcopal Church of Gouverneur, N. Y., representing membership of over 700, that manufacture of alcoholic beverages be suspended during the war in order to conserve the much-needed grain supply for food; to the Committee on the Judiciary.

Also, resolution of the Senate of the State of New York (the Assembly concurring), requesting the State Department at Washington to enter upon such negotiations with its allies to the end that the status of such citizens may be made clear and their enlistment in the Army and Navy of the United States be made free from any question of loyalty to the Governments to which they formerly owed allegiance; to the Committee on Immigration and Naturalization.

Also, resolutions of the citizens of Essex, N. Y., urging upon the President and Congress the advisability of prohibiting during the war the manufacture and sale for beverage purposes of all alcoholic liquors; to the Committee on the Judiciary.

Also, petition of members of the Protestant churches and others of St. Regis Falls, N. Y., favoring the passage of a law

prohibiting during the war the sale of liquors as a beverage and the use of food products for their manufacture; to the Committee on the Judiciary.

By Mr. STRONG: Memorial of Woman's Christian Temperance Union of Apollo and Evangelical Lutheran Church of Freeport, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TEMPLE: Resolution adopted by International Molders' Union, Local No. 217, of New Brighton, Pa., to determine the truth or falsity of accusations cast upon active members of organized labor in San Francisco in connection with so-called bomb plot on preparedness-parade day; to the Committee on Labor.

By Mr. WASON: Petition of Mrs. Elvira D. Trask and 27 other residents of Colebrook, N. H., favoring legislation against the use of food products in the manufacture of intoxicating liquors; to the Committee on Agriculture.

Also, petition of Guy W. Brown and 22 other residents of Colebrook, N. H., favoring legislation against the use of food products in the manufacture of intoxicating liquors; to the Committee on Agriculture.

Also, petition of Mrs. Ellen Cross and 27 other residents of Colebrook, N. H., favoring legislation against the use of food products in the manufacture of intoxicating liquors; to the Committee on Agriculture.

SENATE.

FRIDAY, *May 18, 1917.*

(Legislative day of Thursday, May 17, 1917.)

The Senate reassembled at 12 o'clock m., on the expiration of the recess.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a concurrent resolution (H. Con. Res. 8) authorizing and directing the clerk in the enrollment of the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States to strike out the word "member" in the fifth line of the matter inserted by the committee of conference on the bill and amendment and to insert in lieu thereof the word "number," in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 2337) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force, and it was thereupon signed by the Vice President.

INCREASE OF MILITARY ESTABLISHMENT.

Mr. CHAMBERLAIN. I ask that the concurrent resolution be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The concurrent resolution was read, as follows:

House concurrent resolution 8.

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill H. R. 3545, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States, the Clerk be, and he is hereby, authorized and directed to strike out the word "member" in the fifth line of the matter 'nserted by the committee of conference on said bill and amendment and insert in lieu thereof the word "number."

Mr. CHAMBERLAIN. The resolution speaks for itself. The bill has the word "member" written in it where it ought to be "number" in its engrossment. I ask for the adoption of the resolution.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the concurrent resolution is agreed to.

CONSERVATION OF FOOD PRODUCTS.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the governor of Kansas, which will be incorporated in the RECORD.

The communication is as follows:

TOPEKA, *May 15, 1917.*

Hon. THOMAS R. MARSHALL,
Vice President, Washington, D. C.

DEAR MR. MARSHALL: I respectfully appeal to you to advance the food-control bill as an emergency measure that should precede all other legislation after the passage of the bill providing an increase of the Army. Sentiment is united on the need of the pending bill for the stringent control of food markets at the earliest moment and the safety of the public welfare.

Events are proving we can not temporize with greed. I urge as speedily as possible the suspension of speculative activities of all exchanges and maximum and minimum prices for food products and coal. I urge during the period of the war, as may be necessary, that the Government take over all storage plants, packing houses, warehouses, terminal elevators, coal mines, and such other industries and utilities as may be required for the control of the marketing and distribution of necessities

I am constantly receiving urgent appeals from those suffering from exhorbitant prices, or from market manipulation. They ask that something be done for their relief or protection.

The American food gambler, whom the Government is defending in this war, in common with other citizens, is proving a greater foe to his countrymen and a greater menace to his country than is the enemy. I believe the Government is justified in going to any lengths to deal with him as promptly and as expeditiously as it would with a common and less dangerous traitor.

Very respectfully, ARTHUR CAPPER, *Governor.*

TRANSPORTATION OF RECRUITS.

Mr. SMITH of Michigan. Mr. President, I have a letter this morning from a citizen of Michigan whom I know and for whom I have the highest respect. He relates a situation which I am going to take this opportunity of placing before the Senate:

Fay Kentner, a son of Homer Kentner, a veteran of the Civil War, fired by the wave of patriotism which is sweeping the country, went to the recruiting station at Traverse City and enlisted for the Army. He was examined and accepted, sent to Grand Rapids, where he was once more examined and forwarded to Columbus, Ohio, where he was examined again and rejected. He was obliged to pay his own transportation back to Honor. His friends do not feel that he was treated right.

He had shown a willingness to enlist and was accepted at two recruiting offices. He has no means of his own. That kind of treatment is intended to discourage enlistments in that county.

Mr. THOMAS. And everywhere else.

Mr. SMITH of Michigan. And everywhere else. Surely the Government of the United States has not reached a point where it will treat its patriotic young men in the manner described by this letter.

I do not mean to criticize the War Department and the Secretary of War. I am one of those Republicans who greatly respect the Secretary of War. I think he has come to his great task from private life with a vigor and an intelligence which are rare and that he is making splendid progress in comprehending the scope and necessities of his high office. He is a man of initiative, courage, and of kindness, and he is approachable at all times, so far as my observation goes.

But down the line further there does not appear the courtesy which is properly due from soldiers to citizens. I know of instances where recruiting officers have destroyed in the presence of an applicant their letters of commendation and indorsement, simply brushing them aside as of no consequence or as being unworthy of consideration.

In the case of Mr. Kentner I think it is shameful for the Government to send that boy out to Columbus from his home in northern Michigan at his own expense and then turn him adrift among strangers after he has passed two examinations at two recruiting stations for admission into the Army.

Mr. CHAMBERLAIN. May I interrupt the Senator?

Mr. SMITH of Michigan. Certainly.

Mr. CHAMBERLAIN. I am in thorough accord with the Senator's view that to do that would be a very great injustice; but we have tried to remedy that situation under the act approved May 12, 1917. I call the Senator's attention to it, because some such cases had been suggested to us. On page 16 of public Document No. 11, Sixty-fifth Congress, this provision is in the appropriation act:

Transportation of the Army and its supplies: For transportation of the Army and its supplies, including transportation of the troops when moving either by land or water, and of their baggage, including members of the Officers' Reserve Corps, enlisted men of the Enlisted Reserve Corps, and retired enlisted men when ordered to active duty, including the cost of packing and crating—

Now note—

for transportation of recruits and recruiting parties; of applicants for enlistment between recruiting stations and recruiting depots; for travel allowance to enlisted men on discharge.

As I understand it, this young man had been examined at one place and admitted and then sent to the recruiting depot and was not accepted?

Mr. SMITH of Michigan. Yes, Mr. President.

Mr. CHAMBERLAIN. That is equivalent to a discharge, and he is entitled to transportation under the last appropriation act.

Mr. SMITH of Michigan. I think he is, and it would be a most unfortunate thing if any other rule should prevail.

Mr. CHAMBERLAIN. What is the date of the letter?

Mr. SMITH of Michigan. May 15.

Mr. CHAMBERLAIN. This act was only approved on the 12th. The Senator will see that there was hardly time to be advised.

Mr. SMITH of Michigan. Certainly not. Does the Senator think that the act of May 12 would cover this case?

Mr. CHAMBERLAIN. I think it does.

Mr. SMITH of Michigan. Of course his enlistment did not occur since the passage of the act and I do not suppose his discharge took place after the passage of the act.

Mr. CHAMBERLAIN. That may possibly be true, but I am inclined to believe that that is the correct position which was sought to be cured by an amendment to the appropriation act, because a young man in that situation ought to have his expenses paid.

Mr. SMITH of Michigan. Yes, Mr. President. I think there is no justification for that kind of treatment at the hands of officers of the Government. I have the greatest respect for our officials and for the Army and Navy, and I am not captious; I do not desire to criticise them unfairly; but I do insist that when a young man displays his patriotism and his courage and offers his services to the Government to fight its battles he is entitled to courteous treatment and every officer of the Government, civil or military, should encourage his effort and make him sure that his unselfishness and his valor are certain passports to courtesy and fair treatment.

EQUIPMENT OF NATIONAL GUARD.

Mr. SMITH of Michigan. While I am on my feet, I am only going to take another moment to say that I suppose the delay in equipping the National Guard for reentrance into the Federal service has been incident to the delay in the passage of this bill. Has it not, I ask the Senator from Oregon?

Mr. CHAMBERLAIN. Measurably it has been, but I will say to the Senator that even before this time, and while the mobilization was going on upon the Mexican border, they were not very well equipped for the National Guard. I think they are endeavoring now to get in a condition to equip all the forces provided for.

Mr. SMITH of Michigan. I hope something may be done to show the appreciation of this Government for the National Guard. They stand ready for service, they are volunteers, they make up a tremendous and vital force in the Army, they are a fine type of men, they come from industrial communities throughout the country and from civil employments, they are ready for service whenever duty calls, and they ought not to be discouraged and unduly delayed.

I am not criticizing anyone; I am just laying down the principle which I try to follow in the conduct of my official duties, and which I think should be applied to other departments of the Government.

I hope that the latitude we are giving and the power we are vesting in single individuals is not calculated to make them discourteous or distrustful or disrespectful of the rights of the individual citizens of the Republic.

COUNCIL OF NATIONAL DEFENSE.

Mr. THOMAS. Mr. President, the public are generally interested in the work of the Advisory Commission of the Council of National Defense. One paragraph of the bill now before the Senate has reference to that council. I wish therefore to ask the Secretary to read a letter which I received yesterday from Mr. Bernard M. Baruch, a member of the advisory commission, explaining the work which is being done, and particularly that division of the work which is under his supervision. I ask to have it read.

The VICE PRESIDENT. Is there objection?

Mr. MARTIN. As the Senator knows, we took a recess in order to bring the unfinished business before the Senate this morning.

Mr. THOMAS. This relates to the unfinished business.

Mr. MARTIN. To save time rather than discussion about it I will make no objection, but I hope the Senator will realize that we ought not to have any morning hour. We recessed in order to avoid it.

Mr. THOMAS. I think the Senator will find when the letter is read that it bears directly upon the bill.

Mr. MARTIN. I have no objection. We will save time by having it read.

The VICE PRESIDENT. Without objection, it will be read.

The Secretary read as follows:

THE ADVISORY COMMISSION OF THE
COUNCIL OF NATIONAL DEFENSE,
Washington, D. C., May 17, 1917.

Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Strange as it may seem, there is a great deal of misunderstanding as to the functions of the Advisory Commission of the Council of National Defense. This commission was appointed by the President. There never has been any other appointment to the commission by anyone else.

The purpose of the council and the commission was to so coordinate business that in time of war the great masses of raw materials and the industries of the country could be brought into immediate use for the benefit of the State. With that end in view the various members of the commission undertook to organize the raw materials and the industries. I was appointed as chairman of the committee on raw materials. As that chairman I believe I have organized the raw materials in as efficient a way as could possibly be done, to the end that they can be reached easier and quicker than any other way.

I have accomplished this by making committees to handle each raw material as large as was necessary to cover the field and as small as possible, so as to have a working organization. These committees have already rendered great service to the Government and now stand ready to act for the Government whenever they are so ordered or requested. Through these committees the Government will be able to get materials much quicker and better than through the process of bidding in the open market as heretofore.

Close to 50,000,000 pounds of copper has been offered to the Government by the copper interests at an approximate saving of $10,000,000. I believe now that through this committee many hundreds of millions of pounds of copper required by the allies and our own Government departments, such as the Army, the Navy, and the Panama Canal Commission can be bought at prices that will show an enormous saving.

The zinc committee has already contracted for some 25,000,000 pounds of zinc at practically two-thirds of the market price and stand ready to use its efforts to effect further savings on the enormous quantities that must be bought.

Through the steel committee the Navy Department contracted for several hundred thousand tons of ship plates and other materials at great concessions. When ship plates were selling at $160 a ton, the Navy bought them at $58 a ton, and further large savings can be made if the huge amounts of steel and steel products that will be used by the Government in the conduct of the war are handled by this committee.

The aluminum committee purchased for the Government its needs of aluminum at 27½ cents per pound when the same companies' regular price to large purchasers was 38 cents and the market price was 60 cents.

The chemical committee is now engaged in negotiations with the fertilizer interests of the country, which will stabilize and lower prices.

The oil committee has closed contracts for the delivery of oil to the Navy that were of a very highly satisfactory nature as regards to price and deliveries.

These are only a part of the activities.

None of these committees are in any way executive, but have only advised with and helped the departments in the purchase of their supplies. I doubt very much without these agencies whether the departments would have been able to obtain the materials except at enormously advancing prices above the market. Instead, they have received these deliveries when they wished and at prices below the market.

The spirit of the business men has been perfectly fine and splendid. I feel certain that were your colleagues to understand the nature of the business done by the advisory commission and the spirit in which they have undertaken it, that they would have a different feeling toward the commission.

These committees have been appointed absolutely without question as to a man's politics but simply for his fitness and ability to be of service to the Government. Not having all of the vision or wisdom, one perhaps does not always pick out the very best that can receive the approval of all, but, taking it all in all, I do not see how the committees could be improved upon.

It would give me great pleasure to tell either you or any of your associates of my work upon the commission, and I feel certain the other members of the commission feel the same way.

The only desire that I have seen so far has been the desire to be helpful in this hour of need.

Very truly, yours,

BERNARD M. BARUCH.

PURCHASE OF NAVAL SUPPLIES.

Mr. SWANSON. Mr. President, there has been some discussion concerning the purchase of supplies, and so forth, for the Navy Department. I have here an order issued by Chief Paymaster McGowan of date April 18, 1917, regarding these purchases, which I ask to have printed in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NAVY DEPARTMENT,
BUREAU OF SUPPLIES AND ACCOUNTS,
Washington, D. C., April 18, 1917.

To: All commanders in chief, commandants of navy yards and stations and naval districts, and commanding officers ashore and afloat.
Subject: Competition in making purchases.

1. The following S and A intrabureau order is quoted for the information and guidance of all concerned:

"During the last few days there have come to the Paymaster General's attention several cases where purchasing officers requested that competition be waived because careful inquiry in the market had developed the fact that articles urgently required to meet emergency needs could not possibly be obtained except from some one particular firm.

"It was pointed out in each such instance that nothing could be more inappropriate than approving a 'competition waived' requisition under conditions thus described, the reason being that, assuming that the facts were as stated, there was surely the keenest kind of competition imaginable, namely competition among the purchasers anxious to obtain the articles (which is necessarily more keen than any competition possibly could be between different firms seeking to supply the same).

"Whenever any such cases arise—and they unquestionably will from time to time—it is to be distinctly borne in mind that the requisition to cover emergency purchase will contain on its face a plain statement of the exact facts—the use of such words as 'competition waived' or other more or less meaningless terms to be scrupulously avoided.

"When, for good and sufficient reasons established in advance, it does (as it seldom will) become necessary to waive competition, the

words 'in favor of ———' will not under any circumstances be employed. When competition needs to be waived, it is not in fact waived 'in favor of' any firm or person, but because the exigencies of the service make it necessary—competition being waived, if at all, 'in favor of' the United States!

"It can not be too clearly borne in mind, therefore, that the statement on any requisition or other paper that competition has been or is to be waived 'in favor of' any outside establishment is misleading and highly objectionable.

"In this connection attention is particularly invited to the following extract from the Paymaster General's second indorsement 75-2, 402-21, of March 20, 1917, in regard to the undesirability of waiving competition:

"'Indeed it is even doubtful whether quicker deliveries are obtained in this way—the reason being that, once it becomes known that competitive bidding is departed from, almost any firm that gets an urgent inquiry is apt to figure less carefully on quoting a low price and at the same time allow itself plenty of latitude in the matter of when the goods shall be delivered.

"'In very urgent cases it is customary, of course, to make purchase by telephone. When the need for such a purchase is known it takes a very few minutes more to call up two or three or four firms than it takes to call up only one, because nearly any quotation requires some little consideration before it is made.

"'The result will in most cases be found to be that, while the first firm queried is working on its quotation and the time of delivery, it is very easy to call up two or three others, setting the time for decision, say, one hour from the time the original telephone call is made and notifying each of the firms queried that competition is being obtained not only as to price but with respect to time of delivery. The result, under such circumstances, is that each of such firms figures as closely as possible and also cuts down the time limit to the lowest minimum, which, as already pointed out, is not very apt to be the case if such firm has reason to think that there is no competition.

"'In view of all of these facts the Paymaster General is convinced that nothing much more demoralizing and more completely destructive of the integrity of the Navy's entire supply system could possibly occur than for this department to once start in conferring on anybody blanket authority to waive competition.'"

2. Please acknowledge receipt.

McGOWAN.

THE PRESIDENT'S ADDRESS AT THE RED CROSS DEDICATION.

Mr. LA FOLLETTE. Mr. President, I ask to have printed in the RECORD, without reading, the address made by President Wilson at the Red Cross dedication on the 12th of May, 1917. In order that there may be no dispute about the text I offer the address as it appears in the Official Bulletin published daily under order of the President by the Committee on Public Information, George Creel, chairman. I have the Bulletin for May 14, containing the address, and I ask to have the address printed without reading.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The address by the President is as follows:

ADDRESS BY THE PRESIDENT AT RED CROSS DEDICATION.

"Mr. Chairman, Mr. Secretary, ladies, and gentlemen, it gives me a very deep gratification as the titular head of the American Red Cross to accept in the name of that association this significant and beautiful gift, the gift of the Government and of private individuals who have conceived their duty in a noble spirit and upon a great scale. It seems to me that the architecture of the building, to which the secretary alluded, suggests something very significant.

"There are few buildings in Washington more simple in their lines and in their ornamentation than the beautiful building we are dedicating this evening. It breathes a spirit of modesty and seems to adorn duty with its proper garment of beauty. It is significant that it should be dedicated to women who served to alleviate suffering and comfort those who were in need during our Civil War, because their thoughtful, disinterested, self-sacrificing devotion is the spirit which should always illustrate the services of the Red Cross.

NEEDS SUPPORT OF PEOPLE.

"The Red Cross needs at this time more than ever it needed before the comprehending support of the American people and all the facilities which could be placed at its disposal to perform its duties adequately and efficiently. I believe that the American people perhaps hardly yet realize the sacrifices and sufferings that are before them. We thought the scale of our Civil War was unprecedented, but in comparison with the struggle into which we have now entered the Civil War seems almost insignificant in its proportions and in its expenditure of treasure and of blood. And therefore it is a matter of the greatest importance that we should at the outset see to it that the American Red Cross is equipped and prepared for the things that lie before it.

CREATION OF WAR COUNCIL.

"It will be our instrument to do the works of alleviation and mercy which will attend this struggle. Of course, the scale upon which it shall act will be greater than the scale of any other duty that it has ever attempted to perform. It is in recognition of that fact that the American Red Cross has just added to its organization a small body of men whom it has chosen to call its war council—not because they are to counsel war, but because they are to serve in this special war those purposes of counsel which have become so imperatively necessary.

"Their first duty will be to raise a great fund out of which to draw the resources for the performance of their duty, and I do not believe that it will be necessary to appeal to the American people to respond to their call for funds, because the heart of this country is in this war, and if the heart of the country is in the war, its heart will express itself in the gifts that will be poured out for these humane purposes. I say the heart of the country is in this war because it would not have gone into it if its heart had not been prepared for it. It would not have gone into it if it had not first believed that here was an opportunity to express the character of the United States. We have gone in with no special grievance of our own, because we have always said that we were the friends and the servants of mankind.

"We look for no profit. We look for no advantage. We will accept no advantage out of this war. We go because we believe that the very principles upon which the American Republic was founded are now at stake and must be vindicated.

"In such a contest, therefore, we shall not fail to respond to the call for service that comes through the instrumentality of this particular organization. And I think it not inappropriate to say this: There will be many expressions of the spirit of sympathy and mercy and philanthropy, and I think that it is very necessary that we should not disperse our activities in those lines too much; that we should keep constantly in view the desire to have the utmost concentration and efficiency of effort; and I hope that most, if not all, of the philanthropic activities of this war may be exercised if not through the Red Cross, then through some already constituted and experienced organization.

NO WAR FOR AMATEURS.

"This is no war for amateurs. This is no war for mere spontaneous impulse. It means grim business on every side of it, and it is the mere counsel of prudence that in our philanthropy as well as in our fighting we should act through the instrumentalities already prepared to our hand and already experienced in the tasks which are going to be assigned to them. This should be merely the expression of the practical genius of America itself, and I believe that the practical genius of America will dictate that the efforts in this war in this particular field should be concentrated in experienced hands, as our efforts in other fields will be.

"There is another thing that is significant and delightful to my thought about the fact that this building should be dedicated to the memory of the women both of the North and of the South. It is a sort of landmark of the unity to which the people have been brought, so far as any old question which tore our hearts in days gone by are concerned; and I pray God that the outcome of this struggle may be that every other element of difference amongst us will be obliterated and that some day historians will remember these momentous years as the years which made a single people out of the great body of those who call themselves Americans. The evidences are already many that this is happening. The divisions which were predicted have not occurred and will not occur. The spirit of this people is already united, and when effort and suffering and sacrifice have completed the union, men will no longer speak of any lines either of race or association cutting athwart the great body of this Nation. So that I feel that we are now beginning the processes which will some day require another beautiful memorial erected to those whose hearts uniting united America."

TRIBUNALS AND CERTIFICATES OF EXEMPTION.

Mr. LA FOLLETTE. Mr. President, I wish to present, for reference to the proper committee, a compilation by the Legislative Reference Division of the Library of Congress on the tribunals and certificates of exemption under the military-service acts of Great Britain. I wish to have this compilation printed as a Senate document, and ask that it be referred to the appropriate committee.

The VICE PRESIDENT. The matter will be referred to the Committee on Printing for action.

SENATE VOTE OF ROOSEVELT ARMY DIVISION AMENDMENT.

Mr. STONE. Mr. President, on yesterday while I was discussing what is known as the Roosevelt amendment to the Military Establishment bill the Senator from Oregon [Mr. CHAMBERLAIN], who had charge of the bill, said he desired to have, and he requested me to have, inserted in my remarks the vote of the Senate on that amendment when it was pending before this body on April 28. I told him that I would so insert it, but last evening after the adjournment I did not have time to give the matter attention and neglected to do what I promised to have done. This morning I prepared the data

which I promised to furnish, and, keeping faith with the Senator from Oregon, I now ask that the vote may be inserted in the RECORD in the form in which I have prepared it.

The VICE PRESIDENT. Without objection, it is so ordered.

The vote referred to is as follows:

Senate vote on Roosevelt amendment, April 28, 1917:

YEAS.

Republicans	36
Democrats	20
	56

NAYS.

Republicans	4
Democrats	27
	31

Per cent of Republicans voting for Roosevelt amendment, 64 per cent plus.

Per cent of Democrats voting for Roosevelt amendment, 35 per cent plus.

Per cent of Republicans voting against Roosevelt amendment, 13 per cent minus.

Per cent of Democrats voting against Roosevelt amendment, 87 per cent plus.

ENROLLED BILLS SIGNED.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 2343. An act granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dodds to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind.; and

H. R. 3545. An act to authorize the President to increase temporarily the Military Establishment of the United States.

ARMY AND NAVY APPROPRIATIONS.

Mr. MARTIN. I ask for the regular order, Mr. President.

The VICE PRESIDENT. The pending measure is Senate bill 2263, the title of which will be stated.

The SECRETARY. A bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes.

Mr. MARTIN. It is understood between the chairman of the Committee on Agriculture and Forestry [Mr. GORE] and myself that he would give way for the bill making appropriations to supply urgent deficiencies for the Military and Naval Establishments, and so forth, and I now ask unanimous consent that that bill be taken up for consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes.

Mr. SMITH of Georgia. Mr. President, on yesterday, when the conference report upon the Military Establishment bill was before the Senate, we found, as Senators recall, that language which the Senate had placed in the bill had been omitted in conference, and the suggestion was made that, instead of voting against the conference report, we might add a section to the Military and Naval Establishment bill to-day covering the same proposition. At that time I read to the Senate a proposed section, which was in a measure submitted then to the Senate for its criticism, to be added at the close of the bill, which was as follows:

SEC. 4. That the language "existing emergency" or "emergency" used in the act passed at the present session of Congress entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," is hereby declared to mean the war with Germany.

The chairman of the Committee on Military Affairs [Mr. CHAMBERLAIN] had expressed his willingness that this amendment should go upon the bill which is now being considered by the Senate. I offer it at this time because I think it might be well for us to dispose of it while our minds are fresh on the subject. I desire to ask the consent of the chairman of the committee that the amendment which I have just stated be now considered and disposed of.

Mr. MARTIN. Mr. President, to avoid a prolonged discussion I will agree to that, but the amendment could come in just as well later on. Still, however, the line of least resistance, I think, is to let the amendment be now considered, and I have no objection.

The VICE PRESIDENT. The amendment proposed by the Senator from Georgia will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. 4. That the language "existing emergency" or "emergency" used in the act passed at the present session of Congress entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," is hereby declared to mean the war with Germany.

The VICE PRESIDENT. Without objection, the amendment will be agreed to.

Mr. HITCHCOCK. Mr. President, I think the language of the amendment is objectionable as it stands, and I think the Senator from Georgia will be willing to modify it on having it called to his attention.

The Senator from New York [Mr. WADSWORTH] yesterday drew attention to the fact that the war might end and yet the emergency might continue for some time after the war. The war might end by a treaty of peace and the proclamation of the President would necessarily issue after that treaty was signed; but it might be necessary, as it has been necessary in many wars, to continue the soldiers in the field and under discipline for some time thereafter. It would, therefore, be a mistake to end the enlistment of the soldier at the time that the war ended. Either the Senator from Georgia should provide that the force of the law should continue for three or six months after the declaration or proclamation of peace, or he should provide that the word "emergency" used in the bill should be construed to be the emergency growing out of the war with Germany. I should like to ask the Senator from Georgia whether or not he would be willing to modify his amendment so as to have it read "shall be construed to be the emergency growing out of the war with Germany"?

Mr. SMITH of Georgia. I will say to the Senator from Nebraska that I wrote the amendment in that way at first, but it was objected to by Senators. I then struck out the words "emergency caused by the war," and left it as it is, to meet the views of the Senate when it was presented on yesterday.

Mr. HITCHCOCK. I think the objection stated by the Senator from New York on yesterday was insuperable.

Mr. MARTIN. Mr. President——

Mr. HITCHCOCK. It certainly seems to me that it would be folly on the part of Congress to declare that the word "emergency," as used in the bill which we have already passed, should be construed to be the war itself. Almost every war, without exception, has been followed by a period in which the maintenance of men under arms has been necessary for some time after the conclusion of peace. Therefore I think the Senator from Georgia should amend the language of his amendment so as to state that the word "emergency" shall be construed to be the emergency growing out of the war with Germany. That would accomplish the purpose which the Senator has in mind. I ask the Senator if he could not amend his amendment accordingly?

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. HITCHCOCK. I yield.

Mr. REED. I thought the Senator had concluded.

Mr. HITCHCOCK. Not entirely. I think that this matter is one which ought to be thoroughly understood. It seems to me to be vital, of considerable importance. It will not do to adopt this provision here without any consideration of its possible results.

Suppose peace is concluded by a treaty; suppose the President, as would then be necessary, issues his proclamation of peace and the soldiers are still in Europe—if it happens that we are compelled to send soldiers to Europe—can they be disbanded there and their period of enlistment be ended? Or suppose that under the conditions of peace agreed to between the nations certain obligations must be performed by the parties to the war, until those obligations are performed the armies must be kept in the field, although the war itself has actually ended.

Mr. HARDWICK. Let me ask the Senator a question, Mr. President.

Mr. HITCHCOCK. I yield to the Senator from Georgia.

Mr. HARDWICK. Suppose one of the obligations was that we should contribute a certain number of soldiers to a world league of peace?

Mr. HITCHCOCK. No such peace could be concluded without the assent of the Senate, two-thirds concurring.

Mr. HARDWICK. I want to see how far the Senator is going along that line. I have that question in mind. It is a very substantial one, to my way of thinking, and I do not want anything done here that will foreclose that question on us.

Mr. HITCHCOCK. That is a matter that Congress shall have to meet when it comes.

Mr. HARDWICK. If we were to adopt language of the character the Senator suggests, while it is true we might have to decide on that policy, then once we did decide on that policy, standing alone, we would have the men already drafted for that service.

Mr. HITCHCOCK. I can conceive, Mr. President, no more serious calamity than to have it enacted into law that these soldiers are to be discharged upon the conclusion of peace, when it may be absolutely necessary to keep them in the field for 30, 60, or 90 days, or even six months, until the terms of peace are carried into effect.

Mr. HARDWICK. But, Mr. President, if the Senator will yield further——

Mr. HITCHCOCK. I yield.

Mr. HARDWICK. It seems to me, if I have read history correctly, that there never has been a great war concluded without long delay in the peace negotiations. Treaties of peace are not signed, as a rule, until long after armistices have been declared and all necessity for the contending forces remaining in the field has been removed. I think that probably long before the formal treaty of peace following this war is ratified every question, except some of the details, will have been disposed of. However, I am not seriously opposed to the proposition to fix a time limit if it is made definite and for a short period, say not over 90 days after the declaration of peace. I would be willing to meet the Senator that far, so far as I have anything to do with it.

Mr. HITCHCOCK. I think there are dangers in that direction. We might at this time incorporate in the bill a provision that these men should remain in the service 90 days after the conclusion of peace, and yet it might be necessary in the very terms of peace to allow six months for the execution of the terms of peace. Certainly that is a matter that we can not foresee now.

Mr. HARDWICK. No; and that is the trouble. It might be necessary to allow six years. I do not know how long a time it might be necessary to allow. We can not foresee those things, but if it is necessary to provide another military force, then let us provide it when we get to the time when it becomes necessary.

Mr. SHAFROTH. Mr. President, will the Senator yield to me?

Mr. HITCHCOCK. I yield to the Senator from Colorado.

Mr. SHAFROTH. Let me suggest to the Senator that the objection to what he has suggested is its indefiniteness.

Mr. HARDWICK. That is the difficulty.

Mr. SHAFROTH. Now, let me suggest that the term be made not exceeding six months after the declaration of peace. That, it seems to me, will fix a definite time within which the President can order the disbanding of the Army. He could disband them before the six months, or, if the exigency should arise, he could keep them in the service for that period, as he should deem best. I think, however, we should limit the period to six months, or at least provide a definite time for the service of the troops.

Mr. HITCHCOCK. Well, Mr. President, so far as I am individually concerned——

Mr. PHELAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. HITCHCOCK. I yield to the Senator.

Mr. PHELAN. The amendment seems to be designed automatically to close the period of the emergency. Congress can terminate the emergency at any time. It seems to me that it would be extremely dangerous to hamper the operations of the Government engaged in a great war by a mere reference to the war with Germany. There are other belligerents than Germany, Austria-Hungary, for instance, and it is conceivable that the war might be terminated with Germany, but, growing out of that war, there would be on the hands of the United States other enemy powers. It certainly would be perilous to bring to a stop automatically the operation of the legislation which we have passed providing for an army without Congress having an opportunity to act. If the President, by reason of the exigency, should overlook this provision, he would be accused of usurping power. It seems to me it is a crisis in which large power should in this respect be given to the Commander in Chief of the Army and the Navy.

Mr. SHAFROTH. Mr. President, will the Senator from Nebraska yield to me for a moment?

Mr. HITCHCOCK. I yield to the Senator.

Mr. SHAFROTH. The suggestion which the Senator from California [Mr. PHELAN] has made, to the effect that Congress could at any time act, would apply to his contention just as well as to the proposition which he was combating. I believe there should be some definite time fixed. I think there ought to be perhaps six months or even a year allowed for the necessary adjustments to take place; but if we are going to become involved in war with another nation, unquestionably Congress would be here for the purpose of providing an army and providing the time of its service. It seems to me some definite term should be placed on the service of the army about to be organized.

Mr. HITCHCOCK. Mr. President, so far as I am individually concerned, I believe that six months would be a sufficient time. I do not believe, however, that the fixing of a definite term is as good as the use of the word "emergency"; but I certainly think that the amendment should provide that the act should be in force for at least six months after the conclusion of peace. Then it will be in the hands of the President, who will issue his proclamation when that event occurs.

Mr. SMITH of Michigan. Mr. President, if the Senator will allow me, let me ask why the six months' leeway? Most of these soldiers will be enlisted for the war. When the President proclaims the war at an end the contract of the Government ends. Does the Senator desire to raise a question as to the status of the soldier after the actual close of the war?

Mr. HITCHCOCK. No. I have explained the situation, but I will go over it once more.

Mr. SMITH of Michigan. Let me go one step further.

Mr. HITCHCOCK. Let me tell the Senator exactly what I mean. The war, say, is fought for a year, and finally an agreement is reached to consider terms of peace. Terms of peace are considered, are signed, and ratified by the legislative bodies of all the nations, and the President issues his proclamation of peace, and our Army is still in Europe. Does the Senator want to release the men from the Army at that time? Under this proposal their periods of service would be over; the Government would have no charge or jurisdiction over them, and could exercise no discipline over them. So there must be a reasonable time after the conclusion of peace before the men are actually released. That is necessary, even if there are no obligations to perform.

Mr. SMITH of Michigan. I do not want to release them, if the Senator will permit me, under the circumstances he suggests, but I do not want them, either, if they accept the proclamation of peace by the President and leave for their homes, when they are in distant lands and have no means of information as to the intricacies surrounding peace, to be charged with desertion because they have gone away. They have entered into their contract for the war, and they have performed it. There is no use hampering the soldier.

Mr. HITCHCOCK. I am sure the Senator from Michigan would not seriously contend that as soon as the terms of peace are signed, if we at that time had 800,000 soldiers in Europe, they should be disbanded in Europe. They have got to be brought home.

Mr. SMITH of Michigan. I suppose they would be brought home in an orderly and systematic fashion.

Mr. HITCHCOCK. Now, let me continue. Suppose when those terms of peace are signed they provide that Germany must evacuate Belgium before the terms of peace are settled, and it takes Germany three months to evacuate Belgium. Does the Senator think that the forces in the field should be disbanded until that act is performed? Certainly not. It is quite conceivable that the terms of peace will require 30 days, 60 days, 90 days, or even more to carry them into effect, and during that time no first-class power would permit the dissolution of its armies.

Mr. SMITH of Michigan. The Senator's illustration is, of course, apt in one sense and inapt in another. There never will be any peace until the Germans are driven out of Belgium. That goes without saying. Now, whatever the terms of peace, if they should involve the reformation of political conditions in the allied States of Europe, surely the men who enlisted for the war ought not to be held under any such elastic extension of their contracts. I would not subscribe to that at all.

Mr. HITCHCOCK. That is all I desire to provide for.

Mr. HARDWICK. Mr. President——

Mr. SMITH of Michigan. That is one of the reasons why we opposed it in our naval bill. We did not hesitate at all to say that the emergency should be concluded with the end of the war and if we do not act now in some fashion some officer of the Government at the other end of the Capital is going to come down and tell us to take that out of the naval bill. Then we are committed to God knows how long a war.

Mr. PHELAN and Mr. HARDWICK addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. HITCHCOCK. I yield to the Senator from Georgia first, Mr. President.

The VICE PRESIDENT. Well, the Chair must maintain just a few of the functions of the Chair. Senators desiring to interrupt must address the Chair and get recognition of the Chair.

Mr. HARDWICK. I addressed the Chair, Mr. President.

The VICE PRESIDENT. Yes; but the Chair recognized the Senator from California.

Mr. HARDWICK. But I addressed the Chair first.

The VICE PRESIDENT. It has gone on for days here that the Senator occupying the floor just parcels it out as he pleases, without regard to the Chair. The Chair does not care anything about it.

Mr. HARDWICK. Mr. President, the Senator from Georgia addressed the Chair, and thought the Chair——

The VICE PRESIDENT. There is no doubt about that; but the Senator from California did, also.

Mr. HARDWICK. Well, the Senator from Georgia did first, although I yield to the Chair.

Mr. PHELAN. Mr. President, I desire to make a point of order. I think this matter should take the form of a joint resolution, and therefore make the point of order that it is legislation on an appropriation bill.

The VICE PRESIDENT. In view of the discussion that was had on yesterday, and the general understanding that this matter was to be taken up and considered and no objection would be made, the Chair overrules the point of order.

Mr. HARDWICK. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. HITCHCOCK. I do.

Mr. HARDWICK. Suppose one of the conditions of this treaty of peace should be that we were to become a party to a world league to enforce peace, and were to furnish an army of, we will say for the purposes of this question, 200,000 men to help to do it. Would the Senator want the emergency to be extended so far that the men drafted for this war, as was contended here yesterday, could be kept in service against their will over there to help enforce peace throughout the world?

Mr. HITCHCOCK. I understand the Senator's question now, and I would answer that unqualifiedly no; and I am perfectly willing to accept the amendment the Senator from Georgia himself has suggested or the one which the Senator from Colorado has suggested, that the bill should remain in force not longer than six months after the conclusion of peace. That will leave a leeway which might be 30 days or 60 days or 90 days.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. HITCHCOCK. I do.

Mr. LA FOLLETTE. I wanted to make a suggestion to the Senator from Nebraska, and also to the Senator from Georgia who introduced this amendment. In the bill as it was passed by the Senate originally, section 8a contained a provision which I think was very well considered and very well worded and would meet every objection that has been raised here and could be added to this bill instead of the amendment offered by the Senator from Georgia, if it met the approval of Senators, by a very slight change. I have slightly modified it, and will read it to the Senate, with the permission of the Senator from Nebraska.

Mr. HITCHCOCK. On what page?

Mr. LA FOLLETTE. It is on page 29 of the bill as it passed the Senate.

That the service of all persons selected by draft under the provisions of the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States" shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war the President shall so declare by a public proclamation to that effect, and from and after the date of said proclamation the provisions of this act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be in force and effect.

That leaves it entirely with the President, by withholding the issuing of such proclamation if the troops are required to be there any length of time after the war, to determine that length of time by the date of the proclamation.

Mr. HITCHCOCK. I think not, Mr. President.

Mr. LA FOLLETTE. Very well. I just made that as a suggestion, thinking it might be a solution.

Mr. HITCHCOCK. I think the Senator from Wisconsin will realize that when nations have signed a treaty of peace it then becomes the duty of the executive in each country to issue a proclamation to that effect; and the courts in our country decided after the Civil War that the war lasts until the proclamation of peace is issued. Now, so far as I am concerned, I am perfectly willing to accept the amendment which has been suggested by the Senator from Colorado to the amendment of the Senator from Georgia, that the period after the conclusion of the war during which this act shall remain in force shall not exceed six months; but I certainly think either that should be done or the word "emergency" should be continued in use.

Mr. REED. Mr. President, it seems to me that any objection to this amendment at this time is little short of bad faith.

Mr. HITCHCOCK. Mr. President, I do not want to be charged with bad faith. The only agreement made in the Senate yesterday was that no point of order should be raised to this proposition. We did not say that we would not discuss it or consider it upon its merits.

Mr. REED. Everybody knows that the bill would not have gone through yesterday if it had not been understood that this amendment would be put on the present bill. The question was a serious one. We had debated the matter in the Senate. We had arranged a language that suited the Senate, and it was a language which insured the discharge of these troops, and it was stricken out in conference. The Senate had it in its power yesterday to send that bill back to the conferees and instruct the Senate conferees to insist upon the proposition that the Senate had made. Thereupon a long colloquy took place, in which the Senator from Georgia [Mr. SMITH] repeatedly stated in substance that he would not waive the right to insist then and there upon writing into the military bill language which would protect against the wrong which was feared, unless it was fully understood and agreed that an amendment expressing a construction of the language, such an amendment as he has now presented, should be accepted. It was not a question that the point of order would not be made, because the point of order can not be made anyway. As the Vice President stated, the bill that is now before us is not a regular appropriation bill. It is a bill full of legislation.

Mr. MARTIN. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Virginia?

Mr. REED. I do.

Mr. MARTIN. I do not know that it is of any particular importance, but I have not understood the Vice President to decide that this was not a regular appropriation bill. He expressed some doubt about it.

The VICE PRESIDENT. The Chair did not decide that question.

Mr. MARTIN. It has not been decided by the Chair.

Mr. REED. It may not have been decided formally, but in the reasoning which the Vice President employed he stated pretty clearly what I have stated. That was not the point. The point was that it was to go on, not that we were to have a four days' battle over it here.

Now, I want to submit to those who are alarmed, especially the Senator from Nebraska [Mr. HITCHCOCK], that he need not be alarmed about this matter; nobody needs get frightened about it. Nobody needs get alarmed lest these 500,000 or 1,000,000 men that we are going to draft should be discharged while they are over in Europe and while the emergency still exists. If these men were volunteers, and in volunteering had made a contract with the Government to serve for three months, for six months, or for the period of the war, and we had a contractual relation with them which they would be entitled to hold us to, then in making this statute, which would be a part of that contract, we might have to be very careful; but this is not that kind of proposition. Congress, by its ipse dixit, says to these men, "You shall serve." It can say to them now, "You shall serve for six months," and at the end of six months it can say, "You shall serve for six months longer," and at the end of that period it can pass another act saying, "You shall serve for six years longer."

Mr. SMITH of Michigan. Mr. President——

Mr. REED. We are taking men here by force of law. We are drafting them. We are not asking their consent. Therefore there is no necessity to get alarmed; because if we make peace, and we have troops over in Europe, and it is necessary to keep the troops over in Europe, all we have to do is to pass a statute extending the period of this forced service—for these men are on forced service—and the same power that forces them in can force them to stay in. Now, of course, that does not apply to the militia, and it does not apply to the Regular Army, because they are not forced in.

Mr. SMITH of Michigan. They are enlisted for the war.

Mr. REED. But if we allow the language to remain as it will be when the amendment of the Senator from Georgia is adopted, if it is adopted, there will still be 500,000 men left to close up the business; and we can say to those 500,000 men, by a new act, "You shall stay." But the difference is this: It will require a new act of Congress at that time. It may require it; and in the name of justice, why should not that be required? Why

should these men be taken from their homes now for the indefinite period of the war, and then have a further indefinite period of forced service without action of Congress? If such an emergency arises as the Senator from Nebraska fears, all that Congress will have to do will be to say to these conscripts, "We just conscript you for three or four or five or six months longer." There is nothing, therefore, in the point.

Mr. HITCHCOCK. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED. Yes.

Mr. HITCHCOCK. The Senator has stated that there was a tacit agreement here yesterday that the amendment of the Senator from Georgia should be incorporated in the bill. I think not; but if he is correct, I want to call his attention to the fact that the amendment which the Senator from Georgia offered for incorporation in the bill yesterday reads as follows:

That the language "existing emergency" or "emergency" used in the act passed at the present session of Congress entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States" is hereby declared to mean the emergency caused by the war with Germany.

Now, I am for that amendment.

Mr. REED. Very well; that is all I want.

Mr. HITCHCOCK. But the amendment has now been changed. As presented by the Senator from Georgia, the language is changed.

Mr. REED. Let me say before I leave my feet that I do not want the Senator from Nebraska to think that I charged him with bad faith personally. I simply was referring to the general situation, and regretting that debate and opposition should now arise. I was not referring to the Senator's action, of course.

Before I leave the floor, I simply want to repeat my statement. Can not anybody here see that as we have conscripted these men for the period of the war, if at the time we declare peace it is necessary to hold them three or six months longer, a new act of Congress could conscript them for that period and extend their period of service? But it would require an act of Congress if the amendment of the Senator from Georgia is accepted. It would not leave it absolutely in the hands of the military authorities to do with as they pleased. That is a very important distinction to the poor fellow who is being taken from his home and sent there against his will, perhaps, at the present time.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED. I was going to yield the floor. I will answer a question if the Senator wants to ask it of me. If not, I will sit down and yield the floor.

Mr. NORRIS. It was not in the nature of a question; but I wanted to suggest that while my colleague [Mr. HITCHCOCK] has read the amendment as it was first offered, I think the Senator from Georgia yesterday modified his amendment on an objection that was made to the very language that my colleague quotes. I want to ask the Senator from Georgia if that is not true, and if he is not offering it this morning in exactly the same form as it was practically agreed upon yesterday?

Mr. SMITH of Georgia. Yes. I first offered it with the words "the emergency caused by" in it, and that language was objected to and I struck it out.

Mr. NORRIS. Yes; that was objected to.

Mr. SMITH of Georgia. So I struck it out and made it read, "is hereby declared to mean the war with Germany."

Mr. NORRIS. So that the form——

Mr. SMITH of Georgia. So that the form which I understood was acceptable to the Senate yesterday, and which I therefore offered this morning, was:

The language * * * used * * * is hereby declared to mean the war with Germany.

Mr. NORRIS. That is my recollection, that it was finally practically agreed upon in that form. While I did not vote for the conference report yesterday, I was very much impressed with the argument that was made by several Senators as to this particular change, and it was the reason why I voted against the conference report—because I thought that was sufficiently important so that it ought to be put in, and it seems to me that we ought to put it in in the form in which it was practically agreed upon yesterday.

Mr. McKELLAR. Mr. President, I offer the following as a substitute for the amendment offered by the Senator from Georgia:

That the services of all persons selected by draft and all volunteers enlisted under the provisions of the act entitled "An act to increase temporarily the Military Establishment of the United States" shall be for the period of the war unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and within four months after the date of said proclamation the provisions of this act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be of force and effect.

Mr. President, this amendment merely includes all of the forces that go into or are added to the present Military Establishment, and then it changes the amendment that the Senate has already agreed to only to meet the objection offered by the Senator from Nebraska as to the time of disbanding the troops. That is arranged in this way: "Within four months," instead of having it immediately upon the termination of the war. I hope the Senator from Georgia will accept that.

Mr. SMITH of Georgia. Will the Senator read it once more?

Mr. McKELLAR. I will take great pleasure in doing so. By the way, let me explain I am reading from the amendment that the Senate has already agreed to, with some interlineations to which I will call attention.

Mr. SMITH of Georgia. Section 8a with a few modifications.

Mr. BRANDEGEE. Let me call the Senator's attention to the fact that when he talks about "a period within four months" and "the provisions of this act" he says he is contemplating putting that on another bill.

Mr. McKELLAR. Oh, no; within four months after the date of said proclamation. I will read it again so that Senators can see exactly what it is:

That the service of all persons selected by draft and all volunteers enlisted under the provisions of the act entitled "An act to increase temporarily the Military Establishment of the United States," shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war the President shall so declare by a public proclamation to that effect, and within four months—

Now, that is substituted for the words "from and after"—

and within four months after the date of said proclamation the provisions of this act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be of force and effect.

Mr. BRANDEGEE. Should it not be "provisions of said act"?

Mr. NORRIS. Certainly, it should.

Mr. McKELLAR. "Of said act." The Senator is entirely right about that.

Mr. SMITH of Georgia. "Of said act." It has already described the act fully.

Mr. McKELLAR. I offer that as a substitute.

The VICE PRESIDENT. The Senator from Tennessee offers a substitute, which will be read.

Mr. SMITH of Georgia. I think that is clearly what those of us who insisted upon the provision wanted. It allows but four months, and barring four months clearly covers the question. If others who are interested in it do not object, I shall not.

Mr. NORRIS. I have no objection to it, I will state to the Senator.

The VICE PRESIDENT. The Senator from Georgia accepts it, and, without objection, the amendment is agreed to.

Mr. REED. I have not heard it. I just came into the Chamber. I was called out.

Mr. McKELLAR. If the Secretary will pass it to me I will read it again or I will pass it to the Senator from Missouri to read.

Mr. REED (after examining the amendment). I do not think it is quite right yet, because the Senator uses the term "all volunteers enlisted under the provisions of the act and all drafted." Now, there is another class of men who are enlisted. You do not call them volunteers. The men who are now joining the Regular Army, the men who are now joining the Marine Corps, are enlisted men, but they are not what are commonly called volunteers. The men who are now joining are not of a class who are going into the profession of soldiers. They are a class of men who are enlisting because of the war. I should think the amendment ought to say, "and men enlisting in any branch of the service."

For instance, there was a young man in my office yesterday whose father is a millionaire and who is a college graduate. He came down here hoping to have an opportunity to enter the officers' school, and, finding that full, he informed me yesterday that he was going to enlist as a private in the Marine Corps. He is enlisting because there is a war and impelled only by patriotic motives. I want this language so that when this war is over that young man may get out. I understand the reason why we have been getting so many enlistments in the Regular Army and Marine Corps, and so readily, is because instead of being required to enlist for seven years they have been told that their enlistment would be construed to be an enlistment for the war. So I think we ought to put in that language.

Mr. McKELLAR. I will say to the Senator they can only be enlisted under the provisions of this act, and this would apply to every man who is enlisted under this act; but it would not do to put all the men who are in the Regular service out of the service at the end of the war. We would have no army whatsoever if that should be done. Instead of using "volunteers," I will use the word "enlistment."

Mr. REED. That would be all right.

Mr. HITCHCOCK. Mr. President, this is a most amazing proposition. We are proposing here in this paragraph to change the laws of the United States with regard to enlistment. The only agreement we reached yesterday was to affect men who are compelled to go to this war, and it is a plain violation of that agreement that the Senator has been talking about. This is intended only to cover the cases of men taken by compulsion under the draft, and now the Senator is seeking on this proposition to amend the enlistment laws of the United States. The chairman of the Committee on Military Affairs is not here; I am only acting in his absence. I think it is a most remarkable proposition to make such a vital change.

Mr. WARREN. I wish to say to the Senator from Tennessee that I am sure on reflection he will not want to use the word "enlistment," generally, because that goes to the very root of the Regular Army.

Mr. McKELLAR. I do not think there is any intention to interfere with the Regular Army in any way in the world.

Mr. WARREN. Then leave your amendment as it is.

Mr. McKELLAR. I have not yet put in that word.

Mr. REED. Does the Senator mean to state that the men who are now enlisting in the Regular Army are not doing it with the assurance that their term of enlistment will be limited to this war?

Mr. WARREN. The enlistment for a certain specified term of service has gone along under the laws as they are now and have been and are for a longer time of service than in the proposed new law, and are so understood. As to those who enlist for a temporary organization, that is another thing.

Mr. SMITH of Georgia. All enlistments under the act that we passed yesterday are for the emergency.

Mr. WARREN. Certainly.

Mr. SMITH of Georgia. And none who enlist under the provisions of the emergency act are under the general law.

Mr. WARREN. I do not understand even then why the additional language is necessary.

I made no comment when the committee amendment was read, because I thought there was nothing objectionable to it. The second insertion of the word "enlistment" makes it inclusive. Old organizations are being filled for longer service. These men have made longer contracts and they will, of course, stand by them, and when the new law is passed new contracts are made. They will all agree, probably, and it will be for the emergency only.

Mr. McKELLAR. I will say to the Senator that so far as I am concerned, my own purpose was that it should apply only to all persons drafted or volunteering or enlisted, whichever you may call it, under the terms of the act that we passed finally yesterday.

Mr. WARREN. That covers all that it is necessary to cover.

Mr. McKELLAR. That is why it was not my intention to recur to the Regular Establishment at all, and I think it would be wiser.

Mr. REED. The very fact that the Senator from Wyoming raises this point makes me all the more earnest about it.

Mr. SMITH of Georgia. Will the Senator just allow me a moment?

That the service of all persons selected by draft or enlistment under the provisions of an act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States"—

And so forth.

It is only enlistments under this temporary act. It applies solely to the temporary enlistment and fixes the time when the temporary enlistment ceases. I do think that ought to be satisfactory to everybody, since we have extended it four months after the close of the war.

Mr. McKELLAR. I think it will be satisfactory.

Mr. WARREN. I do not think it is necessary, and it will be cleaner cut if the amendment is taken as the Senator had it formerly.

Mr. McKELLAR. I hope the Senator from Wyoming will not object to it because I really believe it will settle the difficulty; it will mean what we all desire, and that is to have it apply to soldiers coming in under this act.

Mr. SMITH of Georgia. Let me call attention to this fact: There are a number of men who are applying and taking examiantions for first and second lieutenants in the Regular Army. Under the bill passed yesterday they are enlisting for the war. They do not go permanently into the service of the United States.

Mr. WADSWORTH. Will the Senator yield?

Mr. SMITH of Georgia. Yes.

Mr. WADSWORTH. When men apply for commissions and receive the commissions the commission is for life or good behavior.

Mr. SMITH of Georgia. The Senator is mistaken. They are taking them now under the law for the war and under this emergency. Provision has been made for their appointment for the emergency and not for life.

Mr. WADSWORTH. A commission in the officers' reserve list is a permanent commission. The man on accepting that commission holds himself in readiness to be summoned to active duty at any time. He may resign and his resignation be accepted.

Mr. SMITH of Georgia. The Senator is mistaken. A commission in the Officers' Reserve Corps is not for life, but under the provision of the bill passed yesterday is during the emergency.

Mr. WARREN. Will the Senator read the first part of it?

Mr. KENYON. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Iowa will state it.

Mr. KENYON. I ask to have the first clause of Rule XIX read to the Senate. It has been violated twenty times in the last 10 minutes.

The VICE PRESIDENT. The Secretary will read.

The Secretary read as follows:

RULE XIX.

1. When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him. No Senator shall interrupt another Senator in debate without his consent, and to obtain such consent he shall first address the Presiding Officer; and no Senator shall speak more than twice upon any one question in debate on the same day without leave of the Senate, which shall be determined without debate.

Mr. KENYON. Mr. President, I submit there are some Senators who have spoken five times on this question without addressing the Chair.

The VICE PRESIDENT. The Chair will have to sustain the point of order.

Mr. WARREN. Mr. President, I think I addressed the Chair when interrupting the Senator from Tennessee. I was about to read the language as the Senator from Tennessee has offered it:

That the service of all persons selected by draft and all volunteers enlisted under the provisions of the act entitled "An act to increase"—

And so forth, giving the name of the act—

shall be for the period of the war unless sooner terminated.

I do not see that anything could be added to that to make it stronger. That does not include commissioned officers, of course, but it takes in volunteers and drafted men.

Mr. McKELLAR. Mr. President, I have no objection to the amendment suggested by the Senator from Georgia, which is to strike out of the substitute "volunteers and enlisted" and insert in lieu thereof the word "enlistments." I have no objection to it, and I accept it. I ask that it may be made a part of my amendment.

Mr. SMITH of Georgia. I am willing to accept that as a substitute for the amendment I offered.

Mr. WADSWORTH. I ask that the amendment as finally prepared may be read.

The VICE PRESIDENT. The Secretary will report the amendment.

The SECRETARY. Add at the end of the bill a new section, as follows:

SEC. 4. That the service of all persons selected by draft and all enlistments under the provision of the act entitled "An act to increase temporarily the Military Establishment of the United States" shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and within four months after the date of said proclamation the provisions of said act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be of force and effect.

Mr. WADSWORTH. Mr. President, I shall be exceedingly brief in my remarks upon this amendment. As I tried to point out yesterday just before the Senate adjourned, it is absolutely impossible for the Congress at this time to prophecy what the conditions will be at the conclusion of the war. The mere conclusion of the war may not end the emergency. We can not tell what will be the terms of the treaty of peace.

This amendment apparently would effect a very general disbandment of the Army of the United States within four months after the termination of the war, though I think the disband-

ment provision is confined to that portion of the Army which shall be recruited under the selective draft——

Mr. SMITH of Michigan. "Or otherwise."

Mr. WADSWORTH. I may be mistaken in that, and if so, the situation will be the more serious.

Mr. SMITH of Michigan. "Or otherwise." It will include all the Army.

Mr. WADSWORTH. Mr. President, if the war continues two or three years, and if we engage in it to the limit of our strength, as we undoubtedly would under those circumstances, that portion of the Army of the United States which will be recruited by the selective draft will be by far the larger portion.

I ask the Senate to consider this phase of the question. We will say, for example, that the war has come to a conclusion with a very large American Army in the field, and the terms of the treaty of peace have been agreed upon by the representatives of the belligerent powers. Does Congress want to put it into the minds of our adversaries while they are discussing the terms of that peace that the American Army is to be disbanded, in any event, within four months after the treaty is signed?

Mr. McKELLAR and Mr. REED addressed the Chair.

The PRESIDING OFFICER (Mr. HARDWICK in the chair). Does the Senator yield and to whom?

Mr. WADSWORTH. I yield to the Senator from Tennessee for a question.

Mr. McKELLAR. The amendment does not provide for any such thing. It provides that the disbandment shall only take place within four months after the proclamation of peace by the President is made, so that the situation the Senator refers to could not exist under the amendment.

Mr. WADSWORTH. As to the effect of the language I am not so sure. The President of the United States, in compliance with the spirit of this amendment, I believe, would feel called upon to declare the termination of the war when the terms of peace have been settled upon by the representatives of the belligerent nations. I can not see how he could avoid issuing such a proclamation, and it is entirely proper that he should as soon as war has ceased; but I am inclined to believe that while the terms of peace were being discussed, before the war had actually come to a conclusion, but was about to reach a conclusion, this very act of Congress which would provide that within four months from that date there would be no American Army, would influence the deliberations of the council. Mr. President, I do not believe that it is wise to place a definite limitation upon the length or duration of the emergency. The terms of peace themselves might require specifically or make it a matter of military necessity for the maintenance of the American Army for longer than four months. This administration and this Congress can not make up its mind upon that question until the terms of peace have all been actually agreed upon.

It seems to me it is perfectly safe for us to leave the language as it is in the bill which passed yesterday, in order, when the time comes, that the administration and the Congress—and Congress is not going to be deprived of any power at that time—can determine whether or not the emergency or any portion or phase of the emergency is still in existence. If we say now by an act of Congress that the emergency shall not be deemed to continue for more than four months after the cessation of hostilities, we are gambling with the future of which we know absolutely nothing.

A discussion was had a few moments ago as to the power of Congress in this respect, and, as I recall it, one of the Senators suggested that if when that time came and peace had been declared and this four months' limitation of the emergency proved to be too short a period, Congress could change its mind and extend the limitation beyond four months or indefinitely; but I desire to call the attention of the Senate to this: It is infinitely more difficult to pass an act of Congress and to adjust the public psychology to the passage of such an act which will increase the term of enlistment or increase the degree of obligation held by a million or two million soldiers than it is to reduce the term of enlistment or to terminate or reduce the degree of obligation. For one, I would rather have the language left as it is.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Georgia?

Mr. WADSWORTH. I merely wish to conclude this part of the statement.

The PRESIDING OFFICER. The Senator from New York declines to yield.

Mr. WADSWORTH. Only for the moment.

I would prefer that the language be left as it is, describing it as "the existing emergency"; and if later on, after the conclusion of peace, the Congress makes up its mind that the administration should disband the Army or reduce it, or should make up its mind that the emergency has ceased or has decreased in degree, the Congress can direct the President to disband or reduce the Army. That is a much more easy procedure than directing, in case of necessity, the President to extend the period or to lengthen the term of service or to increase the degree of obligation held by these millions of men. I call that to the attention of the Senate. If, perhaps, two years or three years from now, with this amendment adopted, we shall be faced with just such a situation, it will be a much more difficult situation than the one which would confront us if the words "existing emergency" are allowed to stand in the law.

Mr. REED. Mr. President, the main point made by the Senator from New York [Mr. WADSWORTH] is that we might be obliged to disband a greater part of our Army, which he states will be conscripts, pending the settlement of peace, and that because of that weakness, that liability to disbandment, we might find some difficulty in making our bargain for peace. That is the substance of the Senator's argument; but observe the language of the amendment. When I read the language of the amendment it is so complete an answer that I do not intend to comment on it:

> That the services of all persons selected by draft and all enlisted under the provisions of the act entitled "An act to temporarily increase the Military Establishment," shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war the President shall so declare by a public proclamation to that effect, and within four months after the date of said proclamation the provisions of said act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be in force and effect.

What becomes of the Senator's argument in view of that language?

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. REED. Yes.

Mr. WALSH. Let me make a suggestion to the Senator from Missouri. The German troops occupied France or a portion of France, as my recollection is, for some two years after the conclusion of peace between France and Germany in 1871, until France had complied with the terms of the treaty.

Mr. REED. Yes.

Mr. WALSH. Is it not possible that the treaty of peace may prescribe that certain things shall be done by the Germans pursuant to its terms, and is it not within the line of possibility, not to say of probability, that it will be desirable to keep the Army in the field until compliance has been had? For instance, it is most sincerely hoped that one of the terms of peace will be a general disarmament and disbandment of great military forces. It might be desirable to keep an army in the field until terms of peace of that character might be complied with.

Mr. REED. Mr. President, that is entirely a different question. The question I am discussing for the instant is the argument of the Senator from New York that we may have our terms of peace interfered with because our Army will be disbanded before peace terms are actually signed. That is answered by the language of the amendment, which is, that the Army shall not be disbanded, unless voluntarily disbanded, until denced by the proclamation of the President, who, of course, four months after the conclusion of peace and that fact is evi- will not proclaim peace until peace has been achieved.

Mr. WADSWORTH rose.

Mr. REED. Does the Senator from New York desire to interrupt me?

Mr. WADSWORTH. After the Senator has concluded, I desire to say a word.

Mr. REED. Very well. Of course the President is not going to proclaim that peace has been achieved until the treaty of peace has been signed. To do so would be to do an absolutely foolish thing and an untruthful thing, for peace can not be said to have been achieved until the parties to the war have come to terms of agreement.

Now, answering the Senator from Montana [Mr. WALSH], the very observation he makes is one of the reasons why I insist that this amendment must be adopted. It is quite conceivable that out of this war may grow conditions which will compel us to maintain in Europe a large standing army for a long period of time. What those conditions or emergencies may be no man can prophesy. There may be men connected with the Military Establishment who will think that it is necessary to have the entire million men whom we may draft, or the two million or five million men whom we may draft, kept over in Europe for an indefinite period. It was the purpose of those of us who insisted on writing the language in the bill which was stricken out of the bill, and which provided that the term of the drafted

men should terminate with the war, to prevent just such a condition and to make it so that no military officer could hold these boys, who are taken involuntarily from their homes, and keep them in Europe for an indefinite period, to render an indefinite service after hostilities have terminated. The more illustrations there are of that kind the more determined I feel that this amendment ought to be accepted.

But now I call the attention of the Senator from Montana to this fact: It is conceded that if we act under the present military bill in raising our forces the greater part of our troops will be drafted men. If they are, then we will have over in Europe enormous forces of drafted men.

Mr. President, I understand the Senator from New Jersey [Mr. FRELINGHUYSEN] desires to offer an amendment, and, while it is out of order, I understand he has to take a train, and I pause in order that he may submit his amendment.

The PRESIDING OFFICER. If the Senator from Missouri yields the floor, the Chair will recognize him again.

Mr. REED. I yield the floor for that purpose.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. FRELINGHUYSEN. I thank the Senator from Missouri for his courtesy. I offer the amendment which I send to the desk, which I understand is satisfactory to the chairman of the committee.

The PRESIDING OFFICER. The Senator from New Jersey offers an amendment, which the Secretary will state.

The SECRETARY. On page 61, line 7, it is proposed to strike out "$150,000" and to insert in lieu thereof "$325,000."

Mr. MARTIN. Mr. President, that item has been duly estimated for; I think it is necessary, and I will be very glad, so far as I am concerned, to have it go into the bill.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New Jersey.

Mr. SMOOT. Mr. President, I notice that the amendment comes under the head of aviation, and that it increases the amount appropriated for the purchase of land. I should like to ask the Senator from New Jersey if the department has any particular piece of land in view in asking this increase of $175,000 over the amount carried in the bill?

Mr. FRELINGHUYSEN. It has. The $175,000 increase is for the purchase of an aviation field at Cape May, N. J., which the Navy Department desires to acquire. The matter came to me through my colleague [Mr. HUGHES] who had taken the question up. I visited the Navy Department and the Secretary of the Navy wrote a letter to the chairman of the committee urging that this item be included. It does not increase the total amount of the appropriation in that paragraph, but increases the amount of this particular item from $150,000 to $325,000.

Mr. SMOOT. The Senator means that it does not increase the amount of the appropriation of $11,000,000 for the purposes of aviation, but that it does increase the amount made available for the purchase of land?

Mr. FRELINGHUYSEN. Yes.

Mr. SMOOT. Does the Senator from Virginia state that the department has brought this matter to the attention of the committee?

Mr. MARTIN. The Secretary of the Navy has written a letter urging that this be done.

Mr. SMOOT. I have no objection to the amendment.

Mr. REED. I am not going to object to the amendment at this time, but I may do so later.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New Jersey.

The amendment was agreed to.

Mr. REED. Mr. President, I was about through with what I was going to say. I want, however, to say to the Senator from Montana that it is conceded now that the great bulk of the troops which we may have in Europe when peace is absolutely concluded and when the President may issue his proclamation of peace will be drafted men. The Government has no contract with those men; they did not come in and volunteer upon certain terms and conditions, but the Government took them, and if some special emergency should exist making it necessary to keep a part of those troops in Europe, surely the Congress at that time can be counted upon to extend the term of service, and surely Congress has the right to extend the term of service, because it has the right to force them into the service originally. That, however, would require an act of Congress, and to that extent it would safeguard these men against what otherwise might be a great wrong. Some regiment or two regiments or half a dozen regiments might be kept indefinitely, just as we find to-day that the greater part of the troops that were sent to the Mexican border were returned to their homes, but some regiments have been kept there. I am not saying that at all in the way of criticism, but it serves to illustrate how, in withdrawing our troops from Europe, once they are there, there may be regiments left indefinitely, unless, under the terms of an act of Congress, their period of service be terminated. Of course if it is necessary to keep some of them there, and that matter is laid before Congress at that time, Congress can extend the term of service; but, surely, in extending the term of service it will have some regard to the equities as they may then exist.

Mr. STERLING. Mr. President, it seems to me that this whole discussion has reached the point where it is now plain we can find no better words, no apter words, than those used in the conscription bill itself, namely, "the existing emergency," as governing the period of service of the forces to be drafted. What is the "existing emergency"? I ask Senators to have in mind the amendment as originally proposed by the Senator from Georgia [Mr. SMITH] in which he confined the emergency to the war with Germany. Mr. President, the quite obvious "existing emergency" is the war with Germany, but something else is involved in the present war with Germany which may be well included under the term "existing emergency." Germany has her allies. Austria-Hungary, Bulgaria, and Turkey are her allies. They may make war against the United States, either one or all of them, as allies of Germany. To say, as was originally proposed, that the draft shall be for the war with Germany would be too limited. We should, therefore, consider a war with Austria or a war with Turkey or Bulgaria more than a possibility and properly covered by the term "existing emergency"; and the term should be broad enough to include conditions like these.

Reference has been made to conditions when the war is over, or the actual fighting is over, and the terms of peace may be agreed upon. These are weighty considerations. The necessity of establishing peace on a firm basis, of seeing that the terms of the treaty are complied with in regard to Belgium, Roumania, or Serbia, for example, may be considered as a part of the emergency. And thus we see the difficulty in trying to fix a definite time in this bill within which the Army may be disbanded, and yet all would properly come from conditions arising out of the obviously existing emergency, which is the war with Germany.

I think, Mr. President, that this whole discussion simply demonstrates that we can use no better term than the original term used in the conscription bill itself, "existing emergency"; and I have no fear that the administration, the executive department, or any court would interpret the term "existing emergency" to mean more than the present war with Germany or the conditions growing immediately out of it, including, of course, the fact that Germany has her allies in this war who may make war upon the United States.

Mr. SMITH of Georgia. I only desire to say that had it not been understood yesterday that we were to have this limitation restored in this way the conference report on the Army bill that was agreed to yesterday would still be before the Senate for discussion.

Mr. STERLING. Mr. President, may I say a word in reply to the Senator from Georgia upon that particular point? I did not know that it was understood that any such amendment was to be incorporated in any subsequent appropriation bill or other bill to be brought before the Senate. I understood that the Senator from Georgia expressed the hope—and that was as far as he went—that such an amendment might be incorporated in another bill.

Mr. GALLINGER. Mr. President, while there was no promise made, and could not have been, that the Senator from Georgia would submit this amendment and that it would be agreed to, yet those of us who were here generally understood that the Senator would have the privilege of offering the amendment and that it would probably be agreed to; that was all.

Mr. President, this is an important matter. Many Senators are at the Office Building who do not get here when a vote is taken without a call of the roll; and I ask that the roll be called.

The PRESIDING OFFICER. The Senator from New Hampshire suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Kendrick	Penrose
Bankhead	Gallinger	Kenyon	Phelan
Borah	Gerry	King	Pittman
Brandegee	Hardwick	La Follette	Poindexter
Calder	Husting	McKellar	Ransdell
Culberson	James	Martin	Reed
Cummins	Johnson, Cal.	Nelson	Robinson
Dillingham	Jones, N. Mex.	Norris	Saulsbury
Fall	Jones, Wash.	Overman	Shafroth
Fernald	Kellogg	Page	Sheppard

Shields	Smith, S. C.	Swanson	Walsh
Smith, Ariz.	Smoot	Thomas	Warren
Smith, Ga.	Sterling	Townsend	Williams
Smith, Md.	Stone	Trammell	Wolcott
Smith, Mich.	Sutherland	Wadsworth	

Mr. JAMES. I desire to announce that the senior Senator from New Jersey [Mr. HUGHES] is detained by reason of illness. I will let this announcement stand for the day.

Mr. SUTHERLAND. I wish to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. GERRY. I desire to announce the unavoidable absence from the Chamber on official business of the senior Senator from Oregon [Mr. CHAMBERLAIN] and the junior Senator from Mississippi [Mr. VARDAMAN]. I also desire to announce that the Senator from Illinois [Mr. LEWIS] is detained from the Senate on official business and is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. A quorum is present. The question is on the amendment proposed by the Senator from Georgia [Mr. SMITH] as modified by the proposal of the Senator from Tennessee [Mr. MCKELLAR].

Mr. BRANDEGEE. Mr. President, I simply want to state that my recollection of what happened yesterday afternoon is not that there was any agreement to this amendment, but that the author of the amendment, the Senator from Georgia [Mr. SMITH] stated:

I am not sure that this amendment could be offered over objection.

And then, later on, the Vice President stated:

The Chair hears no objection to the amendment and assumes no point of order will be raised against the amendment as presented by the Senator from Georgia.

I think that was all the agreement there was among the Senators who were present, that no one who was present would raise the point of order; but I had expected that I could be allowed to vote on the merits of the amendment, and so understand now.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Georgia as modified.

Mr. PITTMAN. Mr. President, I should like to have the amendment stated as it has been modified.

The PRESIDING OFFICER. The Secretary will again state the amendment, without objection.

The SECRETARY. It is proposed to add, at the end of the bill, a new section, to be known as section 4, as follows:

That the service of all persons selected by draft and all enlistments under the provisions of the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States" shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and within four months after the date of said proclamation the provisions of said act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be of force and effect.

The PRESIDING OFFICER. The question is on the amendment which has just been stated by the Secretary.

The amendment was agreed to.

Mr. MARTIN. Mr. President, I have some amendments that I desire to offer to perfect the next clause in this bill. I send the first one to the desk.

The PRESIDING OFFICER. The Senator from Virginia proposes an amendment, which will be stated by the Secretary.

The SECRETARY. On page 2, line 22, after the word "now," it is proposed to insert the words "constructed or."

The amendment to the amendment was agreed to.

Mr. MARTIN. I send another amendment to the desk.

The PRESIDING OFFICER. The Senator from Virginia proposes an amendment, which will be stated by the Secretary.

The SECRETARY. On page 3, line 6, before the period at the end of the line, it is proposed to insert:

Provided, That this appropriation may be reimbursed from available funds under the War and Navy Departments for vessels turned over for the exclusive use of those departments, or either of them.

The amendment to the amendment was agreed to.

Mr. MARTIN. I send another amendment to the desk.

The PRESIDING OFFICER. The Senator from Virginia offers an amendment, which will be stated by the Secretary.

The SECRETARY. On page 3, line 14, after the words "United States," it is proposed to insert:

Except those acquired for the Army or Navy.

The amendment to the amendment was agreed to.

Mr. MARTIN. Another one, on page 6.

The PRESIDING OFFICER. The Senator from Virginia offers an amendment, which will be stated by the Secretary.

The SECRETARY. On page 6, after line 3, it is proposed to insert as a separate paragraph the following:

(e) To purchase, requisition, and take over for use or operation by the United States any vessel or floating small craft now constructed, or any part thereof, at such reasonable price as shall be determined by the President.

Mr. GALLINGER. Mr. President, I will ask the Senator from Virginia if the President is going to be the sole arbiter as to what price shall be allowed for these vessels belonging to private parties?

Mr. MARTIN. There is a provision here that he must buy them at a fair price, and if there is a disagreement about it the courts will have to settle it.

Mr. GALLINGER. Yes; they can go to the courts and possibly get a judgment, and then Congress will have to act upon it. Those of us who have had some experience in trying to get legislation of this kind through know how hopeless it is, as a rule; but I do not know that there is any remedy. It certainly looks, however, as though it is rather an extraordinary thing to put in the hands of the President the power to commandeer all the vessels, small craft, and yachts of the country, and pay such compensation as he sees fit to pay, and that the owner has no redress except that he can go to the courts.

Mr. MARTIN. The owner has redress. If the owner is not satisfied, he can take the matter into court.

Mr. GALLINGER. Why, certainly; I understand that; but the Senator is too experienced a legislator to argue that that is any great comfort to the owner.

Mr. MARTIN. But, Mr. President, somebody must have the power. To whom would the Senator give this power? The President, of course, will readily act through advisers that he will consider skilled in this business, and we must give the power somewhere.

Mr. GALLINGER. To give an offhand opinion, I will say that I should think those matters might be adjusted between the Shipping Board and the owners of these vessels. I think to have this entirely one sided, and to have the private citizen have no redress, is a pretty drastic way of dealing with a business proposition. That is my judgment.

Mr. MARTIN. It is provided in another place in the bill that if the owner is not satisfied he can take the matter into court, and he shall be paid one-half of the price that is offered, and it shall be adjusted by the decision of the court.

Mr. GALLINGER. I replied to that a moment ago. I have been interested in some bills that have been before the court where the private citizen has been clearly entitled to compensation, but he never gets it. The court finds the facts and sends the finding to Congress, and Congress says, "This is an old claim, and we will pay no attention to it."

Now, as I said a moment ago, I do not know that there is any redress. I presume we are going to turn over pretty much everything to the President of the United States to do as he pleases. I think it is a dangerous situation for the country to get into, and I think it ought to be halted at some time, in some way, so that the private citizen would have an opportunity at least to present his side of the case and have an arbitration or an adjustment between the two sides to the controversy.

Now, we have created this Shipping Board. We are going to give them $750,000,000, more or less; and it does seem to me that matters of this kind might well be placed in the hands of that board to deal with the private citizen in a matter of importance to the citizen.

Mr. JONES of Washington. I wish to ask the chairman a question in connection with the amendment. I thought the provision in the bill as reported by the committee really covered this proposition until further examination convinced me that it did not. It has just been called to my attention that it is required 50 per cent shall be paid to the owner of any property taken. That is a very small percentage of the value of the property that may be taken and it ought to be increased. I merely wish to ask the chairman of the committee whether he will have any objection to changing the 50 per cent to, say, 75 per cent of the value fixed by the President? That would enable the people whose property is taken to go on with the business in a much better condition than they could with a 50 per cent allowance. Of course, that was the amount put in the naval bill, but that was put in hurriedly.

Mr. MARTIN. The naval act covered the same point, and, so far as the Navy was concerned, fixed it at 50 per cent.

Mr. JONES of Washington. That is true.

Mr. MARTIN. That seemed to be reasonable, but if the Senator insists on making it 75 per cent, although I do not believe it is necessary, I will agree to it.

Mr. SHAFROTH. When the Government has to get anything it has to pay big prices, and I believe when there is a right to

sue the Government for the amount of money they will get a large sum. If we fix it at 75 per cent, and fix it at the purchaser's price——

Mr. JONES of Washington. Oh, no; it is fixed by the President, not at the purchaser's price at all.

Mr. SHAFROTH. It seems to me that 50 per cent is sufficient.

Mr. MARTIN. As far as I am concerned, I am willing to have it fixed at 75 per cent.

Mr. JONES of Washington. I do not want to take more time, and I am not going to do so; but I wish to say as the value is to be fixed by the President himself, what steps he may take to ascertain what it is I do not know. I am not going into that at all; but the President fixes the value. I think it is safe to assume that he will not fix a value beyond what is reasonable. If that is the case, what objection can there be to paying to the owner whose property is taken arbitrarily 75 per cent? I think it would be perfectly safe, and that we really ought to give the owner more, that we ought to give him 90 per cent, but I am only suggesting 75 per cent because I think there can not be any reasonable objection made to that.

I wish to state to the chairman that I expect to offer an amendment, and I would be much more satisfied with the amendment the Senator now proposes if he would make it 75 per cent.

Mr. MARTIN. I am perfectly willing to make it 75 per cent.

The PRESIDING OFFICER. The Senator from Virginia can modify his proposal.

Mr. MARTIN. It does not come in at this place, but at another place in the bill, to which I will call the attention of the Senate later.

Mr. GALLINGER. Mr. President, I am very much gratified to have the Senator from Virginia agree to a modification of his amendment, as suggested by the Senator from Washington. My judgment is, as the Senator from Washington has suggested, that it might well be 90 per cent. It must be remembered that many of these vessels will be in trade; that the owner will be earning his living by operating the vessels; and they are arbitrarily taken from him, and he is paid a part of the compensation determined by the President without any reference to his views on the subject. So I think he ought to be paid reasonably near the full amount that the President fixes. But I shall raise no further objection in view of the fact that the Senator from Virginia has agreed that it shall be 75 per cent.

Mr. MARTIN. That will be entirely satisfactory to me.

The PRESIDING OFFICER. This does not relate to the pending amendment.

Mr. MARTIN. It is entirely separate. I will call attention to the place where it comes in.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Virginia.

Mr. WEEKS. Mr. President, I would like to have the amendment reported.

The PRESIDING OFFICER. The Secretary will read the amendment to the amendment.

The SECRETARY. On page 6, after line 3, insert a separate paragraph, as follows:

(e) To purchase, requisition, and take over for use or operation by the United States any vessel or floating small craft now constructed, or any part thereof, at such reasonable price as shall be determined by the President.

Mr. WEEKS. Does that include small craft like tugs?

Mr. MARTIN. It would undoubtedly. That is one of the things the Navy Department say they may need and was one of the chief considerations that led to this amendment.

Mr. WEEKS. Is not that practically the proposition contained in the bill which has been offered by the Senator's colleague, which was presented yesterday to the Senate?

Mr. MARTIN. For naval purposes only; but it did not extend further than naval purposes. I understand this language was earnestly recommended by the department.

Mr. WEEKS. Mr. President, I wish to make a few comments on that and on this whole proposition.

Undoubtedly the Navy may need, or they do need, tugs for certain definite purposes, but so do the commercial interests of the country need those tugs, and that is particularly applicable to the conditions which prevail in New England. If the entire railway facilities were used to carry coal into New England from the Pennsylvania and West Virginia coal regions they could not possibly carry coal enough to supply the needs of New England by something like two-fifths of the total amount required. The balance of that coal must go to tidewater.

This is an important subject, because it is absolutely fundamental in connection with our business operations. If you do not supply the New England community, for example, with sufficient coal to keep its factories in operation and to keep all the other great industrial organizations going, then we are going to have stagnation in business in that section, and it is going to be reflected in every part of the United States.

Not very long ago the Navy Department took over two or three tugs owned by the Reading Railroad; that is to say, they bought tugs that had been used exclusively in towing barges of coal to the New England or northern Atlantic coast region. There was a protest made by practically every user of coal in that region, not only to the administrative branch of the Government but to the Representatives in Congress, and they pointed out to what a degree even the taking of one tug from that service would affect the industrial situation in New England.

Are we going to deliberately turn over to the President—no; not to the President, but to some subordinate of the President—the possibility of producing stagnation in that great industrial field? Is it wise for us to say to somebody, and that somebody a subordinate not responsible to us, if you think there are necessities in some other direction, you may take the water craft which are used for these industrial purposes and divert them to some other purpose without taking into consideration at all the industrial purposes for which they are now being used.

It is a step fraught with a great deal of danger to our whole situation. If we are going to damage business and damage it in such a way as this, we will not be able to sell bonds or collect taxes. That one thing may have an effect on the entire operations of the Government in connection with prosecuting the war which would be almost beyond conception.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Colorado?

Mr. WEEKS. I yield to the Senator.

Mr. SHAFROTH. Does not the Senator recognize that this power must be lodged somewhere, and does he not recognize that the President of the United States is interested in having all parts of the country in a prosperous condition and not cripple any part? Inasmuch as it must be left to somebody, it seems to me that the President is the proper party to whom to leave it, and to curb him or hinder him in the exercise of this war power would be a great detriment to the proper management of the war.

Mr. WEEKS. I am not criticizing the President. If the President had the time and the opportunity to investigate all the questions surrounding such a taking of water craft, I might say that is entirely satisfactory to me, but the President is not going to do it. It is going to be done, according to the proposition the Senator from Virginia has introduced, by the Navy Department. The Navy Department is not taking into consideration the commercial interests of the country. It is trying to make the Navy efficient, and it is going any length to take anything that it finds desirable for that purpose, without any regard as to how it is going to affect commerce. Therefore, I say, without any intention upon the part of anyone, we are putting a power in the hands of the department which may be used to seriously cripple the operations of the commerce of the United States.

Mr. MARTIN. If the Senator will excuse me, this power is given directly to the President; it is not given to the department.

Mr. WEEKS. The Senator knows the President is going to authorize the Navy Department to do what it thinks is necessary in this respect to properly prosecute the war. I understand they want to send these tugs to Great Britain to use them as mine sweepers or connected with mine sweeping, taking them entirely out of the coastwise service.

Only the other day there was a proposition to take one of the Delaware & Lackawanna tugs which was used for shifting purposes in New York Harbor. It was pointed out at the time what it would mean to the transportation interests of this country if even one tug were taken from New York Harbor; that it would tie up a large part of the shipping that is transferred there and seriously cripple the commercial operations of that great harbor.

Mr. MARTIN. Suppose we have troops on the line of battle in France, and they are short of ammunition or food. Does not the Senator think that the Commander in Chief of the Army and Navy of the United States, the President, ought to have power, if he can not get them in any other way and if it is necessary, to commandeer ships to take food or munitions to American soldiers fighting on the line of battle in France?

Mr. WEEKS. It is quite likely that I would go as far as the Senator would in a matter of that kind, but tugs are not going to take food to Europe.

Mr. MARTIN. This is not limited to tugs. That is one thing it embraces.

Mr. WEEKS. I am talking about tugs, and that is my principal contention.

Mr. MARTIN. Fuel ships and tankers and all sorts of tugs are included when the absolute necessities of the Government require it, and if they can not be taken without commandeering, this gives the President the right to commandeer them and put them in the service of the United States; that is all.

Mr. WEEKS. If the power were limited to small craft and other vessels used for towing purposes, I would not have any objection to it. If it is water craft of any kind or craft used for any similar purpose, I think the power is quite reasonable; but I doubt if any Senator here has sufficient knowledge of the difference it would make to the commercial interests of the United States taking over even one tug to warrant his voting an omnibus proposition which would include such craft.

Mr. BRANDEGEE. My attention was diverted and I did not hear all the remarks the Senator made. I wish to ask him if he called attention to the fact that the New England manufacturers to a very large extent depend for their food supply upon coal barges.

Mr. WEEKS. I did call attention to it. I suppose that any authority which it is proposed to give the President in this emergency is likely to receive the sanction of the Senate. If the Senator from Virginia who is in charge of the bill urges that it be done, I do not imagine that my protest in this particular is going to have sufficient influence to prevent its being done. Therefore I appeal simply to him to omit from his proposition tugs or other craft used for towing purposes, and let us see just exactly what would be the result if vessels of that kind were taken from commercial purposes for which they are now being used.

Mr. MARTIN. I wish I could see my way clear to accede to the suggestion of the Senator from Massachusetts, but I feel that the country is in a great crisis. We are confronted with the most momentous war that the world has ever seen, and surely for the preservation of our Army, the protection of our soldiers who may be on the line of battle in France, when the President of the United States thinks it is necessary to commandeer ships in order to take care of them Congress ought to give him that power. He asks for it, he thinks he needs it, and I am unwilling, so far as I am concerned, to withhold power that is absolutely essential, in my judgment, for the prosecution of the war.

I think we may rely on the President not using this power in any way that will injure unnecessarily the business of the country or any private interest, but surely there ought to be power somewhere to take vessels when the preservation of our Army requires the use of the vessels. That is all that this amendment does. It gives the President of the United States the power to take any vessel that he considers absolutely necessary for the preservation of the interests of this country.

Mr. WEEKS. If the Senator will be willing to omit "including tugs" until we have some troops on the battle line in France, and then if it is decided that it is necessary to take such craft, I will gladly vote for it.

Mr. MARTIN. It may be necessary before the fleet gets to the battle line. The President is not going to use this power wantonly or recklessly or injuriously to the business of the country. We must trust somebody in this great emergency, and surely we can trust the President of the United States not to ruthlessly invade private interests and take ships or tugs of any kind that he does not need.

Mr. WEEKS. What the Navy Department is going to do with these tugs is to take them to Europe and use them for mine sweepers. They are going to be taken when their commercial uses here are of the greatest importance.

Mr. GALLINGER. Mr. President, the Senator from Virginia says that we must trust the President; that he will do nothing to injure or disturb private business. Now, we know—those of us who come from New England—if a single tug is taken it will injure business and put our people in a position where they may possibly suffer absolute want because of the fact that they will not be able to get coal. It does seem to me that the Senator from Virginia ought to be willing to exempt tugs or other craft used for towing purposes, as the Senator from Massachusetts suggested.

I called attention to this matter in the first place because it seemed to me that this was a dangerous power to place in the hands of the President. I had in mind the very argument the Senator from Massachusetts has made, because I know how dependent we are—a dependence that is extreme—upon getting our coal through the use of tugs, and we can not get it in any other way.

Mr. WEEKS. Very many of the supplies that are being manufactured for the Government might be directly affected by the impossibility of getting sufficient coal to keep the factories in operation. It is of vital importance. I am not arguing along this line because I come from New England. I would do it as readily if it affected as directly any other section of the country; but it is of sufficient importance for the Senator from Virginia to give consideration to it, whatever section is affected.

Mr. SHAFROTH. Does not the Senator recognize, though, that there is no way of determining now as to the necessity, and the time to determine whether it is necessary to do it is to see the situation at that time and ascertain whether it is more important to take this craft for the Army and Navy or to let it stay where it is? There are tugs in other portions of the country that do not haul coal, and, no doubt, the President would commandeer those instead. I do not think there will be any hard rule that will be imposed by the President upon any of the States of New England or any other section of the country.

Mr. GALLINGER. If that argument is sound, we may as well abdicate and turn everything over to the President of the United States.

Mr. SHAFROTH. No.

Mr. GALLINGER. I am not willing to do that as a Member of this body.

Mr. SHAFROTH. I do not think so; but there is no question that in time of war we have got to give extraordinary powers to the Chief Executive.

Mr. GALLINGER. Certainly; we have done that already.

Mr. SHAFROTH. We are doing that to a certain extent, but I do not believe when we give a right to commandeer large ships we should say the President shall not have the right to take small ships, which it seems to me may be of as much importance as the others.

Mr. GALLINGER. I am unwilling to have the manufacturing interests of my section of the country destroyed or my people frozen to death because the President can commandeer vessels that are absolutely needed in business operations.

Mr. SHAFROTH. They will not be taken unless the emergency is greater than the necessity in private business.

Mr. GALLINGER. It could not be any greater. I should prefer that our people should not freeze to death even though some harm should come to the people of Europe.

Mr. SHAFROTH. There is no danger of freezing to death when the railroads are running right through from the coal fields.

Mr. GALLINGER. Everybody knows about it.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. WEEKS. The Senator from Colorado must know that the railroads running into New England are not sufficient by something like two-fifths of the total requirements to supply the coal. I do not think there is any force in the argument that we should wait for information. I know what the information is. I know what the requirements are in New England, and I know what is going to be done with these tugs. They are going to be taken out of our service and sent to Europe, and I do not believe it is necessary to do it at this time.

Mr. MARTIN. The Senator asked me if tugs were included. I said they were, because they are, in general language; but no reference in any communication I have received has been made to tugs. Besides the language of the amendment itself I find the letter from the Secretary of the Navy alludes to fuel ships and tankers. They are the only things, substantially, referred to in the communication handed to me.

I am sure the Senator is unduly alarmed as to a rigid execution of this power. There ought to be some vessels if the emergency arises and it becomes necessary for the protection of the Army of the country and the people of the country. We are commandeering the lives and fortunes of our people, and surely we ought to be permitted to commandeer in an emergency a few ships to supply them with munitions and food, if it should become necessary. It may never become necessary to commandeer a single ship. I trust the Senator will not look with such suspicion on the grant of a war power in a great emergency like this as to be unwilling to let the President say when it is absolutely necessary for the protection of the country to commandeer a few ships. That is all the power that is asked.

I wish I could see my way clear to make the exception which the Senator asks, but I do not feel that it is necessary, and I do not feel that I would be justified. If it is done, the Senate must do it. I can not myself vote for it or agree that it shall be done, for I believe it is perfectly harmless and free from any evil consequences, and I think it is necessary for the successful conduct of the war that the power should be granted. I hope the Senator may see his way clear to acquiesce in that view.

Mr. WEEKS. I am very desirous of cooperating with the Senator from Virginia in the purposes of the bill, but I do not think I would be doing my duty if I did not propose an amendment to the amendment which has just been offered. As I remember the language, after the word "thereof" I move to insert the words "except tugs or other vessels used for towing purposes."

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. After the words "now constructed or any part thereof," insert the words "except tugs or other vessels used for towing purposes."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Massachusetts to the amendment of the Senator from Virginia. [Putting the question.] The noes appear to have it.

Mr. GALLINGER. I will ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. WILLIAMS (when his name was called). I transfer my pair with the Senator from Pennsylvania [Mr. PENROSE] to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my pair with the Senator from Indiana [Mr. WATSON] to the Senator from Oregon [Mr. LANE] and vote "nay."

The roll call was concluded.

Mr. HOLLIS. I am paired with the Senator from Maine [Mr. HALE] for to-day. I transfer that pair to the Senator from Nevada [Mr. NEWLANDS] and vote "nay."

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Chair desires to state that he has a general pair with the Senator from Michigan [Mr. TOWNSEND]. He transfers that pair to the Senator from Oklahoma [Mr. OWEN] and votes "nay."

Mr. KNOX. I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] and withhold my vote.

Mr. KELLOGG (after having voted in the negative). I have a pair with the Senator from North Carolina [Mr. SIMMONS] and therefore withdraw my vote.

Mr. GERRY. I desire to announce that the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Mississippi [Mr. VARDAMAN] are detained on official business. The Senator from Oregon [Mr. CHAMBERLAIN] is paired with the Senator from Pennsylvania [Mr. KNOX], and the Senator from Mississippi [Mr. VARDAMAN] is paired with the Senator from Idaho [Mr. BRADY].

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Illinois [Mr. LEWIS];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Iowa [Mr. CUMMINS] with the Senator from Nebraska [Mr. HITCHCOCK].

The result was announced—yeas 22, nays 43, as follows:

YEAS—22.

Brandegee	Gallinger	McLean	Smoot
Calder	Gronna	Nelson	Sutherland
Colt	Harding	Page	Wadsworth
Curtis	Kenyon	Sherman	Weeks
Dillingham	Kirby	Smith, Ga.	
France	Lodge	Smith, Mich.	

NAYS—43.

Bankhead	Johnson, Cal.	Pittman	Sterling
Beckham	Jones, N. Mex.	Poindexter	Stone
Broussard	Jones, Wash.	Pomerene	Swanson
Culberson	King	Ransdell	Thomas
Fletcher	La Follette	Robinson	Trammell
Gerry	McCumber	Shafroth	Underwood
Gore	McKellar	Sheppard	Walsh
Hardwick	Martin	Shields	Warren
Hollis	Norris	Smith, Ariz.	Williams
Husting	Overman	Smith, Md.	Wolcott
James	Phelan	Smith, S. C.	

NOT VOTING—31.

Ashurst	Goff	Lane	Saulsbury
Borah	Hale	Lewis	Simmons
Brady	Hitchcock	Myers	Thompson
Chamberlain	Hughes	New	Tillman
Cummins	Johnson, S. Dak.	Newlands	Townsend
Fall	Kellogg	Owen	Vardaman
Fernald	Kendrick	Penrose	Watson
Frelinghuysen	Knox	Reed	

So Mr. WEEKS's amendment to the amendment was rejected.

Mr. NELSON. Mr. President, I rise to say that it seems to me this legislation is taking an unusual course. In the bill which is now before us we have an entire chapter relating to an emergency shipping fund. We have a Committee on Commerce in this body which has charge of legislation pertaining to our national shipping. Instead of having such an important matter as this referred to that committee, it was referred to the Committee on Appropriations and there considered in secret session, as I understand. We have no information at all furnished us, and no information has been published, as to the grounds for this legislation.

Mr. MARTIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Virginia?

Mr. NELSON. Yes, sir.

Mr. MARTIN. I want to say to the Senator that he is entirely mistaken in his statement. The Committee on Appropriations has not considered this matter in secret session. On the contrary, I invited Senators who are not members of the committee to be present and to hear what was going on.

Mr. NELSON. Have the hearings on this matter been printed?

Mr. MARTIN. The hearings were not printed for public use, but a copy of the hearings is at the service of the Senator whenever he wants it. Many copies have been distributed in the Senate Chamber. We thought, however, there were some things which ought not to be published, and we have not made them public; but so far as this amendment is concerned, it has been fully explained. I now send to the desk of the Senator from Minnesota a copy of the hearings.

Mr. NELSON. I thank the Senator. The hearings have not been previously available. This has been considered as a sort of confidential matter.

Mr. President, this bill contains some very unusual and far-reaching provisions. As I am obliged to leave the Chamber to attend a meeting of a committee of conference, I can only at this moment refer to one or two of the provisions of the bill. It authorizes the President—which, of course, in this case means the Shipping Board—

> (b) Within the limits of the amounts hereby authorized, to modify, cancel, or requisition any existing contract for the building, production, or purchase of ships or material; and if any contractor shall refuse or fail to comply with the contract as so modified or requisitioned, the President may take immediate possession of any factory of such contractor or any part thereof without taking possession of the entire factory, and may use the same for such times and in such manner as he may consider necessary or expedient.

It not only authorizes the Shipping Board to take possession of the ships which have been partially completed, to commandeer them, but it authorizes the board to change and modify contracts which have been made between the shipbuilder and the man who has a ship in process of construction. Then what is the remedy provided? That the President shall fix the compensation, and if the owners are not satisfied with the compensation the President fixes they are to receive 50 per cent of what he allows them, whatever that may be, and for the balance they are to go into court.

Mr. SHAFROTH. I desire to suggest to the Senator from Minnesota that that has been changed to 75 per cent by an amendment which was offered on the floor a few moments ago.

Mr. NELSON. It strikes me that legislation such as this ought to have been considered by the Committee on Commerce, to whom it properly appertains. Hearings should have been had upon it, and there should have been careful consideration given it. Instead of that, it is to be rushed through on an appropriation bill, without any hearing or consideration by the committee to which such legislation appertains.

Mr. President, all I can say is that I utterly protest against such legislation and such legislative methods. I am willing to go as far as any reasonable man in sustaining and supporting the Government in this emergency, and I think my action and votes in this body indicate that, but such methods as those which have been pursued in reference to this part of the bill are utterly repulsive to me. I trust they will not be brought to a successful issue to the extent which is sought in this bill. I am surprised that such a matter should be brought before the Appropriations Committee before being considered by the Committee on Commerce. I am also surprised that such an important matter should not have been more carefully considered even by the Committee on Appropriations and the people interested allowed an opportunity to be heard upon it.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Virginia [Mr. MARTIN].

The amendment was agreed to.

Mr. MARTIN. The proposition to change 50 per cent to 75 per cent, on page 6, line 11, was suggested by the Senator from Washington.

Mr. SMOOT. The Senator from Washington expected the chairman of the committee to offer the amendment. It is only necessary to change the percentage in two places in the bill.

Mr. MARTIN. I move, on page 6, line 11, before the words "per cent." to strike out "50" and to insert "75."

The PRESIDING OFFICER. The amendment proposed by the Senator from Virginia will be stated.

The SECRETARY. On page 6, line 11, before the words "per cent," it is proposed to strike out "50" and to insert "75," so that it will read:

Such person shall be paid 75 per cent of the amount so determined by the President.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The Chair hears none.

Mr. MARTIN. On page 6, line 14, the same change should be made.

The PRESIDING OFFICER. The amendment proposed by the Senator from Virginia will be stated.

The SECRETARY. On page 6, line 14, before the words "per cent," it is proposed to strike out "50" and to insert "75," so as to read:

And shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation therefor.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The Chair hears none.

Mr. REED. Mr. President, I was obliged to leave the Chamber while the Senator from Minnesota [Mr. NELSON] was speaking. I confess that I am a little surprised to find this section here in this bill. The Shipping Board came before the Committee on Commerce at the last session and had hearings lasting over some days. The Commerce Committee reported the bill. An attempt was made to pass it, but it was crowded out by other business during the latter part of the session.

I inquired from the chairman of the committee, the Senator from Florida [Mr. FLETCHER], what was doing in reference to that legislation, which we had been told was highly important, and he stated to me that the Shipping Board wanted to submit a different plan That plan ordinarily ought to have been brought in here as a bill; it should have been referred to the Committee on Commerce, examined by that committee, and reported back, and if accepted the amount of the appropriation ought to have been submitted to the Appropriations Committee.

I have not had an opportunity to read the statements that have been made by the Shipping Board since the board has changed its plan of action. There was a limited number of copies of the hearings printed for confidential use, but I have not been so fortunate as to get one of them. I should like this part of the bill to be passed over without any action that would prevent full action in the Committee of the Whole, so that we may have an opportunity to examine it.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Alabama?

Mr. REED. Yes.

Mr. UNDERWOOD. Mr. President, speaking for the committee, I want the RECORD to show our attitude in reference to this bill. As a member of the subcommittee I helped prepare it.

An unusual thing has happened, so far as Congress is concerned, in the drafting of this bill. The bill is unusual from beginning to end. Most of the appropriations which are in the bill, if not all of them, are not within the jurisdiction of the general Appropriations Committee of the Senate. They are Army and Navy matters that, under ordinary procedure, would go either to the Committee on Military Affairs of the Senate or to the Naval Committee of the Senate. The situation was such, however, that when the general Army bill came up in the House of Representatives a blanket appropriation carrying something like $3,000,000,000 was included in the bill. The House was unwilling to pass the bill in that shape, I understand, and struck the appropriation out; and the estimates for these $3,000,000,000 for the increase of the Army and the Navy were referred by the Speaker of the House to the Appropriations Committee of the House as a deficiency, and that committee prepared this bill as a deficiency bill.

All deficiencies go to the general Appropriations Committee of the Senate, whether they are for the Army, for the Navy, or for the civil government. This bill, having come over here as a deficiency from the general Appropriations Committee of the House, was referred to the general Appropriations Committee of the Senate, and the subcommittee on deficiencies took it up for consideration at the hearings.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. UNDERWOOD. I should like to finish my statement, but if the Senator only desires to ask a question I will yield, and then I will resume.

Mr. POINDEXTER. Just a word; not a question but a suggestion. I wish to say that these appropriations, or at least those for military purposes, are not deficiency appropriations in any sense of the word.

Mr. UNDERWOOD. The Senator from Washington is absolutely right about that.

Mr. POINDEXTER. They may be construed as emergency appropriations, but they have nothing whatever to do with any deficiency arising out of appropriations which have been heretofore made.

Mr. UNDERWOOD. The Senator is absolutely correct in his statement; and I am merely trying to put in the RECORD the attitude of the committee that has this bill in charge. There may be a few of these items that are real deficiencies; but the bulk of them are general appropriations for the Army and the Navy. But the Senate did not fix the status of this bill; it was fixed in the other House by being referred to the general Appropriations Committee and handled as a deficiency bill. It came to your committee in that attitude. We have not sought it; we have not asked for it; we have merely gone along and handled the items as they came. I presume, after it was referred to the committee, so far as these items are concerned, we obtained legitimate jurisdiction over it, and had a right to bring it in, so long as no Senator rose in his seat and moved a rereference to other committees, which any Senator had a right to do, and had an opportunity for at least two weeks to do, if he desired so to do. So, I think there can be no reflection on the general Appropriations Committee that we have gone ahead with this work.

Now, as to the item to which the Senator from Missouri refers——

Mr. REED. I hope the Senator does not understand me to have reflected in any way upon the committee.

Mr. UNDERWOOD. No; I realize that the Senator's remarks were pertinent and perfectly correct, and that no reflection upon the committee was intended; but I think it is well for the future that a statement as to the attitude of the Appropriations Committee should go into the RECORD.

When the suggestion for a greater merchant marine came here there was no desire whatever on the part of the general Appropriations Committee to handle the subject. The President of the United States suggested that it be put on this bill as a matter of expedition. When the chairman of the Shipping Board laid his proposal before the general Appropriations Committee, or its subcommittee, he had a general plan of legislation, including this appropriation, relating to the affairs of the Shipping Board and to a readjustment of the entire situation. The Subcommittee on Deficiencies, whose action was subsequently approved by the members of the whole committee, refused to consider that bill. We said that that was legislation within the jurisdiction of the Commerce Committee, and that, no matter how urgent it was, the Shipping Board must go beforce the Commerce Committee and present its case and have a bill reported. Of course, so far as the appropriation is concerned, that was a legitimate matter for the consideration of the general Appropriations Committee, because all appropriations that are made for the Shipping Board or the building up of the merchant marine are within the jurisdiction of the Appropriations Committee. We rejected the general legislation which we were asked to consider, but incorporated in the bill appropriations that are really within our jurisdiction. Probably the only portion of this bill that was originally within our jurisdiction was the appropriation for the merchant marine or the carrying on the work of the Shipping Board.

Instead of adopting the program that was proposed by the Shipping Board, we have rewritten a paragraph in the naval bill, which authorized the President, acting for the Navy, to commandeer ships and shipyards. That is the only legislation we have put in this bill. That provision was passed by the Senate almost unanimously, if not unanimously, within the last two months. Of course, if we merely made an appropriation of $750,000,000 to build ships and authorized the general manager of the shipping corporation to go out and build them, he would not get very far in spending the $750,000,000 if he did not have some power behind him to clear the shipyards, to clear the ways, and if he were not given a free hand to make contracts and spend the money.

Mr. HARDWICK. Mr. President, I should like to suggest to the Senator, too, that in times of war and for the purposes of war it is just as necessary to have a merchant marine for war purposes as it is to have a Navy, and that is the only thing we undertook to do.

Mr. UNDERWOOD. Absolutely; as much so and more so.

I do not want to take up the time of the Senate in discussing this matter, but before I sit down in a few words I want

to call the attention of the Senate to the importance of this appropriation. I have it directly from the very best authority that if we land an army in France all that the French and English Governments can do to sustain that army and put it on the battlefield is to furnish us a port at which to land the men and the rails behind the line to the battle field and to the trenches.

Mr. MARTIN. I do not think rails were included.

Mr. UNDERWOOD. It may be limited only to the port. At any rate, we will have to furnish all the cars, locomotives, and equipment we can for operating trains, and we will have to furnish for our forces the supplies, the clothing, the guns, the shells, and even down to the fuel. I am informed by an authority which there is no possibility of contradicting that the strain of supplying the armies now in Europe is such that they can not stand any additional strain in connection with any considerable number of American soldiers on that field, so we have got to supply them.

We have 2,000,000 tons of ships of our own and about 600,000 tons which we have taken from the Germans and bought from the Austrians. In the last month the German submarines sank in the neighborhood of 1,000,000 tons of shipping on the Atlantic. If we pass this bill, it is going to be six months before we can get a single ship built. The question is whether the Senate wants expedition, and I do not think it is fair to criticize the committee for determining to bring about expedition by the passage of an appropriation of which it has jurisdiction. It did not have jurisdiction of the subsequent legislation proposed, but we can not build these ships to-day with our shipyards filled with ships and operating on an eight-hour basis with one shift. We have to get the ships now building off the ways and operate the shipyards with three shifts in order to expedite the construction.

If we want to accomplish anything for our allies, we have got to send them supplies, and we have got to get the ships to carry them. If we want to maintain an army on the battle field of France, we must have ships to carry them there and ships to carry their supplies. If we want to maintain navies on the seas, we must have fuel ships and supply ships. I want to say to Senators that, if this war is to be a success, the first question and the last question to be considered is ships, ships, and more ships. We can not start the war without ships, and we can not successfully conclude it without ships.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. UNDERWOOD. I do.

Mr. KIRBY. I should like to know whether it is the purpose of the Government to build the wooden ships we have heard so much talk about, and operate them itself, and whether it proposes to carry supplies at Government expense and for what purpose—for general trade or solely to carry our own troops, our own munitions, and our own supplies? What is expected to be done with these ships when the war is over? If wooden ships are to be constructed, in my opinion they will be 40 or 50 years out of date when they are contracted for, and they will be absolutely nothing more than junk when the war is over. I should like to know something about that. I do not know, and I have heard nothing about these features of the matter at all.

Mr. UNDERWOOD. I will say to the Senator that I can not speak by the card or with authority. The control of these ships under the law to-day is vested in the United States Shipping Board and the President, and it is not affected by this bill at all. The terms of this provision relate to construction, not to subsequent control. This provision looks to the construction of ships and the acquiring of ships, either by purchase or construction, but does not provide for operation. There is no question about operation involved here.

Outside of that, to answer the Senator's question as fully as I may——

Mr. KIRBY. Here is what I mean: I do not understand the Senator's statement in connection with this provision of the bill:

> All ships constructed, purchased, or requisitioned under authority herein, or heretofore or hereafter acquired by the United States, shall be managed, operated, and disposed of as the President may direct.

Mr. UNDERWOOD. Well, that means through the Shipping Board. The President directs the Shipping Board how, and that is the authority they have. They operate under him now, and they will operate under him after this bill is passed.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

Mr. UNDERWOOD. I yield to the Senator.

Mr. GALLINGER. Recurring to the interrogatory of the Senator from Arkansas [Mr. KIRBY] as to wooden ships, I think it is an historical fact that the Shipping Board—a board in which some of us have not the utmost confidence—recommended that a thousand wooden ships should be built. That was one of their first recommendations, as I understand it. Gen. Goethals, we are informed, has vetoed that; and while they will build some wooden ships, Gen. Goethals insists that the ships shall, as a rule, be of 3,500 tons, and built of steel. I think that a very wise conclusion, and it is fortunate for the country that Gen. Goethals is in a position where he can dictate that matter.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Colorado?

Mr. UNDERWOOD. I yield.

Mr. THOMAS. The statement of the Senator from New Hampshire is extremely interesting. I venture to inquire when Gen. Goethals came to that conclusion?

Mr. GALLINGER. We had the statement made to us that he had come to that conclusion. While he admitted that he could not entirely stop the construction of wooden ships, yet he was in favor of building steel ships of 3,500 tons.

Mr. THOMAS. I understood that Gen. Goethals was in favor of building ships as rapidly as possible so as to meet the exigency. What he wanted, as stated by the Senator from Alabama, was ships, and he wanted them as soon as he could get them, whether wooden or steel, or both.

Mr. UNDERWOOD. Well, I will say to the Senator that, so far as I understand the proposition, $50,000,000 was appropriated some time ago to build ships, and Gen. Goethals, as manager of the United States Shipping Board, has contracted up to the full extent of that $50,000,000. Among the ships he has thus contracted for are a number of wooden ships. He said that there was a limitation on the contracts for wooden ships, because of the ways being occupied, for one thing, but primarily because the timber was still in the trees, in the forests, and had to be cut down, and the work could not be expedited as rapidly as if the ships were built of steel.

Mr. GALLINGER. Mr. President, if the Senator will permit me further, when we formerly built wooden ships we used timber that was not cut down and made into a ship the next day; we had timber that had been kiln-dried for years in many instances. It is incredible that any sane board is going to argue that they can go into the forests of any part of this country and cut down timber and build ships of it this year. It is unthinkable that that should be done.

Mr. THOMAS. Mr. President——

Mr. UNDERWOOD. I want to say to the Senator——

Mr. THOMAS. May I say a word?

Mr. UNDERWOOD. Very well.

Mr. THOMAS. I heard Gen. Goethals say about 10 days ago that the difficulty was to find the shipyards and men for construction. He was prepared to furnish the required material of the proper sort, which, of course, includes seasoned timber.

Mr. UNDERWOOD. I want to say to the Senator that I do not think there is a Senator on this floor who will set himself up as a ship expert and say that he can build the required ships. Your committee has in no way attempted to tie the hands of the Government in their discretion as to how it shall use this money. What we want is expedition, and this bill places the control and the judgment as to how the ships are to be built in the hands of Gen. Goethals, who, as the whole country knows, has been successful in the field of endeavor in which he has engaged for the Government, and, to his credit, I want to say that he gave up a contract that would have paid him a large sum of money in New York to take this place, and that the Shipping Board offered him, in addition to his retired salary, $15,000 a year, but he declined to take anything from the Government except his officer's salary to serve the Government in this respect.

Mr. KIRBY. Mr. President, I do not question that Gen. Goethals is both able and disinterested. What I want to know is what kind of ships you are going to build and what you are going to do with them?

Mr. UNDERWOOD. The Senator has asked me a question that I can not answer further than I have, because the discretion is left to Gen. Goethals to build the best ships that he can build in the shortest time.

Mr. FLETCHER. Mr. President, may I say to the Senator that my information—which is more or less authentic, I think, because I have been in conference both with the Shipping Board and with Gen. Goethals on this matter of ships, and with a great many people interested in the subject from all over the country—that at first, as the Senator from New Hampshire signified, the board had the idea of building wooden ships. That was based very largely upon the belief at that time that it was impossible to get steel; and the board realized the impor-

tance and the absolute necessity of having ships, and there were not ships for sale anywhere. They had to build them, and the idea was to build them as quickly as possible, even without building them as large as they might have wished otherwise, so as to be of immediate use and benefit. Later on they found that they could get steel that would be suitable and at prices much better than they had supposed, and then the plan was evolved of the fabricated ship, so that the mills manufacturing steel can make this material which can be used for ships, which can be used in bridges, which can be used in buildings, and can be used for various purposes. There will not be any stoppage of the industries by reason of their devoting their plants to the building of such material as can be used in ships.

In other words, the plan now is, as I understand—and I think that is agreed on by Gen. Goethals and by the Shipping Board and all working in perfect harmony—to build both kinds of ships; to build the wooden ships where they can be built to advantage and serve the purpose of the need, and to build the steel ships likewise, and to make contracts so that the work can proceed as rapidly as possible and as advantageously as possible.

Mr. UNDERWOOD. That is my understanding.

Mr. KIRBY. Mr. President, if either one of the Senators will answer a little bit further, we established an insurance bureau down here in the Treasury Department to insure our foreign commerce during the war, and the Government paid for it and charged rates, as I understood.

Mr. UNDERWOOD. Yes.

Mr. KIRBY. Now, we are to establish a line of carriers, as I understand, to carry the commerce of the Nation. Do we charge anybody for it? And what becomes of the money that we get for it?

Mr. UNDERWOOD. I shall be glad to answer that question.

Mr. KIRBY. I am trying to find out what is the purpose of building these ships, and what they are going to be used for when they are built.

Mr. UNDERWOOD. I shall be glad to answer the Senator's question: In the first place, I want to call his attention to the fact that this legislation does not affect that question either way; but, as a secondary proposition, I want to say to the Senator——

Mr. GERRY. Mr. President, with the Senator's permission, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Alabama yield for that purpose?

Mr. UNDERWOOD. I yield.

The PRESIDING OFFICER. The Senator from Rhode Island suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gore	McLean	Sherman
Bankhead	Gronna	Martin	Smith, Mich.
Beckham	Harding	Myers	Smoot
Borah	Hardwick	New	Sterling
Brandegee	Husting	Newlands	Stone
Broussard	James	Norris	Sutherland
Calder	Jones, N. Mex.	Page	Thomas
Culberson	Kellogg	Pittman	Trammell
Curtis	Kendrick	Poindexter	Underwood
Dillingham	Kenyon	Ransdell	Wadsworth
Fall	King	Reed	Weeks
Fletcher	Kirby	Robinson	Williams
France	Knox	Saulsbury	Wolcott
Gallinger	McCumber	Shafroth	
Gerry	McKellar	Sheppard	

Mr. GERRY. I have been requested to announce that the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Mississippi [Mr. VARDAMAN] are detained from the Senate on official business.

Mr. SMITH of Michigan. My colleague [Mr. TOWNSEND] is temporarily absent from the Chamber.

Mr. BECKHAM. I desire to announce that the senior Senator from Tennessee [Mr. SHIELDS] is absent on official business.

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present.

Mr. UNDERWOOD. Mr. President, while the roll was being called I found in the hearings a statement by Gen. Goethals that throws some light on the question that was being asked by the Senator. I read from page 125:

> In the shipping program I have lined up the idea to get as many wooden ships as we can have promised and completed, say within a year or a year and a half; and to go to the small ships, fabricated ships of 5,000 tons, to the extent of as many as we can fabricate.

In other words, from that statement I judge that he is going to take the wooden ships where they are available, and that he is going to fabricate as many 5,000-ton steel ships as it is possible to have, and as rapidly as he can do it.

I did not intend to detain the Senate at any length by this speech, but I want to say this in fairness to the committee of which I am a member: We had no desire to take jurisdiction of this matter. We concede that all of the provisions of this bill relating to the building of these ships, from the paragraphs containing the appropriations on down—that is, from line 13, on page 3, down to the bottom of this shipping paragraph—are subject to a point of order. It is new legislation; it is on a general appropriation bill; and if any Senator thinks we have invaded the jurisdiction of another committee, and is willing to take the responsibility at this time, he can make the point of order and save delay, and let us get along with the balance of the bill. I do not think it would be advisable to do so. We do not want the jurisdiction; we did not want it; but we worked out a bill that is acceptable to the Government authorities, and I think the expedition of this construction is the most important thing that we have in the war to-day.

Mr. GALLINGER. Mr. President, while I do not imagine that any Senator would make a point of order against any provision of this bill, yet is the Senator sure that a point of order would lie, if it were made, on a deficiency bill?

Mr. UNDERWOOD. I take it that this is a general appropriation bill——

Mr. GALLINGER. I take a different view.

Mr. UNDERWOOD. And that any new legislation on a general appropriation bill is subject to a point of order in the Senate. I do not think there can be any doubt about that, and I believe that the best way to do is always to go right to the point. Instead of criticizing the committee for bringing in this important legislation, if a Senator thinks it ought not to be here, then he ought to put it out. But I hope that it will not be done, because I think there is nothing in any of the bills that are before the Senate to-day, or that have been before it since we passed the resolution declaring war against Germany, that is of more vital interest to the life and the safety and the independence of this Nation than to build at once sufficient ships to handle our over-seas trade, take care of our armies and navies, and supply our allies with food and munitions of war.

That is all I wish to say on the subject.

Mr. KIRBY. Mr. President, I offer an amendment to the amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Arkansas offers an amendment to the amendment, which will be stated.

The SECRETARY. It is proposed to strike out the periods occurring at the ends of lines 6 and 12 on page 3 and to insert at the end of each of the paragraphs the following words:

> To be expended out of the fund raised by the issue of bonds and certificates of indebtedness authorized by act approved April 24, 1917, entitled "An act to authorize an issue of bonds to meet expenditures for the national security and defense, and for the purpose of assisting in the prosecution of the war, to extend credit to foreign governments, and for other purposes."

The foregoing words are to be inserted in the first instance after the numerals "$150,000,000" and in the second after the numerals "$250,000,000."

Mr. KIRBY. Mr. President, I do not know much about this shipping legislation. The committee has seemed to think that the Senate would be as well advised as the committee is. I have seen none of the hearings, and I have heard very little explanation made of the legislation here. I may not be in favor of it, because I do not know anything about it; but it seems to me that we ought to have had a little more explanation of this matter before we are asked to expend $400,000,000 in the promotion of it. I shall not oppose it, however, because it may be necessary.

I judge from what the spokesman for the committee has said that about all our allies are going to do for us in France is to give us a place upon which to fight. He says they will allow our ships to land, but that we must carry our own railroad and other equipment to get our troops to the front, and take care of them after we have gotten them there. It seems that that is about all there is left for us to do. Just a place to fight is what we are offered freely by our allies, with whom we are cooperating in a very substantial and businesslike way.

I should like to have this amendment adopted at this particular place to the amendment, unless there is some special objection. This money has been raised for a war emergency. This is an emergency, as I understand, and I believe the money ought to be expended out of that fund and not in addition to it.

Mr. UNDERWOOD. Mr. President, I do not see any real objection to the Senator's amendment, nor do I see anything to be accomplished by it. This money, if the bill passes, will come out of the Treasury. It is appropriated out of the Treasury. If these seven billions of bonds are sold, the proceeds go into the Treasury. I have no doubt that most of this money will come out of the seven billions of bonds. It has to come out of it; but if it happened to come out of the taxes, then what you ordinarily pay for out of the taxes would come out of the seven billions

of bonds. It is merely a question of bookkeeping, and it may put the Treasury Department to some little inconvenience in bookkeeping; but otherwise than that, it can not affect the question one way or the other.

Mr. CALDER. Mr. President, can the Senator from Alabama tell us how many ships are under construction in this country for foreign countries?

Mr. UNDERWOOD. I can not say for foreign countries, but the hearings disclose the fact that there is 1,600,000 tons under construction in all. Of course, however, part of that is for American shipping; but I should estimate that the larger portion of it is for foreign countries or foreign corporations.

Mr. CALDER. Can the Senator tell me what is to be the policy of our Government toward these ships that are under construction?

Mr. UNDERWOOD. In regard to taking these ships?

Mr. CALDER. Yes.

Mr. UNDERWOOD. I can not speak by the card on that. I shall be glad to give the Senator such information as I have. I know that our Government wants to clear the ways of the ships that are on them—that is the most important question—so that they can be used. Most of these contracts have been made on an eight-hour basis, with one shift a day. Our Government wants to put the work on a two or three shift basis, so that we will expedite the building of the ships and make as great a use of the ways as possible. This bill provides for expediting the building of these ships. My information is, although I do not speak with any authority, that those ships that are nearing completion will be allowed to be completed in their usual course and go to the corporations or men or countries that have already contracted for them; but ships that are just beginning, and may occupy the ways for a considerable time, will probably be commandeered under this bill, in order that the Government may handle those ships, expedite them as rapidly as possible, and clear the ways to put their shipping in. That is the information I have.

Mr. CALDER. Can the Senator tell me whether there is any information in the hearings that would tend to show how long it takes to construct a steel ship of seven or eight thousand tons?

Mr. UNDERWOOD. I will state that in the hearings the statement is made by Gen. Goethals that this Government can make a contract with one of the great bridge-building companies of the country to build ships for us, that they will agree to deliver the first ship at the end of six months, and from that time on they will deliver us one ship a day as long as we want them, and those ships will be of about 5,000 tons a piece. Now, we will not get a ship for six months; but at the end of six months, under that contract, we can get one 5,000-ton ship a day as long as we want to continue the contract.

Mr. CALDER. I will say to the Senator that if an arrangement of that kind can be made, it is a very excellent one. I have talked to a number of very reputable shipbuilders in Washington, and they have rather expressed the opinion that it would take eight months to turn out the first ship; but they also strongly advised an arrangement with these great bridge-building concerns, contending that if they were given 50 or 100 ships to build they could fabricate them at their mills, and, to my astonishment, they said that it could be done easily, and then bring them to tidewater and put them together and put them in the water.

Mr. UNDERWOOD. I understand that that is contemplated. I will say to the Senator, moreover, that from the information the committee has received I do not think it is at all probable that the power of commandeering ships, or yards either, will have to be resorted to, or will be resorted to. But we are at war, and we have got to have ships, and Congress will adjourn, and we have got to give the authorities the power to produce the results, though I doubt very much whether the power will ever be used.

Mr. CALDER. Mr. President, there is a proviso on page 6 of the bill, at the bottom of the page, giving the President the right to authorize the construction of ships in the most expeditious way upon the basis of actual cost plus a reasonable profit. I would not vote to strike that proviso from the bill; but I make the statement for the RECORD, with a knowledge of the business conditions in some of the manufacturing plants of the country, that ordinarily that is a very dangerous provision.

Mr. UNDERWOOD. Mr. President, I will say to the Senator that that provision is not put in the bill with the expectation of its being used, but to give that latitude if it is necessary to use it.

Mr. CALDER. Some of the shipbuilders I have talked to tell me that the effect of that will be to disorganize many of the yards, because it is difficult for them to conduct Government business upon this basis and conduct private business under different conditions. It tends to add to the cost of construction, and very materially affects what we may have to pay for the ships.

Mr. UNDERWOOD. From the evidence before the committee I do not think that power will be used. From the evidence that came before the committee I think it is clear that Gen. Goethals intended to build these ships by way of contract with the usual method, but he wants the power to accomplish the results if he can not do it the other way.

Mr. CALDER. I will say to the Senator that I would not take it from him. At the same time it is an exceedingly dangerous thing, because I am fearful that those things are going to add to the cost to the Government of doing business in nearly every phase of governmental activity.

Mr. SMITH of Georgia. Mr. President——

Mr. UNDERWOOD. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. Would it divert the Senator to explain to us at this time, if he knows what is going on, the extent to which, under the direction of this Advisory Board, contracts are now being let for a large amount of work at cost plus 10 per cent, without any limitation at all as to the total cost?

Mr. UNDERWOOD. I am not advised about that, because the man who testified before the committee was Gen. Goethals, who testified in regard to shipping; and the Advisory Council has nothing to do with that.

Mr. SMITH of Georgia. No; but I thought possibly the Senator might have made some investigation with reference to this practice of letting contracts at cost plus 10 per cent, as it is going on elsewhere, and whether the result is not that the prices will be far in excess of anything that has normally been considered reasonable?

Mr. UNDERWOOD. I will say to the Senator that no evidence in reference to that matter came before our committee at all.

Mr. WEEKS and Mr. SMOOT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield, and to whom?

Mr. UNDERWOOD. I yield to the Senator from Massachusetts.

Mr. WEEKS. I want to suggest to the Senator from Georgia that I propose to introduce an amendment to the part of this paragraph where the question of fixing the price is referred to, fixing it at cost plus 8 per cent. Eight per cent is the point where the excess profits tax commences in our general legislation; and it seems to me that in fixing the price, whether it is referred to as reasonable or in some other terms, we may well say "a price equal to cost plus 8 per cent."

Mr. UNDERWOOD. I will say to the Senator that I thought he wanted to ask me a question. I yield the floor. I was through.

Mr. WEEKS. Mr. President, I want to make a few comments on this matter.

Mr. KELLOGG. Mr. President, I should like to ask the Senator from Alabama a question before he sits down.

Mr. WEEKS. I yield to the Senator from Minnesota for the purpose of asking the Senator from Alabama a question.

Mr. KELLOGG. I was so far away that I could not hear the statement of the Senator from Alabama. Did I understand him to say that the ship contracts entered into with foreign owners that are nearly completed will not be interfered with?

Mr. UNDERWOOD. They will not be interfered with if they are nearing completion. I will say to the Senator that my understanding is, from the testimony given before the committee, that most of these ships that are on the ways belonging to foreign nations are really for the Government of Great Britain, although the contract is not made in the name of the Cunard Co. There may be some few ships of foreign nations. If they are nearing completion, my understanding is that it is not the purpose of this Government to interfere with the contracts; but if they are not, and we have got to get the yards for the purpose of expediting matters, the contract will probably be taken over.

Mr. KELLOGG. I had understood that before the Commerce Committee it appeared last winter that a large number of ships were under construction for Norwegian owners or the Government of Norway.

Mr. UNDERWOOD. There may be some, but the information we have is that the larger portion of them are for the British Government, through some of its corporations.

Mr. WEEKS. I am still yielding to the Senator from Minnesota to ask a question of the Senator from Alabama.

Mr. KELLOGG. Am I limited to one question? I am not through.

Mr. WEEKS. No; I wish the Senator to complete his questions.

Mr. KELLOGG. Have those contracts been completed?

Mr. UNDERWOOD. You mean with the Norwegian Government?

Mr. KELLOGG. Yes.

Mr. UNDERWOOD. I am not informed about that.

Mr. WEEKS. If I may have the attention of the Senator from Alabama, I do not wish to ask a question, but I am going in a general way to propound some inquiries which I would like to have the Senator from Alabama hear, while I am discussing the question. I do not want to impose on him and I am not going to take much time.

Mr. President, I would not make a point of order against this proposition, as it was suggested might be done by the Senator from Alabama, because, in the first place, I think it is necessary and desirable in some form that this legislation should be adopted. In the second place, I am very glad that the Committee on Appropriations took the matter up, because the legislation is in better form than I anticipated it might be, basing my opinion on expressions which I have seen in the press.

One of the great difficulties in legislation giving unrestricted power like this is the effect that it is going to have on the country in matters like those relating to the sale of the liberty bonds. Everybody knows that the sale of the liberty bonds has been a great failure. There is no denying that statement. I am not going to discuss the question now, but it is very largely because of the manner in which it has been undertaken. However, it is a failure because the people are uncertain. They do not know when their business is going to be affected or how directly or indirectly it is going to be affected. Business is in a wavering condition. When we give these unrestricted, unlimited powers to the Government we are simply adding to that condition of mind which puts the business man in a position where he says to himself, "I think I will go slowly, because I do not know how much I am going to be affected by all this unusual legislation which is being adopted." This is certainly unusual legislation. The Senate deliberated for days and almost months over a shipping bill which finally, against the judgment of many of us, provided for an expenditure of $50,000,000 for building ships. That $50,000,000, however, was restricted in all kinds of ways connected with the operation and all other matters relating to ships. I admit that conditions are quite different to-day.

Mr. UNDERWOOD. Will the Senator allow me to ask him a question? The Senator is a member of the Naval Committee?

Mr. WEEKS. I am sorry I am not, but I recall the legislation to which I think the Senator refers.

Mr. UNDERWOOD. I think the Senator supported legislation on the naval bill that is in form almost identical with the legislation that the committee suggests here.

Mr. WEEKS. I did, and I am very glad I supported it. I am going to support this legislation, but I do not want to have it go any further than is necessary.

The Senator has just stated that these ships which are being constructed for the Cunard Co., for example, are really for the Government of Great Britain. It is immaterial to us, in my judgment, whether you call it the Cunard Co. or the Government of Great Britain, and it is immaterial to us whether we commandeer those ships or whether we allow them to be completed and turned over to the real purchasers. It is immaterial except in this respect: Why should we invest our money in ships that are being constructed for our allies, that quite likely are going to be put in exactly the same service we would put them in? If we are going to be extremely selfish, why should we invest our money in ships that are going into a service beneficial to us and our allies and where they may be lost—some of them are quite likely to be lost—when somebody else is going to complete the ships and put them into that same service?

I do not contend, Mr. President, that we are selfish enough to say that we would refrain from doing it because of the loss of money, but what we want are ships in a certain definite service, and I do not see that it makes any difference to us whether those ships are provided by our allies or by ourselves. As these ships are being built for our allies, why should we invest our money in those particular ships? Why should we not do something else with it that will be equally beneficial to the general cause?

Mr. UNDERWOOD. If the Senator will allow me to answer his questions——

Mr. WEEKS. I shall be very glad to have the Senator answer.

Mr. UNDERWOOD. I think a number of the members of the committee had grave doubt about the very question the Senator is now raising. When the bill was first under consideration it was stated before the committee by Mr. Denman, chairman of the Shipping Board, that except in the case of those ships the Government itself is using where it carries its own insurance, of course, a number of these ships are going to be let out on contracts to individuals, many of them just to go across the sea and come back again to carry their supplies. Where they are lost they are insured by the Government, but the Government charges it to the freight and the freight is compelled to pay the cost of the ship. The statement was made before our committee, and I think it is borne out, that as far as our Government ship insurance is concerned we have not lost any money; we are making money out of it; because the statement was made before the committee that there is not a war insurance risk company in the world that is not to-day making a profit, because they magnify the risk in making the rates. Therefore we would not lose the ships.

But I will say to the Senator, if that was all there was involved in the question I would be disposed to agree with the position he has taken in the matter and let the English Government take its own ships and run them and let them stay on the ways until they are finished; let the British Government have its own ships and we take ours. But in the final conclusion of the situation Gen. Goethals said to us that it was of the utmost importance to carry out this project that he should have the power to take over these English contracts, if he wanted to do it, to expedite this work. We do not compel him to do it.

Mr. WEEKS. Let me ask the Senator if all the shipyards in the United States are not now working at full capacity.

Mr. UNDERWOOD. Our information is that they are not; that they are working at full capacity on a single shift, an eight hours a day shift; but what our Government wants to do is to make them work on two or three shifts a day.

Mr. WEEKS. Is the Senator sure they are only working on one shift?

Mr. UNDERWOOD. I do not say all of them are; but I am sure Gen. Goethals said before the committee, and so did Mr. Denman, that the greater portion of them are working on a single shift.

Mr. WEEKS. If that is true, and if this shipping is offering to builders on terms which would be extremely profitable, if the shipbuilders could get the employees, why have they not been working more than one shift?

Mr. UNDERWOOD. I could answer the Senator's question, but it might involve a statement in reference to contracts with some of our allies, made before this war came on. I think it is inadvisable to answer on the floor of the Senate, but I will be glad in a few minutes to go to the Senator and tell him.

Mr. WEEKS. What I am leading up to is to limit this intended operation in every possible direction. I am going to vote for it, but I want to modify it as much as possible, so that we will not use any more of our money than is necessary and so that we will not, to any greater extent than is necessary, impair the confidence of the business of the country.

Mr. UNDERWOOD. I am in accord with that view; but when the man in whose hands we are going to put this business of the Government, a man we know has accomplished great things on the Panama Canal, a man in whose ability we all have the utmost confidence, comes before your committee and says that it is of the utmost importance that he should have this power in order to accomplish this result, it seems to me we ought to sustain him.

Mr. WEEKS. I want to say a word about that. I have the utmost confidence in the general manager of the shipbuilding corporation. Certainly no man in our time has accomplished more along the line of his own profession anywhere than he, and yet he never built a ship, and there is not a person connected with the Shipping Board who ever built a ship, either wooden or steel. We are taking the judgment of those gentlemen without, as I understand it, calling before the committee any person who ever has built a ship. They may be right, but I think it is a matter that may be properly questioned as to what our course is going to be in a transaction that is going to involve $750,000,000.

Mr. KNOX. May I ask the Senator a question? Did Goethals ever build a canal before?

Mr. WEEKS. No; but he was an engineer, and he was trained to do that very thing.

Mr. SMITH of Michigan. He may not do it. He will call in experts.

Mr. WEEKS. It may be that he will. I am not questioning his ability to do this service satisfactorily, but I am questioning the judgment of providing for an expenditure of $750,000,000 without asking for the testimony of those who really know about matters of this kind. Moreover, let me say that if I am correctly informed, and I believe I am, Gen. Goethals has ad-

vised and does advise now against building wooden ships. Gen. Goethals has time and again said within the last two weeks that he would be glad to be detached from the service to which he is detailed and about which he has known nothing and ordered back to the employment about which he does know so much—engineering in the Army.

Mr. CALDER. Will the Senator yield to me?

Mr. WEEKS. I do.

Mr. CALDER. I know of one shipyard in this country that has a contract to build 14 Cunard vessels. It will turn the first one out in about a month from now and an additional ship each succeeding month. There are 14 in construction at this moment.

Mr. WEEKS. For whom?

Mr. CALDER. The Cunard Co.

Mr. SMOOT rose.

Mr. WEEKS. I yield to the Senator from Utah. I am not ready to yield the floor.

Mr. SMOOT. In this connection I desire to call the Senator's attention to the testimony given before the committee, on page 131 of the testimony, while we were discussing the question of taking over the English ships. By the way, I will say to the Senator that I have an amendment which I will offer providing that we can commandeer all the ships in the country with the exception of those that are being built for a foreign country. After taking in the committee the same position that is taken by the Senator to-day, Gen. Goethals made this statement to me:

Gen. GOETHALS. Senator, would you mind our doing this, taking over in the shipyards all shipping not contracted for by England or English firms?

Senator SMOOT. Every pound of it.

Gen. GOETHALS. And authorizing us to expend money to expedite the completion of British ships that are on the ways?

Senator SMOOT. Undoubtedly.

Gen. GOETHALS. All right, then; give me that, and make my appropriation $400,000,000 and my authorization $750,000,000, and let me do that.

The general then suggested that this amendment be adopted beginning on page 7, line 7, which reads:

The President may, in the execution of the powers hereby granted, in lieu of requisitioning ships now under construction in the United States for any citizen of the United States, or for the Government of any nation at war with Germany, or for any citizen of such nation so at war with Germany, expend the funds hereby authorized for such purpose in expediting the construction of such ships, under such arrangements and such agreements for repayment as he may deem wise and proper.

We adopted that, and as soon as the question itself comes up I shall offer the amendment, and I am going to take the time of the Senate to go into a number of contracts that have been made, the amount of shipping that is on the ways now for England, and the amount that is on the ways in the shipyards of the United States for other parties, including Norway. I shall call attention to the program that is mapped out and the cost of it. I believe that the Senate will give their attention to what I have to say and look at this question not only from the advantage to our country and foreign countries, our allies, in the war, but as a business proposition they will agree to the amendment I shall offer. After presenting it, of course I shall have nothing more to say, and will only await the action of the Senate.

Mr. WEEKS. I am very glad the Senator from Utah is going to give us the information about the amount of shipping which is now under construction. I hope he will include the capacity of the shipyards of the United States. If my understanding is correct, the shipyards of the United States, working at their utmost capacity, could not construct over 5,000,000 tons of shipping in a year, and they would have to be cleared and the material ready at the beginning of the year to even do that. Of course, that condition can not be possible, because the shipyards are now constructing very much for our Government, and many of the ships which they are now constructing will be on the ways for a year or two years, especially the battleships. Therefore that is not possible.

I am told that a contract can be made for the construction of the kind of ships to which the Senator from Alabama has referred at the rate of about $150 a ton, which will be more than twice the normal price of that kind of construction. One hundred and fifty dollars a ton for 5,000,000 tons of shipping would be just seven and a half million dollars. So if the materials for building the ships were ready at the shipyards and there was no shipping under construction at this time, we could within the next year possibly spend the $750,000,000 provided in this bill. I think very much more is provided in the bill than can be expended, and that is a matter which I want to bring to the attention of the Committee on Appropriations, because I do not think we ought to appropriate more than is probably necessary for the purposes for which the appropriations are made. I know it will be said it will not be expended if it is not necessary. That is quite true; but then every item of that kind adds to the uncertainty of the situation and involves us in raising additional money, possibly more than we really need, and we are going to need all our facilities if the present conditions are any indication of the temper of the public in raising what money we do need.

Mr. SHAFROTH. I should like to ask the Senator a question for information. The Senator has made a statement concerning the capacity of the shipyards of the United States. It has been stated at 5,000,000 tons. Does that include working one shift, two shifts, or three shifts?

Mr. WEEKS. Working at full capacity and, I suppose, working as rapidly as possible. That is the evidence furnished me by private parties.

Mr. SHAFROTH. That would be only three shifts?

Mr. WEEKS. I think so.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from North Dakota?

Mr. WEEKS. I do.

Mr. McCUMBER. If the ships are standardized so that parts can be made in any section of the United States, could not the tonnage capacity of the construction be greatly increased?

Mr. WEEKS. I have asked that question. Undoubtedly that would be true. I have asked how much tonnage would be constructed under the most favorable conditions with equal capacity and 5,000,000 tons is the amount that has been given. I think there is a fair indication that that is correct, because we are supposed to be constructing a million and a half tons now, and all our shipyards are working at full capacity. Many ships require more than a year for their construction. Therefore I think by working in three shifts it would be a fair indication that 5,000,000 tons probably would be all that they could construct.

Mr. SHAFROTH. I will state to the Senator from North Dakota that the testimony before the committee was that under the standardization plan after six months from beginning the construction a steel ship of large capacity, of over 5,000 tons, could be completed every day, making 365 ships in a year.

Mr. SMOOT. By one firm?

Mr. SHAFROTH. By one firm.

Mr. WEEKS. Mr. President, there are at least four places in the bill where the President is authorized to make a just compensation or a reasonable compensation for the plant which may be taken over and for its services. I am going to offer an amendment in each case, which I will send to the desk and ask that it may lie on the table for the time being, providing that the compensation shall be limited to cost plus 8 per cent profit. I place the profit at 8 per cent, because that is the basis on which we commence to tax corporations in the excess-profits tax, and it seems to me that corporations which are to be taken over in this way should at least be entitled to earn what we have, in our wisdom, decided is a fair return on the capital invested before we commence to tax the excess profits.

Mr. KNOX. Mr. President, I share in some degree the apprehension expressed by the Senator from Massachusetts [Mr. WEEKS], based upon information that I understand comes from his State, and the same information seems to come from all the large centers of population of the United States, that the so-called liberty loan is not proceeding with the rapidity that all of us desire. But I do not believe that that fact is due to any proposition to vest in the President of the United States the necessary power to carry this war to a successful conclusion. My own judgment is that the more responsive Congress is to the suggestion of clothing the President with real power that he can utilize in the prosecution of this war the higher the credit of the United States will be.

I attribute any apathy upon that score rather to the fact that the people of the United States are fearful that our revenues are to be raised upon a false and unscientific basis, and that the first revenue bill the exigencies of the war demand will be so unscientific that the superstructure that undoubtedly will have to be constructed upon it later on will fall and topple because the foundation is weak.

Mr. WEEKS. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Massachusetts?

Mr. KNOX. Certainly.

Mr. WEEKS. I did not intend to assert that placing unusual powers in the hands of the President was anything more than a contributory cause to the uncertainty in the minds of citizens. I quite agree with the Senator that the main reason for the failure to float the bonds is due to the unscientific tariff or revenue bill which is now being considered.

Mr. KNOX. I do not concede that the measure we are discussing now is a contributory cause to apathy in respect to our proposed loan. As I said before, I believe that the more powers which can be used promptly and effectively for the prosecution of the war shall be placed in the hands of the President the higher the credit of the United States will rise.

Mr. President, it is a most extraordinary and unusual situation in which this Government finds itself. For the first time in its history it is called upon to take part in a war that has to be fought on foreign soil, or upon the high seas if it should so eventuate that the German Navy should overcome the British Navy and be set at large upon the sea. The present situation is that if we take any active manly part in the present conflict it must be upon the soil of France. How is it possible for us to reach the territory where the deed of valor of American men must be produced? It must be by ships. We must transport our troops and their supplies 3,000 miles or more across the Atlantic ocean. Our bottoms to-day are absolutely insufficient for any reasonable demand that may be made upon us for cooperation in this contest.

Mr. President, the coastwise vessels of the United States, the vessels engaged in commerce with South America, the vessels that carry our products to the Orient are all being drafted into the North Atlantic and made to serve the purposes of the war. While the war is the greatest adventure in which the United States is now engaged, we should not lose our heads and allow all other interests of the people and the Government to be lost sight of.

Mr. President, there is no danger in conferring the powers described in the shipping clauses of this bill. There is no danger, except to the United States, if they be withheld. The power, in my judgment, will never be used to its maximum extent. I doubt whether it will ever be drawn upon largely at all, because when you come to analyze it it is only after all the power of the Government to utilize the facilities of the shipyards of the country and of those enterprises which produce iron, steel, and other materials that go into the construction of ships, so that the Government may be served promptly and effectively.

Now, how is it as to the shipyards? We know perfectly well that we can not build ships any faster than the facilities of the shipyards will permit us. I have the statement of fact not only from the manufacturers who are engaged in manufacturing steel which enters into the construction of ships but the other materials which enter into that construction that they are prepared to-day to deliver to the United States material as rapidly as the facilities of the shipyards can use it.

Mr. President, a ship is a thing that can not be built in a day or a week or a month. The keels have to be laid upon the stocks, the material has to be assembled, the workmen have to put it into place, the armament, if it is an armored ship, the furnishing, and equipment have all got to be gathered together. If the Government is to proceed efficiently it must have the power which at least psychologically will induce prompt furnishing of goods, materials, and labor.

I doubt, sir, whether it will ever be necessary for the President of the United States to commandeer any shipyard, any rolling mill, any steel works, or any other factory in the United States to expedite this work, but it is a good thing in the event of the unforeseen happening that he shall have that power.

Mr. President, over and beyond all that, it is a good thing to have it go out to the nations of the world that the Congress of the United States is going to be true to its pledge written in the war resolution that all the resources of this country are pledged to victory for our arms.

The VICE PRESIDENT. The amendment of the Senator from Arkansas [Mr. KIRBY] to the amendment is pending.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on the amendment as amended.

Mr. BRANDEGEE. Let it be read as amended.

The VICE PRESIDENT. It is the committee amendment.

Mr. SMITH of Georgia. The committee amendment as a whole.

Mr. SMOOT. Mr. President, I have an amendment which I desire to offer.

The VICE PRESIDENT. The question is on the committee amendment as amended.

Mr. SMOOT. Then, I ask for a reconsideration of the vote by which the committee amendment as amended was agreed to, because I desire to offer an amendment.

The VICE PRESIDENT. The committee amendment as amended has not been agreed to, but the question is on agreeing to the committee amendment as amended.

Mr. PENROSE. How was the committee amendment amended, Mr. President?

The VICE PRESIDENT. The only way to give accurate information to the Senator from Pennsylvania would be to have the Secretary read the different amendments which have been proposed by the chairman of the committee.

Mr. PENROSE. Well, let them be read. There are several Senators here who would like a little information on the subject.

The VICE PRESIDENT. The Secretary will read the amendment as amended and indicate in what particulars it has been amended.

The SECRETARY. On page 2, line 2, after the word "now," insert the words "constructed or," so that it will read:

The cost of purchasing or requisitioning ships now constructed or in the course of construction.

Mr. MARTIN. Was not the amendment which the Secretary read voted on and adopted?

The VICE PRESIDENT. The Secretary, at the request of the Senator from Pennsylvania, is stating the committee amendment as amended, the Senator from Pennsylvania desiring information on the subject.

Mr. MARTIN. All of those amendments to the committee amendment have been adopted.

The VICE PRESIDENT. All of those amendments have been adopted.

Mr. MARTIN. That is all right.

The SECRETARY. The next amendment to the committee amendment was, on page 3, line 6, after the numerals "$150,000," to insert the following proviso:

Provided, That this appropriation may be reimbursed from available funds under the War and Navy Departments turned over for the exclusive use of those departments or either of them.

On page 3, line 14, after the words "United States," insert "except those acquired by the Army or Navy."

On page 6 to insert as a separate paragraph, after line 3, the following:

(e) To purchase, requisition, and take over for use or operation by the United States all vessels or floating small craft now constructed, or any part thereof, at such reasonable price as shall be determined by the President.

On page 6, line 11, strike out the word "fifty" and insert "seventy-five," so that it will read:

Such person shall be paid 75 per cent of the amount so determined by the President.

On page 6, line 14, before the words "per cent," strike out "50" and insert "75."

Mr. BRANDEGEE. Mr. President, in the amendments which the Secretary has just stated to the Senate as having been adopted, the one next to the last I was not able to clearly apprehend. Was the language used "all vessels or floating small craft"? Is that the phrase?

The VICE PRESIDENT. That is the language.

Mr. BRANDEGEE. Without being able to locate it, I can not exactly see the force of that amendment. I should like to ask the Senator who offered the amendment what the idea is in adding the word "floating"? Does it mean that the President can take only vessels that are already in the water and not those small craft that are on the ways or in process of construction?

Mr. MARTIN. The language applies to completed vessels, undoubtedly.

Mr. BRANDEGEE. I notice in other sections that the President is given authority to take vessels in any process of construction, and I wondered why it was desired to exclude smaller vessels and to limit the President to taking those only which had been completed and were afloat.

Mr. MARTIN. This includes large vessels as well as small ones; but it authorizes the President to take completed vessels, including small floating craft.

Mr. BRANDEGEE. I do not see why the requirement that they should actually be afloat should be inserted. However, I do not care to criticize the language, because I know nothing about the matter.

Mr. SHAFROTH. Mr. President, I presume the reason for the insertion of this language is that it does not take long to build smaller vessels. Consequently there is no necessity of taking over small vessels during the course of construction; but as to larger vessels during the course of construction it may be necessary to do so.

Mr. BRANDEGEE. It seems to me the Senator from Colorado is arguing against his own view. I want to broaden the authority of the President so that he may take small craft, a submarine chaser, for instance, if she was on shore, on the stocks, or on the ways. The language of the bill would prohibit the President from taking her unless she was afloat in the water, as I should assume.

Mr. SHAFROTH. It seems to me the answer which I suggested is correct. It is for the reason that it does not take long to construct one of these small vessels, and it would be almost useless for the President to undertake commandeering them and getting them while they were being constructed.

Mr. BRANDEGEE. As I have said, I have no particular interest in the matter; but I did not know whether it was an error and a limitation that ought to be eradicated.

Mr. SMOOT. Mr. President, I offer the following amendment: On page 2, line 22, after the word "requisitioning," I move to insert "from any individual, association, partnership, or corporation," so that it will read:

The cost of purchasing or requisitioning from any individual, association, partnership, or corporation ships now constructed or in the course of construction and the expediting of construction of ships thus under construction shall not exceed the sum of $250,000,000.

Mr. KNOX. May I ask if that is intended to apply to vessels which are purchased by the Government, including ships that are on the stocks?

Mr. SMOOT. That is the object of the amendment.

Mr. President, if the Senate will indulge me for a short time, I desire to call attention to the testimony that was given before the committee on this subject. In doing so I shall take great pains not to read any testimony that has not already appeared in the public press. I am not going to violate the understanding that any confidential testimony given before the subcommittee should not be made public.

Mr. President, the program as mapped out by the Shipping Board is for the constrution of 3,000,000 tons of ships in the next 18 months. That includes steel ships and wooden ships as well. The contract price for the wooden ships will be about $135 a ton and for the steel ships it will be $153 a ton. Gen. Goethals made this statement in relation to the program:

Assuming that we must pay $150 a ton for steel ships, 3,000,000 tons will require $450,000,000, and I have fixed the round sum at $500,000,000 for the construction program. If we took over the ships that are now on the stocks—on the ways—assuming that the amount is a million tons and that we may have to go to $200 a ton in order to expedite it, I figure that at $250,000,000.

Senator SMOOT. That is the steel, you say?

Gen. GOETHALS. The steel.

Senator SMOOT. Have you counted the wood?

Gen. GOETHALS. The wood will come in on the $50,000,000 we have and part of this $500,000,000 that I have just asked for.

Senators will notice on page 3 of the bill, beginning on line 7, down to and including line 14, there is a provision appropriating $500,000,000 for the cost of construction of ships authorized therein. The previous paragraph authorizes the purchasing or requisitioning of ships and appropriates $250,000,000 for that purpose.

Mr. President, contracts which have been made up to date by Gen. Goethals are for 214,000 tons, and that was to be paid for out of the $50,000,000 appropriated to the Shipping Board for the purchasing of ships. Mr. Denman, the chairman of the board, has contracted for 72,000 tons, to be paid out of the same appropriation, making up to date, contracted for by both, 286,000 tons. Gen. Goethals said it was impossible for him to make any further contracts until there was another appropriation made, although he has arrangements made to enter into contracts to carry out the program of the 3,000,000 tons; and, as stated by the Senator from Alabama [Mr. UNDERWOOD], the general stated that he intends to have some of these ships constructed outside of shipyards, for he called the attention of the committee to the fact that there was one bridge-building concern which is willing now to enter into contracts with the Government at a price of $153 per ton, to deliver in six months one steel ship of 5,000 tons capacity, and after that to deliver one ship of the same capacity every day so long as the Government may desire them. So there is no question as to our ability to have the ships built within the limit of 18 months, as provided in this program.

This, Mr. President, does not in any way have reference to the amount of shipping that is now under way. Gen. Goethals testified, as also did Mr. Denman, that the English contracts to-day uncompleted amount to 1,024,000 tons. That 1,024,000 tons is made up of 169 ships. Some of the 169 ships are nearing completion, while others are merely on the ways. Gen. Goethals said that the contracts were taken for the English Government by the Cunard Steamship Co., with the understanding that they were to be constructed on a basis of eight hours per day. The General thought that our ways were so congested that, unless the English Government gave authority to hasten construction and get them finished as soon as possible, it would block the construction of ships to be contracted for by our Government. So it would, and therefore he asked for authority to require the expediting of the building of these ships, which is granted to him by this bill. On page 7 of the bill, beginning with line 7, we grant this authorization:

The President may, in the execution of the powers hereby granted, in lieu of requisitioning ships now under construction in the United States for any citizen of the United States, or for the Government of any nation at war with Germany, or for any citizen of such nation so at war with Germany, expend the funds hereby authorized for such purpose in expediting the construction of such ships, under such arrangements and such agreements for repayment as he may deem wise and proper.

That is the authority given in this bill to hasten the construction of vessels contracted for by foreign Governments.

Mr. CALDER. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. CALDER. Has there been any testimony indicating the number of ships that are being constructed for other Governments than England?

Mr. SMOOT. Yes; there are 64 other ships being constructed for Norway and other parties, making the number of ships being constructed in American shipyards under contract with foreign Governments and individuals 233 in all stages of construction.

Mr. CALDER. Does this bill contemplate taking over Norwegian and other foreign vessels under construction in this country?

Mr. SMOOT. It is contemplated under this bill to take over all of them. The authority is given under the bill, without my amendment, to take over all of those ships.

Mr. McCUMBER. Mr. President, what the Senator has read, if I understood him correctly, does not authorize taking over anything at all, but merely authorizes the expediting of the completion of the ships under Government order.

Mr. SMOOT. The Senator is right, as far as the provision I read is concerned. Other parts of the bill authorize the requisitioning of any ship under construction in the United States. What I want to do is to give the power to the President to requisition all ships except those that are now being constructed under contract for Great Britain. The reason for that, Mr. President, is this: I can not see any advantage to our Government in taking over contracts that England has to-day for the building of 169 ships, of 1,024,000 tons, at a cost, on the average, of about $183 per ton, when the ships will be used for the same identical purpose, whether we own them or whether England owns them. The power granted in the provision that I have just read, authorizes the Shipping Board to hasten the construction of the English ships. Suppose we have to pay every dollar of expense, and suppose it costs $10 a ton additional to construct the ships under the expediting process, working three shifts, instead of one, that is a mere bagatelle compared with the payment for ships at $180 a ton, when the ordinary price in normal times is not to exceed $60 a ton.

Mr. McCUMBER. Mr. President, will the Senator allow me to suggest right there that, if we are looking at the matter purely from the financial standpoint, of course what the Senator says is absolutely true, but, remembering the dire straits of our ally in connection with the raising of such enormous sums of money as she has been raising, and the fact that nearly a million tons of her shipping is going down to the bottom of the ocean monthly, can the Senator see anything wrong in this great Government of ours relieving that ally from the immense strain involved in the payment for these vessels, even though they would be used in the same trade?

Mr. SMOOT. Mr. President, if it were going to help in any way, I would not object; but shipping on the ocean will be the same whether England owns the ships or whether America owns them; but the Senator says——

Mr. McCUMBER. But it is a question of relieving an ally of such an enormous burden where it is taking all the suffering at the present time.

Mr. SMOOT. Mr. President, we are relieving our allies. We have provided for a bond issue of $3,000,000,000 to relieve them. I think the ships will be used to assist our allies, but that is not all that Mr. Denman wants to take these ships over for. Mr. Denman testified that he desired the ships taken over because at the close of the war he wants those that are left and not torpedoed to be owned by the Government of the United States to handle our foreign commerce.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. SMOOT. I yield.

Mr. KELLOGG. I should like to ask the Senator as to the 169 ships, representing 1,024,000 tons, whether he understands that they are all to be for the English Government or for English corporations?

Mr. SMOOT. They are all for the English Government, contracted for in the name of the Cunard Co.

Mr. KELLOGG. But for the English Government?

Mr. SMOOT. But for the English Government; there is no question as to that; in fact, the testimony will so show.

Mr. KELLOGG. Of the 64 ships outside that are under contract, are they for Governments or individuals?

Mr. SMOOT. I think there are about seven or eight of them for Governments and the others are individuals or corporations. I will say, by the way, also, that there are some of those ships which have been contracted for that are not on the ways, and Gen. Goethals stated that they were contracted for for speculative purposes.

Mr. SMITH of Michigan. Does the Senator refer to the Norwegian ships?

Mr. SMOOT. No; I am referring to ships contracted for by individuals.

Mr. KELLOGG. Mr. President, I should like to ask the Senator if he would not consider it of some advantage at the close of the war to have American owners possessed of a large merchant fleet in order to further our foreign commerce?

Mr. SMOOT. Mr. President, I desire to say to the Senator that when the war is over there will be no country on earth that will be able to build ships any faster than we can, and when the war is over and normal conditions exist, we will not have to pay $200 a ton for ships, but will be able to secure our merchant marine as fast as any other Government at a price not to exceed $60 per ton. So why purchase ships now for the merchant-marine trade after the war that will cost this Government $200 a ton, when we know that then they can be constructed at not to exceed $60 per ton? Other Governments will construct their ships in that way; and then our ships will enter into competition with those of other Governments constructing ships at $60 a ton, when ours will have cost us $200 a ton as far as the English ships that we may take over.

Mr. SMITH of Michigan. They always have an advantage in cost over us.

Mr. KELLOGG. Mr. President, are not foreign Governments constructing all the ships they can find opportunity to construct at the present cost?

Mr. SMOOT. The foreign Governments are not constructing enough ships to-day to take the place of those that are submarined.

Mr. KELLOGG. They are constructing every ship they can and every ship they can contract for, are they not?

Mr. SMOOT. That I can not say. I noticed in the paper this morning a statement that Britain does not need ships.

Mr. KELLOGG. The Senator does not believe it, does he?

Mr. SMOOT. I will call attention to the item now. It is as follows:

BRITAIN DOESN'T NEED SHIPS.

All available American trans-Atlantic tonnage for the time being will be used to transport supplies to Russia, France, and Italy, under an arrangement about to be made by the American Government with the allies.

Mr. President, I do not know whether there is any arrangement to be made or not, but I do think it would be unfair, as I said in the committee, if the boats being constructed for England should be prohibited from carrying to France, Italy, and Russia food supplies and munitions of war. I can not think it is possible such an arrangement will be made. I think that the English should take the same chances by entering the danger zone the same as the American ships will be compelled to do. Why should we make an arrangement that our ships should be sent to France, to Italy, and to Russia, in the danger zone, and the other boats of our allies go to some other country less dangerous? It is not fair, and I do not believe that England is going to ask it. I believe that every ton of shipping that England has contracted for as soon as they are off the ways will go into the same shipping trade, for the same purposes, and for the same business that they would if we owned them. I wish to say further that I am in favor of forcing the completion of the English ships, because I believe with Lloyd-George that the need at the present time is "ships, ships, and yet more ships," and that that policy will be necessary to bring this war to a successful conclusion.

Mr. KNOX. Mr. President, may I inquire of the Senator if it is not the position of Gen. Goethals and the Shipping Board that while we would have to pay, if we took these ships off the hands of Great Britain, a very much larger price than they could be built for under normal conditions, they are worth that price because of the tremendous earnings of which they are capable at this time?

My recollection is that we were told by Mr. Denman that about three voyages would pay for one of these ships, and that we were incurring no risk, because the insurance upon the ships was borne by the freight. So that if these vessels come through without destruction and they succeed in making at least three voyages, we will have the vessels practically for nothing, and we will be in a position after the close of this war to compete for the foreign trade of the world, which was the purpose, as is avowed by Great Britain, in having this class of vessels built in our country—so that at the end of the war the losses might be supplied from this source.

Mr. SMOOT. Mr. President, these are the facts in the case: The insurance rates are exceedingly high, as they always are in war times. The freight carries an insurance to protect it. The ship carries an insurance to protect it. But, Mr. President, the Government of the United States is going to insure her ships, and if they are sunk we lose the whole of it.

Mr. KNOX. The Senator from Utah certainly does not mean to suggest that the ultimate loss would fall upon the Government of the United States. The ultimate loss must fall upon the munitions and other freight that are being carried over by these vessels.

Mr. SMOOT. Mr. President, the Senate voted the other day $50,000,000 for the purpose of enabling the Government to insure our over-seas commerce.

Mr. KNOX. They are making money out of it.

Mr. SMOOT. Well, I will say that they have not made money up to the present time on the fifteen millions that we first provided; and if they could not do it in times past I do not think it is possible to do it now, unless the submarine becomes less dangerous than it has been in the last month or two.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. NORRIS. Right in connection with the question of ships, I want to ask the Senator, for information, whether he or the committee or Gen. Goethals or any of the officials have given any consideration to the question whether it would be practicable, under the circumstances, to construct submarines for the purpose of carrying freight? Has there been any investigation of that question?

Mr. SMOOT. Not by the committee, nor was there any testimony bearing upon that subject presented. It never was mentioned in the hearings.

Mr. NORRIS. Now I should like to ask the Senator this question: Will the language of the bill authorize the President, if he considers it practicable after investigation, to use any of the funds appropriated in this bill for the purpose of constructing that kind of ship?

Mr. SMOOT. I doubt very much whether it would. The first appropriation of $250,000,000 is for the purchase and requisitioning of ships now under construction.

Mr. NORRIS. Yes.

Mr. SMOOT. Then the second appropriation, for $500,000,000, is for "the cost of construction of ships authorized herein."

Mr. NORRIS. Yes. I rather think the Senator is correct on that point; and I had in mind, and have prepared, an amendment that I have had printed, and it is lying on the table, giving the President the authority to do that if he thought it was advisable to do it.

Mr. SMOOT. I want to call the Senator's attention to the fact that there was an emergency sum, as I remember, of $100,000,000 appropriated in the Navy appropriation that could be used for the building of such submarines if the President so directed.

Mr. SMITH of Michigan. He could use the entire emergency sum in the naval bill for the construction of submarines if he wished to do so.

Mr. NORRIS. Yes; but that would mean a fighting submarine. The question I am asking the Senator does not pertain to a fighting submarine, although I presume it might be used for that purpose also, perhaps, without interfering much with its freight capacity. But the *Deutschland* made a couple of trips across the ocean, and it made the trips in the face of the fact that the entire world knew that it was making the trips, and the greatest navy in the world was watching all across the ocean to attack it. It was at least successful a couple of times.

It seems to me that under present conditions a submarine could go across the larger portion of its course on the surface of the water, and that we would thereby avoid the high insurance rates. The submarine could not carry as much freight, it is true, and it would take more ships, but the committee ought to consider it. I think the country ought to consider the fact that these surface ships that are carrying freight are going down at an enormous rate; and I have wondered why it would not be a good thing at least to give the President in this bill the authority to construct ships of that kind if he thought it advisable.

Mr. BRANDEGEE. Mr. President, will the Senator permit me to say a word to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. BRANDEGEE. In my opinion, the Senator from Utah is wrong in his limited construction of the provisions of the bill. It will be seen on page 3, at line 17, under the definitions, that "the word 'ship' shall include any boat or vessel and the parts thereof." I think there can be no question that a submarine commerce carrier would be a boat or a vessel.

Mr. NORRIS. I should like to ask the Senator—the chairman of the committee is not in the Chamber at present—if he knows whether there would be any objection from the committee if, without making it compulsory, an express provision were placed in the bill giving that power to the President?

Mr. SMOOT. I should like to have the Senator address that question to the chairman of the committee, because I have no authority to accept amendments.

Mr. NORRIS. The chairman is not in the Chamber now. I should like the Senator to give the matter some consideration. I expect to offer that amendment before the bill is finally disposed of.

Mr. WEEKS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. SMOOT. Just a moment. I want to say to the Senator that since he offered his amendment to the Navy appropriation bill, I believe——

Mr. NORRIS. No; it was to this bill.

Mr. SMOOT. To this bill, was it? I have thought of the question of carrying merchandise across the ocean by submarines, and I have come to the conclusion that the expense would be so great that we had better take our chances of having our regular ships sunk by a torpedo from a submarine than to undertake to try to carry across the ocean great quantities of grain and heavy merchandise in submarines.

Mr. NORRIS. Of course I know we would be greatly handicapped, but the danger of being sunk by a submarine would be almost entirely gone. We could not carry as much in a ship, that is true; but from the fact——

Mr. SMITH of Michigan. They might be sunk by our American destroyers.

Mr. NORRIS. But from the fact that for only a small part of the journey would there be any danger whatever, it seems to me, for instance, that insurance rates would go away down; and, while it would be a work of rather a desperate nature, at the same time we are in a desperate condition, with the submarines destroying the vessels floating on top of the ocean.

Mr. BRANDEGEE. But the Senator knows that the very ship to which he has alluded, the German submarine *Deutschland*, which was a commercial submarine, was captured.

Mr. NORRIS. I believe it was; yes; but the very fact that the *Deutschland* came across the ocean with the entire world knowing within an hour of the time it started, with all the sea covered with enemy vessels searching for it night and day, and that it got through, and, in fact, got through twice, as the Senator from Iowa [Mr. KENYON] says, is a remarkable proposition. Now, a submarine going across the ocean in behalf of our Government or our allies would be traveling over almost the entire distance without the possibility of an enemy ship disturbing its course; so it seems to me that if the *Deutschland*, under those circumstances, could get through, we ought to have a thousand of them going through every month.

Mr. WEEKS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. SMOOT. I do.

Mr. WEEKS. I see no reason why the amendment which the Senator from Nebraska states he is going to offer should not be accepted. Several submarines, for trade purposes, other than the *Deutschland* and the *Bremen*, have been constructed, one of 5,000 tons capacity. It has not crossed the ocean, but even larger ones are under consideration and have been under consideration; and it has been seriously proposed by European countries to build submarines of 10,000 tons capacity. Nobody knows whether they can be operated successfully or not, but the experiment is worth trying, and I see no reason why the amendment should not be inserted in the bill, because it may be a coming way of handling such questions in time of war.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. Yes.

Mr. KENYON. I should like to ask the Senator from Massachusetts a question along the line of the suggestion of the Senator from Connecticut. What is the need of any such amendment, in view of the fact that on page 3 of the bill it is stated that "the word 'ship' shall include any boat or vessel and the parts thereof," and a boat is any kind of a water craft?

Mr. WEEKS. I came into the Chamber while this discussion was under way. I do not know that there is any need of it, but I understood the Senator from Nebraska to say that there might be some doubt about his authority.

Mr. NORRIS. I think there is some doubt.

Mr. WEEKS. And, therefore, I understood he wanted to have it cleared up.

Mr. SMOOT. I think there is doubt.

Mr. KENYON. I do not see what kind of a doubt there can be, when a boat is any kind of a water craft, and the word "ship" under the terms of the bill includes any boat or vessel.

Mr. NORRIS. If the Senator from Utah will yield again for just a moment——

Mr. SMOOT. Yes.

Mr. NORRIS. It seems to me that even though the Senator from Iowa and the Senator from Connecticut have no doubt, the fact that such a provision was specifically put in the bill would call it to the attention of the President and the other officers of the Government who had to do with the matter, and they would be more apt to give it consideration than they would if it were not included and would have to be put in by some construction of the language that is already there.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. I yield.

Mr. KENYON. Would it not be a good plan, then, to set aside a certain amount for the construction of that kind of vessel, if the desire is simply to emphasize it?

Mr. BRANDEGEE. Mr. President, in line with the suggestion of the Senator from Iowa, if I may have the attention of the Senator from Massachusetts for a minute, he knows a good deal more about these things than most of us do. Can he inform me whether commercial subsea cargo carriers of, say, 4,000 tons could be built at present in this country in any numbers? As I understand, there are only two companies in this country that build any kind of a subsea vessel for war purposes, known as the submarine. Those companies are the Lake Co. and the Electric Boat Co., and their inventions are controlled by patents. Would it be possible within a year, say, for the United States to build 10 commercial vessels of 4,000 tons each which would be submarines?

Mr. WEEKS. Mr. President, the commercial shipyards build these submarines. The Electric Boat Co. does not build them. The Electric Boat Co. gets the contract and then the building is actually done by some of our shipyards, so there is no reason why they should not build any number, provided they have the power to do it by legislation, and the right to use the patents, which I suppose would be granted.

Mr. BRANDEGEE. The Electric Boat Co. or its subsidiaries build the engines of the submarines, however.

Mr. WEEKS. Yes; I think so.

Mr. SMOOT. That is what they do.

Mr. BRANDEGEE. Before the Senator from Utah takes up the line of his argument again will he be kind enough to indicate the words he would like to have inserted, so that I can see the force of them?

Mr. SMOOT. On page 2, line 22, after the word "requisitioning," I propose to insert the words "from any individual, association, partnership, or corporation."

Mr. BRANDEGEE. What does the Senator intend to accomplish by the insertion of those words?

Mr. SMOOT. My intention is to allow this appropriation of $250,000,000 to be used in the purchasing or requisitioning of any ship in the United States belonging to an individual, association, partnership, or corporation.

Mr. SMITH of Michigan. In process of construction.

Mr. SMOOT. In process of construction; but it will prevent the purchasing or requisitioning of ships on our ways under contract to a foreign Government.

Mr. BRANDEGEE. I do not think it would, unless other parts of the bill were changed also.

Mr. SMOOT. We will come to that later on. We will get this amendment first—that is, if the Senate agrees to it.

Mr. GALLINGER. If we can.

Mr. SMOOT. Yes.

When I was interrupted, Mr. President, I was referring to the fact that Mr. Denman desired the taking over of these English ships in order that we may have them at the close of the war to enter into our export trade. I read from page 122 of the hearings.

Mr. McCUMBER. Mr. President, right there, as the Senator is suggesting as a reason that we should have these ships at

the end of the war, is he not going upon the assumption that those ships will still be in existence; and does he recognize the fact that that number of ships are being sunk every month in this war?

Mr. SMOOT. I recognize the fact that perhaps half of them will be torpedoed and destroyed before the war is over, and in that case there would be 500,000 tons instead of 1,000,000 tons that we would take over from Great Britain, if they were all taken over. This is what Mr. Denman said upon the question of the desire that the ships should be owned by the Government at the close of the war:

> Now, the Government has the ships at the end of the war, or the survivors, will have that much advantage in the trade. The British would like to have that, and so would we. But we must remember that when we come to the end of the war it will be not with the millions of tons we have now, and not with the stimulation that Gen. Goethals will give us, but it will be with what the submarine leaves us, and it is probable we will not have 2,000,000 tons at the end of the war to go out into commerce.

Mr. SMITH of Georgia. Mr. President, the Senator does not read in a loud enough tone to be heard.

Mr. SMOOT. If it were not for the conversation going on in the Chamber, I think I could be heard.

On page 129—and this was the first day of the hearing—Gen. Goethals took virtually the same position, and at that time the policy was questioned by me. I am not going to read my statement again, as I have already read it to the Senate. Then, the next day, when the draft of the bill was before us, the General testified as follows—this following a recommendation made by Mr. Denman that we take over the English ships, because of the fact that in so doing we would have the ships at our command after the close of the war, and they could be put into the foreign trade:

> Gen. GOETHALS. Senator, would you mind our doing this, taking over in the shipyards all shipping not contracted for by England or English firms——
>
> Senator SMOOT. Every pound of it.
>
> Gen. GOETHALS. And authorizing us to expend money to expedite the completion of British ships that are on the ways?
>
> Senator SMOOT. Undoubtedly.
>
> Gen. GOETHALS. All right, then. Give me that, and make my appropriation $100,000,000 and my authorization $750,000,000, and let me do that.
>
> Senator SMOOT. That is what I think you should do.

Mr. President, I do not want to repeat what I had gotten halfway through saying when I was interrupted; but from a business standpoint I can not see why we should go to work and pay $200 a ton for the ships that are already contracted for by the British Government and the construction of which this bill authorizes us to expedite, even if we have to pay for it ourselves, when the same ships when completed will enter into the same trade and for the same purpose as if we owned them ourselves.

Mr. Denman made the statement that perhaps England would take those ships and put them into some other trade. It is unthinkable, Mr. President, to even suggest such a thing. England is just as much interested in bringing this war to a close as the United States, and the United States is just as much interested in bringing it to a close as England.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Georgia?

Mr. SMOOT. I do.

Mr. SMITH of Georgia. Is not England even a little more interested in having food go to England?

Mr. SMOOT. I want to go as far as I did, but I could go further. To suggest that England, with her very life depending upon food and upon munitions of war, would take her ships out of this trade and put them into a more profitable and safer trade and ask the United States Government to build ships or take over her ships and put them in the danger zone is unthinkable.

Mr. GALLINGER. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from New Hampshire?

Mr. SMOOT. I do.

Mr. GALLINGER. If the Senator will permit me, I have neither read nor heard the testimony recited. Did Gen. Goethals specifically say that there were a million tons?

Mr. SMOOT. One million and twenty-four thousand tons, he said, and so did Mr. Denman. In fact, I will read his testimony.

Mr. GALLINGER. I take the Senator's word without his reading. Now, $200 a ton is a fabulous amount. When we were contending here for a rehabilitation of the American merchant marine, and trying to pass the bill which the Merchant Marine Commission prepared, we could have gotten ships at $45 a ton. One million tons, at $200 a ton, would be $200,000,000.

Mr. SMOOT. Two hundred million dollars.

Mr. SMITH of Maryland. Mr. President, $200 a ton is in excess of what is the fact in regard to the cost to-day. I understood the Senator to say $183 a ton.

Mr. SMOOT. I stated that Gen. Goethals testified that he could make contracts for the building of steel ships at $153 a ton for the Government of the United States.

Mr. SMITH of Maryland. Yes. These ships costing $200 a ton now are being built for the British, are they not?

Mr. SMOOT. The British contracts to-day run from $170 up to $200 a ton.

Mr. SMITH of Maryland. That may be, but the Senator is putting them all at $200 a ton. The fact is that they are not costing that; and when you come to take the freights I think you will find that the freights to-day—and the present freights are likely to continue—will be equal to, if not greater than, the cost of the ships. I am referring to the advance in the freights and the amounts received for freights. In other words, as a business proposition, a man can build a ship at the present price and get the present freights and make more money than he could at the old cost of building ships and at the old freights.

Mr. SMOOT. Nobody has ever doubted that.

Mr. SMITH of Maryland. But the Senator was speaking just as a business proposition. I think, as a business proposition, that ships built at the present price can make more money at the present freights than they could at the old cost of building and the old freights.

Mr. SHAFROTH and Mr. GALLINGER addressed the Chair.

Mr. SMOOT. Just a moment.

Mr. GALLINGER. I want to ask the Senator a question in that same connection. Does the Senator know what the tonnage of these ships is to be?

Mr. SMOOT. Each ship?

Mr. GALLINGER. Yes; or the average ship.

Mr. SMOOT. The wooden ships are to be of 5,000 tons and the steel ships are to be from 5,000 to 11,000 tons. I will say to the Senator that Gen. Goethals stated that it was safer to have a large ship, say, 15,000 tons, for the reason that such a ship could be built in compartments, and if a submarine torpedoed it, if the compartment doors were closed the boat would not sink, and therefore he thought it was safer in the end to have some larger vessel.

Mr. GALLINGER. That looks like a good business proposition. I will ask the Senator if some of these ships contracted for by the Cunard Co. are wooden ships?

Mr. SMOOT. No; none of them. They are all steel ships.

Mr. GALLINGER. So that if the average is 8,000 tons there would be 125 ships?

Mr. SMOOT. I will say to the Senator that there are 169 ships.

Mr. GALLINGER. Then they do not average 8,000 tons apiece?

Mr. SMOOT. No; they do not.

Mr. SHAFROTH. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Colorado?

Mr. SMOOT. I do.

Mr. SHAFROTH. Let me suggest to the Senator from Utah that when the Senator from Maryland says these ships will make profits he is mistaken. It is not going to be done. We are going to take over these ships. We are not going to let private individuals or corporations operate them. We are going to oprate them. We are going to make a reasonable rate. If, as a matter of fact, they are operated under charter, there will be a specific requirement that the rate shall not be more than a certain amount, and you can not make a profit on any $200-a-ton ships in competition in the merchant-marine service when they can be built at $50 or $60 a ton.

Mr. SMOOT. The proposition of the Senator is this: That I could go to work and buy sugar to-day and stock up on it and pay $10 a hundred pounds for it, according to the conditions existing to-day, and I could make more profit on it than I could in ordinary times when I paid $5 a hundred pounds for sugar. Of course I could; but does the Senator think that I would go to work and buy enough sugar at $10 to last me beyond the period when I knew that sugar would be $5? Why, I would lose that amount of money, and anyone knows it who can see a business proposition.

Mr. SMITH of Georgia. Mr. President——

Mr. SMOOT. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. But did not the Senator also state that we can build them ourselves at $153 a ton?

Mr. SMOOT. Certainly.

Mr. SMITH of Georgia. The same vessel as to which it is proposed that we shall pay $200 for somebody else's contract?

Mr. SMOOT. And ships that will be better adapted to our trade.

Mr. MARTIN (from his seat). The Senator is not accurate about that.

Mr. SMOOT. The Senator from Virginia says I am not accurate. I am going to see whether I am accurate or not. I do not want the Senator from Virginia to take any word of mine, nor do I want the Senator from Georgia to take my word.

Mr. MARTIN. Mr. President, I do not think there is any use in the Senator consuming any time about that. I simply meant to say that there was no statement that all of these English ships cost $200 a ton. They cost varying prices, but there was no testimony before the committee to the effect that they cost $200 a ton.

Mr. SMOOT. The testimony before the committee was that they cost from $170 to $200 a ton.

Mr. MARTIN. Well, that is not all $200 a ton.

Mr. SMOOT. That is exactly what I said.

Mr. MARTIN. The Senator said $200 a ton. There was no statement before the committee that they cost $200 a ton.

Mr. SMOOT. I said that they cost $200 a ton in this way—and I will prove it by Gen. Goethals: He said that if the authority were given to him and the extra force of men not on the eight-hour-day plan, but a forced construction to expedite them, they would cost $200 a ton. The construction of these ships requires money.

Mr. SMITH of Maryland. Mr. President, if the Senator will pardon me——

Mr. SMOOT. Just a moment, until I get through with my statement, and then I will yield to the Senator. I read from the hearing before the committee:

The CHAIRMAN. These figures do not contemplate anything for taking over the 2,000,000 tons of construction?

Gen. GOETHALS. No, sir; that is new construction; and I also want to take over the yards and push forward some of the ships to completion and lay down new ships in those yards. Now, if there are 1,600,000 tons under construction now and I want to take over 1,000,000 tons of that at $180 a ton, I want $180,000,000 for that.

Senator SMOOT. But there is a question there. As long as the English contracts for 1,024,000 tons are in existence, why not let England keep that tonnage, for they want to carry on the same identical business that we want to carry on if we own those same boats? In other words, why not let England take her chances of having one-half of that million tons sunk instead of us? I know what Mr. Denman said here to-day, that of course the war will come to a close, and whatever is then left of this 1,000,000 tons, if we took it over now, we would have then to put it in our trade.

Gen. GOETHALS. I feel very much that way, because I want a merchant marine among other things.

That was the average price, he said at the time, in taking over the million tons, including the 600,000 tons that were under contract by Norway and individual firms in the United States, and leaving 400,000 tons that were being contracted for by England, making the million tons for $180,000,000, but this does not take into consideration the extra cost for forced construction.

Mr. MARTIN. That is $180 a ton.

Mr. SMOOT. One hundred and eighty dollars without cost for forced construction.

Mr. President, I know it will be stated that Gen. Goethals has asked that he be given the power to take over the English ships under construction. I know he said that perhaps he would not take over certain of the ships that were nearing completion, but he wanted the power to take over all the ships, so that he could get them off the ways. We give the power to do that, but I do believe that after giving the power England ought to take her own ships and pay for her own contracts, and run and manage her own ships that are under contract at the present high prices, and let us make contracts at not to exceed $153 a ton and build the program mapped out for the 3,000,000 tons within 18 months. If that is done no one will be hurt, and the shipping interests of this country and our allies will be sustained. There will not be one ton more nor one ton less to be used by ourselves and our allies.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Georgia?

Mr. SMOOT. Certainly.

Mr. SMITH of Georgia. Was not the suggestion made that the construction could be speeded up by Gen. Goethals taking over the work?

Mr. SMOOT. Yes; and that is why we give the authority on page 7. The speeding up will be pushed even if the English ships are not taken over by us. In other words, instead of requisitioning these ships we give Gen. Goethals the authority to compel the expediting of their construction.

Mr. HARDWICK. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the junior Senator from Georgia?

Mr. SMOOT. Certainly.

Mr. HARDWICK. We give him power to expend the money but the power of Congress to commandeer men and materials is not given in connection with the British ships.

Mr. SMOOT. The power is given to commandeer any factory or contract.

Mr. HARDWICK. I know, but not to expedite construction.

Mr. SMOOT. If we commandeer them we can do anything we please. There is not a factory in the United States now——

Mr. HARDWICK. That is the very point in this controversy. I think the Senator is wrong about that.

Mr. SMOOT. Let us see:

All ships constructed, purchased, or requisitioned under authority herein, or heretofore or hereafter acquired by the United States, shall be managed, operated, and disposed of as the President may direct.

That is the power after they have been purchased or they have been requisitioned. Let us see what the power is that is conferred upon the President.

Mr. HARDWICK. On page 7.

Mr. SMOOT. No; let us begin with page 4:

The President is hereby authorized and empowered, in addition to all other existing provisions of law—

(a) Within the limits of the amounts herein authorized, to place an order with any person for such ships or material as the necessities of the Government, to be determined by the President, may require and which are of the nature, kind, and quantity usually produced or capable of being produced by such person. Compliance with all such orders shall be obligatory on any person to whom such order is given, and such order shall take precedence over all other orders and contracts except those intended to supply the Army and Navy of the United States placed with such person. If any person owning, leasing, or operating any factory equipped for the building or production of ships or material shall refuse or fail to give to the United States such preference in the execution of such order, or shall refuse to build, supply, furnish, or manufacture the kind, quantities or qualities of the ships or material so ordered, at such reasonable price as shall be determined by the President, the President may take immediate possession of any factory of such person, or any part thereof without taking possession of the entire factory, and may use the same at such times and in such manner as he may consider necessary or expedient.

(b) Within the limits of the amounts hereby authorized, to modify, cancel, or requisition any existing contract for the building, production, or purchase of ships or material; and if any contractor shall refuse or fail to comply with the contract as so modified or requisitioned, the President may take immediate possession of any factory of such contractor or any part thereof without taking possession of the entire factory, and may use the same for such time and in such manner as he may consider necessary or expedient.

(c) To require the owner or occupier of any factory in which ships or materials are built or produced to place at the disposal of the United States the whole or any part of the output of such factory and, within the limits of the amounts hereby authorized, to deliver such output or part thereof in such quantities and at such times as may be specified in the order, at such reasonable prices as shall be determined by the President.

Mr. President, there is no need for my going any further in the reading of the bill.

Mr. HARDWICK. Will the Senator allow me?

Mr. SMOOT. Certainly.

Mr. HARDWICK. I am going to argue this question at length in answer to the Senator, but I want to give the Senator the contention I am going to make. I contend—and I get it from the language of this bill—that no one of those powers can be used on the ships of the British. On the contrary, I say that the language on page 7, with relation to the expedition of the British ships, just says he can spend the money.

Mr. SMOOT. Even if that were the case there is no question but that every shipbuilder in the United States, if Gen. Goethals would go to them and say, "We will pay you for the extra expense in hastening the construction of these ships," would do it, particularly if those shipbuilding concerns are working only eight hours a day. But my information is that they are working more than eight hours a day, and if the question of one shift applies to the contract that was given to Great Britain, Great Britain could not force them to work more than one shift a day. That was for the protection of the shipbuilders. They did not know what trouble they might have with labor or whether they could secure men sufficient to put their plants upon two shifts or three shifts.

There is not a shipbuilding concern in the United States but what if they had orders to keep their plants running 24 hours a day, and they could secure men, would gladly do it. Why? Because it is to their advantage to do it. The general overhead expenses, if running eight hours, or 24 hours per day, are the same, the taxes are the same, and those items alone are a fair profit within themselves. The greater the production of any factory or any mill the less the goods can be made for, and the greater the profit upon a contract at a given price.

So, Mr. President, I am in hopes that the amendment I have offered will be adopted, because I feel positive that it will not make one day's difference in the completion of the 1,024,000 tons of ships that are contracted for by the British Government. England will own the ships, England will pay the exorbitant

price, and it will allow us to contract for additional ships at not to exceed $153 a ton. We will have them built just as quickly as if we ourselves took over the contract from England.

Mr. BRANDEGEE. I did not quite understand the statement the Senator made. Under the provision of the bill, as I understand it, the President has the right to modify any existing contract with the shipyards, and he has the right also to commandeer the yard if they do not furnish proper terms. Under that, even if the British contract did provide that the vessel should be constructed upon an eight-hour day, the President could modify the contract and say, "You must run three shifts." In that case, we certainly would get the British ships a good deal quicker than we would get them if the British contract were allowed to creep along to completion according to the contract.

Mr. SMOOT. It is the intention of Gen. Goethals to force the building of ships.

Mr. BRANDEGEE. I understood the Senator to say that we would not get them a day quicker under the terms of the bill than we would if his amendment was adopted.

Mr. SMOOT. No; I said we would not get them a day quicker if we took them over than we would if we allowed the contracts of England to be executed under the bill, which authorizes the speeding up of construction.

Mr. BRANDEGEE. Why not? If we take them over and put three shifts of men on them, why would we not get them more quickly than we would if it was limited to one shift?

Mr. SMOOT. Under the bill authorization is given to require three shifts, even if title remains in England.

Mr. BRANDEGEE. But when you contract with them the shipyard contractor says it is a part of his contract that he will put but one shift on, and he can not be required to put more.

Mr. SMOOT. That is not the case.

Mr. BRANDEGEE. Has it been modified since then?

Mr. SMOOT. Authorization is given to expedite the finishing of the ships even though England is to retain the ownership. We may have to pay the cost, but it will not amount to very much per ton.

Mr. BRANDEGEE. Then I would see little difference between paying this extra bounty to expedite the building of ships or continuing them at the British contract price.

Mr. SMOOT. There is all the difference in the world. To expedite them would not cost over $10 a ton, and at the end of the war instead of being $180 at the very least, if they are expedited, or $200 a ton, they can be built then for $50 or $60 a ton.

Mr. UNDERWOOD. If the Senator will allow me just to make a statement about expediting ships right now, I do not know of any statement in the record which shows that these ships will cost $200 a ton except the single statement where Gen. Goethals said to expedite the ships might make them cost $200 a ton. The ships on the ways, as he said, would cost about $150 or $153 a ton. The difference in expediting these ships, then, would be nearly $50 a ton. We would have to pay for expediting the British ships if we did not take them.

Mr. GALLINGER. If the Senator will permit me, has not the Cunard Co. made a contract at a higher amount than $150?

Mr. UNDERWOOD. I do not know.

Mr. SMOOT. At $170 to $200.

Mr. GALLINGER. I think they have. So the difference would not be so great as the Senator suggests.

Mr. UNDERWOOD. It may be $25, but we would pay it for the benefit of the British Government instead of the benefit of our Government.

Mr. GALLINGER. We certainly would.

Mr. HARDWICK. Mr. President, with a great deal of the argument made by the Senator from Utah I am in sympathy. I do not believe that as an ordinary business or commercial proposition it is sound, common, practical sense to be building a merchant marine during these times at a cost of from $170 to $200 a ton, subject to all the perils of the seas in these dangerous times. So I do not for one minute resist most of the argument made by the Senator from Utah.

However, it seems to me, Mr. President, that Lloyd George was right when he said that the fate of this war is bound up in the shipping question; that the way to win the war is to build ships, ships, ships, and then ships. If we are to win the war, if our allies are to win it, we must do all in our power to get the largest amount of shipping at the earliest practicable moment. Any pennywise policy now may prove to be pound foolish when the sum total is made up.

Now, what is the situation? The British Government, or, speaking more correctly, the Cunard Co., controlled, I think, and largely owned by the British Government, has something like a million tons of shipping under construction in this country. The contracts range in price from $170 to $200 per ton, as stated by the Senator from Utah. I believe somewhere in the testimony it will be found, if it is carefully examined, that Gen. Goethals stated his judgment was that it was about $173 a ton on an average.

Mr. SMOOT. One hundred and eighty-three dollars.

Mr. HARDWICK. My recollection is $173; but the Senator may be right. These contracts are made on the basis of eight hours a day labor. Some of them are not to be completed in 18 months, and yet they have filled up our shipyards, and these ships or the beginnings of them fill our ways.

The Senator from Utah says that every power conferred upon the President of the United States to commandeer labor and material and factories in behalf of American ships, ships to be built and owned and operated during the period of this war, can also be used by him for the construction of these British ships, if I understand his contention correctly. The Senator is in error in that, I think. He read the powers, a, b, c, d, and e, of the pending bill, different ways and different methods and powers by which the President of the United States can commandeer practically every resource of this great country to construct American ships, but when it comes to these foreign ships the situation is very different.

On page 7 of the bill you will find that—

> The President may, in the execution of the powers hereby granted, in lieu of requisitioning ships now under construction in the United States for any citizen of the United States, or for the Government of any nation at war with Germany, or for any citizen of such nation so at war with Germany, expend the funds hereby authorized for such purpose in expediting the construction of such ships.

In other words, if these ships were our ships, built by us, in the process of construction by us, under the law we propose here the President of the United States can practically commandeer every material resource of the country to expedite their speedy construction and completion; but we can not do that for a British ship. We can not confer these great powers for that purpose. When it came to giving the power to expedite these British contracts the only thing the committee felt they could recommend was that the President of the United States could spend money to do that, and make such agreements as he could with foreign governments as he thought wise, for the repayment of that money——

Mr. STONE. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Missouri?

Mr. HARDWICK. I yield.

Mr. STONE. Why could not the foreign government pay the money, as well as our Government, to expedite the construction?

Mr. HARDWICK. It can and it ought to, and it is the intention of this section that it shall. It was merely intended, as we amended it in the committee, to expend these funds to expedite the construction of these vesels, "under such arrangements and such agreements for repayment as he"—the President—"may deem wise and proper."

We did not think and we do not believe the Senate will think or Congress will think that we ought to take this tremendous power to commandeer men and material and factories and put it at the disposal of any foreign government or any subject or citizen of a foreign government. We were willing to confer it for the construction of American ships, but not for the construction of British ships, whether owned by the British Government or by a British corporation.

If it becomes important to speed this construction in a way that mere money alone can not speed it, if it becomes important to commandeer labor and material and factories and to apply the most complete and arbitrary powers, if need be, to speed the construction of these ships, we can do it, and we ought to do it if they are American ships; but we can not do it and ought not to do it if they are British ships. If it becomes important to have the British ships at once, why, we had better take them over, even if we lose a few dollars a ton, if we can secure them quicker by doing it. That is the only reason I see for leaving this power in this bill. I agree with the Senator from Utah [Mr. SMOOT], entirely, heartily, and completely, that under ordinary conditions we ought not to do it; that it would be poor policy to acquire a merchant marine for use at present prices, that may or may not be in existence after this war is over; but if it is necessary in order to carry this war to a successful conclusion, then these British ships ought to be commandeered without much regard to the difference in cost.

That is the reason which induced me, after considerable reflection, to side with the majority of the subcommittee in this matter and to agree to report this bill with this power in it. I believe it is right. I do not think they ought to use it, except

in those cases where it is impossible by the mere use of money alone to so speed up British construction as to meet the demands and the requirements and the necessities of the hour. If there are such cases where money alone will not accomplish it, then we ought to take them over, no matter what government owns the contracts or what firms or corporations are interested in them.

Mr. CALDER. Mr. President——

Mr. HARDWICK. I yield to the Senator from New York.

Mr. CALDER. For the information of the Senator from Georgia, I would say that I know of at least one shipyard which is manufacturing British ships and working its men 12 hours a day—an eight-hour workday, and four additional hours, for which the men are receiving double pay.

Mr. HARDWICK. Yes; and I am going to say to the Senator from New York frankly, and also to the Senator from Utah, that I believe in most cases it can be done in that way. It is hard for me to see many cases where mere money alone will not do it; but I can see how it might be possible in a moment of grave national peril that money alone could not do it. Then, I think, the last atom of governmental power ought to be behind the administration and Government to accomplish it, for, as Lloyd George said, "The secret of success in this war is ships, ships, and more ships," and if we can get enough ships, and get them quickly, I believe we shall have solved the problem and shall win the war. For that reason I think we had better leave this power as it is. I do not think the President will abuse it. It does not seem to me like anybody with one ounce of sense could insist on taking over these British ships as a mere commercial proposition. We do not intend for them to do that; I do not think they intend to do it. Certainly if anybody does so intend to do it, employing the service of this Government, they ought not to be permitted to do it, and I have no idea that President Wilson would permit it; he certainly ought not to do so. Still it will be safer to give him this power to be used only if the necessities of the war shall require is use.

Mr. UNDERWOOD. I shall detain the Senate but for a moment. I think this is the most important amendment which has been offered to the bill, and the most far reaching.

On the question of our taking over these foreign ships I desire to say that we may have to take them over at an increased cost; but if we do take them over it will be because we need them. They will be put into the carrying trade to carry munitions, to carry provisions, to carry foodstuffs, and the cargoes will be insured.

The insurance is going to be paid and taken out whether they fly the British flag or the American flag, and the insurance is going to be paid at the same rate. In the end, if one of these ships goes down, it is not going to be paid for by the United States or the British Government, but it is going to be paid for by the insurance company which has insured it. That insurance company will be recouped for its losses out of the tremendous freight receipts which these vessels are getting to-day.

As everybody knows, the private owners of ships to-day are not anxious to sell their ships, notwithstanding the danger of submarine warfare. In fact, we have to put provisions into this bill conferring the right to commandeer in order that we may be sure of getting the ships. Why do the owners not want to sell them to the Government? It is because there is tremendous profit in these ships. It was stated before the committee that a ship will go to a dock and make its own selection of the highest-priced freight that it can carry and then will put on that freight as a freight charge "everything that the traffic will bear." That is the reason that individuals do not want the Government to take over these ships. Therefore, if we put them in the trade, we are not going to take any risks. If they are not sunk, of course this traffic will pay for them, and the insurance companies will pay for them if they are sunk. If they survive the war, our use of them is going to pay for these ships a good many times over, because some of these ships are paying for themselves on one voyage. Therefore, if they survive the war, instead of having a high-priced ship we will have a ship that has either entirely or largely paid for itself by its carrying capacity during the term of the war.

Mr. STONE. I do not quite understand the Senator from Alabama saying that the ship owned by the Government will pay for itself in a single voyage or in several voyages.

Mr. UNDERWOOD. I mean by that that if the Government, as it will do with a large number of these ships, hires them out to private persons to run them and makes the private persons take the risk, makes the private persons pay the contract in that way, it will pay for them. On the other hand, if the Government itself does not have the ship to use, it has got to pay the customary high price to carry the cargo. So it does not make any difference which end of the equation you take, the result is the same.

Mr. SHAFROTH. Will the Senator from Alabama yield to me?

Mr. UNDERWOOD. I will.

Mr. SHAFROTH. If the Government is to charter a ship and an individual is going to run it, the individual and not the Government is going to make the profit. Is not that true?

Mr. UNDERWOOD. I take it if the Government charters the ship it is going to charter it at existing rates and it will make the usual profit.

Mr. SHAFROTH. But does the Senator believe that, if the Government charters the ship, it will not put a limitation upon the freight rates which can be charged by it in order to furnish food to our allies at a cheap price, and ought it not to do so?

Mr. UNDERWOOD. I think there will be an effort on the part of the Government to reduce the existing shipping rates; but even then those rates will be high. If we are going to reduce existing shipping rates there is all the more reason that we should have these ships at this time if they are needed.

Mr. SHAFROTH. But from the standpoint of profit you could not figure a profit out of it for the Government under those circumstances.

Mr. UNDERWOOD. I take it that the Government is not going to recharter these ships without making some profit, and a profit commensurate with the risk that the ship is taking. Of course there would not be any business sense in doing otherwise. But that is not the real problem involved in this controversy. We are trying to get rid of contracts that fill the ways of our shipyards so that we can accomplish a result. If we rely solely on section 7 of this bill, the Senator from Utah is right; we can expedite the building of these ships, but we have got to pay the price for it whether the other Government wants to pay it or not. It probably will pay it back, but it might not. If it did, there would be no loss; if it did not, we want the ways cleared, and it would be our loss. Why should we shackle the hands of this Government at this time in the effort to clear the ways of this shipping? Can not the Senate assume that the men who are going to have charge of this work are not going to take over a British ship if it is not to the interest of this Government to do so, and that they are going to take over or commandeer British ships when it is to the interest of the Government to do so?

Mr. SMOOT. Will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Utah?

Mr. UNDERWOOD. Yes.

Mr. SMOOT. Does the Senator really believe that if the President of the United States should ask England to expedite the building of these ships England would not do it?

Mr. UNDERWOOD. Well, I have no doubt of England's doing it; but there are private contracts which exist between the shipbuilding companies of this country and the Cunard Steamship Line. When Gen. Goethals tells us that it is of the utmost importance that he be given this power, I do not think he wants the power simply for the purpose of trying to coerce the British Government when he says that the British Government is prepared and ready to cooperate with him in this respect.

There is something else behind it, and there is something else behind the fact that we have to fight here to get the power to commandeer these ships. I do not refer to the Senator from Utah, of course.

Mr. SMOOT. The Senator knows that I have stated time and again that I am perfectly willing to give the necessary power. My amendment does not apply to individuals, associations, corporations, or partnerships.

Mr. UNDERWOOD. Certainly. I am not referring to the Senator at all; but if the contract has been made with the Cunard Ship Co., which is a corporation, the Senator's amendment would not mean anything, because the contract is with a British corporation and not with the British Government. That is recognized by everybody. Of course, I know and the Senator knows that the British Government is the owner of the Cunard company now.

Mr. SMOOT. Certainly.

Mr. UNDERWOOD. But on its face it would not mean anything. Then, if it does not mean anything, why put it in here? But if behind its face it means something, then if we adopt this amendment we are shackling the hands of the executive officers unnecessarily. The only issue involved, as I see it, the only argument the Senator from Utah has made as to why we should not do this, is that at the end of the war we will find on our hands some high-priced ships. Well, I do not think that is

a reason why we should not do it. I do not think we can stop to count the cost of the ships after the war is over. What we want is the ships to-day.

But there is another argument in favor of the committee proposal. As I said awhile ago, these ships in all probability, if they survive the war, will have earned more than their cost of construction by the time the war is over.

I would not be insistent on the proposition, if I did not feel that when the men in charge of this work, men like Gen. Goethals, come before the committee and say it is of the utmost importance that——

Mr. SMOOT. He changed his opinion.

Mr. UNDERWOOD. Yes; he changed his opinion; that is true; but he came back to ask us not to change the provision, and said that it was of the utmost importance that this language should stand and not be amended as suggested by the Senator from Utah. I think it would be a very unfortunate thing if the Senate to-night should change this language under those circumstances.

Mr. SHAFROTH. Mr. President, I am in hearty accord with the other members of the Committee on Appropriations as to all of this bill except the item to which reference has been made; and in that respect I am heartily in favor of the amendment offered by the Senator from Utah. It seems to me to be rather strange, when we have testimony to the effect that we can build new steel ships for $153 a ton, that it is proposed to take over ships at a cost of from $170 to $200 a ton, together with the additional cost of a certain amount, probably $10 a ton, for expediting their completion. I know that we would not do that in our own private affairs; we would not think of doing it in a business matter; and I can not see why we should spend the money of the Government in any other way than we would if we were spending it on our own account.

Mr. President, it has been said here that it is necessary to get these ships quickly. Why, we have given authority in this bill to expedite their construction and to pay the money for so expediting them. That would be much cheaper and better than to buy all the ships and own the title to them. It would require a comparatively small amount to expedite their construction, which the Senator from Utah has estimated at about $10 a ton.

Mr. President, I have been in favor of authorizing a large loan and of appropriating without stint the large amount of money that we are expending; but I do not believe in mixing up our affairs in relation to individual ships with any Government. If we extend a favor particularly to one of the allied Governments, there will be a desire upon the part of the others to have a similar favor extended to them. We do not want rivalries among our allies; we do not want to hear stated that we have done more for one than we have for the others. It seems to me that when we are taking this action on behalf of one Government and attempting to grant a special favor, as it might be termed, to one, it is not in the interest of harmony among the allies.

It is said by some that these ships will be remunerative; that they will enjoy a large trade at high rates, and that a ship will pay for itself in three trips, and in one instance it was said that it might even pay for itself in a single trip. That can not be the case when owned by our Government. The Government of the United States, if it takes over these ships and charters them, is evidently going to have a clause in the charter contract that there shall be charged no greater freight rate than a certain amount, and that rate is going to be a reasonable one. If we do not do that, we will be piling up on our allies the price of wheat, and the Congress of the United States will never stand for that. We want these ships for the purpose of getting foodstuffs over there at as low a price as possible, and if we operate these ships ourselves, as we have the power to do, we are going to charge a reasonable rate. We are not going to charge a rate that will pay for the ship in three trips or one trip, and if we charter them we are going to put a clause in the contract providing that a greater freight rate than a certain amount shall not be charged.

Under those circumstances, what becomes of the argument that there is a profit in buying these ships at $170 to $200 a ton? We might as well look a little further and see what is going to be the ultimate result of this policy. This war is not going to last forever; these ships must go into the merchant marine, and if we take them or buy them at from $170 to $200 a ton and put them into our merchant marine, they can not compete with ships constructed by other countries at from $45 to $50 a ton, which is the price is normal times. Thus it is going to put a permanent disadvantage upon our merchant marine, or else it will be necessary to wipe off the slate the investment we make in regard to these ships. It seems to me from all standpoints, and particularly from a business standpoint, that there is but one side to this question.

Now, as to expediting the construction of ships, these ships can be expedited; yes; and it does not take any commandering to do it. Men make contracts as to working three shifts a day. I think nearly every paying mine in my State is worked under a three-shift policy. You can easily make a contract for one shift, for two shifts, or for three shifts. It is purely a question of paying a little more money, and the amount of extra money that is paid is not very great. I do not think that the men who work in the night shifts in the mines get any more than the men who work in the day shifts; it is readily done by contract. It does not take the strong arm of the Government to go down there and say that "you are compelled to do this." It is a mere matter of contract between the person that owns the ship and the contractor who is building it; and for a small amount of money I have no doubt the three-shift proposition could be proposed and accepted by all.

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Georgia?

Mr. SHAFROTH. I do.

Mr. HARDWICK. I just want to make this suggestion to the Senator: I think what he has just said is true; but still, suppose they could not get the material readily and promptly; suppose railroad facilities were lacking, and so on; suppose they could not get the material itself promptly when they needed it; could you commandeer that for a foreign ship?

Mr. SHAFROTH. I do not know as to a foreign ship, but I have not any doubt but that under the ordinary line of contracts it could be done. I do not believe that whether the ship is finished day after to-morrow or to-day is going to make such a terrible amount of difference; and there is no evidence as to the suggested tie-up, as it may be termed. These ships are being constructed now; and when it is proposed that because we want to expedite them somewhat we shall take them out of the hands of the British Government, even with their consent, at this price, it does not seem to me that it bears the impress of a business transaction.

I believe in this loan which we have made to the British Government, but I do not believe in going into an arrangement for giving them an advantage on the ship proposition which might create a jealousy with some other allied country because it did not get a similar benefit. If these ships were intended to go into the war against us, it would be a different proposition, but when they are to go into the same service of carrying food to our allies, the construction by us of a like number of new ships instead of buying the ships being constructed simply doubles the number of ships for our common cause.

For these reasons we should have this matter determined upon business principles, and business principles, it seems to me, require that the amendment offered by the Senator from Utah should be adopted, limiting this power to buy and commandeer ships to those of individuals, companies, and corporations, and not to the ships of other Governments.

Mr. MARTIN. Mr. President, I am exceedingly anxious to get a vote on this amendment before we adjourn, if it is possible, and yet I feel that I ought to say a few words. I do not think I will occupy five minutes.

The Senator from Colorado [Mr. SHAFROTH] talks about dealing with this as a business question. The great business question that is before us, Mr. President, is to maintain the honor of our country and protect the lives of our soldiers. It may cost a good deal of money to do that; but what are a few dollars as compared with the honor of the flag and the lives of the soldiers that we probably shall have to send to the line of battle in France?

A Senator remarked to me to-day, as he passed my seat, "They have commandeered my son. It seems to me they ought not to hesitate to commandeer the ships that they need." If you can commandeer the lives and the fortunes of the people of this country, do not stop at a few ships when the President, the Commander in Chief of your Army and your Navy, tells you that this provision is of vital importance. Gen. Goethals, one of the ablest and best and most patriotic men in our country, appealed to this committee, and said, "Give me this power." He said, "I want the power to take over these foreign ships that are under contract in our yards." He said, "I will not take over those that are nearly completed, but there are many ships there that will not be delivered for 18 months. I want the ways on which they are being constructed to construct more ships for the use of the American Republic." He appealed to the committee to give him those ways, and said, "It is true that we may speed them up without taking them over; but if we have got to

pay, as we will have to do, to expedite their completion, we ought to expedite their completion as American ships and not as English ships."

Mr. President, suppose there should be a scarcity of food with the armies in France, and Great Britain has these ships and takes over food by which the men will be saved from famine, do you suppose that the British authorities will distribute those foodstuffs to the American soldiers when British soldiers are crying for bread? I do not attribute to them any unworthy motive; but I say, let us meet our own responsibilities and let us prepare to feed our own soldiers, and to carry ammunition to our own soldiers, so that they, well-fed and well-clothed, may fight as American soldiers are expected to fight.

I have the profoundest conviction that there is a great responsibility on us to provide for the utmost contingencies that may happen on the line of battle in France. Our duty is to make ready for the greatest difficulties that may arise. We are not in any child's play. We are in a terrible struggle with the German and the Austrian Armies in Europe, and we ought to prepare to meet those responsibilities, and we ought to have the ships to transport the food and the munitions to take care of our Army.

I think we ought to send a division abroad as quickly as possible for the moral effect of it; I want to see the Stars and Stripes on the line of battle; but I hope it will not be necessary for us to send any large army to France. But nobody can see into the future sufficiently to say that we will not have to do it; and I say that the responsibility confronts the American Senate to-day to prepare for the worst that may happen. We may have to send a large army to France. We must prepare to convey to them food and clothes and munitions, everything that they will need, for we can not expect our allies to do those things.

I do not think it proper for me to repeat some things that have been said to me, but it can easily be reasoned out that our allies have their hands full. Great Britain has had to construct 5,000 miles of railroad in France in order to carry from the port of entry the supplies needed for her own army. We will have to provision and equip and arm and supply the army that we send over there, and the responsibility is on the American Senate to-night to make provision that will enable us to meet that responsibility.

The President of the United States said many things that I do not think I ought to repeat on the floor of the Senate; but quite a number of Senators were present besides myself, and they know that he emphasized the fact that, in his judgment, it was of the utmost importance for us to provide ships; as the Senator from Georgia said, ships, and ships, and more ships. The vital turning point in this contest is the transportation of men and supplies from this country to the line of battle in France.

I trust that the Senate will vote down the amendment that is offered by the Senator from Utah, the object of which is to take away from Gen. Goethals the discretion which the bill, as reported, gives him to take over these ships if he thinks it well to do so. He says he will not take over those that are nearly completed, but those that have a long-distant date for delivery he wants to take over, because he wants the ways. He not only wants these ships quickly constructed by expediting their construction so that we may have the use of them, but he wants to put more ships on those ways. I appeal to the Senate to give him the power that he asks, and to give him the power which the President of the United States, who is the Commander in Chief of our Army and our Navy, says is of vital importance to the successful conduct of this war on the part of the United States.

Mr. KELLOGG. Mr. President, I shall take only a moment of the Senate's time.

We are here making an appropriation of $750,000,000. We are proposing to give the President the right to commandeer the shipyards of this country and the ships being built by private individuals, and I can not see why we should hamper this program by excluding the ships contracted for by Great Britain. If we are going to make any such appropriation as that—and we are going to do it—and grant these powers, it seems to me we had better not hamper the administration with any restrictions as to what ships, of what governments, we shall take over.

Furthermore, while I appreciate very much what the Senator from Utah [Mr. SMOOT] has said—that as a business proposition it does not seem wise to purchase now, at a cost of $153 per ton, ships which perhaps may be built for very much less after the war—yet I have no assurance that as soon as the war is over we can build them for very much less, at least for a while; and, furthermore, I do not believe that the amount of our expenditure over the normal price will be an entire loss. If private individuals can now build ships that are costing $180 and $200 a ton and make money upon them, I do not know of any reason why, if we are going into the shipbuilding business, the Government can not also do it.

But beyond that I believe that the greatest opportunity this country ever has had or ever will have to build up its foreign commerce will be at the close of this war. I believed that when the war broke out—and said so many times, especially when I came home from Europe after the war broke out—that as much as we should deplore this great world catastrophe it furnished for this country an opportunity to build up a foreign commerce such as we never have had before and never will have again. With German commerce destroyed, with the commerce of other countries largely limited by lack of ships, I believe that it is of the greatest importance that when this war closes we shall have in our control, and not in the control of Great Britain or any other country, the largest number of ships we can possibly have.

Why, have we not seen within the last year England and France making an agreement in Paris that British ships and French ships should be used to further British commerce and French commerce after the war? If we are going to make any such enormous appropriation, I do not see why we should except from the ships that may be taken the British ships or any other government ships, and take simply those belonging to private individuals or corporations.

I assume, of course, that the men in control of this affair will not precipitate any trouble between this Government and the British Government or any neutral government, and that they will not take over all of these ships; but we must trust the power somewhere, and I do not see any reason why we should make an exception of foreign governments.

Mr. PHELAN. Mr. President, I do not intend to delay the Senate, but as a matter of information I am in position to communicate a fact.

I learned to-day, and have already made representations to the State Department on the subject, that on May 15 the British Government instructed its brokers not to allow the transfer of neutral ships or charter parties to any ownership but British ownership. An American firm had entered into negotiations a week ago. The terms were satisfactory. The neutral owners desired to sell. The negotiations having been delayed for an unreasonable time, the American merchant inquired by cable and learned that on May 15 the British Government had forbidden the transfer of neutral ships or charter parties to American owners. Therefore, when we discuss the matter of merchant marine, we see that these great commercial nations, even in the midst of war——

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from New Hampshire?

Mr. PHELAN. I do.

Mr. GALLINGER. Do we at this distance correctly understand the Senator to say that the British Government assumes the right to deny the neutral governments of the world the right to dispose of their ships to the United States? Is it possible?

Mr. PHELAN. I do not know that my statement was exactly in those terms, but the way it came to me—and it is tantamount to the same thing—is that the British Government had forbidden its brokers to negotiate for the sale and transfer of neutral ships to any other than British owners.

Mr. GALLINGER. That seems to be a mighty unfriendly act on the part of a government that is borrowing money from us to feed its people and fight its battles.

Mr. PHELAN. It came to me from very reliable sources, and I thought it would be interesting to the Senate.

Mr. GALLINGER. It is interesting, but it is absurd.

Mr. PHELAN. Well, I wish to make this point: We are providing money——

Mr. SMITH of Georgia. Mr. President, will the Senator state it once more? We have disagreed about what he said. I understood him to say that the British Government declined to recognize the transfer of vessels by neutral nations, or nationals of neutral nations, to any but British citizens.

Mr. PHELAN. It forbade its brokers to negotiate for the sale and transfer of neutral ships or charter parties to any other than British owners; and the American merchant whose case I have in mind therefore is denied the privilege of acquiring a neutral ship or charter parties to enlarge our merchant marine.

Now, we are supplying these foreign Governments with money. Are we supplying them with money to purchase ships necessary for the purpose or supplying their populations with food, but also with the ultimate view of maintaining their foreign commerce as against American interests?

As the Senator from Minnesota [Mr. KELLOGG] has said, this is a great oportunity for the United States, in a perfectly

friendly way, to provide for the ultimate supremacy of the merchant marine of this country by giving into the hands of the Government at this time ships which are upon the ways, and instead of providing money for foreigners to acquire these ships, I assume that that money in part will be used to put us in a position, if necessary in the judgment of the President and the Shipping Board, to acquire those ships for ourselves.

Having in view not only the exigency of the moment but ultimately the supremacy of our ships upon the seas, I think it is a matter of great importance that we should adopt the committee's recommendation, which is also the recommendation of the President.

Mr. SMITH of Georgia. Mr. President, at the opening of this discussion I was very much inclined to vote against the report of the committee, but I have determined to vote for it, and I wish in just a word to say why. It is not because I am convinced that it is a good business transaction. I do not see the profit claimed and I do not see from a business standpoint the advantage of paying the higher price for vessels contracted for by Great Britain. Nor do I see the advantage of our owning vessels rather than letting Great Britain own them. I would prefer they should be English vessels if they are to go through the war zone carrying to England food and munitions.

I do not believe that it is practical for insurance to carry the entire risk and to bring complete remuneration for the loss, because I do not think it possible, certainly not as to munitions, to transfer to the owner of the munitions the risk of the loss. If we have troops over in France, it will be our own munitions and it will be our own burden that we are transferring to ourselves.

I am not impressed with the idea that we should hurry up the construction of these English vessels and get them before we can build vessels of our own to feed our own troops in France. I am utterly opposed to sending these untrained boys of ours whom we are conscripting to France within the next 12 months. I think to take them there untrained would be criminal, and I do not believe that any man will dare try to take them there for at least 12 months. There may be volunteers who will wish to go at once. There may be men already with the Army who are trained soldiers who will be ready to go.

I do not vote for the committee report upon the theory that we need these vessels within the next month to feed our own troops in France, but I do believe that we can not commandeer shipyards or men to hasten the completion of ships for the English Government. If it is necessary to have these English vessels for immediate use I am willing to speed their completion even if the power of our Government to commandeer plants and men is used.

I want our Nation to do all that is required to aid our allies with food and munitions and upon the ocean all that can be done with ships. I think our allies ought to do the fighting, for the present at least, in France.

It is because I am glad to help them get food and get it promptly I vote if necessary to commandeer the shipyards to complete these vessels faster than England can complete them. I would vote for the United States to spend more money to furnish food and munitions to our allies, and not with the view of sending our own men over there at once and using these vessels to feed them.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah to the amendment.

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when the name of Mr. JONES of Washington was called). I was requested to announce the unavoidable absence of the Senator from Washington. Were he present, he would vote "nay."

The PRESIDING OFFICER (when Mr. ROBINSON'S name was called). I am paired with the Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the Senator from Oklahoma [Mr. OWEN] and vote "nay."

Mr. STERLING (when his name was called). I am paired with the Senator from South Carolina [Mr. SMITH] and therefore withhold my vote.

Mr. THOMAS (when his name was called). I transfer my pair with the Senator from North Dakota [Mr. MCCUMBER] to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. SMITH of Michigan (when Mr. TOWNSEND'S name was called). My colleague [Mr. TOWNSEND] is absent and is paired.

The PRESIDING OFFICER. The present occupant of the chair will state to the Senator from Michigan that he has a pair with the Senator's colleague, and he announced its transfer to the Senator from Oklahoma [Mr. OWEN].

Mr. UNDERWOOD (when his name was called). I transfer my general pair with the junior Senator from Ohio [Mr. HARDING] to the senior Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. CALDER (when Mr. WADSWORTH'S name was called). My colleague [Mr. WADSWORTH] is detained from the Chamber on important business.

The roll call was concluded.

Mr. KELLOGG (after having voted in the negative). I did not announce my pair when I voted. I was informed that the Senator from North Carolina [Mr. SIMMONS], with whom I have a general pair, would vote "nay" if present, and so I was at liberty to vote.

Mr. KENYON. I desire to announce the absence of my colleague [Mr. CUMMINS]. He is paired with the Senator from Nebraska [Mr. HITCHCOCK].

Mr. SMITH of Georgia (after having voted in the negative). The Senator from Massachusetts [Mr. LODGE] has not voted. I do not know how he would vote if present. I transfer my pair with that Senator to the junior Senator from Wisconsin [Mr. HUSTING] and let my vote stand.

Mr. GERRY. I have been requested to announce that the Senator from Mississippi [Mr. VARDAMAN] is detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Idaho [Mr. BRADY] with the Senator from Mississippi [Mr. VARDAMAN];

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Illinois [Mr. LEWIS];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Maine [Mr. HALE] with the Senator from New Hampshire [Mr. HOLLIS];

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware Mr. WOLCOTT];

The Senator from Iowa [Mr. CUMMINS] with the Senator from Nebraska [Mr. HITCHCOCK];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota Mr. JOHNSON];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Delaware [Mr. SAULSBURY] with the Senator from Rhode Island [Mr. COLT].

The result was announced—yeas 9, nays 49, as follows:

YEAS—9.

Borah	Fall	Gallinger	Smoot
Curtis	France	Shafroth	Weeks
Dillingham			

NAYS—49.

Bankhead	Kenyon	Penrose	Stone
Beckham	King	Phelan	Sutherland
Brandegee	Kirby	Pittman	Swanson
Broussard	Knox	Poindexter	Thomas
Calder	La Follette	Pomerene	Thompson
Chamberlain	McKellar	Ransdell	Trammell
Fletcher	McLean	Robinson	Underwood
Gerry	Martin	Sheppard	Walsh
Hardwick	Nelson	Sherman	Warren
James	New	Shields	Williams
Johnson, Cal.	Newlands	Smith, Ga.	
Kellogg	Norris	Smith, Md.	
Kendrick	Overman	Smith, Mich.	

NOT VOTING—38.

Ashurst	Hale	Lewis	Smith, S. C.
Brady	Harding	Lodge	Sterling
Colt	Hitchcock	McCumber	Tillman
Culberson	Hollis	Myers	Townsend
Cummins	Hughes	Owen	Vardaman
Fernald	Husting	Page	Wadsworth
Frelinghuysen	Johnson, S. Dak.	Reed	Watson
Goff	Jones, N. Mex.	Saulsbury	Wolcott
Gore	Jones, Wash.	Simmons	
Gronna	Lane	Smith, Ariz.	

So Mr. SMOOT'S amendment to the amendment was rejected.

Mr. NORRIS. On page 3, line 17, after "boat," I move to strike out the word "or" between the words "boat" and "vessel" and to insert after "vessel" the words "or submarine," so that the sentence will read:

The word "ship" shall include any boat, vessel, or submarine and the parts thereof.

Mr. MARTIN. I agree to the amendment to the amendment. I think it is a very proper one and ought to be adopted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Nebraska [Mr. NORRIS] to the amendment.

The amendment to the amendment was agreed to.

Mr. WEEKS. I offer an amendment.

The PRESIDING OFFICER. It will be read.

The SECRETARY. After the word "President," in line 22, page 5, add the following proviso:

Provided, That the reasonable prices referred to in this paragraph shall not be less than cost plus 8 per cent profit.

Mr. WEEKS. Mr. President, at different places in the bill in recurring to the general subject the terms "reasonable price" and "reasonable compensation" are used. It seems to me that it would be both fair and reasonable that that should be limited to cost plus 8 per cent profit.

Mr. UNDERWOOD. Does the Senator mean less than or more than?

Mr. WEEKS. Shall not be less than cost plus 8 per cent profit.

Mr. UNDERWOOD. I do not think we ought to adopt an amendment of that kind to the bill.

Mr. THOMAS. I should like to ask the Senator from Massachusetts whether he means the cost of construction or the cost to the owner?

Mr. WEEKS. I mean the cost to the owner. In line 22, on page 6, this expression is used in the committee's bill:

Plus a reasonable profit to be determined by him.

I think a reasonable profit should mean at least cost plus 8 per cent profit.

Mr. KNOX. What about depreciation?

Mr. WEEKS. I assume all those things will be taken into consideration.

Mr. KNOX. The original cost may be specifically determined. A vessel may be 10, 12, or 20 years old and not be worth anything like its original cost.

Mr. WEEKS. The President might conclude in some cases that it would be desirable to give a great deal more than cost plus 8 per cent.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. UNDERWOOD. I do.

Mr. CALDER. I hope this amendment to the amendment will not prevail. There is a revenue bill under consideration in the other House, where they are discussing an increase of the corporation tax and where they may lower the excess profits tax. There are so many matters involved in this question that I am sure we can trust the Shipping Board or the President to fix regulations that will not give an excessive profit to the corporations that will build these ships. As they are to be built largely by corporations, it seems to me that it would be exceedingly dangerous to adopt the amendment to the amendment, in view of the facts pertaining to the case.

Mr. UNDERWOOD. Mr. President, I think the amendment ought not to be agreed to for this reason: The Senator from Massachusetts seeks to fix a minimum price that we shall pay for these ships when we take them over, to wit, the cost and 8 per cent profit. That may or may not be a reasonable price. As the Senator from Pennsylvania [Mr. KNOX] suggested a moment ago, it leaves out of the equation entirely the question of depreciation. It may leave out of the equation a great many other things that should be considered.

The committee's bill is perfectly fair as it is written. It provides that any ship that is commandeered or any shipyard or anything else that is commandeered shall be paid for at a reasonable price to be agreed on between the President or those acting for him and the owner. If they can agree on a reasonable price, that is the end of it; but if they can not agree on a reasonable price, what is the result? The President is to pay the owner 75 per cent of what the President thinks is a reasonable price, and then the owner can go into court and sue for whatever he wants, and the court, with all the facts before it, will ascertain what is a reasonable price and give it to him.

I do not think we ought to go beyond that equation. I think that is fair; it is just. We are doing more for the owner than we do in an ordinary lawsuit, because we are going to pay him 75 per cent of what we think is reasonable in advance, and then we leave it to the court to determine what is a reasonable price. The court will have an opportunity in each case to judge of the equation and adjust its decision to the particular case in hand.

Mr. NELSON. Will the Senator allow me?

Mr. UNDERWOOD. Certainly.

Mr. NELSON. I think the Senator is correct, except to this extent, that we must comply with the Constitution and give just compensation, to be determined by the court.

Mr. UNDERWOOD. Surely.

Mr. NELSON. They can not claim any more. We owe that which is just compensation within the language of the Constitution.

Mr. UNDERWOOD. That is what this bill provides for, and I think that is as far as we should go.

Mr. WEEKS. I wish the Senator to remember that we are commandeering property.

Mr. UNDERWOOD. Undoubtedly.

Mr. WEEKS. And there should be some reasonable profit when property is commandeered for Government purposes.

Mr. UNDERWOOD. I have no doubt the court will take the value of the ship at the time it commandeers it. Both these ships are at a profit now and whatever is the just value, even if there is profit, is added to the cost. We are not limited to the cost. One man may have made more than 8 per cent. He may have bought his ship at a time when it was very cheap, and he may have a profit of 200 per cent. Another may have bought his ship 30 days ago and may not have 8 per cent profit in it. Why should we in adopting a hard-and-fast rule of this kind say that the profit shall not be less than 8 per cent? To say that the court shall take that as an equation and nobody shall get more than 8 per cent, I think would be a very unsafe thing to do.

Mr. NELSON. Will the Senator yield for a further interruption?

Mr. UNDERWOOD. I yield.

Mr. NELSON. By taking this property we are taking property for a public use, and all that we owe the owners under the Constitution is just compensation.

Mr. UNDERWOOD. Surely, and that is what this bill provides for.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Connecticut?

Mr. UNDERWOOD. I yield the floor, unless the Senator wishes to ask a question.

Mr. BRANDEGEE. If the Senator has finished, I wish to call attention to the way the amendment suggested by the Senator from Massachusetts would read in connection with the paragraph. Paragraph (c), on page 5, refers not only to the shipyard, called in the bill the factory, but to all the materials, and under the definition contained in the bill the word "material" is defined to be all "stores, supplies, and equipment for ships, and everything required for or in connection with the construction thereof." It might be a somewhat complicated matter to determine what the rightful cost of all the supplies that are to be used on these ships during the period of the war might be, and it might well be that 8 per cent on some of the materials and equipment might be more than even the owner of them would demand in the way of profit on his investment. It might be that 5 per cent would be enough; and I should think it would be of doubtful propriety to fix an arbitrary sum that the President should not go under in the purchase.

Mr. KNOX. Mr. President, no American citizen that I have ever heard of has ever suffered where power has been given to the Government—to the President or to any other official of the Government—to take private property for public use where the right to fix the compensation has been vested in the Government; and it is not an unusual power.

The Senate will recall that when the Government of the United States granted to the telegraph companies the right to construct their lines across the public domain to the Pacific coast many years ago the power was vested in the Postmaster General to fix the rate that the Government should pay for the transmission of its messages, and I can only recall one instance where there was any complaint that the Government sought to exercise that power arbitrarily. When the concession was given to the Pacific Cable Co. to construct a line to Manila, and thence to the continent of Asia, I recall—because I drew the contract between the concessionaires and the Government—that we insisted that in that concession or privilege there should be inserted a provision that the cable rates for the Government messages should be fixed by the Postmaster General. They have been fixed from that time on, and there has never, so far as I know, been any complaint.

All the requirements of the Constitution are met, as suggested by the senior Senator from Minnesota [Mr. NELSON], when we provide for just compensation; and if the President has the power, which we propose to give him in this bill, to tender a reasonable price, and it is accepted by the owner of the ship, that is an admission and an agreement that the price which the President tenders is just compensation within the provisions of the Constitution.

I think, Mr. President, that, with the right of appeal, if the President and the owner of the ship can not agree on what is just compensation, all the provision is made that is necessary, or all that is practicable.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Massachusetts [Mr. WEEKS].

The amendment was rejected.

Mr. SHEPPARD. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Texas offers an amendment, which the Secretary will state.

The SECRETARY. It is proposed to amend, by inserting between the word "outfits" and the word "to," on page 38, line 19, the following——

Mr. SHEPPARD. Mr. President, I am informed that the committee amendments have not been disposed of.

Mr. MARTIN. The unanimous-consent agreement was that the committee amendments should first be considered.

Mr. SHEPPARD. Very well. I withdraw my amendment.

Mr. GALLINGER. Mr. President, I will ask the Senator from Virginia if he purposes trying to get this bill through tonight?

Mr. MARTIN. I am exceedingly anxious to get behind us the provision regarding the Shipping Board. I thought we were at the end of that portion of the bill, and I still think we are so near the end of it that I should like to have the Senate remain and finish it.

Mr. GALLINGER. I had intended to address the Senate at some length on that provision, but I can forego doing so and speak on some other subject, if I conclude to do so.

Mr. MARTIN. I thank the Senator, because I am exceedingly anxious to make some headway with this bill.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a telegram in the nature of a petition from Division No. 6, Ancient Order of Hibernians, of Long Island City, N. Y., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Northern Baptist Convention, in session in Cleveland, Ohio, praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented a petition of Hugh C. Irish Camp, No. 8, Sons of Veterans, of Paterson, N. J., pledging support to the President, which was referred to the Committee on Foreign Relations.

Mr. WOLCOTT presented a memorial of Peach Blossom Grange No. 3, Patrons of Husbandry, of Middletown, Del., remonstrating against the enactment of legislation to fix prices of foodstuffs unless the prices of manufactured food products be also fixed, which was referred to the Committee on Agriculture and Forestry.

Mr. PHELAN presented a petition of Local Union No. 483, United Brotherhood of Carpenters and Joiners of America, of San Francisco, Cal., praying for the raising of funds for war expenses by increased income taxes, etc., which was referred to the Committee on Finance.

Mr. JONES of Washington. I present a telegram from Mr. G. O. Guy, of Seattle, Wash., a druggist, on behalf of himself and other druggists, asking that Schedule B of the Spanish-American War stamp tax be not reenacted unless it is provided that the tax shall go on to the consumer, which I ask to have referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, that action will be taken.

Mr. JONES of Washington. I present a telegram from E. F. Benson, commissioner of agriculture and chairman of the advisory committee of the State of Washington, urging that an emergency appropriation be made for agricultural agents throughout the State. I move that the telegram be referred to the Committee on Agriculture and Forestry.

The motion was agreed to.

Mr. PHELAN presented a memorial of the Labor Council of San Francisco, Cal, remonstrating against national prohibition, which was referred to the Committee on the Judiciary.

Mr. COLT presented a memorial of the Rhode Island Federation of Women's Clubs, remonstrating against gambling in futures in foodstuffs, which was ordered to lie on the table.

He also presented petitions of the Union Baptist Church, of Providence; of Rev. William M. Morton and 78 other citizens of Providence; of Rev. J. P. Conover and 64 other citizens; of Rev. Myron E. Genter and 51 other citizens of Providence and Cranston; of Rev. Alexander Cole and 23 other citizens of Providence; of Edward O. Briggs and 42 other citizens of Newport; of Rev. William I. Ward, D. D., and 22 other citizens of Newport; of the State Street Methodist Episcopal Church, of Bristol; and of Union Grange, Patrons of Husbandry, of North Smithfield, all in the State of Rhode Island, praying for national prohibitory legislation as a war and food conservation measure, which were referred to the Committee on Agriculture and Forestry.

Mr. PAGE presented the memorial of W. H. Parker and sundry other citizens of Cambridge, Vt., remonstrating against the use of grain in the manufacture of intoxicating liquors, which was referred to the Committee on Agriculture and Forestry.

Mr. GALLINGER presented a petition of the New Hampshire Federation of Women's Clubs, praying that a 5-mile prohibition zone be established around military camps, which was referred to the Committee on Military Affairs.

He also presented a petition of the Board of Trade of Concord, N. H., praying for the use by the United States as a military camp of the State camp grounds in that city; which was referred to the Committee on Military Affairs.

Mr. HALE. I present resolutions of the United Brotherhood of Carpenters, Local Union No. 348, of Waterville, Me., which I ask to have inserted in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

UNITED BROTHERHOOD OF CARPENTERS, LOCAL 348,
Waterville, Me., May 11, 1917.

Whereas the United States is at war with Germany; and

Whereas immense war appropriations must be made immediately to supply the Government with funds necessary to carry on the war; and

Whereas it is of paramount importance in this crisis that the financial burden of the war should be distributed among the citizens of the United States in accordance with their ability to bear it; and

Whereas in the interest of national unity and a spirit of harmonious cooperation between all classes, it is necessary that every citizen should know that the cost of the war will be paid promptly, and not remain as a future burden upon those who fought and their children: Therefore be it

Resolved, That all bonds, certificates of indebtedness, and other obligations issued by the Government for war purposes shall be paid by a tax to be levied on all net incomes in excess of $2,000 (for unmarried persons) and in excess of $3,000 (for married persons), beginning at 2 per cent and increasing on a sliding scale to a point which will permit of no individual retaining an annual net income in excess of $100,000, such war tax to continue until said bonds, certificates of indebtedness, and other obligations issued for war purposes are paid; and be it further

Resolved, That all war supplies or war service, including transportation, shall be furnished to the Government at a reasonable profit, to be fixed by Congress; that Congress shall enact legislation preventing the sale of necessaries of life during the war at excessive profits; and that intentional failure to supply the Government with correct figures as to income or as to profits on such sales and service and that furnishing the Government with defective war supplies shall be a felony, punishable by imprisonment.

[SEAL.] C. P. SMITH, *President.*
M. E. HUNT, *Secretary.*

Mr. HALE presented a petition of the Rotary Club, of Portland, Me., praying for the adoption of the daylight-saving plan, which was referred to the Committee on Interstate Commerce.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHAFROTH:

A bill (S. 2315) to extend the time within which final proof is required to be submitted upon any lawful pending desert-land entry made prior to July 1, 1915, such extension not to exceed three years from the date of allowance thereof; to the Committee on Public Lands.

By Mr. JONES of Washington:

A bill (S. 2316) authorizing clerks of State and Territorial courts and courts of the District of Columbia to use franked penalty envelopes in carrying on correspondence relating to naturalization of aliens; to the Committee on Post Offices and Post Roads.

By Mr. ASHURST:

A bill (S. 2317) authorizing the issuance of trust patents for allotments made within the timbered area on the Klamath Reservation, Oreg.; to the Committee on Indian Affairs.

By Mr. SMITH of Michigan:

A bill (S. 2318) granting an increase of pension to Daniel B. Grant; to the Committee on Pensions.

By Mr. PHELAN:

A bill (S. 2319) granting a pension to James Hewitt (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 2320) for the relief of Henry N. Penfield; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 2321) granting an increase of pension to Lucy R. Hall (with accompanying papers); to the Committee on Pensions.

REGULATION OF FOOD PRODUCTS.

Mr. BANKHEAD submitted an amendment intended to be proposed by him to the bill (H. R. 4125) to provide further for the national security and defense by encouraging agriculture and regulating the marketing and distribution of foods and

other necessaries of life, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

INCREASE OF NAVY AND MARINE CORPS.

Mr. SWANSON. I submit the conference report on the bill (H. R. 3330) to increase the Navy and Marine Corps, which I desire to have printed in the RECORD.

The VICE PRESIDENT. The conference report will be received and ordered printed in the RECORD.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, and 21.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 6, 7, 8, 10, 11, 12, 14, 15, 16, 18, and 20, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: Page 2, in line 10, of the engrossed amendment, strike out the semicolon after the word "prescribe" and in lieu thereof insert the following: "to fill vacancies in the several grades as provided by existing law"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter stricken out and the new matter inserted, insert the following:

"That commencing June 1, 1917, and continuing until not later than six months after the termination of the present war, all enlisted men of the Navy of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is over $21 and does not exceed $24 per month, an increase of $12 per month; those whose base pay is over $24 and less than $45 per month, an increase of $8 per month; and those whose base pay is $45 or more per month, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: Page 7, line 9 of said engrossed amendment, after the word "that" insert the words "in time of war"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: At the end of said amendment strike out the period, insert a colon, and add the following proviso: "*Provided further*, That the President be, and he is hereby, authorized to direct the Secretary of the Navy to take such action on the records of proceedings of naval examining boards and boards of naval surgeons for the promotion of officers of the Navy as is now required by law to be taken by the President"; and the Senate agree to the same.

CLAUDE A. SWANSON,
JOHN WALTER SMITH,
H. C. LODGE,
Managers on the part of the Senate.

L. P. PADGETT,
J. FRED. C. TALBOTT,
THOMAS S. BUTLER,
Managers on the part of the House.

ARMY AND NAVY APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes.

Mr. SMITH of Georgia. Mr. President, I am constrained to offer an amendment which I have prepared, and which I had printed and called attention to several days ago, which must be connected with the pending committee amendment or it could not be submitted at all.

The PRESIDING OFFICER [Mr. ROBINSON in the chair]. The Secretary will state the amendment.

The SECRETARY. On page 7, after line 15, it is proposed to insert:

The President is hereby authorized to expend $100,000,000, out of the sums hereinbefore appropriated for ships, for the construction or acquirement of freight cars, to be used in transportation by the railroad companies of the United States; and in the execution of this authority for the acquirement and construction of said cars he may exercise all the powers hereinbefore given to him with reference to ships. The President may direct the general manager of the United States Shipping Board Emergency Fleet Corps to exercise the power hereby vested in him or he may designate such other person or persons as he sees fit to exercise said power and authority subject to his approval, and the cars shall be used by the railroad companies under such terms and for such compensation as may be approved by the President, and as far as possible under agreements providing for the purchase of such cars by the railroad companies receiving them.

Mr. MARTIN. Mr. President, I make the point of order that the amendment is in violation of the unanimous-consent agreement, which provided that committee amendments should be first considered and disposed of.

Mr. SMITH of Georgia. But, Mr. President, this is an amendment to a committee amendment.

Mr. MARTIN. If the Senator can work out that in his mind, he has a bigger mind than I have taken him to have.

Mr. SMITH of Georgia. It is the only way in which it can be presented.

Mr. MARTIN. That may be true——

Mr. SMITH of Georgia. The committee amendment deals with the subject of transportation. When the Senator is through, I will continue——

Mr. MARTIN. The Senator, of course, can occupy as much time as he pleases. I am not interfering with that.

Mr. SMITH of Georgia. The committee amendment deals with the problem of transportation.

Mr. MARTIN. If the Senator will excuse me, I have raised a point of order against this amendment, and that question is not debatable.

Mr. SMITH of Georgia. I am calling the attention of the Chair to the situation so far as this amendment is concerned.

The PRESIDING OFFICER. The Chair is hearing the Senator from Georgia.

Mr. MARTIN. Still the point of order is not debatable. That is the rule of the Senate, and I ask for its enforcement.

Mr. BRANDEGEE. That is in the discretion of the Chair.

The PRESIDING OFFICER. The Chair is ready to rule. The Chair thinks that in the form the Senator from Georgia has offered his amendment it is in order.

Mr. MARTIN. That is all right. That disposes of it and gives the Senator the right to go on.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. SMITH of Georgia. I desire to address the Senate upon it.

Mr. JAMES. Let us vote.

Mr. SMITH of Georgia. No; I do not wish to vote now. I wish to discuss the amendment, and I prefer to do so to-morrow morning.

Mr. MARTIN. I hope the Senate will remain and let us finish this portion of the bill.

The PRESIDING OFFICER. The Senator from Georgia has been recognized.

Mr. SMITH of Georgia. Mr. President, while I regret to detain the Senate at this late hour, yet, as the Senator from Virginia prefers that the Senate remain in session, I am constrained to do so. I shall wait a few moments until those who intend to leave have left. I have ample time myself and do not object to waiting.

Mr. BRANDEGEE. Mr. President, I am quite certain that the bill will not be expedited by trying to hold the Senate here to-night.

Mr. MARTIN. I am sure we can not finish the bill; but I thought that as the Senator from Georgia was very anxious to be heard that some of us would stay here and hear him. I shall be glad to do so.

Mr. BRANDEGEE. I am quite certain that Members on this side are not going to stay here much longer to-night; and if the Senator would move an adjournment, the Senator from Georgia could make his speech in the morning.

Mr. MARTIN. I should like to see this part of the bill finished to-night so that we may take up something else in the morning.

Mr. SMITH of Georgia. I am not in so big a hurry as is the Senator from Virginia upon this subject, and I deem it important to present the amendment fully.

Mr. PENROSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Pennsylvania?

Mr. SMITH of Georgia. Yes.

Mr. PENROSE. I do not think the Senator from Virginia will expedite this measure by keeping us here. The Senator from

Georgia probably will speak at considerable length, and I have just been informed of several other amendments which are about to be offered.

Mr. MARTIN. Mr. President, I move that the Senate adjourn until 10 o'clock to-morrow morning.

The PRESIDING OFFICER. The Senator from Virginia moves that the Senate adjourn until 10 o'clock to-morrow morning. The question is on that motion.

Mr. PENROSE. I hope the Senator will think twice about that, if he will permit me.

The PRESIDING OFFICER. The motion is not debatable.

Mr. BRANDEGEE. It is amendable, and I desire to offer an amendment.

Mr. PENROSE. It is contrary to the understanding had with the chairman of the Finance Committee, which was that the Senate would not meet until 12 o'clock.

Mr. MARTIN. That was not mentioned to me, except as applying to to-day. The chairman of the Finance Committee asked me not to meet to-day until 12 o'clock.

Mr. PENROSE. The committee meets to-morrow at 9.30 a. m.

Mr. MARTIN. That committee can meet, and at the same time we can make some headway with this bill.

The PRESIDING OFFICER. The question is not debatable. The question is on the motion of the Senator from Virginia that the Senate adjourn until 10 o'clock to-morrow.

Mr. SMITH of Georgia. I move that the time be changed to 12 o'clock, as the Finance Committee will be in session in the morning.

Mr. PENROSE. I presume the chairman of the committee understands that that was the continuous understanding for the present at least.

Mr. MARTIN. No such suggestion was made to me. Those who made the understanding can carry it out. It has never even been suggested to me. I have never been asked to do it, nor has the suggestion been made to me in any shape whatever.

Mr. THOMAS. Question!

Mr. MARTIN. I modify my motion and move that the Senate take a recess until 10 o'clock to-morrow.

Mr. SMITH of Georgia. I move to amend by substituting "12 o'clock" for "10 o'clock."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Georgia to the motion of the Senator from Virginia, that the Senate take a recess until 12 o'clock to-morrow.

Mr. BRANDEGEE. The motion was to adjourn.

Mr. SMITH of Georgia. The Senator from Virginia modified his motion.

Mr. MARTIN. My motion as modified was for a recess until 10 o'clock.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Georgia. [Putting the question.] The noes seem to have it.

Mr. PENROSE, Mr. BRANDEGEE, and Mr. SMITH of Georgia demanded a division.

On a division, the amendment of Mr. SMITH of Georgia was agreed to.

The PRESIDING OFFICER. The question recurs on the motion of the Senator from Virginia as amended.

The motion as amended was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Saturday, May 19, 1917, at 12 o'clock m.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 18, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Let Thy spirit, Almighty God our Heavenly Father, possess our minds and hearts, that we may think clearly, act wisely, do justly in the great preparation for the mighty struggle which looms before us. Unite us as a people and prepare us to meet the sacrifices with fortitude and courage. Grant that we may accumulate all the forces available, and help us to put behind them skill and energy; that we may prosecute the task with all diligence; that the agony may be of short duration; that victory may follow the right to the betterment of all mankind. For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

CORRECTIONS.

Mr. DENT. Mr. Speaker, my attention is called to the fact that there is a misprint in the conference report of one word, and I ask for the present consideration of the following concurrent resolution.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 8.

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill H. R. 3545, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," the Clerk be, and he is hereby, authorized and directed to strike out the word "member" in the fifth line of the matter inserted by the committee of conference on said bill and amendment and to insert in lieu thereof the word "number."

The SPEAKER. Is there objection to the consideration of the resolution? [After a pause.] The Chair hears none.

The resolution was agreed to.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House do now resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, with Mr. FOSTER in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

The CHAIRMAN. When the House adjourned last evening there was a motion pending to strike out section 5, on which there was to be one hour's debate, one-half to be controlled by the gentleman from North Carolina [Mr. KITCHIN] and one-half by the gentleman from Illinois [Mr. MADDEN]. The gentleman from Illinois is recognized.

Mr. MADDEN. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman and members of the committee, this provision of the bill, I think, ought to be stricken out if there is any possible way to do it. First, because I think it is unjust, and, secondly, I think it is unscientific. It is inequitable and unlike anything ever attempted by our Government. If adopted as a policy it is fraught with great possibilities for danger. It is not the amount of burden fixed by this section that I object to. I am ready to fix any rate of tax on incomes that seems necessary to meet this situation. But we open the door of unexpected dangers if we adopt this policy of taxation as a principle. I am not opposing the bill as a whole, because I think we are all convinced that some measure to secure the needed funds for the coming year must be passed and ought to be passed speedily. It will give confidence to the country.

Mr. GARNER. Will the gentleman yield?

Mr. FESS. Yes; I yield.

Mr. GARNER. The gentleman is agreed, then, that we should collect the amount of money proposed to be collected in this bill?

Mr. FESS. I believe that we ought to collect that amount of money if it is established that we need it, and when that point is reached I will vote for it, and I am frank to admit that I am somewhat concerned about it, and am rather persuaded, from the reports that have come from the Secretary of the Treasury, that we will need it. But I do not mean by that that every method that is proposed in this bill should be indorsed simply because we need the money.

Mr. GARNER. I agree with the gentleman. I would say to him that the members of the committee took the same view of this tax that he does. But the question is, when you strike out $110,000,000 from the bill, from what other place are you going to get it?

Mr. FESS. There are other ways to get it and ways that probably would be less burdensome and at the same time would be more equitable and would not violate the principles of taxation that no Member of the House here wants to violate.

Mr. GREEN of Iowa. Will the gentleman yield right there?

Mr. FESS. I will yield, but I do not want all of my time taken up.

Mr. GREEN of Iowa. Would the gentleman kindly suggest some other way of raising this amount of revenue?

Mr. FESS. The unscientific method of the writing of this bill is suggested by the various opinions that have been ex-

pressed by individual members of the committee, in which many ways have been suggested but not included in this proposal. The gentleman from Connecticut [Mr. HILL] suggested a way by which we could raise a very large amount of money and one that would be satisfactory to me as a method. I need not here repeat it. I am sure most on this side of the Chamber will agree with him. The gentleman from Michigan [Mr. FORDNEY] suggested a method by the laying of a stamp tax on checks, by which he said a thousand million dollars could be raised. That may be an excess sum, but all will agree that it would raise a very large sum. This suggestion as a plan in time of war, while it is inconvenient, is a method that has been employed by our Government in times of emergency, and by other governments, and we could easily employ it without surrendering the proper principles of taxation, as this section does surrender the proper principles of taxation.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes; I yield.

Mr. GREEN of Iowa. Does the gentleman think he would get 25 votes in the House on that proposition?

Mr. FESS. Well, you will get my vote, and no doubt other votes will come in.

This method is unscientific. Note its workings. It is laying a burden to be paid out this year upon the receipts of last year, notwithstanding the fact that last year's receipts may have been invested in the furthering and developing of the business in which they would be employed, where they become a charge on the business rather than an income upon which to base a tax. There is no basis upon which you could lay a burden this year upon last year that would be scientific. It is unjust because it is inequitable, and it is certainly unscientific.

My friend said that they made up this bill and then compared the estimates of possible revenue with the estimates of needed revenue as made up by the Secretary of the Treasury, and found that we were $110,000,000 short. Now, where could we get it? Instead of rewriting this schedule on the income tax, you indorsed or adopted an unheard of thing by making it retroactive upon what was produced last year, to be levied this year—a thing unheard of that can not certainly be defended in this House.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. FESS. Certainly.

Mr. LONGWORTH. My colleague will also recall that the Secretary of the Treasury suggested a retroactive tax on the excess profit returns of 1916, which we did not put in.

Mr. FESS. I will say to my colleague from Ohio that I would increase the excess profit tax this year if necessary, but I would not increase it on the basis of the profits of last year.

Mr. LONGWORTH. Neither did we.

Mr. FESS. And, further, I would impose the excess profits tax not upon the profits of general business but the special business that is making additional money out of the war. [Applause.] That is what England has done, lifting the profits tax from 60 per cent to 80 per cent. [Applause.]

I wish again to say that I do not oppose this section because of the amount of money imposed on incomes. Our income-tax rates are far lower than those of England, where the exemption is $650, and the rates from 7½ to 12½ per cent on the lowest amounts. It reaches 42½ per cent when the income reaches $50,000. Last year England, with a population half of ours and a wealth not more than one-half, paid an income tax of $1,020,000,000. I am ready to increase the rates if it appears necessary, but I can not adopt a retroactive principle of taxation because of the untold dangers involved should we adopt it here, and if by our act becomes a precedent for future action no one can indicate what we may be called upon to do before we get through with this and other proposals. I shall vote to strike out this section.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MADDEN. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. DYER].

The CHAIRMAN. The gentleman from Missouri is recognized for five minutes.

Mr. DYER. Mr. Chairman, this is one of the most objectionable parts of this bill. It is not only an additional tax upon industry and thrift, which can not be justified even in this emergency, and it puts corporations, associations, and individual business men to the greatest possible inconvenience and expense.

Some gentlemen have suggested that the stamp tax would cause inconvenience, but that would be a tax upon a great portion of the people of this country. It would affect some people in some States who are not now paying practically any tax, and who under this law will not pay any. Some States in this Union, under the present bill, will not pay a very considerable portion of this tax. It is a tax, Mr. Chairman, upon the successful industries of our country. It is a tax upon business success. The district that I have the honor to represent in this House will pay more tax under this bill than some two of the States in this Union.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Arkansas?

Mr. DYER. Yes.

Mr. CARAWAY. Do you think that is due to the superior intelligence and enterprise of your people, or to the fact that the people of other States do more business with the people of your district? Which is it?

Mr. DYER. Well, my colleague from the great State of Arkansas would be facetious about his question; but, Mr. Chairman——

Mr. CARAWAY. I am not facetious about it. If you have an answer to it, I would like to have it.

Mr. DYER. This method of taxation would affect the vital success of our country. We want this tax, if possible, to be divided amongst our people. The direct tax is never equitable; it is never fair; it is never just to the people, because a portion of the people pay the tax and a good portion of the people do not pay any. Why not put a tax upon some other things, as suggested by the gentleman from Connecticut [Mr. HILL]? Why not tax sugar? Would it not be an equitable tax? The amount paid by each person throughout the country would be necessarily small, but it would bring in immeasurable revenue to the Government.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. GORDON. I wanted to ask you about that tax on sugar. For every dollar of tax on sugar that goes into the Treasury the consumer is taxed $2.20; that is, for every 40 cents of tax received by the Government the consumer pays a dollar. Is not that true?

Mr. DYER. No; it is not true. [Laughter.]

Mr. GORDON. It is true.

Mr. DYER. The proposition is that we ought to equalize the tax. This retroactive feature of this bill is a vicious and wrong proposition. It is bound to do great harm to the industries that are now prospering. It is bound to injure them and bound to wrong the great cities that are now paying the greater portion of the tax under the income tax and that will pay under this.

They say the city should pay the tax because of the prosperity that comes to it comes from the people of the country. But the people of the country are as prosperous to-day and even more prosperous than the people of the cities. The farmers are more prosperous than the people of the cities on the general average. [Applause.]

Mr. Chairman, I include in my remarks the views of several of the most substantial business men of my city upon this phase of the bill. They are as follows:

INTERNATIONAL SHOE CO.,
St. Louis, Mo., May 11, 1917.

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

DEAR MR. DYER: I am in receipt of yours inclosing copy of bill introduced by the Ways and Means Committee, said bill being for the purpose of providing revenues to pay war expenses and for other purposes. You have asked my opinion on it, and I shall try, briefly, to give it to you.

In the first place, I feel that the measure is a colossal blunder on the part of the Government. I can not characterize it otherwise. While no man ever calculated other than that the burden of taxation of this war would fall largely on the business and wealth of the country—and I might say properly so, when equitably distributed in proportion to the wealth and productive capacity of the country—to undertake to so revolutionize the taxing powers of this country as is done by this bill, will so thoroughly demoralize the business of this country that I am willing to go on record as saying that the excess income calculated under this bill is going to be very disappointing.

When you have destroyed the incentive to make money you have created the greatest obstacle against progress and the development of this country it is possible to create, and I can see at this time in every direction the baleful influence of the proposed legislation. I do not question that the effect of this bill will be such as to demoralize trade to an extent that a great many of the surplus incomes will become deficits, and no means provided in this bill to meet the deficits.

The enormous increase in prices of all commodities necessitates every large company's increasing its capital, or otherwise increasing its borrowing powers to an extent which will enable it to take care of the increased cost of doing business and the increased cost of materials used in manufacturing, and if the power to produce money to take care of this increase is destroyed, then the credit of the corporation will be materially weakened on account of the conditions which will be produced under the proposed measure.

It would have proven no burden to this country, even if $10,000,000,000 of bonds were necessary to be floated at the rate of as much as 4 per cent. The additional burden of interest, together with a sufficient sinking fund to retire these bonds within a period of 30

years, could have been met under a reasonable increase in taxation without demoralizing the financial structure of this country. Due to this measure, in my opinion, the Government is going to find it very hard to float the large issue of bonds at the low rate at which they are offered. You can not take all the money of the country by extraordinary taxation, such as is provided for in this measure, and leave to the people any money to invest in bonds.

The more I have studied this measure, the more thoroughly I have been convinced that it is ill-advised legislation and in the end will prove destructive to the commercial interests, and when you destroy the commercial interests you must necessarily reflect on the farming as well as all other interests of this country.

I can not but feel if the measure proposed had been well thought out with a view of serving the whole country, rich as well as poor, that no such measure would ever have been introduced, and the framers of this bill will yet see the day when they will appreciate most fully that what I have said is true and that they have done a great harm to the future prosperity and development of this great country.

Yours, very truly,

JACKSON JOHNSON.

—

THE ANTIKAMNIA CHEMICAL CO.,
St. Louis, May 11, 1917.

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

MY DEAR MR. DYER: I am in receipt of your esteemed favor of the 9th instant inclosing copy of H. R. 4280, and I thank you very much indeed for sending this document to me. I am taking advantage of your request that I give you my views of the bill, and therefore call your particular attention to the following matters:

First. We are called upon to pay, in common with other industries, the following taxes:

(a) The excise tax.
(b) The income tax.
(c) The excess profits tax.
(d) Indirectly an increased tax on alcohol.
(e) Indirectly a part of the advertising tax in some instances.
(f) Upon many ingredients used in the trade a greatly increased custom tax. In addition to this we are asked to pay 5 per cent on our gross sales.

I know it is commonly believed that the patent-medicine business is all profits, whereas the truth is that it pays less profit, on the average, than any other business. There are large successes with remarkable profits—as in all lines of business—but the average manufacturer of proprietaries is not making 5 per cent profit on his gross sales, nor anything like that, while during the past two years most manufacturers of proprietary remedies have barely broken even, while many lost money.

Why should our business be taxed more than other lines? If we are making such large profits as is evidently assumed, will not the excess profits tax take care of that end of the case? There is no fair reason why we should pay all taxes others pay, including an excess profits tax, and then pay an additional 5 per cent on gross sales in cases where the business is already losing money or not making a fair profit.

I wish also to call your attention to the excess profits tax and particularly to article 3 in section 202, which provides that the good will, including trade-marks, trade brands, etc., is not included in actual capital invested, unless the corporation paid for same in actual cash or tangible property. Therefore, as I understand it, if I invest $1,000,000 in advertising to build up a business to have an actual sale value of $500,000 I can not include the $1,000,000 nor even the $500,000 actual value of the business as part of capital invested, but can only include the value of the buildings, etc., which may not amount to $10,000. But if I pay $500,000 for some one else's trade-mark, which he created just as I created mine, then I can include the $500,000 as a part of capital invested. What incentive can anyone have to build up a business by advertising and hard work if he is entitled to only 8 per cent income on the small amount invested in buildings, etc., and of the balance of income above 8 per cent he must give 16 per cent to the Government? The chances against success in advertised lines is already too small to be very alluring, and if success means a 16 per cent penalty on profits no one will care to enter such lines of business. This article 3, section 202, ought to provide that the actual value of good will and trade-marks may be included as capital invested, such value to be determined by experts in the same way that the value would be determined if one were going to buy or sell such good will or trade-marks.

Trusting that you will do your utmost to correct these glaring inconsistencies and injustice, I remain, with kindest regards, as ever,

Sincerely, yours, FRANK A. RUF.

P. S.—Since writing the foregoing I have thought of the case of an advertising agency in this city, composed of a man and his seven sons. For 40 years this family has worked to build up a business. They drew merely nominal salaries and took no profits out of the business, but by hard work, economy, self-denial, and well-directed efforts have built up a business which is now worth on the market probably $1,000,000; yet their entire tangible assets consist of office fixtures, etc., worth possibly $10,000. They employ 100 or more high-salaried people and have really a magnificent business, yet according to the proposed law their "good will" is worth nothing because they did not buy it from some one else but built it up themselves. This good will represents the earnings of eight men for years and is actually all these men have saved from a lifetime of effort and self-denial. Why does it not represent an investment in the business as much as "actual capital invested"?

—

CURTIS & CO. MANUFACTURING CO.,
St. Louis, May 11, 1917.

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

DEAR SIR: Many thanks for your letter of May 9.

I have looked over the proposed revenue bill you kindly sent me, and in view of the present emergencies I can not, in any way, make any adverse criticism of the proposed bill except what I believe to be the fundamental error in making any of the taxes retroactive. I feel that the personal income tax and the corporate income and excess-profits tax should not be retroactive at all, but the increase should date from some day after the passage of the bill.

It is impossible for business men or business firms to accommodate themselves to upset conditions possible by retroactive laws.

As an instance of the above, I will say that I have personally made investments of dividends received this year on a basis of the 1917 tax laws, which will be entirely upset if the law is again amended as drastically as proposed. Further, Curtis & Co. Manufacturing Co. has paid dividends this year out of their earnings for the first few months of the year and reserved sufficient funds to meet the present taxes; but if the new law, with its greatly increased taxes, is made retroactive for the entire year of 1917 we will not have sufficient funds to meet the extra taxes, and will have to call on our stockholders for a refund of dividends or a contribution of new capital, and as our stock is fully paid such proceeding may not be possible.

We therefore center our only objection to the proposed revenue law on the retroactive feature, and trust that Congress may see fit to have all these new laws go into effect, say, June 1 or July 1 and not go back to January 1.

Very truly, yours,

GEO. F. STEEDMAN.

—

ST. LOUIS, *May 11, 1917.*

Hon. L. C. DYER,
Washington, D. C.

DEAR SIR: Referring to the proposition contained in bill for raising revenue and covering the intention to make the tax on excess profits retroactive so that it may cover the profits for the year 1916, we most emphatically protest to you against the enactment of same.

It will be manifestly unjust to our stockholders that they be asked to participate to the extent of practically returning a portion of the small dividend we were able to pay them at the beginning of this year out of the profits for 1916. As such stockholders have made all their plans based on payments under existing laws, we can hardly believe the Government will wish to be a party to the disarrangement of such plan which the proposed arrangement would force.

Won't you kindly use your influence against the adoption of this proposition and oblige?

Very truly, yours,

EVENS & HOWARD FIRE BRICK CO.,
GEO. W. JONES, *Secretary.*

—

ST. LOUIS, *May 15, 1917.*

Hon. L. C. DYER,
Representative from Missouri, Washington, D. C.

DEAR SIR: This company is impelled by its sense of duty to its stockholders to make an earnest protest against section 5 of H. R. bill No. 4280.

This section 5 proposes a tax on matters and business that had already been closed up, and we believe it would be absolutely unfair to make any corporation pay that tax as stated in section 5, equivalent to 33⅓ per cent of the taxes that have already been paid on the business and profits of 1916.

We feel that we, together with most other business institutions, will be perfectly satisfied with anything that is done in the line of what may be called war or income taxes for anything that is ahead of us; but going back and taxing business that is already closed up and settled for with all the stockholders will pave the way for more grumbling and dissatisfaction than anything else we know of.

Hence we wish to make a strong protest against this section, and, no doubt, will be joined in this by every business concern in the country.

Yours, very truly,

MAJESTIC MANUFACTURING CO.,
R. H. STOCKTON, *President.*

—

BALLARD SNOW LINIMENT CO.,
St. Louis, Mo., May 11, 1917.

Hon. L. C. DYER,
Washington, D. C.

DEAR SIR: I received the schedule this morning of the new tax. As it stands now it is absolutely prohibitive. It can only result in the destruction of our business. The various taxes assessed would consume all of our profit and leave us with a large deficit at the end of the year. Such legislation as this is entirely too drastic, and there is no occasion for it. It will be a tremendous mistake for Congress to enact such laws. We are perfectly willing to assume any burden of legitimate taxation that may be assessed against us, but we do not feel that Congress has the right to enact confiscatory legislation, and that is exactly what this means. There are thousands of firms who owe large sums of money, and if this law is passed they are doomed to failure.

I can not believe that either you or any of your colleagues wish to impose any real distress upon the manufacturing and mercantile interests of this country. There are so many angles by which we are all hit by this act that the work of years which we have spent to build up our business must all go for naught unless more conservatism is shown in the assessment of this tax.

I trust you and your fellow Members of the House will use your best efforts to defeat the present bill and have one substituted that is fair and not so drastic. It seems to me that the lawmaker would comprehend what a sweeping and sensational tax this will be upon the resources of this country. It will render it impossible for thousands of firms to pay their obligations should this law be enacted.

With best respects, I am,

Yours, truly, JAMES F. BALLARD.

P. S.—Another most vicious thing is doubling the income tax for 1916. All that income has been disbursed. Now to go back would be a terrific hardship, and an extremely unjust one.

—

ST. LOUIS, *May 11, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.

DEAR SIR: We wish to protest emphatically against the passage of the war-tax bill now before Congress in its present form, as it is a monstrous measure, such as has never been proposed at any time anywhere in the world except in the bankrupt European countries now at war with each other; but especially against the tax of 16 per cent on excess profits over 8 per cent, which was originally 8 per cent, and, as we understand, it has been doubled. There is no question but that this part of the law is its most iniquitous part. It imposes not a tax but a special fine on our business men, which are the backbone of all trade in this country, and lets the professional man, who has nothing invested and who may earn a very large amount of money, go Scot free, and the farmer also escapes this terrible bleeding.

Nobody so far has been able to explain to us how it was possible to inject such an unjust item in the bill, except that some of the bankrupt European nations has done so.

If it is absolutely necessary to raise the money, why not simply increase the normal tax and the individual income tax enough to give

the required amount? Let us be just and not arbitrary in taxing one class of people almost out of existence while the other classes are shielded.

We also understand that this bill is going to be made retroactive, which would be grossly unjust. There can not possibly be any excuse under any circumstances for making any law, no matter for what purpose, retroactive.

The bill, if passed as proposed, will bring wreck and ruin to thousands and thousands of our most valuable business men and probably a great disaster upon our entire country.

We sincerely hope that you will give this matter your most earnest consideration and that you will do all in your power to have the bill defeated or changed so that it will be equitable and that its effect will not be to rob one class of people.

We would like very much to hear from you on the subject with your assurance that you will leave no stone unturned to right this impending wrong.

Thanking you in advance for the courtesy of a reply, we are,

Yours, very truly,

HENRY HEIL CHEMICAL CO.,
HENRY HEIL, *President.*

—

ST. LOUIS, *May 12, 1917.*

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

DEAR SIR: We want to place ourselves on record as being opposed to any form of retroactive tax. We are in accord with the policy of the Government and realize that in the present emergency almost every form of taxation is necessary in order to raise adequate revenue, nevertheless, we believe that retroactive taxation can and should be avoided.

Yours, very truly,

RICE-STIX DRY GOODS CO.,
ERNEST W. STIX, *President.*

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MADDEN. Mr. Chairman, will the gentleman from North Carolina use some time now?

Mr. KITCHIN. I yield to the gentleman from Iowa [Mr. GREEN] five minutes.

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Chairman, I had hoped—perhaps it was too much to hope—that this bill would meet with a somewhat different reception. I know, of course, and every Member of the House ought to realize, that the amount of taxes to be produced by this bill can not be imposed without working hardship upon somebody. But I had hoped particularly that we would receive some help from this House. The House has plenty of brains which the Committee on Ways and Means, having no particular pride in this provision, would be glad to avail of if something in lieu of it could be suggested which would be better and more satisfactory. The committee would like to receive the benefit of the mental capacity of the Members of this House; but, unfortunately, it seems to be used simply in tearing down and not in building up. If some gentleman would submit, along with some of these propositions to strike out certain things in this bill, some definite proposition that would commend itself to the House whereby the amount of tax involved in a certain provision which is stricken out could be restored by an equal sum, the committee would receive it with much more favor.

Mr. FESS. Will the gentleman yield?

Mr. GREEN of Iowa. I was just coming to the gentleman's proposition to which he referred. The gentleman spoke of a graduated stamp tax. I appeal to the business men in this House if such a thing is practicable. My friend the gentleman from New York [Mr. SNYDER] was considering a graduated stamp tax on a check for $3,795. It would take a man 10 minutes to find out what the tax would be. He would have to put on all those stamps, then he would have to cancel them, and on every transaction he had by check he would have to go through the same performance. It is utterly impracticable, and, as I said to the gentleman from Ohio, I do not believe the proposition could get 25 votes in this House.

The gentleman from Ohio referred further to the plan of laying an additional and different tariff than we have in this bill. I would have preferred that very much from a Republican standpoint, but in dealing with this bill we have got to be practical. We know that with a Democratic majority here we are not going to get through a Republican tariff and put it on this bill, and the Republican members of the Ways and Means Committee realize that.

Mr. FESS. In fixing the one-third additional upon incomes, why would you fix it upon last year's incomes rather than to rewrite that schedule on incomes of this year?

Mr. GREEN of Iowa. Because otherwise it would make so heavy a payment next year, and it would make it all come in so late in the year. The Government would have nothing coming in this fall.

Mr. FESS. Do you mean that a man who pays an income tax, if he paid it all in one payment on the income of this year, would be under any greater or less burden than if he paid it in two payments, one for this year and one for last year?

Mr. GREEN of Iowa. No; I do not mean that, and I do not understand the point of the gentleman's question.

Mr. FESS. You said it would be such a great amount this year.

Mr. GREEN of Iowa. I either misspoke or else the gentleman misunderstood me, I do not know which. I should have said that the tax for next year; that is, the tax that will be due in June of next year, would be excessively large, as the committee thought, if we carried this amount over and added it to the present income tax.

Mr. FESS. Will my colleague yield for one other question?

Mr. GREEN of Iowa. Yes.

Mr. FESS. Upon what principle of taxation does the gentleman from Iowa justify a retroactive tax?

Mr. GREEN of Iowa. In the first place I will say to the gentleman that this is not in any strict sense a retroactive tax.

Mr. FESS. Why not?

Mr. GREEN of Iowa. And then I will ask him the further question, Upon what principle of taxation would the gentleman say that we could not levy an additional tax on this year's income, a tax that is not yet due, a tax that is not yet paid? Upon what principle of taxation would he say that the Government might not increase that tax?

Mr. FESS. But that is not what you have done. You are laying a tax upon last year's income, much of which will have been invested in various ways to develop plants, and is not usable at this time.

Mr. GREEN of Iowa. The gentleman is making an argument now. I should like to know of the gentleman why it will be easier for these men to pay this sum next year than it would be to pay it next fall; why it would be easier for them to pay it in one installment than it would be to pay it in two, paying one next fall—a small portion of it, for it will be small—and paying the balance next year?

Mr. FESS. If that is justifiable, why can you not go back two years and three years, not only on incomes, but on everything?

Mr. GREEN of Iowa. The gentleman is propounding the question, If a shower is a good thing, why is not a flood a good thing? That is just the same kind of a question. [Applause and laughter.]

Mr. KITCHIN. I yield three minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman and gentlemen, somebody has just said that this bill will be a tax on success. Well, what are you going to lay your taxation on—failure? [Applause.] Do you want to hang another millstone about the neck of him who has $150 a month, old age, and a big family? Gentlemen want to put the tax on effort. They want to take the fellow who is just climbing and getting ready to get to the point of success, and stick him. That man, who is trying to save a competence, trying to achieve a success, trying to build a home and fireside, should be encouraged, not handicapped.

As I said before, most of this bill levies its taxes upon effort. I think we ought to tax success. The gentleman said a minute ago, "Why go back to last year and levy on the money made last year?" You are going to conscript the men that were alive last year. Why not go after the money that you had last year? [Applause.] It is an odd thing to me that every eagle on a dollar that belongs to a rich man always "hollers" so much louder than the eagle on a dollar owned by a poor man when both are squeezed. [Applause.]

As an ordinary matter, I would not favor what you may call a retroactive tax, but this is no ordinary matter. This is a matter that strikes at every part of this country. Men are going to offer their lives for this country. When a man loses his life all his profits are done. Thousands upon thousands of men who "fight the flag" lest it drop on them, on small salaries, will have to pay the taxes of this country, and why should any man make a fuss about a little money that he made last year? Why, gentlemen, last year more money was made in this country by these men that the committee is going to tax than was ever made in the world before by anybody, and these men ought to be proud to come here and contribute it to the aid of this country. I am mighty glad I can get behind the committee. Before this war is over the big fortunes will be called to show their patriotism as they can afford. I was moved to speak by the suggestion of the gentleman from Iowa [Mr. GREEN] that the Members of this House ought to help the committee instead of objecting so much. I have protested as much as the average Member, perhaps. The Constitution devolves on each of us the responsibility of doing his duty as he sees it, and I am glad to have three minutes to say that I think the committee has done well in this, and have done well in much of what they have done. On them was placed a sudden and tremendous burden,

and they have shouldered it in harmony and concord, each conceding much to secure a country united behind the men at the front. We must expect to make similar sacrifices of our personal views for the common good of our great country. [Applause.]

Mr. MADDEN. I yield five minutes to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. Mr. Chairman, I hardly think the members of the committee should feel that the criticisms that are made on the various schedules in this bill are criticisms intended merely as criticisms. There are so many phases of the bill, so many titles, so many different forms and subjects of taxation, that it is inevitable that there should be differences of opinion regarding them. I sincerely hope that we may sit together and discuss these matters with some degree of intelligence, forbearance, and respect for opinions which differ from our own. Surely we will be better able to arrive at satisfactory conclusions because of discussion than we would otherwise. There can be no discussion of these propositions unless there is criticism. Gentlemen ought to recognize that, and I hope the committee will not feel that when criticism is offered against the various schedules that it is merely an attack, as the chairman of the committee says, upon the bill.

Of course, no one who has any knowledge whatever regarding taxation as it is regarded by jurists, publicists, and those who give the matter scientific consideration could say that a retroactive tax of this kind could be justified in reason. It is one class of taxation that is universally disapproved by men who have given the subject of taxation study and consideration.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. GREEN of Iowa. Will the gentleman cite any authority in support of his statement?

Mr. TOWNER. There is no one that has ever discussed the question of taxation—for instance, Cooley on taxation, and the elementary works in the schools on taxation, that do not condemn retroactive taxation.

Mr. GREEN of Iowa. I would like to have some authority cited.

Mr. TOWNER. I have cited one and there are many others.

Mr. FESS. Will the gentleman yield?

Mr. TOWNER. Yes.

Mr. FESS. If we adopt this as a principle, justified from the standpoint of the committee, what is the assurance that we will not be called upon to accept it as a general principle in the future?

Mr. TOWNER. Certainly; the gentleman's apprehension is entirely justified. I did not propose to take much time on that, but by the way, if there is any subject of taxation that ought not to be retroactive, it is that of income, because income is a current matter and after the year has passed it ceases to be income. It is either invested, paid out, or otherwise disposed of. A last year's income has ceased to be income and ought not to be subjected to an income tax.

Mr. MANN. Will the gentleman yield?

Mr. TOWNER. Yes.

Mr. MANN. What is the difference, in the gentleman's mind, between adding to the income tax of last year not yet paid and making us pay on next year's income from the 1st of January up to the time it will be due and effective?

Mr. TOWNER. There is a good deal of difference.

Mr. MANN. What is the difference?

Mr. TOWNER. This is the difference: In the one case you know during the time when you have command of your income what is going to happen and when you will be compelled to pay it. In the other case the time is past in which you can make any computation or exercise any prudence.

Mr. MANN. Can the gentleman know what income tax he is going to pay on an income from the 1st of January of this year up to the time it becomes due?

Mr. TOWNER. No; I might not know how large the income would be.

Mr. MANN. Before the bill is introduced?

Mr. TOWNER. No; not before the bill is introduced; certainly not.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. KITCHIN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. STERLING].

Mr. STERLING of Illinois. Mr. Chairman, I fail to see the force of the argument that these gentlemen offer against this section of the bill. It is not a retroactive tax. All income taxes are paid the next year after the incomes are earned. The income tax we are paying this year is on last year's income. The time for payment has not yet expired. All the returns are in. There will be no readjustment of accounts. It will not be necessary for any man that pays the income tax this year to reconsider what his income was. He knows what he has paid, or, if he has not yet paid, he knows by this time just what he has to pay, because he has sent in his returns and he has received a statement from the collector of internal revenue.

Now, it is a very simple proposition for any man who has paid an income tax this year, or is to pay one between now and the 1st of June, to compute how much more this bill imposes upon him. It causes him no concern. He has only to remit to the internal-revenue collector one-third additional to the amount that he has paid or is to pay.

Mr. DILLON. Will the gentleman yield?

Mr. STERLING of Illinois. I will.

Mr. DILLON. Would not that same argument be good for 1915?

Mr. STERLING of Illinois. If it was necessary to raise a revenue by imposing a tax on incomes for the year before, it might be done. I hope it will not be necessary. We do not offer this as a desirable method but as the most desirable to which we can turn to get this large revenue. The time for payment has not expired, and the tax is not retroactive until that time has expired. This does not reach the man of small income. It applies only to incomes of more than $3,000 and $4,000.

Mr. HUSTED. Will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. HUSTED. Is it not conceivable that a man may have a taxable income in 1916 and not in 1917, and yet he would be compelled to pay the additional amount of income on that which does not exist?

Mr. STERLING of Illinois. It does exist. We know the income for last year was received. In view of the fact that so large a sum is required and all ordinary sources of revenue are exhausted, this is one of the fairest propositions in this bill, and it will bring in the revenue at the time the Government most needs it. This tax we are imposing now will not be collected until June, 1918. The Treasury Department will need this money. We must meet the appropriation already made and to be made before that time arrives. The Treasury Department is now getting needed revenue by issuing short-time certificates. It has sold more than $200,000,000 already this month. This indicates to us the heavy draft on the Treasury occasioned even now by the war. This section will bring in $108,000,000 by September 15 of this year, and for that reason is much more needed now than later, when the large revenue otherwise provided for in the bill is available.

Mr. MADDEN. I yield five minutes to my colleague [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I do not know but that, perchance, I may vote with the committee, if the committee has pulled itself together and is going to stand together on this bill, as much as I dislike the bill as a whole; but I came into the Chamber this morning just as the gentleman from Kansas [Mr. LITTLE] was declaiming with some energy that he did not see why anybody should object to this so-called retroactive tax. I do not know but that perhaps if I lived in Kansas I might agonize and talk about the plutocrats, and all that kind of thing. I expect perhaps I would; but let us see for a minute about the gentleman from Kansas. I have reports here from the Commissioner of Internal Revenue. I find that the total contribution of the State of Kansas under the existing income-tax law as shown by that official report for the year 1916 was less than $140,000. [Laughter.]

Mr. LITTLE. Will the gentleman yield?

Mr. CANNON. Oh, wait a moment. I want to finish this.

Mr. LITTLE. I want to ask the gentleman a question, and it is about Illinois.

Mr. CANNON. Well, I shall yield before my five minutes are up, or, if not, try to get another minute in which to yield to the gentleman; but I want to finish this interesting story about Kansas. I find that the State of Kansas had a per capita wealth in 1912 of $2,600, counting the whole population—every man, woman, and child. A wonderful per capita of wealth! Prosperous Kansas—not bleeding Kansas—one of the most prosperous States in the Union! Why, it had almost as much per capita wealth as my great State of Illinois, which paid between five and six million dollars of income tax. Oh, yes; I expect he objects also to reducing the exemption to $1,000 for a single man and $2,000 for a married man. There is a great multitude of wonderful people in Kansas—farmers, prosperous as they never prospered before—and how the gentleman can growl and growl and growl when this bill proposes to reduce the exemption for income taxation of a married person from $4,000 to $2,000 and of a single person from $3,000 to $1,000. The gen-

tleman is like a good watchdog, and growls when Kansas is around. [Laughter.] There, I think I have eased my mind.

Mr. LITTLE. Mr. Chairman, will the gentleman yield now?

Mr. CANNON. In a minute. I expect I shall come more nearly voting for this bill, if the committee will stand together in this war time, with the extraordinary taxes, possibly for the retroactive tax, so called. How will the gentleman from Kansas vote? But I grow weary of these Representatives who are more virtuous than the rest of us. [Laughter.] Now I yield to the gentleman for a question only.

Mr. LITTLE. Does the gentleman know that Kansas City, Kans., from which I come, is the second packing-house city in the world, and the proprietors of our packing houses all live in Chicago, practically, and pay most of the income tax of Chicago, and that that is the reason we growl and growl and growl and grow weary? [Laughter.]

Mr. CANNON. I do not know where these stockholders live.

Mr. LITTLE. Why, take the Armours, Morrises, Swifts.

Mr. CANNON. But Kansas City, Kans.! My, my! it is like the kick of a mosquito so far as this income comes from Kansas City, Kans. Why, your lands are worth from a hundred to two hundred dollars an acre in Kansas, and yet the gentleman is not satisfied. [Laughter.] There were only 3,000 people that paid any income tax in Kansas last year.

Mr. LITTLE. And there were 3,000,000 in Chicago that did not pay any.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KITCHIN. I yield two minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY. Mr. Chairman, the gentleman from Illinois [Mr. CANNON] has grown weary of Kansas, and I have grown weary of the gentleman from Illinois and those like him who are constantly holding up the fact that the poor people and the States with fewer of the great fortunes and incomes pay less of this income tax. I can take the State of Illinois and pick out a population in it bigger than that of the whole State of Texas, and that population which I pick out, being poor or moderately rich people, will not have paid a cent of this income tax. There are in the State of Illinois over 5,000,000 people who did not pay a cent of income taxes. Why does he not attack this part of his own people? It is his delight to select States that have but few great incomes and try to make it a virtue on the part of States having many citizens of great incomes because they pay this tax. If you give to Texas the wealth that Chicago or New York has and the concentrated capital that Chicago or New York has and the managing of the industries of the world that Chicago or New York has, I should be proud to have Texas pay the income tax; and so with Kansas and Alabama. These money centers draw the great incomes on which they pay taxes from the whole country. The gentleman referred to Alabama the other day, intimating that because of exemption of her farmers the State was not furnishing its quota of men without knowing apparently that every State in the Union under the Army bill will be required to furnish its proportional quota according to its population. He said the farmers in Alabama were going to be exempted.

The gentleman is constantly—and I am surprised at it, knowing his long years of continual service and his prominence—bringing into invidious comparison the fortunes and the patriotism of the different States of the Union, based on the amount of taxes paid by different States. He ought to stop it. This is a time when all patriots should stand together. But it must be recognized that wealth and property must bear the burden of taxation, while poverty and the average man bears the musket and bares his bosom to the shot and shell. [Applause.]

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. HARDY. If I have the time.

Mr. CANNON. The number of people who paid income taxes in Illinois last year was 28,615. The number of people who paid income tax from Texas, in round numbers, was 3,000.

Mr. HARDY. Exactly; and the number of people from Illinois who did not pay income taxes were nearly twice the number, or, to be more exact, about one and a half times the number, that there were in Texas who did not pay, and the gentleman says nothing about that.

Mr. CANNON. Oh, that is a wild guess.

Mr. HARDY. It is not a wild guess. Take your population and our population, as given by the census, and you will find it out. The time is coming when gentlemen will learn that accumulated wealth and vast incomes, wherever located, must and shall bear the greater burden of government, and bear it in a way, if legislative intelligence can devise such a way, that the rich can not levy it back on poverty. Income and excess profits taxes are an effort to find that way.

Mr. MADDEN. Mr. Chairman, according to every principle of justice, every man, rich or poor, should be treated alike. Every man, whether he be wealthy or poor, ought to have the same consideration under the law. Every man should be held to a strict accountability to the law. No man should be above and no man below the law. When you once levy a tax and collect it that ought to settle the question. There is no reason, no justice, no justification for making a man pay two taxes on one income in the same year. That is what you do under this item of the bill. Gentlemen here have tried to impress the House with the fact that men who pay income taxes do not fight to maintain the institutions of the country, but we conscript the men to fight, and we do not inquire whether a man is rich or poor when we conscript them. We conscript them regardless of wealth, and that was the reason for conscription. We conscript a man because we want to reach the rich as well as the poor. Every argument that has been made here has been made on the theory that because a man is rich and able to pay that he has no right that the Government of the United States is bound to conserve.

I am willing to pay the tax that ought to be levied—so is every other man—but simply because you need it to make up a certain amount in this bill and you are unable to figure out how you could raise it you are not justified in saying we will go back to the 1916 incomes and tax one-third more than we already have taken. There is no scientific study in that. That is simply taking a bludgeon, which the Government has no right to take, and use it against its citizens. Of course you have got the power, but the power that men have is best used when it is used with justice, and you can not long continue to use power unjustly and have the men against whom you use it unjustly for you. You have got to manifest some evidence of justice. Now, you say you need the money, and some say that we ought to suggest other means of obtaining it. Very well, there are other means, and, for one, I believe that the best means is the one suggested by the gentleman from Michigan [Mr. FORDNEY]. Men who have money in the banks who are required to draw checks will not complain about the added burden of placing a stamp upon the checks, and I do not believe that as to the amount of money involved in this retroactive tax that the men would complain about it. It is not the amount of money involved that I complain about; it is the policy. If you establish a policy to-day, who knows how long it will continue; who knows when you are going back and carry on that policy during a continuation of the war or even in times of peace to meet your extravagant, reckless, and unjustifiable expenditures? We ought not to establish such a policy. It is dangerous. The people will not submit to it, no matter how willing they may be to pay money. They do not want such a policy established.

Mr. GORDON. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. GORDON. Does the retroactive income tax apply to those between 19 and 25 alone, or 21 to 31 alone?

Mr. MADDEN. No; it applies to all.

Mr. GORDON. Oh, it is universal, then?

Mr. MADDEN. It applies to all, and ought not to apply to any.

Mr. GORDON. Oh!

Mr. MADDEN. It ought not to apply to any. What we should do is to so act that the people we are here to represent will realize that we are at least fair, that we understand what justice means, that they will have confidence in the men through whom they speak; but they can not have confidence in their Representatives on this floor if after they have been compelled to pay a tax they are compelled to pay that tax over again. If we can tax a man twice in a single year, why not ten times?

Mr. LANGLEY. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. LANGLEY. I doubt not many people will have to intrench upon their savings of last year to meet the burdens of this year under these new conditions. If that is true, what is the difference in principle between that sort of a case and this proposition?

Mr. MADDEN. Why, the tax that is to be levied now for this year will be retroactive so far as going back to the 1st of January is concerned, and to that extent it is unjust, but people are willing to submit to some injustice, but they are not willing to submit to an injustice that nobody can justify, and so I say that the time has come for the Representatives of the American people on this floor to give some evidence that the power which has been placed in their hands by the people will be so exercised as to mete out justice to every man, whether he be rich or whether he be poor. [Applause.]

Mr. OLDFIELD. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, the situation that called upon the committee to recommend this tax was this. When the original estimates were submitted by the Secretary of the Treasury calling for a revenue bill of at least $1,800,000,000 two so-called retroactive methods were suggested, one to go back to the excess-profits returns for the calendar year 1916 and raise $226,000,000, and the other that which we are now considering, to go back to the income-tax returns for the calendar year ending 1916. Personally I greatly hoped that we would not be called upon to adopt either of those propositions. I, however, believe that as between the two this one is infinitely less objectionable than the other. I agree with much that has been said in opposition to this form of taxation. I agree with my colleague from Ohio [Mr. FESS] that it is unscientific. I think it is one of the two most unscientific taxation schemes provided in this bill, this and the proposed tariff of 10 per cent upon all articles on the free list.

Mr. FITZGERALD. Will the gentleman yield?

Mr. LONGWORTH. Yes; I will yield.

Mr. FITZGERALD. If this proposed tax is so indispensable and the excess-profit tax also is in the same category, why resort to either one?

Mr. LONGWORTH. I am resorting to this one because I believe in giving the administration the money necessary to prosecute this war.

Mr. FITZGERALD. Does the gentleman think it can not be obtained in any other way?

Mr. LONGWORTH. The situation was this, gentlemen: We had been working on this bill for a good many weeks, and we found ourselves with a bill which would raise not to exceed $1,500,000,000 without resorting to this or the tariff proposal. For myself, gentlemen, I was willing to stop then. I think if we had raised $1,500,000,000 by taxation and the rest of the $2,000,000,000 by a bond issue we would have done better. [Applause.] And I want to say here now that for the present, and at least until we shall have raised far more money than we are raising now by bonds I will not support any more increased taxes. As I said the other day on the floor of the House, I do not believe it is a wise policy to finance the war by the imposition of more than 25 per cent of the cost upon the present generation. And one of the prime reasons why I am supporting this bill, to raise in the neighborhood of $2,000,000,000, is that by its very size it is going to prevent further taxation in the near future. I believe that if we shall have to raise, as I think we shall, three or four billion dollars more revenue in the not distant future, we should do it all by bond issue. If we issued $4,000,000,000 worth of bonds in addition to the $2,000,000,000 we have already authorized, and leave this tax measure where it is, we would then be raising 25 per cent of the cost of the war by taxation and 75 per cent by bonds. We would then be on what I regard as the proper basis.

Mr. FITZGERALD. I hope the gentleman will answer the question.

Mr. LONGWORTH. I have answered the question.

Mr. FITZGERALD. No. I asked the gentleman if there was no other way in which this money could be obtained.

Mr. LONGWORTH. I should be very glad to hear a suggestion from my friend from New York.

Mr. FITZGERALD. In section 504 the committee proposes a tax of 5 per cent for advertising or advertising space other than in newspapers and periodicals. Strike out the last few words "other than in newspapers and periodicals," and instead of $1,500,000 the gentleman would get $40,000,000.

Mr. LONGWORTH. The gentleman's suggestion, like all suggestions he sees fit to make, is worthy of careful consideration, which I shall be glad to give it.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, this section will yield this year $110,000,000, and that is the reason for its insertion in this bill. Yesterday Members of the House, a number of them, were willing to sacrifice two-thirds of their salary, they said. This bill taxes every man's salary one-third of the amount of his income taxes last year, and every man in this House can defend himself when he votes for it, and that is a reason for the presence of this item in this bill. This bill reaches the men who have incomes of $3,000 and $4,000, whether they live in the prosperous East; whether they live in the busy, progressive West; whether they live in the pleasant Southland or in the colder North. It reaches them wherever they are, and that is one of the reasons why this item is in the bill. This item reaches those who live in the cities if they had incomes last year of $3,000 and were unmarried, and $4,000 if they were married, and it reaches those who live in the country if they had incomes last year of that size, and that is one reason why this item is in this bill. But above all other reasons stands the reason that in this hour of the Nation's peril we need this $110,000,000, and if there were no other reason for it, that reason would be amply sufficient. Conscription, unfairness, inconvenience—these elements are all here. This war is inconvenient for this great Nation and every citizen in it. This war imposes hardships upon everyone of us. We conscript men in this war, men between the ages of 21 and 30 years, and will send 500,000 of them this year to the camps throughout this land. Unfair? Why, of course, it is. Does that apply to all men alike? Certainly not. We conscript those who are physically best able to bear arms, and not one of them between the ages of 21 and 30 years is exempt unless he is especially needed in the industries of this country. And so in this bill we conscript the incomes of the men who are able to pay. We say to those young men who are reached by the selective-draft bill that in August or September of this year you must commence the work of preparing yourselves to defend this country wherever your services are needed, and we say now to those who are financially best able to bear this burden of $110,000,000—we say to the 357,000 men in this country who paid incomes last year, "We assess you again on your wealth. You must contribute of your incomes, of your wealth." And we conscript them here and now just as we have conscripted the young men of this country.

Inconvenient for them? Yes; it is, of course; but we are subjecting the young men to burdens inconvenient to bear. Why, we will say to them, in effect, "You are drawing $100 a month; you are drawing $150 a month. Give up your salaries. Give them up, because you are between the ages of 21 and 30 years, and prepare to serve your country for $30 a month." We take away from them their salaries. We reduce the salaries of everyone of them, and very few of them are receiving less than $30 a month. And we say to everyone of them, "We take this time out of your lives; we may take your life; we take your salaries down to $30 a month, and we compel you to serve your country."

So in this bill we say to the men who are best able to pay, "We take $110,000,000 from you, proportioned according to your ability to pay incomes, your demonstrated ability; demonstrated during the last year of your lives," and we take that in order to equip these young men, in order to prepare them for their duties in defense of the flag of this country; and we say to these men who are able to pay, "In this way we compel you to serve your country," and that is justification enough for this item in this bill.

Mr. GRAY of New Jersey. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from New Jersey?

Mr. RAINEY. If I have time I will.

Mr. GRAY of New Jersey. Will the gentleman tell me how the Government under any possible exercise of its powers and functions can make conscription retroactive?

Mr. RAINEY. Among these 500,000 men there were 30,000 men—at least that many—who were not 21 years of age last year, during the calendar year just passed. We say to them, "If you attain that age before this selective draft goes into effect you are liable to service." We conscript them whether they were 21 years of age last year or not; and every income-tax bill we ever passed is retroactive in the sense implied by the gentleman who has just addressed me that question; everyone of them. The very first one was retroactive. It provided for the payment of income taxes upon incomes earned during the preceding calendar year, and this tax proposed in this bill follows every income tax ever assessed. It imposes a tax upon the incomes of the last calendar year, just as has occurred in every year preceding the present year.

Mr. BATHRICK. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Ohio?

Mr. RAINEY. Yes.

Mr. BATHRICK. Is not this the illustration: A manufacturer or a business man puts aside a certain sum of money for a certain purpose, and after he has appropriated it and time goes on an emergency arises and he finds that he must have a little more money to carry on the purpose he has in mind. Is not that the illustration?

Mr. RAINEY. Yes. The gentleman's illustration is better than any illustration that I have yet used. In the transaction of the business of this country a great emergency has arisen, and the citizens of this country who are interested in the trans-

action of its business and who are able to pay are called upon now by this paragraph in this bill to contribute their share.

Mr. HOWARD. Mr. Chairman, will the gentleman yield for a question right there?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Georgia?

Mr. RAINEY. I yield to the gentleman from Georgia.

Mr. HOWARD. Is not this the other side of this proposition, that where men have paid the income tax, which this retroactively reaches, so far as this tax is applicable to that class of people who have the income tax already paid, this imposition of an income tax is a double taxation? It is impossible to present anything or to hear anything or to do anything or to say anything here. It would give a man nervous prostration so great is the confusion here. The thing I am trying to get at here is this: Is it not equivalent to double taxation, so far as these people are concerned who have already expended their income—men of small means who have already contributed?

Mr. RAINEY. Certainly not. They are not compelled to pay last year's taxes until June of this year, and they are not compelled to pay the tax imposed by this paragraph until September 15 of this year.

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. They earned these incomes last year of $3,000 and $4,000, at least, and if they earned more than that they have demonstrated their ability to support their country. [Applause and cries of "Vote!" "Vote!"]

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Illinois [Mr. MADDEN], which was a motion to strike out section 5.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. MADDEN. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Illinois asks for a division.

The committee divided; and there were—ayes 64, noes 123.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. DILL. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

Mr. DILL. It is a new section, Mr. Chairman.

The Clerk read as follows:

Amendment by Mr. DILL: Page 6, at the end of section 5, add a new section, to be known as section 6, as follows:

"All income-tax returns made by individuals shall hereafter be open to public inspection at the office of the Secretary of the Treasury or at the office of any internal-revenue collector where such returns may be on file from and after the date of filing."

Mr. KITCHIN. Mr. Chairman, I move that all debate close on that. [Cries of "Vote!" "Vote!"]

Mr. DILL. Mr. Chairman, this is a new section, and I certainly ought to be entitled to five minutes on a new section. I understood the debate was closed on the other section, but as to a new section I certainly have the right to explain.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent that my colleague shall have five minutes.

Mr. HOWARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. A Member does not have to have unanimous consent. Under the agreement the debate had closed on the section that we have just disposed of. The gentleman from Washington [Mr. DILL] offers an amendment as an entirely new section, an entirely new proposition; and I submit that under the parliamentary procedure of this House he has the right to have five minutes to discuss that particular amendment.

Mr. STAFFORD. If the gentleman will indulge me, the request of the gentleman from North Carolina [Mr. KITCHIN] was to close debate on the section, not on the title and all amendments thereto.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this title and amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this title and amendments thereto be closed in 10 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Washington [Mr. DILL] is recognized.

Mr. DILL. Mr. Chairman, the purpose of this amendment is to make public the income-tax returns. We are proposing in this bill to raise something near a billion dollars by means of income taxes. Without this amendment, the system offers the greatest opportunity for the evasion of taxes by those receiving large incomes afforded by any part of the bill. I want the Government to be in position to collect all of these income taxes.

The taxes on property of every kind are open to public inspection, and I know of no real reason why the taxes on incomes should not be open to public inspection. [Applause.] As stated by the gentleman from Pennsylvania [Mr. KELLY], yesterday, the Treasury Department last year investigated a large number of suspicious income-tax returns, and found a surprisingly large amount of evasion, and as a result large sums were recovered. If those returns had been open to the public, so that individuals everywhere in the various communities might have known the amount which a man had turned in as his income, no doubt it would have been possible to have discovered much larger amounts of income that had not been returned. There were only a few thousand paying income taxes then. There will be millions paying income taxes under this bill. Besides, the rates are much higher and the temptation to evade just that much greater.

Mr. VARE. Does the gentleman believe that one manufacturer or one business man should disclose his business to all his competitors?

Mr. DILL. The amendment provides for the income-tax returns of individuals only. It says nothing about corporations.

Mr. VARE. I mean should the individual disclose his business to his competitors?

Mr. DILL. I think the amount of his income should be public; that is, the part that is to be taxed. I see no reason why it should not.

Mr. JOHNSON of Washington. State taxes are open to inspection.

Mr. HARDY. Will the gentleman yield?

Mr. DILL. I yield to the gentleman.

Mr. HARDY. Are not all our tax returns on private property subject to public inspection in the States?

Mr. DILL. I was coming to that. They are, and yet with all the publicity that now exists regarding all property taxes, we still have a great deal of evasion and dodging in the payment of those taxes.

Mr. HARDY. Why should not a corporation's income-tax return be subject to inspection also?

Mr. DILL. I did not include corporations in the amendment, for the reason that I understand the Government can examine the books of any corporation as the law now stands, and there may be reasons advanced why a corporation should not have its income return made public, although I would not object to publicity of the amount of corporations' incomes.

Mr. HARDY. Are there any reasons which apply to the individual that do not apply to the corporation also?

Mr. DILL. There may be. I left that out because there might be such reasons advanced as to corporate returns, but I call attention to the fact that with the embarkation upon a policy of raising something like a billion dollars or more from the incomes of men you ought to make public all income-tax returns, in order that we can discover more readily and without such great expense where incomes are being covered up and where the Government is being defrauded of its taxes.

Under present State laws it is possible to ascertain how many hogs, sheep, cattle, or other stock a man has. You can find out what investments he has and whether or not he is omitting to make a return on property or money he possesses. Now that we are to raise such large amounts from incomes, all that this amendment proposes is to apply the same publicity to these incomes.

Mr. BURNETT. Are not income-tax returns already public documents and subject to public inspection?

Mr. DILL. Not as to individuals, only the totals. You can only get the numbers of people whose incomes reach a certain amount. You can not get the individual tax return of any citizen, nor even the amount of tax he pays, and I want to remedy that condition.

Mr. MOORE of Pennsylvania. Is it not possible that the gentleman's plan would encourage blackmail?

Mr. DILL. Oh, yes; it is possible, but it is very improbable. It is no more probable than that the making public of other tax returns subjects people to blackmail.

Mr. MOORE of Pennsylvania. Would it not expose a business man's accounts to his competitors?

Mr. HOWARD. It would not give one man an advantage over another. Everybody would have the same chance.

Mr. MOORE of Pennsylvania. Would it not open the returns to persons who might become informers for profit?

Mr. DILL. I do not see how it would. I do not see how a person's business would be in any way exposed, but it would make it possible to find out whether a man was returning his total income or not, whether or not he was concealing a large amount of money that he was receiving, by not reporting its receipt to the Government.

Mr. MOORE of Pennsylvania. The gentleman's intention may be all right, but it seems to me he is putting this information in the hands of schemers, who will make improper use of it.

Mr. JOHNSON of Washington. Putting into the hands of the Government the power to get the money.

Mr. DILL. As my colleague suggests, we can afford to do that if we put into the hands of the Government the power to get the money. It seems to me that is the important thing. I can not understand why gentlemen want to be so tender in dealing with those who receive the enormous incomes involved in this bill.

Mr. MADDEN. The gentleman said his plan would make it possible to disclose as to whether a man had made out a proper return or not. The Government has the means to discover that now.

Mr. DILL. Only through the Government officials.

Mr. MADDEN. That is the only way they could discover it anyway.

Mr. DILL. Oh, but private individuals know a great deal about other people's incomes. They would know then whether a large amount of money was not returned, and these people would immediately become of the greatest assistance in exposing the concealments of incomes by tax dodgers.

Mr. MADDEN. How would they know?

Mr. DILL. They would know in many ways, and most often through their own experiences with the individual making the false return.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. KITCHIN. I yield three minutes to the gentleman from Michigan [Mr. FORDNEY].

Mr. FORDNEY. Mr. Chairman and gentlemen, in my opinion this is the most vicious proposition that has been presented to the House. Under existing law it is a State prison offense for anyone in the employ of the Government to give the information that this gentleman [Mr. DILL] now wants published on the billboards of the country. He wants to open the books of every individual or corporation in this country who is doing business and making returns, and publish those returns to the world, the amount of the business and the secrets of the institution. Here may be two men who are competitors. There is keen competition between two men who are doing the same kind of business. One man wants to conceal his method of manufacture from his competitor because he can manufacture more cheaply than the other. This gentleman [Mr. DILL] wants to advertise that secret on the moon. I wanted an amendment to this bill providing for the publication of the names of men making returns; but to ask to have posted on the billboards of the country, to the demagogue, to the critic, to dishonest men, the amount of business and the methods of your business is bordering very close upon anarchy. [Applause.] I do not want this amendment to prevail.

Mr. KITCHIN. I yield five minutes to the gentleman from Colorado [Mr. KEATING].

Mr. KEATING. Mr. Chairman, the gentleman from Michigan [Mr. FORDNEY] says that the proposal of the gentleman from Washington [Mr. DILL] is anarchy. Well, it is anarchy that is approved by very high authority, because it is the kind of anarchy that was approved by Abraham Lincoln, and Abraham Lincoln was a pretty good kind of anarchist. When we had an income tax during the Civil War the returns were made public, and as high an authority as Horace Greeley, a great Republican editor, in an editorial printed in the New York Tribune on January 21, 1865, said:

So long as the income tax shall be required and levied we are satisfied that it is best for all who are honestly concerned therein that there should be no restriction on giving publicity to the items.

I hold in my hand and will insert in the RECORD editorials from the New York Herald, the New York Times, and the New York World, all great newspapers, pointing out the benefits that have resulted from publicity.

The editorials read as follows:

EFFECT OF INCOME TAX PUBLICITY DURING CIVIL WAR.

EDITORIALS IN NEW YORK NEWSPAPERS IN 1865.

[From the New York Tribune, Jan. 21, 1865.]

So long as the income tax shall be required and levied we are satisfied that it is best for all who are honestly concerned therein that there should be no restriction on giving publicity to the items. We have not the slightest objection to anyone ascertaining how much income we return and judging whether that return is full and fair. If we have not returned enough, let complaint be duly made and correction enforced.

How can this be done if the lists are shrouded in secrecy? Why shun the light if there is nothing to conceal? If there be men and women who wish to pass for rich when they are not and live in state on the plunder of their creditors and tradesmen, why not expose them? If there be men living at the rate of $10,000 a year, who swear their incomes down to $1,000, why not let the world see and scorn their unpatriotic knavery?

[From the New York World, Jan. 19, 1865.]

The publication in the World of incomes has already resulted in considerable benefit to the Government. Some rather remarkable things come to light in the process of looking over the returns and more may be made public very soon. Men whose incomes are supposed to be princely are dwindled down, when the statement is made in figures, to nothing. Fernando Wood, who owns a large amount of real estate, swears that it is all unproductive and that he has no income.

[From the New York Herald, Jan. 21, 1865.]

The object of the provision of the law for publicity of incomes was to prevent fraud, and this can certainly be best accomplished by laying the lists before as many people as possible.

[From the New York Times, Jan. 20, 1865.]

We attach very little importance to the outcry against the publication of the income-tax lists. The full list has been made public in but one district of the city, but that has made it evident that the most glaring and shameless fraud has been practiced in the return of income. If the publication of the lists will remedy this evil, equal justice and common good demand their publication, for every honest man is defrauded by those who thus escape their fair share of the public burden.

Mr. IGOE. Mr. Chairman, I offer the following amendment to the amendment.

The Clerk read as follows:

Amendment to the amendment by Mr. IGOE: Strike out the word "all" and insert in lieu thereof "the amount of."

Mr. BURNETT. I ask that the original amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read the amendment.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Missouri.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment of the gentleman from Washington.

The question was taken; and on a division (demanded by Mr. DILL) there were—ayes 54, noes 129.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II.—WAR EXCESS-PROFITS TAX.

SEC. 200. That in addition to the tax imposed by Title II of the act entitled "An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes," approved March 3, 1917, there shall be levied, assessed, collected, and paid a like excess-profits tax of 8 per cent upon the income received in the calendar year 1917 and every calendar year thereafter by every corporation, joint-stock company or association, insurance company, and partnership. Such tax shall be computed, levied, assessed, collected, and paid, for the same years, upon the same incomes, upon the same basis, and in the same manner as the tax imposed by Title II of such act of March 3, 1917, as amended by this act.

Mr. SHACKLEFORD was recognized.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that this title be read through and that amendments then be in order to any part of it; that debate be closed in one hour and a half on the title and all amendments thereto, the time to be controlled one half by some one opposed and the other half by myself.

Mr. MANN. Reserving the right to object, I have no objection to reading the title through, and for that matter no objection to agreeing on time for debate; but gentlemen who want to offer amendments ought to have the privilege of offering them and the privilege of a short time in which to discuss them.

Mr. CANNON. How far does this reach?

Mr. SHACKLEFORD. Reserving the right to object, I have introduced an amendment and I want to discuss it.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that this title be read through; that there be 1 hour and 30 minutes' debate, one half to be controlled by those in favor of the proposition and the other by those in opposition. Does the gentleman from North Carolina propose who shall control the time?

Mr. MANN. And that gentlemen who desire to offer amendments shall have the opportunity to do so.

The CHAIRMAN. The Chair understands that recognition is to be left to the Chair.

Mr. MANN. Yes.

Mr. CANNON. Will the Chair state the request for unanimous consent again?

The CHAIRMAN. The proposition is that this Title II be read and at the end of one hour and a half amendments be offered and be pending——

Mr. MANN. No; not offered and pending, but gentlemen shall be entitled to recognition, those who want to offer amendments.

The CHAIRMAN. Does the Chair understand the gentleman that amendments shall be offered and voted on?

Mr. MANN. Certainly; and that time would not come out of the hour and a half.

The CHAIRMAN. The Chair understands. Is there objection?

Mr. SHACKLEFORD. Reserving the right to object, I desire to know if the amendment I have sent to the desk has been reported?

The CHAIRMAN. It has not been reported. The Chair thinks the gentleman from Missouri having been recognized, should now be recognized first. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will read the remainder of the title.

The Clerk read as follows:

SEC. 201. That sections 200, 202, and 204 of the act entitled "An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and extensions of fortifications, and for other purposes," approved March 3, 1917, are hereby amended to read as follows:

"SEC. 200. That when used in this title—

"The term 'corporation' includes joint-stock companies or associations, and insurance companies;

"The term 'United States' means only the States, the Territories of Alaska and Hawaii, and the District of Columbia; and

"The term 'taxable year' means the 12 months ending December 31, excepting in the case of a corporation or partnership allowed to fix its own fiscal year, in which case it means such fiscal year. The first taxable year shall be the year ending December 31, 1917, except that in the case of a corporation or partnership which has fixed its own fiscal year it shall be the fiscal year ending during the calendar year 1917."

"SEC. 202. That for the purpose of this title, actual capital invested means (1) actual cash paid in, (2) the actual cash value of property paid in other than cash, for stock or shares in such corporation or partnership, at the time of such payment, and (3) paid in or earned surplus and undivided profits used or employed in the business: *Provided*, That the good will, including trade-marks and trade brands, or the franchise of a corporation or partnership, is not to be included in the actual capital invested, unless the corporation or partnership made payment therefor specifically as such in cash or tangible property, the value of such good will, trade-marks, trade brands, or franchise, not to exceed the actual cash or actual value of the tangible property paid therefor at the time of such payment.

"SEC. 204. That corporations exempt from tax under the provisions of section 11 of Title I of such act of September 8, 1916, and partnerships carrying on or doing the same business shall be exempt from the provisions of this title. In the case of professional partnerships having no substantial capital the income derived from the professional services of the partners shall be exempt from the provisions of this title. Income derived from dividends upon stock of other corporations or partnerships which are subject to the tax imposed by this title shall be exempt from the provisions of this title."

Mr. SHACKLEFORD. Mr. Chairman, I now offer the following amendment.

The Clerk read as follows:

Amend, on page 6, by striking out all after the word "paid," in line 16 to and including the word "partnership," in line 20, and inserting in lieu thereof the following:

"A tax upon the annual net profits in excess of 8 per cent received in the calendar year 1917 and in every calendar year thereafter by every corporation, joint stock company, or association, insurance company, and partnership. The rate of such tax shall be 8 per cent on the first 1 per cent or less of such excess, 10 per cent on the second 1 per cent or less of such excess, 14 per cent on the third 1 per cent or less of such excess, 18 per cent on the fourth 1 per cent or less of such excess, 22 per cent on the fifth 1 per cent or less of such excess, 26 per cent on the sixth 1 per cent or less of such excess, 30 per cent on seventh 1 per cent or less of such excess, 34 per cent on the eighth 1 per cent or less of such excess, 38 per cent on the ninth 1 per cent or less of such excess, 42 per cent on the remainder of such excess."

Mr. SHACKLEFORD. Mr. Chairman, the amendment which I have just introduced provides that there shall be levied and collected as follows:

A tax upon the annual net profits in excess of 8 per cent received in the calendar year 1917, and in every calendar year thereafter, by every corporation, joint-stock company or association, insurance company, and partnership. The rate of such tax shall be 8 per cent on the first 1 per cent or less of such excess, 10 per cent on the second 1 per cent or less of such excess, 14 per cent on the third 1 per cent or less of such excess, 18 per cent on the fourth 1 per cent or less of such excess, 22 per cent on the fifth 1 per cent or less of such excess, 26 per cent on the sixth 1 per cent or less of such excess, 30 per cent on the seventh 1 per cent or less of such excess, 34 per cent on the eighth 1 per cent or less of such excess, 38 per cent on the ninth 1 per cent or less of such excess, 42 per cent on the remainder of such excess.

I of course understand that a section of this country will denounce me as an anarchist for having presented an amendment of this kind, yet I dare say that if it is given fair consideration it will be admitted by fair-minded men to be a reasonable and equitable tax to levy against the business interests of the country at this time of great stress.

I am not one of those who would unnecessarily or unreasonably disturb business. But I submit that a corporation that could go into the market with its stock and show that it is earning a net dividend of 8 per cent, after payment of expenses, wages, and everything else, would find a ready market. My amendment proposes to start increasing the rate not on the amount of the whole income but upon the first 1 per cent of profit in excess of 8 per cent. Much complaint against the method of taxation I propose is made here by a few of the gentlemen who come from the large cities, having among their constituents exceedingly rich people. I have heard it said that a few States are paying most of the income and excess-profit taxes. Mr. Chairman, no State is being taxed. We are taxing certain forms of property. We are taxing certain profits and incomes. We tax them wherever we find them, whether it be in Kansas or Alabama, in Chicago, Boston, or New York. There are railroads in my State, there are telephone companies in my State, there are waterworks in my State, there are electric railroads in my State, and there are electric-power companies in my State, and the people of my State pay all of the profits that the owners of those corporations make out of them. The owners of the stock in these corporations live in Chicago, in New York, in Boston; but what is the source of these vast incomes, the taxation upon which they are so anxious to escape? They come from the broad prairies of Kansas, from the productive fields of Missouri, from the rich mines and plantations of Alabama, from the oil fields of Oklahoma. Why should capitalists, because they choose to live in Chicago or New York, claim that they are paying more than their just share of taxation? I repeat, Where do they get their incomes? They get them from the people of Kansas, from the people of Missouri, from the toiling masses of all the States.

I hold in my hand a list of 44 corporations, with a table showing the amount of incomes they received in 1914, before war profits had become great, and the amount of incomes which they received in 1916, after the rush of war profits came. In the third column is the amount of the net increase as war profits over the normal profits which those corporations were receiving before the war broke out.

Net profits of 44 American industrial corporations.

[Figures shown are net profits earned for the stockholders after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporations.	1914	1916	Amount of increase.
American Can Co.	$2,916,330	$7,962,982	$5,046,643
American Smelting & Refining Co.	9,271,565	23,252,248	13,980,483
American Hide & Leather Co.	107,295	1,644,257	1,536,961
American Beet Sugar Co.	452,074	2,445,189	1,993,115
American Locomotive Co.	2,076,127	10,769,429	8,693,302
American Steel Foundries Co.	[1] 231,481	3,418,057	3,649,538
American Woolen Co.	2,788,692	5,863,819	3,075,127
American Writing Paper Co.	[1] 108,310	2,524,378	2,632,688
Armour & Co.	7,509,908	20,100,000	12,590,092
Atlas Powder Co.	294,150	2,939,790	2,645,640
Baldwin Locomotive Co.	350,230	5,982,517	5,632,287
Bethlehem Steel Corporation.	5,590,020	43,593,968	38,003,948
Barrett Co. (American Coal Products Co.)	1,280,476	4,247,858	2,967,382
Brown Shoe Co.	495,830	1,467,737	971,867
Central Leather Co.	4,876,924	15,489,201	10,612,277
Colorado Fuel & Iron Co.	[1] 905,968	2,210,171	3,107,139
Crucible Steel Co.	1,015,030	13,223,655	12,208,625
Cuban-American Sugar Co.	2,705,723	8,235,113	5,529,320
E. I. du Pont de Nemours Powder Co.	4,831,793	82,107,693	77,275,900
General Chemical Co.	2,857,898	12,286,823	9,428,923
Hercules Powder Co.	1,247,255	16,658,873	15,411,618
International Agricultural Corporation.	[1] 169,022	1,279,832	1,194,924
International Nickel Co.	4,732,655	11,748,270	6,955,614
Lackawanna Steel Co.	[1] 1,632,444	12,218,234	13,870,678
Morris & Co. (packers).	2,205,672	3,832,213	1,626,541
National Enameling & Stamping Co.	548,756	2,417,803	1,869,047
New York Air Brake Co.	641,046	8,214,962	7,573,916
Phelps-Dodge Corporation.	6,664,839	21,974,263	15,309,424
Pittsburgh Steel Co.	416,551	4,564,068	4,147,517
Railway Steel Spring Co.	374,454	3,719,805	3,345,351
Republic Iron & Steel Co.	1,028,748	14,789,163	13,760,415
Sloss-Sheffield Iron & Steel Co.	490,130	1,912,624	1,422,485
Swift & Co.	9,450,000	20,465,000	11,015,000
Texas (Oil) Co.	6,185,974	13,898,861	7,712,887
United States Steel Corporation.	23,496,768	271,531,730	248,034,962
United States Cast Iron Pipe Co.	[1] 59,893	1,308,641	1,368,599
United Fruit Co.	2,264,911	11,943,151	9,678,240
United States Industrial Alcohol Co.	653,264	4,884,587	4,231,323
United States Smelting, Refining & Mining Co.	2,265,641	8,898,464	6,632,823
Westinghouse Air-Brake Co.	3,482,904	8,396,104	5,913,101
Westinghouse Electric & Manufacturing Co.	4,058,809	9,666,789	5,607,980
Wilson & Co. (packers).	[2] 1,511,528	4,913,873	3,402,345

[1] Deficit. [2] 15 months.

Let us pause to consider some of the startling increases of profits revealed in this list.

The American Smelting & Refining Co. in 1914 earned a net profit of $9,271,565. In 1916 the amount was $23,252,248, an increase in net profits of $13,980,483.

The Armour Packing Co. in 1914 earned a net profit of $7,509,908. In 1916 the amount was $20,100,000, a net increase of $12,590,092.

Du Pont Powder Co. in 1914 earned a net profit of $4,831,793. In 1916 the amount was $82,107,693, a net increase of $77,275,900.

United States Steel Corporation in 1914 earned a net profit of $23,496,768. In 1916 the amount was $248,034,962.

The 44 companies named above made an aggregate in net profits in 1916 over 1914 of $591,666,151. This increase in net profits is simply the extra profits which these 44 companies have made out of the war.

The United States has now undertaken to pay not only her own war expenses but also to finance all of the other countries engaged in war against Germany. England, France, Russia, Italy, and the rest of the allies in turn are coming here to get their shares of our war revenue. We are dealing it out to them with a lavish hand. All war profits hereafter made either in the United States or in England or France or Italy will be largely paid out of the United States Treasury. We have no way to get the money except by taxes laid upon the people. The question, then, is where shall such taxes be laid? In my opinion they should be levied largely upon war profits, net incomes, and excess profits.

The men controlling these corporations are they who advocated the war and prompted the newspapers to push us into it. They who urged us to bear the expenses of England and her allies in carrying on the war. They who demanded conscription to force our boys into the ranks. Shall it now be said that these captains of industry are the slackers in this awful war? When we take a boy out of his home and conscript him into the Army we take his all. The bright young fellow stands at the threshold of life with his future before him. The world to him is a land of promise, and his heart is filled with hope. He looks forward to honorable achievements and the blessings of a home—a wife and children. He yearns to live and love and to enjoy the big round world which God has created in part for him. When the Army officer comes it is not a per centum of this boy that is taken, it is his all—his life, his limbs, his prospects, and his possibilities for honorable achievement, his yearning for domestic life and the perpetuation of his name and race. His everything is conscripted and he is sent away to war to fight under a foreign flag and die in a foreign land. This is a condition for which the capital class has clamored, yet many of that class are now showing themselves to be unwilling to do their part.

Mr. Chairman, I opposed going into the war. Having gone into it I still did not believe we should bear the costs of England and her allies in addition to bearing the whole expense of our own participation in the horrible conflict. But, sir, other counsels prevailed. We did go into the war and we did undertake to finance England and her allies. All of that is behind us. The war is in front of us. We must have not only men but also money. Our Government was not willing to depend upon volunteers to raise an army, but adopted conscription. Money is just as necessary as men, and we can not get volunteers to furnish it. It must be conscripted in like manner as are our boys.

It is a shame upon our country that capital is fighting against doing its part to win the war which it did so much to promote.

Capital insists that instead of raising war revenues by taxation we should resort to bond issues. But here, again, capitalists are slackers, and are not buying bonds as they should. The Secretary of the Treasury is trying to sell bonds. He has asked for several million dollars to be used in an endeavor to find purchasers. Why have not these bonds been taken up by the captains of industry who have been making such large fortunes out of war profits? These bonds are being hawked about by the Secretary of the Treasury on the installment plan in an endeavor to sell them to the poor people, because the rich will not buy. Sir, I again repeat, we must get the money like we get the men—by conscription.

We shall undoubtedly have to sell bonds if this war continues, but I believe we should, as far as we can, pay as we go. If we burden our country with a large bond issue it will make the rank and file of our people the slaves of the moneyed classes. The capitalists are not willing to pay taxes to carry on the war, and in like manner they will in after years be equally active in trying to avoid taxes to pay the principal and interest of our bonds. It is not fair to future generations of our children that we should saddle upon them the expenses of our conduct of affairs. They will have their own problems to work out and their own expenses to pay. We should not burden them with the expenses of our tasks. We are engaged in a tremendous war. Some say we have gone into it to enforce our rights upon the seas. Others say we have gone into it to reform governments on the other side of the world. Still others say we have gone into it for both of these purposes. But whatever the real purpose is it is ours and we should cheerfully put forth every possible effort to pay the expenses which we incur.

We are in the war and we must win it. We must have the necessary funds. If those who are able to provide them will not, then we must conscript them.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280 and had come to no resolution thereon.

ENROLLED BILLS SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 3545. An act to authorize the President to increase temporarily the Military Establishment of the United States; and

H. R. 2343. An act granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dodds to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment House concurrent resolution of the following title:

House concurrent resolution 8.

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill H. R. 3545, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," the Clerk be, and he is hereby, authorized and directed to strike out the word "member," in the fifth line of the matter inserted by the committee of conference on said bill and amendments, and to insert in lieu thereof the word "number."

WAR REVENUE.

Mr. KITCHIN. Mr. Chairman, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, with Mr. FOSTER in the chair.

The Clerk reported the bill by title.

Mr. DOWELL. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. DOWELL. I rise to offer an amendment.

The CHAIRMAN. It is not in order now. The question is on the amendment offered by the gentleman from Missouri.

The question was taken, and the Chairman announced the noes seemed to have it.

On a division (demanded by Mr. KEATING) there were—ayes 21, noes 75.

So the amendment was rejected.

Mr. DOWELL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. DOWELL: Page 6, after line 25, insert a new section, as follows:

"That section 301, Title III, munition manufacturers' tax of the act approved September 8, 1916, will be amended by striking out of the said section the words 'twelve and one-half' and inserting in lieu thereof the word 'twenty-five,' so that the same will read as follows:

"'SEC. 301. (1) That every person manufacturing (a) gunpowder and other explosives, excepting blasting powder and dynamite used for industrial purposes; (b) cartridges, loaded and unloaded, caps or primers, exclusive of those used for industrial purposes; (c) projectiles, shells, or torpedoes of any kind, including shrapnel, loaded or unloaded, or fuses, or complete rounds of ammunition; (d) firearms of any kind and appendages, including small arms, cannon, machine guns, rifles, and bayonets; (e) electric-motor boats, submarine or submersible vessels or boats; or (f) any part of any of the articles mentioned in (b), (c), or (e); shall pay for each taxable year, in addition to the income tax imposed by Title I, an excise tax of 25 per cent upon the entire net profits actually received or accrued for said year from the sale or disposition of such articles manufactured within the United States: *Provided, however*, That no person shall pay such tax upon net profits received during the year 1916 derived from the sale and delivery of the articles enumerated in this section under contracts executed and fully performed by such person prior to January 1, 1916.'"

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. DOWELL. Certainly.

Mr. GREEN of Iowa. I see the Clerk left out a line or whoever undertook to copy section 301, munitions factories, for my colleague left out a line in quoting it.

Mr. DOWELL. What is the line?

Mr. GREEN of Iowa. I just have the statute here; I have not the amendment. However, it can be corrected later, if that is the case.

Mr. DOWELL. Mr. Chairman, I offer the amendment just read. I have no objection to the correction if any part of the section has been omitted. This amendment is to section 301 of the act passed in September, 1916, which is Title III, munition manufactures tax, and the change which this amendment makes to the present law is to increase the tax provided in that act from 12½ per cent on the net profits to 25 per cent. Now, I want to call the attention of the House to the situation as we have it here. In this bill we are seeking to raise practically $2,000,000,000. We are laying heavy taxes upon nearly all of our citizens and all of the business interests of the country, and while all of the taxes have been materially increased in this bill your committee has not seen fit to increase the manufacturers' tax on munitions a single penny. In 1916, when we were raising taxes while at peace, your committee found it equitable and proper to place a tax of 12½ per cent upon the munitions plants, but not a single reference to these taxes has been made in this bill. My purpose now is to double the tax placed upon these factories a year ago while we were at peace and place upon the munition plants a little of this additional burden that you are placing upon everybody else. And I want later in the bill to see amendments adopted reducing the burdens upon those not so able to pay. This amendment is not as high as I believe it ought to be. I believe, when we take into consideration the fact that many of these munitions plants have so enormously increased their profits since 1914, that this Congress should not pass a bill which carries practically $2,000,000,000 and permit these manufacturers to escape the burden placed upon the people by this bill. This amendment should be adopted, and I would accept an amendment to place even heavier burdens upon these factories.

The large profits which these concerns have been making during the war not only justify this increase in taxes but with the increase suggested in this amendment they would not then be paying their fair share of the sums sought to be raised in this bill. In the past few weeks this Government has appropriated vast sums of money for the purpose of carrying on the war. These appropriations cover many and varied expenditures of the Government. But in the preparation for war necessarily large parts of these appropriations find their way to the munition factories, and these factories have been receiving, and will be receiving, enormous profits from these war contracts.

I am submitting a statement or schedule of comparison, purporting to come from "the American Committee on War Finance," relating to the earnings and increased net profits of the stockholders of some of these great corporations during the past few years, and I ask that the same be placed in the RECORD here.

The statement referred to is as follows:

WHERE THE TAXABLE WEALTH IS.

Where, then, has the Nation's prosperity gone since the world war began—into whose pockets? And, above all, where may we find the accumulations of wealth which may now be taxed to pay for the war with the least hardship or injustice to the public?

The following figures, selected almost at random from the great list of industrial corporations that have profited by war times may suggest the answers to the above questions. They may also indicate the economic conditions which lie below the fact, reported by Prof. King, of the University of Wisconsin, that 2 per cent of the people of the United States own 65 per cent of the country's total wealth.

The figures shown are the net profits earned for the stockholders, after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.

	1916	1915	1914	1913
American Can Co.	$7,692,982	$5,029,273	$2,916,339	$4,376,173
American Smelting & Refining	23,252,248	14,402,732	9,271,565	9,756,540
American Hide & Leather	1,643,766	959,974	107,205	475,518
American Beet Sugar Co.	2,445,189	1,424,654	452,074	881,055
American Locomotive Co.	10,709,429	[1] 1,491,980	2,076,127	6,185,303
American Steel Foundries Co.	3,418,057	[1] 219,574	[1] 231,481	1,033,592
American Woolen Co.	5,863,819	4,080,865	2,788,602	[1] 1,179,791
American Writing Paper Co.	2,524,378	[1] 126,956	[1] 108,310	[1] 229,190
Armour & Co.	20,100,000	11,000,000	7,509,908	6,024,197
Atlas Powder Co.	2,930,790	1,671,762	294,150	322,833
Baldwin Locomotive Co.	5,982,517	2,827,816	350,230	4,017,803
Bethlehem Steel Corporation	43,593,968	17,762,813	5,590,020	5,122,703
Barrett Co. (American Coal Products Co.)	4,247,858	2,482,236	1,280,476	1,835,811
Brown Shoe Co.	1,467,757	240,322	495,800	710,464
American Leather Co.	15,489,201	5,636,807	4,876,924	4,388,345
Colorado Fuel & Iron Co.	2,201,171	[1] 334,611	[1] 905,963	1,727,192
Crucible Steel Co.	13,223,655	3,073,750	1,015,039	4,905,883
Cuban-American Sugar Co.	8,235,113	5,594,048	2,705,721	356,887
E. I. du Pont de Nemours Powder Co.	82,107,603	57,257,308	4,831,791	4,582,075
General Chemical Co.	12,286,826	5,958,746	2,857,893	2,809,442
Hercules Powder Co.	16,658,873	4,886,102	1,247,225	1,017,212
International Agricultural Corporation	$1,279,812	[1] $180,022	$84,908	[1] $161,493
International Nickel Co.	11,748,279	5,598,072	4,792,665	5,000,121
Lackawanna Steel Co.	12,218,234	2,409,108	[1] 1,652,444	2,755,881
Morris & Co. (packers)	3,832,213	2,321,415	2,205,672	1,916,997
National Enameling & Stamping Co.	2,417,893	913,742	548,755	761,274
New York Air Brake Co.	8,214,962	1,341,285	641,046	654,512
Phelps-Dodge Corporation	21,974,263	9,720,475	6,664,849	7,907,710
Pittsburgh Steel Co.	4,564,068	858,169	416,551	1,133,669
Railway Steel Spring Co.	3,710,845	1,361,220	374,451	1,121,661
Republic Iron & Steel Co.	14,780,161	3,515,819	1,028,748	3,101,303
Moss-Sheffield Iron & Steel Co.	1,912,624	522,388	490,139	678,463
Swift & Co.	20,465,000	14,087,500	9,450,000	9,250,000
Texas (Oil) Co.	13,898,861	6,394,327	6,185,974	6,661,123
United States Steel Corporation	271,531,740	75,833,831	23,496,768	81,216,985
United States Cast Iron Pipe Co.	1,308,641	[2] 381,387	[1] 59,863	564,427
United Fruit Co.	11,943,151	5,900,522	2,264,911	5,315,631
United States Industrial Alcohol Co.	4,884,587	2,172,013	653,264	652,358
United States Smelting, Refining & Mining Co.	8,898,451	6,592,324	2,265,641	3,585,583
Westinghouse Air-Brake Co.	9,396,103	1,575,839	3,482,994	5,255,259
Westinghouse Electric & Manufacturing Co.	9,666,780	2,009,741	4,058,803	3,164,032
Wilson & Co. (packers)	4,913,873	2,463,732	[3] 1,511,523	1,364,245

[1] Deficit. [2] 19 months. [3] 15 months.

Taking 24 of the principal companies listed above and comparing their earnings in 1914 and 1916, we find in these two years an increase of 500 per cent, and these increases may be expected to continue. For instance, the steel corporations' last quarter's earnings, just published, would indicate that; for, if the percentage is maintained for the whole year, the net sum applicable to dividends for 1917 should be about $450,000,000.

John P. White, A. J. McKelway, E. W. Scripps, John L. Elliott, W. P. Montague, Frederic C. Howe, Sumner Gerard, Wil. Irwin, William T. Creasy, Owen R. Lovejoy, Alexander M. Bing, Sidney Hillman, Geo. Foster Peabody, Harold Howland, George P. Hampton, Henry Moskowitz, John J. Hopper, Amos Pinchot, John D. Fackler, the American Committee on War Finance, 60 Broadway, New York.

Mr. COX. Will the gentleman yield?

Mr. PLATT. Will the gentleman yield?

Mr. DOWELL. I have but a moment. I would be glad to yield otherwise.

Now, under the schedule submitted by the American Committee on War Finance these munition plants have profited practically 500 per cent since 1914. The distinguished gentleman from Ohio [Mr. LONGWORTH] has frequently suggested that the taxes are being paid by a small number of the people of the United States. This not only has been stated but it has been restated and stated again. But does the gentleman know that the committee above referred to states that 2 per cent of the people of the United States own practically 65 per cent of the wealth of the country? And if this be true, why should not these heavy burdens be placed upon the men who are accumulating these great fortunes by these magnificent profits they have been receiving?

Mr. CANNON. Will the gentleman yield?

Mr. DOWELL. Certainly.

Mr. CANNON. I absolutely deny the statement that 2 per cent of the people own 65 per cent of the property.

Mr. DOWELL. As I stated, this is from the American Committee on War Finance. It is over their signature in this paper. I take the committee for this statement.

Mr. CANNON. That is Mr. Pinchot's statement, is it not?

Mr. DOWELL. I know not whose statement it is, but I know it purports to come from this committee, and I have not heard it contradicted except from the gentleman now.

Mr. CANNON. I contradict it. It is utterly misleading, utterly unreliable, and utterly untrue.

Mr. DOWELL. Whether the question of the percentage is correct or not is immaterial. It is a fact, however, that there are a number of people in the United States engaged in the manufacture of munitions. It is also a fact that they have been receiving enormous profits, profits unheard of and unknown before in this country, and it seems to me that when such heavy burdens are being placed upon the people of this country we ought not to pass these gentlemen by without even a reference to them in this bill. We ought to place some of the extra burdens upon these enormous profits acquired by these munition factories because of the war rather than to add the heavy burdens you are placing upon the rest of the people of the United States and rather than disturb the business of the country. If these munition factories are receiving the profits it is claimed they are receiving, this Congress should demand that they pay at least their fair share of these taxes. I think they should pay much more than is called for in this

amendment. I am utterly unable to understand why this amendment should be opposed.

Mr. CANNON. Will the gentleman yield further for a single question?

The CHAIRMAN. The time of the gentleman from Iowa [Mr. DOWELL] has expired.

Mr. MONDELL. Mr. Chairman——

The CHAIRMAN. Is the gentleman opposed to the amendment?

Mr. MONDELL. I am, as it stands.

The CHAIRMAN. The gentleman from Wyoming is recognized.

Mr. MONDELL. Mr. Chairman, I am not opposed to the amendment because it proposes an additional tax on the profits of munition factories, assuming they are making large profits. I know nothing about it, except by general report. I would very gladly support an amendment that laid an additional tax on the abnormal profits of all the corporations and all the copartnerships and associations in the country. We make a very great mistake when we imagine that in time of war the only people who make abnormal profits are the men who make munitions of war. There are corporations making clothing, boots, and shoes for armies—selling coal at two and one-half times what it was sold for a year and a half or two years ago, without any corresponding increase in the cost of production——

Mr. COOPER of West Virginia. Will the gentleman yield?

Mr. MONDELL. I have only five minutes.

Mr. COOPER of West Virginia. Has not every article that goes into the production of coal increased very materially?

Mr. MONDELL. Yes; I think so. My understanding is there has been an increase of, say, from 15 to even as high as 25 cents a ton in the cost of the production of coal.

Mr. COOPER of West Virginia. Has not the price of steel rails gone from $25 to $60 a ton?

Mr. MONDELL. I appreciate there has been an increase in the cost of articles used in the production of coal as well as in labor costs. I did not rise for the purpose of going into the coal question, but, as the gentleman is interested in that matter, I will go into it for a moment. There has been a very considerable increase in the cost of the production of bituminous coal, and bituminous coal is what I have in mind. I am quite certain that the increase in the cost of production of bituminous coal the country over, taking everything into consideration, will not amount to 50 cents a ton, and I believe that 25 cents a ton is nearer the increase in the average cost. On the other hand, the price of bituminous coal at the mines has increased from an average of about $1.25 a ton, mine run, to about $3.50 a ton, mine run. And assuming for the sake of argument there has been an increase in the cost of production of 50 cents per ton, which there has not been, that does not account for the increase of from $1.50 to $2.25 a ton for coal at the pit mouth. I know of no people in this country who have been making more out of the war than the bituminous coal miners of the country.

Mr. KNUTSON. Will the gentleman yield?

Mr. MONDELL. I believe they are entitled to a good profit, because I am told that prior to the outbreak of the war, for quite a number of years, many operators made but very little. They had a very hard time of it, and I think they are entitled to get some profits out of the war; but it does not follow that they are entitled to make the enormous profits they are now making in time of war without bearing some part of the burden of the war on those additional profits.

Now, that is only one industry, and I have no special industry in mind. What I rose to say was this, that the difficulty about this excess-profit tax is that it lays a burden on all profits, whether they be reasonable or unreasonable, normal or abnormal. The English excess-profit tax is a much fairer, a much more equitable tax, and I am in hope that some one will offer—I understand the gentleman from Iowa [Mr. GOOD] has been considering such a proposition—a provision along the line of the English excess-profit tax, modified to meet our situation.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. Mr. Chairman, I ask that I may have five minutes more.

Mr. BLAND. Mr. Chairman, I move that the gentleman's time be extended five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GREEN of Iowa. The gentleman, I suppose, has gone into the details of the English profit tax?

Mr. MONDELL. I will not say that I have gone into the details thoroughly or carefully, but I think I understand in a general way what the underlying principle is, and in the brief time I have I will try to explain what I believe to be a proper modification of the English provision under our conditions.

Mr. GREEN of Iowa. Would the gentleman care to be interrogated about the English provision?

Mr. MONDELL. I regret I have not the time, but if the gentleman prefers, let us assume that there is no English excess-profits tax, and talk about an American excess-profits tax that would be fair and equitable. That will clear the situation. I know of no war tax more equitable, more fair, more reasonable than a tax upon abnormal and unusual profits arising in time of war. [Applause.] Such a tax is more equitable than the ordinary income tax, for the ordinary income tax may be levied on an income derived from profits of 2 per cent or 3 per cent, or even 1 per cent. On the other hand, an excess-profits tax, if properly levied, is laid only upon profits well above normal. In such a tax your levy would be on the benefits that the corporation receives from the conditions of the war. Certainly no one can in reason object to paying back to the Government a part of the excess profit that a condition of war gives him.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. MONDELL. Yes.

Mr. DOWELL. Does not the munition manufacturer receive an abnormal profit?

Mr. MONDELL. He may, but he is not the only one who does, and an excess profit due to war is a legitimate object of taxation without regard to its source. The trouble with the gentleman's amendment is, first, that it would levy a very heavy profit tax on all profits, even if they were not more than 1 or 2 or 3 or 4 per cent on the investment, whereas a proper excess-profits tax should only be levied upon profits that are above normal, that are unusual, that are abnormal, and that in many cases are obtained by wringing from the people an exorbitant price for the necessities of life. [Applause.] That is the sort of a profit we ought to reach and the sort of a profit that we ought to tax heavily.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I yield.

Mr. CANNON. The $1.50 or $2 corn, the $2.50 wheat, the 20-cent cotton, and other advances all along the line are not proposed to be touched, yet they are war profits. That is the proposition. They far exceed in amount what we are trying to reach.

Mr. MONDELL. I understand that any argument you might make in regard to the levying of any tax might be met with a statement that there are other sources from which you could equitably and properly secure revenue. But by and large, and in the main, the prices that a farmer actually receives for his product, even in time of war, are not great, compared with the increases in the cost of production. But on the other hand, the man who buys the farmer's wheat at $1.30 or $1.40 a bushel, or even $1 a bushel, and sells for $2 or $3 or $3.12 a bushel is obtaining an abnormal and extraordinary profit out of the conditions of war. It is that kind of a profit that I should like to reach with an excess-profits tax. My opinion is that if you had a law reaching that kind of a profit, or any other abnormal profit wrung from the necessities of the people, and taxing it heavily, you would by that means do more to discourage the making of abnormal and thieving profits by raising the cost of the necessities of life than you can do in any other way. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. May I have five minutes more, Mr. Chairman?

Mr. STAFFORD. I guess the gentleman is not aware that the time is limited and has been divided.

Mr. MONDELL. No; I did not know that. In that case I withdraw my request. I do not wish to take time that some one else has been expecting to use.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was rejected.

Mr. BORLAND. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BORLAND: Page 7, strike out from line 23 to the word "business," in line 3, page 8, and insert:

"SEC. 202. That for the purpose of this title the actual capital investment shall be taken to be the fair market price or value of all assets,

real, personal, or mixed, owned and used in connection with the business at the beginning of each accounting period for which the tax is to be computed."

Mr. BORLAND. Mr. Chairman, the present law on the subject of the excess-profits tax provides that where the capital stock has been paid in property the valuation shall be the value of the property at the time the property was turned in.

That has always been a very lame provision in the law, and it will continue to be a lame provision, and it will get much worse, of course, with this present increase in the excess-profits tax. The value at which the property was turned in at the time the corporation was created is absolutely no indication of the value of that property to-day or of the working capital of that corporation. The property might have been turned in at a value that had shrunk away to nothing, and yet that corporation would be entitled to earn its dividends—8 per cent—on the valuation set upon that property at the time it received it 20 years ago. It might have been an oil well; it might have been a mine; it might have been a leasehold on a mine that to-day has only a nominal value, and yet honestly stands on the books of that corporation at the time it was received as of a certain value. That is one bad feature of this provision.

The opposite of the case is just as bad. A man is entitled to the legitimate value of his property to-day, not what it was worth 20 years ago. That feature especially appealed to the southern timberland people and to the northwestern timberland people, too, for that matter. Twenty, thirty, or forty years ago, when these timberlands were turned in to the corporation, they may not have been worth a dollar an acre for standing timber. To-day they may be worth $8, $10, or $12 a thousand, board measure, the actual worth. Yet those particular corporations which are the principal sufferers by this provision, are to be limited to a profit tax upon the value of the property at the time they received it. As I say, that is a very lame provision. It is a provision that was not originated in this law.

Mr. COX. In what way does the gentleman's amendment propose to meet that?

Mr. BORLAND. I propose that the value of the property shall be taken as of the beginning of the period for which the tax is computed. My amendment is that the property shall be valued as of the 1st of January, 1916, if you are going to assess it for the year 1916.

Mr. COX. That is a physical valuation?

Mr. BORLAND. Yes.

Mr. COX. In other words it is the cash value.

Mr. BORLAND. Yes.

Mr. O'SHAUNESSY. Has the gentleman calculated the length of time it will take to make that valuation?

Mr. BORLAND. That would not be necessary.

Mr. O'SHAUNESSY. Or the force of men that would be required.

Mr. BORLAND. Oh, no; every corporation has an inventory of its assets up to the end of its fiscal year, and on that valuation it usually pays local taxes of some kind.

Mr. O'SHAUNESSY. Does the gentleman know how long it has taken to value the railroads?

Mr. BORLAND. The railroads have to be valued as a special proposition.

Mr. O'SHAUNESSY. Does the gentleman know how long it has taken to value them?

Mr. BORLAND. I am not sure that this excess profits tax applies to the railroads, or could apply to them under any circumstances, because I do not think there is any railroad in the United States to-day that you could prove has made more than 8 per cent on its capital investment.

Mr. KITCHIN. Suppose the Interstate Commerce Commission raises the rates of the railroads 15 per cent.

Mr. BORLAND. How much taxes are you collecting from the excess profits of railroads now?

Mr. KITCHIN. I do not know.

Mr. BORLAND. I venture to say you are not collecting $10,000, so it just leaves the railroads clear out.

Mr. KITCHIN. Unless you put in the words "except railroads," it will require a physical valuation of them anyway.

Mr. BORLAND. All right, I will do that. I will except the railroads if there is any danger of that whatever.

Mr. KITCHEN. And if the Interstate Commerce Commission permits the railroads to raise their rates 15 per cent of their gross receipts, I think a lot of railroads will make more than 8 per cent.

Mr. BORLAND. They will never make that raise with my consent.

Mr. KITCHIN. I do not think they ought to have any increased rates, but they are trying to get them.

Mr. BORLAND. If the gentleman from North Carolina thinks the railroads will escape under this, I am perfectly willing to modify my amendment. I have never seen a dollar of excess profits taxes coming from them, but if they are earning any excess profits I do not want them to escape taxation upon them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. BORLAND. I yield.

Mr. GREEN of Iowa. The Chicago, Burlington & Quincy Railroad made enough to pay 20 per cent on its common stock this year, and the Union Pacific made even more than that.

Mr. BORLAND. Let us not waste any time on railroads, because we are agreed as to them. If the gentleman has any fear on that, I am willing to exclude them; that is, to except common carriers. Now, we will assume that the amendment is modified so as to except common carriers, and it gets right down to business corporations. Every man who has been connected with a business corporation knows that the poorest way to value that corporation is by the value turned in at the time the corporation was formed. Why, that kind of a proposition usually would result in fraud, because in many States there is no protection at all against the price that the corporation sets upon the property it received. I venture to say that 20 years ago it was universal in this country that there was no limitation or protection against the price at which a corporation might take property in exchange for its capital stock. It might dispose of its capital stock for fresh air and blue sky. Yet under this law it would be entitled to earn 8 per cent profit on any extravagant valuation that it had put on such property at the time it received the same before it would be liable for any excess-profits tax.

Mr. COX. The laws of my State—of Indiana—as I recall, require all corporations to submit semiannually the total value of their tangible property.

Mr. BORLAND. So they do in Missouri and, I think, in most other States.

Mr. COX. Does the gentleman know how many States of the Union have laws of that kind; and if they have, why could not the returns under such laws be accepted as the basis on which to fix this valuation?

Mr. BORLAND. They could.

Mr. COX. And they would be estopped from saying that they had made an erroneous statement.

Mr. BORLAND. The State of Missouri requires a return to be made, and I think that possibly 40 of the 48 States require such corporation returns to be made annually as a basis on which they levy some kind of a corporation or occupation tax.

Mr. COX. Why could not that be accepted?

Mr. BORLAND. It could be accepted very easily as a method to check the falsity of their statements. It might not correspond exactly in date with the date when they would have to make the return.

Mr. HELVERING. A certain company have a trade-mark that they claim is worth a million and a half of dollars. They have never been offered that for it or had it on the market for sale. Would the gentleman include that as a part of the capital of the company?

Mr. BORLAND. If your State would permit them to include that among their tangible assets, I presume we would have to include it. That is the value your State would permit.

Mr. HELVERING. It is not in my State.

Mr. BORLAND. But as a general thing the law excludes, I think, the good will of a corporation, or anything that is not tangible. It refers only to property which has a tangible money value. But it does seem to me that this question about requiring a physical valuation by some Government official is not an answer to this proposition. There is no class of corporations as to which it could be required except the railroad corporations, and we can just as well exclude them right now, because we will not make or lose a dollar of revenue in the way of excess profits tax, in my opinion, by excluding them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Now I ask unanimous consent to modify my amendment by putting in the words "except common carriers."

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to modify his amendment as indicated. Is there objection?

There was no objection.

Mr. BORLAND. That will come in after the word "partnership," line 1, page 8.

Mr. KITCHIN. Mr. Chairman, I hope the committee will not adopt the amendment. We would not get any tax under his proposition, and we would lose what we have got. It would take the department 10 years to make a physical valuation of all the corporation property under his provision. It would cost fifty to a hundred million dollars to administer such a provision as that.

Mr. BORLAND. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. BORLAND. The gentleman knows that every State requires corporations to turn in a statement of their physical assets.

Mr. KITCHIN. Yes; but they take their word for it. We would have to value it as we do the railroads.

Mr. BORLAND. Suppose it could be checked up by that, as is the statement of the gentleman as to his income tax.

Mr. KITCHIN. Oh, yes; but my statement is about my income. They do not ask me to value my farm, my property, or what I have invested in buildings; they take my statement of the income. I will say that there is not a country in the world of the five or six that have excess profits taxes, that takes the proposition involved in the gentleman's amendment. The other body at the last session, in dealing with this subject, put in a proposition very similar to this offered by the gentleman from Missouri; but when they found out what it involved they unanimously agreed to take it out because it would do just what I say it will do, and I hope that the committee will vote it down.

Mr. BORLAND. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. STRONG. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. STRONG: Page 6, line 25, after the word "act," insert:

"*Provided*, That corporations, joint-stock companies, or associations and partnerships, engaged in the manufacture or production of staple articles of commerce, involved in indebtedness created in the construction, maintenance, or repair of their manufacturing or producing plants, and whose said indebtedness shall not be represented by outstanding bonds or by mortgages supporting said bonds, which indebtedness was, prior to the passage of this act, legitimately charged against their construction, maintenance, or repair accounts, may first deduct from their net earnings a sufficient sum to liquidate said indebtedness before being subject to the excess profits tax as herein provided and as provided in the act of March 3, 1917."

Mr. STRONG. Mr. Chairman, there are in this country thousands, yes, hundreds of thousands, of business men who are bitter toward their Government because of the nagging attitude it has maintained toward them during the past 12 or 14 years. Beginning with the Northern Securities case, the "trust-busting" campaign, carried on through three administrations, has accomplished little if anything of benefit to the people, while on the other hand great injustice has been done and hardships imposed upon thousands of small corporations and business organizations in the country. It seems that when reference is made to corporations a majority of the Members of Congress and other legislative bodies think only of Standard Oil, the United States Steel, and probably a few other of the larger interests. They do not think of a hundred thousand small corporations they never heard of and do not know about. In the hope of "getting" certain large concerns, the Congress passed a law declaring that business methods which had always been accepted as entirely honest and legitimate because of changed conditions had becomes crimes. But the law was so vague in terms that years passed before the Department of Justice brought prosecution under it. The first suit was brought more as an experiment, and at the time not a lawyer in the country, either within or without the Department of Jusice, thought there was anything in the law, and so the business men, under advice of counsel, continued to follow the beaten path, and it was not until the Supreme Court exercised the last guess, and handed down an interpretation under which they were subject to fine and imprisonment, did they know they had been doing wrong. But neither the large concerns the law was intended to catch nor the men connected with them have been made to suffer. It has been the small concerns, the man in the small town or village, who has been punished because he, with a few associates, anxious to have some labor-employing enterprise in their town for the benefit of the community, joined forces and built a factory of some kind.

When they took out a charter in order to fix their several interests in their little enterprise, they instantly became in the eyes of the cheap politician that damnable and dangerous thing called a corporation. For every one large corporation the professional politician has in mind when he declaims against them, there are ten thousand of these little concerns in the country he would make suffer. I have no brief from the corporations, either large or small. It was in the indorsement and support of labor organizations which elected me to Congress, and I am proud of it. I am simply speaking as an observer somewhat amused to note that certain men secure public office by taking a stand against corporations in the interest of the "peepul," and also observing that just in the degree that they are uninformed do they raise their voices and like a hound dog baying the moon do they howl about the crooked and criminal corporations and the small concerns in the small towns of the country which have been created more for the purpose of giving employment to labor rather than with any particular hope of making money, are made to suffer through fool laws which such politicians succeed in writing in the statute books. And in like manner, if the bill under consideration becomes a law in its present form, it will not hurt the large corporations able to pay the tax, but it will do injury to many small concerns in the country. The bill is framed to secure a substantial share of the excess profits of corporations, which is all very well, and with which I agree, but no thought is given to the thousands of small concerns which the Government forced out of business in its campaign to regulate big business, which have resumed operations to take advantage of better price conditions growing out of the war and to comply with the suggestion of the President that the manufacturers of the country should, as a matter of duty, operate their plants and if possible increase production. To resume operations in some cases and to increase production in others thousands of these small concerns have been compelled to borrow money to repair or enlarge their plants. Having no credit, in many instances, patriotic citizens have indorsed for them at local banks in order to get them started.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SLOAN. Mr. Chairman, the gentleman from Pennsylvania is making a very interesting speech, and I ask unanimous consent that his time be extended five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STRONG. I now contend that these small concerns should be permitted to deduct a sufficient sum from their net earnings to pay these particular debts, legitimately charged against their construction account prior to the passage of this act, before being subject to this excess tax. It will not only be fair, but I believe it will be good judgment to show this consideration for the manufacturers and producers of the country.

I want to add that there are so many unsatisfactory provisions in the bill under consideration that I shall vote against it unless subsantially amended. That a revenue bill should be introduced in the Congress so unscientific in its terms that the only justification for it offered by its advocates is that "we need the money" is absolutely without excuse. The same reason for wrongfully taking money from defenseless victims has been offered by every pirate and highwayman from the days of Capt. Kidd and Claude Duval down to the present time. There is no real necessity for rushing a bill through Congress which no one can justify except on the plea of the highwayman. We declared war and then fussed around for six weeks before we authorized the recruiting of an army. If that Army, when in action, follows the example of Congress in the matter of speed, then God save the Republic. It seems to me the entire attention of the Congress should have been concentrated on the quick establishment of an armed force, for which immediate needs could be met with a bond issue, and sufficient time should be taken to prepare a revenue measure which would work the least possible injury to the business interests of the country. Those of us who criticize this bill are just as anxious to raise the money to carry on the war as those who support it in its present form. Having voted for war, we must, of course, vote the necessary money to carry it to a successful conclusion, but that does not mean we should run amuck through the business interests of the country, cutting and slashing with no consideration for their welfare. [Applause.] I am in favor of taking care of the men who make the wheels go round, and in view of the fact that no one knows how long the war will last, how long our people will be burdened with heavy taxes, and the fact that we must not only raise large sums for our own requirements, but also for our allies, it seems to me that if there ever has been a time in the history of our country when extreme care should be exercised in framing a revenue bill, instead of adopting what is admittedly a makeshift, it is the present time.

Mr. Chairman, I do not know whether my motion will prevail, but I will have this satisfaction, that I shall have given the

business men of this country at least an opportunity to gauge the correct attitude of this body toward them. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. STRONG].

Mr. FARR. Mr. Chairman, I ask that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

Mr. DOOLITTLE. I object.

The question was taken, and the amendment was rejected.

Mr. GOOD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. GOOD: At end of line 22, page 8, insert a new section, as follows:

"SEC. 205. That in addition to the taxes under existing laws and in addition to the taxes imposed by section 200 hereof, there shall be levied, assessed, collected, and paid a like excess-profits tax of 30 per cent in the calendar year 1917, and every calendar year thereafter, by every corporation, joint-stock company or association, insurance company, and partnership, on that portion of the net profits of any such corporation, joint-stock company or association, insurance company, and partnership in excess of the normal profits of any such corporation, joint-stock company or association, insurance company, and partnership. That in determining the normal profits of any corporation, joint-stock company or association, insurance company, and partnership, the Commissioner of Internal Revenue shall take the net profits of any corporation, joint-stock company or association, insurance company, and partnership for the years 1912, 1913, and 1914, and the average net profits for said years shall constitute the normal profits of any such corporation, joint-stock company or association, insurance company, and partnership. The Commissioner of Internal Revenue shall make due allowances for any and all additions to or reductions in the capital invested after January 1, 1915, by any corporation, joint-stock company or association, insurance company, and partnership, on the basis of 8 per cent per annum. In determining the normal profits of any corporation, joint-stock company or association, insurance company, and partnership not engaged in business during any or all of the years of 1912, 1913, and 1914, the Commissioner of Internal Revenue shall in the manner above prescribed ascertain the normal profits of any such corporation, joint-stock company or association, insurance company, and partnership during such time as any such corporation, joint-stock company or association, insurance company, and partnership was engaged in business prior to January 1, 1915; that the normal profits of any corporation, joint-stock company or association, insurance company, and partnership organized subsequent to January 1, 1915, shall be deemed to be 10 per cent on the capital invested: *Provided, however*, That if the net earnings of any such corporation, joint-stock company or association, insurance company, and partnership shall be less than 10 per cent per annum on the capital invested then, and in that event, an additional tax shall be levied by this section."

Mr. GOOD. Mr. Chairman, if the amendment I have offered is adopted quite a number of the oppressive provisions of this bill that impose purely consumption taxes may be eliminated. If adopted many of the taxes imposed on legitimate industry may be greatly reduced. We are all agreed that we must finance this war, but in financing it we ought to adopt some general comprehensive plan that will reduce the burden on the great mass of our people to the minimum. The plan should be so comprehensive that it would afford a minimum of hardship to legitimate industry. It should at the same time place as much of the burden as possible on those who make abnormal profits out of the war. I believe the English system of taxation for financing the war is conceded by 75 per cent of the membership of this House to be far better than the system here proposed in this bill.

The amendment I have offered will accomplish this and only this: It does not place a penny of additional tax on normal profits. It imposes an additional tax of 30 per cent on war profits. It taxes war profits only. In order to make the amendment harmonize with the text of the existing law and the provisions of this bill I have designated these profits as excess profits, or profits in excess of normal profits. The amendment can best be understood by applying its provisions to a given case. Take a concern like the Hercules Powder Co., for example. Last year that concern had a net profit of $16,658,873. Under this amendment, if adopted, the Commissioner of Internal Revenue will ascertain what the normal profits of the Hercules Powder Co. were during the three years before the war—that is, for 1912, 1913, and 1914. The normal profits of that concern for those years was, in round numbers, $1,000,000 per year. The amendment does not propose any tax on those normal profits of $1,000,000, but in ascertaining the amount of the tax the Commissioner of Internal Revenue would subtract $1,000,000, the normal profits, from the abnormal profits of $16,658,873, made in 1916. He would find that the Hercules Powder Co. for 1916 had a war profit of $15,658,873. On this he would compute a tax of 30 per cent, and out of these war profits this concern would be compelled to pay to the Government $4,697,661.90. Is there any injustice in such a tax? Would any hardship result from the imposition of such a tax? Would a single man, woman, or child in the United States be compelled to wear poorer clothing or to eat less food because of such a tax? The hardship and suffering through the imposition of such a tax would be reduced to the minimum. No person in this time of stress should be allowed to make and retain a profit like that. My amendment, if adopted, would take 30 per cent of the war profits of every person and every corporation in the United States to support the war. That is what the English system does. Only under the English law to-day they take 80 per cent of the war profits to support the war.

I have in mind now a block of coal stock which has been held in my section of the country for a number of years. It is reported to be largely watered stock. It has not paid any dividends for a number of years, and, in so far as it is pure water, it ought never to be permitted to pay any dividends. The owner of that stock is, I am credibly informed, receiving a weekly dividend of over $2,000. Think of it. This bill imposes only a normal tax on that corporation. It proposes to take no more of the war profits of that corporation than it does of the corporation whose profits have not increased a dollar because of the war. We put a tax on telephone bills, on heat, bills, on electric-light bills, water bills—purely consumption taxes—and everyone knows that in these times of stress the bills of the ordinary consumer are more than he can bear. But it is not proposed at all to reach out and make an exception of the class that profits because of the war. These war profits exist all over the country. Men are ambitious to make money, and their avarice too often permits them to raise the prices of the necessaries of life. And if this amendment is adopted it will tend to regulate prices and at the same time it will reach those same large concerns that have been engaged in making a horizontal increase, not only in war supplies but in the necessaries of life, and it will take 30 per cent of their war profits to support and carry on the war.

I have here a compilation, made of more than 40 large American industrial corporations, which shows at a glance how some of these concerns are reaping tremendous war profits. I will insert it in the RECORD. It is as follows:

Net profits of American industrial corporations.

[Figures shown are the net profits earned for the stockholders, after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporation.	1916	1915	1914	1913
American Can Co.	$7,962,982	$5,029,273	$2,916,339	$4,376,173
American Smelting & Refining Co.	23,252,218	14,402,732	9,271,565	9,756,540
American Hide & Leather Co.	1,643,265	959,974	107,205	475,518
American Beet Sugar Co.	2,445,180	1,421,654	452,074	881,055
American Locomotive Co.	10,769,429	[1] 1,491,980	2,076,127	6,185,306
American Steel Foundries Co.	3,418,057	[1] 219,574	[1] 231,481	1,033,592
American Woolen Co.	5,863,819	4,080,865	2,788,602	[2] 1,179,791
American Writing Paper Co.	2,524,378	[1] 126,959	[1] 108,310	[1] 229,191
Armour & Co.	20,100,000	11,000,000	7,509,908	6,028,197
Atlas Powder Co.	2,939,790	1,671,762	294,150	322,838
Baldwin Locomotive Co.	5,982,517	2,827,816	359,[illegible]10	4,017,800
Bethlehem Steel Corporation	43,593,968	17,762,813	5,590,020	5,122,703
Barrett Co. (American Coal Products Co.)	4,247,858	2,482,236	1,280,476	1,835,818
Brown Shoe Co.	1,467,757	240,322	495,890	710,464
Central Leather Co.	15,489,201	5,626,897	4,876,924	4,386,345
Colorado Fuel & Iron Co.	2,201,171	[1] 334,611	[1] 905,968	1,727,192
Crucible Steel Co.	13,223,655	3,073,750	1,015,039	4,905,886
Cuban-American Sugar Co.	8,235,113	5,594,043	2,705,723	356,847
E. I. du Pont de Nemours Powder Co.	82,107,693	57,257,308	4,831,793	4,582,075
General Chemical Co.	12,286,825	5,958,746	2,857,898	2,809,442
Hercules Powder Co.	16,658,873	4,886,102	1,247,255	1,017,213
International Agricultural Corporation	1,279,832	[1] 160,022	84,908	[1] 161,491
International Nickel Co.	11,748,279	5,598,072	4,792,665	5,009,129
Lackawanna Steel Co.	12,218,234	2,409,108	[1] 1,652,444	2,755,884
Morris & Co. (packers)	3,832,213	2,321,415	2,205,672	1,916,997
National Enameling & Stamping Co.	2,417,803	913,742	548,753	761,274
New York Air Brake Co.	8,214,962	1,343,285	641,046	654,512
Phelps-Dodge Corporation	21,974,264	9,720,475	6,664,839	7,907,710
Pittsburgh Steel Co.	4,564,064	858,167	416,551	1,193,665
Railway Steel Spring Co.	3,710,805	1,363,229	379,454	1,121,561
Republic Iron & Steel Co.	14,789,163	3,515,819	1,028,748	3,101,300
Sloss-Sheffield Iron & Stee. Co.	1,912,624	522,388	490,139	678,466
Swift & Co.	20,465,000	14,087,503	9,450,000	9,250,000
Texas (Oil) Co.	13,898,864	6,393,427	6,185,794	6,663,123
United States Steel Corporation	271,531,730	75,833,833	23,496,768	81,216,985
United States Cast Iron Pipe Co.	1,308,641	[1] 381,387	[1] 59,868	564,427
United Fruit Co.	11,943,151	5,900,522	2,264,911	5,315,631
United States Industrial Alcohol Co.	4,884,587	2,172,013	653,264	652,359
United States Smelting, Refining & Mining Co.	8,808,464	6,592,324	2,265,641	3,585,588
Westinghouse Air-Brake Co.	9,396,103	1,575,839	3,432,994	5,255,250
Westinghouse Electric & Manufacturing Co.	9,668,789	2,009,744	4,038,809	3,164,032
Wilson & Co. (packers)	4,913,873	2,463,732	[1] 1,511,523	1,364,245
Total	729,983,235	292,588,355	124,242,775	204,233,710

[1] Deficit. [2] 19 months. [3] 15 months.

How any thinking, patriotic American can read that statement and oppose a substantial tax on war profits I am unable to understand. Take the Phelps-Dodge Corporation, for instance. Last year its net profits were $21,000,000, as against a normal profit of around $7,000,000, or a war profit, if you please, last year of $14,000,000. Would it be a hardship on anyone to take $4,200,000 of its war profits to carry on the war? If so, who would suffer? Who could object to such a tax? The authors of this bill only propose to take from concerns like these, according to their estimate, something like $200,000,000 a year, and at the same time they propose to levy a tax on articles that will be imported into the country that will yield about a like amount. The question this committee puts up to me is to vote a tax on tea and coffee, a tax on the American breakfast table, when to pay it would amount to positive suffering for millions of our people, and at the same time to allow these large war profits to go almost scot free, so far as financing this war is concerned. And they do practically go scot free. The amount of the tax, as compared with their tremendous profits, is very small. Without a war these profits would have been impossible. Then why should they not bear a good share of the expense of the war which created such profits? When your bill was reported the price of the stocks of these large concerns on the New York Stock Exchange commenced to rise. Your bill was welcomed by Wall Street, and rightly so. Some of the stocks in these large concerns have since this bill was reported advanced more than 10 points. But the bill will be felt by another class of our people. By them it will not be welcomed; by them it will be despised. In its present form it ought to be despised and repudiated by the membership of this House. You conscript the men, but hesitate to conscript the millions of war profits. Some one should explain why.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I am surprised and even astonished at my colleague in offering this amendment. He has been the author of so much good legislation in this House, and has been a highly valuable Member during his something like eight years of service, has always been careful in the preparation of his bills and any amendment that he has offered, but I am surprised that he should offer this amendment at this time and in the manner and form in which it is presented. I am, however, obliged to him in one respect, because he has greatly relieved my mind on one point. The gentleman from Illinois [Mr. MCCORMICK] insisted here the other day that the business men were alarmed, that they were frightened on account of this bill; they were scared, they would not take the bonds, and now my colleague reassures us upon that point that we are all right, that Wall Street is welcoming the bill, and that it is satisfactory to the business men of the country. I am very glad of it, because I think it will be satisfactory to those working people who will have to pay only 5 per cent or less of the total taxes that are here imposed.

Mr. Chairman, I wish some of these gentlemen who have talked so much about the English excess-profits tax were present at this time. Many Members of the House have spoken about it, and extolled it; but I will wager a dinner for all that are present here that there is not 1 per cent of the membership of the House that has even read the English excess-profits tax, and unless my colleague reassures me by saying that he has I would not believe that he has.

Mr. GOOD. I have it, and I have taken the trouble to have a copy of it, and I would like to submit it to the tender consciences of the Committee on Ways and Means. They do not seem to have considered it at all.

Mr. GREEN of Iowa. Oh, I will take the gentleman's word for it.

Mr. SLOAN. Now, which one of these gentlemen wins that wager? We are all present here ready to go to dinner.

Mr. GREEN of Iowa. I did not bet upon my colleague, because I knew that he would protect himself against bets.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. I want to get on with what I have to say.

Mr. COX. I would like to ask one question. Will not the gentleman, who is a member of the Committee on Ways and Means, come right down and be concrete and precise and tell us what objections there are to Mr. GOOD's amendment?

Mr. GREEN of Iowa. I am going to, but in the first place I want to state to the gentleman who thinks the members of the Committee on Ways and Means have not been working upon the provisions of this bill that more than six months ago I commenced to work on this excess-profits provision. More than six months ago I went over the English excess-profits tax, and if gentlemen are aware of how many pages there are to the English excess-profits provision, and the complications that are in it, they will know that no man can talk intelligently about that system unless he has expended weeks in the study of it. I went over that system and found it so complicated that after I had been working upon it for several weeks I had an expert prepare for me a chart setting forth the principal provisions of the system, and after this expert had set out these details in this manner, upon this large sheet which I show you, I will defy any gentleman in the House to correctly understand the workings of the English excess-profits system unless he spends a week upon it, and it is made as plain as it possibly could be. Gentlemen come in here and talk about the Ways and Means Committee not having considered these things. They have gone over the matter months and months, and put in tireless labor upon it. Whether we have succeeded or not is another question.

Mr. HELVERING. After the English system had been adopted and the Canadian Government undertook to levy an excess-profits tax, did they follow the English system?

Mr. GREEN of Iowa. No; they rejected it; and if gentlemen of the House will take the trouble to go through the financial journals of the English Government, as I have, they will find there has been all sorts of complaint and trouble with reference to the workings of the English excess-profits system. I was in favor of this system myself at first. It looked well at a glance, and as gentlemen glance over it, as my colleague has, they may want to prepare an amendment such as his; but if his amendment should be adopted he has no more got the English system of excess-profits tax than we have the English system of government. The elaborate provisions which were made necessary by the vital principle of the bill, the principle that they will assess the profits by an estimate upon the first three years prior to the war necessitated all sorts of provisions and regulations, boards, and tribunals in order that more harm might not be done by the act than good could possibly come out of it. One thing that the gentleman has not provided for at all, and it is only one out of a great number not provided for in his amendment, is——

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

Mr. MONDELL. Mr. Chairman, reserving the right to object, I shall not object, but I should like to have five minutes on the other side.

Mr. GREEN of Iowa. The gentleman has already used 10 minutes on the other side.

Mr. MONDELL. But not upon this amendment.

The CHAIRMAN. The Chair will state that debate has been exhausted upon this amendment.

Mr. MONDELL. If debate has been exhausted, then the gentleman's request is not in order.

Mr. GREEN of Iowa. That is what makes my request necessary.

Mr. MONDELL. I certainly do not object to the gentleman going on for five minutes, but I should like to have five minutes on the other side.

Mr. BORLAND. Mr. Chairman, reserving the right to object, I would like to offer an amendment to the proposition of the gentleman from Iowa.

The CHAIRMAN. The gentleman has a right to do that when the gentleman from Iowa has finished. Is there objection to the gentleman's request that he be permitted to proceed for five minutes?

There was no objection.

Mr. GREEN of Iowa. Now, there is no provision in his amendment for a case where the corporation or partnership that has been assessed was not in business at all before the time of the war. There is no provision in it with reference to a case where the profits of the corporation have been merely nominal before the war, nor where they actually consisted of a loss before the war, nor where there has been a change of ownership, nor for a case where the three years before the war have been years of abnormal depression, nor except in the judgment of the Commissioner of Internal Revenue for changes in capital, nor for a case where the capital has only just commenced to be remunerative. Neither does it include individuals engaged in trade or business—except farming—as the English act does. I could go on here for half an hour if I had the time following the terms of the English excess-profits tax and show the hardships a provision of this kind would work if we undertook to put it in force in this manner. If the gentleman had offered the whole of the English excess-profits tax, which comprises some 20 pages of closely printed matter,

he would have found all these matters fully covered and some provision made for them, and that finally the act winds up by providing for boards and tribunals to take into consideration the hardships which were involved under the workings of the excess-profits act. That is the situation, gentlemen, with reference to this amendment which has been offered.

Gentlemen have assumed in some kind of a way that the Committee on Ways and Means did not consider this matter beforehand. Every member of the Committee on Ways and Means had a copy not only of the English excess-profits act but of all the other government excess-profits acts of any country and studied them before this provision was inserted in the bill. It is true some gentlemen on the committee thought that possibly we could substitute this whole English excess-profits act and all of its numerous provisions to which I have referred and that it may be better than the present system we have, but what valid objection is there to this excess-profits tax as it stands?

Mr. IGOE. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. IGOE. Does the gentleman favor the principle that applies a heavier tax upon abnormal profits that are made during the war?

Mr. GREEN of Iowa. Yes. As far as the rates are concerned, I would be glad to see them higher.

Mr. IGOE. Why did not the committee put a tax of 16 per cent upon all profits? Was it not possible to work out some scheme, as suggested by the gentleman from Iowa, where this excess profits might be taxed especially during this war?

Mr. GREEN of Iowa. My friend, there is 12½ per cent of munitions tax, and 16 per cent on all other profits above 8 per cent.

Mr. IGOE. Who is going to pay the munitions tax? That is the most ridiculous tax to me at this time I ever have heard of. The Government has to pay all of it——

Mr. GREEN of Iowa. Well, I will say to the gentleman——

Mr. IGOE. Whether we supply the allies or ourselves we have to pay the tax. To me it is the most senseless tax I ever heard of.

Mr. GREEN of Iowa. The gentleman is arguing against his own proposition. If the gentleman wants to strike at these conditions——

Mr. IGOE. I want to reach some of the coal companies out in my country who are going to take a profit out of the poor people of St. Louis.

Mr. GREEN of Iowa. This excess-profits tax will apply to all the excess profits of this country, created by this abnormal condition that has been brought about by the war, coal companies as well as others. The present excess-profits tax does reach them, but it is nominal on small profits above 10 per cent.

Mr. GOOD. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. GOOD. I called attention to the ownership of some watered stock in a coal company by a man in my State whom I know very well on which he is now receiving over $2,000 a week, which will amount to over $108,000 a year. How much will this bill collect from that profit, to which he is hardly entitled to a cent?

Mr. GREEN of Iowa. This bill will collect from that gentleman an income tax, a corporation tax, an excess-profits tax; in all, about 75 per cent of his income. That is an answer to it. I think I have been fairly radical in regard to some things, and some gentlemen thought I had been likely to run away in the direction of high rates upon incomes.

Mr. GOOD. The gentleman thinks he ought to keep $25,000 profits of this watered stock that never was worth a dollar, and which is created solely because of the condition brought about by the war?

Mr. GREEN of Iowa. Oh, he would have to pay a tax on this profit just the same whether it was watered stock or not. That is perfectly obvious to everybody. He would have to pay the tax on his original investment and would be allowed no deduction for his watered stock.

Mr. KITCHIN. If the gentleman will allow, I would say that the effort was to write the provision so that there could not be any water; that the water was all squeezed out by good will, trade-mark, and so forth.

Mr. GREEN of Iowa. Yes.

Mr. KITCHIN. The gentleman should include also that we tax these munition makers 12½ per cent extra dividends and profits in addition to the income tax, the excess-profits tax under the present law and under this law, and also in addition to the corporation tax they pay 12½ per cent more than any other corporation or partnership.

Mr. GREEN of Iowa. The gentleman is entirely correct. I was about to say the excess-profits tax as levied by this bill will bear very lightly where the profits run up only to 10 or even 20 per cent. If a corporation had a capital of $100,000 and made $20,000, he would pay a little over 1 per cent on his capital through the excess-profits tax; but when the profit was high, then this tax begins to strike quite heavily. Let me also call the attention of the committee to the fact that the amendment offered by my colleague [Mr. GOOD] would permit the Standard Oil Co., which made 200 per cent before the war, to pay nothing if they made 200 per cent after the war, and if they made more, only on what they made over 200 per cent. If some one had offered an amendment including individuals engaged in trade or business as the English tax does, for my part I would have to say that I approve it.

Mr. KITCHIN. Mr. Chairman, I wish to offer a committee amendment.

The CHAIRMAN. The Chair will state to the gentleman from North Carolina that there is already a committee amendment pending.

Mr. KITCHIN. I ask unanimous consent to do so. There will be no objection to putting that in, because we have passed the section anyway. I ask unanimous consent to consider this now.

The CHAIRMAN. The gentleman asks unanimous consent to consider the amendment which he has offered now and which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 6, line 25, after the word "act" and the period, insert the following:

"Income derived from dividends upon stock of other corporations or partnerships which are subject to the tax imposed by this title and Title II of such act of March 3, 1917, shall be exempt from the tax imposed by this title and the tax imposed by Title II of such act of March 3, 1917."

Mr. KITCHIN. You will see in the bill, on page 8, lines 19 to 22, there is the same provision. I did not think it was necessary to offer this amendment, but the committee thought, to make it clear, we had best put it in that place, and therefore I offer it here.

Mr. McCORMICK. Is this intended to dull the shears to the shorn lamb?

Mr. KITCHIN. Just a little.

Mr. MONDELL. Mr. Chairman——

The CHAIRMAN. Is the gentleman against the amendment?

Mr. MONDELL. I am not against the amendment, but I desire to have five minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment was agreed to.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent that I may have five minutes for discussion of the amendment.

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the right to object, but not intending to object, but to ask for information, when does the time expire?

The CHAIRMAN. There are six minutes remaining.

Mr. BORLAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BORLAND. Is it proper at this time to offer a substitute to the amendment of the gentleman from Iowa [Mr. GOOD]?

Mr. MOORE of Pennsylvania. If the gentleman from North Carolina will permit, in the time of the gentleman from Montana I would like to yield to the gentleman from Maryland [Mr. ZIHLMAN], who has a question to ask.

Mr. ZIHLMAN. I would like to ask the chairman of the committee a question as to the provision which prohibits corporations or partnerships from including their trade-marks and trade brands in their capitalization, providing they do not pay for their trade-marks in actual cash, which, in my mind, discriminates——

Mr. KITCHIN. Or other tangible property.

Mr. ZIHLMAN. Or other tangible property, but which allows a corporation which pays cash for that trade-mark to put that in their assets. What I want to know is, is the committee uncompromisingly wedded to this proposition?

Mr. KITCHIN. I think it ought to stay in like that. It is to squeeze the water out of these corporations that will want to have a deduction on water and not on actual stuff they put in.

Mr. ZIHLMAN. Would not this have a tendency to cause corporations to capitalize at a much larger sum?

Mr. KITCHIN. That is put in to keep them from doing that.

Mr. MOORE of Pennsylvania. I wanted to say to the gentleman, following the gentleman from Maryland [Mr. ZIHLMAN], that a number of inquiries have been made along this line, and I would like the gentleman to state whether any other amendments would be allowed on this in the committee?

Mr. KITCHIN. I do not think so.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized.

Mr. MONDELL. Mr. Chairman, the gentleman from Iowa [Mr. GREEN], a member of the committee, attempts to answer the argument in behalf of the amendment offered by his colleague [Mr. GOOD] by saying that the English system is complex and that he had difficulty in applying it to our situation.

Now, his colleague has shown the House how easy it is for a Yankee to take the basic principle of the English law and write his provisions in a brief paragraph not complicated and easy of execution. The fact is the amendment offered by the gentleman from Iowa [Mr. GOOD] should take the place of the present excess-profits law and the excess-profits tax in this bill, because while our present law is rather illogical and not entirely equitable, the proposition of the gentleman from Iowa is logical and equitable. There should be no war tax on normal profits. We reach normal profits through the income tax, and the only war tax that should be placed on profits is a war tax on abnormal, unusual, excessive profits, and that is what this amendment proposes to do. It would lay no tax at all on a profit that was entirely normal and usual—usual to the business. It would lay no tax on any profit less than 10 per cent, but above the normal and above 10 per cent it would do what the English law does—lay a heavy tax for the purpose of reaching those who are making abnormal profits out of the war.

Now, we may assemble grand juries, we may indict men for making combinations in restraint of trade, for making agreements under which prices are boosted, but, judging by past experience, we will not get very far that way; but if we make it very clear that any man who secures an abnormal, unusual, and exorbitant profit shall be heavily taxed on that profit, we will reach the questions of the high cost of living and of abnormal profits of dealers, speculators, and middlemen of one kind and another more effectively than they can be reached in any other way.

Mr. McCORMICK. I thought the gentleman from Wyoming [Mr. MONDELL] might be interested to refer to the figures that the gentleman from Indiana [Mr. BLAND] gave the House the other day. In 1913 the earnings of the Atlas Powder Co. were a little less than $325,000, whereas in 1916 they were approximately $3,000,000.

Mr. MONDELL. I thank the gentleman. And it is not only powder companies.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I am sorry. I have but a moment.

Mr. GREEN of Iowa. I think the gentleman ought to yield to me.

Mr. MONDELL. There are various sorts of corporations making unusual and abnormal profits out of the war situation. Whether they are doing so under conditions in restraint of trade I do not know. Evidently the Attorney General does not know. He has not been able to find out. No one has been punished for that sort of thing. But we all know that the prices of the necessities of life have advanced steadily day by day, and some people are making enormous and abnormal profits out of those rises in price.

Those are the classes of profits that ought to be reached, and they are not the classes of profits that are reached by any of the provisions of this bill. The excess profits tax, so called, in this bill is not an excess profits tax at all. It is simply a plain, ordinary, everyday direct profits tax. A profits tax should be a tax on excess profits, unusual and abnormal profits.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. GOOD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOOD. My colleage [Mr. GREEN] stated a moment ago that not 1 per cent of the membership of the House had read the English excess profits law, and he added that if I could prove that they had he would give a dinner to the House. A little later a member of the Committee on Ways and Means said that the committee had a copy of it and that they had read it. Now, there are 23 members of that committee. The inquiry I propound now is whether or not it would be in order for the gentleman to extend his invitation? [Laughter.]

The CHAIRMAN. That is not a parliamentary inquiry. [Laughter.]

Mr. CANNON. I hope when this dinner question is settled it will include all of us. [Laughter.]

Mr. IGOE. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. KITCHIN. I hope no more unanimous consents will be asked upon this. We have now run behind 10 minutes.

Mr. IGOE. Mr. Chairman, it seems to me the question at this time is not whether or not the amendment of the gentleman from Iowa is perfect in every detail, but whether or not the House wants to go on record in favor of the principle involved.

The gentleman from Iowa [Mr. GREEN] says we have taken care of ammunition plants by some sort of munition tax. There are a great many concerns in this country making money out of the war situation besides the munition companies. Out in my section of the country they are very much alarmed now about the supply of coal, and they will be more alarmed when the winter comes unless something is done to that situation. Some say it is due to a shortage of coal cars. Some of the newspapers out there undertook to interview some of the men who have these coal mines, and here is a sentence by one of them which shows the spirit that animates them. I read:

I have been in the coal business 30 years, and in the next 5 years I expect to make some money. For several years the operators have lost money. Now they have a chance to recoup.

That is not only true of the men who own the coal mines but of the men who own other things, and some who have made money in the past want to make still more money now.

If the public-utility concerns want to make enormous or abnormal profits, the public-service commissions regulate them. I do not suppose the Congress will follow that principle at this time, but I can not see why men operating coal mines and dealing in other absolute necessities during this war should not be curbed as to abnormal profits on much the same principle as public utilities are regulated in times of peace; and if the war lasts very long I think you will have to come to the point of adopting the suggestion made by the owner of that plant who wrote to the gentleman from West Virginia [Mr. NEELY] that while he was the owner of one of the largest institutions of its kind in this country and could make greater profits he was willing to surrender, during the war, all over a reasonable profit to the Government. I believe that we must do something either in the way of taxation or regulation, and I think we ought to approve now the principle of the amendment offered by the gentleman from Iowa, and I for one shall vote for it. [Applause and cries of "Vote!" "Vote!"]

Mr. BORLAND. Mr. Chairman, I desire to offer a substitute.

The CHAIRMAN. The gentleman from Missouri offers a substitute for the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Substitute offered by Mr. BORLAND: Insert:

"SEC. 202. That for the purposes of this act invested capital shall be computed in accordance with the provisions of section 402 of the act approved September 8, 1916."

Mr. KITCHIN. Mr. Chairman, all debate on this title has been exhausted and 10 minutes over.

The CHAIRMAN. The Chair will state that according to his count there are 16 minutes remaining.

Mr. KITCHIN. I think the Chair is in error.

The CHAIRMAN. The reason the gentleman from Missouri [Mr. IGOE] asked unanimous consent was because the debate had been exhausted on the amendment.

Mr. KITCHIN. I think we have been on this about two hours; over an hour and a half, anyway.

The CHAIRMAN. The gentleman keeping time here informs the Chair that there are 16 minutes remaining.

Mr. KITCHIN. We voted on the other proposition at 12.15. Now it is a quarter to 3.

Mr. BORLAND. Mr. Chairman, I am not going to ask for an extension of time, because I explained this item a few moments ago. But I want to explain the present form of my amendment. I explained heretofore where the lame provision was regarding the valuation of the property of these corporations. It was objected that if my plan were adopted, providing for the valuation of the property at the beginning of the fiscal year, it would require a great deal of work and machinery in order to ascertain that. This is not the case. Less work would be required, less expense to the Government, and better results.

But we made the proposition in this form in order to show how little there was in that objection. On September 8, 1916, we passed this act providing for a tax on the earnings of joint-stock companies and corporations, and as a part of that provision section 407 itself provided that the amount of the annual tax shall in all cases be computed on the basis of the fair average value of the capital stock for the preceding year. Now, gentlemen would think that was a difficult thing to get at. It is just as difficult as my proposition—no more and no less—the fair value of the capital stock for the preceding year. Yet the

Secretary of the Treasury has to-day under that law in his office the exact data of the fair annual value of the capital stock of every corporation subject to the tax. Then it simply results in this——

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. In just a minute I will; yes. It simply results in this, that this proposition is much more simple, much more practical, and is much less work than the proposition now in the law, because the proposition now in the law requires you to go back 10, 20, or 30 years to find out the value of the property at the time it was paid into the corporation. This requires you to use statistics now on file in the office of the Secretary of the Treasury. There can not be the slightest objection to it. It eliminates not only the objection of the gentleman from North Carolina [Mr. KITCHIN], but it actually reduces the machinery necessary for the enforcement of this law. Now I yield to the gentleman from Wisconsin [Mr. STAFFORD] for a short question. I have only five minutes.

Mr. STAFFORD. Can the gentleman inform the committee what process the Internal-Revenue Division follows in determining the fair valuation of the capital stock?

Mr. BORLAND. I could, and I will in a minute if I have time; but I want to speak to another point. The gentleman can find it out from the reports——

Mr. STAFFORD. I know how it is done. Where there have been no sales of stock made within the year they take the estimated value of the stock based upon its earning capacity for the last five years.

Mr. BORLAND. If the gentleman knows I will not stop to explain it. I know, and so does he.

Under the present workings of the law if a southern pine lumber company has timberland for which it paid $5 an acre 20 years ago, and it has 100,000 acres, so that under the present law it would be valued at $500,000, if it sells half of that timberland for $40 or $50 an acre the corporation to which it sells is entitled to an 8 per cent profit on $40 or $50 an acre; but the original corporation, that has paid the taxes on that timberland for 30 years, is only entitled to make 8 per cent on the $5 an acre. Now, that is an actual case, and that is a proposition which should be corrected by reference to this law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, I can not understand the process of reasoning and the logic of the gentleman from Missouri. He wants now to make invested capital mean the par value of the capital stock, and he says that now under the present law the Secretary of the Treasury must value the assets of a company in order to find out the value of the capital stock. The Secretary of the Treasury does not have to do any such thing. The present law provides for a tax on corporations of 50 cents for each $1,000 of the fair value of the capital stock, and in estimating the value of capital stock the surplus and undivided profits shall be included. Here is the United States Steel Corporation. The only thing the Secretary of Treasury has to do is to find its market value, and the same is true with reference to the Bethlehem Co. Here is some other company that has no market value in the sense of the Bethlehem Co. or the United States Steel Corporation, which are quoted daily on the stock market. Say it is a bank, for instance. They go to the bank and find out the value of the capital stock. If the bank has sold any shares they find out what they sold for. If the bank did not have any sales that year they can find out how much the surplus and undivided profits amount to. They would not have to go into the assets or the valuation of the real estate or anything about it, but just what the capital stock is worth.

Mr. STAFFORD. Will the gentleman yield in that particular? I will say for the information of the gentleman that where there have been no sales of stock made within the year, so that the department has to ascertain the fair value of the shares of stock, they merely take the estimated value of that stock, based upon the earning capacity of the stock for the last five years.

Mr. KITCHIN. Certainly. I hope the amendment of the gentleman from Missouri will not be adopted.

Mr. FESS. Mr. Chairman——

The CHAIRMAN. Debate has been exhausted on the substitute.

Mr. COX. I move to strike out the last word.

Mr. KITCHIN. All debate has been exhausted.

Mr. GARRETT of Tennessee. Mr. Chairman, I wish to submit a parliamentary inquiry. The Chairman stated that there were 18 minutes remaining.

The CHAIRMAN. About 18 minutes.

Mr. GARRETT of Tennessee. Now, may I ask if there was deducted from the hour and a half that was agreed upon the time that was later allowed by unanimous consent?

The CHAIRMAN. Yes.

Mr. GARRETT of Tennessee. Now, I want to submit to the Chair that that is incorrect. The agreement of the Committee of the Whole was that debate should be concluded in an hour and a half, and any request for unanimous consent that was made during that time should not come out of the hour and a half unless it was clearly understood at the time that it was to be taken out of the hour and a half.

The CHAIRMAN. As the Chair understood the question and put it to the committee—he thinks the gentleman from Illinois will bear him out in this—there was to be one hour and a half debate, not the reading of amendments or voting on amendments, but one hour and a half of debate.

Mr. MANN. That was undoubtedly correct.

The CHAIRMAN. But an actual debate of 1 hour and 30 minutes.

Mr. GARRETT of Tennessee. I understood the Chair to state, however, that certain time had been taken out of the hour and a half.

The CHAIRMAN. All the debate that has been had has been taken out of the hour and a half.

Mr. KITCHIN. All debate is now exhausted.

Mr. MANN. We are occupying several minutes now, which, of course, do not come out of the hour and a half.

Mr. GARRETT of Tennessee. The question is whether only the time used in reading amendments had been excluded from the hour and a half.

The CHAIRMAN. All the time except what has been actually used in debate has been excluded. The Chair understood, and so stated at the time, that there was to be an hour and a half of actual debate, not counting the time for the reading of amendments or voting upon them as the different amendments came up.

Mr. COX. Mr. Chairman, a parliamentary inquiry. Has debate been exhausted on the pending substitute?

The CHAIRMAN. It has, for and against.

Mr. COX. Then I move to strike out the last word.

Mr. KITCHIN. All the time has been exhausted on this.

The CHAIRMAN. The gentleman from Indiana moves to amend the substitute by striking out the last word.

Mr. LONGWORTH. Mr. Chairman, how much time does remain?

The CHAIRMAN. Ten minutes.

Mr. COX. Mr. Chairman, I want to oppose the substitute offered by the gentleman from Missouri [Mr. BORLAND], but I want earnestly to support the amendment offered by the gentleman from Iowa [Mr. GOOD].

Mr. GREEN of Iowa. Will the gentleman yield for a question?

Mr. COX. I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. Does my friend understand that under the amendment offered by my colleague, Mr. GOOD, that if John D. Rockefeller made 100 per cent before the war and makes 100 per cent now he will not pay any tax; that if he makes 125 per cent he will only be taxed on the extra 25 per cent?

Mr. COX. Oh, there is but one John D. Rockefeller in the United States, but there are thousands of multimillionaires in this country making millions every year in war profits. I hold no brief to defend John D. Rockefeller any more than I hold a brief to defend anybody else.

Mr. GOOD. This does not detract from any other taxation.

Mr. COX. My good friend from Iowa, Judge GREEN, for whom I have the profoundest respect for his ability, sincerity, and honesty of purpose, consumed 10 minutes in opposition to the amendment offered by Mr. GOOD on the floor of the House. I asked him specifically to point out what objection there was to the Good amendment, and the sum and substance of his objections was that it was framed in the fashion of the English system and that the English system was cumbrous and hard to administer. And yet when you come to read the Good amendment it is plain, concise, concrete, and any schoolboy could understand it and any bureau of the Government could easily administer it.

I am going to vote for any measure that will raise all the money that is needed to finance this war. Where shall we look to get that money? Shall we look to the graveyards, to the poorhouses, and the almshouses of the Nation? Shall we look to the millions of men and women in this country to-day who are up against the bread line? Shall we look to that class of men and women who are earning from $1.50 to $3 a day and paying 10 cents a loaf for bread and 40 and 50 cents a pound for bacon? And yet this bill reported in here by the great Ways and Means Committee proposes to tax everything that the poor people use and consume. Here we propose in this bill to increase the rate of duty by 10 per cent upon all the dutiable list,

the things that come in here now subject to duty. We propose to add an additional 10 per cent upon all goods that come in here now on the free list. According to the gentleman from Michigan [Mr. FORDNEY], one of the best experts on his side of the House, it makes the highest tariff this country ever had, and naturally will increase the cost of living to the poor people. "Do not touch the big, rich man, that will not do; you will disturb and disjoint business. Do not disturb great, abnormal war profits; these men that are making millions of dollars every year out of this war." I presume the gentleman from Iowa [Mr. GOOD] will insert the table in the RECORD, and I hope he will. There are 42 of those corporations, according to the list submitted to the House. In 1913 these 42 corporations had an income of $204,000,000. In 1916 the same corporations had a net income of $729,000,000. Now, what does the Good amendment propose to do? It proposes to add a tax over and above the normal 8 per cent tax of 30 per cent. That is all it does. It simply proposes to reach out and to take the 30 per cent of that abnormal profit. The amendment ought to prevail. [Applause.]

Mr. FESS. Mr. Chairman and gentlemen of the committee, I just want a minute or two to offer a suggestion, and then I will not take any further time. I think that the outstanding wonder of this war is the manner in which Great Britain has financed it. The most awful burden financially that any nation has ever suffered, and yet we are told that she has thus far financed the war without any great disturbance in the industrial situation of Great Britain. In looking into the items by which she did it I notice that the income-tax rate—the minimum is 7½ per cent and the maximum 42½ per cent. The minimum exemption is $650, the maximum, the figures beyond which the rate does not go above 42½ per cent, is $50,000. Last year she raised on that basis $1,020,000,000. She also raised last year upon the excess profits tax $700,000,000, and she did it without laying a tax on excess profits on the general business of the country, as we propose to do in this present measure, but confined it very largely to these businesses that are making a profit out of the war. She reaches this character of profits by taking the average profits of a business any two out of the three preceding years before the war and compares them with the profits of the pending year.

In November, 1915, she put a tax of 50 per cent and in April, 1916, of 60 per cent, and this year she has raised it to 80 per cent, and still we are told by English financiers and statesmen that there is not any material interruption in the business integrity of the country, such as would be expected to result from the great catastrophe.

Now, if that result can be reached by refusing to put an excess profits tax on all the businesses of the country, but rather confine it to a high rate on these businesses making great profits out of the war, as in England, it seems to me it is equitable, it is just, and I do not think that it is an unwise discrimination because of the great emergency. And if the committee is not ready to make some such recommendation in the light of what England has accomplished under the great stress of the world war, to rewrite this particular provision which puts 16 per cent on all businesses, whether augmented profits from war or other reasons, rather than to fix the high per cent on those businesses prospering from the war, then I frankly say I am ready to vote to recommit the bill—send it back to the committee with instructions to bring it in with this war excess profits provision thoroughly worked out. It is a source of great revenue without great disturbance at a time of great emergency.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FESS. Yes.

Mr. GREEN of Iowa. Does the gentleman understand that our excess profits tax taxes any more business than England's excess profits tax?

Mr. FESS. As I read it; yes.

Mr. GREEN of Iowa. Our exemptions are much larger.

Mr. FESS. The difference between your bill and the English system is you tax everything without regard to source, and the English system taxes those industries which most largely make their profits out of the war.

Mr. GREEN of Iowa. The gentleman has got it exactly wrong.

The CHAIRMAN. The first question is on the substitute offered by the gentleman from Missouri [Mr. BORLAND].

Mr. BURNETT. Can we have the amendment and substitute read?

The CHAIRMAN. Without objection, the Clerk will again read the amendment offered by the gentleman from Iowa and the substitute offered by the gentleman from Missouri.

The amendment and the substitute were again read.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Missouri for the amendment of the gentleman from Iowa.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Iowa [Mr. GOOD].

The question was taken; and on a division (demanded by Mr. GOOD) there were 52 ayes and 103 noes.

So the amendment was rejected.

Mr. RAINEY. Mr. Chairman, as I understand it, we have now reached Title III?

The CHAIRMAN. Yes.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent that this title, which has reference to beverages, be now read, and that all debate upon the title and all amendments thereto close at 3.30 o'clock.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that Title III be read and that debate upon the title and all amendments thereto close at 3.30 o'clock. Is there objection?

Mr. MANN. Mr. Chairman, I shall object to fixing a specific hour for closing debate, when half of that time would be used in reading the bill.

Mr. RAINEY. Mr. Chairman, I would suggest 3.15 o'clock.

Mr. MANN. If the gentleman desires to suggest a time for debate, that might be very well; but I object to fixing it at a specific hour, when most of the time allowed will be taken up in reading the title.

Mr. MOORE of Pennsylvania. Mr. Chairman, I would like to know whether or not the committee has any amendments to offer to this title?

Mr. RAINEY. There are one or two minor amendments to be offered by the committee.

Mr. MOORE of Pennsylvania. Are there any affecting the rates?

Mr. RAINEY. No.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Illinois objects, because the gentleman does not fix a specific time for debate instead of fixing a time to close.

Mr. MANN. Mr. Chairman, I am not willing to fix a specific hour when debate shall be closed, when no one knows how that time will be used. It might be used in arguing a point of order or in a parliamentary inquiry or in the bill.

Mr. RAINEY. Then I shall modify my request. What time would the gentleman suggest?

Mr. MOORE of Pennsylvania. I have not heard of anyone who desires to offer an amendment on the floor.

Mr. JOHNSON of Kentucky. Mr. Chairman, it is probable that I shall offer an amendment, a very important one.

Mr. GREEN of Iowa. I would suggest an hour.

Mr. MANN. Let the gentleman make his request to read the title through, when it shall be subject to amendment.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent that the title be read through and be then subject to amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

TITLE III.—WAR TAX ON BEVERAGES.

SEC. 300. That on and after the passage of this act there shall be levied and collected on all distilled spirits in bond at that time or that have been or that may be then or thereafter produced in or imported into the United States, except such distilled spirits as are subject to the tax provided in section 301, in addition to the tax now imposed by law, a tax of $1.10 on each proof gallon, or wine gallon when below proof, and a proportionate tax at a like rate on all fractional parts of such proof or wine gallon, to be paid by the distiller and imposed and collected under the provisions of existing law.

SEC. 301. That upon all distilled spirits produced in or imported into the United States upon which the tax now imposed by law has been paid, and which, on the day this act is passed, are held by a retailer in a quantity in excess of 50 gallons in the aggregate, or by any other person, corporation, parnership, or association in any quantity, and are intended for sale, there shall be levied, assessed, collected, and paid a tax of $1.10 on each proof gallon, or wine gallon when below proof, and a proportionate tax at a like rate on all fractional parts of such proof or wine gallon.

SEC. 302. That in addition to the tax now imposed or imposed by this act on distilled spirits there shall be levied, assessed, collected, and paid a tax of 15 cents on each wine gallon and a proportionate tax at a like rate on all fractional parts of such wine gallon on all distilled spirits or wines hereafter rectified, purified, or refined in such manner, and on all mixtures hereafter produced in such manner, that the person so rectifying, purifying, refining, or mixing the same is a rectifier within the meaning of section 3204, Revised Statutes, as amended, and on all such articles in the possession of the rectifier on the day this act is passed.

When the process of rectification is completed and the tax prescribed by this section has been paid, it shall be unlawful for the rectifier or other dealer to reduce in proof or increase in volume such spirits or wine by the addition of water or other substance; nothing herein contained shall, however, prevent a rectifier from using again in the

process of rectification spirits already rectified and upon which the tax has theretofore been paid.

The tax imposed by this section shall not attach to cordials or liqueurs on which a tax is imposed and paid under the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, nor to blends of pure wines, where such blending is for the sole purpose of perfecting such wines according to commercial standards, nor to blends of two or more pure straight whiskies aged in wood for a period not less than four years and without the addition of coloring or flavoring matter or any other substance than pure water and if not reduced below 90 proof: *Provided*, That such blended whiskies shall be exempt from tax under this section only when compounded under the immediate supervision of a revenue officer, in such tanks and under such conditions and supervision as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

All distilled spirits taxable under this title shall be subject to uniform regulations concerning the use thereof in the manufacture, blending, compounding, mixing, marking, branding, and sale of whisky and rectified spirits, and no discrimination whatsoever shall be made by reason of a difference in the character of the material from which same may have been produced.

The business of a rectifier of spirits shall be carried on, and the tax on rectified spirits shall be paid under such rules, regulations, and bonds as may be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury.

Any person violating any of the provisions of this section shall be deemed to be guilty of a misdemeanor and, upon conviction, shall be fined not less than $500 and imprisoned not more than two years. He shall, in addition, be liable to double the tax evaded, the same to be recovered, together with the tax, on any bond given by him as rectifier.

SEC. 303. That on and after the passage of this act there shall be levied and collected on all beer, lager beer, ale, porter, and other similar fermented liquor, containing one-half per cent or more of alcohol, brewed or manufactured and sold, or stored in warehouse, or removed for consumption or sale, within the United States, by whatever name such liquors may be called, in addition to the tax now imposed by law, a tax of $1.25 for every barrel containing not more than 31 gallons, and at a like rate for any other quantity or for the fractional parts of a barrel authorized and defined by law.

SEC. 304. That upon all still wines, including vermuth, and upon all champagne and other sparkling wines, liqueurs, cordials, artificial or imitation wines or compounds sold as wine, except wines containing not more than 14 per cent of absolute alcohol, hereafter produced in or imported into the United States, and removed from the customhouse, place of manufacture, or from bonded premises for sale or consumption, there shall be levied and collected, in addition to the tax now imposed by law upon such articles, a tax equal to such tax, to be levied, collected, and paid under the provisions of existing law. Upon wines containing not more than 14 per cent of absolute alcohol there shall be levied and collected in addition to the tax now imposed by law upon such wines, a tax equal to one-half such tax, to be levied, collected, and paid under the provisions of existing law, and the tax imposed by existing law and the additional tax herein imposed shall apply to all domestic or imported liqueurs, cordials, or similar compounds by whatever name sold or offered for sale and without reference to the kind of spirits or wines used in the manufacture thereof.

SEC. 305. That upon all articles specified in section 304 upon which the tax now imposed by law has been paid and which are on the day this act is passed held in excess of 25 gallons in the aggregate of such articles and intended for sale, there shall be levied, collected, and paid a tax equal to the tax now imposed by law.

SEC. 306. That upon all grape brandy or wine spirits withdrawn by a producer of wines from any fruit distillery or special bonded warehouse under subdivision (c) of section 402 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, there shall be levied, assessed, collected, and paid in addition to the tax therein imposed, a tax equal to such tax, to be assessed, collected, and paid under the provisions of existing law.

SEC. 307. Upon all sweet wines held for sale by the producer thereof upon the day this act is passed there shall be levied, assessed, collected, and paid an additional tax equivalent to 10 cents per proof gallon upon the grape brandy or wine spirits used in the fortification of such wine, and an additional tax of 10 cents per proof gallon shall be levied, assessed, collected, and paid upon all grape brandy or wine spirits withdrawn by a producer of sweet wines for the purpose of fortifying such wines and not so used prior to the passage of this act.

SEC. 308. That there shall be levied, assessed, collected, and paid—

(a) Upon all prepared sirups or extracts (intended for use in the manufacture or production of beverages, commonly known as soft drinks, by soda fountains, bottling establishments, and other similar places) sold by the manufacturer, producer, or importer thereof, a tax equivalent to 10 per cent of the price for which so sold; and

(b) Upon all unfermented grape juice, artificial mineral waters (not carbonated), and fermented liquors containing less than one-half per cent of alcohol, sold by the manufacturer, producer, or importer thereof in bottles or other closed containers, and upon all ginger ale, root beer, sarsaparilla, pop, and other carbonated waters or beverages, manufactured and sold by the manufacturer, producer, or importer of the carbonic-acid gas used in carbonating the same, a tax of 2 cents per gallon; and

(c) Upon all natural mineral waters or table waters, sold by the producer, bottler, or importer thereof, in bottles or other closed containers, at over 10 cents per gallon, a tax of 1 cent per gallon; and

(d) Upon all carbonic-acid gas in drums or other containers (intended for use in the manufacture or production of carbonated water or drinks) sold by the manufacturer, producer, or importer thereof, a tax of 8 cents per pound.

SEC. 309. That each such manufacturer, producer, bottler, or importer shall make monthly returns under oath to the collector of internal revenue for the district in which is located the principal place of business, containing such information necessary for the assessment of the tax, and at such times and in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulation prescribe.

Mr. RAINEY. I desire now to ask unanimous consent that all debate upon this title and all amendments thereto close at 4 o'clock.

Mr. STAFFORD. Will the gentleman make the proposal an hour?

Mr. RAINEY. In one hour.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this title and all amendments thereto close in one hour. Is there objection?

Mr. HOWARD. Mr. Chairman, reserving the right to object, I would like to ask the gentleman whether this concludes debate on all the amendments that will be offered to this?

Mr. RAINEY. Yes.

Mr. HOWARD. Will those of us who desire to offer amendments have an opportunity to get time?

Mr. RAINEY. If you offer them before the expiration of the hour and get recognition from the Chair.

Mr. HOWARD. I have two amendments that I desire to offer, I think they are important.

The CHAIRMAN. The Chair will recognize the gentleman.

Mr. HOWARD. I wish the gentleman would make it 4 o'clock.

Mr. STAFFORD. Mr. Chairman, does the gentleman mean that this one hour for debate shall include the time consumed in reading amendments?

Mr. RAINEY. No.

The CHAIRMAN. The Chair understands that this is to be one hour of debate, not for offering amendments or voting. Is there objection?

Mr. MANN. Mr. Chairman, reserving the right to object, I did not hear the request.

The CHAIRMAN. The request is that there shall be one hour of debate on this title and all amendments thereto.

Mr. MANN. Will that give gentlemen an opportunity to offer amendments or to move to strike out the title if they desire?

The CHAIRMAN. Certainly, but it applies only to debate, not to the time consumed in voting or in making motions. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Chairman, reserving the right to object, I believe it will be better that this debate progress for a while, at least, before there is any motion made to close debate, because we can not now foresee what the amendments may be, and to what extent it may be necessary to debate them. I would be glad if the gentleman would withhold his request for the present.

Mr. RAINEY. Very well, I withhold the request for the present.

Mr. Chairman, I offer the following committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Committee amendment: Page 10, line 20, after the word "to," strike out the words "blends of pure" and insert in lieu thereof the following: "the mixing and blending of."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. RAINEY. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 10, line 23, after the word "blends" insert the words "made exclusively."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. RAINEY. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 11, line 8, strike out the word "title" and insert in lieu thereof the word "section."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. RAINEY. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 14, line 16, before the word "artificial" insert the words "soft drinks or."

The question was taken, and the amendment was agreed to.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Illinois [Mr. RAINEY] if it has been agreed by the committee at a later point in the bill to offer an amendment that will provide a time within which those who have liquors, tobaccos, and so forth, now stored may pay; that is, fix a date as late as September 15?

Mr. RAINEY. Yes, sir. When we reach section 1102 of the bill the committee have prepared an amendment to submit in that connection.

Mr. GARRETT of Tennessee. And that will cover the taxes provided in section 301?

Mr. RAINEY. Yes, sir.

Mr. MOON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MOON: After the word "gallon," on page 9, line 20, insert the following:

"*Provided, however,* That such liquors in the custody of a court of bankruptcy in an insolvency proceeding at the date of the passage of this act shall be exempt from this tax when the packages containing such are stamped by order of said court, showing in substance the terms of this exception."

Mr. MOON. Mr. Chairman, I take it the committee will accept this amendment.

Mr. RAINEY. I will say that the committee has no objection to this amendment. We understand the purpose of it.

Mr. JOHNSON of Kentucky. Who would affix the stamp?

Mr. MOON. The court will order it done.

Mr. JOHNSON of Kentucky. The court would be trying the case between whom; the United States would not be a party to it, would it?

Mr. MOON. I will explain to the gentleman from Kentucky that this section is intended to cover this situation. In a very few cases—the commissioner of internal revenue advises me they are exceedingly few—liquor has been impounded already in Federal courts in bankruptcy proceedings for distribution of the funds when sold among the creditors.

Mr. JOHNSON of Kentucky. Does this amendment include whiskies in bond?

Mr. MOON. It includes everything in the custody of the court.

Mr. JOHNSON of Kentucky. Well, if it is in bond—that is the point I am endeavoring to get——

Mr. MOON. It includes everything in a bankruptcy case.

Mr. JOHNSON of Kentucky. If the whisky is in bond it is in the custody of the court and can not be sold until the tax is paid.

Mr. MOON. I know, but this is an insolvency or bankruptcy case. That is the extent of my amendment. If the gentleman will indulge me for just a moment the reason for it is this: It applies to whisky in the custody of the court at the time of the passage of this act of certain liquors in an insolvency or bankruptcy case; there is no power, of course, in the court to order this tax to be paid upon the liquor. The minor creditors of the insolvent estate, of course, could not raise the money to pay the tax upon this liquor, and the liquor can not be shipped out in a prohibition State before the 1st of July, some of them, and the result is this, that the Government can not get $1 of revenue under this section because there is nobody to pay and the liquor will be destroyed.

Mr. JOHNSON of Kentucky. The Government could get it by the sale of the liquor.

Mr. MOON. The liquor would be destroyed the 1st of July in some States; poured under the nuisance act into the gutter. This amendment does not give any revenue to the Government nor take any revenue from the Government, but it will prevent property being confiscated that should go to creditors.

Mr. JOHNSON of Kentucky. The gentleman fails to note the point I am endeavoring to make. I am in full accord with the gentleman's amendment, except it does not go far enough.

Mr. MOON. I have no objection to the gentleman offering an amendment to make it go further.

Mr. JOHNSON of Kentucky. The bonded warehouse is in the joint custody of the owner of that warehouse and the United States Government. Neither can enter without the other, and whisky in a bonded warehouse is not subject to execution because it can not be reached. Now, if the gentleman will so amend his amendment as to make it the duty of the internal-revenue officer to affix this stamp, then the gentleman will attain the object he is endeavoring to reach, because as it is nobody can go and put a stamp on it.

Mr. MOON. My amendment is intended alone to cover cases in bankruptcy courts where the liquor is in the custody and under the confrol of the court.

Mr. JOHNSON of Kentucky. But I am endeavoring to name the person who affixes the stamp; that is all.

Mr. MOON. That is, after the first tax has been paid on it, $1.10——

Mr. JOHNSON of Kentucky. After the tax has been paid it is not in a Government bonded warehouse.

Mr. MOON. Then the gentleman's proposition ought to come as a separate and distinct proposition from this.

Mr. JOHNSON of Kentucky. I am apprehensive the gentleman's object may fail.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the last word, for the purpose of asking the gentleman from Tennessee a question. I want to call the gentleman's attention to the fact that compositions in bankruptcy may be effected whereby the whisky will be turned back to the control of the owner, and as a result in such case the owner will escape paying this tax. Owners may go into bankruptcy before this bill is passed, and then make a compromise with their creditors and the liquor afterwards be turned back to them and thereby escape this tax.

Mr. MOON. I think not, because this provision shall not apply to anything except liquor in the custody of a court at the time of the passage of the act.

Mr. HUDDLESTON. That is what I am saying.

Mr. MOON. The Internal-Revenue Commissioner says the amount is so small it can not have any effect whatever on the revenue. The composition could scarcely be made between the creditors except under the authority of the court. While the estate is thoroughly insolvent, I take it that no such performance would be had as that which the gentleman anticipates.

Mr. HUDDLESTON. It will turn loose for sale by those who may purchase at a bankruptcy sale certain untaxed liquors, whereas other people will have to pay a tax.

Mr. MOON. It will not do it in the gentleman's State at all, because under the law it can not be shipped into the State.

Mr. HUDDLESTON. It is not a question of my State. It is a question of the proper law to be enacted. It seems to be a question of exempting liquor from this tax.

Mr. MOON. The United States has its courts, and those courts are for the purpose of winding up an insolvent estate. Here is an insolvent estate in the court. The court can not take any action to protect the assets before it as against this tax, because there is nobody that can furnish the money to pay it. The result is, if the property remains under the custody of the courts, under the Federal law, the $1.10 of tax not having been paid, it will be confiscated by the United States; and if not by the United States, under the law of certain States, when it is found within their boundaries after the 1st day of July it will be poured into the gutter.

Mr. HUDDLESTON. This liquor when sold will be worth $1.10 per gallon more than it was before this bill was passed, and the end will be a contribution of $1.10 a gallon by the Federal Government to the creditors or to the bankrupt, if it is turned back to him. In other words, this liquor is going to be worth just as much without paying a tax as it would be if the tax were paid. That is quite evident.

Mr. MOON. It will be worth nothing unless the tax is paid or this amendment passed.

Mr. HUDDLESTON. The value of liquor which is now in custody of a bankruptcy court will be added to by the passage of this bill, to the extent that it levies a tax on that liquor. That is so, because it must be sold in competition with other liquors that have to pay the tax. The persons who buy this liquor will give as much for it when it is exempt as if the tax had been paid, which will mean $1.10 more a gallon. Therefore the Government will contribute to the creditors of a bankrupt or to the bankrupt himself, if the composition should be effected, the amount of $1.10 per gallon on all liquor that is exempted from the tax.

Mr. MOON. It is absolutely absurd to talk about a composition being affected against liquor in custody of the Federal court that must pay a revenue tax. How are you going to raise the $1.10 a gallon upon this liquor in order to enable the court to handle it?

Mr. HUDDLESTON. Enough of it can be sold by the court to pay the tax.

Mr. MOON. No such thing as that can be done under existing prohibition laws.

Mr. MANN. I understood the gentleman from Tennessee [Mr. MOON] to say there was no way of paying the tax.

Mr. MOON. I say the creditors have no way of paying the tax.

Mr. MANN. Suppose the liquor is in the hands of the trustee in bankruptcy, still in bond, is there any way of paying the tax now?

Mr. MOON. If a tax has to be paid, it will have to be paid by the creditors.

Mr. MANN. I do not see any reason——

Mr. MOON. This does not apply to liquor that the $1.10 has not already been paid on.

Mr. MANN. The gentleman said, however, there was no way by which the tax could be paid. Then how is it paid where bankruptcy proceedings relate to liquor which still is in bond upon which the tax has been paid?

Mr. MOON. The trustee will not get possession, as I understand.

Mr. MANN. The trustee, of course, will get possession.

Mr. JOHNSON of Kentucky. The law provides explicitly and in plain English that nobody will be recognized toward the tax payment except the distiller.

Mr. MANN. Suppose the distiller goes into bankruptcy, who has possession of his property?

Mr. JOHNSON of Kentucky. Then the court has possession of it.

Mr. MANN. That is it. The court has, and the court appoints a trustee who has.

Mr. JOHNSON of Kentucky. Then the trustee can ask for a regauge for the purpose of tax payment.

Mr. MANN. But the trustee has to pay the tax if he takes the liquor. The trustee will have to pay the tax if this law is passed if he disposes of the liquor.

Mr. JOHNSON of Kentucky. The point I was endeavoring to make with the gentleman from Tennessee was that nobody could get to the package in the bonded warehouse and issue this stamp unless this act authorized him to do so.

Mr. MANN. I think there will be a way to go and tax the stamp. I do not see any reason why they should be exempt from paying the tax when you add $1.10 to the value of the spirits.

Mr. JOHNSON of Kentucky. They should not be exempt.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment.

If we adopt this amendment it puts a premium on all distillers and whisky dealers prior to the passage of this act to go into bankruptcy so as to evade the payment of this additional tax of $1.10 a gallon.

Mr. MOON. I will say to the gentleman the amendment itself does not propose to affect anything except what is in the custody of the court when this act is passed.

Mr. STAFFORD. The gentleman's statement does not controvert anything that I stated in my premise. It places a premium upon the dealer or distiller, the one or the other, to go into bankruptcy, so that when he is once in bankruptcy the whisky will not be liable to the payment of $1.10 as prescribed by the proposed bill. No provision whatsoever is made after the trustee is authorized to sell this liquor that purchaser shall pay the additional $1.10. The very purpose and effect of the amendment is to relieve the whisky that is in the hands of trustees in bankruptcy at the time of the passage of this act of the payment of $1.10.

I think that is a very profitable inducement open to many owners of distilleries who are trembling for fear that we shall have a dry law enacted before this Congress adjourns, to take advantage of this very liberal amendment and go into bankruptcy so as to avoid the payment of this additional $1.10.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. I will be glad to yield to the gentleman.

Mr. MOON. Then the gentleman's idea is that there ought to be a date fixed in this, so as to avoid what he suggests?

Mr. STAFFORD. Oh, no. I say that there should be a further amendment made to the proposed amendment, so that this whisky, which is now in the hands of the trustee in bankruptcy, at the time it is sold shall pay an additional $1.10. You have no right to relieve the trustee in bankruptcy at the time of the passage of this act, as proposed by the gentleman from Tennessee, of the additional tax of $1.10.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes; I yield to my colleague.

Mr. HUDDLESTON. I want to call the gentleman's attention to the fact that persons who are solvent can go into bankruptcy designedly for the purpose of evading this tax.

Mr. STAFFORD. There is no greater bid or inducement for all the liquor dealers, even distillers and wholesalers, who are trembling lest they will be forced out of business, to go into bankruptcy in order to avoid the payment of this $1.10 when the trustee is directed by the order of the court to sell the assets of the estate.

Mr. MEEKER. Mr. Chairman——

The CHAIRMAN. The gentleman from Missouri is recognized for five minutes.

Mr. MOON. Mr. Chairman, I wanted to make this suggestion to the House.

The CHAIRMAN. Does the gentleman yield?

Mr. MEEKER. I yield to the gentleman.

Mr. MOON. I want to address the committee for a few minutes in my own right. This seems to be a very simple proposition. It does not affect anything except whisky in the possession of the court at the day that this act is passed.

Mr. SHACKLEFORD. Mr. Chairman, will the gentleman permit a question in that connection?

Mr. MOON. Yes.

Mr. SHACKLEFORD. Will it have the effect of releasing that whisky from the payment of $1.10 that other whisky of like character will have to pay?

Mr. MOON. I will answer that question. Here is a case in a bankruptcy court, a court of the United States, winding up an insolvent estate. It takes into its custody whisky that has paid the tax of $1.10 already. Now, here comes an act that proposes to add another $1.10 to the burden of creditors who are already losing a part of their indebtedness. They are small creditors in this case. It is true, there are few of them. It does not amount to much to the United States, but it amounts to a good deal to these individuals.

Here is the existing condition in reference to it: Here is a prohibition State in which on the 1st day of July every drop of liquor must be poured out. Now, there is nobody to pay this additional $1.10. That being true, the Government will never get the $1.10 if the liquor is poured out, will it?

Mr. JOHNSON of Kentucky. Will the gentleman pardon an interruption there?

Mr. MOON. In one moment. You will never get the $1.10 additional tax, because the property upon which it is proposed to be levied is, by virtue of the law of the State in which it exists, about to be destroyed, so that if the Government of the United States under no condition can get the tax what is the objection in these small cases to giving to the creditor, who is not getting one-half of his claim any way, the benefit of his exemption?

Mr. JOHNSON of Kentucky. The gentleman is proceeding on the assumption that the Government will not get the tax. In that assumption he is greatly mistaken, because there is no condition arising under which the Government can not get the tax. The State authorities can not deprive the United States Government of its superior lien, and the United States lien being a prior one the whisky will be sold wherever it is to pay the Government tax.

Mr. MOON. The Government will have no right to make the sale unless that bankruptcy order is made. That $1.10 tax will not be paid by anybody. Can it be that the Government of the United States will lay its hand for tax on a drop of liquor in a State where the State had decreed solemnly that every drop of such liquor in its borders must be poured into the gutter by a given date unless the State law is set at defiance. It was held, I am advised, in the United States court in Georgia that this could not be done.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word.

Mr. MEEKER. Will the gentleman lend some of his time? The gentleman can certainly loan me a part of his time, because the gentleman from Tennessee has had all my time. [Laughter.]

Mr. JOHNSON of Kentucky. I did not get it.

Mr. MEEKER. I want to ask whether or not there can not be a date put in there, say, May 18. I ask that question of the gentleman from Tennessee.

Mr. MOON. I would have no objection.

Mr. MEEKER. Make it to-day instead of "immediately." That will obviate the difficulty.

Mr. JOHNSON of Kentucky. If the gentleman from Missouri will permit, he must not lose sight of the fact that in addition to this $1.10 that goes on, the whisky will be worth $1.10 more, and whoever buys it will buy it at that increased value. I failed to catch the purport of the amendment when it was read at the Clerk's desk, but the gentleman from Wisconsin [Mr. STAFFORD] has correctly interpreted it. It places a lesser tax upon whisky mixed up in bankruptcy proceedings than on whisky in a Government warehouse.

Mr. MEEKER. The changing of that date will correct it.

Mr. JOHNSON of Kentucky. No; because there is whisky now involved in bankruptcy proceedings.

Mr. MOON. Does the gentleman know how much it will amount to?

Mr. JOHNSON of Kentucky. I do not know.

Mr. MOON. It will amount to only a few thousand dollars, all told.

Mr. JOHNSON of Kentucky. In my opinion, the gentleman can get $100,000 now for the whisky already in bonded warehouses in my town.

Mr. MOON. I could not sell it after the 1st of July in Tennessee.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. STAFFORD. Would not the effect of the amendment be that instead of having the Government of the United States

receive the benefit of the $1.10 we would transfer that $1.10 to the assets of the bankrupt for the benefit of creditors?

Mr. JOHNSON of Kentucky. That is exactly what it means.

Mr. STAFFORD. That is a remarkable principle to be adopted by this Congress.

Mr. HOWARD. When does this additional tax of $1.10 attach to this liquor that is in the hands of a bankruptcy court?

Mr. JOHNSON of Kentucky. The day this bill becomes a law.

Mr. HOWARD. Then it is sold, of course, by the trustee——

Mr. JOHNSON of Kentucky. By the trustee, who acts for the creditor——

Mr. HOWARD. With the additional $1.10 tax upon it?

Mr. JOHNSON of Kentucky. Yes.

Mr. HOWARD. Which, of course, adds $1.10 to the assets of the bankrupt?

Mr. JOHNSON of Kentucky. It does.

Mr. HOWARD. That is all right.

The CHAIRMAN (Mr. HARRISON of Mississippi). The question is on the amendment of the gentleman from Tennessee [Mr. MOON].

Mr. MOON. Mr. Chairman, let us have a division on that.

The CHAIRMAN. The gentleman from Tennessee demands a division.

The affirmative vote was taken.

The CHAIRMAN. All opposed to the amendment will rise.

Mr. BYRNS of Tennessee. Mr. Chairman, I submit that the proposition ought to be put to the committee, so that they will know what they are voting on.

The CHAIRMAN. The Chair will put it again.

Mr. MOON. Mr. Chairman, before the question is put the gentleman from North Carolina [Mr. KITCHIN] desires to offer an amendment to my amendment.

Mr. COX. Mr. Chairman, that can not be done. The committee is dividing. A rising vote was asked for. The affirmative vote has been taken and the Chair was engaged in counting the negative vote.

The CHAIRMAN. Does the gentleman from North Carolina ask unanimous consent to offer his amendment?

Mr. KITCHIN. I ask unanimous consent.

The CHAIRMAN. Is there objection to the request?

Mr. STAFFORD. Reserving the right to object, let us have the amendment read first.

The CHAIRMAN. Where does the gentleman want this amendment to come in?

Mr. KITCHIN. I want to offer it as a substitute for the amendment of the gentleman from Tennessee [Mr. MOON].

The CHAIRMAN. The gentleman from North Carolina offers it as a substitute for the amendment offered by the gentleman from Tennessee. The Clerk will report it.

The Clerk read as follows:

Substitute offered by Mr. KITCHIN:

"*Provided*, That the tax on such liquors in the custody of a court of bankruptcy in insolvency proceedings at the time of the passage of this act shall be paid by the person to whom the court delivers such liquors at the time of such delivery."

The CHAIRMAN. Is there objection to the request for unanimous consent?

Mr. HUDDLESTON. I fail to understand that amendment.

Mr. KITCHIN. The tax of $1.10 would be paid when the court delivers the whisky to the purchaser.

Mr. HUDDLESTON. I do not know whether the amendment permits the exemption desired by the gentleman from Tennessee [Mr. MOON] or not. If so, it is a very irregular way to take up this matter, I submit to the gentleman. We have already voted, and a division was asked for, and was in progress of being taken.

Mr. KITCHIN. I do not think the gentleman from Alabama understands this question.

Mr. HUDDLESTON. I do not; and that is why I think it is improper that it should be offered in this way.

Mr. MANN. This is not a substitute for the Moon amendment, anyhow.

Mr. HUDDLESTON. It purports to be.

Mr. MANN. It is supposed to be an addition to the Moon amendment.

Mr. KITCHIN. No; it is a substitute for the amendment of the gentleman from Tennessee [Mr. MOON].

Mr. JOHNSON of Kentucky. It must be an amendment to it.

Mr. KITCHIN. All it does is this: The gentleman's amendment exempts it from taxation altogether. My amendment does not exempt it altogether, and does not make the court pay the tax at once upon the passage of this act, but the person to whom the court delivers it finally must pay the tax at the time of delivery.

Mr. JOHNSON of Kentucky. I will say to the gentleman that if it was on free whisky the amendment would be good, but if it is whisky in bond it would not be good, because the Government already has an obligation from the producer of it to pay the tax and has his bond.

Mr. KITCHIN. That whisky referred to in the gentleman's amendment and the whisky referred to in my amendment is the whisky that has already paid the $1.10.

Mr. JOHNSON of Kentucky. It does not say that.

Mr. KITCHIN. Oh, yes; it does. It has to be. I understand the amendment of the gentleman from Tennessee is to line 20, page 9. It only refers to whisky that has already paid the tax.

Mr. STAFFORD. Mr. Chairman, reserving the right to object, would not the effect of the gentleman's substitute be to put a premium upon persons who are now in bankruptcy, and who happen to have whisky as their asset, to keep it in bankruptcy so as to avoid the payment of the tax? I think that is a matter to be considered.

Mr. MANN. It relates to only retail dealers, anyhow.

Mr. STAFFORD. I think this matter should be thoroughly considered by the Committee on Ways and Means, and I object.

The CHAIRMAN. The gentleman from Wisconsin objects. The question is on the amendment offered by the gentleman from Tennessee [Mr. MOON].

Mr. JOHNSON of Kentucky. I will say to the gentleman from Tennessee [Mr. MOON] and the gentleman from North Carolina [Mr. KITCHIN] that the amendment offered by the gentleman from Tennessee makes no distinction whatever between tax-paid whisky and whisky yet in bond.

Mr. MANN. This section relates to only whisky in the hands of a retail dealer.

Mr. JOHNSON of Kentucky. The amendment offered by the gentleman from Tennessee [Mr. MOON] does not say that.

Mr. MANN. No; but it only relates to this section.

Mr. ROBBINS. This does not refer to the distiller at all.

Mr. KITCHIN. It refers to all distilled spirits, whether in the hands of the retailer or in the hands of the wholesaler.

Mr. JOHNSON of Kentucky. Or any other person.

Mr. KITCHIN. Or any other person, upon which the distilled-spirits tax has already been paid.

Mr. JOHNSON of Kentucky. I think the gentleman from Illinois [Mr. MANN] is mistaken on that.

Mr. MANN. Section 301 says:

And which, on the day this act is passed, are held by a retailer——

Mr. KITCHIN. Yes—

in a quantity in excess of 50 gallons in the aggregate, or by any other person, corporation, partnership, or association in any quantity, and are intended for sale, there shall be levied, assessed, collected, and paid a tax of $1.10 on each proof gallon, or wine gallon when below proof, and a proportionate tax at a like rate on all fractional parts of such proof or wine gallon.

Mr. JOHNSON of Kentucky. But still it is my opinion that there is no distinction made between tax-paid whisky and whisky in bond.

Mr. KITCHIN. Yes; section 301 says:

That upon all distilled spirits produced in or imported into the United States upon which the tax now imposed by law has been paid, and which on the day this act is passed are held by a retailer.

Mr. JOHNSON of Kentucky. Yes; but the amendment offered by the gentleman from Tennessee says all liquors.

Mr. MOON. All such liquors.

Mr. KITCHIN. That is, distilled spirits, referred to in section 301; that on all such distilled spirits in the hands of a court the tax shall be paid by the person to whom the court delivers the liquors at the time it delivers them, and this is in order to avoid the payment of taxes on liquor in the hands of the court. The Government it not going to pay that tax. It is going to pass it on to the person to whom the liquor is delivered.

Mr. STAFFORD. Mr. Chairman, I will say that I shall have no objection to the amendment of the gentleman from North Carolina after it has been considered by the committee.

Mr. JOHNSON of Kentucky. If the whisky is in bond. Do you insist that this amendment does not apply to whisky in bond?

Mr. KITCHIN. It only applies to whisky on which the tax has already been paid.

Mr. JOHNSON of Kentucky. Then it does not apply to whisky in bond.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was rejected.

Mr. KITCHIN. Now, Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

After the word "gallon," line 20, page 9, insert:

"*Provided*, That the tax on such liquors in the custody of a court of bankruptcy in insolvency proceedings at the time of the passage of this act shall be paid by the person to whom the court delivers such liquors at the time of such delivery."

Mr. MANN. I would like to suggest to the gentleman from North Carolina that he use the language in the bill, and instead of saying "liquors" say "distilled spirits."

Mr. KITCHIN. I think the gentleman is right, and I will ask to modify the amendment in that particular.

The CHAIRMAN. Without objection, the amendment will be modified, and the Clerk will report the amendment as modified.

The Clerk read as follows:

After the word "gallon," insert:

"*Provided*, That the tax on such distilled spirits in the custody of a court of bankruptcy in insolvency proceedings at the time of the passage of this act shall be paid by the person to whom the court delivers such distilled spirits at the time of such delivery."

Mr. STAFFORD. Mr. Chairman, I would like to ask the gentleman a question.

Mr. KITCHIN. I will yield.

Mr. STAFFORD. Take this supposititious case: The retail liquor dealer has gone into bankruptcy and the trustee has been authorized at the time of the passage of the act to continue the business. Who would pay the tax under the gentleman's amendment?

Mr. KITCHIN. The trustee.

Mr. STAFFORD. But the amendment would exempt him; the liquor has been delivered to him by order of the court.

Mr. KITCHIN. Then it is in the hands of the retailer.

Mr. MEEKER. The man who purchases it would pay it, whether he was a retailer or wholesaler.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. OVERSTREET. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not intend to consume any time in the discussion of this measure, but I feel impelled to assign some reason for my support of a piece of legislation which its authors condemn before this House and before the world.

The gentleman from North Carolina [Mr. KITCHIN] and the gentleman from Michigan [Mr. FORDNEY], the champions of this bill on either side of the House, have consumed nine hours in discussing its different features. These able, distinguished, and learned gentlemen at the very outset of their arguments made the astounding statement that the bill has not the sanction or indorsement in its entirety of a single member of the committee from which it was reported. This able body of men have spent days and weeks poring over and studying the different provisions of this bill, in order that the great burdens it imposes upon the people would be so distributed that they would fall on all alike, but they tell us plainly that if we were not at war, that there is hardly a provision in the bill that would commend itself to this body. After spending weeks and weeks in framing a bill that might meet the requirements of the hour and raise the desired revenue without laying a heavy hand on anyone they acknowledge they have failed and confess their inability to frame such a measure. They were in better position than we who are not members of the Ways and Means Committee to go to the very roots of this question. They have conferred with experts in finance and with the soundest political economist of the country. They had access to all the data at the command of the Government. They have had other revenue bills before them for a guide. They have investigated the tax methods of other countries engaged in this war, and no one doubts for a moment that they have been painstaking, conscientious, and faithful in presenting a bill that they hoped might be acceptable to the American people. But I am convinced that no bill could be framed that would satisfy 100,000,000 people. Their interests are diversified and often antagonistic, and when you go down into men's pockets it is like pulling their eyeteeth. The Members of this House have been flooded with letters, telegrams, and protests from different interests to be affected asking that they be spared the burdens of this tax and that the burdens be placed somewhere else. No doubt some amendments will be offered that will slightly vary some of the provisions of this legislation, but in the main the bill will stand as it is written, because the great amount of money demanded must be raised and must be raised by taxation. There is no escape from that. The burdens will rest more heavily upon those more able to bear them, because it is generally conceded that the wealth of the Nation must very largely pay the taxes imposed by the necessities of this war.

This Congress was called together by the President of the United States for the purpose of having it declare war. After waiting for nearly three years, he and the American people decided that there was no other honorable course to pursue. A resolution for that purpose was offered, and, with little opposition, was quickly passed. A loan of $7,000,000,000 was speedily authorized by both branches of Congress without a dissenting vote. Our constituents from everywhere wrote us letters and sent us telegrams urging us to stand by the President in his war program. When the President and his advisers came to consider a plan for raising an army, they advocated a selective-draft plan in preference to the old volunteer system. The volunteer plan, they claimed, had been tried out fully and fairly by other countries engaged in this war, and they were forced to resort to the selective draft. The greatest military experts of the country advocated the selective draft. Our constituents, or a great majority of them, urged us to stand by the President. And Congress voted for the President's plan. [Applause.]

I confess that since this Congress has convened I have felt, as a great many other Members have, that a great responsibility rested upon us during this grave and trying crisis. We know that it is not popular to vote for a measure that will bear down so heavily upon the people as this bill will do, but we have a duty to perform, and we can not escape it. I have received protests from every part of my district and from all over the country against taxes placed upon certain schedules in this bill. I wish it were in my power to see them all exempted, and that it were possible to relieve them of the burdens, but that is impossible. We have entered this war, and there can be no retracing of our steps until we have brought it to a successful conclusion, and I am glad to say that, in my opinion, there is no part of this Nation more solidly behind the President than the South. I believe they will make the sacrifices as cheerfully and willingly as any section, and there is one class of people, Mr. Chairman and gentlemen, who are acting like true philosophers and patriots in this trying ordeal, and that is the farmers of the South. [Applause.] At the beginning of this war, when their chief staple—cotton—was selling at 12 cents per pound, it suddenly dropped to one-half that price. The cotton exchanges of this country and Europe were closed. There was absolutely no demand for that great commodity. A committee of citizens, representing the farming industry, came to Washington to confer with the President and the Secretary of the Treasury to ascertain if some plan could not be arranged by which the Government could loan money to the farmers on their cotton, at a fair valuation, in order that it might not be sacrificed upon the market. They were informed that there was no precedent for such a proposition, and the Government was utterly powerless to aid the farmers in this matter. They returned to their homes disappointed, but not hostile or belligerent, and the local bankers forced them to put their cotton on the market, and it was sold for less than the cost of production, at 5 and 6 cents per pound, and a great majority of the farming classes were well-nigh ruined. Still they did not complain. They went about making another crop, and another crop, and at last they are beginning to come into their own. That magnificent product is now bringing a price that is commensurate with the investment and the labor that they have given to its production for many years past.

The distinguished gentleman who reported this bill tells us that in its consideration no partisan feeling crept into its discussions and deliberations. That is highly commendable and reflects the patriotism and loyalty of the country in standing by the President in this great crisis. There was one discordant note, however, while not political, it was sectional; it was heard in the committee room when this bill was being considered, and it was heard in this House in the discussion of this bill on Monday last. The distinguished gentleman from Pennsylvania [Mr. MOORE], in discussing this bill, stated that he hoped and expected to introduce an amendment calling attention to the fact that cotton has been prosperous and that cotton ought to pay. He stated further that at the proper time he would ask that a tax or at least $2.50 a bale be placed on that "magnificent product of American plantations." This, Mr. Chairman, would be a consumption tax. It would be an unfair and an unjust tax. When this bill was being considered by the committee they decided that a consumption tax should not be placed on any commodity, and I sincerely trust that, if the gentleman from Pennsylvania insists upon his amendment to tax this chief commodity of the South, it will receive but one vote, and that it will be the vote of the gentleman from Pennsylvania. [Applause.]

As I stated previously, I fully realize that many businesses will be seriously injured by this tax. Some will suffer more than others; but I am satisfied that it is a matter of utter impossibility to frame a bill of this kind that will operate on all industries alike. But the men who will be called upon to pay over money will not suffer in comparison to the men who are called

upon to sacrifice their lives. The brave boys who have volunteered to defend their country, and those who will be selected to fight our battles, are responding with a loyalty and cheerfulness that ought to put to shame the men who are complaining and whining because their businesses will suffer on account of the war. Those men who have been blessed with riches and others who have been blessed with a fair degree of prosperity should willingly surrender a part of their wealth to the country, to be used in crushing militarism, in subjugating an international outlaw, and in saving civilization from destruction. [Applause.]

Mr. HOWARD. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 15, after line 14, insert a new paragraph, as follows:
"Amend section 18 of the act of February 8, 1875 (18 Stat., sec. 309), as amended by section 4 of the act of March 15, 1879 (20 Stat., 327), by striking out the following: 'That retail dealers in liquors shall pay $25,' and insert in lieu thereof the following: 'That retail dealers in liquors shall pay $5,000.'"

Mr. STAFFORD. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. HOWARD. Does the gentleman want to argue the point of order?

Mr. STAFFORD. I do not think there is any question about it. Unless the Chair wants to hear me I do not care to argue it.

Mr. HOWARD. Mr. Chairman, I would like to know what the gentleman's point of order is.

Mr. STAFFORD. I make the point of order that it is not germane to any provision in the bill nor germane to any item in the title under consideration. I direct the Chair's attention to the rule that was adopted by the Democratic caucus when it came into power in presenting amendments to a revenue bill.

Mr. LITTLE. Mr. Chairman, I make the point of order that the gentleman's argument is not germane to the point of order. [Laughter.]

Mr. STAFFORD. It is not germane to a Kansas dry man who is new in this House. [Laughter.] Mr. Chairman, I direct the attention of the chairman of the committee to paragraph 3, rule 21, which provides as follows:

3. No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

That rule limits the rule of germaneness that prevailed in this House for more than 50 years. Even under general House parliamentary law, as is shown in the decision rendered by Speaker Carlisle, which was well fought out and will be found in volume 5 of Hinds' Precedents, section 2853, the amendment would not be germane.

The CHAIRMAN. The Chair will say to the gentleman from Wisconsin that he would like to hear from the gentleman from Georgia on the other side of the question. [Laughter.]

Mr. HOWARD. Mr. Chairman, I am afraid I am in the position of the country lawyer before a justice of the peace who had just assumed his duties in court, that the court has already prejudged my case by stopping the argument of the gentleman from Wisconsin. [Laughter.]

It occurs to me that this title deals with all characters of revenue from the sale of distilled spirits and malt liquors. It goes further than that. It deals with the business. Now, I am talking about actual business of these people. Let me call the attention of the Chair to section 309:

That each manufacturer, producer, dealer, importer shall make monthly returns—

And so forth. And then it says how they shall do it, and then over in sections 305, 306, and 307, all deal with the business of men engaged in the production and manufacture of alcoholic spirits. Now, what does my amendment do?

The object of this bill is to raise revenue. That is solely the object of the bill. My amendment proposes to increase the license upon retail dealers in distilled spirits from $25 to $5,000 a year. I am perfectly willing to admit, for the sake of argument, that the power to tax carries with it the power to destroy, and that my motive in introducing this amendment is not to raise the revenue from that particular source, but to cut off the source of distribution of these liquor dealers who are sitting up behind 250,000,000 gallons of liquor with which to keep the Nation drunk while we are at war. That is the purpose of it. I think it is germane. I think it deals with the subject matter of this title.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. Yes.

Mr. SABATH. So the gentleman's amendment would not comply with the purpose of the bill to raise revenue, but it would destroy the revenue?

Mr. HOWARD. I admit that; that is the object that I had in mind. It might incidentally raise more revenue.

Mr. SABATH. But the gentleman admits that his object is to destroy revenue?

Mr. HOWARD. As far as the gentleman from Illinois is concerned, he is not hurt by this. This does not deal with beer at all. It does not hurt beer, but it applies to liquor.

Mr. SABATH. Oh, it would not hurt me even if it would apply to beer, or even if it should apply to Coca-Cola.

Mr. HOWARD. That would not hurt the gentleman. The subject matter with which this amendment deals is liquor, and this whole title deals with liquor except where it deals with carbonic gas and soft drinks.

The CHAIRMAN. This bill is for the purpose of raising revenue. The gentleman from Georgia [Mr. HOWARD] is very frank in stating that the object of his amendment is not to raise revenue, but to prevent the sale of liquors and destroy the business. The amendment is not germane to the section or the bill, and the Chair therefore sustains the point of order.

Mr. HOWARD. Mr. Chairman, I move to strike out all on page 8, commencing with line 24, down to and inclusive of line 20, on page 9.

Mr. Chairman and gentlemen, the amendment that I have just offered strikes out all tax of liquor.

Mr. RAINEY. Mr. Chairman, I would like to have the amendment reported.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out sections 300 and 301.

Mr. MANN. Mr. Chairman, will the gentleman from Georgia yield?

Mr. HOWARD. Yes.

Mr. MANN. The gentleman knows that it would be in order to offer an amendment to increase the tax on distilled spirits?

Mr. HOWARD. Yes; I do.

Mr. MANN. Even to $5,000——

Mr. HOWARD. A gallon—yes; I know that. Mr. Chairman, my purpose in offering the amendment a moment ago was this: There has been a war waged for the last three weeks in this Capitol—and every gentleman here on either side of the House knows that what I am about to state is the exact truth—between the beer people and the liquor people. What is the object of this? I will tell you. There are efforts being made on the food-conservation bill in this House to conserve the grain by prohibiting the making of beer and liquor. Let us see who will be the sufferers by it.

If you prohibit the use of grain in the making of beer, light wines, and liquor, the beer men go entirely out of business, and the liquor people, who have 300,000,000 gallons of liquor in the bonded warehouses of the country would immediately increase the value of that product from about $4.50 a gallon to about $10 a gallon. Then the people of the country who have been accustomed to the use of the less harmful form of intoxication will, by force of habit, have to use the ardent spirits, to wit, liquor, or nothing. In other words, if we carry out our program, which this Nation is demanding, the liquor men will be Br'er Rabbit in the brier patch, as Uncle Remus says, and the beer men will be out of business. The manufacturer of spirituous liquors is not being tolerated by the Canadian Government, by the German Government, by the French Government, by the British Government, by any of the Governments at war. Light wines and malt liquors are permitted under restrictions. All this bosh that you see in these circulars we are getting from liquor men about these nations permitting the indiscriminate sale of liquor is absolutely unfounded. They do not do anything of the sort, and even in England there has been a reduction in the amount permitted to be manufactured of beer from 36,000,000 barrels to 10,000,000 barrels. Let us look at this thing for a moment. I think you gentlemen know me well enough, especially the older Members, to know that I am a liberal prohibitionist. You know me well enough to know that I am willing to make any sort of a decent compromise that will bring about the complete sobering up of this Nation. This is a proposition that the people of the Nation are going to legislate upon. If you gentlemen do not do the sensible thing about it, the drastic thing is going to be done. Mark my prediction; mark what I tell you. The people of the United States of America, the modern Nation of civilization, during this war are not going to permit the young men of this Nation who go to arms in our defense to go into battle drunk on liquor. You can put that down as a certainty. Some legislation has got to be enacted, and it is going to be enacted, and you gentlemen who represent constituencies having in them large breweries and distilleries are making a mistake in thinking that you are going away from this Capitol when we adjourn at the end of this session with no legislation enacted in this great Nation, when all of the other great nations of the earth have acted upon this vital and momentous question.

It is the greatest economic question we have ever had to face, as well as the greatest moral question we have ever had thrust upon us. What have we done with this bill? You may have heard some objections to certain portions of it, but who has objected to this tax on liquor? They are delighted to have you put this tax on them. They are glad you have put the additional $1.10 on liquor. Why? Because they get their tentacles into the body politics of this Nation that much deeper.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOWARD. Mr. Chairman, I would ask for three minutes more.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for three minutes. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the right to object, I would like to ask how soon the time for debate will be exhausted?

The CHAIRMAN. There is no limit fixed.

Mr. MOORE of Pennsylvania. I thought there was an agreement.

The CHAIRMAN. There is no agreement.

Mr. HOWARD. I would not have asked for the additional time if there had been.

Mr. MOORE of Pennsylvania. I am not going to object, but I understood there was an agreement to close debate at 4 o'clock.

The CHAIRMAN. No; it was objected to by the gentleman from Kentucky [Mr. JOHNSON].

Mr. MOORE of Pennsylvania. Well, still reserving the right to object, I shall ask that the time of the gentleman be extended, if he will yield for a question.

Mr. HOWARD. I will.

The CHAIRMAN. Is there objection to the request of the gentleman that he have three minutes additional? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. I am dealing with this question for revenue purposes solely. I know the gentleman has another and more sentimental interest in it; but the facts, as reported by the Commissioner of Internal Revenue, are that he collected from distilled spirits the last fiscal year $158,000,000, and the gentleman proposes to strike out distilled spirits.

Mr. HOWARD. Yes, sir.

Mr. MOORE of Pennsylvania. Now, if we collected——

Mr. HOWARD. I mean the additional tax of $1.10.

Mr. MOORE of Pennsylvania. I understand. Now, if we collected $158,000,000 from distilled spirits last year and by this bill propose to tax them $100,000,000 more, which would make $258,000,000, how are we going to raise that revenue to prosecute the war?

Mr. HOWARD. Mr. Chairman, I will answer that. Sixty per cent of the population of this Nation already have declared themselves positively and unequivocably in favor of prohibition.

Mr. MOORE of Pennsylvania. Pardon me, but will the gentleman yield for one more question?

Mr. HOWARD. Now, let me answer this question; I can not answer two, but I will try to do it, however.

Mr. MOORE of Pennsylvania. On the very point the gentleman raises, that the Nation has spoken for prohibition, I want the gentleman to discuss that, and in doing so would like him to account for the fact that the revenue commissioner reports, despite the Nation wanted prohibition, that the Government collected $13,385,000 more from distilled spirits last year, 1916, than in the year previous?

Mr. HOWARD. Yes; and you manufactured more liquor in the United States last year than you ever have before in the history of the Nation, and why? You know why and every other intelligent man knows why. Why do you try to make the people of this Nation believe that we are becoming more and more addicted to the use of liquor by quoting the amount distilled in 1916? It was because of the war. Why does not the gentleman look to the exports of ethyl alcohol and other spirits that went to Europe, and the gentleman will see why it increased? There is nothing in that argument, and the gentleman knows it, and nobody knows it better than the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. On the question of prohibition the gentleman believes——

Mr. HOWARD. I want to answer that, and if I can get more time I will try to do that. We do not want the revenue from this liquor, we do not want to entrench the liquor people more securely than they are now in the governmental affairs of this Nation and——

Mr. MOORE of Pennsylvania. If the gentleman is right about prohibition marching on, it is difficult to account for the increased manufacture of liquor.

Mr. HOWARD. I have just told the gentleman as plain as the English language can convey my thoughts that the reason it increased was because of our exportations, on account of the increase in the manufacture of munitions in this country and Europe and——

Mr. COX. Will the gentleman yield?

Mr. HOWARD. I yield.

Mr. COX. When the Reed amendment becomes effective on the 1st day of next July, I do not think the figures of the report of the Commissioner of Internal Revenue will show——

Mr. HOWARD. Of course they will not.

Mr. BARKLEY. I would like to remind the gentleman from Georgia that in anticipation last year that this tax was to be increased the distillers withdrew from bond a great quantity of whisky and paid the tax, and that accounts for a great deal of the increase.

Mr. HOWARD. Of course they did.

Mr. MOORE of Pennsylvania. The gentleman knows there is no tax on exports, and that this increased revenue does not come from exports.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURNETT. I would ask that the gentleman's time be extended so that I may ask him a question.

Mr. MOORE of Pennsylvania. There is no tax on exports.

Mr. BARKLEY. It has to be withdrawn from bond.

Mr. MOORE of Pennsylvania. The revenue is derived from domestic consumption, goods consumed in the United States, not exported.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that the gentleman from Georgia have five minutes more. Is there objection?

Mr. MEEKER. Mr. Chairman, reserving the right to object——

Mr. NOLAN. Mr. Chairman, I object.

Mr. BURNETT. Why is it if there has been an increase all the time in the consumption of liquor are men opposing prohibition if drinking——

Mr. HOWARD. I can not answer that question; I did not understand my status or I would not have occupied the floor.

Mr. BURNETT. I thought the gentleman had been granted five minutes additional.

Mr. JOHNSON of Kentucky. Mr. Chairman: I desire to address myself to section 302, which imposes——

Mr. MEEKER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman can not make a parliamentary inquiry while the gentleman from Kentucky has the floor.

Mr. MEEKER. Was not debate to expire at 4 o'clock?

Mr. HOWARD. Oh, no.

The CHAIRMAN. The gentleman from Kentucky [Mr. JOHNSON] will proceed.

Mr. JOHNSON of Kentucky. Mr. Chairman: I desire to address myself to section 302 of the bill, which section imposes a tax of 15 cents a gallon on rectified or adulterated spirits. I would not do so except that Congress has been circularized by the rectifiers, and I apprehend that before this bill has reached final passage the question as to whether or not rectified or adulterated whiskey shall bear any tax at all will be well fought out. For that reason I now wish to correct some of the fallacious arguments which have been and which will be advanced by the rectifiers.

The present tax on straight whiskey is $1.10 a gallon. Under the proposed bill that tax is to be doubled. When a tax first was placed on whiskey there had to be, of necessity, a fixed unit; or, rather, a fixed gallon upon which to levy the tax. The gallon was fixed with contents of 231 cubic inches, and that gallon also has been fixed by law to consist of 50 per cent alcohol and 50 per cent water. That to-day is the standard gallon; and that standard gallon is designated as the "proof gallon" and also as the "100-proof gallon," which, as I just said, is made of 50 per cent alcohol and the remaining 50 per cent of water, fusel oil and various ethers and acids. Now, whenever the proof is 100 the tax is $1.10 a gallon.

It may be best for me to say here, in further explanation, that in the trade and in the law there are two kinds of gallon—one known as the "proof gallon" and the other as the "wine gallon." The proof gallon is the one which is ascertained by the quantity of alcohol that is in it, and the other, the "wine gallon," is nothing more nor less than a measured gallon of 231 cubic inches.

Now to go back, after that explanation, pure or straight whiskey which is 100 proof bears a tax of $1.10 a gallon, no matter whether that gallon be "proof gallon" or "wine gallon." On straight whiskey, if the proof, or alcoholic contents, goes down the tax does not go down. If the proof is 90 on straight whiskey, the tax is still $1.10 a gallon. If the proof is 80, the tax is still $1.10 a gallon. If the proof is 70 or lower, the tax is still $1.10 a gallon. In other words, no matter how low the proof may go below 100 on straight whiskey the tax is still $1.10 a gallon. But if the proof goes above 100 the tax increases at the same rate that the alcoholic contents increase. Now, that is the case as to straight whiskey.

The case relative to rectified whiskey is almost the reverse. Now, mark you, before I get to that, the 100-proof gallon of straight whiskey, is half alcohol and half water, and the tax is $1.10. Now, if nothing but the alcohol in that gallon were taxed, the tax would be $1.10 on the 50 per cent of alcohol which is in it. But that is not the manner of taxation. The plan of taxation is to tax the whole contents of that gallon, one-half of it being water. Consequently, half of that tax of $1.10 a gallon is levied on the alcohol that is in the gallon, and the other half is levied on the water that is in the gallon, making $1.10 a gallon.

Now, when you come to rectified whiskey, whenever the proof is 100—and nobody ever heard of 100-proof rectified whiskey—but if there were such a thing, the tax would be $1.10 a gallon.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the time of the gentleman from Kentucky be extended 10 minutes. Is there objection?

Mr. MOORE of Pennsylvania. Does the gentleman need 10 minutes?

Mr. JOHNSON of Kentucky. I would like to have it.

Mr. MOORE of Pennsylvania. I move the gentleman's time be extended 10 minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. I hope the gentleman will yield to a few questions before he gets through.

Mr. JOHNSON of Kentucky. Now, as I was saying when I was interrupted, when you come to the tax on rectified whiskey the proof is invariably below 100. I have already told you no matter how far below 100 the proof on straight whiskey may go the tax of $1.10 a gallon still remains; but when the proof on rectified whiskey is reduced below 100 the tax on it is also reduced.

Mr. BARKLEY. Will my colleague yield right there?

Mr. JOHNSON of Kentucky. Yes.

Mr. BARKLEY. On straight whiskey when the proof goes down to 70 tell the House what the other 30 per cent is made of.

Mr. JOHNSON of Kentucky. When whiskey is below proof the alcoholic contents are always one-half of the proof. So in 70 proof whiskey the alcoholic contents are 35 per cent and the water is 65 per cent.

Mr. MOORE of Pennsylvania. Now, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MOORE of Pennsylvania. If that is so, then 90 per cent proof would mean——

Mr. JOHNSON of Kentucky. It would mean 45 per cent alcohol and 55 per cent water.

Mr. MOORE of Pennsylvania. And a full tax additional of $1.10?

Mr. JOHNSON of Kentucky. No; it would not if it were rectified; but if it were straight whisky it would be $1.10. On straight whiskey at 90 proof the tax would be $1.10, and on rectified whiskey at the same proof it would be 99 cents, a discrimination in favor of rectified whiskey of 11 cents on the gallon.

Mr. MOORE of Pennsylvania. What would be the water content of the rectified gallon on the wine-gallon basis?

Mr. JOHNSON of Kentucky. At what proof?

Mr. MOORE of Pennsylvania. At 90 proof; at the proof you are using as an illustration.

Mr. JOHNSON of Kentucky. As I just said, the alcoholic content is always one-half of the proof. At 90 proof the contents would be 45 per cent alcohol and 55 per cent water.

Mr. MOORE of Pennsylvania. Then in the case of the straight whiskey the tax would be levied upon straight whiskey up to 90 proof?

Mr. JOHNSON of Kentucky. The tax is never less on straight at 90 proof than it is at 100 proof.

Mr. MOORE of Pennsylvania. I want to get at the fact whether the alcoholic content of a gallon pays an additional per cent of tax to the gallon when the proof is above 100.

Mr. JOHNSON of Kentucky. A standard gallon of straight whiskey at 100 proof is half alcohol and half water. On that the tax is $1.10 and——

Mr. MOORE of Pennsylvania. Now, then, in the case of the rectified gallon——

Mr. JOHNSON of Kentucky. At what proof?

Mr. MOORE of Pennsylvania. At the proof the gentleman is referring to as the standard for the straight whiskey gallon. The water content would be about one-half?

Mr. JOHNSON of Kentucky. The gentleman asks what the tax on straight whiskey would be at 100 proof and what the tax on rectified whiskey would be at 100 proof. My answer is the tax would be the same.

Mr. MOORE of Pennsylvania. Then one-half of the entire tax would be upon one-half of the water content of the rectified gallon?

Mr. JOHNSON of Kentucky. That is the point I am seeking to make. The 50 per cent water in the gallon of straight whiskey is taxed just as the alcohol is taxed, while none of the water in rectified whiskey, no matter how little it may be, is taxed at all.

Mr. MOORE of Pennsylvania. Then if the rectified whiskey is taxed at the same rate straight whiskey is taxed, the Government taxes the one-half gallon water content at the same rate as whiskey?

Mr. JOHNSON of Kentucky. Whenever any kind of whiskey, straight or rectified, is 100 proof, then the water in both of them is taxed, and taxed alike; but such is not the case if the rectified is less than 100 proof.

Mr. MOORE of Pennsylvania. That is it. The Government taxes water to the extent of half a gallon in the matter of rectified whiskey.

Mr. JOHNSON of Kentucky. When the proof is 100, yes; but as the proof, or alcoholic content, decreases in the rectified the percentage of water in the gallon increases, and that increase in percentage of water is not taxed when in rectified whiskey.

Mr. MOORE of Pennsylvania. I am making the point that in the matter of rectified whiskey, concerning which the gentleman is speaking just now, the Government actually taxes one-half water?

Mr. JOHNSON of Kentucky. It does if the proof is 100, but it does not if the proof is less than 100.

Mr. MOORE of Pennsylvania. I do not know which is the greater offense against the consumer.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman state what is meant by "rectified whiskey"?

Mr. JOHNSON of Kentucky. I mean by "rectified whiskey" just what the law defines it to be—an imitation of pure whiskey.

The great bulk of rectified whiskey is made from neutral spirits. Commercial alcohol is 188 proof; in other words, it is 188 points out of a possible 200; while neutral spirits is 190 proof—two points higher than commercial alcohol.

Neutral spirits comes from the tail of the worm at 190 proof. At that proof the tax is paid on it. One gallon of neutral spirits at 190 proof contains 1.9 wine or measured gallons; or, in other words, a gallon at 100 proof now bears a tax of ten times 11 cents. A gallon of neutral spirits at 190 proof now bears a tax of nineteen times 11 cents, because it is excessive in alcohol and above the normal gallon by nine-tenths.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. In a moment.

Mr. COX. All right.

Mr. JOHNSON of Kentucky. Now, then, further answering the gentleman from Tennessee, this neutral spirits, which is practically colorless, tasteless and odorless, is diluted with water down to a point where it is potable. But those who rectify do not stop diluting it with water at the point at which it is potable, and all liquors are potable at 100 proof. They go below the 100 proof by adding water in order that they may make more wine or measured gallons out of one, thereby escaping the tax on all the increased quantity which they have thus made.

Neutral spirits used in the manufacture of rectified whiskey is diluted with water, as I have just said, and that dilution runs from 90 proof down as low as 50 proof. The average proof of rectified whiskey, so I am informed by the Internal Revenue Department, is 80 proof. Water is added to the neutral spirits to bring the average of it down to the average of 80, and then coloring matter is added to make it look like whiskey and a beading oil is added, so that when you shake the bottle a bead of oil will form around the edge of it in imitation of the bead on pure whiskey, and then to each barrel of rectified whiskey about 5 gallons of real whiskey, so the department informs me, is added to make it smell like whiskey.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield there?

Mr. JOHNSON of Kentucky. Yes.

Mr. STEVENSON. What is the tax on the 80 per cent proof?

Mr. JOHNSON of Kentucky. The tax on a gallon of straight whiskey at 100 or less is $1.10, and——

Mr. STEVENSON. Yes; I know that.

Mr. JOHNSON of Kentucky. On 80-proof rectified whiskey the tax is 88 cents, a discrimination of 22 cents a gallon in favor of rectified whiskey, and the discrimination amounts to $11 on each barrel of rectified whiskey, and during all the years that a tax has been imposed upon whiskey the United States Government has made a present to the rectifier of the difference in tax between straight whiskey and rectified whiskey. Last year that discrimination amounted to approximately $22,000,000.

Yesterday we heard it said on the floor, when reference was made to section 302 of this bill, that that section related to the "little men" in the liquor business. Let us see whether the rectifier is the little man or not. Last year about 100,000,000 gallons of rectified whiskey went into consumption in the United States, and only about 32,000,000 gallons of straight whiskey went into consumption as a beverage. In other words, more than three times as much rectified whiskey as straight whiskey was used as a beverage last year in the United States.

Mr. CANNON. Will the gentleman from Kentucky yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. CANNON. The gentleman has me confused. I am asking this in good faith. It seems to me whether you call it whiskey or whether you call it rectified whiskey it would be equitable that the tax ought to be equal on the amount of alcohol, whether it is rectified whiskey or straight whiskey.

Mr. JOHNSON of Kentucky. I agree thoroughly with the gentleman.

Mr. CANNON. Now, if the gentleman will fix his amendment that way, cutting out the rectified and cutting out the table whiskey, I will vote for it.

The CHAIRMAN. The time of the gentleman has expired again.

Mr. MILLER of Washington. I ask unanimous consent that the time of the gentleman be extended.

Mr. BYRNS of Tennessee. I also ask unanimous consent that the time of the gentleman from Kentucky be extended.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from Kentucky be extended. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. I will say to the gentleman from Illinois [Mr. CANNON] that I prepared such an amendment as he suggests and offered it to the Ways and Means Committee for their consideration. For some reason not known to me they deemed it best not to incorporate it in the bill, but I now submit the amendment to the gentleman from Illinois for his consideration. I now yield to the gentleman from Michigan.

Mr. FORDNEY. Is it true that the alcohol in rectified spirit has already paid the tax before the spirit is rectified?

Mr. JOHNSON of Kentucky. The gentleman is correct.

Mr. FORDNEY. Therefore the tax imposed in this bill is really for the water and the little sirup and coloring and sweetening and the bead upon it. It is a tax upon the man who rectifies the spirit, who has already paid the tax on the alcohol?

Mr. JOHNSON of Kentucky. Whether it be straight whiskey or the neutral spirit, which forms the basis of the rectified whiskey, the tax has been paid on it before it goes into the rectifier's establishment; but in the rectifier's compound no tax is paid on anything except the alcohol that is in it; while upon the straight whiskey the tax is imposed not only upon the alcohol that is in it but also upon the water that is in it.

Mr. STEVENSON. If the straight whiskey is reduced by water to 80 proof, it is taxed, as I understand, at $1.10.

Mr. JOHNSON of Kentucky. There is a law which forbids the reduction of straight whiskey to 80 proof, except that it be bottled in bond for export. The rectifiers have so managed things that low-proof straight whiskey can not be put upon the market in the United States in competition with their low-proof product.

Last year 100,000,000 gallons of rectified whiskey were used as a beverage in the United States. The average proof of that rectified product, as I have said, was 80.

The difference between the tax on 80 proof rectified whiskey and the tax on the lowest proof at which straight whisky may be tax-paid is 22 cents a gallon. Therefore when 100,000,000 gallons of rectified spirits go into consumption in a year in the United States, then the United States Government annually makes the rectifier a present of $22,000,000, because that is the difference in tax between those two products when the tax is at the rate of $1.10 a gallon.

Now, some gentleman has suggested that if you impose this tax the rectifiers will go out of business. Suppose they do go out of business, what happens? Then the people who drink whiskey must of necessity drink straight whiskey; and when the rectifier goes out of business the Government loses no revenue, because there is no tax at all upon his product; and if this item in the bill passes and becomes law, it will be the first tax ever imposed upon rectified whiskey. It is true that the rectifier pays an occupation tax. Whoever rectifies less than 500 barrels in a year pays a tax of $100, and whoever rectifies 500 or more barrels in a year pays a tax of $200, and that occupation tax upon rectifiers amounts to about $300,000 a year. If all the rectifiers should go out of business, the Government would lose $300,000, but it would be more than equaled by the increased consumption of pure whiskey. But the rectifier will not go out of business as long as the tax on his product is less than 44 cents a gallon, provided the whiskey tax is put up to $2.20.

If you impose this tax of 15 cents a gallon, then you will collect $15,000,000, based on last year's consumption of rectified whiskey. The distiller of straight whiskey does not pay a tax as distiller. He simply pays the tax on the goods he produces. Upon the other hand, the rectifier pays an insignificant occupation tax, and then pays no tax upon his product. Upon each barrel of rectified whiskey there is placed a "rectified" stamp. The United States Government furnishes that stamp. But when the straight distiller bottles his whiskey in bond, a stamp must go over the neck of the bottle, showing that it is bottled in bond, and that it is 100 proof; and then a stamp must go upon the case, and the distiller is compelled by law to pay for these stamps. The distillers pay more than $300,000 a year for these stamps, while the rectifier gets his stamps for nothing.

There is no statute on our books that does not discriminate in favor of the rectifier and against the producer of straight whiskey.

We heard only a few minutes ago that national prohibition is coming. When prohibition comes for the Nation every distiller will have the value of his property practically destroyed. The distilleries over the country are built of brick and stone and mortar. They are substantial structures. Inside these buildings they have costly machinery. The stills are made of copper. Every distiller's plant is worth thousands and thousands of dollars. But let us see about the rectifier. What has he to lose when prohibition comes? Every rectifier is also a wholesale or retail liquor dealer, and most of the wholesale liquor dealers are rectifiers. The wholesale liquor dealer, if he be a rectifier, has his wholesale establishment on the ground floor in some city and his rectifying establishment upstairs—and that consists of tubs and paddles with which to stir the water and whiskey together.

Mr. TILSON. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. TILSON. Will the gentleman say something as to the basis of these two products, straight whiskey and neutral spirits; that is, as to the grain that is used in these products.

Mr. JOHNSON of Kentucky. Straight whiskey is the product just as it comes from the distillery, nothing added and nothing subtracted. Straight whiskey is put in the bonded warehouse usually at about a proof of 101, so as to make some allowance for loss of proof before it is bottled at 100 proof. That 100 proof, as I have said several times, is made up of 50 per cent alcohol and the other 50 per cent water, fusel oil and various ethers and acids. Neutral spirits has practically all of the water and the ethers and acids extracted while it is being distilled. Then it is run through charcoal and the fusel oil is taken out. In selling the rectified product the claim is made that the fusel oil should be taken out.

When a man takes a drink out of a barrel of whiskey the day it is made and then stores the barrel away for something like 12 or 15 years until, by evaporation and absorption into the wood, the volume has been reduced one-half, and then he takes a drink out of the same barrel, he will get twice as much fusel oil as he got in the first drink. In other words, while the volume of alcohol and water decreases during the aging period, the quantity of fusel oil originally in the barrel does not decrease. This is one of the principal reasons why whiskey which has become old in wood is the best whiskey.

Everybody knows that to some extent alcohol is poison. The straight-whiskey producer leaves in his product the fusel oil and various ethers and acids which offset, to some extent, the poisonous effect of the alcohol. The producer of neutral spirits extracts practically all of that, and why? To escape the tax.

The situation now, in plain language, is: The producer of neutral spirits extracts everything possible from his product, and the rectifier who uses it in making rectified whiskey sees to it that it remains exactly so just long enough for it to get past the tax

collector. As soon as it gets past the tax collector it is rolled into the rectifier's establishment and the water is reincorporated, and escapes the tax which straight whiskey pays. We have here a proposition to tax rectified spirits 15 cents a gallon, and when the whiskey tax is increased to $2.20 a gallon the tax difference between pure and adulterated whiskey will be exactly 44 cents. I say the rectifiers have no right to complain at a 15-cent tax, and no one should lift his hand in opposition to the bill for the reason that the Committee on Ways and Means has brought into this House a bill which imposes upon them approximately only one-third of the tax which they ought to pay. If there is to be a discrimination between these products, who doubts that the discrimination should be in favor of straight whiskey instead of the rectified?

By some means that I do not know, and the committee themselves, according to my interrogations, do not know, there crept into the first draft of this bill a proposition to repeal the pure food and drugs act as to branding and labeling rectified goods, and if the committee had accepted that draft, which came from "somewhere in America," then the "spurious" could have been branded as the "pure" is branded, notwithstanding the pure food and drugs act.

Mr. SABATH. Does the gentleman call straight whiskey a whiskey that contains 50 per cent of alcohol and 50 per cent of water?

Mr. JOHNSON of Kentucky. I do not. Straight whiskey is that which continues just as it came from the tail of the worm—nothing added and nothing subtracted.

Mr. SABATH. What does it contain?

Mr. JOHNSON of Kentucky. It contains 50 per cent alcohol, and the remaining 50 per cent is made up largely of water, but in that 50 per cent also there is fusel oil and some ethers and acids.

Mr. SABATH. In a rectified whiskey there is a little more water than alcohol. If it is five points below there is just that much more water than alcohol.

Mr. JOHNSON of Kentucky. Yes.

Mr. SABATH. And the gentleman believes that the water should be taxed as well as the alcohol.

Mr. JOHNSON of Kentucky. I believe that if the water in straight whiskey is taxed that the water in adulterated whiskey should be taxed also.

Mr. SABATH. But you do not tax the water, you tax the alcohol.

Mr. JOHNSON of Kentucky. Oh, no; the tax is levied on the whole gallon, which is made up of both alcohol and water if straight whiskey.

Mr. SABATH. In proportion to the proof of the whiskey?

Mr. JOHNSON of Kentucky. Oh, no. If straight whiskey is anywhere below 100 proof it pays the same tax, $1.10, as if it were 100 proof; but if it is rectified whiskey the tax goes down as the proof goes down.

Mr. SAUNDERS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SAUNDERS of Virginia. Am I correct in the conclusion that with respect to this stuff which you call rectified whiskey, the only tax that is put on that, leaving out these occupational taxes, to which you have referred, is the tax put on the alcohol that goes into it?

Mr. JOHNSON of Kentucky. The rectified whiskey pays no tax now except upon the alcohol that is in it.

Mr. SAUNDERS of Virginia. Take a gallon of rectified whiskey. How much tax does that pay?

Mr. JOHNSON of Kentucky. At what proof?

Mr. SAUNDERS of Virginia. Eighty.

Mr. JOHNSON of Kentucky. Straight whiskey at that proof pays $1.10 a gallon, and rectified whisky at the same proof pays only 88 cents a gallon.

Mr. SABATH. Are they both not taxed upon the proportionate amount of alcohol which they contain?

Mr. JOHNSON of Kentucky. No. The rectifier can go as far below 100 proof as he chooses to go, and the lower the proof goes the lower the tax is—but not so with straight whiskey.

Mr. SABATH. The higher the proof the more alcohol, and the lower the proof the less alcohol.

Mr. JOHNSON of Kentucky. Certainly.

Mr. SABATH. That is what I wanted to get at.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BANKHEAD. Has the gentleman any accurate information as to the number of bushels of grain manufactured into alcoholic drinks during the last calendar year?

Mr. JOHNSON of Kentucky. I have not. I have not gone into that subject. But I will say this, that the large distilleries are required to produce 80 per cent of 4¾ gallons to the bushel of grain, and they are taxed upon that basis whether they make that yield or not. The smaller distilleries are required to make a smaller yield per bushel, because their facilities are not so good.

Recently I received a circular letter or brief from James Olwell & Co., liquor dealers, 181 West Street, New York, protesting against placing a tax on rectified spirits. I suspect each Member of Congress received a similar letter or brief.

The firm of James Olwell & Co. must themselves be rectifiers, otherwise they would not have sent out the brief just referred to. However, the records of the Commissioner of Internal Revenue will show whether or not they are rectifiers. But it is a certainty they are, and that they deal in adulterated whiskey.

This firm says in its brief: "Congress will make a tremendous mistake if it taxes rectified spirits." They say, first, that it would be "double taxation." Nobody proposes to "double tax" the alcohol in adulterated liquors. But it is proposed to tax the water in adulterated liquors, because the water in straight whiskey is taxed; but it is now proposed to tax the water in adulterated whiskey to only about one-third the extent that water in straight whiskey is taxed.

Before this firm or any other rectifier gets possession of the alcohol which goes into the imitation whiskey the tax already has been paid on it; and when they add water to the already tax-paid, high-proof alcohol, and thereby increase the number of gallons, they do not pay a cent additional tax; and yet they undertake to mislead Congress by the statement that the proposed tax would be "double taxation." The alcohol is the only ingredient in any adulterated whiskey which this firm or any other firm may make which is taxed; while, as I have said, all the alcohol, all of the water, the oil and acid ingredients in the pure and unadulterated whiskey are taxed.

The letter or brief of this firm says further that the tax on adulterated whiskey will not yield the tax expected, because they say the tax will make the cheaper goods too dear, and that the trade will buy new, straight, cheap whiskies instead. Let us see. No one will dispute that high-proof rectified whiskey sells for more money than the low-proof, because a greater quantity of alcohol sells for more money than a lesser quantity of alcohol, and alcohol is worth more money than water. If there should be such a thing as rectified whiskey at 100 proof, it would be 50 per cent alcohol and 50 per cent water. As the water costs nothing the rectifier would take into consideration the cost of the alcohol only which he would use in making adulterated whiskey. Consequently the adulterated or imitation whiskey containing 50 per cent of alcohol would be worth more than the same character of goods containing less alcohol and more water. The rectifier certainly can sell a product which contains 25 per cent alcohol and 75 per cent water cheaper than he can sell a product which contains 50 per cent alcohol and 50 per cent water. That proposition is too plain to be argued, because the alcohol is the only ingredient in his product which costs anything worth mentioning.

Olwell & Co. also say in their brief that the "cheaper grades" of adulterated whiskey must go out of the market if the tax is imposed, and that the trade will turn to new straight whiskey instead.

Neither I nor any other person will be willing to accept the statement that the trade can substitute "new straight whiskey," which is high in alcohol, for goods low in alcohol. No straight whiskey, either old or new, can be tax paid on a basis of less than 50 per cent alcohol. New straight whiskey bears the same tax per gallon that old straight whiskey bears.

If it costs 50 cents a proof gallon to manufacture straight whiskey, and the tax thereon is $2.20 per gallon, then the first cost is $2.70 per gallon.

If it costs 50 cents to manufacture the proof gallon of alcohol which is used in adulterated whiskey, and only 40 per cent of that gallon of alcohol is used in an adulterated gallon, then the difference between 50 per cent and 40 per cent has been saved by the rectifier, and is clear profit; and, also, there has been saved at the same time the nonpayment of tax on the 10 per cent of water added.

The question now arises: How much does that 10 per cent difference in alcohol amount to? Ten per cent of the production of cost of the alcohol is 5 cents, and 10 per cent of the tax is 22 cents; and the nonpayment of tax on the added water amounts to another 22 cents. These three sums which are thus saved amount to 49 cents a gallon.

The tax proposed in this bill is 15 cents a gallon on adulterated whiskey, and adulterated whiskey at 80 proof costs 49 cents a gallon less than "new straight whiskey." The payment of the tax of 15 cents a gallon on the adulterated whiskey would still leave the rectifier a profit margin equal to the difference between 49 cents and 15 cents, and that difference is 34 cents. As before stated, 5 cents of the saving would be on the cost of

manufacturing the alcohol, and 22 cents would be in tax, and an additional 22 cents would be saved by not paying tax on the added water. Consequently Olwell & Co. could continue to make imitation whiskey at 80 proof at 34 cents a gallon less, or $17 per barrel less, than "new straight whiskey" would cost.

The Internal Revenue Department has informed me that 80 proof is the average proof of the adulterated whiskey which is put upon the market. Consequently, as 80 proof is the general average, that is not the "cheaper grade" which Olwell & Co. mention in their brief, and the profit would be more on the "cheaper grades" than on the average grade.

At the conclusion of my remarks I shall read a table which I have prepared to show the difference between the tax on straight whiskey and that on adulterated whiskey. In that table will be found the tax on the "cheaper grades" mentioned by Olwell & Co.

I was about to overlook the statement of Olwell & Co. to the effect that if adulterated whiskey should go out of the market that those who drank whiskey would be compelled to drink "straight whiskey." Who can imagine that it would be a calamity for a fellow to be compelled to drink the real article instead of the imitation?

Again, imitation whiskey, which is short in alcohol and long in water, when shipped from one place to another has to bear the freight on the excessive quantity of water in it. Why would it not be better for the consumer and the retailer to have that which is long in alcohol and short in water shipped to them, and they themselves add the water to reduce it in proof? Such a plan would save the freight or express charges; and at the same time would lessen the price, because they would not be compelled to buy the water which is in the compound.

The saloon keeper or anyone else can rectify or adulterate whiskey or reduce it in proof provided the adulteration or reduction of proof is done in a receptacle of less than 5 gallons capacity; and, provided further, that the adulterated compound is thereafter kept in a receptacle having a capacity of less than 5 gallons.

Often I have wondered why the saloon keeper does not buy the high-proof goods instead of the low and add his own coloring matter, bead oil and water at almost no cost, and make that profit for himself instead of buying the water from Olwell & Co. and then pay the freight or express on it?

Olwell & Co. also say in their brief that the best grades of rectified whiskey are nothing more nor less than "several old straight whiskies blended together and reduced to a potable strength of, say, 90 per cent proof."

Why not leave the proof of these "several old straight whiskies" at 100 proof and let the buyer himself add the water, if he wishes to reduce it to 90 proof?

The reason is that the rectifier wants to sell water under the pretense that it is whiskey.

Again, why mix the "several old straight whiskies"? Are they mixed for the purpose of injuring the best of the several grades, or are they mixed in order to improve the worst of the several grades put into the mixture, which is dignified by being called a "blend"? The question answers itself.

Still again, Olwell & Co. say in their brief that neutral spirit, which is really the base of adulterated whiskey, is "a pure and clean spirit with all the poisonous oils and essences removed and far superior to new straight whiskey." If that statement be true why does the rectifier try so hard to have his superior article resemble the inferior? The only truthful answer is: He knows better, but is endeavoring to defraud.

While Olwell & Co. say that imitation whiskey made from neutral spirit is better than "new, straight whiskey," they are not reckless enough to say that such imitation whiskey is better than old straight whiskey. If their imitation whiskey made from neutral spirits is any better than "new straight whiskey," because the oils and essences are removed from the imitation whiskey, then the imitation whiskey which is without the oils and essences must of necessity be infinitely better than the old straight whiskey, because 12 or 15 year old straight whiskey which has been aged in wood contains twice as much oil and essence as it contained when it was first made. In 12 or 15 years a 50-gallon barrel of whiskey, by evaporation and soakage, is reduced in volume to about one-half the original contents. The reduction in volume is occasioned only by the loss of alcohol and water. The quantity of oil and essence which is in the barrel when the whisky was only 1 day old is just the same 12, 15, 20, 25, or even 50 years afterwards. The older the whiskey becomes in wood the greater will be the per cent of oil and essence to the drink. Any chemist who can analyze the old and the new will tell you that.

Olwell & Co. further along in their brief say:

"If a tax is put on straight whiskey every retail dealer will become a rectifier, color and sweeten and mix their own goods in quantities under 5 gallons unaffected by the law."

It will be noticed that in the above quotation they predict what will happen "if a tax be put on straight whiskey." As there already is a tax of $1.10 a gallon on straight whiskey, I suppose they intended to predict what will happen if the tax on straight whiskey should be increased. Certainly the retail dealer has not become a rectifier under the $1.10 tax, because the wholesale rectifiers, who are the middlemen between the spirit manufacturer and the retail dealers, last year disposed of 100,000,000 gallons of their product, while less than one-third of that quantity of straight whiskey went into beverage consumption. But even if the retailer should become a rectifier and color, sweeten, and mix his own goods, what harm would be done by his doing it instead of having it done by the wholesale rectifier? Certainly it would cut out the unnecessary profit of the middleman, who is now adulterating for the retail dealer.

Olwell & Co., the disinterested (?) opponents of a tax on adulterated whiskey, state in their brief that the United States Government recognizes the harmfulness of immature whiskey when it requires whiskey to be full four years old before it will allow it to be bottled in bond.

I say that the United States recognizes no such thing. It is true that straight whiskey must be four years old before it can be bottled in bond, but the reason is not the one alleged by Olwell & Co. The enormous profit of the maker of adulterated whisky is not on barreled goods, but is on bottled goods. Unquestionably it was the rectifier who imposed on Congress at the time the bottled-in-bond law was passed, to fix the age at four years, so that there would be less competition for the rectifier in bottled goods. Under existing law the pure article must be four years old before it can be bottled in bond, but at the same time the spurious or imitation whiskey can be bottled and sold before it is four minutes old.

The United States Government is not looking after the whiskey-drinking public to the extent alleged by Olwell & Co. If so, why does not the United States Government forbid straight whiskey under four years old from going upon the market in barrels? There is no legal restriction against the sale of new, straight whiskey in barrels, and more straight whiskey is sold in barrels than in bottles.

While I am talking of new whiskey I will say that I once heard what was told as an anecdote, but what really might have happened. As the story ran a rectifier stood on the ground floor of his establishment and called out through a speaking tube to the janitor or porter in an upper story and said: "Make the gentleman a barrel of 19-year-old whiskey quick; he is in a hurry for it."

Now, Mr. Chairman, I have criticized quite freely the brief of Olwell & Co., because they certainly are interested personally in preventing the imposition of a tax on adulterated whiskey. For myself I desire to say that except in my capacity as a legislator I am in no wise interested in the subject. I never have been and never expect to be interested otherwise in the liquor business.

Often I have heard it said that there was neither a rich distiller nor a poor rectifier.

I shall now read the table to which I referred early in my remarks. The table shows the tax discrimination in favor of adulterated whiskey, at different proofs, as against pure whiskey at the same proof.

[The figures below are based upon the tax on whiskey being $2.20 per proof gallon.]

Kind of whiskey.	Proof.	Tax per gallon.	Discrimination against straight whiskey per gallon.	Tax per 50-gallon barrel.	Discrimination against straight whiskey per 50-gallon barrel.
Straight	100	$2.20	None.	$110.00	
Rectified	100	2.20	None.	110.00	
Straight	95	2.20		110.00	
Rectified	95	2.09	$0.11	104.50	$5.50
Straight	90	2.20		110.00	
Rectified	90	1.98	.22	99.00	11.00
Straight	85	2.20		110.00	
Rectified	85	1.87	.33	93.50	16.50
Straight	80	2.20	The average.	110.00	
Rectified	80	1.76	.44	88.00	22.00
Straight	75	2.20		110.00	
Rectified	75	1.65	.55	82.50	27.50
Straight	70	2.20		110.00	
Rectified	70	1.54	.66	77.00	33.00
Straight	65	2.20		110.00	
Rectified	65	1.43	.77	71.50	38.50
Straight	60	2.20		110.00	
Rectified	60	1.32	.88	66.00	44.00
Straight	55	2.20		110.00	
Rectified	55	1.21	.99	60.50	49.50
Straight	50	2.20		110.00	
Rectified	50	1.10	1.10	55.00	55.00

Mr. RAINEY. Mr. Chairman, the committee would like very much to conclude debate upon this title this afternoon, and I again ask unanimous consent that all debate upon this title and all amendments thereto close at 5 o'clock.

Mr. MANN. Make it a specific time for debate.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this title and all amendments thereto close at 5 o'clock. Is there objection?

Mr. MANN. Mr. Chairman, I always object to fixing a definite hour.

Mr. RAINEY. Then I will say 25 minutes.

Mr. MANN. We can not tell how the time will be occupied. I have no objection to that.

The CHAIRMAN. The gentleman modifies his request to 25 minutes. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the right to object, is there an amendment pending?

The CHAIRMAN. There is.

Mr. MOORE of Pennsylvania. Is that the Howard amendment?

The CHAIRMAN. Yes. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COOPER of Ohio. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I fully realize that we are in a state of war, and I know that there has got to be a large amount of revenue raised to pay the expenses of carrying on this war, but I for one am not ready to cast my vote to place taxes on an institution which I believe is the greatest enemy to the home, to the church, to the school, to the State, and the Nation that we have to-day in order to raise the revenue to carry on this war. During the last three or four weeks I have received numerous telegrams and petitions from the best people in my district, from the manufacturers' associations, from the school-teachers, from the Christian churches, praying for prohibition of the liquor traffic during this crisis which we as a Nation are passing through at this time. Why, the liquor people want this extra tax placed on distilled spirits. I have telegrams on my desk in my office from the liquor associations in my district saying that they are in favor of this extra $1.10 tax on distilled spirits. Why do they want this? Because they know it will intrench their business more firmly and more solidly with our Government than it ever was before.

Mr. RAINEY. Will the gentleman yield?

Mr. COOPER of Ohio. I will.

Mr. RAINEY. I will say that the representatives of all the distillers of the United States here in Washington, on behalf of all of them, protest most vigorously against this increase.

Mr. COOPER of Ohio. That may be so, but I have telegrams on my desk from liquor dealers' associations in my district asking that this tax be placed on liquor. Not long ago I received a letter from Mr. Gilmore, president of the Model License League, in reference to this higher tax on liquors. What did he say in that letter? He said that he thought the American boys ought to be filled up full of whisky before they were sent to the front to make a charge and face German bullets.

Mr. SABATH. Has the gentleman that letter here?

Mr. COOPER of Ohio. Mr. Gilmore sent me that letter. My God, what a charge is that! What a consolation that is to the Christian fathers and mothers of this great land, that the Government is going to take those boys away from Christian environment, away from their homes, from their fathers and their mothers, and then we have the men who are advocating this tax say, "Fill your boys full of whisky and send them out to charge on the German trenches." If my boy goes to the trenches of Europe and is killed in battle, I do not want him to be filled up with whisky when he draws his last breath. I am opposed to placing this extra tax on liquor because, as I said a few moments ago, it is an institution which is eating at the very heartstrings and undermining the very foundation of our Government, as it were, and it ill becomes this Government to accept money from an institution that is doing more to destroy civilization and eat out the lifeblood of our people than all the other evil institutions in existence to-day. Ah, during the Civil War they advocated such a tax as this. When the great emancipator, Abraham Lincoln, that greatest of all Americans, was asked about placing a tax upon distilled liquor, and he was forced in a way to accept it, what did he say? He said, "I would rather cut off my right arm than place a tax on intoxicating liquors." Ah, gentlemen, we are facing a serious question here. Eighty-five per cent of all the territory of this country is dry—65 per cent of our people live in dry territory. Twenty-six or 27 of the States of this Union have abolished the liquor traffic, and yet Congress is going to place an extra tax of $1.10 on this institution, which is robbing our homes of all the virtue and manhood we have.

Mr. COX. The gentleman will stand by bread instead of booze?

Mr. COOPER of Ohio. Yes; every time; and I am going to vote for the Howard amendment, because I am opposed to placing an extra tax on the liquor traffic, which will intrench it more firmly and deeply in our Government. [Applause.]

Mr. Chairman, we are passing through the greatest crisis in the history of our Nation, and I pray God that we can stand the test as true Americans and go into this war with only one motive in our hearts and minds, and that is that right shall prevail. But I want to plead with you, Members of this Congress, not to form an alliance with the un-American licensed liquor traffic by accepting its blood-stained money in order to carry on this war. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HERSEY. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Maine asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HERSEY. Mr. Chairman, some of us have perhaps forgotten the following in the Washington Times of last evening. The Times had in large headlines—

REVENUE ARGUMENT HOLDS UP PROHIBITION—NO CERTAINTY OF LIQUOR LEGISLATION AT PRESENT SESSION.

And then it further says:

In spite of the fact that prohibition leaders in the Senate and House are saying there will be prohibition legislation this session, it is learned that no certainty of favorable action exists.

The fight for prohibition, or for some form of restriction of the liquor output, has become complicated with the revenue question. Opponents of prohibition, including representatives of brewers and distillers, who are numerous in Washington, are making the most of the argument that the Government would be embarrassed at this time by having a large share of its revenue from liquors cut off.

This argument has caused a number of Members of both Houses to hesitate.

There is only one interest in this Nation that has come before this Congress and its committees and asked to be taxed more than they are taxed to-day, and that is the liquor interest. Members of Congress are swamped with requests from our constituents all over the land opposing the increase of taxation upon the different industries and businesses of the country, but here is one business in this country that is praying to have its taxes increased and not a single request to have them cut down.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry?

Mr. HERSEY. I can not yield; I have only 10 minutes.

Mr. MILLER of Minnesota. Can the gentleman supply us with information as to the desire of the liquor dealers that this tax be imposed?

Mr. HERSEY. If you will listen to me, I will explain. The revenue arguments, the taxation of the liquor traffic, the licensing of the brewer and distiller by the imposing of a revenue tax, is the life of the liquor traffic in this Nation to-day. Without this revenue it would die. This Congress, the people of this Nation, nobody, would for one moment favor the liquor traffic; would allow it protection; would allow it life, but for the revenue that the Nation gets from it. The Supreme Court of the United States has decided time and again that no person has a moral right to distill intoxicating liquor, or brew it, or sell it, without the protection of law. And when the United States takes revenue from the saloon, from the brewery, and from the distillery it at the same time says, "We protect you and make your business a lawful industry of the United States; we give you thereby respectability and perpetuity."

Therefore, I say that the saloon, the brewery, and the distillery want to pay large revenues into the National Treasury. The brewers and distillers of this Nation to-day want to be called heroes and martyrs in this war. In the days that are coming, when we ask by some bill in this Congress to have it destroyed—as you will in this Congress—if this revenue bill passes here, with a revenue of $350,000,000 from the brewery and distillery, it will be used in all the arguments against prohibition, and you know it. It is the only argument they have.

Years ago a certain murderer in history had a mark placed upon his forehead, that those seeing him and knowing him could not kill him.

Mr. MEEKER. Will the gentleman yield for information?

Mr. HERSEY. Not to the gentleman from Missouri; no. [Laughter.]

Mr. MEEKER. I just wanted to know why Maine has not a bone-dry law; that is all.

Mr. HERSEY. There is another murderer walking this Nation to-day, and he is asking that the mark be put upon him, that those seeing him will not kill him, and that Cain is the liquor traffic of this Nation, and its saving mark is the tax that we are asked to put upon its forehead to-day.

Thirty-seven States of this Union, my own State among them, have outlawed the liquor traffic; have said by law that the distiller, the brewer, and the liquor seller, are outlaws and criminals. These dry States have some rights in the Congress. We have some rights here to-day when we say we ought not to be required to support or vote for a revenue to carry on this war, that is obtained from this outlawed liquor traffic.

Mr. SABATH. Will the gentleman yield?

Mr. HERSEY. No.

Mr. SABATH. There is a prohibition law in the gentleman's State, is there not?

Mr. HERSEY. You know there is a prohibition law in my State.

Mr. SABATH. I really did not know from what State the gentleman hails. I thought he came from Maine.

Mr. HERSEY. You are right.

Mr. SABATH. There is a prohibition law in the State of Maine, is there not?

Mr. MEEKER. There is no bone-dry law there.

Mr. SABATH. There are a great many places in that State where liquor can be obtained?

Mr. HERSEY. The gentlemen are taking up my time with idle questions.

Mr. O'SHAUNESSY. If the gentleman from Maine will yield, I would like to tell the gentleman from Illinois something about Bangor, Me.

Mr. SABATH. I am willing to yield to the gentleman. [Laughter.]

Mr. COOPER of Ohio. Regular order, Mr. Chairman.

Mr. O'SHAUNESSY. I will say to the gentleman from Illinois [Mr. SABATH] that in the campaign last fall I went to Bangor——

The CHAIRMAN. The gentleman from Maine declines to yield.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman from Maine may have five additional minutes, in order that he may proceed with his remarks, and that we may hear from the gentleman from Rhode Island [Mr. O'SHAUNESSY] in respect to Bangor, Me.

Mr. HERSEY. Mr. Chairman, I will answer the gentleman who inquires about Bangor, Me. That city is in my district.

Mr. O'SHAUNESSY. I was there.

Mr. HERSEY. It is the largest city in my district. I carried the city of Bangor in the primaries.

Mr. O'SHAUNESSY. I am glad of it. I want to tell you something. I respect the sincere prohibitionist. I detest hypocrites, and it is time that somebody uttered a word against hypocrisy in this American Congress. I want to say something about Bangor. When I was there I was ashamed to think and realize that in an American city, a prohibition city——

Mr. HERSEY. I object to a speech in my time.

Mr. O'SHAUNESSY. Just a minute.

Mr. HERSEY. I yield for a question, but I decline to yield for a speech.

Mr. COOPER of Ohio. Regular order, Mr. Chairman.

Mr. FOCHT. You are afraid of the truth.

Mr. O'SHAUNESSY. Do you believe it is so bad you will not permit me to speak about it?

Mr. HERSEY. The gentleman, without right and against the rules, is using my time in making his speech. [Laughter.]

The CHAIRMAN. The gentleman from Maine will proceed.

Mr. SLOAN. Mr. Chairman, I call the gentleman from Rhode Island [Mr. O'SHAUNESSY] to order. The gentleman from Maine is making a speech and should be protected on the floor of the House.

Mr. HERSEY. I am talking, gentleman, a matter of pure business. There is no sentiment mixed up in it at all; it is a matter of plain business. This Nation is against the saloon. The people of the United States are opposed to the saloon; they are against the brewer and the distiller. The United States, a Christian, civilized Nation, to-day is not standing with the unlawful, illegal liquor business—the monstrous traffic. I say that as a fact; and this Nation does not desire longer to continue this national curse by saying that this monstrous liquor traffic is to furnish revenue to carry on this war, or that this great, wealthy United States, this prosperous Republic, is dependent upon the saloon to finance this war. [Applause.] I, as a prohibitionist, as one who hates the liquor traffic with an everlasting hatred, stand to-day against the idea that this Nation can not conduct this war unless it gets on its knees to the saloon and says to these drunkard factories, "For all of the suffering, all of the misery and the madness and the death to this Nation caused by this terrible evil we will protect and perpetuate you if you furnish the revenue for carrying on this war."

The ancients had a fabled monster that had the face of a man, but the body and heart of a brute. The present legalized liquor traffic of this Nation is like that monster. In this revenue bill it presents the face of a man; it wants to contribute revenue for a righteous war. Its face is the likeness of a man, but it has no soul, but it has the body and the instincts of the brute. For every dollar it puts into the Treasury it takes thousands from the homes of our land.

Oh, the folly and madness that would claim for a moment that the manufacture and sale of intoxicants is an industry to be recognized, used, and protected by this Nation in its hour of need! These great, rich, powerful drunkard factories, over which floats our flag of protection to-day, ought to be turned into factories of industry that will add to the wealth and prosperity of our people; but by this revenue we are asked to legislate to permit and continue this accursed traffic to take, in a time of war, millions of bushels of the richest grains and most precious fruits God has given us, and to destroy this food as effectually and completely as if cast into the sea.

Gentlemen on this floor attempt to defend this revenue because Maine is not "bone dry." During the past week my State has been flooded with circulars and letters like these:

[H. W. Huguley Co., distillers, the largest mail-order liquor house in the United States, Boston, Mass.]

LIQUOR CAN NOT BE SHIPPED INTO MAINE.

On and after July 1, 1917, no liquor of any kind can be received in Maine for beverage purposes. In the future we can ship you liquor only for medicinal use, and your order must be accompanied by a doctor's prescription on a form similar to one inclosed.

This new Federal law is no joke, as some people seem to think, and the fact remains that anyone ordering or shipping other than for medicinal use is liable to be imprisoned. Therefore take no chances and have your friend the doctor sign an order for you.

Remember the Fourth of July is near. Stock up now. No order can be shipped by us after June 29, except for medicinal use.

H. W. HUGULEY CO.

Nineteen hundred years ago in an ancient city a certain citizen, under the argument that he needed the money, for 30 pieces of silver betrayed his Lord and Master, and when he brought the money to the chief priests and elders and begged them to take it, they said: "It is not lawful for to put this into the treasury, because it is the price of blood."

History repeats itself to-day at this beautiful Capitol of a Christian Nation. "Judas crouches with the silver in his hands." Those who to-day, under the plea "We need the money," betray the people, will to-morrow be hurled from place and power. A long-suffering and patient people will make this Nation sober by saying with those who were offered the revenue of Judas, "It is not lawful for to put this into the Treasury, because it is the price of blood." [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I respect the conscientious views of the gentleman from Maine [Mr. HERSEY], and I do not wish to be understood as in any way attempting to answer him or the argument he has made. It merely happens that I am following him in making the few observations I have to make.

The gentleman from Georgia [Mr. HOWARD] is an extremely earnest advocate of prohibition in this Nation, and other gentlemen on this floor have earnestly advocated prohibition. To-day when the gentleman from Georgia was on his feet I took occasion to interrogate him as to the reason why, in view of the increase in prohibition sentiment in the United States, there is an increase in the consumption of whisky. I asked why the internal-revenue receipts from distilled spirits, in view of the contrary claims of the prohibitionists, were $13,000,000 more in 1916 than they were in the year before. I do not ask this question as indicating my sentiments on this question at all. I believe in temperance, in strict temperance. But I wonder, when gentlemen tell us day by day, and vote day by day in favor of what they say is an increasing sentiment in favor of prohibition, that there is an increasing consumption of whisky in this country.

The gentleman from Georgia indicated that it was due to our exports; that it was due to our exports in war times; to our exports in times when we profess that we do not want whisky consumed by the troops of the United States, and when gentlemen on the floor are contending for amendments to prevent American soldiers from obtaining distilled spirits.

The gentleman says the increase in the consumption of liquor is due to our exports. If that be true, then while we pretend to keep liquor from our own soldiers, evidently we are conniving at the sale of liquor to the soldiers of foreign countries. I have taken occasion to look up the statistics in the matter of exports, and I find they are intensely interesting. As a matter of infor-

mation only, and without regard to sentiment, they ought to be put in the RECORD.

Now, how much liquor did we export to foreign countries from the United States during the year ending June 30, 1916, a war year? I find that we sent to Africa, perhaps the last country in the world to which the United States should send intoxicating liquor, 1,196,000 gallons of rum, and of all spirits a total of 1,200,000 gallons. We sent to Bermuda, which is certainly not a very large community—but evidently we sent it there for reshipment to Great Britain—46,000 gallons of whisky, and of all spirits 55,000 gallons. We sent to England proper 63,000 gallons of whisky and 268,000 gallons of rum, and of all spirits 447,000 gallons. Now we are told that the soldiers in the trenches are not permitted to use liquor and that foreign countries have cut off the supply. Yet we find in the published reports of the Commissioner of Internal Revenue of the United States that this country sent to France in the year quoted 61,000 gallons of rum and 16,259,000 gallons of alcohol, the latter possibly for munition purposes. To France in the aggregate we sent 25,000,000 gallons of distilled liquor, including alcohol. To Mexico, another country in which perhaps we ought not to encourage the liquor traffic, we sent 24,000 gallons of whisky and a total of 33,000 gallons of all kinds of liquor. Did we send it there for the use of our own troops or did we send it there for the purpose of stirring up the hot blood of the Mexican belligerents?

I will not proceed further, except to say that we sent to foreign ports not designated a total of all kinds of liquor of 11,000,000 gallons. We sent to all countries a total of 39,000,000 gallons; and upon all this liquor sent to foreign countries for consumption by foreign peoples the United States Government did not collect one single cent of revenue. There is no tax on exports. Now, these are figures to ponder over.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. Mr. Chairman, this is a revenue bill, and no section in this bill has been more carefully considered and framed than the section now under discussion. It was the unanimous opinion of the Ways and Means Committee that fermented liquors, distilled liquors, and wines ought to bear every cent they could stand in a bill of this kind, and we framed this title, so far as distilled liquors and fermented liquors and wines are concerned, to yield $420,000,000 of the total amount carried in this bill.

The argument so far has been an argument against saloons. The pending amendment—and it is the only pending amendment—is to strike out of the bill the increases on liquors. We have doubled the tax upon whisky. We have doubled the tax upon wines. We have almost doubled the tax upon fermented liquors. We have done this after carefully examining the taxes placed in the other warring nations of the world. If these proposed increases are stricken out of the bill, then the old rates will stand. If we strike out these increases is that a blow at the saloons of this country? If you strike out these increases does that leave the boys in our armies, wherever they are, with less liquor to drink than now? If you strike out these increases are you helping the saloon keepers and distillers of this country or not? Why, you are lessening the burdens upon them.

Several years ago certain members of the Ways and Means Committee, who are still members of the Ways and Means Committee of this House, stopped the decrease in the tax on liquor by defeating the proposed outage allowances, and from that moment when we succeeded in defeating the proposed additional outage allowances, the decreases in the taxes on liquor, the States of this Union commenced to go dry in fact, and with the passage of the bone-dry proposition in the last session of this Congress the real decrease in the consumption of liquors in this country commenced. The department estimates that during the next fiscal year there will be 158,000,000 gallons of tax-paid liquor withdrawn from the bonded warehouses, but during the succeeding fiscal year, the fiscal year ending June 30, 1919, there will be only 120,000,000 gallons of distilled liquor withdrawn from bonded warehouses. If this demon rum has effected all the destruction in the world and in this country claimed for it this afternoon on this floor—and I do not disagree at all in any particular with the arguments used, and I speak now as a man who represents in this House a district almost dry—I say while this war lasts let us compel this hellish traffic to pay for some of the damages it has caused in the past. [Applause.] You will not increase the production of liquor one gallon by taxing it twice as much as it is taxed now. If you make it more expensive, if you make it cost more, less of it will reach the consumer than reaches him now. That is the proposition presented to this House.

Strike out this $420,000,000 and a different question presents itself.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is upon the amendment offered by the gentleman from Georgia [Mr. HOWARD].

The question being taken, the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk began the reading of Title IV.

Mr. BARKLEY. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. To what section does the gentleman desire to offer his amendment?

Mr. BARKLEY. Mr. Chairman, I desire to offer an amendment striking out all of section 302.

Mr. STAFFORD. I make the point of order, Mr. Chairman, that the amendment comes too late. The Chair has directed the Clerk to read.

Mr. BARKLEY. I was on my feet asking for recognition.

The CHAIRMAN. The Chair thinks that the gentleman ought to be permitted to offer his amendment.

Mr. BARKLEY. Mr. Chairman, I have not been able to state my motion in full yet. I desire to move to strike out section 302, and strike out after the word "substance," line 12, page 10, all of that paragraph down to and including line 15, and all of the paragraph down to and including line 7, on page 11, and to insert what I have sent to the desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. BARKLEY moves to strike out section 302 down to and including the word "passed," page 10, line 7. Strike out on page 10, line 12, after the word "substance," the remainder of the paragraph, and on page 10 strike out all of the paragraph beginning on line 16, down to and including line 7, on page 11, and insert the following:

"That from and after the passage of this act there shall be levied and collected on each wine gallon of spirits of less than 100 proof, or fractional part thereof, rectified under the provisions of the third subdivision of section 3244, Revised Statutes, a tax equal to the tax which now is or which hereafter may be imposed by law on spirits withdrawn from internal-revenue bonded warehouses or places of deposit for fruit brandy. In determining the amount of tax on such rectified spirits, however, credit shall be given for the tax theretofore paid when withdrawn from bond on the spirits contained in such rectified spirits: *Provided*, That after spirits have been withdrawn from rectification and the tax provided by this act has been paid, nothing thereafter can be added to said rectified spirits by the rectifier or other dealer whereby the character of the rectified spirits is changed or the volume of same increased: *And provided further*, That this act shall not apply to still wines rectified, purified, or refined under the provisions of said section 3244, Revised Statutes. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such rules and regulations as may be necessary for the administration of this law."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were 20 ayes and 62 noes.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the Clerk read Title IV through before amendments are offered.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that Title IV may be read through before amendments are offered. Is there objection?

There was no objection.

The Clerk read as follows:

TITLE IV.—WAR TAX ON CIGARS, TOBACCO, AND MANUFACTURES THEREOF.

SEC. 400. That upon cigars and cigarettes, which shall be manufactured and sold, or removed for consumption or sale, there shall be levied and collected, in addition to the taxes now imposed by existing law, the following taxes, to be paid by the manufacturer or importer thereof: On cigars of all descriptions made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, 25 cents per thousand; on cigars made of tobacco, or any substitute therefor, and weighing more than 3 pounds per thousand, if manufactured or imported to retail at not more than 4 cents each, 50 cents per thousand; if manufactured or imported to retail at more than 4 cents and not more than 6 cents each, $1 per thousand; if manufactured or imported to retail at more than 6 cents and not more than 10 cents each, $2 per thousand; if manufactured or imported to retail at more than 10 cents and not more than 15 cents each, $4 per thousand; if manufactured or imported to retail at more than 15 cents and not more than 20 cents each, $5 per thousand; if manufactured or imported to retail at more than 20 cents and not more than 25 cents each, $7 per thousand; if manufactured or imported to retail at more than 25 cents each, $10 per thousand: *Provided*, That the word "retail" as used in this section shall mean the ordinary retail price of a single cigar, and that the Commissioner of Internal Revenue may, by regulation, require the manufacturer to affix to each box or container a conspicuous label indicating the maximum retail price of each cigar, which must correspond with the tax-paid stamp on said box or container; on cigarettes made of tobacco, or any substitute therefor, made in or imported into the United States, and weighing not more than 3 pounds per thousand, $1.25 per thousand.

The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall provide the dies and stamps for cigars and

cigarettes necessary under the taxes in effect, and the sizes of packages authorized, after the provisions of this title take effect.

Every manufacturer of cigarettes (including small cigars weighing not more than 3 pounds per thousand) shall put up all the cigarettes and such small cigars that he manufactures or has manufactured for him, and sells or removes for consumption or use, in packages or parcels containing 5, 7, 8, 9, 10, 14, 16, 18, 19, 20, 40, 50, 80, or 100 cigarettes each, and shall securely affix to each of said packages or parcels a suitable stamp denoting the tax thereon and shall properly cancel the same prior to such sale or removal for consumption or use under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe; and all cigarettes imported from a foreign country shall be packed, stamped, and the stamps canceled in a like manner, in addition to the import stamp indicating inspection of the customhouse before they are withdrawn therefrom.

SEC. 401. That upon all tobacco and snuff hereafter manufactured and sold, or removed for consumption or use, there shall be levied and collected, in addition to the tax now imposed by law upon such articles, a tax equal to such tax, to be levied, collected, and paid under the provisions of existing law.

In addition to the packages provided for under existing law, manufactured tobacco and snuff may be put up and prepared by the manufacturer for sale or consumption, in packages of the following description: Packages containing one-eighth, three-eighths, five-eighths, seven-eighths, one and one-eighth, one and three-eighths, one and five-eighths, one and seven-eighths, and five ounces.

SEC. 402. That so much of section 400 as imposes a tax upon cigars and the whole of section 401 shall take effect 30 days after the passage of this act. That section 404 and so much of section 400 as imposes a tax upon cigarettes and as relates to packages or parcels in which cigarettes may be put up shall take effect 90 days after the passage of this act: *Provided*, That after the passage of this act and before the expiration of the aforesaid 90 days, cigarettes may be put up in the packages now provided for by law or in the packages provided for in section 400.

SEC. 403. That there shall also be assessed and collected upon all manufactured tobacco and snuff in excess of 1,000 pounds or upon cigars or cigarettes in excess of 20,000, which were manufactured or imported and removed from factory or customhouse prior to the passage of this act bearing tax-paid stamps affixed to such articles for the payment of the taxes thereon, and which are, on the day this act is passed, held and intended for sale by any person, corporation, partnership, or association, and upon all manufactured tobacco, snuff, cigars, or cigarettes removed from factory or customhouse after the passage of this act but prior to the time when the tax imposed by section 400 or section 401 upon such articles takes effect, an additional tax equal to one-half the tax imposed by such sections upon such articles.

SEC. 404. That there shall be levied and collected upon the making up of cigarette paper into packages, books, sets, or tubes, intended for use by the smoker in making cigarettes, the following taxes: On each package, book, or set, containing not more than 25 papers, one-fourth of 1 cent; containing more than 25 but not more than 50 papers, one-half of 1 cent; containing more than 50 but not more than 100 papers, 1 cent; containing more than 100 papers, 1 cent for each 100 papers or fractional part thereof; and upon tubes, 2 cents for each 100 tubes or fractional part thereof. Such tax shall be paid by stamps affixed by the person, corporation, partnership, or association making up such package, book, set, or tube.

Mr. KITCHIN. Mr. Chairman, I have some committee amendments which I wish to offer.

The Clerk read as follows:

Page 19, line 10, strike out the words "the making up" and, after the word "paper," insert the words "made up."

The amendment was agreed to.

Mr. KITCHIN. I also offer the further committee amendment.

The Clerk read as follows:

Page 19, line 11, before the word "intended," insert the words "made up or imported into the United States and."

The amendment was agreed to.

Mr. KITCHIN. I also offer the following committee amendment.

The Clerk read as follows:

Page 19, line 21, after the word "up," insert the words "or importing."

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate be closed on this title and all amendments thereto in 20 minutes.

Mr. BYRNS of Tennessee. Oh, I hope the gentleman will not insist on that.

Mr. KITCHIN. Twenty-five minutes, then.

Mr. BYRNS of Tennessee. The gentleman ought not to undertake to shut off debate on this important paragraph.

Mr. KITCHIN. How much time does the gentleman want?

Mr. BYRNS of Tennessee. Ten minutes.

Mr. KINCHELOE. I want 10 minutes.

Mr. FIELDS. I want five minutes.

Mr. BARKLEY. I want some time.

Mr. KITCHIN. How much time does the gentleman want?

Mr. BARKLEY. I think I can get along with 20 minutes.

Mr. MOORE of Pennsylvania. I want five minutes for my colleague [Mr. PORTER].

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this title and amendments thereto close in 35 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on Title IV and amendments thereto be closed in 35 minutes.

Mr. MADDEN. Reserving the right to object, I would like to ask if the gentleman intends to have a vote on this to-night?

Mr. KITCHIN. Yes; and I hope to read the next title and then stop without considering it.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. MOORE of Pennsylvania. Mr. Chairman, if I may be permitted in my time, I desire to yield to the gentleman from Florida [Mr. CLARK] for the purpose of having a telegram read.

Mr. CLARK of Florida. Mr. Chairman, I send a telegram to the Clerk's desk, which I desire to have read.

The CHAIRMAN. Without objection the Clerk will read.

The Clerk read as follows:

OCALA, FLA., *May 17, 1917.*

Hon. FRANK CLARK,
House of Representatives, Washington, D. C.:

In regard to war taxes, sentiment in this community is that they had better be left to the judgment of Congress. Your constituents in Marion County are willing to do their share of the fighting and the paying.

OCALA EVENING STAR.

Mr. MOORE of Pennsylvania. Mr. Chairman, if there is no objection, I would like now to yield for a moment to the gentleman from Pennsylvania [Mr. VARE] in order that he may make a request for unanimous consent.

Mr. VARE. Mr. Chairman, I desire to call the attention of the House at this time to a condition existing in the National Guard now being quartered near Pittsburgh. Many members of the Third Regiment of Philadelphia, in my district, are lying seriously ill, because of eating poisoned food. A lieutenant is about to be brought home dead. I call attention to this not as a matter of criticism in connection with the regulations of the Army, but it does seem to me that while we have been talking preparedness for these many months there ought to be some system whereby young men, who enlist and who are willing to fight for their country, are so protected that they are not made sick or killed through the use of poisoned food. I ask unanimous consent to extend my remarks in the RECORD by printing therein a newspaper article concerning this.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD in the manner stated. Is there objection?

Mr. SABATH. Mr. Chairman, reserving the right to object, I do not wish the insinuation to go out against the department. This poisoning, as I understand it, occurred in a private restaurant, where some of these boys unfortunately went and ate a meal. It was not within the control or jurisdiction of the department.

Mr. VARE. It is of that very thing that I complain.

My opinion is that some provision should be made by which the food served to soldiers would be supervised in the making by Government authority, that cases of this nature will not occur again. Some precaution should be taken by the Government. I do not wish to criticize the Army or insinuate anything against its management, but I do feel that the reoccurrence of this tragedy would be a reflection upon the authorities, and that some attention should be called to it at this time.

The CHAIRMAN. Is there objection?

There was no objection.

The article from the Philadelphia North American referred to is as follows:

PITTSBURGH, *May 17.*

Developments to-day led police and detectives, together with military authorities, to increase their efforts to solve the mystery of the poisoning of Philadelphia National Guardsmen, on duty at Port Perry and Duquesne, causing the death of Lieut. William F. Corcoran and the illness of 41 others.

Late to-night Mrs. Helen Shipley, the cook who prepared the meals eaten by the soldiers, was found unconscious in the restaurant and was hurried to the Braddock hospital suffering from a poison, self-administered. The police say they believe she attempted suicide. She probably will recover.

Only 10 men out of the 51 in Company C, Third Pennsylvania Infantry, escaped. Sixteen of those stricken are in a serious condition.

From half a dozen ends, with information from reliable sources in their possession, the detectives and military authorities were working to-night in the belief that Germans were at the root of the crime and that money changed hands in the plot.

That the food eaten by the guardsmen in the Miller restaurant at Port Perry is directly responsible for the death of Lieut. Corcoran and the illness of the others was not doubted. Although the analysis of Corcoran's stomach will not be completed for 10 days, all physicians connected with the cases believed a "violent" poison was used. Coroner's Physician Schildecker declared to-day that it was not ptomaine which caused death.

Satisfied that strichnia or a similar poison was placed in pudding served the soldiers at their dining place, County Detectives Burke and Weber and Maj. George Blair and Maj. J. W. Foos spent part of the day subjecting Carl Miller, proprietor of the restaurant, and several of his employees and guests to a cross-examination. No person has been permitted to leave the premises since the men were poisoned.

Since yesterday inmates of the establishment have virtually been prisoners, but not with charges against them.

Following is list of those seriously affected by the poison:

Braddock General Hospital—Ernest Wolfelt, Joseph Redding, Louis Bonaventura, Tony Gaiardi, John Gibson, Edward Brenlinger, Edward Boyle, Benjamin Knight, Arthur McCormick, George McCuster, and H. C. Pugh, all privates.

West Penn Hospital—Harry Walwrath, corporal; M. Gratz, private.

Ill in camp—Joseph Koch, sergeant; C. H. Thomas, private; and John Mink, private.

A detail of soldiers with the body of Lieut. Corcoran will leave for Philadelphia on a Pennsylvania Railroad train at 1 o'clock to-morrow afternoon.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask the attention of the gentleman from North Carolina to the first section of the tobacco title. This section perhaps is as scientifically drawn as any other section in the bill. It was reported with substantial unanimity, was it not?

Mr. KITCHIN. Yes. I will say to the gentleman that some of us thought some of those rates were very high, but it was finally decided by an overwhelming majority that they were the correct rates and the committee was unanimous.

Mr. MOORE of Pennsylvania. I wanted to get it into the RECORD that the committee decided to report this graduated scale of taxes on manufactured cigars after careful consideration.

Mr. KITCHIN. Most careful consideration.

Mr. MOORE of Pennsylvania. May I ask the gentleman this, to answer numerous correspondence in my State with respect to this graduated scale: Will the chairman of the committee accept any amendment to this scale at this time?

Mr. KITCHIN. I do not think any amendment ought to be offered to reduce the taxes on cigars.

Mr. MOORE of Pennsylvania. If any attempt is made to modify the scale as presented in the title, as I understand it, it would tend to disorganize the financial arrangement of the bill.

Mr. KITCHIN. Yes. I could not accept any amendment.

Mr. FIELDS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 17, line 23, after the word "to," insert the words "one-half."

Mr. FIELDS. Mr. Chairman, the object of this amendment is to increase the taxes on tobacco 50 per cent under this bill instead of 100 per cent, as provided in the bill. Many of the tobacco growers of the country, especially of the Burley districts, believe that an increase of 100 per cent in the taxes that are now imposed on tobacco will affect the consumption of the Burley product to such an extent that it will not only produce less revenue than a 50 per cent increase would produce, but that it will also affect the producers themselves, first, by decreasing consumption, and second, by causing the Tobacco Trusts to use this very heavy tax as a leverage to force down prices paid to the farmers who produce the tobacco.

Mr. Chairman, few men in this body know what a struggle the tobacco growers have had in recent years to raise the price of their product to a fair and a living price. They were forced to battle with one of the strongest monopolies in the country, and their struggle was all the harder because of the small percentage of the total area of the country that produces tobacco and the small percentage of the total population engaged in its production. But the producers of tobacco, though few in numbers when compared with those engaged in other industries which produce less revenue than does the tobacco industry, won in their fight with the Tobacco Trust and are now receiving a fair price for their product; and I sincerely trust that the Congress may not enact legislation so rigid and so arbitrary that it will give the Tobacco Trust an advantage of the producer which will enable the former to force prices back to the low-water mark that the farmers were forced to submit to for so many years.

I venture the assertion, and do it without fear of successful contradiction, that no other legitimate industry in the country produces as much revenue to the Government on the amount of money invested or the amount of labor employed as does the tobacco industry. For the fiscal year ending June 30, 1916, the Government collected $88,063,974.51 internal revenue on tobacco and tobacco products; and, of course, an increase in the tax on tobacco will increase the amount collected, until the tax becomes prohibitive, and if that occurs it will naturally decrease the total collection, thereby injuring both the Government and the producer.

It seems to me, Mr. Chairman, that the increase of 100 per cent on this product may directly affect consumption, thereby affecting the producers of this product. The tobacco growers of the country are willing to bear their share of the taxes necessary to support the Government in this crisis, but if the tax imposed works a hardship upon them by decreasing consumption it will naturally disorganize their affairs, demoralize their business, and injure the Government. Some may say before the close of this debate that this land had better be cultivated in corn or in food products, and I realize the force of that argument with those who do not understand conditions in the tobacco-producing sections of the country. Yet we must not paralyze the agricultural industry of this country, and through the tobacco districts the farmers have so adjusted their affairs that if you demoralize the tobacco industry you naturally affect the whole agricultural industry of those sections, and through fear that this increase of 100 per cent in the tobacco tax may have such an effect upon producers of the country in one of their main staple products I offer this amendment and hope that it may be adopted.

Mr. KINCHELOE. Mr. Chairman, I wish to offer the following as a substitute for the amendment offered by the gentleman from Kentucky.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Substitute offered by Mr. KINCHELOE for the amendment offered by Mr. FIELDS: On page 17, in line 23, after the word "to," insert the words "40 per cent of."

Mr. KINCHELOE. Mr. Chairman and gentlemen of the House of Representatives, I realize this country is now in the most gigantic and stupendous war in the history of the world. I further realize that in order to prosecute this war effectively it is necessary to have money. I believe in collecting enough revenue from the people necessary to prosecute this war, but I want to see everybody in this country bear his just proportion of these taxes and to pay according to his ability.

I fully appreciate the fact that thousands of the young manhood of this country will be called upon to go upon the battle fields and sacrifice, if necessary, their lives in defense of our great country, and no one has a greater admiration for these patriots than I. I want to see this Government raise enough revenue to provide comfortably for these gallant young men. I am sure when they go they will take the sympathy and admiration of every patriotic American, and I believe every patriotic citizen is willing to bear his just proportion of the burden of taxes incident to this war.

I have offered an amendment to the provision of the revenue bill offered by the Ways and Means Committee, and now pending before the House, providing for an additional tax of 100 per cent on manufactured tobacco and snuff. My amendment seeks to reduce this to a 40 per cent additional tax. I did this for two reasons: First, in the interest of the tobacco growers of my district and State; and, second, because I believe an increase of only 40 per cent on manufactured tobacco and snuff will yield more revenue to the Government than a tax of 100 per cent increase.

The tobacco growers of the "black patch" of Kentucky are as patriotic and loyal to our flag as any other people in the world, and they will be just as willing to bear their just proportions of the burdens of this war in taxes as any other class of people in this country.

It is true that tobacco is a luxury, and I heard the gentleman from Ohio [Mr. LONGWORTH] say, in his address to you, that practically all of these taxes would be paid by the consumers, and the only way to raise this revenue was to put the tax on the manufacturers and "pass it on" to the consumers.

Gentlemen, there is a vast difference, in my opinion, between compelling the consumers of the necessaries of life to pay the taxes than in compelling the consumers of the luxuries of life to pay them. Of course, the consumers of the necessaries of life have to pay the taxes, because they are compelled to use the commodities so taxed, but the consumers of the luxuries of life are not compelled to pay the taxes, because they are not compelled to use those luxuries. I wish I could be led to believe that the consumers of the manufactured tobacco would pay all of this proposed 100 per cent increase—and I am a pretty good customer of this article myself. If I conscientiously thought so, I would not raise a protest against paying it, because it is a luxury and not a necessity. In my opinion, if this 100 per cent increase on manufactured tobacco and snuff is written into the law the major portion of this burden will not be paid by the consumers of the manufactured tobacco and snuff, will not be paid by the manufacturers themselves, but will fall back upon the shoulders of the tobacco growers.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. KINCHELOE. For a short question.

Mr. GARRETT of Tennessee. Is it not a fact that the tobacco raised in the gentleman's section and mine is practically all export tobacco?

Mr. KINCHELOE. Not all; the major portion of it is; yes.

Mr. GARRETT of Tennessee. Well, 95 per cent, is it not?

Mr. KINCHELOE. No; about 80 per cent. But the point I make is this: When the American Tobacco Co. and the Imperial Tobacco Co. come to buy the tobacco in our districts next fall, with this 100 per cent increased tax on manufactured tobacco, they will say to the grower, "We would like to pay you more for this tobacco, but we are unable to do so by reason of the 100 per cent increased tax placed on the manufactured tobacco by Congress." Therefore they will probably be able to buy it cheaper by reason of this excuse.

Some members of the Ways and Means Committee have said that the manufacturers of tobacco will pay this tax by making the plugs thinner and smaller. They may do this to some extent, but I want to say to the Members of this House who represent tobacco districts, do not find any consolation in the proposition that the manufacturer will pay this tax and that the tobacco grower will not pay any of it. The tobacco trusts will go to the growers and say, in view of this enormous tax placed upon manufactured tobacco they can not pay to the growers the prices they have heretofore gotten, because of this tax, and the result will be, in markets where there is no competition, that the tobacco grower will pay more than his proportion of this tax by receiving a smaller price for his tobacco.

I am sure that a great majority of the Members of this House are not familiar with the hardships and deprivations through which the tobacco growers of the "Black Patch" of Kentucky have gone in years past. There has not been a year since I was born, except last year, that the tobacco growers of the dark tobacco in Kentucky have made a profit on their crop, but have only made a scant living, and part of the years did not do that. The tobacco tenant in the tobacco fields of Kentucky does more work and receives less pay than any other American laborer.

Under existing law there is already a tax of 8 cents per pound upon manufactured tobacco, and yet last year, which, as I have said, is the year in which the tobacco growers of the dark tobacco got more than ever before, they received only an average of about 11 cents per pound for their tobacco. So if this 100 per cent increase of taxes on the manufactured production becomes a law, then the Government will be collecting the exorbitant price of 16 cents per pound for every pound of tobacco manufactured. The result will be, the tax will be so high that the consumption of manufactured tobacco will be decreased to such an extent that the Government will not receive as much revenue as it would if my amendment increasing it to 40 per cent is adopted.

This is also true of cigars and cigarettes. The Ways and Means Committee knows that the 100 per cent increase proposed in this bill will not double the revenue on these articles. Their estimate, shown in their report, shows they do not think so. Let us see what the facts are.

In 1909 the Federal Congress put a tax on manufactured tobacco and snuff and on cigars and cigarettes, as follows:

Cigars weighing more than 3 pounds per 1,000 ------ per 1,000 --	$3.00
Cigars weighing not more than 3 pounds per 1,000 ------ do ----	.75
Cigarettes weighing more than 3 pounds per 1,000 ------ do ----	3.60
Cigarettes weighing not more than 3 pounds per 1,000 ---- do ----	1.25
Tobacco and snuff, however prepared, manufactured, and sold, per pound ----------	.08

In 1916 the internal revenue derived from these products amounted to $85,324,094.46. The Ways and Means Committee proposes to increase the tax upon tobacco, snuff, and cigarettes 100 per cent, and on cigars over 100 per cent; and yet they estimate that this enormous increase will only bring $68,200,000 revenue, which will lack $17,124,094 of bringing as much again revenue as it did in 1916. If their estimates are correct, then they admit that there will not be as much of these products sold as there was under the old law. My contention is, if you place this additional tax on manufactured tobacco and snuff at only 40 per cent, it will bring as much revenue as if the additional tax was 100 per cent.

Mr. DUPRÉ. Will the gentleman yield?

Mr. KINCHELOE. Just for a question.

Mr. DUPRÉ. I have been informed that the increased tax on cigars and cigarettes during the Spanish-American War resulted in an absolute diminution of revenue to the Government during that period.

Mr. KINCHELOE. I have not investigated this proposition, and therefore am unable to answer the gentleman's question.

Mr. KITCHIN. Will the gentleman permit me to interrupt him?

Mr. KINCHELOE. Just for a question.

Mr. KITCHIN. The gentleman [Mr. DUPRÉ] is mistaken about that. At the beginning of the Spanish-American War the tax on tobacco produced only $36,000,000 of revenue. Immediately after the tax went up to $52,000,000, and then to $59,000,000, and then to $62,000,000, and when we repealed it, it went back to $43,000,000 and $44,000,000. There was a large increase, more than 50 per cent, in the revenue. I am referring to the statistics which I have from the Treasury Department.

Mr. KINCHELOE. I do not want any more of my time taken.

Mr. KITCHIN. I am quoting from statistics from the Treasury Department, which I have here before me.

Mr. KINCHELOE. I am not undertaking to say what happened in the Spanish-American War. I know in 1916 the taxes on tobacco, cigars, cigarettes, and snuff amounted to $85,324,094.46, and now the estimate of your committee is that you propose to increase the taxes and yield only $68,200,000, which will be $17,124,094 less than the 100 per cent increase.

As I have said, the tobacco grower is willing to pay his just proportion of the taxes necessary for the victorious prosecution of this war, and if you will adopt my amendment, which increases the tax on manufactured tobacco 40 per cent, every patriotic tobacco grower in Kentucky will be ready to stand his just proportion of this burden.

I have heard several members of this great Ways and Means Committee say, when asked why a certain tax is placed upon a given article, that it was placed at this figure because "we need the money." I submit this is not a fair nor an intelligent answer. This money can be raised by placing an equitable tax upon the various businesses and enterprises, and no tax should be so high upon any article that it would ruin or even hurt the business. If you place an exorbitant tax upon any article, as I think is proposed in this bill upon manufactured tobacco, then you will not only not receive the revenue that you expect to get, but at the same time you will be hurting a legitimate business, and I submit to you that an additional 8 cents per pound tax upon manufactured tobacco that is already paying 8 cents per pound will not only be exorbitant but will be an unjust burden, the larger part of which is bound to fall back upon the tobacco growers by receiving a less price for their tobacco. Let's not kill the "fowl" that lays the golden eggs.

If there is a set of laborers in this country who should receive a just return for their labor, it is the tobacco growers. It is a commodity that demands the best soil a farmer has, and a crop that is on hand 12 months out of the year.

The tobacco growers of Kentucky have always borne uncomplainingly and willingly their burden of every war this country has had, both in bearing the just proportion of taxes incident to same and by their service upon every battle field.

In the Civil War Kentucky produced her full proportion of volunteers, both to the North and to the South, and in the war of 1812, under "Hickory" Jackson at New Orleans her sons contributed to that victory as much or more than any other State in the Union. Kentucky is willing and ready to-day to furnish her just proportion, and when she does they will cover themselves with glory upon any battle field upon which they participate.

In the interest of the tobacco-growing industry of my State, in the interest of the brave, loyal, and industrious tobacco growers of my district and State, I appeal to this House to adopt this amendment by increasing the tax on manufactured tobacco only 40 per cent. [Loud and continuous applause.]

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, I hope the amendment offered by the gentleman from Kentucky [Mr. KINCHELOE] will be adopted. When the present tax burden borne by tobacco is considered I do not believe that the tax on manufactured tobacco ought to be increased in any amount, because it is already sufficiently high. Even the present tax is exceedingly high as compared with the tax levied on practically every other object of taxation in this bill. Every one realizes that we have got to raise an enormous amount of revenue to meet the expenses of this war. Everybody will have to make sacrifices, and none will do so more willingly than those whom I have the honor to represent. The people of my section are patriotic and are entirely willing to pay additional taxes during this war to meet the extraordinary expenses of the Government. If the Committee on Ways and Means had proposed to increase the present tax only 50 instead of 100 per cent, as is proposed in this bill, then there would have been no protest, although this product, as I have said, is already bearing its full share of the tax burdens.

I am aware of the fact that the Committee on Ways and Means regards this as a consumption tax, a tax which may be passed on the consumer, and if that were true, I possibly would have nothing to say in opposition to it. But as the gentleman from Kentucky [Mr. KINCHELOE] has said, this tax will not be altogether passed on to the consumer, but it will be also levied on the producer, the grower of tobacco——

Mr. JOHNSON of Kentucky. By paying him less for it——

Mr. BYRNS of Tennessee. Yes; by paying him less for it, as the gentleman from Kentucky well says; less for it in the barn and on the farm. This increased tax will be used as an excuse for bearing down the price of his product when they come to buy it.

Now, that is no pipe dream. It is an opinion founded on the experience that the growers of tobacco have had in the past, and there is not any one in the tobacco-growing region who does not realize the fact that if this Congress undertakes to double the tax on manufactured tobacco, next fall and next spring, when the buyer goes into the field for the purpose of buying the product, the fact that Congress has largely increased the tax will be cited as a reason why a greater price can not be paid for it. That is borne out by the telegrams that I have received, some of which I wish to read to the committee. I read a telegram received from the Clarksville Chamber of Commerce, as follows:

CLARKSVILLE, TENN., *May 14, 1917.*

Hon. J. W. BYRNS,
Washington, D. C.:

The Chamber of Commerce of Clarksville, Tenn., the most important tobacco market, wishes to enter a vigorous protest against the proposed hundred per cent increase tax on manufactured tobacco, knowing it will eventually fall with great injury on the tobacco producer who is now meagerly paid for the production of the crop and on whom the final blow may prohibit its production. In our judgment an advance of 4 cents per pound the trade would not be seriously inconvenienced while the proposed hundred per cent increase may be prohibitive from a revenue-raising standpoint. It is our judgment more revenue would be produced from a 12-cent tax than a 16-cent tax. We request your effort to limit this tax to not over 4 cents per pound additional.

CLARKSVILLE CHAMBER OF COMMERCE.

I have another telegram here from the Clarksville Tobacco Board, as follows:

CLARKSVILLE, TENN., *May 17, 1917.*

Hon. JOSEPH W. BYRNS,
Washington, D. C.:

We protest against proposed hundred per cent increase tax on manufactured tobacco, believing it would decrease consumption, thereby interfering with the sale of tobacco by the producer. Consider it patriotic duty of all interests to assist in raising revenue and that 50 per cent increase on tobacco is all it can stand without injury.

CLARKSVILLE TOBACCO BOARD.

Here is another telegram from the Springfield (Tenn.) Tobacco Board:

SPRINGFIELD, TENN., *May 11, 1917.*

JOSEPH W. BYRNS,
Washington, D. C.:

The Springfield Tobacco Board of Trade suggests 50 per cent increase on tobacco instead of 100, as either will be detrimental to the tobacco growers on account of shipping conditions.

E. R. BEACH, *Secretary.*

I wish to appeal to this committee, in the interest not so much of the consumer of manufactured tobacco or of the manufacturer of tobacco but particularly in the interest of the thousands of farmers in Tennessee and Kentucky and in those other States which grow tobacco, not to double the already large tax now borne by this product in a manufactured state.

The revenue received from manufactured tobacco in all its forms amounts now to over $88,000,000 a year to this Government. During all the years since the Civil War an immense amount of revenue has been collected from this source, amounting in the aggregate to billions of dollars. Then why double the tax at this time? Does anyone doubt but that the producer may be compelled to bear a portion of the increased burden along with the consumer? Either one or both of these classes must pay it, and it is in behalf of the producer that I am appealing now. As the Clarksville Tobacco Board states, all of the tobacco interests are patriotic. They are more than willing to bear their share of the burdens of this war. But, gentlemen, I submit that under all the circumstances, when you have put a 100 per cent increase of tax on this product you have placed upon their backs a greater burden than you are placing upon the backs of all the other classes of citizens in this country.

I speak also in behalf of the smaller manufacturer. I hold in my hand a letter from the Independence Snuff Co., of Nashville, Tenn., an independent concern, which the large organizations have never been able to induce to enter their combination. This concern writes me that if the tax is increased upon snuff, as this bill proposes, then it will be almost necessary for the smaller concerns to go out of business. The larger companies would doubtless be able to stand the increased cost of tin cans, labels, freight rates, and so forth, because of their ability to command large capital, but not so with the little fellow, who would find that all of his present labels, cans, and so forth, was a dead loss. If this tax therefore is to be levied some time ought to be given before it is to go into effect. But you propose to make it even worse on the manufacturer by imposing a retroactive tax of 50 per cent on tobacco now in his hands. History shows the truth of my assertion. The Spanish War tax of 1898 raised the tax on manufactured tobacco from 6 to 12 cents. Prior to that time the American Tobacco Co. had waged a relentless war against the independent manufacturer, but it had not been able to force them to sell out. But within 60 days after that tax of 12 cents per pound went into effect two large independent concerns sold out, and probably 100 factories had been bought up and a great number of them closed when the Government began its prosecution against the trust in 1905. It is well known what effect this had upon the price of tobacco in the hands of the grower, and I have not the time to go into that now.

In 1902 the tax was reduced to 6 cents, where it remained until 1909 when it was increased to 8 cents, but time was given to meet that increase, because it did not go into effect until July 1, 1910; but it was the small manufacturer who suffered by the increase, rather than the large manufacturer who had the capital to tide him over.

Mr. Chairman, the Government does not seek to levy such a tax on the manufactured product of any other great staple of the farms of this country. More than 90,000 acres of land in my State are devoted to the growing of tobacco, a great portion of it being in the district I represent. It is true that about 80 per cent of this tobacco is exported, but when you consider that nearly 75,000,000 pounds are produced in that State alone, you will see that much of it is used in this country also, being manufactured into smoking tobacco, snuff, and other products. If a part of it is overburdened, then it will undoubtedly have an effect on the whole, so I appeal to Congress to adopt the amendment providing for an increase of 50 per cent, rather than 100 per cent, as proposed by the committee, and, aside from the reasons given, let me tell you that it may prove good business from the standpoint of raising revenue to do so, for, as the telegrams I have read you indicate, if you double this tax, you may bring about the result of decreasing rather than increasing the revenue derived from this source.

Mr. Chairman, I believe that the big capital of the country should be made to bear the greater part of the burdens of this war. The young men are to be drafted into the service of their country and will freely give their lives if need be in its defense. It is as little, therefore, as the large capital interests should expect when it is called upon to finance the war. We have increased the tax to be levied on the larger incomes over that recommended by the committee, so that as the bill now stands several hundreds of millions will be derived over and above the sum contemplated by the committee. We can therefore safely adopt this amendment providing for a 12-cent tax on manufactured tobacco, which is all that was levied in the Spanish-American War. The committee proposes 16 cents. A reduction to 12 cents involves only $15,000,000, whereas by the action of the House in increasing the tax on the larger incomes we have many times taken care of this comparatively small reduction. We certainly ought not to take a chance on adding to the burden of thousands of tobacco growers, something no one is attempting to do with the growers of cotton or any other agricultural product. This Government is too large, too sound, and too wealthy to take action at the very beginning of the war which might work a great hardship and injury to either the manufacturer or the grower of this great and valuable product of our country.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BARKLEY. Mr. Chairman and gentlemen of the House, I rise for the purpose of supporting either the amendment offered by my colleague Mr. FIELDS or my colleague Mr. KINCHELOE, one being to reduce the increase to 50 per cent and the other to 40 per cent of the present tax instead of the 100 per cent provided in the bill. I really think that the amendment providing for 50 per cent increase ought to be adopted.

I have received numerous telegrams and letters from the farmers of my district stating that they are willing to bear an increase of 50 per cent, but that they believe the 100 per cent increase is unjust, and I hope to be able within a few minutes to convince you of the fact that they are right.

A few years ago the American Tobacco Co., known as the American Tobacco Trust, was the only buyer of tobacco from the grower in the United States. They marked off the territory in such a way that there was only one buyer who ever called upon a farmer for his tobacco. They marked it off by lines just as completely as a county is marked, and a buyer was sent into a certain territory with instructions not to go on the other side of the road to offer a price for tobacco.

Mr. JOHNSON of Kentucky. One man worked one side of the road and the other worked the other side of the road.

Mr. BARKLEY. One man worked one side of the road and the other man worked the other side of the road, each remaining

on his own side, and there was no competition in the price paid the farmer for his tobacco. In order to combat that condition the farmers organized into an association and agreed to hold their tobacco until they could receive a living price for it, and it has only been in the last three or four years that the farmers who produce tobacco have been able to receive for it as much as it cost them to produce the crop.

Not only was that true, but the American Tobacco Co. drove out practically every small independent tobacco manufacturer in the United States. They would go into a community and undersell the product of the little man, and they continued it until he was compelled to sell out to the trust, and both as a purchaser and as a seller of tobacco the American Tobacco Trust was the only purchaser and seller, and there was no competition either in purchasing or selling.

Mr. BORLAND. Will the gentleman yield?

Mr. BARKLEY. For a brief question.

Mr. BORLAND. Was not that because tobacco is all sold on a cash market, and you have no future or tobacco exchange purchasers of tobacco?

Mr. BARKLEY. No; that condition was not brought about by that fact. Now, for the last two or three years the farmers of Kentucky and Tennessee and other States have been able to get a reasonable price for their tobacco, and small, independent manufacturers have grown up in the community who are now just able to make a living and stay on their feet until they can procure a market for their tobacco. The law already fixes a tax on tobacco of 8 cents a pound, and that is more than the average price that the farmer gets for his tobacco. The present tax is already higher than the farmer gets for his tobacco after having, as we frequently say down in Kentucky, frequently labored 13 months out of 12 in producing his crop.

The Ways and Means Committee have proposed to increase that tax to 16 cents a pound, which is more than twice as much as the farmer gets for his tobacco. If this tax could all be passed on to the man who smokes a pipe or a cigar or a cigarette, I would not object to that, but the buyer offers this as an excuse for reducing the price to the tobacco farmer; and I can well imagine that a tobacco buyer, riding up to a farmer's barn, would say, "Well, I will have to reduce the price of your tobacco from 7 cents down to 6 cents, or from 9 cents down to 7 cents, because they have put 8 cents a pound additional on the price of the manufactured product," if he happens to manufacture it into smoking tobacco or chewing tobacco or sells to a manufacturer. So, my friends, while of course it is impossible to put all this 8-cent tax back on the farmer—because if you did that the farmer would have to pay a premium to get somebody to take the tobacco off his hands—yet it is true that it will offer an excuse to take out of the farmer's price as much as possible and compel him to go back to the situation where he may have to sell his crop for less than it cost him to make it. So I think the farmers of Kentucky and Tennessee have displayed a patriotic spirit when they say they are willing that the tax should be 12 cents a pound on manufactured tobacco, but 16 cents a pound is too much. It is put at a point where some members of the Ways and Means Committee believe it is at the vanishing point of revenue, and it will work a hardship on the men who have spent their time and labor and the preparation of their farms and equipment for the production of tobacco. I trust the amendment reducing the increase to 50 per cent of the present tax, instead of 100 per cent, will be adopted. [Applause.]

Mr. CANNON. Mr. Chairman, is all time exhausted?

The CHAIRMAN. There are five minutes remaining, which the gentleman from Pennsylvania [Mr. MOORE] reserved for his colleague.

Mr. MOORE of Pennsylvania. Mr. Chairman, if I may be permitted, I will yield three minutes of that time to the gentleman from Illinois.

Mr. CANNON. Mr. Chairman, I have listened to the remarks of the gentleman from Tennessee and the gentleman from Kentucky. This is a contest whether it shall be 12 cents or 16 cents a pound on tobacco. You concede 12 cents but do not concede 16. Let us look into this tobacco proposition a little mite. The tariff on tobacco that goes into cigars, where it is imported, pays 25 or 30 cents a pound and an ad valorem. But the tax on the cigar that is made anywhere that is imported into the United States pays $4 a pound and 25 per cent ad valorem. Well, that great tax does not decrease the importations of tobacco; it is charged over on the men that consume the tobacco.

Mr. BARKLEY. I want to call the gentleman's attention to the fact that the proportionate price on tobacco per pound of imported and cigars is more than on the price for the American-grown tobacco manufactured in the United States. So that is hardly a fair comparison.

Mr. CANNON. I suppose during my lifetime I have contributed more thousands of dollars for chewing tobacco until I was 40 years old, and smoking tobacco since, than most Members have contributed, and, whether it was 16 cents or 12 cents, we will take it all the same until after prohibition is universal, as far as liquor is concerned, and then perhaps the people who do not chew or smoke may have prohibition so far as the product of tobacco is concerned in Tennessee and other Southern States, and perhaps in some of our Northern States. It is the one tax that I believe under any and all conditions is charged over on the consumer.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield back the time that I reserved for my colleague from Pennsylvania.

Mr. SEARS. Mr. Chairman, I ask unanimous consent to proceed for two minutes in order to offer an amendment extending the time for the tax on cigars to 60 days.

The CHAIRMAN. The gentleman can not offer his amendment until the two pending amendments are disposed of. The first question is on the amendment offered by the gentleman from Kentucky.

Mr. SEARS. After the amendments are disposed of, may I have two minutes?

The CHAIRMAN. The gentleman from Florida will be recognized after the amendments are disposed of. The question is on the substitute offered by the gentleman from Kentucky [Mr. KINCHELOE].

The question was taken; and on a division (demanded by Mr. KINCHELOE) there were—ayes 12, noes 54.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Kentucky [Mr. FIELDS].

The question was taken, and the amendment was rejected.

Mr. SEARS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 18, line 10, after the word "effect," strike out the word "thirty" and insert the word "sixty."

Mr. SEARS. Mr. Chairman, I desire to call the attention of the House to the fact that hundreds of thousands of dollars are invested by the cigar-manufacturing companies in tobacco and thousands of people are earning their living by making cigars. In this section 90 days are given to the cigarette manufacturer before the law goes into effect. I understand the sole purpose of giving them that time is to adjust and reduce the containers in order that the people may pay the freight. I ask, therefore, in this amendment that the cigar manufacturers be given 60 days before the law goes into effect in order that they may change their method, if that is going to be the way. I really feel they should be allowed time to rearrange their business. They bought the tobacco under the old-time rates and wages and they ought to be given 60 days in which to arrange their business to meet this tax. I can not hope to argue this question in two minutes, and will therefore only again call your attention to what at least appears to me to be an unfair discrimination in favor of cigarettes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The question was taken, and the amendment was rejected.

Mr. HOWARD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

On lines 21 and 22, page 18, section 403, strike out the words "one thousand" and the words "twenty thousand," respectively, and substitute therefor, respectively, the words "fifty" and "one thousand," so that the section shall read:

"SEC. 403. That there shall also be assessed and collected upon all manufactured tobacco and snuff in excess of 50 pounds or upon cigars or cigarettes in excess of 1,000, which were manufactured or imported and removed from factory or customhouse prior to the passage of this act, bearing tax-paid stamps affixed to such articles for the payment of the tax thereon, and which are on the day this act is passed held and intended for sale by any person, corporation, partnership, or association, and upon all manufactured tobacco, snuff, cigars, or cigarettes removed from factory or customhouse after the passage of this act, but prior to the time when the tax is imposed by section 400 or section 401 upon such articles takes effect, an additional tax equal to one-half the tax imposed by such sections upon such articles."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was rejected.

Mr. SEARS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 18, line 14, strike out "90" and insert "60."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Florida.

The amendment was rejected.

The Clerk read as follows:

TITLE V.—WAR TAX ON FACILITIES FURNISHED BY PUBLIC UTILITIES, ADVERTISING, AND INSURANCE.

SEC. 500. That from and after the 1st day of June, 1917, there shall be levied assessed, collected, and paid (a) a tax equivalent to 3 per cent of the amount paid for the transportation by rail or water of property by freight consigned from one point in the United States to another; (b) a tax equivalent to 10 per cent of the amount paid for the transportation of property by express companies consigned from one point in the United States to another; (c) a tax equivalent to 10 per cent of the amount paid for the transportation of persons by rail or water, within the United States, not including the amount paid for commutation or season tickets for trips less than 30 miles, or for transportation the fare for which does not exceed 25 cents, and a tax equivalent to 10 per cent of the amount paid for seats, berths, and staterooms in parlor cars, sleeping cars, or on vessels. If a ticket or mileage book used for such transportation or accommodation has been purchased before this section takes effect, the tax imposed by this section shall be collected from the person presenting the ticket or mileage book, by the conductor or other agent, when presented for such transportation or accommodation and the amount so collected shall be paid to the United States in such manner and at such times as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe; (d) a tax equivalent to 5 per cent of the amount paid for the transportation of oil by pipe line; (e) a tax equivalent to 5 per cent of the amount paid for electric power for domestic uses and of the amount paid for light or heat, and a tax equivalent to 5 per cent of the amount paid for telephone service by subscribers, exclusive of the amounts paid for toll or long-distance calls: *Provided*, That any expense incurred by any person, corporation, partnership, or association, in furnishing such power, light, heat, or telephone service, for its own use shall not be subject to this tax; (f) a tax of 5 cents upon each dispatch, message, or conversation, which originates at any office, station, or exchange, within the United States, of any telegraph or telephone line, which is transmitted over such line, and for which a charge of 15 cents or more is imposed: *Provided*, That only one payment of such tax shall be required, notwithstanding the lines of one or more persons, corporations, partnerships, or associations shall be used for the transmission of such dispatch, message, or conversation.

Mr. MANN. Mr. Chairman, I move to strike out the last word.

Mr. KITCHIN. I was about to move to rise.

Mr. MANN. That is the reason I made the motion.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280, and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend in the RECORD a short resolution from the Legislature of Texas recommending the building of a military highway along the Mexican border.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, I shall not object at this time, but it is not usual to put these resolutions in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

The resolution is as follows:

House concurrent resolution relating to military highway along the Texas border.

Whereas the experience of the Federal Government in the protection of the southern and southwestern border of the United States, along the Rio Grande River through Texas, and through New Mexico, Arizona, and California, has demonstrated the tremendous importance of a military highway through these States to facilitate the movement of munitions, supplies, and men; and

Whereas Members of the Texas delegation in both Houses of Congress have for many years past urged upon the Congress the great importance of the construction by the Federal Government of such a military highway along the Rio Grande River through Texas: Therefore be it

Resolved by the house of representatives (the senate concurring), That we earnestly commend to the consideration of the Congress the advisability of early provision being made for the construction of such military highway along the southwestern border of the United States, through the States of Texas, New Mexico, Arizona, and California, and that said highway extend northward on the Texas and California coasts at least 150 miles.

Resolved, That a copy of this resolution be forwarded by the chief clerk of the house to the Hon. Newton D. Baker, Secretary of War, and to the Senators and Representatives in Congress from Texas.

Adopted May 3, 1917.

F. O. FULLER,
Speaker of the House.
BOB BARKER,
Chief Clerk of the House.

WITHDRAWAL OF PAPERS.

By unanimous consent, Mr. ALMON was granted leave to withdraw from the files of the House without leaving copies the papers in the case of John Scott (H. R. 10927, 64th Cong.), no adverse report having been made thereon.

DISPOSITION OF USELESS PAPERS.

Mr. TALBOTT, from the Joint Select Committee on the Disposition of Useless Papers in the Executive Departments, submitted a report (No. 55) that the files and papers described in the report of the secretary of the Federal Trade Commission in House Document No. 2093, Sixty-fourth Congress, second session, dated February 26, 1917, are not needed in the transaction of the current business of such commission and have no permanent value or historical interest, which report was ordered to be printed.

HOUR OF MEETING TO-MORROW.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 3545. An act to authorize the President to increase temporarily the Military Establishment of the United States;

H. R. 2337. An act to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force; and

H. R. 2343. An act granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dodds to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind.

ENLISTED STRENGTH OF THE NAVY AND MARINE CORPS.

Mr. PADGETT. Mr. Speaker, I present for printing under the rule a conference report upon the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps.

The SPEAKER. The gentleman from Tennessee presents a conference report, which will be printed under the rule.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Saturday, May 19, 1917, at 11 o'clock a. m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CARY: A bill (H. R. 4534) to regulate and license pawnbrokers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SULZER: A bill (H. R. 4535) making an appropriation for the improvement of Dry Strait, Alaska; to the Committee on Rivers and Harbors.

By Mr. HENSLEY: A bill (H. R. 4536) to purchase a site for the erection of a post-office building in the city of Fredericktown, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. MILLER of Minnesota: A bill (H. R. 4537) to amend the first part of the second paragraph of section 24 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916; to the Committee on Military Affairs.

By Mr. BRITTEN: A bill (H. R. 4538) to prohibit the shipment and transportation in interstate or foreign commerce of calves and cows under certain ages and conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. FRANCIS: A bill (H. R. 4539) to amend section 6 of the act entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906; to the Committee on Immigration and Naturalization.

By Mr. WEBB: A bill (H. R. 4540) further to provide for the support of the Army by the prevention of the waste of the food products of the United States during the period of war and to prohibit their manufacture into alcoholic liquors, except in certain cases, to provide for the distillation of liquors in bond or heretofore manufactured, and for other purposes; to the Committee on the Judiciary.

By Mr. DOOLING: Memorial of the Legislature of the State of New York, requesting the State Department to negotiate with its allies in regard to enlistment of certain persons who have made known their intention of becoming American citizens; to the Committee on Foreign Affairs.

By Mr. CAREW: Memorial of the Legislature of the State of New York, requesting the State Department to negotiate with

its allies in regard to enlistment of certain persons who have made known their intention of becoming American citizens; to the Committee on Foreign Affairs.

By Mr. SULZER: Memorial of the Legislature of the Territory of Alaska, favoring the establishment of a wireless station on the west coast of Prince of Wales Island, Alaska; to the Committee on Military Affairs.

Also, memorial of the Legislature of the Territory of Alaska, favoring changes in the public-land laws; to the Committee on the Public Lands.

Also, memorial of the Legislature of the Territory of Alaska, extending greetings to the Duma of the Republic of Russia; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Alaska, favoring the establishment of an insane asylum in Alaska; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, favoring legislation permitting the leasing of oil lands; to the Committee on the Public Lands.

Also, memorial of the Legislature of the Territory of Alaska, urging the United States Government to develop the wood pulp resources of Alaska by the construction of a pulp and paper mill in the Territory; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Alaska, favoring the dredging, deepening, and widening of the channel of Dry Strait, Alaska; to the Committee on Rivers and Harbors.

By Mr. NOLAN: Memorial of the Legislature of the State of California, advocating an increase in pay for those engaged in active service in the Army and Navy of the United States; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of California, petitioning Congress to arrange for the sale of the "ripe" pine in the national forest reserves and the application of the funds above 25 per cent for the building of dams and reservoirs; to the Committee on the Public Lands.

By Mr. O'SHAUNESSY: Memorial of the Legislature of the State of Rhode Island, urging legislation authorizing a survey of proposed harbor lines at the mouth of the Seekonk River; to the Committee on Rivers and Harbors.

By Mr. RANDALL: Memorial of the Legislature of the State of California, favoring a national suffrage amendment; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNHART: A bill (H. R. 4541) granting an increase of pension to J. P. Oakes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4542) granting a pension to Benjamin F. Sweet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4543) granting an increase of pension to John Sanns; to the Committee on Invalid Pensions.

By Mr. CLARK of Pennsylvania: A bill (H. R. 4544) granting a pension to Sylvester P. Martin; to the Committee on Pensions.

By Mr. COSTELLO: A bill (H. R. 4545) for the relief of Conrad Skladal; to the Committee on Military Affairs.

Also, a bill (H. R. 4546) for the relief of Austin G. Greer, jr., for horse killed while employed at the Frankford Arsenal, Philadelphia, Pa.; to the Committee on Claims.

By Mr. EAGAN: A bill (H. R. 4547) for the relief of the Stevens Institute of Technology, of Hoboken, N. J.; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 4548) granting a pension to Hattie Sylvia; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4549) granting a pension ot David S. Williams; to the Committee on Pensions.

Also, a bill (H. R. 4550) granting a pension to Carrie S. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4551) granting a pension to Gabriel S. Henderson; to the Committee on Pensions.

Also, a bill (H. R. 4552) granting a pension to James L. Stidham; to the Committee on Pensions.

Also, a bill (H. R. 4553) granting a pension to Alexander Herndon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4554) granting a pension to James Hiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4555) granting a pension to Wilburn Hall; to the Committee on Pensions.

Also, a bill (H. R. 4556) granting a pension to James H. Gilley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4557) granting a pension to Richard Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4558) granting an increase of pension to John S. Conley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4559) granting an increase of pension to Charles B. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4560) granting an increase of pension to James T. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4561) granting an increase of pension to R. T. Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4562) granting an increase of pension to William K. White; to the Committee on Pensions.

Also, a bill (H. R. 4563) granting an increase of pension to James H. O'Brien; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4564) granting an increase of pension to Wilder Branum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4565) granting an increase of pension to Jacob Ridinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4566) granting an increase of pension to Andrew J. Alexander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4567) granting an increase of pension to James W. Herndon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4568) granting an increase of pension to Spencer Cooper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4569) granting an increase of pension to Presley Sexton; to the Committee on Pensions.

Also, a bill (H. R. 4570) granting an increase of pension to John Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4571) granting an increase of pension to Oscar Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4572) granting an increase of pension to John W. Cross; to the Committee on Invalid Pensions.

By Mr. GRAY of New Jersey: A bill (H. R. 4573) granting a pension to Otto Henkle; to the Committee on Invalid Pensions.

By Mr. HADLEY: A bill (H. R. 4574) for the relief of Thomas Bayton and Bertha M. Hartt; to the Committee on Claims.

By Mr. KRAUS: A bill (H. R. 4575) granting an increase of pension to George Smith; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 4576) authorizing the reinstatement of J. A. B. Sinclair as a passed assistant surgeon in the United States Navy; to the Committee on Naval Affairs.

By Mr. RUSSELL: A bill (H. R. 4577) granting a pension to Toliver Roberts; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 4578) granting an increase of pension to William Rowe; to the Committee on Invalid Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 4579) granting an increase of pension to Roman L. Whipple; to the Committee on Invalid Pensions.

By Mr. TALBOTT: A bill (H. R. 4580) granting a pension to Christine Boeschee; to the Committee on Pensions.

Also, a bill (H. R. 4581) to correct the military record of Louis Smith Kelly; to the Committee on Military Affairs.

Also, a bill (H. R. 4582) to correct the military record of Charles Engle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4583) granting a pension to John Lippincott; to the Committee on Pensions.

Also, a bill (H. R. 4584) to correct the military record of John H. Holbrook; to the Committee on Military Affairs.

By Mr. TILSON: A bill (H. R. 4585) granting a pension to Catherine Steele; to the Committee on Invalid Pensions.

By Mr. VAN DYKE: A bill (H. R. 4586) for the relief of Ivan Yermakof, Alexiej Kutyaj, Nikolaj Karpunin, Ivan Primak, Nick Wlad, Gavrylo Shumof, Efim Davidof, Pavel Baraniuk, Pavel Balonin, Fred Wolon, Sam March, Ivan Melnyk, Emilian Krakowiacki, Mrs. Michael Wituk, widow, and two minor children, heirs of Michael Wituk, deceased; to the Committee on Claims.

Also, a bill (H. R. 4587) for the relief of A. M. and R. A. Darling; to the Committee on Claims.

Also, a bill (H. R. 4588) for the relief of Michael Flaherty, guardian of John Flaherty, claimant; to the Committee on Claims.

Also, a bill (H. R. 4589) for the relief of John A. O'Keefe, administrator of estate of William M. O'Keefe; to the Committee on Claims.

Also, a bill (H. R. 4590) granting a pension to John J. Camac; to the Committee on Pensions.

Also, a bill (H. R. 4591) granting a pension to Guy W. Atherton; to the Committee on Pensions.

Also, a bill (H. R. 4592) granting a pension to Gertrude H. Bird; to the Committee on Pensions.

Also, a bill (H. R. 4593) granting an increase of pension to Andrew J. Weidle; to the Committee on Pensions.

Also, a bill (H. R. 4594) granting a pension to John W. Sweger; to the Committee on Pensions.

Also, a bill (H. R. 4595) granting a pension to Thomas H. Shelley; to the Committee on Pensions.

Also, a bill (H. R. 4596) granting a pension to John Gabriel; to the Committee on Pensions.

Also, a bill (H. R. 4597) granting a pension to Frank S. Bishop; to the Committee on Pensions.

Also, a bill (H. R. 4598) for the relief of Riegel & Roe; to the Committee on Claims.

Also, a bill (H. R. 4599) for the relief of Guy Frankenfield, C. F. Thieme, Frederick Johnson, Charles Johnson, and Gorman Dahly; to the Committee on Claims.

Also, a bill (H. R. 4600) granting a pension to W. H. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4601) for the relief of Vincent M. McKinnon; to the Committee on Claims.

Also, a bill (H. R. 4602) for the relief of George W. Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 4603) granting a pension to Nicholas Krey; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petition of Motor Cycle Manufacturers of the United States, against 5 per cent tax on motor cycles; to the Committee on Ways and Means.

Also, petition of F. Mayer Boot & Shoe Co., of Milwaukee, Wis., against proposed duty on hides and skins; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of Barber Supply Dealers' Association of America, against Schedule B in the revenue bill; to the Committee on Ways and Means.

Also, petitions of sundry publishing companies of New York, against increase in postage rates; to the Committee on the Post Office and Post Roads.

Also, petition of the Patent Cereals Co., of Geneva, N. Y., against prohibition as war measure; to the Committee on the Judiciary.

Also, petition of L. Schepp Co., of New York, against 12 per cent duty on all goods on free list; to the Committee on Ways and Means.

By Mr. DALLINGER: Memorial of the Cambridge City Council, relative to home rule in Ireland; to the Committee on Foreign Affairs.

By Mr. DENT (by request): Petition of the Christadelphians, asking exemption from all military service; to the Committee on Military Affairs.

By Mr. DILLON: Memorial of sundry citizens of South Dakota, favoring national prohibition; to the Committee on the Judiciary.

By Mr. EAGAN: Petition of Washburn Realty Co., Boston, Mass., against tax on 5-cent theaters; to the Committee on Ways and Means.

Also, petition of L. Schepp Co., of New York, against 12 per cent duty on all goods on the free list; to the Committee on Ways and Means.

By Mr. EMERSON: Memorial of City Council of Cleveland, Ohio, urging tax on large incomes; to the Committee on Ways and Means.

By Mr. FOSS: Petition of sundry citizens of Chicago, Ill., against national prohibition as war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petitions of National Association of Employing Lithographers, protesting against increase of postage on post cards and private mailing cards; to the Committee on Ways and Means.

Also, memorial of public meeting of citizens of Coal City, Ill., favoring legislation for food conservation, etc.; to the Committee on Agriculture.

Also, petition of 28 citizens of Columbus, Ohio, favoring House bill 2572 to increase pensions of certain widows, etc.; to the Committee on Invalid Pensions.

By Mr. GALLIVAN: Memorial of sundry citizens of Englewood, N. J., favoring universal military training; to the Committee on Military Affairs.

By Mr. HASTINGS: Memorial of Oklahoma City (Okla.) Advertising Club, against taxation of advertising; to the Committee on Ways and Means.

By Mr. HOLLINGSWORTH: Memorial of Board of Temperance Prohibition and Public Morals of the Methodist Episcopal Church, Washington, D. C., favoring prohibition as a war measure to conserve the efficiency of the Army; to the Committee on the Judiciary.

By Mr. KIESS of Pennsylvania: Memorial of Sunday School of the Memorial Presbyterian Church of Beech Creek, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MEEKER: Petitions of Brewery Engineers, Local No. 246; Coal Teamsters, Local No. 608; Amalgamated Lithographers of America, Local No. 5; Glassblowers, Branch No. 5; Brewery Freight Handlers and Ice Plant Workers, Local No. 237; Cigar Packers' Union, No. 287; City Forestry Employees' Union, No. 14851; Beer Drivers and Stablemen's Union, No. 43; Amalgamated Sheet Metal Workers, Local No. 36; and United Garment Workers, Local No. 238, all of St. Louis, Mo., praying for an investigation by Congress into the controversy between the Chamber of Commerce of San Francisco, Cal., and organized labor; to the Committee on the Judiciary.

By Mr. MORIN: Memorial of the Retail Grocers' Protective Union of Pittsburgh and vicinity, D. E. Durbin, president, protesting against any increase in the rate of first-class mail matter and urging a sufficient increase in rate of second-class mail matter to pay cost of service and also earn a profit for war purposes; to the Committee on Ways and Means.

By Mr. NOLAN: Petition of Getz Bros. & Co., of San Francisco, Cal., protesting against the retroactive features of the new revenue bill as applied to income and excess profits tax; to the Committee on Ways and Means.

Also, petition of the Board of Trade of San Francisco, Cal., and Meyer & Talbott Co., Los Angeles, Cal., praying for the enactment of House bill 2869, to increase the rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, memorial adopted by the State Building Trades' Council of California, San Francisco, Cal., protesting against any proposed amendment to the Chinese exclusion act which would permit the importation of Chinese into the United States; to the Committee on Immigration and Naturalization.

By Mr. O'SHAUNESSY: Memorial of members and friends of the State Street Methodist Episcopal Church, of Bristol, R. I., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RAMSEYER: Petition of H. P. Newton, secretary of the official board, Methodist Episcopal Church of Keota, Iowa, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RANDALL: Petitions against taxing and for prohibiting the liquor business as a war measure, adopted at mass meetings held under auspices of International Reform Bureau and local churches and societies in Harrisburg, Coatesville, Carlisle, Chambersburg, West Philadelphia, North Philadelphia, Central Philadelphia, Germantown, Butler, and Pittsburgh, all in the State of Pennsylvania; also in Baltimore and Washington, D. C.; also petitions for same under same auspices from men's Bible classes of Pittsburgh, held in First, Highland, and East Liberty Presbyterian Churches and in Eighth United Presbyterian and Emery Methodist Churches; to the Committee on the Judiciary.

By Mr. ROWE: Petition of Cigarmakers' Local Union No. 132, of Brooklyn, N. Y., against increase in tax on cigars; to the Committee on Ways and Means.

Also, petition of James Olwell & Co., of New York, against tax on rectified spirits; to the Committee on Ways and Means.

Also, memorial of Catholic Press Association, asking that religious papers be exempted from increase in postal rates; to the Committee on Ways and Means.

Also, petition of the Barber Supply Dealers' Association of America, against schedule B in revenue bill; to the Committee on Ways and Means.

Also, petition of United Garment Workers of America, against increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of Richey, Browne & Donald, of New York, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Commanderies of Patriotic Sons of America, of New York, opposing the espionage bill; to the Committee on Military Affairs.

Also, petition of Walker Gordon Laboratory Co., of New York, against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of International Motor Co., against 5 per cent tax on motor vehicles; to the Committee on Ways and Means.

By Mr. SMITH of Michigan: Papers to accompany bill in pension case of Webb W. Belknap; to the Committee on Pensions.

By Mr. STRONG: Memorial of Woman's Christian Temperance Union of Apollo and Council of Evangelical Lutheran Church, of Freeport, Pa., favoring prohibition as war measure; to the Committee on the Judiciary.

SENATE.

SATURDAY, *May 19, 1917.*

(Legislative day of Thursday, May 17, 1917.)

The Senate reassembled at 12 o'clock m., on the expiration of the recess.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

INCREASE OF NAVY AND MARINE CORPS—CONFERENCE REPORT.

Mr. SWANSON. I desire to call up the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes. I ask for its adoption.

The VICE PRESIDENT. The conference report will be read.

The Secretary read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, and 21.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 6, 7, 8, 10, 11, 12, 14, 15, 16, 18, and 20, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: Page 2, in line 10, of the engrossed amendment, strike out the semicolon after the word "prescribe" and in lieu thereof insert the following: "to fill vacancies in the several grades as provided by existing law"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter stricken out and the new matter inserted, insert the following:

"That commencing June 1, 1917, and continuing until not later than six months after the termination of the present war, all enlisted men of the Navy of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is over $21 and does not exceed $24 per month, an increase of $12 per month; those whose base pay is over $24 and less than $45 per month, an increase of $8 per month; and those whose base pay is $45 or more per month, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: Page 7, line 9 of said engrossed amendment, after the word "that" insert the words "in time of war"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: At the end of said amendment strike out the period, insert a colon, and add the following proviso: "*Provided further*, That the President be, and he is hereby, authorized to direct the Secretary of the Navy to take such action on the records of proceedings of naval examining boards and boards of naval surgeons for the promotion of officers of the Navy as is now required by law to be taken by the President"; and the Senate agree to the same.

CLAUDE A. SWANSON,
JOHN WALTER SMITH,
H. C. LODGE,
Managers on the part of the Senate.
L. P. PADGETT,
J. FRED. C. TALBOTT,
THOMAS S. BUTLER,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a telegram in the nature of a petition from the Nebraska State Council of Defense, praying for the enactment of legislation for the conservation of food and fuel, which was ordered to lie on the table.

He also presented a petition of the yearly meeting of the Religious Society of Friends, of Philadelphia, Pa., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. CHAMBERLAIN. I present a telegram signed by a large number of prominent citizens of my State. I ask that it be printed in the RECORD, together with the names of the signers and their official positions and business connections, in order to show that it is entitled to serious consideration by the Senate.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SALEM, OREG., *May 16, 1917.*

OREGON DELEGATION,
Care of GEORGE E. CHAMBERLAIN,
Washington, D. C.:

Whereas the prices of the staple necessaries of life have advanced to figures exceeding cost of production to an extent far beyond the limits of conscience and any possible conception of human rights or reason and are still advancing; and

Whereas this condition is proof of the utter lack of humane consideration on the part of those responsible and indicates a frantic desire and effort to levy merciless war assessments in advance upon the public whereby the beneficiaries may later meet their own obligations without sacrifice, if not at actual profit; and

Whereas such business is unpatriotic to the equivalent of treason or insurrection, it proves its perpetrators to be limited only by the heartless principle of taking all the traffic will bear or all an unprotected people can be forced to pay; and

Whereas Congress has undisputed authority over every resource of the Nation in the present crisis, which authority is being exercised in the taking of the bodies of our best young men for military service, and the action is met with ready support in a spirit of glorious sacrifice by the people; but the flagrant abuse by the food speculators, pursued from palpable motives of greedy disregard of the great emergency that is upon us, go unchecked and unchallenged except by ineffective and dilatory discussion: Therefore be it

Resolved, That the undersigned do hereby most earnestly urge upon our National Congress the great need of immediate and effective action to relieve this most menacing situation, which is rapidly contributing to the aid of the enemies of the Nation and already amounts to one of the gravest obstacles to the success of our country in the great crisis that now confronts it.

Frank J. Miller, chairman public service commission; Chas. L. McNary, attorney at law (former supreme justice); O. P. Hoff, State labor commissioner; Arthur W. Lawrence, State printer; Chas. V. Galloway, State tax commissioner; E. F. Carleton, assistant superintendent of public instruction; Cornell A. Marvin, librarian State library; E. T. Busselle, certified consulting engineer, Salem; L. T. Harris, justice supreme court; Ben W. Olcott, secretary of state; S. A. Kozer, deputy secretary of state; Henry L. Benson, justice supreme court; Thomas B. Kay, State treasurer; E. G. Patterson, Salem; Will T. Kirk, newspaper man; W. M. Plimpton, secretary State printing; Geo. M. Brown, attorney general; J. C. Moreland, clerk supreme court; George Neuner, jr., deputy attorney Douglas County; R. A. Harris, Salem; Arthur S. Benson, Salem; G. G. Brown, clerk State land board; Wm. Bushey, Marion County judge; W. I. Staley, Capital Business College, Salem; W. T. Jenks, jobber, Salem; Wm. M. C. Gilchrist, sr., Royal Cafeteria, Salem; I. H. Vanwinkle, assistant attorney general; J. A. Benjamin, Salem; Oscar B. Gingrich, secretary Young Men's Christian Association, Salem; Harvey Wells, insurance commissioner; M. S. Pittman, extension department Oregon Normal School, Monmouth.

Mr. MCKELLAR. I present two or three telegrams and letters in reference to certain measures pending before Congress. I would like to have them printed in the RECORD without being read.

There being no objection, the telegrams and letters were ordered to be printed in the RECORD, as follows:

MEMPHIS, TENN., *May 15, 1917.*

Senator K. D. MCKELLAR,
United States Senate, Washington, D. C.:

We understand effort is being made to reconsider in the Senate the Hardwick amendment to exchange law. Trust you can use your influence against reconsidering. Banks will handle all matters pertaining to Government bonds without any charge whatever.

MEMPHIS CLEARING HOUSE ASSOCIATION.

CHATTANOOGA, TENN., *May 18, 1917.*

HON. KENNETH D. MCKELLAR,
Washington, D. C.:

Representing 150 manufacturing firms in Chattanooga, I urge your support in eliminating the tax on freight charges in present revenue measure. This will affect most seriously manufacturers who have to bear their full share of other war taxes, and especially when confronted with heavy increase in freight rates. Hope this section will be stricken out, as it is a very serious matter to industry.

JNO. J. MAHONEY,
President Chattanooga Manufacturers' Association.

CHATTANOOGA, TENN., *May 15, 1917.*

Senator K. D. MCKELLAR,
Washington, D. C.:

The executive council of the Tennessee Bankers' Association now in session at the annual meeting are much gratified at your support of the Hardwick-Kitchin amendment to the Federal reserve act and would greatly appreciate your standing firmly against any effort at reconsideration and urge your active influence to that end with your fellow Senators. We pledge that Tennessee bankers will handle all funds growing out of liberty loans without cost for exchange to the Government.

A. R. DODSON, *President,*
STERLING FORT, *Chairman,*
F. M. MAYFIELD, *Secretary,*
FRED COLLINS,
Of the Committee of Twenty-five.

MEMPHIS, TENN., *May 16, 1917.*

Senator K. D. MCKELLAR,
Washington, D. C.:

The Treadwell Preparatory Club, of Highland Heights, of Memphis, directs me as secretary to request that you support with your vote and influence the foodstuff bill giving President Wilson power to regulate food prices.

E. M. CORBETT, *Secretary.*

MEMPHIS, TENN., *May 17, 1917.*

Senator K. D. MCKELLAR,
Washington, D. C.

DEAR MR. MCKELLAR: That paragraph in the pending revenue bill providing for a tax on coffee is unjust in two respects.

First. That it is in a way retroactive, compelling one to date back to stock on hand May 10. Roasters and jobbers had unfilled contracts with retailers and orders in hand taken before that date, which they are compelled to fill without the addition of the amount of the war tax.

Second. In that it exempts from tax on stock three concerns which are among the largest coffee dealers in America—Jewel Tea Co., C. D. Kenny & Co., and Great Atlantic & Pacific Tea Co. Those companies sell only to consumers, yet they do an enormous volume of business, have heavy stocks on hand always, and at least one of them—the Jewel Tea Co.—does not pay its fair proportion of taxes generally in Memphis and other markets where it is carrying on its business.

To allow those three concerns to escape payment of the tax is a direct discrimination against roasters, jobbers, and retailers; they should not be permitted to own their coffee at one cent less than others. It would be fairer to tax all coffee stocks in all retailers' hands; but that is not necessary, as they can be included by inserting the words "importers, roasters" in the bill.

Yours, very truly,

OLIVER-FINNIE CO.,
By M. H. HUNT, *Vice President.*

P. S.—We are sending a like letter to Hon. HUBERT F. FISHER.

MURFREESBORO, TENN, *May 17, 1917.*

Hon. JOHN K. SHIELDS,
Washington, D. C.

DEAR SENATOR: We notice that it is proposed that a higher rate of postage be made to apply on first-class mail, while at the same time it is a fact that this class of mail is being handled by the Government at a profit of over $80,000,000, while second-class matter is handled at a considerable loss. We sincerely hope that you will oppose an advance on first-class mail until second-class matter at least pays the Government the cost of handling. We beg to remain,

Yours, respectfully,

HENRY KING & CO.,
HENRY KING, *President.*

MEMPHIS, TENN., *May 17, 1917.*

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

DEAR SIR: As a specialist in green coffee, I am naturally deeply interested in the revenue bill now before Congress, and while I am not financially affected by either the amount of the tax or the method of application, I am anxious to know at the very earliest possible moment just what is done or, in your opinion, what is most likely to be done.

We all agree that a tax should be applied, and the article is well able to stand its share, but it does look discriminatory to single out coffee and ten from the entire field of foodstuffs for a retroactive tax. Very good arguments can be made along this line, but I will not attempt either pro or con, as my idea in addressing you is to ask that you wire me at my expense any developments toward the passage of the measure or any changes in the present wording.

Thanking you in advance for your consideration of this request, and with best wishes,

Yours, very truly,

GEO. C. BORNER.

MEMPHIS, TENN., *May 17, 1917.*

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

DEAR SENATOR: I want to thank you for your letter of May 11, in reply to my telegram of the same date, which referred to the proposed increased tax on tobaccos.

I am not so greatly interested in this matter from a personal standpoint, but I am interested more for the interest of my friends, some of the manufacturers.

I believe that a 100 per cent increased tax on tobaccos, as proposed, is too large a share for the tobacco trade to stand, and that such a tax would decrease the consumption, and thereby decrease the income proportionally. Then, too, the increased tax will be borne by the consumer, which means that he will pay more for the same quantity or get less quantity for the same money. If the consumption is less, this will affect the tobacco grower and those dependent upon him and the employees of tobacco manufacturers.

I believe that the tobacco trade feels that it could stand an increase of probably 40 per cent or 50 per cent without serious results.

I am inclosing a letter from the Tobacco Manufacturers' Association, of which association we are not members, although we have been solicited many times to become members. This letter may give you some information that you would like to have.

Thanking you very much, indeed, for any considerations in my behalf,

I am, yours, truly,

ROBT. L. JORDAN.

NEW YORK, *May 14, 1917.*

To the TOBACCO TRADE:

The war revenue bill recommended by the Ways and Means Committee adds, as estimated by that committee, about 45 per cent to the taxes on cigars and increases the tax on tobacco from 8 cents to 16 cents per pound, and on cigarettes from $1.25 to $2.50 per thousand.

It is needless to say that such tax would be an unbearable burden upon our industry. It would mean a sharp reduction in the consumption of tobacco products; a serious curtailment of the demand for tobacco leaf, with the consequent depreciation in the value of tobacco crops, and a complete demoralization of the entire industry, from the grower to the man behind the counter, with the probable extermination of a great many of the small concerns, who are financially unable to cope with such situation.

The tobacco industry, although already taxed to the extent of $100,000,000 per annum, which is about twice the amount of the aggregate profits of the entire industry, does not seek to shirk the burdens that all patriotic citizens should assume in the present crisis of our country. We nevertheless feel that our industry should be treated with fairness and moderation, and we must therefore protest against the imposition of exorbitant and unbearable taxes, which would undoubtedly spell disaster to the entire industry.

The Tobacco Merchants' Association has, with the approval of the leading tobacco men in this country, submitted a schedule of new tax rates, whereby the Government would gain an increases of about 42½ per cent over the present revenue. We proposed that the tax on cigarettes be raised from $1.25 to $1.75 per thousand, and on tobacco from 8 cents to 11.2 cents per pound, and a graduated scale of tax on cigars at the rate of 25 cents per thousand on little cigars, commonly known as all-tobacco cigarettes; 50 cents per thousand on the class of goods known as stogies, cheroots, and other cheap cigars, retailing at 4 cents or less; $1 per thousand on cigars retailing from 4 cents to 6 cents; $2 per thousand on cigars retailing at over 6 cents and not above 12½ cents, and a corresponding progressive graduation on higher priced goods.

By adopting our schedule the Government would gain about 42½ per cent increase in revenue, which is all that the industry can possibly stand without suffering serious injury. On the other hand, the increase proposed by the Ways and Means Committee would not only cripple the industry and bring about ruin and disaster to many that are engaged in it, but would cut down the consumption of tobacco products to such an extent that the revenue derived under the increased taxation may not exceed the revenue collected under the existing law, if it shall indeed reach such figure.

The bill is now under advisement by the Senate Committee on Finance, and we are confident indeed that our protest against the House bill will receive the serious and careful consideration that it is entitled to.

To thus save the industry from wreck and ruin we must act at once, and we must have the support and cooperation of the entire industry. We ask you, therefore, as urgently as we know how, to write or wire immediately to the Hon. F. M. SIMMONS, chairman Committee on Finance, United States Senate, Washington, D. C., protesting against the Kitchin bill and indorsing the schedule submitted by this association, and also to the Senators representing your State in the United States Senate (addressed Washington, D. C.) asking them to present your protest to Senator SIMMONS and his committee, and please also advise us of your action in the matter.

TOBACCO MERCHANTS' ASSOCIATION OF THE UNITED STATES,
By CHAS. DUSHKIND, *Secretary.*

Mr. SMITH of Arizona presented a petition of the Chamber of Commerce of Phoenix, Ariz., praying for the establishment of engineering experiment stations in the States and Territories, which was referred to the Committee on Education and Labor.

Mr. GALLINGER presented a petition of the General Conference of Congregational Churches of New Hampshire, praying for national prohibition, which was referred to the Committee on the Judiciary.

Mr. KNOX presented memorials of sundry citizens of Pennsylvania, remonstrating against national prohibition during the period of the war, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Pennsylvania, praying for national prohibition during the period of the war, which were referred to the Committee on the Judiciary.

Mr. THOMPSON presented a petition of sundry post-office clerks, of Newton, Kans., praying for increased compensation for post-office clerks, which was referred to the Committee on Post Offices and Post Roads.

Mr. PAGE presented a petition of sundry citizens of Irasburg, Vt., praying for the enactment of legislation to found the Government on Christianity, which was referred to the Committee on the Judiciary.

Mr. GRONNA. I have received a number of memorials from sundry citizens of Pennsylvania and Maryland, remonstrating against the taxing and favoring the prohibition of the liquor business as a war measure. I ask that they may be noted and that the body of one of the memorials may be printed in the RECORD, and all of them referred to the Committee on the Judiciary.

Memorials from sundry citizens of Philadelphia, Pittsburgh, Chambersburg, Scranton, Wilkes-Barre, Carlisle, Harrisburg, and Coatesville, all in the State of Pennsylvania, and from sundry citizens of Baltimore, Md., the body of one of which was ordered to be printed in the RECORD, as follows:

Undersigned petition your honorable body not to tax but prohibit the liquor business as a war measure.

Above petition was indorsed by vote at meeting held under auspices of International Reform Bureau and local churches and Germantown Young Men's Christian Association, in the city of Philadelphia, State of Pennsylvania, by mass meeting of citizens of Germantown.

BILLS INTRODUCED.

Bills were introduced, read the first time and, by unanimous consent, the second time and referred as follows:

By Mr. THOMPSON:

A bill (S. 2322) for the relief of Daniel H. Scofield, alias Cofield; to the Committee on Military Affairs.

By Mr. PHELAN:

A bill (S. 2323) authorizing Anton Hiersche to select other land in lieu of land now owned by him, required for reclamation purposes; to the Committee on Public Lands.

A bill (S. 2324) for the relief of Charles L. Roe; to the Committee on Military Affairs.

A bill (S. 2325) for the relief of certain officers in the United States Army; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 2326) to increase the production of agricultural products on lands under reclamation projects during the war; to the Committee on Irrigation and Reclamation of Arid Lands.

ARMY AND NAVY APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment submitted by the Senator from Georgia [Mr. SMITH] to the amendment of the committee.

Mr. MARTIN. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Virginia suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Harding	McKellar	Smith, Ariz.
Beckham	Hardwick	Martin	Smith, Ga.
Brady	Hitchcock	Myers	Smith, Mich.
Brandegee	Hollis	New	Smith, S. C.
Broussard	Husting	Norris	Smoot
Chamberlain	James	Page	Sterling
Culberson	Johnson, Cal.	Penrose	Stone
Curtis	Jones, N. Mex.	Pittman	Sutherland
Dillingham	Jones, Wash.	Poindexter	Swanson
Fall	Kellogg	Ransdell	Thomas
Fernald	Kenyon	Reed	Thompson
Fletcher	King	Robinson	Trammell
France	Knox	Shafroth	Vardaman
Gallinger	La Follette	Sheppard	Walsh
Gerry	Lodge	Sherman	Warren
Gronna	McCumber	Simmons	Williams

Mr. SMITH of Michigan. I desire the RECORD to show that my colleague [Mr. TOWNSEND] is unavoidably absent from the Chamber to-day.

Mr. ROBINSON. The senior Senator from Delaware [Mr. SAULSBURY] is detained on official business.

Mr. THOMPSON. I desire to announce that the Senator from Wyoming [Mr. KENDRICK], the Senator from Illinois [Mr. LEWIS], and the Senator from Delaware [Mr. WOLCOTT] are necessarily absent.

Mr. FLETCHER. I wish to state that the Senator from North Carolina [Mr. OVERMAN] and the Senator from Minnesota [Mr. NELSON] are absent on official business.

Mr. JAMES. I desire to announce that the senior Senator from New Jersey [Mr. HUGHES] is detained from the Senate by illness. I will allow this announcement to stand for the day.

Mr. McKELLAR. I wish to announce the unavoidable absence of the senior Senator from Tennessee [Mr. SHIELDS] on public business.

Mr. GERRY. I desire to announce that the Senator from California [Mr. PHELAN] and the Senator from Arizona [Mr. ASHURST] are necessarily absent on official business.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

Mr. SMITH of Georgia. Mr. President, the amendment by the committee authorizes the expenditure of $750,000,000 for the construction or purchase of vessels. It gives to the President power to have the vessels constructed, to name representatives who shall manage the business of construction, and equips him fully with authority to bring about the acquirement of the vessels that will be obtained by this investment.

The amendment which I have offered authorizes the use of $100,000,000 of the $750,000,000 for the acquirement in the same way of freight cars to handle the business interests of our own country.

The transportation of commodities across the water must depend upon their proper delivery at the ports. The domestic business of our entire country depends upon the prompt movement of commodities.

It is well known that now there is what is called a shortage of freight cars to the amount of 100,000. In other words, there is freight offered for transportation and demanding transportation in excess of the car equipment to an amount which would require 100,000 additional cars.

Every line of industry suffers from it. The farmer is in doubt about moving his crop. The lumberman complains that the work of his mill lies unused for lack of transportation. The coal producer complains, and the man in the city finds that the price of his coal soars, and when he complains he is told it is car shortage in a large part which has produced it.

Mr. JONES of Washington. Right in line with what the Senator is saying, if he will permit me, I want to call attention to a notice that is being sent out by the railroad companies to my section of the country where we produce a great deal of fruit, indicating to the people there that they may not have cars to transport the fruit that they raise and warning them about the condition. I will just read a line or two if the Senator will permit me from this notice, sent out by the Northern Pacific Railroad Co.:

I am directed to advise all shippers, that, on account of war and other conditions, it may be impossible at harvest time to furnish equipment enough to take care of movement of perishable commodities, also it may be that the national committee on transportation at Washington, under whose direction the railways of the country are now operating, may direct the preference movement of commodities needed for food and other purposes, so that apples and other fruits, which may be classed as luxuries, will not move to as great an extent as expected, or warranted by the crop conditions, and that under the circumstances it would be well if growers and shippers of perishable commodities would provide frost-proof storage in order to take care of their crops this fall.

That will produce a very deplorable condition of things. A great many of our people depend wholly upon these crops for their livelihood, and if the railway companies are going to send out notices of this kind now there is no encouragement to people to go on producing the crops; there will be stagnation in that locality; and when similar notices are sent to other localities we are going to have a general depression of business, unless we can provide some way by which transportation facilities can be afforded.

Mr. SMITH of Georgia. Mr. President, I have had letters within the past few weeks, many of them, from different parts of the United States, from men engaged in different lines of business, complaining, bemoaning the fact that cars can not be obtained for the transportation of commodities which they are entitled to have moved to consumers. So extreme is the situation that now there is pending before the Interstate Commerce Committee a bill sent from the other end of the Avenue which proposes to give the President, or some man or men to be named by the President, the right to designate what shall be moved and what shall not be moved. The Senator from Alabama [Mr. BANKHEAD] advises me that such an order has already been issued.

Mr. BANKHEAD. An order has been issued, I understand, by the chairman of the committee, that coal, iron, and ore are to have preference.

Mr. SMITH of Georgia. What committee?

Mr. BANKHEAD. The railroad executive committee, of which Mr. Harrison, the president of the Southern Railway, is the chairman. He seems to have been investigating the matter.

Mr. SMITH of Georgia. I suppose it is the National Council of Defense or some subsidiary committee acting with unlimited authority under it.

Mr. JONES of Washington. I wish to suggest that in this notice from the railway company it is stated here that "it may be that the national committee on transportation at Washington, under whose direction the railways of the country are now operating, may direct the preference movement of commodities," and thus tend to create a shortage.

Mr. SMITH of Georgia. Of course, we understand to-day that nobody has any such authority. There is, however, a bill pending, so serious is the situation, which proposes to give the President the right to name some one who shall have the power——

Mr. GALLINGER. Mr. President, may I ask the Senator for a little explanation of his amendment. I have read it hurriedly, and I interpret it to mean that $100,000,000 of the appropriation for ships shall be diverted for the construction of freight cars, which will be owned by the Government, of course, and the Government will leave them out or rent them out to the various railroads according to their necessities.

Mr. President, there may be merit in that, but this Chamber has resounded with the cry that what is needed is "ships, ships, ships," quoting a distinguished Englishman. If we should divert this $100,000,000 from the shipping fund, of course we should have to vote another $100,000,000 to that organization, I apprehend. Is there to be no limit to the amount of funds that the Government of the United States can expend this year?

Mr. SMITH of Georgia. Mr. President, I am not prepared to answer that question; but I do insist that as between $750,000,-

000 for ships and $650,000,000 for ships, and $100,000,000 for cars, the distribution which I have suggested is the better one.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. SMITH of Georgia. I yield.

Mr. JONES of New Mexico. I should like to ask the Senator from Georgia if the car-building concerns are in a position to build these cars if the order shall be given?

Mr. SMITH of Georgia. The most unlimited power is given to the President and to whomsoever he may name in connection with the construction of the ships; and I propose by this amendment to extend the same authority to him with reference to cars, as being the only way to secure the cars.

Mr. JONES of New Mexico. I should like to inquire also of the Senator as to the ability to secure the locomotives with which to move these cars after they shall have been constructed?

Mr. SMITH of Georgia. Mr. President, the shortage is primarily with cars and the lack of ability to distribute them. There are roads with locomotives that are retained permanently by their owners, whose cars have been absorbed in other parts of the United States by companies without cars, and who, on account of the absence of their cars, are literally unable to move local freight, although they have the motive power so far as locomotives are concerned. I have a most interesting complaint, which was printed a few days ago in a traffic journal, from one of the leading railroads in the United States, which is making a handsome profit and which has amply provided itself with cars, that its cars are on other lines or on other roads; that it can not get them back and consequently is unable to move the local traffic for the lack of cars.

Mr. HITCHCOCK. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Nebraska?

Mr. SMITH of Georgia. I do.

Mr. HITCHCOCK. The Senator has not mentioned, I think, the great evil that cars, instead of being used for transportation, are being too largely used for storage on lines where they do not belong.

Mr. SMITH of Georgia. I think that is one of the abuses.

Mr. HITCHCOCK. Should not some action be taken to compel the use of those cars for transportation purposes?

Mr. SMITH of Georgia. I should be delighted to see that done.

Mr. HITCHCOCK. I should like to ask the Senator from Georgia whether it is possible for Congress to provide the charge that railroads shall pay per day for the use of cars?

Mr. THOMAS. If the Senator from Georgia will permit me to answer, I will say that I think that the Interstate Commerce Commission has that power, and that they have exercised it in their effort to break up the practice of so using cars.

Mr. HITCHCOCK. Can the Senator from Colorado state what the charge is?

Mr. THOMAS. I can not state what the charge is now, but I was told last winter by the commissioner having this particular subject under his jurisdiction that he had doubled the amount of demurrage, and that he proposed to quadruple it, if necessary, in order to secure cars. He also told me that he had doubled the charge for the use of cars which one road must pay to another. I think it was 25 cents a day; and then he has doubled it in order to compel the return of such cars.

Mr. HITCHCOCK. I have been told that the charge is so low that cars are now being used for storage purposes, and in that way they promote speculation.

Mr. THOMAS. The fact is that the effort by that means to prevent congestion caused by using cars for storage purposes has not yet brought much benefit.

Mr. HITCHCOCK. My judgment is that it has not been used to a sufficient extent. If the rate is made high enough, the railroads will have an inducement to build cars; but if the charge is kept too low, they will have no inducement to build cars.

Mr. THOMAS. Unquestionably.

Mr. HITCHCOCK. So long as the charge is kept low the cars will be kept idle for storage purposes on side tracks and speculators will use them for storage purposes.

Mr. THOMAS. I myself should like to see the charge made prohibitive.

Mr. SMITH of Georgia. Mr. President, as I understand, the Interstate Commerce Commission now has the power to raise demurrage rates on cars, and they are seeking to remedy the condition growing out of the failure to unload the cars promptly by charging such rates as will compel the cessation of the use of cars for warehouse purposes.

But, Mr. President, that does not meet the question. The real difficulty of the situation grows out of the fact that a portion of our roads are weak and are not providing themselves with the proper number of cars. There is difficulty even in obtaining them where the money is in hand. It is a problem of such national importance that it falls into the same class as transportation across the water; and I submit that we may well use a percentage of this $750,000,000 to relieve local conditions. I fear they can not be relieved, and they will not be relieved, in any other way.

I am aware of the fact that there is now pending before the Interstate Commerce Commission an application for 15 per cent increase of freight rates by the railroads of the United States. There is, however, no guarantee that, if the increase is allowed, it will bring the result desired. On the contrary, if we study the history of the past three years we must reach the conclusion that the increase of net receipts to the railroads as a whole would not meet the trouble which confronts the shippers of the country. I say so, Mr. President, because for the year ending June 30, 1916, the railroads of the country had the most lucrative business in their history. After paying all liabilities of operation and all liabilities upon indebtedness and interest charges, their net remaining profit in hand for distribution to stockholders or for other use, as the officers of the companies might see fit, was $601,000,000; and this, too, on a capitalization of $6,963,000,000—over 8½ per cent as an average on all the stock of the railroads of the United States. I have a memorandum showing their bonded debt, their capital stock, their investment account, and the calculation by which the result I have just mentioned was reached. I do not desire to detain the Senate to read it, but I ask the privilege of printing it in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The memorandum referred to is as follows:

Class 1 roads reported to the commission are roads earning gross revenues annually of $1,000,000 or more. They constitute 89 per cent of the mileage and 97 per cent of the revenue of all the railroads in the United States.

These roads show the following financial status July 1, 1916:

Bonds and debts	$9,958,599,183
Capital stocks, preferred, common, and debentures	6,963,911,646
Aggregating total	16,922,510,839

The property investment account of all these roads for the same period is $17,984,243,886.

Thus it appears that their property investment account is a little in excess of $1,000,000,000 of their bonded indebtedness, capital stock, etc., according to their books.

Their net corporate income for the year ending June 30, 1916, was $1,272,052,814.

Out of that they paid interest on their funded debts, consisting of bonds, etc., amounting to $898,174,653.

After paying all expenses, including interest on their bonded debts and other debts, they had a net income of $601,508,398.

Mr. SMITH of Georgia. I have also, Mr. President, a statement of the revenues of the railroads of the United States from 1888 to July 30, 1916. It covers railroads earning a million dollars or more annually, which report to the Interstate Commerce Commission, and shows the tremendous growth of business, the immensely increased tax upon transportation facilities, and also the gratifying increase of net profits which the companies have made. I ask that this table may also be printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SMITH of Georgia. I also call attention to the table prepared by Mr. Clifford Thorne, which I ask to have inserted in my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The table referred to is as follows:

The earnings of American railroads from the organization of the Interstate Commerce Commission down to the present time.

[From June 30, 1887, to June 30, 1916.]

Year ending—	Gross earnings from operation.		Net earnings or earnings from operation above operating expenses.	
	Revenue for each ton-mile in cents.	Total revenue.	Total.	For each mile of line.
June 30, 1888	1.001	$910,621,220	$315,626,564	$2,307
June 30, 1889	.922	964,816,129	320,109,428	2,087
June 30, 1890	.941	1,051,877,632	350,783,661	2,309
June 30, 1891	.895	1,096,761,395	364,873,532	2,262
June 30, 1892	.898	1,171,407,343	390,409,347	2,404
June 30 1893	.878	1,220,751,874	392,830,575	2,314
June 30, 1894	.860	1,073,361,797	341,947,475	1,946
June 30, 1895	.839	1,075,371,462	349,651,047	1,967
June 30, 1896	.806	1,150,169,376	377,180,332	2,072
June 30, 1897	.798	1,122,068,773	369,565,009	2,016
June 30, 1898	.753	1,247,325,621	429,352,345	2,325
June 30, 1899	.724	1,313,610,118	456,641,119	2,435
June 30, 1900	.729	1,487,044,814	525,616,303	2,729
June 30, 1901	.750	1,588,526,037	558,128,767	2,851
June 30, 1902	.757	1,726,380,257	610,131,520	3,048

The earnings of American railroads from the organization of the Interstate Commerce Commission down to the present time—Continued.

Year ending—	Gross earnings from operation.		Net earnings or earnings from operation above operating expenses.	
	Revenue for each ton-mile in cents.	Total revenue.	Total.	For each mile of line.
June 30, 1903	0.763	$1,900,846,907	$643,308,055	$3,133
June 30, 1904	.780	1,975,174,091	636,277,838	2,998
June 30, 1905	.766	2,082,482,406	691,880,254	3,189
June 30, 1906	.748	2,325,765,187	788,887,896	3,548
June 30, 1907	.759	2,589,105,578	840,589,764	3,696
June 30, 1908	.754	2,393,805,989	724,258,113	3,171
June 30, 1909	.763	2,418,677,538	819,234,128	3,505
June 30, 1910	.753	2,750,667,435	928,037,092	3,895
June 30, 1911	.757	2,789,761,669	874,707,654	3,583
June 30, 1912	.744	2,842,695,382	870,279,606	3,514
June 30, 1913	.729	3,125,135,798	955,166,874	3,930
June 30, 1914	.733	3,047,019,908	846,706,749	3,443
June 30, 1915	.732	2,955,193,202	867,510,246	3,388
June 30, 1916	.....	3,396,808,234	1,176,804,001	5,134

Mr. SMITH of Georgia. I also, Mr. President, have a statement by Mr. Max Thelen, made before the joint committee of both Houses recently, in which he shows for a series of years the increase of business of railroad companies named and their net profits. I wish also to have this statement printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement referred to is as follows:

STATEMENT OF MR. MAX THELEN.

Mr. THELEN. Referring just for a moment to the table which was inserted in the record of Wednesday's proceedings, showing the moneys available for dividends both in 1915 and 1916 on certain of the leading railroads, as selected by the New York Times, I have here now a copy of the Annalist, which is a magazine of finance, commerce, and, 4, 1916. In that copy there appears under the heading "An exhibit in railroad prosperity" the details of the table which I presented on Wednesday, showing the exact amount in dollars of gross operating revenues, operating income, and balance available for dividends on the common stock as to each of the railroads which are shown in the earlier table. The table is rather short, and if I may be permitted, I should like to submit that table as supplementing the other and giving the details.

Mr. SIMS. Is this statement to go in with what you are reading now?

Mr. THELEN. No; I do not care for the statement; I just want the table.

The table referred to is here printed in full, as follows:

An exhibit in railroad prosperity.

Company.	Gross operating revenues.		Operating income.		Balance available for common stock.		Earned on common stock (per cent)	
	1916	Increase.	1916	Increase.	1916	Increase.	1916	1915
Union Pacific	$104,717,005	$17,758,709	$40,823,536	$10,643,430	$34,807,394	$10,384,775	15.6	11.6
Southern Pacific	152,694,228	22,828,553	48,189,971	12,500,357	30,885,254	10,314,935	11.3	7.5
Great Northern	81,202,478	14,099,620	32,216,193	6,511,279	27,600,614	6,982,344	11.1	8.3
Lehigh Valley	47,382,569	4,856,607	14,289,591	1,711,017	7,655,819	1,343,995	12.6	10.4
Central Railroad of New Jersey	33,482,928	4,720,673	12,333,033	2,542,084	[2]5,972,572	660,394	21.7	19.4
New York, Ontario & Western	8,942,251	15,306	2,477,862	336,422	983,668	371,372	16.9	1.1
Chicago & North Western	91,313,865	10,534,190	24,606,706	4,722,802	15,274,341	4,355,947	11.7	8.4
Chicago, Milwaukee & St. Paul	105,646,483	14,211,109	31,251,194	6,544,242	8,109,206	4,250,130	6.9	3.3
Atchison, Topeka & Santa Fe	133,762,392	16,096,805	43,779,993	7,728,593	26,271,049	7,948,874	12.3	9.1
Illinois Central	69,077,342	6,965,790	14,155,087	3,276,614	11,807,564	4,948,403	10.8	6.3
Norfolk & Western	57,304,586	14,317,542	25,123,240	9,968,011	19,704,386	10,214,152	16.8	8.8
Chicago, St. Paul, Minneapolis & Omaha	19,522,562	1,681,214	5,535,335	821,448	2,214,879	[2]3,794	11.9	11.9
Chicago, Burlington & Quincy	102,358,892	11,233,832	36,186,893	9,608,865	29,846,269	10,804,350	26.9	17.2
Hocking Valley	7,411,526	1,230,373	1,955,696	378,480	1,081,765	388,363	9.8	4.5
Mobile & Ohio	11,868,037	885,888	2,925,200	264,438	847,729	522,309	14.0	5.4
Alabama Great Southern	5,641,401	804,771	1,681,301	737,038	1,225,733	800,380	15.6	5.4
Buffalo, Rochester & Pittsburgh	11,971,018	2,491,083	3,072,101	758,014	932,820	512,820	8.9	4.0
Baltimore & Ohio	111,668,680	19,852,883	28,639,063	4,057,396	11,261,688	2,892,951	7.4	5.5
Louisville & Nashville	60,317,993	8,711,978	18,265,905	8,234,457	14,039,130	9,087,366	19.5	6.9
Southern Railway	69,997,675	7,798,166	21,004,005	8,603,951	6,333,989	7,733,341	5.3	.....
Chesapeake & Ohio	48,239,012	8,774,975	14,842,217	4,292,303	6,879,215	4,215,679	10.9	4.2
Central of Georgia	12,567,618	459,433	3,067,288	519,655	1,021,313	719,308	20.4	6.0
Kansas City Southern	10,583,630	547,734	3,659,918	677,158	891,716	591,285	3.0	1.0
Northern Pacific	63,171,652	12,767,578	21,588,493	8,904,696	18,822,820	6,907,053	7.6	4.8
Total, 24 companies	1,420,885,823	203,704,812	451,679,821	114,342,720	284,568,843	107,146,742	11.7	7.4

[1] Does not include Lehigh & Wilkes-Barre Coal Co. dividends of $1,103,654, declared but not received owing to litigation. [2] Decrease.

Mr. SMITH of Georgia. I desire, also, Mr. President to present a statement with reference to the Pennsylvania Railroad, the New York Central, the Baltimore & Ohio, the Pittsburgh & Lake Erie, the Norfolk & Western, the Chesapeake & Ohio, the Pennsylvania Co., and certain southern railroads, and ask to have it printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement referred to is as follows:

Per cent of income on capital stock of certain railroads from 1908 to 1916, inclusive.

PENNSYLVANIA RAILROAD (P. 6).

1908	7.97
1909	6.34
1910	9.71
1911	7.67
1912	8.26
1913	8.24
1914	7.29
1915	6.66
1916	10.76

NEW YORK CENTRAL (P. 11).

1908	5.51
1909	6.81
1910	7.19
1911	6.43
1912	6.33
1913	7.00
1914	4.72
1915	4.32
1916	16.18

BALTIMORE & OHIO (P. 17).

1908	4.92
1909	6.11
1910	7.66
1911	6.04
1912	6.55
1913	6.30
1914	4.36
1915	5.11
1916	6.50

PITTSBURGH & LAKE ERIE (P. 35).

1908	19.91
1909	18.78
1910	26.65
1911	18.45
1912	16.32
1913	19.41
1914	12.15
1915	10.04
1916	20.41

NORFOLK & WESTERN (P. 78).

1908	6.19
1909	7.29
1910	9.66
1911	7.76
1912	8.63
1913	9.02
1914	7.86
1915	7.94
1916	14.61

CHESAPEAKE & OHIO (P. 73).

1908	4.40
1909	6.36
1910	10.02
1911	5.74
1912	6.81
1913	5.25
1914	4.74
1915	4.25
1916	10.96

PENNSYLVANIA CO. (P. 22).
(Lines west of Pittsburgh.)

1908	13.61
1909	12.74
1910	14.63
1911	12.30
1912	11.53
1913	15.24
1914	10.79

1915	5.52
1916	17.84

Railway income account for year ended June 30, 1916.

	Total operating revenue.	Net income.	Per cent on common stock.	Surplus.	Miles operated.
Southern Ry.	$69,997,675	$9,333,899	5.28	$28,248,595	7,022.92
Louisville & Nashville.	60,317,993	14,039,130	19.50	50,172,752	5,041.61
Atlantic Coast Line	34,445,110	7,755,536	11.47	33,583,626	4,702.90
Nashville, Chattanooga & St. Louis	12,670,688	2,337,518	14.61	10,932,849	1,230.76
Cincinnati, New Orleans & Texas Pacific	11,060,439	2,254,623	(1)	6,610,039	335.46
Alabama Great Southern	5,641,402	1,460,358	13.03	3,644,053	293.02
Central of Georgia	12,567,618	1,921,313	20.43	[2] 771,313	1,491.08
Seaboard Air Line	24,494,789	1,269,978	.70	8,057,446	3,449.25

[1] Capital stock Cincinnati, New Orleans & Texas Pacific nominal.
[2] For year 1916 only.

Mr. SMITH of Georgia. Now, Mr. President, this brings us down to the condition of the railroads on July 1, 1916. In spite of the increased cost of operation their increased profits carried their total net profits for that year to a higher figure than ever before in their history.

I have here the report of the Interstate Commerce Commission giving the business for these same railroads for the last six months of 1916. Again, it is true that the operating expenses increased; again they were confronted with the high prices about which complaint is made with reference to their operating expenses; but it is gratifying to note that, in spite of the increase in the cost of the things needed for operation, their net profits increased in the last six months of 1916 $57,000,000 over their net profits for the last six months of 1915. I have, Mr. President, the detailed report of the Interstate Commerce Commission covering the last six months of 1916, which I desire to insert in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

Summary of monthly reports of large roads for the 6 months ended with December.

[Compilations, subject to revision, from reports of revenues and expenses of steam roads in the United States for the 6 months ended with December, 1916. (Cents omitted.) This summary covers only roads having operating revenues above $1,000,000 for the year ended June 30, 1916.]

Item.	United States.				Eastern district.			
	Amount.		Per mile of road operated.		Amount.		Per mile of road operated.	
	1916	1915	1916	1915	1916	1915	1916	1915
Average number miles operated	230,746.42	229,570.35			59,262.26	59,104.30		
Revenues:								
Freight	$1,356,039,797	$1,196,392,624	$5,877	$5,211	$580,450,552	$537,966,087	$9,946	$9,102
Passenger	392,161,716	359,355,568	1,699	1,565	175,378,075	155,575,560	2,959	2,632
Mail	31,075,344	29,983,064	134	130	11,554,712	11,079,045	195	187
Express	48,161,521	38,933,257	209	170	22,706,172	17,903,049	383	303
All other transportation	53,935,488	49,377,649	234	215	30,565,023	27,901,688	516	472
Incidental	43,596,037	35,344,261	189	154	24,129,969	18,300,592	407	310
Joint facility—Cr	2,002,921	1,773,737	9	8	954,792	838,304	16	14
Joint facility—Dr	763,623	704,016	3	3	450,678	421,382	7	7
Railway operating revenues	1,926,209,201	1,710,456,144	8,348	7,450	854,297,617	769,142,943	14,415	13,013
Expenses:								
Maintenance of way and structures	220,173,081	202,836,222	954	884	91,842,821	85,296,637	1,550	1,443
Maintenance of equipment	307,183,508	269,256,414	1,331	1,173	146,716,848	127,278,299	2,475	2,153
Traffic	32,163,539	29,951,823	139	130	12,501,042	11,188,224	211	189
Transportation	614,498,318	530,030,772	2,663	2,309	296,946,985	249,637,512	5,011	4,224
Miscellaneous operations	14,454,565	13,041,558	63	57	7,028,611	5,711,637	118	97
General	43,978,525	38,667,901	191	168	19,412,575	16,770,920	328	284
Transportation for investment—Cr	4,908,963	3,344,657	21	15	580,638	356,275	10	6
Railway operating expenses	1,227,542,573	1,080,440,033	5,320	4,706	573,868,244	495,526,953	9,683	8,384
Net revenue from railway operations	698,666,628	630,016,111	3,028	2,744	280,429,373	273,615,990	4,732	4,629
Railway tax accruals	83,100,652	71,730,721	360	312	33,100,236	28,269,222	558	478
Uncollectible railway revenues	477,095	389,822	2	2	242,698	148,990	4	3
Railway operating income	615,088,881	557,895,568	2,666	2,430	247,086,439	245,197,778	4,170	4,148

Item.	Southern district.				Western district.			
	Amount.		Per mile of road operated.		Amount.		Per mile of road operated.	
	1916	1915	1916	1915	1916	1915	1916	1915
Average number miles operated	42,646.04	42,185.96			128,838.12	128,280.09		
Revenues:								
Freight	$197,304,220	$174,674,161	$4,628	$4,140	$569,216,025	$483,752,376	$4,418	$3,771
Passenger	52,954,609	45,438,552	1,242	1,077	163,829,032	158,341,456	1,271	1,234
Mail	4,559,785	3,818,804	107	90	14,960,847	15,085,125	116	117
Express	6,524,673	5,382,850	153	128	18,930,676	15,647,358	147	122
All other transportation	4,011,051	3,532,162	94	84	19,359,414	17,943,799	150	140
Incidentals	4,863,042	3,737,259	114	89	14,603,028	13,306,410	113	104
Joint facility—Cr	444,578	413,588	10	10	603,551	521,847	5	4
Joint facility—Dr	132,794	132,021	3	3	180,151	150,613	1	1
Railway operating revenues	270,589,164	236,865,443	6,345	5,615	801,322,420	704,447,758	6,219	5,491
Expenses:								
Maintenance of way and structures	34,516,414	30,735,277	809	729	93,813,846	86,804,308	728	676
Maintenance of equipment	46,994,945	43,849,571	1,102	1,040	113,471,715	98,128,544	881	765
Traffic	5,952,923	5,405,796	140	128	13,709,574	13,356,804	106	104
Transportation	70,203,448	71,975,228	1,859	1,706	238,257,885	208,418,032	1,849	1,623
Miscellaneous operations	1,333,341	1,093,235	31	26	6,092,613	6,236,686	47	49
General	6,719,001	6,128,519	158	145	17,846,949	15,768,462	139	123
Transportation for investment—Cr	699,159	551,934	16	13	3,629,166	2,436,448	28	19
Railway operating expenses	174,110,913	158,636,692	4,083	3,761	479,563,416	426,276,388	3,722	3,323
Net revenue from railway operations	96,478,251	78,228,751	2,262	1,854	321,759,004	278,171,370	2,497	2,168
Railway tax accruals	11,670,867	9,869,477	274	234	38,329,549	33,592,022	298	262
Uncollectible railway revenues	53,591	79,865	1	2	180,806	160,967	1	1
Railway operating income	84,753,793	68,279,409	1,987	1,618	283,248,649	244,418,381	2,198	1,905

Mr. SMITH of Georgia. Now, we come down to the first three months of 1917. The western roads increased their profits for the first three months of 1917 over their net profits for the first three months of 1916, and the southern roads increased their net profits for those three months over their net profits for 1916. The eastern roads showed an immense increase in the expenses of operation and a loss of net profits.

I call attention to these facts to show that the difficulty—if there is a difficulty—is not to be obviated by a flat increase of 15 per cent in freight rates. As to many of the roads, their net profits are now much above 10 per cent, and as to some of them the net profits are very small. The old roads, well-established and with splendid connections, get the business and the new road invading the territory of the old roads does not get it; and when the rates or charges are increased 15 per cent the bulk of that increase will be absorbed by the old-established roads, and the 10 per cent and over of net profit, which many of them are now earning, will run far beyond that amount, while the other roads may still barely be able to live.

The 15 per cent flat increase can not possibly stand the test of reasonableness and justice, first, because it will increase the profits of so many roads whose profits are already very large, but far and beyond that, because the test of the reasonableness and justice of a rate depends upon two things—a fair compensation to the railroad company and a fair charge to the shipper to permit his products to move. There are commodities the rates on which might perhaps be increased 15 per cent, which could yet stand a still further increase, while there are many commodities that can not move with an increased charge. It can not be determined that a rate is reasonable and just without applying it to the particular commodity. To find a rate reasonable and just it is necessary to classify it by commodities and by localities. Therefore, I urge that a flat 15 per cent increase is necessarily one that can not be reasonable and just. When the time comes to study this proposed increase and to study it with reference to the particular commodities and localities it may be allowed as to some, but as to many it can not be allowed, and to grant the increase without an investigation of commodities and localities in detail, to permit it without that study, is necessarily to put upon the public rates unreasonable and unjust.

But what I especially desire to do—and I have been rather diverted from the thread of my argument by discussing the proposed 15 per cent flat increase—is to urge that we do not reach the difficulty about the shortage of cars through increasing the gross receipts of the railroad companies. If the net profit from railroading had been generally apportioned during the past two years they could easily have diverted $200,000,000 for cars. The difficulty has been that those that had the money, as a rule, did not need the cars, and those that needed the cars did not have the money, and they still would be without them with the 15 per cent increase.

Now, the people need the cars; the public need the equipment; the public are entitled to the benefit that would come from the presence of ample cars to haul during the next two years the commodities they have which they are ready to ship to the places of market.

What is the plan I propose? I propose to give the President, through the same agency or some other agency that he may prefer to use to construct or acquire ships, the same power and in the same way to construct or acquire cars to the extent of $100,000,000; not to throw the money away, but with the further authority to let them out by contract to the railroads, with compensation for their use, and preferably, as the amendment provides, by sale to the railroad companies.

I do not contemplate a dollar of loss to the National Government or to the people. There would be no loss. The one hundred millions would be a temporary investment, to be returned, with the interest easily carried until the return of the principal came. It would be an investment without a risk; and that the great war need of the people of the country may be met, that business may continue to move, that the various industries from the farm to the shop may have an opportunity to continue as nearly normal as possible, that is the object of the amendment.

I know the proposition is novel; but are we now to be frightened by the suggestion that something proposed is novel? I know it has originated in the Senate, and I have offered it here as a Senator. That is novel.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. SMITH of Georgia. Yes.

Mr. JONES of New Mexico. I should like to ask the Senator if he would be willing to carry the principle a little further, and have the Federal Government advance money for the building of railroads in sections of the country where railroads are needed and where they have not now adequate means of transportation?

Mr. SMITH of Georgia. No; I would not. I voted against the Alaskan railroad proposition. I thought it highly improper. That is an utterly different thing from the suggestion that the people of the whole country, not simply a locality, are to be served. To build a railroad in a single locality is to tax all the people for a local purpose. I would not touch it if it were local in its nature; but this question has risen to one of nation-wide importance. It touches the people everywhere, from the Pacific to the Atlantic, from the Lakes to the Gulf. It is the universality of the demand that justifies it.

I said a few moments ago that it was novel that such an ambitious proposition should originate in legislative halls without coming to us from somewhere else; but it is not nearly so startling as the $750,000,000 for ships.

I do not desire to detain the Senate. With most intense conviction of the value of this legislation I present it. I wish I could induce Senators really to consider it. Three weeks ago I would not have voted for it myself. It would have startled me if somebody else had suggested it. But I have been giving a great deal of my leisure to the railroad question since the proposition was made, and came fully to me, that the railroad companies were to put a permanent tax of from three to four hundred millions a year upon the people of the country by increasing flatly their freight rates. I have been impressed with the fact that something was needed, but I did not think that was the thing that was needed. I finally reached the conclusion that more freight cars would come nearer relieving the present situation than anything else, and having reached that conclusion I determined to present it to the Senate, and I was looking for a place. When I saw this little appropriation of $750,000,000 for ships, with all the fully developed powers needed for their prompt construction, I thought I had found the place where, from just a Member of the Senate upon the floor, the amendment could come and be subject to no point of order that could prevent its consideration, and if attached to the bill it would receive speedy action everywhere.

I have given the view I entertain upon the subject, and I will not detain the Senate longer.

Mr. JONES of Washington. Mr. President, before the Senator takes his seat, will he permit me to ask him a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Washington?

Mr. SMITH of Georgia. Yes.

Mr. JONES of Washington. I just want to ask whether the Senator would have any objection to inserting, after the words "freight cars," the words "refrigerator cars"?

Mr. SMITH of Georgia. Not at all.

Mr. JONES of Washington. I will ask that that be done.

The PRESIDING OFFICER. If there is no objection, the amendment will be modified accordingly.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Montana?

Mr. SMITH of Georgia. I do.

Mr. WALSH. Before the Senator takes his seat, I wish to ask him a question. I endeavored to follow the line of reasoning of the Senator from Georgia, and I gathered that in his view the railroads have been enjoying a season of unusual and unexampled prosperity in the last two years.

Mr. SMITH of Georgia. It is entirely true until the last few months, when the roads in the East seemed to have their expense accounts running much higher and their net profits substantially decreased.

Mr. WALSH. Then it would seem to me that they are in better shape than they ever were before to provide themselves with cars, without calling upon the Government to aid to the extent of $100,000,000 in providing them with equipment. Is not that true?

Mr. SMITH of Georgia. But they have not done it, and I am not sure they could get the cars now through their own action. I doubt whether they could find an opportunity to have the cars manufactured promptly, except through the powers given to the Government with reference to ships. It is a mere authority. This amendment does not compel the action.

I present two additional tables, giving in different shape the figures I have used.

The tables referred to are as follows:

Investment statistics of railroad stocks, earnings per share, year ending June 30.

[Monthly letter, Alexander Hamilton Institute, May, 1917.]

Credit index.[1]	Stock.	1917	1916	1915	1914	1913	Average earnings.	Present price.	Per cent of average earnings on present price.
Per cent.									
77	Canadian Pacific	$18.00	$16.76	$11.25	$13.63	$19.55	$15.84	161½	9.84
74	Norfolk & Western	17.00	16.84	8.87	8.68	10.17	12.31	129½	9.54
70	Great Northern preferred	9.50	11.08	8.19	8.85	11.69	9.86	110	8.93
67	Union Pacific	17.50	16.38	10.98	13.10	15.14	16.62	137½	12.13
67	Northern Pacific	10.50	10.30	7.58	7.93	8.74	9.01	103½	8.74
66	Pennsylvania	4.75	5.40	4.25	3.58	4.00	4.40	53	8.30
65	Atchison, Topeka & Santa Fe	15.00	12.30	9.19	7.34	8.62	10.49	103¾	10.15
64	Lackawanna	31.00	28.93	25.93	28.26	32.25	29.27	223¾	13.12
58	Chicago & North Western	14.00	11.39	7.78	7.93	9.90	10.20	114	8.94
53	Atlantic Coast Line	15.00	11.00	6.26	10.83	11.64	10.95	114	9.60
52	Louisville & Nashville	21.00	19.50	6.90	9.84	11.99	13.85	131½	10.57
51	Delaware & Hudson	11.00	13.66	14.28	10.40	14.53	12.86	125	10.30
51	Lehigh Valley	5.75	6.50	5.40	5.82	7.23	6.14	65	9.44
50	Chicago, Milwaukee & St. Paul	6.00	7.33	3.42	6.30	8.64	6.34	82	7.73
46	Southern Pacific	13.00	11.30	7.50	7.50	9.80	9.82	95	10.34
43	Illinois Central	13.50	10.80	6.28	7.45	6.00	8.81	103	8.55
42	New York Central	16.00	16.20	6.07	4.74	7.00	10.00	94½	10.61
41	Kansas City Southern	4.50	2.97	1.00	2.95	2.69	2.82	22½	12.81
39	Baltimore & Ohio	8.00	7.46	5.55	4.51	7.22	6.55	76¾	8.62
35	Chicago Great Western	4.25	4.00	1.92	2.04	3.03	3.05	34½	9.00
34	Chesapeake & Ohio	12.50	10.95	4.28	4.73	5.25	7.54	61	12.36
29	Southern Railway	6.50	5.33	−1.50	1.81	3.40	3.11	28½	11.19
27	Denver & Rio Grande	6.00	7.70	1.88	2.12	2.93	4.12	34½	12.12
25	Erie	2.00	5.05	−3.00	−2.40	4.26	1.18	27¾	4.37
22	St. Louis South Western preferred	12.50	6.37	−1.00	1.68	9.48	5.80	46	12.59
15	Seaboard Air Line preferred	6.00	4.55	− .70	5.46	6.94	4.45	31½	14.35
15	New Haven	4.00	2.70	1.46	.15	4.96	2.65	39½	6.62

[1] Per cent of net income remaining after paying fixed charges. A company whose balance after fixed charges is equal to 50 per cent or more of the net income is in round credit.

[From the Traffic World, May 5, 1917.]

RAILWAY REVENUES.

A summary of the results of operations in March was made public by the commission May 3. It covers 96 roads, with a mileage of 113,187.

For the country as a whole the operating revenue increased from $148,439,924 to $165,694,613; expenses from $99,498,330 to $118,179,692, or from $434 to $419 per mile of road operated.

In the eastern district the revenue rose from $62,189,954 to $69,367,858; expenses from $43,917,782 to $53,543,164; and net declined from $18,269,172 to $15,824,694, or from $653 to $563 per mile.

In the southern district the revenue rose from $32,926,191 to $36,531,738; expenses from $21,124,027 to $23,997,124; and net from $11,752,164 to $12,534,612, or from $377 to $401 per mile.

An equally satisfactory condition was shown in the western district, the revenue rising from $53,326,779 to $59,759,017; expenses from $34,406,521 to $40,639,404; and net from $18,920,258 to $19,155,613, or from $351 to $356 per mile.

For the three months of the fiscal year which began January 1 the operating revenue for the country as a whole advanced from $415,193,795 to $460,052,895; expenses from $287,666,222 to $335,319,658, causing a decline in the net from $127,527,673 to $124,733,237, or from $1,130 to $1,101 per mile.

In the eastern district the revenue advanced from $176,759,532 to $188,265,377; expenses from $127,137,771 to $161,289,024, causing a decline in the net from $49,621,761 to $36,976,353, or from $1,773 to $1,315 per mile.

In the southern district the revenue rose from $93,397,341 to $103,574,601; expenses from $61,370,394 to $68,901,264; and the net from $32,026,247 to $34,673,377, or from $1,030 to $1,110 per mile.

In the western district the revenue rose from $145,036,922 to $168,212,917; expenses from $99,158,057 to $116,129,370; and the net from $45,878,865 to $53,083,547, or from $853 to $895 per mile.

Mr. ROBINSON. Mr. President, the subject matter of the amendment of the Senator from Georgia [Mr. SMITH] is now under consideration by the Interstate Commerce Committee of the Senate. It is undoubtedly true that for many months there has been a car shortage which has interrupted transportation in many localities and worked great hardship upon shippers. It is also true that some of them have advocated the construction or purchase by the Government of freight cars and the renting of those cars to the railroads in order to attempt to relieve the congested condition of traffic.

Mr. President, the principle underlying the amendment of the Senator from Georgia is one of very far-reaching importance. It involves in some respects the question of Government ownership of railroads. The Senator from Georgia himself has presented to the Senate the fact that the railroads during the last fiscal year have been more prosperous than at any other period during the history of transportation in the United States. If the Government is to embark upon a policy of furnishing equipment for railroads, it means that the railroads will use only their own cars, save when there is a congested condition of traffic, and then they will use the cars furnished by the Government. It means that the Government will supply the deficiencies which the railroads themselves have failed to provide.

The Senator from Georgia is familiar with the fact that there is going on in railroad circles an agitation intended to bring about an enormous increase in railroad freight rates at the present time, on the theory that the railroads are unable to provide the necessary equipment to move the freight of the country, and that if this increase in rates is allowed they may provide the necessary equipment to move the freight.

I think this subject is too important; I think it involves too much to attach it as an amendment to the bill now under consideration. I agree with the Senator from Georgia that legislation on this subject should be considered. Mr. President, I have been amazed at the rapidity with which the United States has approached the Government ownership of its transportation facilities. Twenty years ago Democrats and Republicans alike characterized Government ownership of railroads as populistic and socialistic; but now there is upon the part of many railroad men in the United States a movement to compel the Government to purchase the railroads of the country. It is a significant fact that the railroads have failed to provide under private ownership adequate transportation facilities. While they have reaped during the last year greater profits than at any other period in the history of the United States, they have almost totally failed to provide the additional facilities required to move the increased commerce of the country. The amendment of the Senator from Georgia contemplates that the Government of the United States shall spend a hundred million dollars—and that will be an inadequate sum——

Mr. SMITH of Georgia. Mr. President——

Mr. ROBINSON. Just a moment. The estimate upon the part of some railroad men is that it will require $2,500,000,000 to supply the additional equipment necessary to meet the transportation requirements of the United States.

I want to submit to the Senator from Georgia and to the Senate that there is involved in the consideration of the amendment of the Senator from Georgia the question of Government ownership of transportation facilities. I, for one, am looking that question squarely in the face. Private enterprise and private investment have failed to meet the requirements of the transportation interests of this Nation, and I realize that the question is a pressing one; but I do not think it is right or proper that the Congress should attach this amendment to the pending bill and thus commit itself to a quasi policy of Government ownership and operation of transportation facilities. We may have to come to that. We are rapidly approaching it. If private enterprise and private industry do not provide adequate transportation facilities, if they do not at least approximate the requirements of the transportation interests of this country the Government will be compelled to deal with the subject in a comprehensive manner.

Mr. SMITH of Georgia. Mr. President——

Mr. ROBINSON. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. First, Mr. President, I desire to disclaim the slightest approach toward advocacy of Government ownership; but I wanted to ask the Senator this question: Would

it not be better to actually give them $100,000,000 with which they could buy or have made 100,000 cars than to have them put a permanently increased burden of between three and four hundred millions annually on the people of this country, which they are proposing to do and are about to do in this rate increase?

Mr. ROBINSON. Why, of course it would be cheaper to give them $100,000,000 for the purchase of cars than it would to fix an annual burden of three or four hundred million dollars upon the people of the country. The Senator from Georgia does not flatter me or pay tribute to my intelligence when he asks me that question.

Mr. SMITH of Georgia. Mr. President, if the Senator will allow me further, of course I asked the question simply to emphasize the danger that threatens us of this increase.

Mr. ROBINSON. I understand that, and I say to the Senator from Georgia that I sympathize with him in the position he assumes concerning some features of this subject. The railroads have asked an increase of approximately 15 per cent in freight rates at a time when they are receiving greater returns from their investments than at any other period in the history of the country. They are urging that. But, Mr. President, that does not justify the amendment of the Senator from Georgia. He disclaims any advocacy of Government ownership, and yet he says the Government must purchase now, if his amendment is agreed to, $100,000,000 worth of cars for use by the railroads. That is Government ownership. Does he advocate the Government giving these cars to the railroads?

Mr. SMITH of Georgia. Does the Senator wish me to answer that question?

Mr. ROBINSON. I should be glad to have the Senator answer it.

Mr. SMITH of Georgia. I do not; but I would vastly prefer to give them the cars than not to have that 15 per cent freight increase suspended.

Mr. ROBINSON. I understand that; but the Senator from Georgia, while disclaiming advocacy of Government ownership, does advocate the construction or purchase by the Government of $100,000,000 worth of rolling stock, and he says he prefers to give it to the railroads to having them obtain the increase of 15 per cent on existing freight rates. I submit, in view of the statement the Senator from Georgia has just made, that the question underlying his amendment is broader than apparently his conception of it is; that there is involved here a question of Government ownership.

Mr. President, the practice exists in the Senate of attaching to measures amendments that are not germane to those measures. In another body, at the other end of the Capitol, that can not be done, because the rules of that body prevent it; but in the Senate we can offer any sort of amendment to any measure that is pending, and the objection that it is not germane does not apply. The Senate will be compelled to amend its rules so as to conform them approximately to the rules of the House of Representatives, or we will never be able to obtain legislation in emergency conditions such as are now existing. The question of the Senator from Georgia ought to be debated, and debated at length. I realize that his purpose in offering this amendment is to bring this important question before the country. It is coming before the country and coming before the Congress; but it ought not to be made a part of this bill.

Mr. SMITH of Georgia. The Senator from Arkansas is on the Interstate Commerce Committee of the Senate. There is now pending before his committee a bill that I introduced providing that increases of freight rates shall not go into effect until they have been examined by the Interstate Commerce Commission and found to be reasonable and just. It is very important that we should hear from his committee on that subject. If I felt sure that by the reference of this amendment to the Committee on Interstate Commerce it would not be buried along with certain other matters—not intentionally buried; I mean no reflection, but there is so much work upon everybody it is difficult to get action—if I felt sure we would hear from them speedily, I would not seek this opportunity to discuss the subject.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Colorado?

Mr. SMITH of Georgia. I yield.

Mr. SHAFROTH. I should like to ask the Senator whether he has any assurance that if this hundred million dollars is appropriated by the Government for the purpose of buying freight cars the railroads will not ask an increase of the freight rates? I thoroughly sympathize with the Senator in his statement. I believe the freight rates are high enough now and they ought not to be increased, but has the Senator any assurance that if the provision were made which is contained in his amendment the railroads would not still continue to demand the 15 per cent increase?

Mr. SMITH of Georgia. At least we would have cut them off from their great claim, which they are presenting to the public, that they are obliged to have this enormous additional sum from the public to be able to supply the public with cars in which to move commodities.

Mr. ROBINSON and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield, and to whom?

Mr. SMITH of Georgia. I yield to the Senator who rose first; I think the Senator from Nebraska [Mr. NORRIS] was the first to rise.

Mr. ROBINSON. I merely want to make a brief statement in connection with what has been made by the Senator from Georgia concerning his amendment to buy $100,000,000 worth of freight cars for the use of the railroads in the present emergency.

Mr. SMITH of Georgia. Very well; I will yield to the Senator from Arkansas first.

Mr. ROBINSON. The Senator has referred to the fact that I am a member of the Interstate Commerce Committee, and that he has a bill pending before that committee providing, in effect, that before a proposed increase in railroad freight rates shall go into effect there must be a hearing, and the increase must be approved by the Interstate Commerce Commission.

Mr. SMITH of Georgia. The increase found to be reasonable and just.

Mr. ROBINSON. The Senator from Georgia knows, or I assume he does, that the proposition is now pending before the committee, and that it is proposed that hearings be had upon the bill. Representatives of the railroads have asked for a hearing. I think the Senator from Georgia knows my personal views regarding the proposition. If he does not, I can very readily state them, if they are of sufficient interest.

Mr. SMITH of Georgia. I know they would be of interest.

Mr. ROBINSON. Mr. President, I can not assume to speak in advance for the Interstate Commerce Committee. It would be presumptuous in me to attempt to do so. I am not the chairman of the committee, and I am not even the ranking member, although I have been somewhat active in the deliberations of the committee. I can not say what the action of the Interstate Commerce Committee of the Senate will be on the bill the Senator from Georgia has introduced, but I assume that when the opportunity arises the measure will be considered and that just and proper action will be taken concerning it. I favor the principle of this measure and have no information that the committee occupies an unfriendly attitude regarding it. The committee has not had an opportunity of passing upon the Senator's bill.

The point I make now is that the amendment of the Senator from Georgia ought not to be attached to the pending bill, because it involves considerations of such far-reaching consequence that a committee of the Senate ought to have an opportunity of investigating the general subject matter before committing iself to the legislation and the principle of the legislation involved in his amendment.

It is closely related to the subject of Government ownership of transportation facilities. A committee of Congress is now investigating that subject. Many circumstances drive me to the conclusion that the United States is face to face with the great economic problem: Shall the United States own and operate its railroads? Twenty years ago we derided this question as socialistic. Now every well-informed person regards it as an issue of vital importance.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from South Carolina?

Mr. ROBINSON. In just a moment. The bill which the Senator from Georgia has referred to was never called to my attention, nor, as far as I know, to the attention of the Committee on Interstate Commerce, until yesterday.

The Senator from Georgia is familiar with the fact that the Senate is working under great pressure. If there was in his statement an implied intimation that there is a disposition on the part of the Interstate Commerce Committee to bury the bill or pigeonhole the bill——

Mr. SMITH of Georgia. I did not mean that at all.

Mr ROBINSON. I want to say to him I think that statement is unwarranted by the facts.

Mr. SMITH of Georgia. I want to assure the Senator that I did not mean that. I said there was such a burden of work on the committee that it was difficult to consider it.

Mr. ROBINSON. That is true. The statement of the Senator has gone into the RECORD. The suggestion was made, and the implication occurred to my mind that the committee is evading the question. For my part, I think the bill the Senator has introduced is a very important one. Whether it is more important than other matters that are claimed to be emergency measures and that are being considered is another question. I am in favor of considering the bill he has introduced and of taking such action on it as the subject justifies. He knows I am in sympathy with the principle asserted in his bill. I yield now to the Senator from South Carolina.

Mr. SMITH of South Carolina. Mr. President, I want to call the attention of the Senate and the attention of the Senator from Arkansas particularly to the fact that, being on one of the subcommittees that investigated the food-control measure, some of us have devoted quite a long time to it, and we find that one of the principal factors as far as our investigation has gone is the lack of the mobilization of our freight-car service. It is far from certain whether there is not now an adequate supply if it was properly mobilized and handled and distributed.

If the Senator will allow me, I wish to take occasion just here, as the ranking member of the Interstate Commerce Committee, to say that there has been and will be no attempt to stifle any legislation, because before this Congress adjourns I think it will be shown that there is an imperative necessity for Congress to enact some legislation by which the mobilization of our transportation facilities shall be so perfected that freight cars shall not be used for storage houses, shunted on sidetracks, whether it is done with malice aforethought or whether by accident, but that the stuff shall be distributed promptly.

Mr. JAMES. I should like to ask the Senator a question.

Mr. ROBINSON. I yield to the Senator.

Mr. JAMES. Has not the House passed a bill—I think called the Esch bill—giving to the Interstate Commerce Commission the right to distribute these cars?

Mr. SMITH of South Carolina. I understand that bill has been considered by a subcommittee of our Interstate Commerce Committee, and I think it has been reported. I will ask the Senator from Arkansas if it has not?

Mr. ROBINSON. The Esch bill was ordered reported by the Senate Committee on Interstate Commerce, with the Pomerene amendment, in the nature of a substitute, which authorizes the Interstate Commerce Commission to direct the movement, distribution, exchange, interchange, and return of cars with a view to relieving the situation the Senator from South Carolina has referred to.

Mr. President, I am glad the Senator from South Carolina made the statement he has just made. It is undoubtedly true that much of the present difficulty is due to the practice of the railroads concerning car distribution and movements.

Mr. JAMES. Will the Senator allow me right there?

Mr. ROBINSON. Certainly.

Mr. JAMES. I should like to have the Senator inform us whether he believes a law can be passed by Congress, such as the amendment reported by his committee, which would meet the requirements without the necessity of appropriating money to the extent of $100,000,000 to buy cars for railroads, at the expense of the public.

Mr. ROBINSON. I was just going to say that it is undoubtedly true, as suggested by the Senator from South Carolina, that much of the difficulty which now exists arises out of the fact that the cars have been improperly distributed and unfairly held by some of the companies. I think the evidence will show that some of the railroad companies have in use 400 per cent more cars than they actually own themselves.

It is also true, Mr. President, that if the measure which has passed the House and which has been reported by the Senate Committee on Interstate Commerce is passed many of the difficulties arising out of the situation will be relieved. This I say in answer to the question of the Senator from Kentucky.

Personally I express the opinion that there is an inadequacy of cars; that there is a car shortage, and it is due to the fact that the railroads during the last few years have practically ceased, not only construction of railroad lines but have ceased in part to increase their rolling stock as they should have done and as their returns warranted them in doing. I think an investigation of this subject will disclose that during the last year or two the railroads have made very little effort to increase the number of their cars. This statement applies to other facilities. During the last year there were only approximately a thousand miles of railroad built in the United States. Private enterprise not only stopped building railroads but it stopped constructing cars, and the railroads are trying—the statement is comparative—to move the commerce of the country in 1917 with the cars of 1914 and 1915. It can not be done. I believe there is a car shortage. I believe an investigation of the subject will disclose that there is necessity for an increase in the number of cars. There is also a shortage in locomotives. The railroads have so managed their business as to make a showing for an increase in rates.

While the suggestion made by the Senator from South Carolina may in part relieve the situation, the passage of the bill which has been reported by the committee will not work all that ought to be accomplished in this direction. An efficient and fair distribution of cars will relieve the greater part of the existing trouble, but in my judgment there is a necessity for an increase in the number of freight cars available.

But, Mr. President, going back now to the amendment of the Senator from Georgia, if the Government of the United States is to buy such additional cars as the railroads need, if we adopt this amendment, we commit the United States to the policy of furnishing whatever necessary facilities the railroads fail to provide during private ownership. The principle is wrong. If we have to take over the railroads and own them and operate them, and we may have to do it, let us do it with a full knowledge of our acts. We ought not to commit ourselves to the amendment of the Senator from Georgia without understanding the facts. Notwithstanding he disclaims any advocacy of Government ownership there is involved in it the principle that the Government will supply transportation facilities whenever private enterprise fails to do so. I do not make quarrel with that principle, but it is too important and too far-reaching to dispose of in the manner we are now considering it. I think the Senator from Georgia has performed a service to the country in bringing this question before Congress. It ought, however, to be disposed of on its merits in a separate bill, and the Congress ought to understand all that is involved in it before we undertake to act upon it. The amendment of the Senator from Georgia should be referred to the Committee on Interstate Commerce. It ought not to be made a part of this bill.

Mr. SMITH of South Carolina. Mr. President, I think it is very important for us to understand this question fully. The Senator from Arkansas says he thinks there is a real car shortage. I am not advised as to that and can only arrive at my conclusion by certain comparative statements.

In 1914 and 1915 we made perhaps the largest crops in this country that were ever produced. We handled those crops. There was no complaint at that time of any shortage, comparatively speaking. Since 1916, and in the early part of the year 1917, the congestion had grown acute, complaints arose that there was a tremendous car shortage, and that in face of the cry all over the country that our crops were so short that starvation stared us in the face. It is impossible to reconcile those two conditions. Here is the smallest cotton crop, the smallest wheat crop, the smallest provision crop, and yet there is a congestion of facilities for moving the crops and we must enlarge the rolling stock. The equipment of 1914 and 1915 was adequate for the biggest crop the country ever made up to that time; yet in 1916 and 1917, with notoriously the smallest crop we have made in a number of years in the great export articles which call for long hauls to the terminals, there is the greatest scarcity of cars.

I am persuaded to believe, and I think investigation will show, that certain individuals are using the cars at terminals for storage purposes. The complaint came to the Committee on Interstate Commerce that there were not terminal facilities for storing freight and there was a lack of vessels on which to load it when arriving at the terminals. That being true, in place of increasing the rolling stock at the expense of the public, why do we not insist upon terminal facilities to take care of the freight when it arrives and await such time as ships may be available, thus allowing the box cars to go back and transport for domestic use the needs of the country. So the problem which confronts us to-day is not the problem of increasing the rolling stock but to provide for the proper distribution of freight cars.

Mr. ROBINSON. Will the Senator yield to me?

Mr. SMITH of South Carolina. I yield.

Mr. ROBINSON. I agree in part with the statement the Senator from South Carolina has made. I do believe, however, and I want the Senator to understand that it is my opinion from such investigation as I have been able to make of the subject, that while the proper distribution and use of existing cars would relieve much of the difficulty, the greater part of the difficulty which now exists is that there is a car shortage due to the fact that the railroads have not kept pace or even tried to keep pace with the increase of the commerce of the country by the construction of cars.

Mr. SMITH of South Carolina. This observation is germane, that the whole equipment of the railroads is so used now that the complaint is that they can not handle the tonnage of this country, and in the face of that every available foot of carrying capacity is engaged, and the cry is for more. The railroads with the same mileage, with every available foot of space used, ask for 15 per cent increase on freight rates, with the biggest volume of freight in the history of the railroads of this country.

I am going to suggest that the Interstate Commerce Committee of the Senate and those who will be charged with the proper distribution of foodstuffs during the time of the war shall bend every energy to mobilize every car so that when there is a car destined for a port, when it arrives at that port the carload shall be discharged, and wherever there is a local domestic supply the proper authorities will be advised of it and the rolling stock will be put at the convenience of those who have to sell in order to supply those who desire to buy; and that there shall not be held on sidetracks or at terminals a box car, no matter what railroads owns it, when the country is crying for the transportation of foodstuffs.

Until we have mobilized the facilities we now have and tried them out there can not be any intelligent increase of freight rates or the appropriation of any money to help out that which we do not know now to exist. The thing for us to do is to mobilize to the fullest extent what we have, and then if it should be developed that we have not the transportation facilities and the rolling stock we can take such steps as, in our judgment, may be necessary to meet the situation.

Mr. President, I will take this occasion to say that the so-called corners in our foodstuffs and the so-called exorbitant prices have grown up locally not because of a lack of supply and demand but because of the lack of facilities for supplying the demand. I have some tables that I am going to submit to the Senate when the question of food control comes up to show that in certain parts of the United States given articles are enormously higher at certain points than they are in the great markets or at the common centers of distribution, showing that the local demand has become so acute and the supply of transportation facilities so at fault that locally they can not supply themselves and the price consequently is exorbitantly high. We will go largely to solving the food question in war times if we will mobilize transportation and see that our circulating medium is not congested by panics or otherwise. Those two things I believe will solve the problem largely.

Mr. NORRIS. Mr. President, I do not doubt that there would be now and would have been for several months past somewhat of a car shortage under the conditions that exist and have existed since the beginning of the European war. In the busy season of the year there is always, and probably we ought to expect that there always will be, a slight car shortage. If we had cars enough to do the business in the busiest time we should have too many when business was slack. We must get a medium.

I believe the evidence before the various committees discloses that there ought to be more cars; but we have had, I believe, a very exaggerated idea on the question. The shortage has been magnified by the fact that the cars already in existence have not been properly distributed. The evidence discloses, I think, when submitted to a fair examination, that in a great many places during the last year or so cars have been used for storage purposes. That is particularly true on the Atlantic seaboard. Cars have not only been used for storage purposes waiting for ships to unload their cargoes, but after a particular port has been crowded with such loaded cars it has been found that those cars are loaded with export merchandise that must go on a particular ship or vessel. Other vessels have come that would take the same kind of merchandise to the same foreign port, but the cars that are loaded and which otherwise would be available are filled with merchandise to be carried on some other ship which is still on the ocean, and such cars are in the way, blockading the sidetracks to cars that are loaded with merchandise destined to be carried in the ship that is in port. So there has not been the right kind of distribution; and there has been a movement on foot to give somebody authority to provide that the contents of such cars must be loaded onto the first ship that is available, regardless of what the intention may have been when the car was loaded in some place in the interior of the country. This condition has accounted for the shortage of cars in the interior.

There has been another fact that has existed in localities in regard to the shipment of particular kinds of produce—perishable stuff—and that has been because the railroads have been using each other's cars. When this artificial shortage is brought about—or whether it be artificial or not, a shortage existing—a railroad company gets a car, and if it is short of cars it uses that car just as long as it can. So there have been railroads using refrigerator cars for hauling merchandise that could just as well have been hauled in the ordinary box cars, while in the section of the country having produce which should be shipped in refrigerator cars the railroads have been unable to get the refrigerator cars to meet the demand. Although the railroad companies may have owned a sufficient number of refrigerator cars to do the business, the cars were in some other locality engaged in other business.

Mr. President, I now come directly to the amendment of the Senator from Georgia [Mr. SMITH]. One of the reasons which the Senator gives for offering his amendment—or, I take it, that is one of the reasons, for he has spoken of that several times—is that there is an application for an increase of freight rates on the part of the railroads. The Senator says it would be cheaper to spend a hundred million dollars in building freight cars and to give them to the railway companies than it would be to permit the increased freight rate to go into effect. As a flat proposition, no man can deny that, because it may be figured out mathematically and shown that it would be cheaper; but what principle is involved? Are we to build the railroad cars simply to prevent an increase of freight rates? If we do that and if we spend a hundred million dollars to build freight cars, turn them over to the railroad companies, and they withdraw their application for increased rates, what assurance have we that they will not next year apply for another increase, and then that we shall be expected to build a lot of station houses for them in order to have them withdraw that application, and that the following year they will apply for another increase, and we shall then build some roadbeds and furnish them some engines to operate on the roadbeds?

It seems to me, Mr. President, that the application for an increase of freight rates ought to stand on its own bottom. It looks to me, too, that if we are going to supply the railroad companies with cars with which to do their business it would be in the nature of a bribe to them to withdraw their application for an increase of rates or to have it decided against them. If their application is good, they, of course, ought to have the increase. We have a commission to pass on that question.

I favor the proposition that has been often advocated by the Senator from Georgia with so much eloquence and force, that no application for increased freight rates ought to be allowed until after a hearing and the Interstate Commerce Commission finds that the increase is just and right and a matter of justice that it ought to be allowed. I can not, however, follow the Senator from Georgia in his reasoning that we ought to build freight cars and turn them over to the railroad companies to prevent an inincrease of freight rates.

Mr. President, what kind of business would we be in if we built these cars and turned them over to the railroad companies? What new difficulties would present themselves that would have to be solved? It would be a difficult matter to know how to divide the cars up among the railroad companies; it would be a difficult matter to know how the Government should be recompensed in the way of rental for these cars; it would be an intricate problem to know who should repair these cars when they needed repairs. It would be a partnership the Government would be going into, which, it seems to me, would be extremely intricate and difficult of solution, without any possibility of the Government getting any remuneration for its expenditure, and, in my judgment, without any sufficient reason having been given why we should go into this partnership.

If we take over the railroads we ought to take them over as an entirety, or at least, such as we take over, we ought to take over as an entirety—rolling stock, roadbeds, and all. While it is claimed on one side that this is a step toward Government ownership of railroads and it is denied on the other, to my mind it has not anything very directly to do with the Government ownership proposition. It is a Government partnership in a transportation question, with the Government furnishing that part of the facilities that are the most liable to deterioration, to injury, and as to which it is the hardest to say what the remuneration and the rental should be, and how it should be divided among the various railroad companies that use the cars.

Who would say when a car was loaded in Georgia with cotton and sent to New York, then loaded with something there and sent to Chicago, and then loaded in Chicago and sent to San Francisco, how much each one of the separate roads should pay to the Government? The cost of bookkeeping and collecting such sums would be more than the accounts would amount to. When a car was idle, who would say whether or not the Government should not be compelled to pay demurrage to the railroad company that permitted a car to stand on its sidetrack? Who would say when a car became slightly damaged

on one trip and the damage was increased the next day on some other road, how that should be divided up among the various railroads? It seems to me, Mr. President, that it is entering into a partnership in connection with transportation that we ought to avoid, and that we ought not to take this step.

Mr. FALL. Mr. President, referring to the letter that was read into the RECORD a while ago and which is lying on my desk now, I think that letter constitutes a complete answer to the objections raised by the Senator from Nebraska [Mr. NORRIS] as to who would handle these cars and how they would be handled. The Northern Pacific Co. has stated who is handling them and just how they can be handled. I quote from the letter read into the RECORD by the Senator from Washington [Mr. JONES]:

I am directed to advise all shippers that on account of war and other conditions it may be impossible at harvest time to furnish equipment enough to take care of movement of perishable commodities; also, it may be that national committee on transportation at Washington, under whose direction the railways of the country are now operating, may direct the preference movement of commodities needed for food and other purposes, so that apples and other fruits, which may be classed as luxuries, will not move to as great an extent as expected or warranted by the crop conditions, and that, under the circumstances, it would be well if growers and shippers of perishable commodities would provide frost-proof storage in order to take care of their crops this fall.

This is evidently an absolute answer, already prepared by the railroads, to the objections offered by the Senator from Nebraska.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. FALL. I yield.

Mr. NORRIS. One of the questions I asked—and I should like to have the Senator explain wherein the statement from the letter is any answer to it—was who would pay for the repairs on these cars and who would collect the freight, if any freight was earned?

Mr. FALL. The national committee that has charge of transportation, headed by Mr. Willard.

Mr. NORRIS. Does not the Senator think the national committee would soon be bankrupt?

Mr. FALL. I do not think so. They have all the resources of the railroads of the country at their command.

Mr. NORRIS. They do not collect the freight, do they, on the various railroads? They just command the railroads as to the distribution of the cars and where they shall go. I suppose that is the case from the letter, though I have no personal knowledge of the matter.

Mr. FALL. I call the Senator's attention to the following quotation from the letter:

Under whose direction the railways of the country are now operating.

If they are operating under the direction of this committee, of course the committee must bear in mind necessarily their operating expenses, and I presume, under any rules that they would adopt for the operation of the railroads, they would provide for the expenses. The committee also directs the "preference movement of commodities." They could direct the preference movement of the cars to be purchased under this amendment exactly as they can of the cars which are taken away from the apple growers and the fruit growers and given to the growers of other commodities in some other part of the country.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield further to the Senator from Nebraska?

Mr. FALL. I yield with pleasure.

Mr. NORRIS. Let us take that case. Suppose they directed the Northern Pacific Railway Co. to carry some apples from the State of Washington to New York City and it happened that they had one of these Government cars, would the Government collect the freight on those apples?

Mr. FALL. Certainly that could be very easily adjusted by any business man. If he is moving one railroad car and one Government car, he can see that the freight would bear the same rate, and the proceeds would constitute a fund collected from the Government cars out of which they could continue to move other cars.

Mr. NORRIS. But the Senator's quotation from the letter only shows that the committee directs the movement of these cars and directs the particular kind of freight that shall receive preference. If the Government owned some of these cars, my question is, How is the Government going to get compensation for the cars, and how would they be divided among the companies?

Mr. FALL. By the collection of freight which will go into the hands of the committee which has charge of this entire transportation proposition.

Mr. NORRIS. The Senator knows that that committee has not any authority to collect any freight or to repair a freight car if it should be injured.

Mr. FALL. Oh, yes; they have.

Mr. NORRIS. Not a bit.

Mr. FALL. Certainly. Mr. President, they have all the authority apparently. It is true it is not vested in them by law, and that was the objection which I offered a few days ago. I am frank to say, Mr. President, that I think that the Congress of the United States has the authority—and I believe I said something like this heretofore—to constitute a board to conduct this war. I do not think they are going to do that at all; but the Congress could do that, and vest the board with practically absolute power. The Congress of the United States has had authority, and has exercised it, to constitute an Interstate Commerce Commission, which is supposed to have the delegated authority of the Government over the transportation problem, freight rates, and everything else pertaining to transportation in the United States. But the legislative authority has also created of the Cabinet of the United States a Board of National Defense, and the Cabinet, in turn, has created an advisory board, not responsible to any one except, I presume, to the Cabinet, and the Cabinet is certainly not responsible to this branch of the Government. This advisory board, which has charge of all transportation problems, would take charge of the Government cars that we may purchase.

Mr. President, there is only one further thought in connection with this matter that has occurred to me, and that is that we have provided very liberally for the necessities of other countries during this war. Among others, it has been rumored in the newspapers that the immediate necessities of Russia were for freight cars and for engines, and we are informed by the same authority—that is, the newspapers of the United States—that within the last day or two the Secretary of the Treasury of the United States has turned over to the Russian Government $100,000,000 for those purposes.

Mr. BORAH. Which Government?

Mr. FALL. The so-called Russian conglomeration has at least, I presume, as much existence as this Advisory Council of National Defense of ours. They have as much government, I presume, as we have through the National Council, or their Government, I mean, has as much authority as has our National Council or our Advisory Board.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Georgia?

Mr. FALL. In just a moment.

Mr. SMITH of Georgia. I merely want to know whether the Senator thinks the Russian Government was formed after the plan of the Advisory Council, or the Advisory Council after the plan of the Russian Government?

Mr. FALL. I think that the action of the Legislature of this Government in appropriating $3,000,000,000 possibly had something to do with the formation of the present Russian Government.

But, Mr. President, the idea that has suggested itself to me was that if we could give for the movement of wheat and other crops to Russia at this time a hundred million dollars, we might give the same relief to the people of the United States. I can not see why there should be an objection offered to the amendment of the Senator. There is no suggestion in any legislation pending or proposed, so far as I understand, that the fruit shippers and the other shippers who are to be discriminated against, and who are now being notified that they are going to be discriminated against, and no suggestion anywhere from the Executive—and that is the only suggestion that would be listened to—that they are to be relieved from taxation, is there? I have not heard of any. The people who have not products that can preserve themselves, as cotton, for instance, or products which the National Advisory Committee will allow to be moved, must see their products rot upon the ground, or they must build frost-proof retainers for them, terminal facilities, according to the suggestion of the Senator from South Carolina [Mr. SMITH], and then pay a tax exactly as those are taxed who receive $2.16 for wheat or 21 cents for copper.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. FALL. With pleasure.

Mr. SMITH of South Carolina. The terminal facilities to which I referred were the facilities for handling the large export trade, and did not deal so much with the domestic movement; and all perishable stuff, such as the Senator refers to, would be relieved by terminal facilities ample to take care of those things that we are going to export, and release the carry-

ing capacity of the railroads to take care of the perishable stuff that the Senator is talking about.

Mr. FALL. The Senator, of course, is more familiar with the lack of terminal facilities on the part of the railroads than I am. I hope he will give some little thought to the terminal facilities of the Senate in the discussion of matters.

Mr. SMITH of South Carolina. I am afraid that is as sad a problem as the other one.

Mr. SMITH of Georgia. Mr. President, I desire to state again that in my reference to the Interstate Commerce Committee I did not intend even to intimate that there was the slightest disposition there to bury the measure to which I referred. Indeed, it was introduced less than a week ago—last Monday, I think—and it never reached the committee until its last meeting.

Mr. ROBINSON. That was yesterday.

Mr. SMITH of Georgia. That was yesterday, and if my language created the impression that the committee was disposed to bury it, my language was unfortunate, because I did not mean it, and it would have been entirely unjustifiable.

Mr. President, it seems that there are a number of measures before the Interstate Commerce Committee, and perhaps this proposition ought to go there. If I should ask to refer this amendment to the Interstate Commerce Committee, I am afraid the chairman of the Appropriations Committee would feel that we have unduly taken up the time to-day by injecting into the consideration of his bill a subject that ought not to have been there. I do not think so. I believe that the importance of this question is so great that it was entirely excusable to undertake to bring it into this bill, and I have no apology to make for having taken the course I have.

It may be that my intense opposition to the proposed 15 per cent freight increase induced me to feel that this was a proper place to introduce this amendment and to have some discussion even now of the 15 per cent freight increase. At any rate, Mr. President, I can easily see that the Senate is not ready at this time to act favorably upon the amendment, and I move that the amendment be referred to the Interstate Commerce Committee. I request that it be given that direction.

The PRESIDING OFFICER. The Senator from Georgia moves that the amendment tendered by him to the pending measure be referred to the Committee on Interstate Commerce. Without objection, it will be so ordered.

Mr. POMERENE. Mr. President, I desire to say a word, in view of the discussion that has taken place.

On yesterday, as no doubt has been stated, I was instructed to report favorably an amendment to the Esch bill, and was engaged in the preparation of that report, so I was not on the floor at the time this discussion came up. I hope during the afternoon to be able to present that report, and as soon as the pending bill is out of the way I shall ask for the privilege of presenting that bill to the Senate for its prompt action thereon.

The PRESIDING OFFICER. The question is on the amendment of the committee to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 7, after line 19, to strike out:

BUREAU OF EFFICIENCY.

For rent of quarters in the District of Columbia, $5,000: *Provided*, That so much of the general deficiency appropriation act, approved September 8, 1916, which reads as follows: "Until otherwise provided by law the Bureau of Efficiency shall continue to occupy its present quarters in the Winder Building," is repealed.

The amendment was agreed to.

The next amendment was, on page 8, after line 2, to strike out:

CIVIL SERVICE COMMISSION.

For necessary additional employees, printing, stationery, travel, contingent, and other necessary expenses, $20,000.

The amendment was agreed to.

The next amendment was, under the head of "Treasury Department," on page 8, after line 12, to insert:

For additional employees in the Office of Auditor for the War Department for the fiscal year 1918, at annual rates of compensation as follows: Clerks—10 of class 4, 10 of class 3, 20 of class 2, 50 of class 1, 10 at $1,000 each; 3 assistant messengers, at $720 each; 3 laborers, at $660 each; in all, $136,140.

The amendment was agreed to.

The next amendment was, at the top of page 9, to strike out:

MINTS AND ASSAY OFFICES.

Philadelphia Mint: For wages of workmen and other employees, fiscal year 1917, $10,000.

For incidental and contingent expenses, including new machinery and repairs, cases and enameling for medals manufactured, expenses of the annual assay commission, wastage in melting and refining and in coining departments, and loss on sale of sweeps arising from the treatment of bullion and the manufacture of coins, and not exceeding $1,000 in value of specimen coins and ores for the cabinet of the mint, fiscal year 1917, $5,000.

New Orleans (La.) Mint: For wages of workmen and other employees, fiscal year 1917, $1,000.

New York assay office: For wages of workmen and other employees, fiscal year 1917, $5,000.

For incidental and contingent expenses, including new machinery and repairs, wastage in the melting and refining department, and loss on sale of sweeps arising from the treatment of bullion, fiscal year 1917, $5,000.

The amendment was agreed to.

The next amendment was, under the head of "War Department," subhead "Contingent expenses," on page 11, line 19, after the words "War Department," to insert "to be executed under the Public Printer," so as to make the clause read:

For printing and binding for the War Department, to be executed under the Public Printer, $630,000.

The amendment was agreed to.

The next amendment was, under the subhead "Armories and arsenals," at the top of page 12, to insert:

Repairs of arsenals: For repairs and improvement at arsenals, and to meet such unforeseen expenditures as accidents or other contingencies during the year may render necessary, including $160,000, or so much thereof as may be necessary, for machinery for manufacturing purposes in the arsenals, $400,000.

The amendment was agreed to.

The next amendment was, under the head of "Military Establishment," on page 12, after line 7, to insert:

TRANSFER OF APPROPRIATIONS.

Not to exceed 10 per cent of any amount hereinafter specifically appropriated (except for subsistence, pay, and allowances of the Army) for any item for any bureau, corps, office, or under any other heading, in the Military Establishment, may, at the discretion and by the direction of the Secretary of War, and except as otherwise specifically provided herein, be transferred and applied to any other object for which an expenditure is found to be necessary within the same bureau, corps, office, or under the same headings, and the Secretary of the Treasury be, and he is hereby, authorized, upon request of the Secretary of War, to make the transfer of the appropriations.

The amendment was agreed to.

The next amendment was, under the subhead "Contingencies of the Army," on page 13, line 1, before the word "other," to strike out "exclusive of all"; and in the same line, after the word "services," to insert "technical, special, or otherwise," so as to make the clause read:

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and other personal services, technical, special, or otherwise, in the War Department, or any of its subordinate bureaus or offices at Washington, D. C., or in the Army at large, but impossible to be anticipated or classified, to be expended on the approval and authority of the Secretary of War, and for such purposes as he may deem proper, including the payment of a per diem allowance not to exceed $4, in lieu of subsistence, to employees of the War Department traveling on official business outside of the District of Columbia and away from their designated posts, $50,000.

The amendment was agreed to.

The next amendment was, on page 13, after line 11, to insert:

Registration and selection for military service: For all expenses necessary in the registration of persons available for military service and in the selection of certain such persons and their draft into military service, $2,658,413.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Chief Signal Officer," on page 16, line 13, after the word "apparatus," to strike out "exclusive of exchange service," and insert "including exchange service at mobile army posts," so as to read:

Signal Service of the Army: For expenses of the Signal Service of the Army, as follows: Purchase, equipment, and repair of field electric telegraphs, radio installations, signal equipments and stores, binocular glasses, telescopes, heliostats, and other necessary instruments, including necessary meteorological instruments for use on target ranges; motorcycles and motor-driven vehicles used for technical and official purposes; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps, for use in the office of the Chief Signal Officer; war balloons and airships and accessories, including their maintenance and repair; telephone apparatus (including exchange service at mobile army posts) and maintenance of the same; electrical installations and maintenance at military posts; fire-control and direction apparatus and material for field artillery; maintenance and repair of military lines and cables, including salaries of civilian employees, supplies, general repairs, reserved supplies, and other expenses connected with the duty of collecting and transmitting information for the Army by telegraph or otherwise, $47,267,766.

The amendment was agreed to.

The next amendment was, under the head of "Pay of the Army," subhead, "Enlisted men of the line," on page 19, line 8, after the word "recruits," to insert "and pay at $100 per month for enlisted men in training for officers of the Reserve Corps," so as to make the clause read:

For pay of enlisted men of all grades, including recruits and pay at $100 per month for enlisted men in training for officers of the Reserve Corps, $226,882,560.

The amendment was agreed to.

The next amendment was, under the subhead "Clerks and messengers at headquarters of the several territorial departments, territorial districts, tactical divisions and brigades, and service schools," on page 20, after line 15, to insert:

Messengers at temporary headquarters, at $720 each per annum, $72,000.

The amendment was agreed to.

The next amendment was, on page 20, line 18, after the words "in all," to strike out "$1,178,000" and insert "$1,250,000," so as to make the clause read:

In all, $1,250,000: *Provided*, That no clerk, messenger, or laborer at headquarters of tactical divisions, military departments, brigades, service schools, and office of the Chief of Staff shall be assigned to duty in any bureau in the War Department.

The amendment was agreed to.

The next amendment was, under the subhead "Medical Department," on page 21, line 20, after the word "department," to strike out "$12,000,000" and insert "$15,131,752," so as to make the clause read:

For pay of officers of the Medical Department, $15,131,752.

The amendment was agreed to.

The next amendment was, under the head of "Miscellaneous," in the item of appropriation for "Subsistence of the Army," on page 26, line 1, after the words "in all," to strike out "$133,000,000" and insert "$183,926,646," so as to read:

For providing prizes to be established by the Secretary of War for enlisted men of the Army who graduate from the Army schools for bakers and cooks, the total amount of such prizes at the various schools not to exceed $900 per annum; for other necessary expenses incident to the purchase, testing, care, preservation, issue, sale, and accounting for subsistence supplies for the Army; in all, $183,926,646.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," in the item of appropriation for "Incidental Expenses, Quartermaster Corps," on page 30, line 21, after the word "department," to strike out "$8,000,000" and insert "$11,837,583.62," so as to read:

For a donation of $5 to each dishonorably discharged prisoner upon his release from confinement under court-martial sentence involving dishonorable discharge; for the following expenditures required for the several regiments of Cavalry, the batteries of Field Artillery, and such companies of Infantry and Scouts as may be mounted, the authorized number of officers' horses, and for the trains, to wit, purchase of picket ropes, blacksmith's tools and materials, horseshoes and blacksmith's tools for the Cavalry service, and for the shoeing of horses and mules; chests and issue outfits; and such additional expenditures as are necessary and authorized by law in the movements and operations of the Army, and at military posts, and not expressly assigned to any other department, $11,837,583.62.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," in the item of appropriation for "Transportation of the Army and its supplies," on page 34, line 12, after the word "oceans," to strike out "$160,000,000" and insert "$221,963,745.42," so as to read:

For the purchase and repair of ships, boats, and other vessels required for the transportation of troops and supplies and for official, military, and garrison purposes; for expenses of sailing public transports and other vessels on the various rivers, the Gulf of Mexico, and the Atlantic and Pacific Oceans, $221,963,745.42.

The amendment was agreed to.

The next amendment was, on page 37, line 11, before the word "barracks," to strike out "of" and insert "for"; in line 16, before the word "grounds," to strike out "of" and insert "for"; and in line 17, before the word "buildings," to strike out "of" and insert "for," so as to read:

Barracks and quarters: For barracks, quarters, stables, storehouses, magazines, administration and office buildings, sheds, shops, and other buildings necessary for the shelter of troops, public animals, and stores, and for administration purposes, except those pertaining to the Coast Artillery; for constructing and repairing public buildings at military posts; for hire of employees, for rental of the authorized allowance of quarters for officers, including members of the Officers' Reserve Corps when ordered to active duty, on duty with the troops at posts and stations where no public quarters are available; for barracks or authorized allowance of quarters for noncommissioned officers and enlisted men on duty where public quarters are not available, including enlisted men of the Regular Army Reserve, retired enlisted men, and members of the Enlisted Reserve Corps when ordered to active duty; for grounds for cantonments, camp sites, and other military purposes, and for buildings or portions of buildings for occupation by troops, for use as stables, storehouses, and offices, and for other military purposes.

The amendment was agreed to.

The next amendment was, under the subhead "Medical Department," on page 39, line 20, after the word "including," to insert "gas masks"; on page 41, line 11, after the word "Department," to insert "for the supply of the Army and Navy Hospital at Hot Springs, Ark."; and in line 14, after the word "Department," to strike out "$23,780,000" and insert "$29,780,000," so as to make the clause read:

Medical and Hospital Department: For the purchase of medical and hospital supplies, including gas masks, motor ambulances, and motorcycles for medical service, their maintenance, repair, and operation, and disinfectants, and the purchase and exchange of typewriting machines for military posts, camps, hospitals, hospital ships and transports, and supplies required for mosquito destruction in and about the military posts in the Canal Zone: *Provided*, That the Secretary of War may in his discretion select types and makes of motor ambulances for the Army and authorize their purchase without regard to the laws prescribing advertisement for proposals for supplies and material for the Army; for the purchase of veterinary supplies and hire of veterinary surgeons; for expenses of medical supply depots; for medical care and treatment not otherwise provided for, including care and subsistence in private hospitals, of officers, enlisted men, and civilian employees of the Army, of applicants for enlistment, and of prisoners of war and other persons in military custody or confinement, when entitled thereto by law, regulation, or contract: *Provided*, That this shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furlough; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages not otherwise provided for, for bedding and clothing injured or destroyed in such prevention; for the pay of male and female nurses, not including the Nurse Corps (female), and of cooks, and other civilians employed for the proper care of sick officers and soldiers, under such regulations fixing their number, qualifications, assignment, pay, and allowances as shall have been or shall be prescribed by the Secretary of War; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men, and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the payment of express companies and local transfers employed directly by the Medical Department for the transportation of medical and hospital supplies, including bidders' samples and water for analysis; for supplies for use in teaching the art of cooking to the enlisted force of the Medical Department; for the supply of the Army and Navy Hospital at Hot Springs, Ark.; for advertising, printing, binding, laundry, and all other necessary miscellaneous expenses of the Medical Department, $29,780,000.

The amendment was agreed to.

The next amendment was, under the subhead "Ordnance Department," on page 43, line 5, after the word "supply," to strike out "$130,078,000" and insert "$131,048,000," so as to make the clause read:

Ordnance stores, ammunition: Manufacture and purchase of ammunition for small arms and for hand use for reserve supply $131,048,000.

The amendment was agreed to.

The next amendment was, on page 43, line 17, after "$75,000," to strike out "$16,150,000" and insert "$17,500,000," so as to make the clause read:

Small-arms target practice: For manufacture and purchase of ammunition, targets, and other accessories for small-arms, hand, and machine-gun target practice and instructions; marksmen's medals, prize arms, and insigna for all arms of the service; and ammunition, targets, target materials, and other accessories which may be issued for small-arms target practice and instruction at the educational institutions and State soldiers' and sailors' orphans' homes to which issues of small arms are lawfully made, under such regulations as the Secretary of War may prescribe, provided the total value of the stores so issued to the educational institutions and homes does not exceed $75,000, $17,500,000.

The amendment was agreed to.

The next amendment was, on page 43, line 20, after the word "armories," to strike out "$53,999,000" and insert "$55,349,000," so as to make the clause read:

Manufacture of arms: For manufacturing, repairing, procuring, and issuing arms at the national armories, $55,349,000.

The amendment was agreed to.

The next amendment was, on page 44, line 2, after the word "Artillery," to strike out "$130,550,000" and insert "$106,550,000," so as to make the clause read:

Ordnance stores and supplies: For overhauling, cleaning, repairing, and preserving ordnance and ordnance stores in the hands of troops and at the arsenals, posts, and depots; for purchase and manufacture of ordnance stores to fill requirements of troops; for Infantry, Cavalry, and Artillery equipments, including horse equipments for Cavalry and Artillery, $106,550,000.

The amendment was agreed to.

The next amendment was, on page 44, line 5, after the word "equipments," to strike out "$39,549,700" and insert "$65,900,000," so as to make the clause read:

Automatic machine rifles: For the purchase, manufacture, and test of automatic machine rifles, including their sights and equipments, $65,900,000.

The amendment was agreed to.

The next amendment was, on page 44, after line 22, to insert:

CIVILIAN MILITARY TRAINING.

For the expenses of maintaining, upon military reservations or elsewhere, camps for the military instruction and training of such citizens physically capable of bearing arms as may be selected under such terms of enlistment and under such regulations as may be prescribed by the Secretary of War, and for furnishing said citizens, at the expense of the United States, uniforms, subsistence, transportation by the most usual and direct route within said limits as to territory as may be prescribed; for such expenditures as may be deemed necessary for water, fuel, light, temporary structures, not including quarters for officers nor barracks for men, screening, and damages resulting from field exercises, and other expenses incidental to maintaining said camps and the theoretical winter instruction in connection therewith, including textbooks and stationery; for furnishing such equipments, tentage, field equipage, and transportation belonging to the United States as may be deemed necessary as authorized by section 54 of the act of Congress approved June 3, 1916, $3,440,000.

The amendment was agreed to.

The next amendment was, under the subhead "Armament of fortifications," on page 48, line 9, after the word "arsenals," to strike out "$120,000,000" and insert "$155,000,000"; and in line 12 after the word "exceed," to strike out "$25,000,000" and insert "$40,000,000," so as to make the clause read:

For purchase, manufacture, and test of mountain, field, and siege cannon, including their carriages, sights, implements, equipments, and the machinery necessary for their manufacture at the arsenals, $155,000,000: *Provided*, That the Chief of Ordnance, United States Army, is authorized to enter into contracts, or otherwise incur obligations, for the purposes above mentioned not to exceed $40,000,000 in addition to the appropriations herein and heretofore made.

The amendment was agreed to.

The next amendment was, on page 49, line 19, after the word "thereon," to strike out "$60,000,000: *Provided*, That the Chief of Ordnance, United States Army, is authorized to enter into contracts or otherwise incur obligations for the purposes above mentioned not to exceed $15,000,000 in addition to the appropriations herein and heretofore made" and insert "$25,000,000," so as to make the clause read:

For alteration and maintenance of the mobile artillery, including the purchase and manufacture of machinery, tools, and material necessary for the work and the expenses of the mechanics engaged thereon, $25,000,000.

The amendment was agreed to.

The next amendment was, under the head "Fortifications in insular possessions," subhead "Panama Canal fortifications," on page 53, line 13, after the word "arsenals," to strike out "$1,775,000" and insert "$3,115,000," so as to make the clause read:

For the purchase, manufacture, and test of seacoast cannon for coast defense, including their carriages, sights, implements, equipments, and the machinery necessary for their manufacture at the arsenals, $3,115,000.

The amendment was agreed to.

The next amendment was, on page 54, after line 5, to insert:

For extraordinary expenses heretofore and hereafter incurred by the Panama Canal in protecting the canal and canal structures, $428,900.

The amendment was agreed to.

The next amendment was, on page 54, line 10, after the words "Panama Canal," to strike out "$4,320,974" and insert "$6,089,874," so as to make the clause read:

In all, specifically for fortifications and armament thereof for the Panama Canal, $6,089,874.

The amendment was agreed to.

The next amendment was, on page 54, after line 10, to insert:

EMERGENCY FUND.

So much of the total amount herein appropriated as may not be found necessary to be expended for the purposes herein authorized, not exceeding $10,000,000, may be expended prior to December 31, 1917, in the discretion and at the direction of the Secretary of War, for such military purposes as he may deem proper, this amount to be accounted for under the title of "Emergency fund (military)" and to be transferred from such appropriation or appropriations under the head of "Military Establishment" as the Secretary of War may direct, and the Secretary of the Treasury be, and he is hereby, authorized, upon request of the Secretary of War, to make the transfer of appropriations: *Provided*, That an itemized statement of the expenditures made hereunder shall be made to Congress not later than February 1, 1918.

Section 7 of the general deficiency appropriation act approved August 26, 1912, as amended by section 4 of the act making appropriations for legislative, executive, and judicial expenses of the Government, approved March 4, 1913, restricting changes in salaries of certain employees paid from lump-sum appropriations, is further amended to provide that it shall not apply to clerks, draftsmen, technical, and other employees whose services are necessary in carrying on the various manufacturing or construction operations of the Government.

During the fiscal year 1918 all civilian employees in the Military Establishment, including on the lump-sum rolls only those persons who are carried thereon at the close of the fiscal year ending June 30, 1917, and whose compensation has not been adjusted to correspond to the prevailing wages of the vicinity of their employment, shall receive increased compensation at the rate of 10 per cent per annum to such employees who receive salaries or wages in such establishment at a rate per annum of less than $1,200, and increased compensation at a rate of 5 per cent per annum to such employees who receive salaries or wages in such establishment at a rate of not more than $1,800 per annum and not less than $1,200 per annum: *Provided*, That so much as may be necessary for this purpose is hereby appropriated out of any moneys in the Treasury not otherwise appropriated.

The amendment was agreed to.

The next amendment was, under the head of "Navy Department" on page 57, line 7, after the word "Operations," to strike out "$27,000" and insert "$100,000," so as to make the clause read:

Office of the Chief of Naval Operations, $100,000.

The amendment was agreed to.

The next amendment was, on page 57, after line 16, to insert:

Marine Corps headquarters, $11,500.

The amendment was agreed to.

The next amendment was, on page 57, line 18, after the words "In all," to strike out "$414,538" and insert "$449,038," so as to make the clause read:

In all, $449,038: *Provided*, That the Secretary of the Navy shall submit to Congress on the first day of its next regular session a statement showing, by bureaus or offices, the number and designation of the persons employed hereunder and the annual rate of compensation paid to each.

The amendment was agreed to.

Mr. MARTIN. Mr. President, there is a small matter to be corrected on page 57. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 57, line 18, after the words "In all," it is proposed to amend the total so as to read "$499,038."

The amendment was agreed to.

Mr. MARTIN. Mr. President, there is a verbal change on page 58, line 13. I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 58, line 13, after the word "Office," it is proposed to insert "to be executed under the Public Printer."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, on page 59, after line 9, to insert:

NAVAL OBSERVATORY.

Contingent and miscellaneous expenses, Naval Observatory: For typewriters, filing cases, stationery, and the purchase of a motor-propelled delivery wagon, $1,700.

The amendment was agreed to.

The next amendment was, under the head of "Naval Establishment," subhead "Bureau of Navigation," on page 62, line 4, after the word "thereof," to insert "transportation and shipping of civilian officers and crews of naval auxiliaries," and in line 9, after the word "transportation," to strike out "$1,644,324" and insert "$1,659,324," so as to make the clause read:

Transportation: For travel allowance of enlisted men discharged on account of expiration of enlistment; transportation of enlisted men and apprentice seamen and applicants for enlistment at home and abroad, with subsistence and transfers en route, or cash in lieu thereof; transportation to their homes, in residents of the United States, of enlisted men and apprentice seamen discharged on medical survey, with subsistence and transfers en route, or cash in lieu thereof; transportation of sick or insane enlisted men and apprentice seamen to hospitals, with subsistence and transfers en route, or cash in lieu thereof; transportation and shipping of civilian officers and crews of naval auxiliaries; transportation of enrolled men of the Naval Reserve Force to and from duty, with subsistence and transfers en route, or cash in lieu thereof; apprehension and delivery of deserters and stragglers, and for railway guides and other expenses incident to transportation, $1,659,324.

The amendment was agreed to.

The next amendment was, on page 63, line 16, after the word "officers," to strike out "and men" and insert "men and women," and, in line 18, after the word "men," to insert "and women," so as to make the clause read:

Outfits on first enlistment: Outfits for all enlisted men and apprentice seamen of the Navy on first enlistment, at not to exceed $60 each; for the clothing gratuity of officers, men and women of the Naval Reserve Force, $150 each for officers and $60 each for men and women; in all, $7,778,000.

The amendment was agreed to.

The next amendment was, on page 63, after line 19, to strike out:

Maintenance of naval auxiliaries: Transportation and shipping of civilian officers and crews of naval auxiliaries, $15,000.

The amendment was agreed to.

The next amendment was, on page 63, after line 22, to insert:

Maintenance of naval auxiliaries: The sum appropriated for "Maintenance of naval auxiliaries" in the naval act approved March 4, 1917, shall be transferred to other appropriations as follows: "Transportation, Bureau of Navigation," $11,500; "Pay of the Navy," $846,890; and "Provisions, Navy," $286,000.

The amendment was agreed to.

The next amendment was, on page 65, after line 3, to insert:

Ship for Illinois Naval Militia: The limit of cost of $125,000 on the purchase, repair, and alteration of a ship for the Naval Militia of Illinois as fixed in the naval appropriation act approved August 29, 1916, is increased by $50,000, which sum is hereby appropriated, $50,000.

The amendment was agreed to.

The next amendment was, on page 68, after line 5, to strike out:

Schools or camps of instruction, Naval Reserve Force: For equipment and maintenance of schools and camps established for the purpose of instructing members of and applicants for membership in the Naval Reserve Force, $150,000.

The amendment was agreed to.

The next amendment was, on page 68, after line 10, to insert:

Schools or camps of instruction for recruits and naval reserve forces: For rental of necessary land and for providing quarters and the maintenance and equipment thereof, for assembling, training, and instructing recruits and reserves of all classes, including the crews of section patrols, harbor patrols, submarines and submarine chasers, and beach patrols, and for all purposes connected therewith, $2,655,360.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Ordnance," on page 69, line 11, after the words "in all," to strike out "$14,905,366" and insert "$16,905,366," so as to make the clause read:

Ordnance and ordnance stores: For procuring, producing, preserving, and handling ordnance material; for the armament of ships; for fuel, material, and labor to be used in the general work of the Ordnance Department; for necessary improvements at the naval proving ground,

naval torpedo stations, naval gun factory, and naval ammunition depots, and for pay of chemists, clerical, drafting, inspection, watchmen, and messenger service in navy yards, naval stations, and naval ammunition depots: *Provided*, That the sum to be paid out of this appropriation under the direction of the Secretary of the Navy for chemists, clerical, drafting, inspection, watchmen, and messenger service in navy yards, naval stations, and naval ammunition depots, shall not exceed $725,000: *Provided further*, That not exceeding $81,500 of this amount may be expended for the services of clerks, draftsmen, and such other technical assistants as the Secretary of the Navy may deem necessary in the Bureau of Ordnance; in all, $16,905,366.

The amendment was agreed to.

The next amendment was, on page 69, line 15, before the word "Provided," to strike out "For purchase and manufacture of smokeless powder, $20,000,000" and insert "For procuring, producing, reserving, and handling ammunition for vessels, $68,664,858," so as to make the clause read:

For procuring, producing, reserving, and handling ammunition for vessels, $68,664,858: *Provided*, That no part of any money appropriated by this act shall be expended for the purchase of powder other than small-arms powder at a price in excess of 53 cents a pound: *Provided further*, That in expenditures of this appropriation, or any part thereof, for powder, no powder shall at any time be purchased unless the powder factory at Indianhead, Md., shall be operated on a basis of not less than its full maximum capacity.

Mr. MARTIN. I send to the desk an amendment to the amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 69, line 14, it is proposed to strike out the word "reserving" and to insert in lieu thereof the word "preserving."

Mr. MARTIN. It is simply a verbal error.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 70, line 1, after the words "batteries for," to strike out "merchant auxiliaries" and insert "auxiliaries and merchantmen," so as to make the clause read:

For batteries for auxiliaries and merchantmen, $29,672,000.

The amendment was agreed to.

The next amendment was, on page 70, line 3, after the words "ammunition for," to strike out "merchant auxiliaries" and insert "auxiliaries and merchantment," so as to make the clause read:

For ammunition for auxiliaries and merchantmen, $19,988,800.

The amendment was agreed to.

The next amendment was, on page 70, after line 4, to strike out:

For procuring, producing, preserving, and handling ammunition for issue to ships, $60,664,858.

The amendment was agreed to.

The next amendment was, on page 70, after line 8, to strike out:

For a reserve of ordnance supplies, $19,260,000.

The amendment was agreed to.

The next amendment was, on page 70, after line 9, to insert:

For reserve and miscellaneous ordnance supplies, $29,260,000.

The amendment was agreed to.

The next amendment was, on page 70, after line 11, to insert:

In all, ordnance and ordnance stores, $198,066,024: *Provided*, That the President is hereby authorized to reapportion this amount among the purposes specified, from time to time, as may become necessary to meet the exigencies of the service.

The amendment was agreed to.

The next amendment was under the subhead "Public works, Bureau of Yards and Docks," on page 71, line 23, after the word "magazines," to strike out "$100,000" and insert "$300,000," so as to make the clause read:

Quarters for marine guards: For temporary quarters for marine guard at naval magazines, $300,000.

The amendment was agreed to.

The next amendment was, on page 72, line 8, after the word "material," to strike out "$1,500,000" and insert "$3,000,000," so as to make the clause read:

Ordnance storage: For storage of ammunition, mines, torpedoes, and other ordnance material, $3,000,000.

The amendment was agreed to.

The next amendment was, on page 72, after line 8, to insert:

Naval operating base, Hampton Roads, Va.: For the acquisition, by purchase or condemnation, including all easements, riparian and other rights appurtenant thereto, of the tract of land known as the Jamestown Exposition site, on Hampton Roads, Va., and of such lands adjacent thereto as lie north of Nine-ninth Street and Algonquin Street and bounded on the northwest by Hampton Roads and Willoughby Bay and on the east by Bousch Creek, $1,400,000; and toward the equipment of this property as a naval operating base, including piers, storehouses, oil-fuel storage, training station, recreation grounds for the fleet, aviation, and other purposes, $1,600,000; in all, $3,000,000.

The amendment was agreed to.

The next amendment was, on page 72, after line 20, to insert:

Hospital construction: For emergency hospital construction, as may be necessary, at points not provided with hospitals, and when hospital facilities are not suitable or sufficient, or to rent or purchase same, $3,200,000; and for the establishment of naval medical supply depots at Brooklyn, N. Y., and Mare Island, Cal., by purchase or construction, $350,000; in all, $3,550,000.

The amendment was agreed to.

The next amendment was, on page 73, after line 2, to insert:

Naval magazine, St. Juliens Creek, Va.: The Secretary of the Navy is authorized to expend public money in the development of the tract of land to be added to the naval reservation at the naval ammunition depot, St. Juliens Creek, Va., without reference to the requirements of section 355 of the Revised Statutes, and that the provision in the naval appropriation act approved August 29, 1916 (39 Stat. L., 579), authorizing the purchase of additional land under the heading, "Naval magazine, St. Juliens Creek, Va.," is hereby amended to read as follows: "For additional land, to be secured by purchase or condemnation or otherwise, as the Secretary of the Navy may direct, $60,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Supplies and Accounts," on page 76, line 12, after the word "(female)" to insert "who shall hereafter be paid the same commutation as is or may be allowed members of the Nurse Corps of the Army," so as to read:

Pay of the Navy: Pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders; officers on the retired list; commutation of quarters for officers on shore not occupying public quarters, including boatswains, gunners, carpenters, sailmakers, machinists, pharmacists, pay clerks, and mates, naval constructors, and assistant naval constructors; and also members of Nurse Corps (female) who shall hereafter be paid the same commutation as is or may be allowed members of the Nurse Corps of the Army.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Construction and Repair," on page 82, line 19, after the word "vessels," to strike out "$54,327,340" and insert "$57,327,340," and in line 22, after the words "expenditure of," to strike out "this fund" and insert "funds made available in this act," so as to read:

Construction and repair of vessels: For preservation and completion of vessels on the stocks and in ordinary; purchase of materials and stores of all kinds; steam steerers, pneumatic steerers, steam capstans, steam windlasses, and all other auxiliaries; labor in navy yards and on foreign stations; purchase of machinery and tools for use in shops; carrying on work of experimental model tank and wind tunnel; designing naval vessels; construction and repair of yard craft, lighters, and barges; wear, tear, and repair of vessels afloat; general care, increase, and protection of the Navy in the line of construction and repair; repair and maintenance of vessels of the Coast Guard and Lighthouse Services, submarine chasers, patrol boats; incidental expenses for vessels and navy yards, inspectors' offices, such as photographing, books, professional magazines, plans, stationery, and instruments for drafting room, and for pay of classified force under the bureau; for hemp, wire, iron, and other materials for the manufacture of cordage, anchors, cables, galleys, and chains; specifications for purchase thereof shall be so prepared as shall give fair and free competition; canvas for the manufacture of sails, awnings, hammocks, and other work; interior appliances and tools for manufacturing purposes in navy yards and naval stations; and for the purchase of all other articles of equipage at home and abroad; and for the payment of labor in equipping vessels therewith and manufacture of such articles in the several navy yards; naval signals and apparatus, other than electric, namely, signals, lights, lanterns, rockets, running lights, lanterns, and lamps and their appendages for general use on board ship for illuminating purposes; and oil and candles used in connection therewith; bunting and other materials for making and repairing flags of all kinds; for all permanent galley fittings and equipage; rugs, carpets, curtains, and hangings on board naval vessels, $57,327,340: *Provided*, That the limitations imposed by existing law relative to repairs to vessels of the Navy shall not apply to the expenditure of funds made available in this act.

The amendment was agreed to.

The next amendment was, on page 84, after line 19, to insert:

The foregoing appropriations for the Naval Establishment shall be available for similar expenses of the Coast Guard and Lighthouse Services while cooperating with the Navy in so far as the regular appropriations for these services are insufficient therefor; and, when expenditures are thus made, naval appropriations need not be reimbursed from the appropriations of the Coast Guard and Lighthouse Services.

The amendment was agreed to.

The next amendment was, under the head of "Naval Academy," on page 85, after line 1, to insert:

Pay of employees: Clerk, $1,320; 7 watchmen, at $840 each; in all, $7,200.

The amendment was agreed to.

The next amendment was, under the head of "Marine Corps," subhead "Maintenance, Quartermaster's Department, Marine Corps," on page 92, after line 12, to insert:

East Coast Post: For the purchase of land, construction of buildings, and the installation thereon of water, light, plumbing, telephone and telegraph systems; necessary grading, roads, walks, docks; and all other necessary preliminary features toward the establishment of this post, $2,500,000.

The amendment was agreed to.

The next amendment was, on page 92, after line 17, to insert:

Depot of supplies, Marine Corps, Philadelphia, Pa.: For the purchase of a strip of land in rear of the depot of supplies, Marine Corps, Philadelphia, Pa., extending about 142 feet on Washington Avenue and about 226 feet on Fifteenth Street, with all buildings thereon, and for adapting said building to uses connected with the depot, $200,000.

The amendment was agreed to.

The next amendment was, on page 93, line 2, after the words "Marine Corps," to strike out "$20,208,161" and insert "$22,908,161," so as to make the clause read:

In all, for the maintenance of Quartermaster's Department, Marine Corps, $22,908,161; and the money herein specifically appropriated for the maintenance of the Quartermaster's Department, Marine Corps, shall be disbursed and accounted for in accordance with existing law as maintenance, Quartermaster's Department, Marine Corps, and for that purpose shall constitute one fund.

The amendment was agreed to.

The next amendment was, on page 93, after line 7, to insert:

INCREASE OF THE NAVY.

The limit of cost of the 46 submarines now under contract is increased by the sum of $10,000 each, and to meet the expenditures made necessary by said increased limit of cost there is hereby appropriated the sum of $460,000.

Mr. MARTIN. I move to strike out all of the amendment after the word "each," in line 10, in the following words:

and to meet the expenditures made necessary by said increased limit of cost there is hereby appropriated the sum of $460,000.

I do that because it is simply an authorization; it does not require an appropriation.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 93, after line 12, to strike out:

DEPARTMENT OF THE INTERIOR.

Interior Department Building (new): For employees from May 1 to June 30, 1917, inclusive, at annual rates of compensation as follows: Assistant superintendent, $2,000; foreman of laborers, $1,000; 2 assistant foremen of laborers, at $900 each; laborers—27 at $660 each, 17 at $600 each, 14 at $540 each, 1 $480; 6 female laborers, at $400 each; 2 assistant engineers, at $1,000 each; 7 firemen, at $720 each; general machinist, $1,500; 2 wiremen, at $1,000 each; 2 electricians' helpers, at $720 each; painter, $1,000; plumber, $1,400; 2 assistant plumbers, at $1,000 each; 2 plumbers' helpers, at $840 each; 13 elevator conductors, at $720 each; 18 watchmen, at $720 each; in all, $13,940.

Court of Appeals Building, District of Columbia: For labor, materials, and all other expenses necessary to make the third floor of the Court of Appeals Building, District of Columbia, available to accommodate the office of the recorder of deeds, $12,000, to be expended under the direction of the Superintendent of the Capitol Building and Grounds and to be payable one-half out of the Treasury of the United States and one-half out of the revenues of the District of Columbia: *Provided*, That the appropriation of $5,000 for rent of temporary quarters for the office of the recorder of deeds, contained in the urgent deficiency appropriation act approved December 22, 1916, is repealed.

The amendment was agreed to.

The next amendment was, on page 94, after line 15, to strike out:

DEPARTMENT OF COMMERCE.

BUREAU OF STANDARDS.

To enable the Bureau of Standards to cooperate with the War and Navy Departments by providing the scientific assistance necessary in the development of instruments, devices, and materials, and the standardization and testing of supplies, including personal services and rental of quarters in the District of Columbia and elsewhere; the erection of temporary structures; books of reference and periodicals; and all other necessary items not included in the foregoing, $250,000.

To complete the equipment of the new chemical laboratory building, including the construction, purchase, and installation of chemical desks, hoods, cases, special furniture, and other necessary equipment, including personal services in the District of Columbia, $35,000.

To provide by cooperation of the Bureau of Standards, the War Department, the Navy Department, and the Council of National Defense, for the standardization and testing of the standard gauges, screw threads, and standards required in manufacturing throughout the United States, and to calibrate and test such standard gauges, screw threads, and standards, including necessary equipment, rental in Washington, and elsewhere, erection of temporary structures, office expenses, books of reference and periodicals, personal services in the District of Columbia, and in the field, and all other necessary items not included in the foregoing, $150,000.

BUREAU OF LIGHTHOUSES.

To enable the Commissioner of Lighthouses to pay additional compensation to draftsmen employed on marine engineering work in the Bureau of Lighthouses, the pay of such draftsmen in no case to exceed the rate of $2,000 per annum, $1,200.

The amendment was agreed to.

The next amendment was, at the top of page 96, to insert:

DEPARTMENT OF LABOR.

BUREAU OF IMMIGRATION.

Detention of interned aliens: To enable the Secretary of Labor to detain, care for, and guard aliens in custody, pursuant to the requirements of sections 4067, 4068, and 4069 of the Revised Statutes of the United States, sections 9 and 10 of the Executive order of April 6, 1917, and the regulations made in pursuance thereof, to wit: For maintenance and hospital charges, food, medicines, and supplies, rental of quarters, including repairs and alterations thereto, salaries of officers and employees, furniture, fuel, light, water, and all contingent and miscellaneous expenses incident to the object stated, to be expended under the direction of the Secretary of Labor, $1,000,000.

The amendment was agreed to.

The next amendment was, on page 96, after line 16, to strike out:

LEGISLATIVE.

HOUSE OF REPRESENTATIVES.

To pay the widow of Henry T. Helgesen, late a Representative from the State of North Dakota, $7,500.

For stationery for the use of the committees and officers of the House, fiscal year 1917, $1,000.

The amendment was agreed to.

The PRESIDING OFFICER. This completes the reading of the bill.

Mr. CURTIS. I offer an amendment. I do not think the chairman of the committee will have any objection to the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. 5. That, in addition to the reports now required by law, the Secretaries of the Treasury, War, and Navy shall each on the first Monday in December, 1917, and annually thereafter, transmit to the Congress a detailed statement of all expenditures under this act, and the officials of the Government under whom such expenditures are made be, and they hereby are, required and directed to take vouchers properly approved for all expenditures from the various appropriations made herein, which vouchers shall be presented to the proper accounting officers.

Mr. MARTIN. I have no objection to the amendment.

The amendment was agreed to.

Mr. KENYON. I should like to ask the chairman if he is through with all the committee amendments.

Mr. MARTIN. All the committee amendments have been disposed of.

Mr. KENYON. I offer an amendment as a new section, and I wish to say a word upon it.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. It is proposed to add a new section, as follows:

SEC. 6. A commission is hereby created for the purpose of advising the President and Congress as to the need of and plan for a national budget system. The said commission shall be composed of 12 members, to serve without compensation and without expense to the Government, and selected as follows:

Three members from the Cabinet, designated by the President, and three persons experienced in fiscal methods, to be appointed by the President; three Members of the Senate, to be appointed by the Vice President; and three Members of the House of Representatives, to be appointed by the Speaker.

The said commission shall report a carefully worked out plan for the installation of a national budget system on or before the first day of the next regular session of Congress to the President and to Congress.

Mr. KENYON. I think possibly the Senator from Virginia may make a point of order against this amendment. I should like to speak for about five minutes upon it.

Mr. MARTIN. I will make the point of order, but I will delay it until the Senator has been heard.

Mr. KENYON. I am not at all certain about the point of order, but I am inclined to think it will be good, although this bill is full of legislation.

Mr. President, I have tried at different times in the last few years to secure some action by Congress looking to a budget system. I believe there is a universal demand in the country that Congress should adopt for this Nation, and especially now, a budget system.

We are the only civilized nation in the world, outside of Turkey, whose civilization may be somewhat in doubt, which does not have a budget system. We are going to spend, I assume, in the next two years ten or twelve billion dollars. The utter ignorance of Congress as to how the money is spent, with no system of accounting, with a system of auditing that no one seems to understand, with no correlation between committees either in the House or the Senate, with committees on both sides of the Capitol spending all the money they can, with no regard to where the money comes from or no regard to what other committees are spending, is simply appalling. The Government on these fiscal matters is simply groping in the dark. No one seems willing to take any particular interest in it. Just "appropriate the money" seems to be congressional doctrine.

Both political parties declared in their platforms for a budget system. The proposition I have presented here will not cost the Government one penny. It is simply an investigation of the question by three Cabinet officers, three Members of the Senate, three Members of the House, and three experts to be appointed by the President. I am prepared to say that experts in financial life and in business life are ready to donate their services

as a part of the bit they may do for their country in helping to work out a plan for a national budget system.

Everybody believes in this. I do not believe there is a man on this floor or in Congress who is not in favor of some form of budget system, and yet we seem able to get no action at all upon it.

I want to place some matters in the RECORD because I hope that the country is going to wake up to the proposition before long, for this is a war measure just as much as anything else, and so I am trying to talk a little to the country instead of this large assembly of Senators this afternoon.

The United States Chamber of Commerce, composed of 152 boards of trade and chambers of commerce in 34 States, voted under their system of referendum on this question. There were 573 votes for and 10 against, and that represents about the business sentiment of the country.

The Democratic platform of 1916 said this:

ECONOMY AND THE BUDGET.

We demand careful economy in all expenditures for the support of the Government, and to that end favor a return by the House of Representatives to its former practice of initiating and preparing all appropriation bills through a single committee chosen from its membership in order that responsibility may be centered, expenditure standardized and made uniform, and waste and duplication in the public service as much as possible avoided. We favor this as a practicable first step toward a budget system.

Mr. NORRIS. I should like to ask the Senator what is his object in reading a portion of the Democratic platform here?

Mr. KENYON. Does the Senator believe that it is out of order to read the Democratic platform?

Mr. NORRIS. It is not out of order.

Mr. BORAH. It is out of date.

Mr. KENYON. Out of date?

Mr. NORRIS. I suppose it is out of date, but everyone knows that no one is paying any attention to it now.

Mr. KENYON. I thought it was having a very enthusiastic reception in the Chamber. I am sorry the Senator injects that into my remarks. If the Senator prefers, I will read the Republican platform of 1916.

Mr. NORRIS. That will be better.

Mr. KENYON. Though I have an impression when the votes were counted the Democratic platform seemed to be sustained instead of the Republican platform, by a very narrow majority, however.

The Republican platform of 1916 said:

ECONOMY AND A NATIONAL BUDGET.

The increasing cost of the National Government and the need for the greatest economy of its resources in order to meet the growing demands of the people for Government service call for the severest condemnation of the wasteful appropriations of this Democratic administration, of its shameless raids on the Treasury, and of its opposition to and rejection of President Taft's oft-repeated proposals and earnest efforts to secure economy and efficiency through the establishment of a simple, businesslike budget system, to which we pledge our support, and which we hold to be necessary to effect a needed reform in the administration of national finances.

I also want to read into the RECORD a letter from the President of the United States to Senator TILLMAN, which is found in the CONGRESSIONAL RECORD of the Sixty-third Congress, first session, March 17, 1913. In this letter the President said:

Ever since I was a boy I have been deeply interested in our methods of financial legislation. Ever since then I have insisted upon the absolute necessity of a carefully considered and wisely planned budget, and one of the objects I shall have most in mind when I get to Washington will be conferences with my legislative colleagues there with a view to bringing some budget system into existence. This business of building up the expenses of the Nation piece by piece will certainly lead us to error and perhaps embarrassment.

The balance of the letter is personal.

Mr. Hughes, in his speech accepting the Republican nomination, said:

It is time that we had fiscal reform. We demand a simple businesslike budget. I believe it is only through a responsible budget, proposed by the Executive, that we shall avoid financial waste and secure proper administrative efficiency and a well-balanced consideration of new administrative proposals.

Mr. Taft, in his message to Congress of January 17, 1912, said:

The United States is the only great Nation whose Government is operated without a budget. This fact seems to be more striking when it is considered that budgets and budget procedures are the outgrowth of democratic doctrines and have had an important part in the development of modern constitutional rights. The American Commonwealth has suffered much from irresponsibility on the part of its governing agencies. The constitutional purpose of a budget is to make government responsive to public opinion and responsible for its acts.

Mr. McAdoo, in the Outlook for March 7, 1917, said:

I am distinctly of the opinion that it would be well for Congress to consider the establishment of a budgetary or other fiscal plan for the purpose of more scientific treatment of the problem of Government expenditure in relation to Government income, and in this connection permit me to say that I recently submitted to the chairman of the House Committee on Ways and Means, for the consideration of that committee, a suggestion of the appointment of a joint committee of the two Houses of Congress with direction to cooperate with the Secretary of the Treasury in studying and evolving such a plan for the consideration of Congress.

I also have here other statements which I will not take time to read, among them articles from the Assistant Secretary of the Treasury advocating the same; one from President Hadley, of Yale University; from President Lowell, of Harvard University; from President Goodnow, of Johns Hopkins University, different remarks before the constitutional convention of New York from Mr. FITZGERALD, chairman of the Appropriations Committee of the House. So I could go on for a long time citing the opinions of the leading men of this country, both in business and in politics, as to the necessity of the Government adopting a budget system.

I do not propose, Mr. President, to become discouraged at all in the task. I am going to keep at it as long as I stay in Congress. I believe there is nothing that is more needed in this country than a reform along that line. By it we will get rid of logrolling, we will get rid of the pork barrel; there will be some responsibility in these appropriations; there will be some knowledge of how money is going to be spent. Most of the States of the Union have adopted a budget system. Maryland just recently adopted a very strong system.

I will take time at some later date to discuss those matters.

If my amendment is subject to the point of order, which the Senator from Virginia I fear is going to make, I wish he might let me have a vote on this proposition. I shall propose this amendment to the revenue bill and every other bill that comes along until at last we secure an opportunity to get a vote on the question.

I shall not take any more time, as I know the Senator is anxious to get through, but I wish he would permit a vote on the question.

Mr. MARTIN. I make a point of order that the amendment is legislation on a general appropriation bill.

The PRESIDING OFFICER. The point of order is sustained.

Mr. SHEPPARD. I offer the following amendment.

The PRESIDING OFFICER. It will be read.

The SECRETARY. On page 38, line 19, after the word "outfits," insert the following: "and for similar and other recreational purposes at training and mobilization camps now established, or which may be hereafter established"; and strike out "$150,000" in line 20, page 38, and insert in lieu thereof "$650,000."

Mr. MARTIN. I have no objection to that amendment. I believe it will be worth the cost to the morale of the Army.

The amendment was agreed to.

Mr. NEW. I offer the following amendment.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 19, line 15, after "$24,890,128," insert:

Provided, That the Secretary of War is authorized to enlist 1,200 competent cooks as sergeants, first class, Quartermaster Corps, for the duration of the war only, to be trained as cook instructors and to be employed as such.

Mr. NEW. I think the chairman of the committee will accept that amendment.

Mr. MARTIN. That is the amendment providing for cooks?

Mr. NEW. Yes, sir.

Mr. MARTIN. I have no objection to the amendment.

The amendment was agreed to.

Mr. FALL. Mr. President, I have no amendment to offer at this time, but I have had always a thought that items in a bill of this kind in the absence of a budget system should receive some explanation before we are required to vote upon it. I should like to ask the chairman of the committee as to the $1,000,000 appropriated for the Bureau of Immigration, on page 96, what is the necessity for that appropriation?

The PRESIDING OFFICER. The Chair takes the liberty of suggesting to the Senator from Virginia that the Senator from New Mexico is making an inquiry.

Mr. MARTIN. The Senator will excuse me. I was diverted.

Mr. FALL. I understand that the Senator was occupied. I have no desire to detain the Senate, but I want to ask the Senator if he knows what the $1,000,000 appropriation on page 96 for the Bureau of Immigration was intended for and what is the necessity of it?

Mr. MARTIN. It is for the care of prisoners. That is stated in the amendment.

Mr. FALL. It does not say so. It says "detention of interned aliens."

Mr. SMOOT. That is what it is for.

Mr. UNDERWOOD. I can state to the Senator that we have taken a number of aliens off the foreign ships who are now prisoners of war. They were directed to be taken care of by the Department of Labor and they are in interned camps. This

money is appropriated for the purpose of taking care of our prisoners of war whom we already have.

Mr. FALL. Does the Senator know from what fund the care of the 450 Chinese has been paid who have been interned near Columbus, N. Mex., who came out with the Pershing expedition and have been detained under charge of Maj. Parker? Does the Senator know what fund?

Mr. UNDERWOOD. There was no information of that kind given to us.

Mr. FALL. I have no objection even to the payment of a deficiency for the retention of those Chinamen on this side, but I have been informed by the Department of Labor that those Chinamen could not be released for labor in the fields of New Mexico or elsewhere even under bond providing for their return or surrender at any time, because they have been turned over to the Quartermaster's Department of the United States Army to work for the quartermaster at Fort Sam Houston. I thought no appropriation of $1,000,000 for them would be necessary.

Mr. UNDERWOOD. I will say to the Senator I do not know anything about the Chinese; the information given to the committee was that this money was to be used entirely for taking care of German prisoners of war.

Mr. FALL. I have no objection to it. My attention was attracted to it for this reason: For months the people of New Mexico have been attempting to cooperate with the General Government to carry out the President's plan of additional food production. Being short of labor they have, through myself, sought the release of the Chinamen who are interned, who are agricultural laborers, under an agreement that they were to make private contracts with the Chinamen and to pay them satisfactory amounts, and give individual bonds for the return of the Chinamen at any time when they desired to send them away. We wished to do something with them if they might be turned over in New Mexico for labor on the farms.

The matter was taken up by myself at the request of citizens with both the Department of Labor and the Department of War. At one time I thought I had assurances by which an arrangement of that kind could be worked out. I have received a letter in the last day or two to the effect that they have been ordered to Fort Sam Houston and that they are going to work in the Quartermaster's Department of the United States Army. The people in my part of the country have been wiring me about it, and I thought I might probably get some additional information.

Mr. JONES of Washington. I wish to ask the Senator under what authority these Chinamen are interned in this country. We are not at war with China.

Mr. FALL. I presume it was simply through our desire to protect the lives of these Chinamen. They had been found by Gen. Pershing during his expedition working farms in Mexico. They cultivated truck patches and farms and sold the products to Pershing. The Mexicans who were following Gen. Pershing out announced that they would kill all parties who had had any communication with his command or who had rendered it any assistance, and among others they threatened to take the lives of these Chinamen. So Gen. Pershing allowed them to follow him across the line under, I presume, the rule or regulation referred to in this section of the appropriation bill. They have been held by Maj. Parker, military commander at Columbus, under military guard from that time until the present.

Mr. JONES of Washington. In other words, we brought them out of Mexico to save their lives and we are now keeping them prisoners and making them work for us.

Mr. FALL. Yes; until such time as we can in our wisdom determine what we shall do with them. The people of New Mexico propose to pay them $30, $40, and $50 a month apiece to work on farms. They are very desirous of securing their labor and offer to give bond. I offered myself, I may say, individually, to give a bond for the reappearance of 25 and employ them on my ranch.

Mr. JONES of Washington. Could not the Government of Mexico now protect them if they were sent back?

Mr. FALL. The Senator may be a little more optimistic than I am about the Government of Mexico. In fact, from his question I judge he possesses some of the optimism of the President of the United States.

Mr. McKELLAR. Will the Senator yield to me?

Mr. FALL. I yield to the Senator.

Mr. McKELLAR. Has the United States Government any right to put those men in involuntary servitude?

Mr. FALL. I do not know, Mr. President; it is proceeding to put the people of the United States into involuntary servitude, and I should think it could do something with the Chinamen.

Mr. PHELAN. Mr. President, I desire to offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 48, after line 4, insert:

The Secretary of War is authorized to transfer to the owners of the adjacent land in partial consideration for the transfer to the United States of an easement in other land of said owners the title of the United States to a right of way now owned by the United States and located between the tract of land known as the Laguna Merced Reservation and an abandoned public highway formerly known as Ocean House Road (also called Ocean Avenue) in the city and county of San Francisco, Cal.

Mr. PHELAN. Mr. President, this involves merely an exchange of a right of way and gives the Government access to a public road. The amendment is moved at the request of the War Department. I think it is well understood by the committee. I beg to ask leave to have printed the letter of the Secretary of War on the subject without having it read at this time.

The PRESIDING OFFICER. Without objection, the letter referred to by the Senator from California will be printed in the RECORD.

The letter is as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, May 18, 1917.

Hon. JAMES D. PHELAN,
United States Senate.

SIR: The War Department project for additional battery construction at the defenses of San Francisco, Cal., contemplates the construction of emplacements at Laguna Merced, Cal., upon a parcel of land owned by the United States and located to the south of the Fort Miley Reservation, in the city and county of San Francisco, Cal., and also upon a parcel of land adjacent thereto, negotiations for the purchase of which, under authority of the fortifications appropriation act approved July 1, 1916, are now in progress.

2. In order to afford a means of communication to the existing Laguna Merced Reservation, a right of way, extending by an indirect route from the limits of the reservation to the then existing Ocean House Road (also called Ocean Avenue), was awarded, under condemnation proceedings, to the United States at the time the existing reservation was acquired. On account of the fact, however, that the Ocean House Road has since been abandoned by the city of San Francisco as a public highway the existing right of way is incomplete in that it does not now extend to any public way, and a new right of way is accordingly required.

3. In connection with the negotiations for the purchase of the additional land adjacent to the existing Laguna Merced Reservation, an advantageous offer has been secured from the owner of the land, involving, as a condition precedent, the recession of the existing right of way to the owner, in partial consideration for the transfer to the United States of a new right of way between the boundaries of the existing reservation and a public highway known as Sloat Boulevard. The new right of way will afford direct communication between the reservation and the city of San Francisco via Sloat Boulevard.

4. A draft of proposed legislation authorizing the Secretary of War to transfer the existing right of way is herewith, and it is recommended that it be enacted into law as soon as possible, either in a separate bill or as an item in some appropriation bill.

Very respectfully,

NEWTON D. BAKER,
Secretary of War.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Kansas?

Mr. CURTIS. I did not care to ask a question. I wish to submit a few remarks on the amendment; that is all.

Mr. PHELAN. I will yield the floor to the Senator.

Mr. CURTIS. Mr. President, personally I have no objection to this amendment, provided other Senators are permitted to offer and have considered the same kind of amendments. The committee adopted a rule that no amendment would be accepted on this bill except such as applied directly to the war emergency for the Army and Navy, to be used in connection with the war with Germany.

I offered an amendment which was reported upon by the department to be a war emergency, and after I was told that rule was going to be followed by the committee I consented not to urge the amendment, provided all other amendments of the same nature were left out.

The amendment offered by the Senator from California is meritorious, but it comes within that rule. If it is admitted to the bill, then I submit that those of us representing States in which there are forts where appropriations are needed for war purposes should be permitted to offer the same kind of amendments.

In view of that fact and in view of the action of the committee, I hope this amendment will not be agreed to, because in my judgment it is a direct violation of the rule that the committee applied to members of the committee as well as to other Members of the Senate.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from California?

Mr. CURTIS. Certainly.

Mr. PHELAN. Mr. President, I am disposed to believe the Senator from Kansas is laboring under some misapprehension.

The amendment which I have proposed does not involve any expenditure for war or for any other purposes. The facts are simply these:

The Government of the United States at the Laguna Merced Reservation, within the county of San Francisco, many years ago acquired a site for fortification purposes, and in acquiring that land by condemnation from the Spring Valley Water Co. they secured a right of way which gave them the privilege of getting out of the reservation by a public road. In the meantime the city closed the road and now they are denied access to the public road. Under those circumstances we have gone to the Spring Valley Water Co. and asked them for a new right of way in lieu of the abandonment of the old right of way. The object is now to give a right of way for a public road, involving no expenditure whatever to the Government, and absolutely necessary to make available the land on which they are now building emplacements for great guns for public defense. It does not involve an appropriation.

It is manifestly for war purposes. It is made at the urgent demand of the department. I judge by the implication from the Senator's remarks that his amendment carries an appropriation.

Mr. CURTIS. Yes. It is true the Senator's amendment does not carry an appropriation, but I want to say while it is not proper to discuss what occurred in the committee, the committee were of the opinion that this was an amendment similar to that and came within the same class as the one offered by myself, and as they applied the rule I think they ought to apply it all around. As I said, I believe the Senator's amendment should not be placed in this bill.

Mr. PHELAN. But the amendment of the Senator from Kansas carries an appropriation.

Mr. CURTIS. It did carry an appropriation, but it was recommended by the department. It was recommended as a necessity of war, as they need it now. But the committee has said that they expected there would be another deficiency appropriation bill, to which they prefer that all these items should be attached; and, so far as I am concerned, I agreed to let this matter go over until the other appropriation bill comes up; but I insist that the same rule shall be applied to the various Members of the Senate.

Mr. UNDERWOOD. Mr. President, will the Senator yield to me?

Mr. CURTIS. Certainly.

Mr. UNDERWOOD. Mr. President, speaking for the subcommittee, I desire to say that the statement which has just been made by the Senator from Kansas is correct. The subcommittee were inclined to put this item in this bill, and in their first draft they did put it in, but when they found that it would result in a large number of other items going in the bill that were not related to war expenditures, they agreed to strike it out. I think it would be most unfortunate, Mr. President, if items that do not relate directly to war expenditures—I say "directly"; I do not mean incidentally, but directly—should be put on this bill, and that a bill of this importance should be delayed either here or in conference by reason of those items.

I think there will be another deficiency bill, and when the other bill comes I shall be very glad, in committee and in the Senate, to vote for the Senator's amendment, because I think there is merit in it, but I do not think we can fairly allow this amendment to go into this bill and exclude an amendment such as the one to which the Senator from Kansas has referred. It is legislation; it proposes legislation that would allow a transfer of land; it is not an appropriation; and I make the point of order that it is legislation upon an appropriation bill.

The PRESIDING OFFICER. The Chair is ready to rule on the point of order. The Chair sustains the point of order.

Mr. WEEKS. Mr. President, I do not wish to offer an amendment, but I wish to make an inquiry about the appropriation for horses on page 36. I do not know about the size of these appropriations; that is to say, whether more money is being appropriated than is absolutely necessary; but my attention has been attracted to that appropriation because, presumably, it is to buy horses sufficient for an army of a million men. If my understanding is correct, it would require about 250,000 horses for the cavalry, artillery, and other purposes, for an army of a million men. Last year the War Department paid $149 apiece on an average for its horses. Therefore if we were going to supply a million men with a sufficient number of horses, including the Cavalry, we would only need an appropriation of about $38,000,000.

But my attention has been particularly attracted to this provision because it does not seem to me necessary, or even desirable, that we should buy Cavalry horses for this great host. We have been particularly requested by the foreign governments, if my understanding is correct, not to send Cavalry to Europe; that however many Infantry and however much Artillery we may send, not to send any Cavalry. As a matter of fact, the English and French have 200,000 Cavalry in France, which, practically speaking, have not been employed during the war. So that it would be futile for us to send Cavalry to Europe.

If we are going to send Cavalry, is it wise for us to appropriate money now, during the farming season, when horses are in use, to buy horses for Cavalry purposes when they can not possibly be used? Of course, the answer will be that, if it is not necessary, the horses will not be purchased. But I hesitate about appropriating money for purchase of horses when such a purchase would be not only harmful to the farming community but would be of no benefit to the Military Establishment of the Government.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Alabama?

Mr. WEEKS. I yield.

Mr. UNDERWOOD. My information is that this is a House provision, and not a Senate provision.

Mr. WEEKS. I understand that.

Mr. UNDERWOOD. Judging from the information I have, this money is not to be spent to buy Cavalry horses, and it is not the purpose of the Government to organize new regiments of Cavalry; but a very large number of horses are going to be used in the Artillery, which is a very important branch of the service, of course, and for the Quartermaster Corps, to be used in the wagon trains in the new army of 500,000 men to begin with and 500,000 more a little later on.

Mr. WEEKS. Let me say to the Senator that $20,000,000 would buy all of the horses necessary for the Artillery and the Quartermaster's Establishment for an army of 1,000,000 men.

Mr. UNDERWOOD. Well, this is an estimate of the department. I concur in what the Senator says; and if I thought he was correct about the use of these horses, I admit I do not see any reason in the world for buying horses for Cavalry when we are not going to organize the Cavalry regiments; but my understanding is different from his.

Mr. WEEKS. The Senator will notice on the bottom of page 35, in the very last line, it is provided that the horses shall be "for the Cavalry, Artillery, Signal Corps, and Engineers," and so forth. I am not going to object to the appropriation, I merely wanted to call the attention of the Senate once more to the probability that we are appropriating very much larger amounts for specific purposes than can be used.

Mr. UNDERWOOD. I will say to the Senator that it will be agreeable to the committee, if he desires to do so, to have him move to reduce the amount of the appropriation, which will allow us to take it to conference, so that we can get further information on the subject.

Mr. WEEKS. Mr. President, without going into anything definite about the amount which should be appropriated, in order to get it into conference, with the assurance that that phase of the question will be given consideration, I move to substitute "$25,000,000," in line 25, on page 36, for the amount there carried, "$73,582,250."

Mr. UNDERWOOD. That is agreeable, with the understanding on the part of the Senate that we shall take it to conference to be acted on after we get the information.

Mr. WEEKS. I have no objection to that course.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The SECRETARY. On page 36, line 25, after the word "place," it is proposed to strike out "$73,582,250" and insert "$25,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MARTIN. Mr. President, at this point I desire to make a statement called for by a remark made by the Senator from Kansas [Mr. CURTIS]. I told the Senator from Kansas I was sure that there would be an additional deficiency bill. That, of course, was merely a personal opinion of mine. Deficiency bills must originate in the other House, but I do not see how we can get along without one.

Mr. CURTIS. I understood that.

Mr. MARTIN. I do not want the Senator to forego anything without knowing that it was simply my personal opinion that another deficiency bill would be necessary; but, as I have said, it will have to come from the other House.

Mr. CURTIS. I fully realize that. I know that all appropriation bills originate in the other House.

Mr. MARTIN. I thought probably the Senator might feel I had some information from the House, but I have not.

Mr. CURTIS. Not at all. I did not intend to have my remarks so construed. I did not intend to convey any such impression.

Mr. SMOOT. Mr. President, in this connection I desire to say that there must be some further appropriation bills or some of the departments here will be absolutely in a position where they will not be able to carry on their work. Suggestions for those appropriations came before the committee to be placed upon this appropriation bill, but we uniformly refused to consider them for the reasons given by the Senator from Alabama [Mr. UNDERWOOD].

Mr. MARTIN. The Senator is correct.

Mr. GORE. Mr. President, I gave notice a few days ago of my intention to offer an amendment to the pending bill. The amendment now lies on the table. I offer it at this time, and ask that it be read.

The PRESIDING OFFICER. The Senator from Oklahoma offers an amendment, which the Secretary will state.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. —. That there is hereby authorized a joint committee of the Senate and House of Representatives in Congress, which shall consist of the Vice President and four Members of the Senate, to be designated by him, and the Speaker of the House of Representatives and four other Members of the House, to be designated by him. It shall be the duty of said joint committee to visit, so far as practicable, the different countries now making common cause with the United States against a common enemy and investigate conditions therein and report to Congress at its regular annual session in December, 1917, such facts as may be necessary and proper for the guidance of Congress in future legislation looking to the vigorous prosecution and successful conclusion of the present war. Said joint committee shall elect a chairman and is authorized to incur and pay upon the certificate of its chairman such expenses in the city of Washington and elsewhere for the payment of the salaries of employees, clerks, stenographers, assistants, and such other necessary expenses as the committee may deem necessary for the purposes of its investigations: *Provided*, That the total expenses incurred for all purposes shall not exceed the sum of $35,000.

Mr. UNDERWOOD. Mr. President, I shall make a point of order against the amendment, but not, of course, to interfere with the Senator, if he desires to speak on the subject. I wish to say to the Senator that the committee having the bill in charge, in order to expedite it and to confine it to war expenditures, have insisted and agreed with everyone who came before the committee that we would not allow any legislation or matters of appropriation to go on the bill that did not directly relate to war expenditures. So that the committee will be constrained to make a point of order, but I will reserve it for the present.

Mr. GORE. Mr. President, I have no desire to discuss the amendment. I will merely say that the amendment explains itself. The responsibility of legislation rests upon the Congress. We could not shift that responsibility if we would, and I believe that we would not if we could; at least, that is my personal attitude in the premises.

The object of this amendment is to enable Congress to obtain, through its own instrumentalities, the fullest light for its future guidance with respect to such legislation. I know that everybody desires the war to be conducted successfully and to a speedy conclusion; but there has been some complaint that Congress has not been provided with all the information which might be desirable. I offer this amendment in order to meet that situation, and, if possible, to silence that complaint in the future. I apprehend that possibly it would meet the fate just indicated by the Senator from Alabama, although I am not certain that it is not entirely germane to this bill.

Mr. UNDERWOOD. Mr. President, I make the point of order against the amendment for the reasons I stated a moment ago.

The PRESIDING OFFICER. The Chair sustains the point of order.

The bill was reported to the Senate as amended.

Mr. BRANDEGEE. I should like to ask the chairman of the committee a question. The inquiry was propounded to me a few minutes ago by an official of the Navy Department whether the bill contains a provision to authorize the department to commandeer private yachts. I do not know whether that was in the House provision or not.

Mr. UNDERWOOD. Undoubtedly this bill as it is written would allow the commandeering of private yachts. It does not mention yachts, but it says "the word 'ship' shall include any boat or vessel and the parts thereof." I think beyond any doubt the definition is broad enough to cover yachts.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole.

The amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MARTIN. I move that the Senate request a conference with the House of Representatives on the bill and amendments and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. MARTIN, Mr. UNDERWOOD, and Mr. WARREN were appointed conferees on the part of the Senate.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

DEATH OF REPRESENTATIVE DANIEL W. COMSTOCK.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, communicated to the Senate the intelligence of the death of DANIEL W. COMSTOCK, late a Representative from the State of Indiana, and transmitted resolutions of the House thereon.

Mr. NEW. Mr. President, it is with great sorrow that I have to announce to the Senate the death of Hon. DANIEL W. COMSTOCK, a Representative in Congress from the sixth congressional district of Indiana. Judge COMSTOCK served his State loyally and gallantly as a soldier of the Union in the great Civil War and at various times has served his State with honor and distinction on the bench of its higher courts. He was gallant and brave as a soldier, efficient and distinguished as a jurist, and was serving honorably and with credit as a Representative in Congress at the time of his unexpected death.

I ask the Chair to lay before the Senate the resolutions of the House of Representatives.

The PRESIDING OFFICER. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The Secretary read the resolutions, as follows:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
May 19, 1917.

Resolved, That the House has heard with profound sorrow of the death of Hon. DANIEL W. COMSTOCK, a Representative from the State of Indiana.

Resolved, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. NEW. Mr. President, on some future day I shall ask the Senate to designate a time at which appropriate tribute may be paid to the memory of the deceased Representative. For the present I offer the resolutions which I send to the desk and ask for their adoption.

The resolutions were read, considered by unanimous consent, and agreed to, as follows:

Senate resolution 66.

Resolved, That the Senate has heard with deep sensibility the announcement of the death of Hon. DANIEL W. COMSTOCK, late a Representative from the State of Indiana.

Resolved, That a committee of five Senators be appointed by the Chair to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased in Richmond, Ind.

Resolved, That the Secretary communicate a copy of these resolutions to the House of Representatives.

The PRESIDING OFFICER, under the second clause of the resolutions, appointed as the committee on the part of the Senate Mr. NEW, Mr. WATSON, Mr. FERNALD, Mr. THOMAS, and Mr. HARDWICK.

Mr. NEW. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate adjourn.

The motion was unanimously agreed to; and (at 2 o'clock and 55 minutes p. m., Saturday, May 19, 1917) the Senate adjourned until Monday, May 21, 1917, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 19 (legislative day of May 17), 1917.

COLLECTOR OF INTERNAL REVENUE.

James M. Cathcart to be internal-revenue collector for the district of Florida, in place of Henry Hayes Lewis, superseded.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 19 (legislative day of May 17), 1917.

COLLECTOR OF INTERNAL REVENUE.

James M. Cathcart to be internal-revenue collector for the district of Florida.

APPOINTMENTS IN THE ARMY.

CHAPLAINS.

Rev. Oscar Lee Owens to be chaplain with the rank of first lieutenant.

Rev. Zachary Taylor Vincent to be chaplain with the rank of first lieutenant.

Rev. Merritt V. Eusey to be chaplain with the rank of first lieutenant.

Rev. Albert Kingsbury Mathews to be chaplain with the rank of first lieutenant.

VETERINARY CORPS.

To be assistant veterinarians.

Veterinarian John A. McKinnon.
Veterinarian James R. Shand.
Veterinarian Edward P. O'Connell.
Veterinarian Thomas H. Jones.

CORPS OF ENGINEERS.

To be second lieutenants.

Cadet Harris Jones.
Cadet Francis Lorenz Palmer.
Cadet William Francis Heavey.
Cadet Harold Roger Richards.
Cadet John Jefferson Flowers Steiner.
Cadet Daniel Noce.
Cadet Willis Edward Teale.
Cadet Clark Kittrell.
Cadet Samuel Rairigh Irwin.
Cadet Henry Hutchings, jr.

CAVALRY ARM.

To be second lieutenants.

Cadet Ray Harrison.
Cadet William Foster Daugherty.
Cadet John Tupper Cole.
Cadet Stephen Huntting Sherrill.
Cadet Charles Hunter Gerhardt.
Cadet Walter Herman Schulze.
Cadet Herbert Charles Holdridge.
Cadet Albert Cowper Smith.
Cadet Nicholas Winn Lisle.
Cadet Percy Gamble Black.
Cadet Albert Charles Stanford.
Cadet Laurence Bascum Meacham.
Cadet Louis Le Roy Martin.
Cadet William Kelly Harrison, jr.
Cadet Josiah Purman Morford.
Cadet Ernest Nason Harmon.
Cadet Joseph Scranton Tate.
Cadet Arthur McKinley Harper.
Cadet John Wesley Confer, jr.
Cadet Herbert Norman Schwarzkopf.
Cadet Robert Newton Kunz.
Cadet Charles Solomon Kilburn.
Cadet Charles Radcliffe Johnson, jr.
Cadet Bertrand Morrow.
Cadet Coalter Bates Comp[illegible].

FIELD ARTILLERY ARM.

To be second lieutenants.

Cadet Robert Marks Bathurst.
Cadet William Harrison Saunders.
Cadet Charles Everett Hurdis.
Cadet Henry John Schroeder.
Cadet James Kivas Tully.
Cadet John Matthew Devine.
Cadet Harold Albert Nisley.
Cadet Fenton Harrison McGlachlin.
Cadet James Louis Guion.
Cadet George Douglas Wahl.
Cadet Basil Harrison Perry.
Cadet Ray Hartwell Lewis.
Cadet Solomon Foote Clark.
Cadet Augustus Milton Gurney.
Cadet Oliver Byron Cardwell.
Cadet William Ormond Butler.
Cadet Rex Webb Beasley.

COAST ARTILLERY CORPS.

To be second lieutenants.

Cadet Harold Rufus Jackson.
Cadet Morris Keene Barroll, jr.
Cadet Walter Wilton Warner.
Cadet Walter Francis Vander Hyden.
Cadet Ira Adam Crump.
Cadet Elbert Louis Ford, jr.
Cadet Samuel Hingston Bradbury, jr.
Cadet James Lord Hayden.
Cadet Scott Brewer Ritchie.
Cadet George Sampson Beurket.
Cadet Burnett Ralph Olmsted.
Cadet Joel Grant Holmes.
Cadet James Arthur Code, jr.
Cadet William Sackville.
Cadet Leroy Henry Lohmann.
Cadet Christian Gingrich Foltz.
Cadet Aaron Bradshaw, jr.
Cadet William Warwick Cowgill.
Cadet Harry Russell Pierce.
Cadet Lawrence Collamore Mitchell.
Cadet Alexander Hunkins Campbell.
Cadet Marvil Groves Armstrong.
Cadet John Richard Nygaard.

INFANTRY ARM.

To be second lieutenants.

Cadet Francis Eugene Dougherty.
Cadet Lyman Lewis Parks.
Cadet John Trott Murray.
Cadet Warfield Monroe Lewis.
Cadet Joseph Lawton Collins.
Cadet James Oscar Green, jr.
Cadet Daves Rossell.
Cadet Harold McClave White.
Cadet Lincoln Ferris Daniels.
Cadet Frederick Augustus Irving.
Cadet Matthew Bunker Ridgway.
Cadet Richard Mars Wightman.
Cadet Charles Walter Yuill.
Cadet William Willis Eagles.
Cadet Francis Anthony Markoe.
Cadet John James McEwan.
Cadet John Allen Stewart.
Cadet George Wilbur Sackett.
Cadet Francis Graves Bonham.
Cadet Norman Daniel Cota.
Cadet Robert Bundy Ransom.
Cadet Carleton Coulter, jr.
Cadet James Henly Frier, jr.
Cadet Leo James Erler.
Cadet Robert Denis Newton.
Cadet Willis Richardson Slaughter.
Cadet George Hatton Weems.
Cadet Roy Lindsay Bowlin.
Cadet William Claude McMahon.
Cadet Francis Michael Brennan.
Cadet Milton Baldridge Halsey.
Cadet Charles Love Mullins, jr.
Cadet Thomas Simons Sinkler, jr.
Cadet George Francis Wooley, jr.
Cadet Sterling Alexander Wood, jr.
Cadet William Francis Redfield.
Cadet Mark Wayne Clark.
Cadet Stewart Whiting Hoover.
Cadet David Sheridan Rumbough.
Cadet Francis John Heraty.
Cadet Donovan Swanton.
Cadet Francis Atherton Macon, jr.
Cadet Laurence Bolton Keiser.
Cadet Homer Caffee Brown.
Cadet Clare Hibbs Armstrong.
Cadet Harris Marcy Melasky.
Cadet Sidney Hooper Young.
Cadet John Clement Whitcomb.
Cadet Wallace James Redner.
Cadet Charles David Lewis.
Cadet Edward William Leonard.
Cadet Paul Hancock Brown.
Cadet William Stuart Eley.
Cadet Paul Winters York.
Cadet Ferdinand Gustav von Kummer, jr.
Cadet Joseph Pescia Sullivan.
Cadet Henry Henley Chapman.

Cadet Asa Parmele Pope.
Cadet Edwin Howard Clark.
Cadet Lewis Perrine.
Cadet Clarke Kent Fales.
Cadet John Addison Welshampel.
Cadet Malcolm Boord Helm.

PROVISIONAL APPOINTMENTS BY PROMOTION IN THE ARMY.

INFANTRY ARM.

To be first lieutenants.

Second Lieut. Frank L. Hoerner.
Second Lieut. Joseph P. Vachon.
Second Lieut. Harry O. Davis.
Second Lieut. Floyd Hatfield.
Second Lieut. Earl Landreth.
Second Lieut. Richard T. McDonnell.
Second Lieut. Harold P. Kayser.
Second Lieut. Basil D. Spalding.
Second Lieut. Henry J. C. Humphrey.
Second Lieut. Gordon W. Ellis.
Second Lieut. George L. Febiger.
Second Lieut. Theodore W. Sidman.
Second Lieut. Fred Stall.
Second Lieut. Claud E. Stadtman.
Second Lieut. Mitchell Hilt.
Second Lieut. John B. Warfield.
Second Lieut. Clarence R. Huebner.
Second Lieut. Harold G. Lewis.
Second Lieut. Frederick McCabe.
Second Lieut. Morton L. Landreth.
Second Lieut. Irving H. Engleman.
Second Lieut. Clarence W. Emerson.
Second Lieut. Frederick J. von Rohan.
Second Lieut. Frederick Schoenfeld.
Second Lieut. Earl J. Dodge.
Second Lieut. Paul J. McDonnell.
Second Lieut. Eustis L. Poland.
Second Lieut. Fred I. Massey.
Second Lieut. Curtis T. Huff.
Second Lieut. Paul Hathaway.
Second Lieut. Clarence F. Jobson.
Second Lieut. Alfred R. Hamel.
Second Lieut. Hardin C. Sweeney.
Second Lieut. Eugene M. Landrum.
Second Lieut. Arthur J. O'Keefe.
Second Lieut. James A. Anderson.
Second Lieut. Adelbert B. Stewart.
Second Lieut. William F. Lee.
Second Lieut. Donavin Miller.
Second Lieut. George W. Teachout.
Second Lieut. Clarence R. Oliver.
Second Lieut. Frederick W. Huntington.
Second Lieut. Howard J. Houghland.
Second Lieut. Thomas J. Griffin.
Second Lieut. Chester A. Davis.
Second Lieut. Conrad L. Dennis.
Second Lieut. Roland R. Long.
Second Lieut. Arthur Van Dine.
Second Lieut. Cordray W. Cutchin.
Second Lieut. Charles B. Oldfield.
Second Lieut. Charles J. Allen.
Second Lieut. John L. Dunn.
Second Lieut. Raymond Wortley.
Second Lieut. William B. Wynn.
Second Lieut. Louis A. Welch.
Second Lieut. Schiller Scroggs.
Second Lieut. Charles A. McGarrigle.
Second Lieut. Alexander P. Withers.
Second Lieut. Orville E. Lewis.
Second Lieut. Lonnie H. Nixon.
Second Lieut. William F. Freehoff.
Second Lieut. Shelby Ledford.
Second Lieut. Austin A. Adamson.
Second Lieut. Paul C. Turner.
Second Lieut. Charles M. Crooks.
Second Lieut. William G. Livesay.
Second Lieut. Robert L. Christian.
Second Lieut. William H. Crom.
Second Lieut. Leo E. Johnson.
Second Lieut. George R. F. Cornish.
Second Lieut. Delphin E. Thebaud.
Second Lieut. George S. Clarke.
Second Lieut. Adolph C. Weidenbach.
Second Lieut. Fred McI. Logan.
Second Lieut. Freeman Smith.
Second Lieut. Joseph W. G. Stephens.
Second Lieut. Adolph Unger.
Second Lieut. Richard K. Sutherland.
Second Lieut. Shelby M. Tuttle.
Second Lieut. Robert G. Moss.
Second Lieut. Emil W. Leard.
Second Lieut. Walter F. Adams.
Second Lieut. Joseph N. Greene.
Second Lieut. Sereno E. Brett.
Second Lieut. Harry L. Reeder.
Second Lieut. Jay E. Gillfillan.
Second Lieut. Lester T. Gayle, jr.
Second Lieut. Turner M. Chambliss.
Second Lieut. James N. C. Richards.
Second Lieut. Truman Smith.
Second Lieut. John F. Ehlert.
Second Lieut. Theron G. Methven.
Second Lieut. Francis M. Van Natter.
Second Lieut. Paul L. Ransom.
Second Lieut. Rice M. Yonell.
Second Lieut. James H. Holmes, jr.
Second Lieut. Manton S. Eddy.
Second Lieut. Charles E. Moore.
Second Lieut. Gabriel T. Mackenzie.
Second Lieut. Erskine S. Dollarhide.
Second Lieut. Barnwell R. Legge.
Second Lieut. Alexander W. Dillard.
Second Lieut. Edward M. Almond.
Second Lieut. Charles P. Stivers.
Second Lieut. Robert C. Van Vliet, jr.
Second Lieut. Charles L. Chaffee.
Second Lieut. Bohun B. Kinloch.
Second Lieut. Richard K. Smith.
Second Lieut. Percy W. Clarkson.
Second Lieut. Lee S. Gerow.
Second Lieut. Stuart G. Wilder.
Second Lieut. Harry I. T. Creswell.
Second Lieut. Charles E. Purviance.
Second Lieut. Lloyd H. Cook.
Second Lieut. John T. Bossi.
Second Lieut. Charles T. Senay.
Second Lieut. Egmont F. Koenig.
Second Lieut. Arthur H. Goddard.
Second Lieut. Peter K. Kelly.
Second Lieut. Edward M. Peters.
Second Lieut. James H. Edgarton.
Second Lieut. Lawrence J. I. Barrett.
Second Lieut. Wendell H. Woolworth.
Second Lieut. John R. Brooke, jr.
Second Lieut. Frank L. Culin, jr.
Second Lieut. Daniel S. Appleton.
Second Lieut. Ralph E. McLain.
Second Lieut. Ralph C. Smith.
Second Lieut. Thomas S. Arms.
Second Lieut. Raymond D. Bell.
Second Lieut. Archelaus L. Hamblen.
Second Lieut. William H. Humphreys.
Second Lieut. Paul W. Mapes.
Second Lieut. Robert C. Macon.
Second Lieut. Frederic C. Dose.
Second Lieut. Stephen P. Jocelyn, jr.
Second Lieut. John D. Townsend.
Second Lieut. Henry H. Worthington.
Second Lieut. George L. Kraft.
Second Lieut. John S. Switzer, jr.
Second Lieut. James C. Cook.
Second Lieut. Allen F. Kingman.
Second Lieut. Abraham Tabachnik.
Second Lieut. William A. Rawls, jr.
Second Lieut. Hamilton K. Foster.
Second Lieut. Constant L. Irwin.
Second Lieut. Willis E. Comfort.
Second Lieut. Leven C. Allen.
Second Lieut. Joseph Quesenberry.
Second Lieut. Robert O. Jones.
Second Lieut. Oliver A. Hess.
Second Lieut. Edward A. Allen.
Second Lieut. Carroll M. De Witt.
Second Lieut. Clarence B. Carver.
Second Lieut. Jedediah H. Hills.
Second Lieut. Edwin E. Schwien.
Second Lieut. Dan D. Howe.
Second Lieut. John E. Copeland.
Second Lieut. John H. Humbert.
Second Lieut. Joseph L. Lancaster.

Second Lieut. David R. Kerr.
Second Lieut. Everett G. Smith.
Second Lieut. Lyman S. Frazier.
Second Lieut. Howard E. Hawkinson.
Second Lieut. Julius A. Mood, jr.
Second Lieut. Sidney S. Eberle.
Second Lieut. Joseph N. Dalton.
Second Lieut. Charles N. Stevens.
Second Lieut. James S. Bailey.
Second Lieut. Henry C. Long, jr.
Second Lieut. William E. Lucas, jr.
Second Lieut. Victor Parks.
Second Lieut. Walter A. Pashkoski.
Second Lieut. Roscius H. Back.
Second Lieut. Oscar F. Carlson.
Second Lieut. Richard G. Tindall.
Second Lieut. Roy L. Taylor.
Second Lieut. Leander R. Hathaway.
Second Lieut. German W. Lester.
Second Lieut. Seely B. Fahey.
Second Lieut. Karl Engeldinger.
Second Lieut. Francis A. Byrne.
Second Lieut. Harry J. Selby.
Second Lieut. Farragut F. Hall.
Second Lieut. Orville M. Moore.
Second Lieut. William H. McCutcheon, jr.
Second Lieut. Walter R. McClure.
Second Lieut. Charles E. Speer.
Second Lieut. Baldwin Williams-Foote.
Second Lieut. Edmund Wilhelm.
Second Lieut. George H. Butler.
Second Lieut. Frank C. Foley.
Second Lieut. Leonard R. Boyd.
Second Lieut. Withers A. Burress.
Second Lieut. Arthur J. Hoffmann.
Second Lieut. Harry L. Bennett, jr.
Second Lieut. Joseph J. McConville.
Second Lieut. John C. Platt, jr.
Second Lieut. Thomas H. Ward.
Second Lieut. Edward H. Nichols.
Second Lieut. Alfred D. Hayden.
Second Lieut. Melville W. F. Wallace.
Second Lieut. Paul M. Ellis.
Second Lieut. Kirk A. Metzerott.
Second Lieut. Thomas E. Mount.
Second Lieut. John P. Pryor.
Second Lieut. Jewett C. Baker.
Second Lieut. Robert B. Moore.
Second Lieut. Charles W. Jones.
Second Lieut. Edward H. Cotcher.
Second Lieut. Robert S. Miller.
Second Lieut. Paul N. Starlings.
Second Lieut. Madison Pearson.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Harley C. Dagley.
Second Lieut. Charles L. Clifford.
Second Lieut. Gaston L. Holmes.
Second Lieut. George W. Wersebe.
Second Lieut. Milton R. Fisher.
Second Lieut. John S. Jadwin.
Second Lieut. Arthur P. Thayer.
Second Lieut. Edward R. Scheitlin.
Second Lieut. Edwin A. Martin.
Second Lieut. Frank G. Ringland.
Second Lieut. John B. Harper.
Second Lieut. Winchell I. Rasor.
Second Lieut. Oliver I. Holman.
Second Lieut. John J. Bohn.
Second Lieut. Harry B. Flounders.
Second Lieut. John C. Garrett.
Second Lieut. Grover R. Carl.
Second Lieut. Hugh D. Blanchard.
Second Lieut. James G. Monihan.
Second Lieut. Anthony J. Kirst.
Second Lieut. William G. Simmons.
Second Lieut. Rexford E. Willoughby.
Second Lieut. John D. Austin.
Second Lieut. John P. Kaye.
Second Lieut. Cleo D. Mayhugh.
Second Lieut. James W. Barnett.
Second Lieut. John C. Mullenix.
Second Lieut. Ross McCoy.
Second Lieut. Howard C. Tobin.
Second Lieut. John A. Weeks.
Second Lieut. Walter E. Buchly.
Second Lieut. Harold C. Mandell.
Second Lieut. Lester A. Sprinkle.
Second Lieut. Robert W. Grow.
Second Lieut. Terrill A. Price.
Second Lieut. William H. Kasten.
Second Lieut. Edwin Rollmann.
Second Lieut. Leon A. Ryder.
Second Lieut. Richard L. Creed.
Second Lieut. William M. Husson.
Second Lieut. Harry L. Putnam.
Second Lieut. Roderick R. Allen.
Second Lieut. Adolphus W. Roffe.
Second Lieut. Horace K. Havlicek.
Second Lieut. Robert C. Candee.
Second Lieut. Joseph L. Philips.
Second Lieut. Kenneth McCatty.
Second Lieut. Joseph W. Geer.
Second Lieut. Edwin D. Morgan, jr.
Second Lieut. Leslie B. C. Jones.
Second Lieut. Kramer Thomas.
Second Lieut. James R. Finley.
Second Lieut. Willard S. Wadelton.
Second Lieut. Hale S. Cook.
Second Lieut. John M. Jenkins, jr.
Second Lieut. Beverly H. Coiner.
Second Lieut. Albert D. Chipman.
Second Lieut. Arthur H. Truxes.
Second Lieut. Gordon J. T. Heron.
Second Lieut. Hugh M. Gregory.
Second Lieut. Oron A. Palmer.
Second Lieut. Stanley Bacon.
Second Lieut. Jay D. B. Lattin.
Second Lieut. Samuel V. Constant.
Second Lieut. William C. Chase.
Second Lieut. Norman E. Fiske.
Second Lieut. Donald O. Miller.
Second Lieut. Richard D. Gile.
Second Lieut. Wilson T. Bals.
Second Lieut. Cyrus J. Wilder.
Second Lieut. Harold C. Fellows.
Second Lieut. John T. Pierce, jr.
Second Lieut. Henry H. Anderson.

To be second lieutenant.

Corpl. Ralph L. Willner.

FIELD ARTILLERY ARM.

To be first lieutenants.

Second Lieut. Sherman L. Kiser.
Second Lieut. Emer Yeager.
Second Lieut. Marvin C. Heyser.
Second Lieut. Idus R. McLendon.
Second Lieut. Michael J. Fibich.
Second Lieut. Sidney G. Brady.
Second Lieut. George A. Pollin.
Second Lieut. David E. Finkbiner.
Second Lieut. Chauncey F. Ruoff.
Second Lieut. Erwin C. W. Davis.
Second Lieut. Emile G. De Coen.
Second Lieut. Arthur N. White.
Second Lieut. Patrick L. Lynch.
Second Lieut. Ivan N. Bradley.
Second Lieut. John J. McCollister.
Second Lieut. Frank A. Roberts.
Second Lieut. William D. Alexander.
Second Lieut. Herbert L. Lee.
Second Lieut. Richard J. Marshall.
Second Lieut. Ralph T. Heard.
Second Lieut. Harcourt Hervey.
Second Lieut. Francis W. Sheppard.
Second Lieut. Robert W. Daniels.
Second Lieut. John S. Winslow.
Second Lieut. George N. Ruhberg.
Second Lieut. Armand Durant.
Second Lieut. Thomas T. Handy.
Second Lieut. Frank B. Tipton, jr.
Second Lieut. Stanley F. Bryan.

COAST ARTILLERY CORPS.

To be first lieutenants.

Second Lieut. Frederick W. Smith.
Second Lieut. Robert S. Barr.
Second Lieut. Charles J. Herzer.
Second Lieut. William M. Cravens.
Second Lieut. John B. Martin.
Second Lieut. Oliver C. Stevens.
Second Lieut. Edwin C. Mead.
Second Lieut. William T. Roberts.
Second Lieut. Carl J. Smith.
Second Lieut. Dugald MacA. Barr.
Second Lieut. James D. MacMullen.
Second Lieut. Charles W. Bundy.
Second Lieut. Charles D. Ostrom.
Second Lieut. Donald M. Cole.
Second Lieut. James C. Huston.
Second Lieut. Lenox R. Lohr.
Second Lieut. Francis A. Hause.
Second Lieut. Edward E. MacMorland.
Second Lieut. Henry B. Holmes, jr.
Second Lieut. Arvid M. Pendleton.
Second Lieut. Leslie V. Jefferis.
Second Lieut. Stuart A. Hamilton.
Second Lieut. Howard F. Gill.
Second Lieut. Gerald R. Butz.
Second Lieut. Joseph W. Barker.
Second Lieut. Shuey E. Wolfe.
Second Lieut. Frank J. Atwood.
Second Lieut. Carl C. Terry.
Second Lieut. Fred G. French.
Second Lieut. Edward A. Murphy.
Second Lieut. Jep C. Hardigg.
Second Lieut. Dale D. Hinman.
Second Lieut. George D. Davidson.
Second Lieut. Robert E. Turley, jr.
Second Lieut. Richard B. Webb.
Second Lieut. Moses Goodman.
Second Lieut. Kenneth Purdy.
Second Lieut. Jules E. Piccard.
Second Lieut. Robert E. Phillips.
Second Lieut. William R. Stewart.
Second Lieut. Edgar Nash, jr.
Second Lieut. Vincent B. Dixon.
Second Lieut. Wilmer S. Phillips.
Second Lieut. Edgar H. Underwood.
Second Lieut. Howard S. Thomas.
Second Lieut. Paul H. French.
Second Lieut. Horace L. Whittaker.
Second Lieut. Gordon de L. Carrington.
Second Lieut. James Q. Rood.
Second Lieut. James L. Hatcher.
Second Lieut. Ira B. Hill.
Second Lieut. Berthold Vogel.
Second Lieut. Odes T. Pogue.
Second Lieut. William Chason.
Second Lieut. Evan C. Seamon.
Second Lieut. Clarence E. Cotter.
Second Lieut. Gordon B. Welch.

CORPS OF ENGINEERS.

To be first lieutenant.

Second Lieut. Ernest L. Osborne.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Lieut. Col. Edward M. Lewis to be colonel.
Capt. Berkeley Enochs to be major.
First Lieut. James H. Laubach to be captain.
First Lieut. George R. Harrison to be captain.
First Lieut. Ralph W. Dusenbury to be captain.
First Lieut. Thomas C. Spencer to be captain.
First Lieut. Fauntley M. Miller to be captain.
First Lieut. Ray C. Hill to be captain.
First Lieut. Patrick J. Morrissey to be captain.
First Lieut. Thomas M. R. Herron to be captain.
First Lieut. John D. Reardan to be captain.
First Lieut. Ernest L. Pell to be captain.
First Lieut. Joseph C. Hatie to be captain.
First Lieut. John W. Simons, jr., to be captain.
First Lieut. Edward G. Taylor to be captain.
First Lieut. Alfred H. Erck to be captain.
First Lieut. Fred P. Jacobs to be captain.
First Lieut. Walter S. Greacen to be captain.
First Lieut. Cary I. Crockett to be captain.
First Lieut. Homer H. Slaughter to be captain.
First Lieut. Henry C. K. Muhlenberg to be captain.
First Lieut. John F. Curry to be captain.
First Lieut. James E. Chaney to be captain.
First Lieut. William J. Fitzmaurice to be captain.

CAVALRY ARM.

Maj. William T. Johnston to be lieutenant colonel.
Maj. Harold P. Howard to be lieutenant colonel.
Maj. Elmer Lindsley to be lieutenant colonel.
Maj. William J. Glasgow to be lieutenant colonel.
Capt. Frank R. McCoy to be major.
First Lieut. William D. Geary to be captain.
First Lieut. Emil P. Pierson to be captain.
First Lieut. Clark P. Chandler to be captain.
First Lieut. Richard H. Kimball to be captain.
First Lieut. Abbott Boone to be captain.
First Lieut. William L. Moose, jr., to be captain.
First Lieut. Frederick S. Snyder to be captain.
First Lieut. William C. Christy to be captain.
First Lieut. Sloan Doak to be captain.
First Lieut. Leland Wadsworth, jr., to be captain.
First Lieut. Seth W. Scofield to be captain.
First Lieut. James L. Collins to be captain.
First Lieut. William C. McChord to be captain.
First Lieut. William R. Henry to be captain.
First Lieut. George F. Patten to be captain.
First Lieut. Robert M. Cheney to be captain.
First Lieut. Lawrence W. McIntosh to be captain.

FIELD ARTILLERY ARM.

Capt. Edgar H. Yule to be major.
First Lieut. Thurman H. Bane to be captain.
First Lieut. Albert K. C. Palmer to be captain.
First Lieut. Oliver A. Dickinson to be captain.
First Lieut. Frederick W. Stewart to be captain.
First Lieut. Herbert B. Hayden to be captain.
First Lieut. John T. Kennedy to be captain.
First Lieut. Thomas J. Johnson to be captain.
First Lieut. Leo J. Ahern to be captain.

COAST ARTILLERY CORPS.

First Lieut. Townsend F. Dodd to be captain.
First Lieut. Furman E. McCammon to be captain.
First Lieut. Louis B. Bender to be captain.

CORPS OF ENGINEERS.

Capt. Thomas M. Robins to be major.
First Lieut. Gordon R. Young to be captain.
Second Lieut. Tattnall D. Simkins to be first lieutenant.

SIGNAL CORPS.

Lieut. Col. Edgar Russel to be colonel.
Maj. Carl F. Hartmann to be lieutenant colonel.
Capt. Alfred T. Clifton to be major.

CHAPLAINS.

To be chaplains with the rank of captain.

Chaplain James F. Houlihan.
Chaplain Louis A. Carter.

PORTO RICO REGIMENT OF INFANTRY.

First Lieut. Leopoldo Mercader to be captain.

POSTMASTERS.

LOUISIANA.

Ambrose L. Marshall, La Fayette.

NORTH CAROLINA.

Margaret W. Swindell, Swanquarter.

OKLAHOMA.

Frances G. McGinn, Gate.

PENNSYLVANIA.

James H. Marker, West Brownsville.

TEXAS.

McIver Smith Daniel, Texline.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 19, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O God, our Eternal Hope, who holdest our life and appointest our lot, make us tractable unto Thy holy influence and strong to bear the burdens Thou hast laid upon us. Open Thou our spiritual ears that we may hear the call of Him who said: "Come unto Me, all ye that labor and are heavy laden, and I will give you rest. Take My yoke upon you, and learn of Me; for I am meek and lowly in heart; and ye shall find rest unto your souls. For My yoke is easy, and My burden is light."

Hear our prayer for us and for all who are bowed in sorrow and grief. Our hearts are touched once more by the visitation of the Angel of Death in our congressional home. Bless, we beseech Thee, those nearest and dearest to him and help them to learn of Him who taught us the way and the truth and the life. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. MEEKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. On what?

Mr. MEEKER. In reference to some of the latest reports in regard to the actual dispensing of liquors and drinks in European armies.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none.

Mr. BLAND. Mr. Speaker, I would like to ask unanimous consent to extend my remarks in the RECORD by printing a resolution adopted by the Knox County Bar Association in reference to the war with the Imperial German Government.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none.

ENLISTED STRENGTH OF THE NAVY AND MARINE CORPS—CONFERENCE REPORT.

Mr. PADGETT. Mr. Speaker, I wish to call up the conference report on the bill H. R. 3330, and I ask unanimous consent that the statement be read in lieu of the report.

Mr. MANN. The report is shorter than the statement.

Mr. PADGETT. That is right.

The report was read, as follows:

CONFERENCE REPORT (NO. 54).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, and 21.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 6, 7, 8, 10, 11, 12, 14, 15, 16, 18, and 20, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: Page 2, in line 10 of the engrossed amendment, strike out the semicolon after the word "prescribe" and in lieu thereof insert the following: "to fill vacancies in the several grades as provided by existing law"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter stricken out and the new matter inserted insert the following:

"That commencing June 1, 1917, and continuing until not later than six months after the termination of the present war, all enlisted men of the Navy of the United States in active service whose base pay does not exceed $21 per month shall receive an increase of $15 per month; those whose base pay is over $21 and does not exceed $24 per month, an increase of $12 per month; those whose base pay is over $24 and less than $45 per month, an increase of $8 per month; and those whose base pay is $45 or more per month, an increase of $6 per month: *Provided*, That the increases of pay herein authorized shall not enter into the computation of continuous-service pay."

And the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: Page 7, line 9 of said engrossed amendment, after the word "That," insert the words "in time of war"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: At the end of said amendment strike out the period, insert a colon, and add the following proviso: "*Provided further*, That the President be, and he is hereby, authorized to direct the Secretary of the Navy to take such action on the records of proceedings of naval examining board and boards of naval surgeons for the promotion of officers of the Navy as is now required by law to be taken by the President"; and the Senate agree to the same.

L. P. PADGETT,
J. FRED. C. TALBOTT,
THOMAS S. BUTLER,
Managers on the part of the House.

CLAUDE A. SWANSON,
JOHN WALTER SMITH,
H. C. LODGE,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon and submit the accompanying report on the amendments of the Senate, namely:

On amendments Nos. 1 and 2: Provides for the enlistment in the Navy and Marine Corps for the period of the war by simply changing these words to another part of the section, and the House recedes.

On amendment No. 3: Provides that the officers appointed shall be by and with the advice and consent of the Senate, and the House recedes.

On amendment No. 4: Provides that temporary officers may be appointed in the Navy as high as the grade of lieutenant commander instead of lieutenant as provided in the House, and the Senate recedes.

On amendments Nos. 6, 7, and 8: Changes the verbiage without any change in legal effect.

On amendment No. 9: Provides that the board of rear admirals appointed to recommend promotions by selection in the permanent establishment shall be convened at such times as the exigencies of the service may require and recommend for promotion such number of officers as the Secretary of the Navy may prescribe, and if nine rear admirals can not be convened without injury to the service, six rear admirals may constitute the board and four of the members must concur in the recommendation instead of six as prescribed under existing law, and the House recedes with an amendment by striking out the reduction in the number of rear admirals composing the board and restricting the number of promotions to be recommended to the number of vacancies in the several grades as provided by existing law.

On amendment No. 10: Is a change of verbiage, without any legal effect, and the House recedes.

On amendment No. 11: Adds to the House provision relating to marine gunners and quartermasters' clerks, nine clerks to assistant paymasters in the Marine Corps and the temporary appointment of eight additional clerks to assistant paymasters in the Marine Corps for the war, and the House recedes.

On amendment No. 12: Provides for the temporary appointments to be made by and with the advice and consent of the Senate; and the House recedes.

On amendment No. 13: Provides for an increase in pay of the enlisted men of the Navy; and the House recedes with an amendment whereby said increase is made identical with the increase made for the enlisted men of the Army, as provided in the act to authorize the President to increase temporarily the Military Establishment of the United States in this Congress.

On amendment No. 14: Changes verbiage without legal effect; and the House recedes.

On amendment No. 15: Provides for the transfer of the Coast and Geodetic Survey to the War or Navy Department in much the same manner as is provided for the Light House Service to the Navy under existing law. It provides for no increase in pay of any of the personnel of the Coast and Geodetic Survey and makes available for use in the Navy of 14 vessels varying in displacement from 53 to 1,000 tons and the total enlisted crew of 491 men, with 50 officers of the seaman branch together with 105 engineers and aids. This transfer in time of war is recommended by the Secretary of Commerce, the Secretary of War, and the Secretary of the Navy; and the House recedes.

On amendment No. 16: Corrects a conflict of law relating to precedence of officers in the Medical Corps of the Navy without any change of existing law as regarding promotions or pay; and the House recedes.

On amendment No. 17: Existing law provides for three admirals and three vice admirals, one of each to be first and second in command of the Atlantic Fleet, Pacific Fleet, and Asiatic Fleet, and restricts the selection of such officers to the list of rear admirals of the Navy without increasing the number of officers in the Navy. The Senate amendment permits the selection of the admirals and vice admirals from the grade of captain as well as rear admiral and removes the geographical restrictions relating to the duty of these officers. Under the Senate amendment it is possible to have one admiral and five vice admirals or as many as three admirals and three vice admirals. The House recedes with an amendment whereby the selection to be made from the grade as low as captain is restricted to in time of war. There is no increase in the number of officers or in the pay.

On amendment No. 18: Gives jurisdiction to the District Court of the Canal Zone of offenses committed within the Canal Zone or within any defensive sea area which the President may authorize under the terms of the naval appropriation act of last year, relative to the injury or destruction of harbor defenses or other public property, and the House recedes.

On amendment No. 19: Provides for examination for promotion of officers of the Staff Corps whereby they are examined for promotion for each regular advancement in rank and dispenses with a duplicate examination of the same character for officers of the Staff Corps when promoted from grade to grade, and the House recedes with an amendment by adding a proviso granting power to the President to direct the Secretary of the Navy to take such action on the report of the proceedings of an examining board for promotion of officers of the Navy as is now required by law to be taken by the President, thereby relieving the President of much of the routine work relating to the promotion of officers. The President personally approves of this change.

On amendment No. 20: Provides for an extra ration to be allowed enlisted men on the deck force when standing night watch between 8 o'clock p. m. and 8 o'clock a. m., and the House recedes.

On amendment No. 21: Permits the enrollment of Members of Congress in the Navy, including the Marine Corps and the Naval Reserve Force, and fixing the maximum age limit at 60 years instead of that provided by existing law, and the Senate recedes.

L. P. PADGETT,
J. FRED. C. TALBOTT,
THOMAS S. BUTLER,
Managers on the part of the House.

The question was taken, and the conference report was agreed to.

On motion of Mr. PADGETT, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

NOMINATION OF CHAIRMAN OF A COMMITTEE.

Mr. KITCHIN. Mr. Speaker, I nominate as chairman of the Committee on Railways and Canals the Hon. CLEMENT BRUMBAUGH to fill a vacancy.

The SPEAKER. The gentleman from North Carolina nominates Mr. BRUMBAUGH for chairman of the Committee on Railways and Canals. Are there any other nominations?

There were no other nominations.

The question was taken, and the nomination was agreed to.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 4280.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, with Mr. FOSTER in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the consideration of the bill the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

The CHAIRMAN. The Chair begs to call the attention of the gentleman from North Carolina for a moment to the fact that the Chair understands the Clerk has read the first paragraph of Title V.

Mr. KITCHIN. Yes; and that is open to amendment now.

Mr. LENROOT. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Pages 20 and 21, strike out all of subdivision (e) down to and including the word "and" in line 2, page 21.

Mr. LENROOT. Mr. Chairman, the amendment that I have proposed seeks to strike out the proposed tax on electric power and light and heat. Just exactly how much that would reduce the revenue I am unable to state, but I would be glad if the chairman of the committee has the information.

Mr. MANN. Will the gentleman yield for one question?

Mr. LENROOT. Yes.

Mr. MANN. Is this provision in the bill confined to electric power or does it include gas for lighting?

Mr. LENROOT. I am unable to state, because I do not know what interpretation would be given to the language; but whatever interpretation is given to it I would strike it out.

Mr. MANN. I was asking for information.

Mr. LENROOT. I do not know; I think it is certainly ambiguous.

Mr. LONGWORTH. I think, subject to correction by the chairman of the committee, it does include gas, because that is the estimate sent by the Secretary of the Treasury.

Mr. GARNER. It does not include gas.

Mr. MANN. I understood it struck out gas, but the way the language reads it is still susceptible to the construction that it applies to amounts paid for light or heat.

Mr. GARNER. It was not intended to include gas.

Mr. KITCHIN. I have some committee amendments I desire to offer.

Mr. LENROOT. I will ask the chairman of the committee if the report of the committee does not show the entire revenue from this provision as being $30,000,000? I would like to know if the chairman can inform the House as to what proportion of that $30,000,000 will be derived from the telephone tax?

Mr. KITCHIN. I regret I have not the information. It is lumped, and I have asked for it, and I expect to get it some time to-day. It was lumped together.

Mr. GREEN of Iowa. My recollection is the $30,000,000, when that estimate was made, included the estimate for gas.

Mr. LENROOT. Yes.

Mr. STAFFORD. If the gentleman will permit, there can be no reason why there should be a discrimination between the users of electric light and the users of gas.

Mr. LENROOT. Certainly not.

Now, Mr. Chairman, as concerning the merits of my proposition, as my colleague from Wisconsin has stated, if it is now proposed to exclude from this tax the use of gas, why certainly the same consideration prevails for excluding the use of electric light and electric heat.

They are exactly in the same category, and, as to gaslight and electric light, there can be no possible reason for taxing one and failing to tax the other.

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. LENROOT. Yes.

Mr. GREEN of Iowa. I hardly think the gentleman means to make his statement so extreme. As I have always understood, it is only the wealthy that use electricity for heat. Certainly I can not afford it.

Mr. LENROOT. I am speaking of light.

Mr. GREEN of Iowa. But gas is sometimes used for heat, and is generally used both for heat and light by those who wish to economize and are of small means.

Mr. LENROOT. In reply to the gentleman, it is only the extremely wealthy people who can use gas for heat, outside of the gas regions.

Mr. SHERLEY. That is not always true as to either gas or electricity. Most of them are used in my city under certain circumstances as economies over the use of fuel, and that is true in most cases.

Mr. LENROOT. It would be just as true in the case of electric light as in the case of gas.

Mr. CRAMTON. Is it not true that in many cases the municipality operates the electric plant and a private company the gas plant, and the discrimination works to the benefit of the private concern as against the public concern?

Mr. LENROOT. That is true. Aside from all that, the very most that is supposed to be raised by this entire subdivision, including telephone charges, which I do not seek to strike out by this amendment, amounts to $30,000,000.

Mr. MANN. The gentleman, I suppose, has reference also in his opposition to the provision to the use of electric power for domestic purposes?

Mr. LENROOT. Yes, sir.

Mr. MANN. Of course this provision, as I read it, covers the use of electric power not for domestic purposes.

Mr. LONGWORTH. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. LONGWORTH. I would suggest that the chairman of the committee state what committee amendments are supposed to be offered here.

Mr. LENROOT. I will be glad to withhold my amendment, and I yield now to the gentleman from North Carolina [Mr. KITCHIN], if I can be recognized later in support of this proposition.

The CHAIRMAN. The gentleman from Wisconsin [Mr. LENROOT] asks unanimous consent to withdraw his amendment temporarily. Is there objection? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 20, line 9, before the word "within," insert the following: "or on a stagecoach or automobile line" and a comma.

Mr. LENROOT. Will not the gentleman confine his amendment to this paragraph while we are considering it now?

Mr. KITCHIN. I withhold that amendment a minute.

The CHAIRMAN. Without objection, the amendment of the gentleman from North Carolina [Mr. KITCHIN] is withdrawn temporarily.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 21, line 1, after the word "uses," insert a comma.

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] offers a further amendment, which the Clerk will report.

The Clerk read as follows:

Page 21, line 2, after the word "heat," insert the word "service."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I also offer the following amendment. This amendment strikes out that proviso on page 21.

The CHAIRMAN. The gentleman from North Carolina offers a further amendment, which the Clerk will report.

The Clerk read as follows:

Page 21, lines 5 to 8, strike out all after the word "calls," in line 5, through the word "tax," where it appears in line 8.

Mr. KITCHIN. You can not cover that anyway.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment was agreed to.

Mr. MANN. That leaves it merely covering gas.

Mr. LENROOT. Now I move to strike out all of subdivision (e) as amended down to and including the word "and," in line 2, on page 21.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Page 20, beginning on line 24, strike out all of subsection (e) down to and including the word "and," in line 2, page 21.

Mr. LENROOT. Now, Mr. Chairman, the committee amendments having been adopted, it is clear that it does include gas. It is further clear that it may include heat from coal, and in many cases probably would. And you are now proposing a tax that will reach the vast majority of the people in this country, many of whom have almost starvation facing them in the future, within the next 12 months, in many of the large cities of this country, for the sake of raising less than $30,000,000. Now, it may be that Congress will have to come and reach down with its taxing power to the humblest home in the land, but I insist that we ought not to go to this extreme now until we exhaust other sources of revenue that will be less burdensome.

And I say this for the reason that under the provisions of this bill the man who is working for his $2 or $3 a day, endeavoring to support a family, is going to pay his full share in the increased price of the things he buys with which to feed and clothe his family. His taxes are imposed in other sections of the bill; although they will not be paid directly, they will be paid indirectly by him.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. MEEKER. Is there any way that we can reach some sort of understanding by which we can cut this tax out and some others, and then go to the stamp tax on checks, as suggested by the genfleman from Michigan [Mr. FORDNEY]? Can we not reach some arrangement by which these other things can be set aside, and get to that proposition?

Mr. LENROOT. I hope so. Mr. Chairman, this bill will still fall short by some $400,000,000 of raising the revenue necessary unless we authorize an additional bond issue. It is frankly stated that it is not proposed in this bill to attempt to add new sources of taxation to meet this $400,000,000. That means that the Committee on Ways and Means between now and next December, when we meet again, will be compelled to adopt a policy either authorizing an additional bond issue or finding new sources of taxation; and, that being true, we can well afford in this bill to strike out this provision that I now seek to strike out, and if it is necessary, add something more to this bill.

It can be done in a number of ways that will be less burdensome to the masses of this country. For instance, here is an automobile tax proposed in this bill, but in this bill not one penny of tax is proposed to be levied upon automobiles that are now in use, and there are 3,300,000 of them. Would it not be fairer, before you go into the laboring man's home and tax him for his light and heat, the very necessities of life, to strike this out and tax automobiles now in use a license fee of $5 or $10 or even $15 apiece?

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. FESS. I think I agree with the gentleman in what he says. I would like to have explained the significance of the word "service" that has been added; whether that would include the heat that is supplied by the coal purchased from individual dealers or whether it is intended to apply to one selling heat.

Mr. LENROOT. I think not. But I do think it would do this: Here is the owner of an apartment house, and in renting rooms in that apartment house, if he includes heat service, as he would have the right to do, to those occupying that apartment house, of five or ten or fifteen dollars a month, and supposing that heat is produced by coal, the heat being either steam or hot air, they would be compelled under this provision to pay a tax upon that heat so furnished.

Mr. FESS. That is true.

Mr. LENROOT. It would compel every man in the natural-gas regions of this country who heats and lights his home through gas to pay a tax upon that heat and that light.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. BORLAND. Does the gentleman think this provision would apply to some individual landlord who happens to furnish heat to his tenants?

Mr. LENROOT. Certainly, if he furnished it and made a charge for it; heat furnished to one by another.

Mr. BORLAND. Would it apply to the ordinary boarding-house keeper?

Mr. LENROOT. If a heat and light service is furnished and a charge is made for it, there will be a tax imposed on it under this paragraph on that heat and that light.

Mr. BORLAND. There must be some reasonable limitation or construction of this. If the heat goes in with the board or shelter——

Mr. LENROOT. I say if there is a separate charge for light or heat there will be a tax imposed on that charge, whether it be coal or gas or electric light.

Mr. BORLAND. That would be rather rare, would it not?

Mr. LENROOT. In the natural-gas region that is the rule and not the exception. Before the gentleman from Missouri sits down I want to ask him, Is he in favor of this proposition?

Mr. BORLAND. I am not in favor of the proposition except as to public utilities. I think it should be limited to those who are engaged in the business of furnishing those things.

Mr. LENROOT. According to the gentleman's theory, if he is compelled to go to a public utility for light and heat, he would pay a tax to the United States Government. If he goes to an individual for that same light and heat, he would not be called upon to pay it. But if you are taxing a public utility, the gentleman's theory is correct. But this does not tax the public utility, but the consumer, and there can not be any distinction, when you tax the consumer, between a public utility and a private party furnishing the light or the heat.

Mr. BUTLER. Is not this tax placed upon the man that furnishes it?

Mr. LENROOT. No. It is placed upon the consumer.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. SLAYDEN. Take a concrete example. I live in an apartment house. My contract was made two or three years ago. The people agreed to furnish me heat for my rooms. Would there be any reason for their charging an additional rental covering the value of the cost of that heat to me or any other tenants of that apartment house, and would we be required to pay a tax?

Mr. LENROOT. If there was a separate charge for that heat, you would have to pay without question; and if you were relieved of payment it would only be because of the difficulty or impossibility of ascertaining what the charge is for the heat.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. FESS. I have an example. I would like to have the gentleman's opinion. I am making up the estimates of the expense of a college student who lives in a dormitory. You not only include the rental of the room, but a separate item of heat and light. That service would fall under this bill, would it not?

Mr. LENROOT. Unquestionably it would.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. SMITH of Michigan. Do I understand from this that the coal dealer, furnishing coal to an individual in a city, would charge him a certain per cent under this bill for the coal that he furnished?

Mr. LENROOT. No; but if the man bought the coal and made heat out of it and then furnished it to others a tax would be imposed under this bill.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. HUSTED. Is it not true if you buy gas or electricity that you have to pay those bills for lighting and heating purposes?

Mr. LENROOT. Under this bill?

Mr. HUSTED. Yes.

Mr. LENROOT. Absolutely.

Mr. HUSTED. Why would you not pay on your coal bill? Is not that a source of heat?

Mr. LENROOT. It is the word "service." That is what defines it.

Mr. REED. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. REED. I am very much interested in this, because my district is entirely heated by natural gas. The farmers and the poor people use it. A gentleman in whom I have confidence told me the other day that this would not apply to them. He said this would apply only to electric heat. I will be glad to have the gentleman explain that.

Mr. LENROOT. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. MOORE of Pennsylvania. What does the gentleman think of the constitutional effect of taxing light and heat, the use of gas and electricity for light, in the public service of the State or municipality?

Mr. LENROOT. That involves a question that I would not like to venture an opinion upon.

Mr. MOORE of Pennsylvania. Knowing that the gentleman is an able lawyer, I thought he might be willing to discuss it.

Mr. LENROOT. I should not want to enter upon that discussion now.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. LENROOT. I will.

Mr. GRAHAM of Illinois. Many of the small cities in my part of the country have public utilities that furnish steam heat throughout the town. Does not the gentleman think that that service which charges at a certain rate would be subject to taxation?

Mr. LENROOT. No question about it; of course they would.

Now, in conclusion, Mr. Chairman, I want to repeat that although we are suffering for revenue we are not suffering to such an extent that we need at this time to reach into every home in the land and tax the light and heat that they use. The gentleman from Michigan [Mr. FORDNEY] the other day said that we ought not to increase the income tax, because we ought to leave some source of revenue. I submit that the sources of revenue to be left ought to be those of this character, and they ought not to be imposed as this subdivision seeks to impose them until it becomes absolutely necessary to do so. You do not propose to tax automobiles, and a large majority of the Members have automobiles—are you not willing to pay $5, $10, or $15 on that automobile of yours, and thus save thousands and hundreds of thousands of homes in this land from this burdensome tax?

The gentleman from Michigan suggested a tax upon bank checks. There is no question but that we can secure an enormous revenue from that source, and if we would make an exemption of $25 on checks we could do it without any injury to the deposits in the banks of this country or to anybody else.

Mr. MANN. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. MANN. This is probably outside of the matter the gentleman referred to, but it has been said that the amount to be raised by the tax on bank checks would be large—the gentleman from Wisconsin said an enormous sum, and I have heard several gentlemen on the floor of the House say that you could raise a thousand million dollars. Now, as a matter of fact, the last year that the report was made for, the year ending September last, the total clearance in all the clearing houses of the country—160 or 170 in number—amounted to $241,000,000,000. Two cents on $100 would amount to less than $50,000,000.

Mr. LENROOT. I agree that no such amount could be raised; but does not the gentleman think we could raise $30,000,000?

Mr. MANN. Thirty millions? Yes.

Mr. STAFFORD. Will my colleague yield?

Mr. LENROOT. Yes.

Mr. STAFFORD. The checks that pass through the clearing houses do not include the checks that are drawn on the banks and paid by the banks themselves, which amount to many millions of dollars.

Mr. LENROOT. The estimate made by the gentleman from Michigan [Mr. FORDNEY] involved not a flat tax of 2 cents but 2 cents on $100.

Mr. FORDNEY. Mr. Chairman, if the gentleman will permit me, I want to say that I was in error as to the amount that the graduated tax—that it would raise a billion dollars. The gentleman from Illinois points out to us that the amount reported through the clearing houses in September was $241,000,000,000. But there passed through the clearings houses in 1916 $260,000,000,000, and therefore that graduated tax mentioned by me would yield on the paper going through the clearing house $52,000,000, which is a small portion of the checks issued throughout the United States. No check goes through the clearing house unless it goes from one town to another through a collection agency; therefore the great bulk of the checks issued in this country are paid out in the towns where they are issued.

Mr. MANN. The gentleman from Michigan is entirely mistaken in saying that no check goes through a clearing house unless it goes to another town. The gentleman's own town has a clearing house, and every city of any size has a clearing house. Nearly every check drawn in those cities goes through the clearing house. When we had a 2-cent stamp on every check it only amounted to $9,000,000.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin may have time enough for me to make a brief statement. The gentleman from Illinois

is absolutely in error, and every man that is familiar with business knows that he is in error. There is not a pay roll of this country that goes through the clearing house except in the large cities. A man goes to the bank and draws the money from the bank on a check directly from the bank where he has the deposit and gets the money for the pay roll. That check never goes through a clearing house. Nine-tenths of the money that is paid for labor in this country is paid in that way.

Mr. SHERLEY. If the gentleman will permit, I think he is in error.

Mr. FORDNEY. Where do you get the money for the pay roll? You go to the bank and give a check and get the money and that check goes no further.

Mr. SHERLEY. Yes; but if a check is drawn on the First National Bank of the city and is cashed by the Second National Bank it will go through the clearing house.

Mr. FORDNEY. That is what I said a few minutes ago. But I go to a bank in my own town where I have a deposit and get the money to meet my pay roll. I give a check for the money and pay it out on the pay roll, and that check never reaches the clearing house.

Mr. LENROOT. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has three minutes.

Mr. LENROOT. I am glad to have this discussion because, although gentlemen disagree with each other, they all prove the point I made with reference to this matter, which was simply this: That before we resort to the tax proposed by this subdivision we can raise at least twice that amount by going to bank checks.

I want to suggest another source of taxation—I do not say that these things will be put in the bill, but the Committee on Ways and Means, when they come with a new bill next December, as they will have to come, can take into consideration a tax of one-half of 1 per cent on the gross sales and manufactures of merchandise in this country. That would raise easily $150,000,000. Ought we not to exhaust those sources of taxation before we resort to what is proposed in this subdivision?

Mr. SABATH. Will the gentleman yield for a question?

Mr. LENROOT. Yes.

Mr. SABATH. I take it for granted you are acquainted with section 501, which puts the tax directly upon the person or corporation that uses the heat or light. Now, what if we should change that section and say instead that instead of the tax being paid by the consumer it should be paid by the corporation rendering the service, namely, the quasi public corporation that gives the service?

Mr. LENROOT. There is no such proposition offered to this House by the Committee on Ways and Means; and that is another matter that I would suggest that the Committee on Ways and Means can consider when they report the new revenue bill in December. But there are questions in connection with that, which, I think, ought to be very seriously and carefully considered, because here is a public utility furnishing light or furnishing heat. Its rates are fixed by public authority, and fixed so as to give only a reasonable return upon that investment. It might be a very serious question whether we either could if we would, or should if we could, impose an additional tax that can not be passed on to the consumer in a case of that kind. I do not say that it could not be done, but I do say that it does present very serious questions, and that, in my judgment, the thing to do in this item of revenue, which is not very large, but at the same time is extremely burdensome upon those whom it will fall upon—the wise thing to do now is to cut this item out of the bill and take care of the revenue in some other way. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment to the amendment of the amendment of the gentleman from Wisconsin [Mr. LENROOT] by way of perfecting the paragraph.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania to the amendment of Mr. LENROOT: Page 19, line 24, after the word "utilities" insert the word "cotton"; and on page 20 strike out line 24 and the words "light and heat" on line 2 and insert the following: "tax on unmanufactured cotton of $2.50 a bale."

Mr. LENROOT. Mr. Chairman, I wish to make a point of order so far as this paragraph and amendments to this particular section are concerned, and I do it only because I do not think it ought to be complicated with a cotton proposition. It is not germane to this particular paragraph.

Mr. MOORE of Pennsylvania. I think it tends to perfect the paragraph.

Mr. LENROOT. A part of it does. I make the point of order that the amendment is not germane to the paragraph.

Mr. PARKER of New Jersey. The gentleman means not germane to the amendment, does he not?

Mr. MOORE of Pennsylvania. The gentleman from Wisconsin [Mr. LENROOT] has introduced an amendment which proposes to strike out a portion of the paragraph, and, so far as the purposes of the bill are concerned, it proposes to strike out at least $30,000,000 of revenue. My amendment proposes not only to strike out the portion of the paragraph that the gentleman from Wisconsin proposes to strike out, but to insert in lieu of the words stricken out additional words which are germane, and which propose a substitute for the revenue which the gentleman from Wisconsin would strike out. My point is that it is germane, in that it tends to perfect the paragraph.

The CHAIRMAN. The Chair will refer to the rule which was adopted providing for germane amendments.

Mr. MOORE of Pennsylvania. Will the Chair pardon me for one moment further?

The CHAIRMAN. Yes.

Mr. MOORE of Pennsylvania. This bill is intended to raise $1,800,000,000 of revenue, and the Committee on Ways and Means is endeavoring to stand by the proposition of raising $1,800,000,000 of revenue. Numerous sources subject to taxation are not included in this bill. Cotton is one of them. The gentleman from Wisconsin proposes to strike out revenue that might be developed from a tax on light, heat, and power, but he proposes no substitute for the revenue that he thus proposes to strike out. My contention is that, having offered an amendment which proposes to protect the paragraph with respect to the raising of revenue, it is germane.

Mr. LENROOT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. LENROOT. I do not contend that the amendment is not germane to the bill, in the proper place. My point is that it is not germane to this paragraph, or to the amendment I have offered to it.

The CHAIRMAN. The Chair does not think the amendment comes within the rule as to being germane to the paragraph, and sustains the point of order.

Mr. MOORE of Pennsylvania. A parliamentary inquiry. Does the Chair rule that it is not germane to the amendment offered by the gentleman from Wisconsin?

The CHAIRMAN. The Chair thinks it is not germane to the paragraph.

Mr. MOORE of Pennsylvania. The amendment proposes to amend the title by inserting the word "cotton," thus making cotton a subject of taxation. Advertising is a subject of taxation and is included, public utilities are subjects of taxation, and other methods of taxation are mentioned in the title. My amendment is to perfect the title by including cotton as a subject of taxation.

The CHAIRMAN. The Chair does not think it germane to the amendment of the gentleman from Wisconsin.

Mr. MOORE of Pennsylvania. May I ask the Chair whether it would be germane, in the opinion of the Chair, to add one word to the title, adding a new source of revenue?

The CHAIRMAN. The Chair would not like to pass on that question at the moment. The Chair is inclined to think it would not be germane.

Mr. PARKER of New Jersey. Mr. Chairman, I desire to say a word for the information of the House as to this matter of striking out the tax on light and heat. Perhaps the object of this particular paragraph is to impose a tax upon receipts, where those receipts have enough margin to be able to bear it without falling upon the consumer. I have not a very clear opinion about the whole question of light, heat, and power, except from noticing that the watering of stock of light, heat, and power companies has been rather extensive, and the dividends have been rather large. But I do not speak from that. So far as gas light is concerned, I do happen to know something. Within two years I discovered that really good coal gas—not water gas—was being furnished at one of our New Jersey institutions. I had been very much struck with the horrible number of deaths from poisoning by water gas, and as we have been assured by the gas companies that they can not afford to furnish coal gas, and therefore furnish water gas, I was interested in looking at the cost of coal gas, and have the figures at home, not here. I found that the total cost of the coal gas of best quality, made with the greatest care, with a good gas receiver and with pipes that did not leak, and purified to such an extent that there was no smell about the works—the total cost was under 25 cents a thousand feet, and the gas companies are selling worse gas now for 80 cents and $1 a thousand. Of course, that does not in-

clude the cost of the great mass of pipes that goes through the city, from which there is large leakage.

Mr. SLAYDEN. Mr. Chairman, where was that?

Mr. PARKER of New Jersey. This was in New Jersey, at one of our large institutions. I went carefully through the gas works and have the figures that I can get in a week if I could go home and get them, but I took the figures and carefully stated them, and I consider that 5 per cent is a small tax upon the receipts of such companies.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. PARKER of New Jersey. Yes.

Mr. LENROOT. Does the gentleman know that this bill especially relieves the company from paying the tax and compels the man who buys the heat and light from the company to pay it?

Mr. PARKER of New Jersey. I will say to the gentleman that if the man who buys from the company is forced to pay that tax, it will not be long before he will find out what the cost to the company is, and get relief upon that subject. I know no better way of securing a reform than to call attention to the cost of the gas.

Mr. TOWNER. Mr. Chairman, I favor the amendment offered by the gentleman from Wisconsin [Mr. LENROOT]. I think that this item of taxation in the bill is subject to two very grave criticisms. In the first place, it reaches down to a purely consumptive tax, and will be exceedingly onerous upon all those who pay small bills for heat and light. It will not be valuable to the Government in those instances, because it will be as difficult to collect and cost as much to collect as the amount received, and in many instances very much more. The difficulty is that in the thousands and tens of thousands of little gas bills that reach down to 50 cents—and I suppose upon an average they are not greater than a dollar and a half—the amount received will not pay for the cost of collection. It is not a practical thing; it is not a valuable tax for that reason. I think it is entirely unnecessary to go to this class of items or to this class of individuals.

Mr. REED. Mr. Chairman, will the gentleman yield for information, so that I may ask him a question?

Mr. TOWNER. I yield to the gentleman.

Mr. REED. I feel that the gentleman is correct in his view, and I want to ask this question: Does this tax heat when it is used to manufacture power to run a sewing machine?

Mr. TOWNER. Yes.

Mr. REED. And an electric fan?

Mr. TOWNER. Yes; it taxes heat used for any purpose, and for power, for heat, or for light.

Mr. REED. I know of a large building in which the owner purchases natural gas to run a dynamo. The dynamo furnishes electricity to all of the apartments in that large building. In one of the apartments is a dressmaker who runs sewing machines and electric fans. How will they separate all of these things?

Mr. TOWNER. That is one of the objections to the tax—its difficulty of imposition and collection. I want to call attention also at this time, for the consideration of members of the committee, to the fact that we have by no means exhausted what are called extraordinary or emergency forms of taxation. It seems that no consideration has been given to some classes of taxation that are usually resorted to in such cases. Already it has been suggested a stamp tax on bank checks might be considered. Then one of the suggested forms of extraordinary taxation, considered and approved by many who give scientific consideration to these questions, is a tax upon gross sales. It is stated by those who have considered the matter that a tax of one-fifth of 1 per cent on the gross sales of all of the business of the United States above $5,000—that is, with an exemption of $5,000—would yield to the Treasury of the United States $1,000,000,000 and over a year. Is not that worthy of consideration? That is an equitable tax, if the business of the country is to be taxed. I call attention also to the fact that we have not considered the occupation tax. If a tax of $1 only to each occupation in the United States were levied, it would bring to the Government every year $30,000,000. If it were $2, it would bring into the Treasury $60,000,000, and if it were $3 we would collect $90,000,000 a year. Are these methods of taxation not worthy subjects of consideration? When you consider the objections to these varied forms of inquisitorial taxation that are proposed in this bill on items that will not yield in many instances even enough to pay for the cost of collection, it occurs to me that these other methods of taxation might be worthy of consideration also, so that we might eliminate many objectionable features now contained in the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SABATH. Mr. Chairman, I am in favor of this tax, but I am in favor of the company which furnishes the power, light, heat, and the service being made to pay the tax. I do not know of any reason why section 501 should have been adopted making it applicable just to the consumer. If there are any corporations in the United States that can afford to pay the tax, they are the corporations that are rendering this kind of service. No one can say that the telephone companies have been losing any money in the United States. No one is bold enough to say that the pipe-line companies, the Standard Oil Co., have been losing any money. Why should we exempt them? Has anyone at any time charged that the Pullman Car Co. has been losing any money? Why should we exempt them and put it on the people, although in that respect, perhaps, the people who are using sleepers and the chair cars can and perhaps might be in a position to pay the tax. As to the electric companies, has anyone been able to ascertain any electric company that has been losing any money? I have not. They all have been making a great percentage upon their investment and upon their watered stock, and, to my mind, if there is an industry that should be taxed, it is that industry.

So far as the gas companies are concerned, I know in my own city, and it also applies to a majority of the cities, the gas companies have been accumulating millions out of the profits they have been making through furnishing gas to the people. With this proviso we are going to exempt the gas companies and put the tax upon the consumer, because the poor gas companies may not be able to pay.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. SLAYDEN. I would like to ask the gentleman how he will prevent the corporations passing the tax onto the consumer except in such cases where the price charged to the consumer has been definitely fixed by law?

Mr. SABATH. I will say this to the gentleman, that in the last few years most of the States and municipalities have succeeded in having their legislative bodies regulate the price for gas, telephone, and electricity. Some of the States have created public-utilities commissions, and gave them the power to regulate the charges, and I am satisfied that in no State or city have the charges or prices made been too low.

I do disagree with the gentleman from Wisconsin that the rate is so low that they could not pay these taxes. I feel satisfied that in 99 out of 100 cases, notwithstanding the fact that the common council or the State legislature or commission that has been designated and empowered to fix these prices fix them so that they leave to the company a large profit, not only on the money invested but also on the watered stock that has been injected into these companies. For that reason I believe that the tax should be levied, but it should be paid by the corporations or those who are furnishing this service, namely, express, telephone, telegraph, Pullman, electric, and gas companies. Of course, there will be some who will say that the express companies of the United States will not be able to pay this tax. If there is a monopoly or a public-service company that should be taxed and should be made to pay over to the Government a certain portion of its overcharges, it is the express and telephone companies of the United States that have been robbing the people of this country for years, and the same can be said of all of the other utilities companies I have mentioned.

Mr. HOWARD. Mr. Chairman, in view of the experience I had yesterday about one amendment being introduced here and the entire debate being confined to the one amendment, when other very important amendments were introduced to the bill, in justice to those who are discriminated against I take advantage at this time to call attention to certain amendments which I expect to introduce to this bill under this title. I want to call attention—and I would not mention it if it had not been for the last remark of the gentleman from Illinois [Mr. SABATH]—that we have got here a transportation tax, and what is it? We have got a tax of 10 per cent on express companies, 3 per cent on freight charges, and nothing on parcel post. Now, let us see where it puts the express companies as well as the people forced to use express companies. The gentleman says that they are great monopolists in their line. They are, but they have got a very strong competitor now in our parcel post on the smaller packages. Now, let us see what they do. Last year they paid an excess profits tax—for instance, the Southern Express Co., that has its transportation lines confined to the South, paid last year in its excess profits tax of 8 per cent $258,000 of its profits into the Treasury of the United States. This year under its excess profits tax of

16 per cent, if its profits are equal to what they were last year, they will pay over $500,000 into the United States.

Mr. SABATH. Will the gentleman yield?

Mr. HOWARD. Not now. I want to present this and then I will yield. Let us see what you do under this bill. I suppose that this House wants to be fair with all classes of business. I hold no brief for the express companies or for any other transportation lines of this country, but you absolutely destroy the goose that lays the golden egg in this instance. The man who goes up with a freight package pays 3 per cent upon that particular bill and charges upon it. The man who goes up with an express packags pays 10 per cent on that package. The man who goes up with a parcel-post package pays nothing. Now, what is the result? The freight transportation men will get all the business of large proportion; that is, the larger packages. The parcel post will get all the smaller packages, and you leave the express companies high and dry with differentials of 7 per cent and 10 per cent against them. That is the result of this discriminatory tax that has been placed upon it, and I want to ask the gentleman from Pennsylvania [Mr. MOORE] or the gentleman from North Carolina [Mr. KITCHIN] why they should have discriminated against the express companies by making the tax 10 per cent, why they should discriminate against the publishers of this country by putting a zone rate on them, and why they should have also favored the mail-order houses on parcel post by not putting one single, solitary cent of tax on them? [Applause.]

Now, there is some equity in tax measures. People ought to be treated fairly, and you ought not to confiscate a business. For instance, in 1914, the Interstate Commerce Commission at one fell swoop cut the express rates of this country 50 per cent. Now, the railroads, who are only required to pay 3 per cent on their transportation, are asking for a 15 per cent increase on freight rates, and they will probably get it, unless all signs fail; and under this particular bill you simply put the express companies between the upper and the nether millstone and you grind them to death by these discriminatory rates, and I want to say I am against this entire business. Enough has been passed to the consumer already. He is groaning under the burdens he has got to carrry now, high prices, and this tax increasing the price of everything that he must eat and wear, and the consumer has about all he can stand under, and this tax we are going to put on transportation that will pass to the consumer will be the straw to break the camel's back. This tax is discriminatory, it is unfair, and it is unjust.

Mr. REAVIS. Will the gentleman yield?

Mr. HOWARD. In a minute. One cent a package on parcel post will yield $10,000,000, according to the Postmaster General's report. Outside the first zone it will yield about $8,000,000, and a flat tax of 2 cents on each express package will yield another $8,000,000, or $2,000,000 more than they derive by this bill.

May I introduce these amendments now and have them pending?

Mr. LENROOT. Mr. Chairman, I would like to know what the request was.

Mr. HOWARD. I just requested that these amendments be pending.

Mr. LENROOT. I have no objection to that; but I do hope we can dispose of this amendment rather than go to the discussion of other questions.

Mr. HOWARD. I understand they are going to close debate in a few minutes, and I do not want to introduce an amendment without being able to explain it like I had to do on yesterday.

Mr. HULL of Iowa. I want to introduce an amendment and have it pending.

The CHAIRMAN. Amendments can not be introduced now because there is already an amendment pending.

Mr. NORTON. Mr. Chairman, the gentleman from Georgia [Mr. HOWARD] wandered considerably from the subject before the House. I think it will be best if we confine our discussion to the proposed amendment until a vote is taken upon it.

The amendment proposed was to strike out all of the following:

(e) a tax equivalent to 5 per cent of the amount paid for electric power for domestic uses, and of the amount paid for light and heat.

I feel certain that any fair-minded man who gives this question two minutes' careful and intelligent consideration will vote for the amendment. The provision should be stricken out. It is fundamentally wrong and indefensible at this time. The present war needs does not require nor necessitate taxation of this character. Other sources of taxation should be first called upon and exhausted before any levy is made upon light and heat for domestic and household use.

It is simply another case of levying a tax, or endeavoring to levy a tax, on the man who can least afford to pay it, upon the men and women whom it will most inconvenience and most burden. Raising the excess profits tax 1 per cent would return a great deal more than levying this tax. And why, if we want more money, should we not raise the excess profits tax? Yesterday we heard a statement made here in the House that the Ford Automobile Co., on a capital stock of $2,000,000 last year, made $59,000,000, and has a surplus of $111,000,000; and it has been shown that the actual original capital invested in the Ford Co. did not exceed $60,000. The present capital and surplus over and above this $60,000 consists of left-over profits, made by the concern after paying millions in dividends to its stockholders during the last 15 years. The General Electric Co., and its subsidiary companies, are among the largest profit-making concerns in this Nation. Take the electric plants and heating plants in any town of over 5,000 and you will find that they are connected up in ownership in one way or another with the General Electric Co.

Mr. BORLAND. Will the gentleman yield?

Mr. NORTON. Certainly.

Mr. BORLAND. Would the gentleman favor, then, a proposition to put the tax upon the company furnishing the service rather than upon the consumer?

Mr. NORTON. I favor putting the tax upon the excess profits of the company furnishing the utility; certainly.

Mr. BORLAND. Why not directly upon the public-service corporation?

Mr. NORTON. Why not directly upon the public-service corporation? I would place the tax upon their excess profits so that it might not by the corporations be passed on to the consumers.

Mr. BORLAND. I will call the gentleman's attention to this fact: That these little companies he speaks of, that actually furnish the service in the locality, are paying some sort of a royalty to the home company in Philadelphia, and you can not reach their excess profits through this method because they are loaded with heavy expenses.

Mr. NORTON. We can easily reach the excess profits of these parent corporations if we increase the excess profits tax and make proper provision for appraising their actual invested capital. Does the gentleman desire to place the tax upon the consumer of heat and light for household purposes?

Mr. BORLAND. I believe in the tax——

Mr. NORTON. Are you in favor of this character of tax as now proposed in the bill?

Mr. BORLAND. I believe in putting it upon the public-service corporation.

Mr. NORTON. Then vote for this amendment. I do not believe you will need to take more than half a minute's study to decide to vote to strike out this provision to levy a 5 per cent tax on light and heat for domestic use.

Clearly the amendment proposed by the gentleman from Wisconsin [Mr. LENROOT] should be adopted. No sound reason or logic can be advanced in defense of this character of tax at this time. Later in the war there may be need to resort to it, but there is no need to resort to it now when there are many other sources of taxation that should first be called upon. I am not going to take any more of the time of the House to discuss this item.

Mr. BORLAND. Mr. Chairman, it seems to me the solution of this problem is the suggestion of the gentleman from Illinois [Mr. SABATH]. Section 501 is an integral part of the whole proposition, because it provides expressly that the tax shall be passed on to the person who pays for the service. The way to get at all the evils that have been spoken of by the gentleman from Wisconsin [Mr. LENROOT], and all the objections he has made to the tax, is to change section 501 and provide that the tax shall be paid and paid only by the company that furnishes the service. Now, the only objection that has been raised to that is that the charges of the company who furnishes the service are in many cases fixed by law. In many cases they are not fixed by law, so that the company has liberty to charge what it pleases. But in all cases they ought to be fixed by law. In those cases in which they are fixed by law the imposition of this tax can be taken into consideration in fixing the charge of the company.

Mr. LENROOT. Will the gentleman yield?

Mr. BORLAND. In just a minute. If the addition of the taxes will render the charge confiscatory, the public-service commission will take that into consideration; but if the imposition of the taxes will not render the charge confiscatory, it ought not to be passed on to the consumer.

Mr. LENROOT. I will ask the gentleman as a practical question, would that not involve months and months of time in the readjusting of these rates? I say it could be done, but I see the difficulties of it.

Mr. BORLAND. I think not. I think in many cases it would not need to be done. The theory upon which this tax was drawn undoubtedly was that all of this class of objects, including sleeping-car fares, were something which people could buy or do without as they saw fit. In other words, they were in a class of semi or quasi luxuries.

Mr. NORTON. Will the gentleman yield? Do you think people can do without them?

Mr. BORLAND. I am not saying so.

Mr. NORTON. Are you talking about the amendment?

Mr. BORLAND. Let the gentleman be patient a moment and he will see what my views are. I said the theory was that they were things that people could take or reject. I do not agree that that is the case in all of these taxes. I do not think that they are things that are quasi luxuries and things that people can take or reject. That is true of sleeping-car fares and other things. But it is not true in large cities of this country where people must rely on public-service corporations for their light and heat, especially in communities where they are depending on companies that handle gas and electricity for domestic uses. Those are not even quasi luxuries, but they are absolute, steady, constant necessities.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. In a moment. And so the theory that they can be rejected by the user, if he pleases, and therefore that he need not submit to the tax, does not apply to them all as a class. I admit that it does apply to such things as sleeping-car fares and long-distance telephones, but to the local things it does not apply.

Mr. SMITH of Michigan. Could you give us some assurance that there would be a law enacted by which it would not be passed along to the consumer?

Mr. BORLAND. In most communities such items of public service are regulated by public-utility commissions, by which all those charges are taken into consideration. The trouble has been that nearly all the gas companies of the United States are hooked up with the United Gas Improvement Co., of Philadelphia, and pay tribute to it. Most of the electric companies of the United States are hooked up with the General Electric Co., and must pay tribute to that company. They put a disguise on that tribute by making it assume the form of royalties and patents and things of that kind, but much of that payment, in my judgment, is a direct profit which is concealed from the eye of the local body or the council or other tribunals charged with the regulation of those charges. It is impossible for the local body to ascertain by evidence the exact amount of the cost of conducting that corporation. A large amount of it is concealed.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. KING. As I understand, some time in the near future a bill will be brought in here to fix food prices. I ask the gentleman if it is not possible, in view of that proposed war legislation, to fix the price also of gas and electric lights?

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. I will yield to the gentleman from Wisconsin in a moment. I understand that we could, if we chose, give the President power to regulate the charges for such necessities. I think the gentleman from New Jersey [Mr. PARKER] was right in what he says as to the cost of manufacturing coal gas. There is scarcely a community throughout the country that is paying more than 70 cents per thousand for gas. Washington is paying 90 cents. The average community is paying 70 or more. I think it can be made at 40 cents a thousand. We have now a bureau of the Federal Government, the Bureau of Standards, working on a standard of heat and light and gas. I think we are soon to reach a standard by which the public-utility companies can be compelled to furnish gas or electricity of a certain strength. When the local authorities have correct information as to the heat units the public-service companies can be compelled to sell their product to the consumer at just a little above the cost of production.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. LENROOT. Mr. Chairman, I ask unanimous consent that the time of the gentleman be increased two minutes. I want to ask him a question

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SLAYDEN. I ask that his time be increased four minutes. I want to ask the gentleman a question.

Mr. LENROOT. Many of these public utilities furnishing electric light and heat are municipal corporations. The gentleman agrees to that?

Mr. BORLAND. Yes; furnishing light and water, but not heat.

Mr. LENROOT. Well, light.

Mr. BORLAND. Perhaps they may furnish heat.

Mr. LENROOT. The gentleman says he is in favor of so amending this bill as to compel those rendering the service to pay the tax. Is that true?

Mr. BORLAND. Yes.

Mr. LENROOT. Does the gentleman think we can compel a municipal corporation, as a public utility furnishing light to its inhabitants, to pay a tax to the Federal Government?

Mr. BORLAND. No; I rather think not.

Mr. LENROOT. Then the gentleman's whole proposition falls.

Mr. BORLAND. No. I think we would have to make an exception where the utility was actually conducted by a political subdivision of the State.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman from Missouri yield to me to ask a question of the gentleman from Wisconsin on that proposition?

Mr. BORLAND. Yes.

Mr. MOORE of Pennsylvania. What is the opinion of the gentleman from Wisconsin—that you can not tax them?

Mr. LENROOT. Yes.

Mr. BORLAND. I agree with that.

Mr. SLAYDEN. The gentleman spoke of the difficulty of passing on to the consumer this tax when levied upon certain public utilities which supply gas and electric light, and he also stated that he had reason to believe that gas could be produced at 40 cents a thousand cubic feet.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SLAYDEN. Mr. Chairman, I ask that the gentleman from Missouri may have a minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SLAYDEN. The gentleman from New Jersey [Mr. PARKER] stated that in New Jersey there was a corporation that was making gas, high-class gas, at 20 cents a thousand cubic feet; but he said it did not take into consideration the cost of their plant.

Mr. BORLAND. The cost of distribution, as I understood.

Mr. SLAYDEN. No. I understood him to say the cost of the pipes.

Mr. BORLAND. Very well.

Mr. SLAYDEN. What percentage would that be of the cost of production of the gas?

Mr. BORLAND. I think about 50 per cent. I think what the gentleman from New Jersey was referring to was a large public institution making its own gas. In that case it did not have the pipe lines in the streets. I think the pipe lines in the streets add 100 per cent to the price of the gas.

Mr. SLAYDEN. Is it not impracticable to avoid the ultimate placing of this tax on the consumer?

Mr. BORLAND. Yes; unless by the conscientious work of a public-service commission.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I desire to say a word in favor of this amendment. I believe the amendment should prevail, and that this item should be stricken from the bill, and that the money that would have been raised by this item in the bill as it is constituted should be raised in some other way, if necessary, by increasing the excess profits tax.

I am opposed to the substitute proposed by the gentleman from Missouri [Mr. BORLAND] and that proposed by the gentleman from Illinois [Mr. SABATH] for a great many reasons. It would be absolutely unfair because of the fact that pretty nearly all of the States, or a great many of the States of the Union, through their public utilities commissions, have already fixed the price that may be charged for these several commodities, especially light and heat and telephone service.

Now, in many of the cities of the State of Indiana there are municipal plants that furnish light and heat. There are also independent plants owned by the stockholders residing in the community furnishing the same character of commodity in that same municipality. You will see immediately the unfairness that would result, for the reason that you could not compel the municipal plant that is furnishing this commodity to pay any of this charge, and you would put that burden upon the independent plant that would have to bear it, resulting in a very

great favor to the municipal plant and in a very great detriment to the independent plant.

Mr. BORLAND. Mr. Chairman, will the gentleman yield there?

Mr. WOOD of Indiana. Yes.

Mr. BORLAND. The presumption, of course, is that the municipal plant is not making a profit; that it is doing the service practically at cost.

Mr. WOOD of Indiana. That is the presumption; and the presumption is also that the men who are investing their money as stockholders, the price of their commodity having been fixed by the utilities commission, are getting just a fair return upon their investment.

Now, I do not believe it is the intention of this body to confiscate any of this property. This would result in confiscation.

And there is another thing that you should take into consideration. In all these States where the price of these commodities have been fixed by law it has been fixed after an appraisement has been made of these various properties to fix the charge that can be laid. The gentleman from Missouri [Mr. BORLAND] says that this could be very easily arranged; that it would not take much time. It would take in every individual instance, if a fair arrangement was made, a reappraisement of that property, and in the State of Indiana alone a reappraisement of the property could not be made within a year. The appraisement now going on there, that has been going on for two years under the public-utilities law that gives the commission the right to fix this charge, is not yet one-tenth complete. They have not one-tenth of the public-utility property of that State appraised up to this time. So you see it would not only result in unfairness, by reason of the fact that many of these companies are owned by individuals and many of them owned by municipalities, but it would result in confusion, and it would not be workable and could not easily be made. It would be far easier to strike this item out under this amendment and make other provision necessary to raise the amount by an increase on the excess profits of these companies, if you please, or upon a great many other companies that have not been touched at all. To my mind this tax should be distributed as nearly as possible among all of the corporations of the United States, and I think the great misfortune of this entire bill is that certain classes of industry have been singled out and discriminations made against them. I believe it would result in far greater returns, so far as the money is concerned, if a few individual manufacturing concerns were not singled out and discriminated against, but if the burden were distributed more equally throughout the country upon the various manufacturers, for the reason that as at present arranged it can not fail to injure those upon whom it has been applied specially. It will destroy the business in many instances. In consequence it will also destroy the return that we hope to get. Take the item of automobiles. When that item was estimated, no doubt the committee estimated from the business now being done that a certain amount of money will be raised. But it has become patent in the debate which has been heard here that at least one-half of that business is on the decline, and that if this tax is to obtain the business will more greatly decline, and in consequence there can not be the return come from that source that is expected. In consequence there will be a deficiency, whereas if that tax was distributed throughout the various manufacturing industries of this country, or laid upon excess profits, if you please, the money would be forthcoming, and business would not be materially injured. It would be better in all respects, for the reason that if one class of our citizens are made to feel that they and their business are discriminated against to their injury and to the benefit of other like business, it results in bad feeling all over this country, and God knows we have got enough bad feeling now on account of it. [Applause.]

Mr. SLAYDEN. Mr. Chairman, I think the Committee on Ways and Means have done their work marvelously well under the circumstances. I have not the slightest doubt that they have endeavored to bring in a taxing bill which will relieve the consumer as much as possible of the burden of meeting the staggering cost of this great war. But, Mr. Chairman, it is too much to expect that the gentlemen of the Committee on Ways and Means have been able, or will if they take until December, to devise a scheme of taxation which will not lodge the cost of the war upon the people generally. They have got to pay it. That is just as certain as that the consumer pays the tax on all imported articles that are used in this country, and the theory that the producer pays that tax, or that the manufacturer pays it is wrong, and every man knows it when he will sit down and calmly and honestly consider it.

Mr. GREEN of Iowa. I wish the gentleman would repeat the last part of his statement. There was so much disorder in the Hall that I could not hear it.

Mr. SLAYDEN. Perhaps the gentleman has not missed much. In a word, what I was saying is this, That the difficulty in the assessment of these taxes is so great that in order to popularize them it is sought to put them onto the corporations. Now, we have just had an illustration of the difficulty of fixing the tax on public-utilities corporations and of avoiding its distribution to the people at large. It can not be done. There are certain corporations that produce gas and electric light and perhaps water whose charges are fixed by statute, by municipal ordinance or by State statute perhaps; but in the majority of cases that is not true, and whatever the cost may be the manufacturer or the public utility is certain to assess it on the people. The point I was going to make was this, that the people should be dealt with honestly, and they ought to be made to understand that this $1,800,000,000 or $2,245,000,000, or whatever sum may ultimately be determined upon, the people themselves must go down into their pockets and pay. The moral of it all is that hereafter when they are shouting for war they ought to realize that it is the most expensive enterprise that men ever engage in, and that they and no one else must pay the cost.

Mr. SNYDER. Will the gentleman yield?

Mr. SLAYDEN. Yes.

Mr. SNYDER. Is it not a fact that if this tax we are speaking about were not passed on by the corporations to the consumer, the taxes and burdens that have been put on the corporations in the last 10 years would put them out of business entirely?

Mr. SLAYDEN. I think it very likely that it would bankrupt a great many such corporations, and possibly produce a panic, which would have a reflex disadvantage to the people at large, and perhaps bring about general commercial disaster.

Mr. HILL. Mr. Chairman, of course the House understands that in advocating personally many of the taxes in this bill I am going contrary to my own individual judgment as to the way I would impose them. That fact does not alter my opinion as to the justice of them. It is simply a political difference. I hope that this amendment will not be adopted. I hope the committee amendment will be adopted not because it is a committee amendment but on its merits.

What does it propose to do? The first proposition is that there shall be a tax of 5 per cent on electric power for domestic uses. Who does that hit? It hits nobody very hard, but who does it hit? It will hit the farmer so far as he uses domestic power in the operations of his farm, like running the churn, or something of that kind, in those sections of the country where there is electric power. Of course, you see at once that the great bulk of the farmers will not be hit at all. Some well-to-do farmers use power for churning, cutting hay, and things of that kind, and they will pay a very small tax. They can afford to pay it.

Mr. LENROOT. Will the gentleman yield?

Mr. HILL. Yes.

Mr. LENROOT. Will the gentleman state whether he thinks that power for cutting hay is a domestic use?

Mr. HILL. I so consider it, and also for churning butter. If it does not include cutting hay, the farmer would not have to pay the tax. I do not know of another provision in this bill that touches the farmer except as it touches every other American citizen.

Mr. STAFFORD. Will the gentleman yield?

Mr. HILL. Yes.

Mr. STAFFORD. On the proposition of taxation here, would you discriminate against the farmer who uses electric power and exempt the farmer who uses gasoline power?

Mr. HILL. I would not, for I favor a tax on gasoline, but I am defending this part of it now. I have an idea that this House is dealing with this question like children playing in the sand, by making little images for their own desire and gratification, which the first storm of this war is going to sweep away. [Applause.] I think we ought to recognize the fact that we have the greatest task on hand which this Nation has ever seen or will ever see in its history. We ought to go at it and forget our little petty ideas and petty conceptions of what the people will do. I think the time will come before this war is ended—ended, as we all hope it will be, in victory—when every man on the farm, the workshop, and everybody else will be glad to stand up before the American people and say, "I have done my part: I have done my share; I have contributed my services in some way." And we are mistaken in assuming that any difference is going to exist by and by. I look with contempt on the man who stands up in the House and says he objects to this or that

because it is going to cost one of his constituents 5 cents a month. I think we ought to deal with this question in a different way. Now, this will hit very lightly, in my judgment, the few farmers in the United States.

Mr. NORTON. Will the gentleman yield?

Mr. HILL. Yes.

Mr. NORTON. Does not the gentleman think it is a splendid way to carry on the war to begin by levying taxes on those who are the least able to bear them and relieve from taxation those who are best able to pay the taxes?

Mr. HILL. I think the best way to begin the war is to levy taxes on every man according to his ability.

Mr. LENROOT. Then, why do you not do it?

Mr. LANGLEY. This bill does not do it.

Mr. McCORMICK. Then, we should strike out the retroactive income tax, the present provision for an excess-profits tax, and the tax on power and heat and light.

Mr. HILL. I have not any criticism to make of any man who differs with me. I would make the excess profits tax furnish the Government four times what it will furnish under the provisions in this bill, properly constructed. That is no reason why, in my judgment, if it is not properly constructed, we should be obliged to strike it out and lose $400,000,000.

Mr. McCORMICK. The gentleman has imputed to other Members of the House unpatriotic motives when they are actuated by the same patriotic motives as he.

Mr. HILL. Every man must judge of that for himself. I am trying to do my duty and I can do no more.

Now, what does the second proposition do? It is a tax upon domestic light and heat. My understanding of that proposition is that it taxes electric light and heat and gaslight and heat. The provision of this bill is that that shall be passed on to the man that pays the bill, and it ought to be passed on. You can not stop it if you wanted to. I know what I am talking about. I was president of a gas company for a number of years. They will pass it on in spite of you, no matter whether the law provides for it or not.

Mr. LANGLEY. Does the gentleman mean to say that he did that when he was president of the gas company?

Mr. HILL. You must recognize things as they are, not as you would like to have them. Now, who pays the tax on the gaslight and heat and the electric service? It is a small part of the amount that will be paid. The whole thing, electric-light, power, gaslight, telegraph, telephone, are all estimated together at $30,000,000.

Mr. SWITZER. Does the gentleman think that that includes heat produced by coal?

Mr. HILL. Of course it does not; it is an electric heat and service. It has nothing to do with a man buying his coal and making his own heat.

Mr. SWITZER. Where it is made by the individual?

Mr. HILL. Now, the great bulk of it would be paid by persons with an income of two, three, or five thousand dollars, by married people—not by single men who have no home. It will be paid largely by people who are exempt from conscription, who are taxed in no other way except as you and I are taxed—indirectly—perhaps through the tariff or in some other general way. Why should they not contribute their mite to the support of this Government in the vigorous prosecution of the war? What will it amount to? Take an ordinary family with an income of $2,000 or $2,500, and the gas bill will probably amount to $50 a year for light and perhaps $50, $75, or $100 for heat as well as light, so it would probably amount, at the outside, to $5 at the extreme for the average family in the United States. Why should we exempt them? Why should a man with an income of $2,000 or $2,500 be exempt from the only tax laid in this bill that would touch him? You can go to work and tear the bill to pieces in little unimportant features like this. Gentlemen, you have got to make it up in some other way. The bills have got to be paid. This country is not going to stand defeat simply because it will not raise the money to pay the expenses. How are you going to raise it? As I said, I would raise it differently, but the administration is not of my way of thinking and the majority of Congress is not of my way of thinking. Am I going to stand here and say that I shall oppose a vigorous prosecution of this war simply because everybody in the House does not think as I do?

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. LONGWORTH. Is it not a fact that these taxes were specifically recommended by the Secretary of the Treasury?

Mr. HILL. Certainly; they were suggested by the Treasury. What are you going to do about it? Say that there shall be 99 per cent of the people of the United States who shall contribute nothing except personal service, and that only 10,000,000 of those shall contribute personal service; that between those two figures there shall be a great majority of the people of the country who will not be taxed at all? Is that the position you are going to take? Oh, I recognize what some men may say; that they are taxed indirectly in various sources. I am speaking now of direct taxation. This is direct taxation upon the man who uses that service, and the classes of people who use that service are practically exempt from military service and practically exempt from any other taxation in this bill. If the gentleman from Wisconsin [Mr. LENROOT] wants to strike that all out and say that there shall be a great body of the American people who shall pay nothing at all under the provisions of this bill, why, his amendment will do it; but it does not seem to me that it is even patriotic to offer such an amendment.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon the Lenroot amendment relative to heat and light and other amendments thereto shall close in 30 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate upon the Lenroot amendment and other amendments respecting the light, heat, and power provisions of this title shall be limited to 30 minutes. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Chairman, it is a strange coincidence that no matter what section of this bill we take up, no matter what compromise is made, New York gets the worst end of the deal, and it does seem hard that a Member of this House dare not stand and express himself and the views of his constituents without incurring the contempt of the distinguished gentleman from Connecticut [Mr. HILL]. I think it is bad taste for a member of the committee, and especially an old member, to endeavor to stifle the free expression of a younger Member of this House. If I have to sacrifice the courage of my convictions and fail in my duty to express my views upon any bill that touches my district in order to avoid the contempt of the gentleman from Connecticut, then I shall have to suffer under that disgrace. The gentleman from Connecticut said that the people who will have to pay the tax upon this provision—light and heat—will pay no other tax. Let us see for a moment. Let us take a man, say, with a family of five, living in New York City. He will pay a tax of $1.46 a year upon his tea and coffee. He will pay a tax of at least 75 cents a year upon his tobacco; that is, assuming that he smokes only 5 or 10 cents worth a day.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. One moment, please; I only have a few minutes. He will pay a tax of $1.60 a year upon his life insurance, assuming that he takes an insurance of $2,000. He will pay a tax of 5 cents a year on the fire insurance for his furniture in his little home. He will pay a tax of about $1 a year on his club dues. He will pay a tax of 20 cents a year on the chewing gum for his children. He will pay a tax of at least 75 cents a year on the soap, toilet articles, cosmetics, drugs, and medicines for his family. He will pay a tax of $1.50 for amusement, shows, concerts, circus, or the movies—and that is only allowing $3 a year for each member of the family. He will pay a tax of at least $2 for wines and alcohol and soda water—and that is allowing only a moderate amount of liquor for medicinal purposes. That amounts to $10.66, and then the gentleman from Connecticut says this tax on light amounts to very little. It amounts to $1.35 a year for the average family living in New York City. That is a very conservative estimate. Then the gentleman says that the average American is not being taxed.

I was much amused with the gentleman's stand in seeking to justify his position in saying we are not taxing the farmer with this provision. He points out that the average farmer does not use gas and electricity supplied by public-service corporations. Good heavens! Is the whole country made for the farmer? Are we legislating for farmers only. If the people of the city do not consume what your farmer produces, what is your farmer going to do?

Mr. LANGLEY. And if the farmer does not produce, what will the city do?

Mr. LAGUARDIA. We will starve. It is mutual, and therefore you should make your tax equal.

In New York City we are compelled to use gas and electricity furnished by public-service corporations. We can not use anything else; but in the country the gentleman from Connecticut assures us that they can burn petroleum. Then why do you not tax petroleum? [Applause.] This tax is discriminatory and should not be adopted. I shall support the Lenroot amendment to strike out the provision. I urge the committee to seriously

consider the hardship it will work and to support the amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SWITZER. Mr. Chairman, I am not at all in sympathy with the lecture of the gentleman from Connecticut [Mr. HILL] delivered by the gentleman from New York [Mr. LAGUARDIA]. I am sure that I have the highest respect for the judgment of the gentleman from Connecticut, and I know that he sincerely believes everything that he is advocating at this time pertaining to this bill. I am sure that he would under no circumstances advocate a system of taxation which he believed would work peculiar hardship upon any particular class of people or special industry; but I am opposed to placing a tax upon light and heat. It seems to me that this tax is peculiarly obnoxious, and I trust the time will never come when I have to vote for a tax to keep from a person the winter's cold. There is something about this that is abhorrent, and I shall support the motion of the gentleman from Wisconsin to eliminate this provision from the bill. There is no way, I believe, by which you can impose this tax to raise the Government anything like a fair revenue from this source by placing it upon the corporation.

That has been pointed out by the gentleman from Indiana and others who have just preceded me, because many of our public-service corporations are owned by municipalities, and in my own State I know many electric-light plants are owned by the cities and villages, particularly the villages, and I see no way by which you can place a tax upon corporations without creating many injustices and inequities; but I believe that, as we have raised additional revenue here by means of increased taxes on large incomes, that this committee can well afford to cut out this obnoxious tax upon light and heat. The very idea of taxing a man who wants light in his house for his family or who wants heat in his home is something I do not want to come to at this time. Now, the gentleman from Ohio [Mr. LONGWORTH] says this is recommended by the Secretary of the Treasury. Many other taxes were recommended by the Secretary of the Treasury, and they were not adopted by the Ways and Means Committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, the gentleman from Connecticut [Mr. HILL] seems to think that it is unpatriotic to strike out some of the provisions of this bill imposing consumption taxes. He complains because it is easy to pick this bill to pieces. The trouble with this bill is that it came into the House in pieces, and no one seems to be able to put it together. [Applause.] The bill is so unscientific it can not be put together. The gentleman from North Carolina [Mr. KITCHIN] said he intended to close his eyes and vote for it, and it has been suggested by some Washington newspaper that the members of the Ways and Means Committee must have had their eyes closed when they wrote the bill.

We must carry on the war in a vigorous way. We must raise the money necessary to carry on the war, and no one objects to levying taxes for that purpose if the taxes are just and have uniform application. But what we do object to is this unscientific bill that does not attempt to lay taxes on those who are making large profits out of the war, and who can best afford to bear them, but instead taxes the necessaries of life. The committee seems to object to laying taxes on war profits or profits that are made out of the war. Take this provision, where it is proposed to lay a tax of 5 per cent on gas, light, and heat. The incandescent light of to-day performs the service of the tallow candle of a few years ago. The gas jet to-day is the woodpile of yesterday. Now, you propose to lay a tax of 5 per cent on the consumer of these necessaries. You propose to lay a tax on the washwoman's power to earn an honest living, in order that war profits may be piled hoard on hoard and escape their just share of the expenses of the war. You propose to lay a tax on those things that the ordinary workman must use every day, in order that large war profits may escape their just share of the expense of the war. Already living expenses have almost doubled since the outbreak of the war. And this tax but adds to the problem of the high cost of living.

If you take this bill and analyze it, you will find that there are but few provisions in it where a part of the tax will not be passed on to the ultimate consumer. Many of the provisions like this impose a direct consumption tax. The committee was well aware of that fact, and yet they come here and propose a tax that will increase the living expenses of the persons using gas and electricity. It is difficult for me to understand the committee's attitude in imposing these heavy consumption taxes. Under the provisions of this bill this consumption tax commences in the morning when one turns on his gas to prepare his breakfast, and it continues throughout the whole day until he turns out his electric light at night. In this respect the bill is consistent. All will agree that we need large sums of money to carry on the war. If we are to raise it, we will eventually conclude that we must go to the man who has it, instead of hampering the man who does not possess it. There was a plan, a scientific plan, that could have been adopted, that would have brought in several hundred millions of dollars annually to carry on the war, and the tax under such a plan would scarcely be felt. A tax on war profits is just and scientific. Had we laid a tax of, say, $5,000,000 on the war profits of the Hercules Power Co., for example, that made $15,000,000 more last year out of the war than they made on an average for over three years before the war, who would have felt that tax? Who would have entered a complaint against it? That enormous profit did not arise through the transaction of normal business; that profit was created solely because of the world war. Let it assume greater part of the expense of the war.

Mr. HILL. Is it not taxed now 12½ per cent direct?

Mr. GOOD. Oh, yes; but that concern made $15,000,000 more than its normal profit, and why did not the committee reach out, as Great Britain has done, and take some of these war profits from all concerns making war profits to carry on this war. The gentleman from Connecticut has suggested that there was some deal here. I think that should be explained. He suggested there was a deal between sugar and tobacco, and the gentlemen are silent about that. Is there a deal in this bill? Is there a deal here between sugar and tobacco? Is there any deal of that kind? Gentlemen are silent about that, silent as the grave, and are apparently willing to cover up this deal, if there was one, and put a tax on tea and coffee, and a tax on electric light, and a tax on gas.

Mr. HILL. Of course the gentleman wants to be fair and admits that I have not said any such thing, as he said I said. I explained exactly what the trouble was.

Mr. GOOD. The gentleman said the trouble was between sugar and tobacco.

Mr. HILL. And stated why.

Mr. GOOD. And the gentleman from Wisconsin [Mr. COOPER] asked what the trouble was.

Mr. HILL. And I stated why, that sugar would furnish $150,000,000, and tobacco should have been made to furnish a very much larger sum.

Mr. GREEN of Iowa. Mr. Chairman, I am greatly obliged to my colleague for the compliment he has paid the Ways and Means Committee. So far as that part of his statement is concerned I do not intend to reply to it, but when he deliberately misrepresents the gentleman from North Carolina, I do intend to reply to it. The gentleman knows perfectly well the gentleman from North Carolina never said that he was going to vote for this bill with his eyes shut. He said as far as the tariff provision was concerned, as far as that part of the bill was concerned, as one who had always entertained the tariff views he had heretofore expressed upon this floor, that he would have to vote for that part of the bill with his eyes shut. That is what he said, and the gentleman from my own State concurred with certain newspapers in misrepresenting the gentleman from North Carolina with reference to his statement. [Applause.]

Now, Mr. Chairman, the Committee on Ways and Means, giving their whole thought to this bill, and the value, if it had some value, of years of study to the subject of taxation, prepared the measure in what they deemed to be a scientific way until it came down to this tariff provision, which everybody admits is not scientific, but to which there seems to be less objection on this floor than to anything else. In preparing this bill they wanted to avoid consumption taxes as far as possible. They desired, if possible, to avoid putting taxes upon those even of moderate means, and up to any reasonable point they wanted to put it on what I might call, for want of a better term, the surplus wealth. And that is what they did. And what kind of propositions have we had here instead of the provisions which have been put in this bill? They say we are seeking to impose a discriminatory tax which does not bear equally on all persons. Gentlemen of the House, there never was a tax imposed that will bear equally on all persons. You can not frame any such tax. You must select certain objects for taxation on certain principles, and we selected certain consumption taxes where we thought they could best be placed and imposed. They can not be made to bear equally upon everybody.

What are the substitutes proposed? One gentleman proposes a tax on all kinds of business, that every business man should pay a tax, and it has been specified here by a number of gentlemen as a tax which should take the place of some of the taxes in this bill. A tax that would impose the same amount, require the same payment, from every peanut vendor that it does from John Wanamaker. This they call a fair tax, I suppose.

Mr. BORLAND. That would be the most unfair tax of all, would it not?

Mr. GREEN of Iowa. Absolutely.

Mr. BORLAND. Because some men who do a large volume of business make a rather moderate income.

Mr. GREEN of Iowa. The gentleman from Missouri said that a tax of that kind would be the most unfair tax that could possibly be levied, and I agree with him in that statement for many reasons. I refer to a tax requiring each business man to pay the same sum. My colleague, the gentleman from Iowa [Mr. GOOD] proposed an amendment yesterday concerning excess profits taxes that would not yield as much of an income as the excess profits tax we have in the bill now, but he said we did not hit the powder companies hard enough. We have hit them 12½ per cent on their net receipts and 60 per cent on excess profits, and all these gentlemen will have to pay an income tax, and when they get through with this there is a corporation tax of 4 per cent; and take it all in all, they will pay somewhere, as near as we can figure out, from 75 to 80 per cent of their income.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I would like a minute more.

The CHAIRMAN. The time has been fixed.

Mr. FORDNEY. I ask that the gentleman yield to me.

Mr. GREEN of Iowa. I wanted to call attention to the fact that the excess profits tax that was proposed by my colleague [Mr. GOOD] on yesterday would not have put any tax on the subsidiary corporations of the Standard Oil Co. and all those other corporations which were making immense profits before the war, even 200 per cent or 300 per cent, but would leave them free of any tax.

Mr. FORDNEY. Mr. Chairman and gentlemen, the trouble with this bill is that it taxes somebody, and there is not a man on this earth that wants to be taxed. He wants to put the tax on the other fellow. [Applause.] The gentleman from Iowa [Mr. GOOD] the day before yesterday voted against a tax upon himself and now he wants a tax on everybody else. [Applause.] That is the trouble with you and every other man that talks against this bill. If you are going to raise money somebody else should pay the tax, so far as you are concerned.

Mr. GOOD. Will the gentleman yield?

Mr. FORDNEY. I have only one minute, and I decline to yield. I would like to answer the gentleman if I had time, because I want to be courteous.

I want to say to you that if we raise money somebody has got to be taxed, and I have not found a man in this House but that is willing to put the tax on somebody else and not on himself. And that is the trouble. These taxes, if placed upon the people, take but a small pittance from the average man. Every man ought to realize that we are in war with a great nation and ought to be willing to give up a little something to carry on that war and help his neighbor's son fight the battles. No man is so unpatriotic that he is not willing to pay 5 cents on a $1 electric-light bill. If he is so unpatriotic his patriotism goes but a little distance. There is no deal that I ever heard of, except by intimation of some demagogue, between any members of the committee on tobacco or sugar or anything else. It has been intimated several times by men on this floor that there has been a deal of that kind. If so, I never heard of it in the committee or anywhere else, except from somebody that wanted to demagogue. Tobacco is heavily taxed. I have tried, as other members of the committee have tried, to keep away from a consumption tax on food and clothing, and we have succeeded pretty well, gentlemen. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Mr. Chairman, this tax is a tax upon the efforts of the average man to build a home and an American family. When a poor man comes to the city he begins to save his money, gets a wife, and buys a little house on installments. Pretty soon he is better off, and he puts in city water. You might as well tax the water as tax the electricity. When he puts the water in, and saves a little more money, his wife and himself figure the thing over and they put in gas and electricity. You might as well tax gas as electricity. That tax, too, should be removed from this bill. He gets them in, and every dollar that he figures on he figures on definitely and with infinite care, and they sit up at night to figure whether they can spend the money or not. It is not merely a question of 5 cents monthly. When he puts in this electric light he pays for the equipment that goes in there. If this were his only tax or expense it would be no burden. But everything he buys is higher than a cat's back. He is caught for a nickel at every turn. The widow at Jerusalem only dropped her mite in once. Nowadays she hands one to each and all comers. When a man finds that he has to add a nickel more on a dollar, he has to think it over very carefully.

Gentlemen, this is a tax on the efforts of a man who is attempting to achieve success. That man is trying to raise good citizens, soldiers for the Republic. I think we ought to let him alone until he has gotten somewhere, and until he has placed his family in such shape as to present a decent example of civilization as a typical American family. Big incomes and big profits should finance this war. They will fatten on it. Mr. Chairman, this is a tax against the civilizing influences of the American social structure. I think it ought to be stricken out. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. LENROOT. Mr. Chairman, the gentleman from Connecticut [Mr. HILL] has suggested that the offering of this amendment is not patriotic.

Mr. HILL. I think so.

Mr. LENROOT. I would like to know the gentleman's definition of what patriotism is if he says the offering of an amendment of this kind is not patriotic. His idea—and I would never have believed it unless he had made this statement—his idea seems to be that the sacrifices for this war shall be doubled upon the masses of the people and lightened as much as possible on the rich men of this country. [Applause.] He says that the man with a $2,000 income and married will pay no taxes under this bill if we strike out an item of this kind.

Mr. Chairman, who is making sacrifices to-day, before any taxation law goes into effect because of this war? Is it the gentleman from Connecticut? Is it myself? Is it Members of Congress? The sacrifices that we are making because of this war to-day are infinitesimal. But how is it with the man geting $1,000 a year, paying $15 a barrel for flour, paying $10 a pair for shoes, paying $4 a bushel for potatoes? Is he making a sacrifice? Is there a sacrifice involved upon the cost of this war? And yet the gentleman from Connecticut contends that that man shall go on making those additional sacrifices and at the same time he says we must impose burdensome taxes upon him in addition.

Mr. HILL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Connecticut?

Mr. LENROOT. No.

The CHAIRMAN. The gentleman from Wisconsin declines to yield.

Mr. HILL. The gentleman ought to yield.

Mr. LENROOT. Mr. Chairman, I want equality of sacrifice in this war. [Applause.] And because I want equality of sacrifice I want to put the burdens of these taxes upon those who can bear them with the least sacrifice. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HILL. Mr. Chairman, I hope the gentleman may have one minute more, in order that I may ask him a question.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent that the gentleman from Wisconsin may proceed for one minute. Is there objection?

Mr. SNYDER. I object. We have got to go on with this thing.

The CHAIRMAN. Objection is made. The gentleman from Rhode Island [Mr. STINESS] is recognized.

Mr. STINESS. Mr. Chairman, I wish to offer an amendment to the next subdivision. I send it to the desk to have it read.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Rhode Island.

The Clerk read as follows:

Mr. STINESS offers the following amendment: Page 20, line 16, after the word "effect," insert "or if cash fare be paid"; and on page 20, line 18, after the word "book," insert the following: "on paying the cash fare," so as to read:

"If a ticket or mileage book for such transportation or accommodation has been purchased before this section takes effect, or if cash fare be paid, the tax imposed by this section shall be collected from the person presenting the ticket or mileage book or paying the cash fare by the conductor" etc.

Mr. LENROOT. Mr. Chairman, I wish to make the point of order that that is not in order at this time.

Mr. STINESS. As I understand it, Mr. Chairman, that was merely read for information.

Mr. LENROOT. Then I beg the gentleman's pardon.

Mr. MOORE of Pennsylvania. The gentleman has a right to speak for a minute.

The CHAIRMAN. The gentleman from Rhode Island is recognized.

Mr. STINESS. Mr. Chairman, I do not want to take up any time on this matter. I simply wish to say that provision is made for the payment of the tax on tickets, presumably at the ticket office. The provision provides that the tax on commutation

tickets and tickets purchased before the passage of this act shall be paid to the conductor. There is no provision for the payment of a tax on a cash fare, and this amendment simply provides that the tax on a cash fare shall be paid to the conductor, and simply conforms to the rest of the provisions in respect to such taxes. [Applause.]

Mr. RAINEY. Mr. Chairman, the item in the bill under consideration provides for a tax equivalent to 5 per cent of the amount paid for electric power for domestic uses and of the amount paid for all light and heat service. The amendment of the gentleman from Wisconsin [Mr. LENROOT] seeks to strike these items from this bill: Five per cent of the amount paid for electric power for domestic uses and for light and heat service.

The gentleman from Iowa [Mr. GOOD], in a fine frenzy of cheap oratory, insists that we provide in this item for taxing the widow's woodpiles and the tallow candles of the washerwoman. The gentleman had not read this bill before he indulged in those mock heroics on this floor, which make his speech and all speeches like it so ridiculous. We are taxing only those who are able to pay this small tax. When a man comes into his home and is able to turn on as he enters a flood of electric light—if he is able to wire his house for that, he is able to pay the small tax imposed by this bill.

Mr. HULBERT. Mr. Chairman, will the gentleman yield there for a question?

Mr. RAINEY. I am afraid I have not time. Make it very short.

Mr. HULBERT. It will be very short. Does not the gentleman know that in large cities like the city of New York, in the very poorest tenements of the city, they depend for both heat and light upon gas, which would be taxed under this provision?

Mr. RAINEY. I know that; and in the section of the city to which the gentleman has called attention I am not willing to believe that they are not as patriotic as in the wealthier sections of his city. A man has not discharged his duty to his country when he has simply placed a flag in front of his home, during this crisis in the history of our country, and imagines that he has thus performed all the service that is to be expected of him during the period of this awful war. Other gentlemen, in mock heroics directed against this bill, insist that they are opposed to taxing the heat that keeps away from the homes and from the persons of the citizens of the United States the cold of winter. Who is talking about any taxes of that kind?

We are taxing these luxuries—expensive light and heat and power service—and in the poorer quarters of New York City, where they turn on electric light when they come in, they will pay probably 5 cents a month on account of this tax, and probably 2 cents a month on account of this tax on heat, and they are in that manner doing their bit toward helping the country in this time of national stress.

Mr. LAGUARDIA. They will pay $1.35.

Mr. RAINEY. There will be 500,000 young men soon living in tents where there are no electric lights, where there is no heat furnished by companies from great distances, enduring all these hardships; and no matter if these men are in moderate circumstances, when they go into their homes and flood them with electric lights, when they enjoy the comforts of homes made possible by these free institutions under which we live, they ought not to object, and I refuse to believe they are so unpatriotic as to object to these small taxes.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RAINEY. It is particularly easy for the gentleman from New York who seeks now to interrupt me, and for these other gentlemen who object to this bill, to make these speeches for home consumption, challenging all these items in this bill.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RAINEY. No. They can go back home with the record they have made here, and they can say, "Why, we objected to this clause. Look at the speeches we made." Why, they voted for this war, every one of them, and they voted for these tremendous expenses. [Applause.]

Mr. HULBERT. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, when men on this floor resort to demagogic harangues, it is simply impossible for them to confine themselves within the limits of truth. [Applause.] I never said, on this floor or elsewhere, that this bill was so bad that I was going to shut my eyes and vote for it. I have said on this floor that the items of taxation in this bill would be a cruel injustice to the people in times of peace, but as a bill to raise money in time of war, with the exception of the tariff provision, the provisions were the best balanced and wisest and least burdensome of any war-revenue bill that has ever been presented to Congress or to any other legislative body. I said with reference to the tariff provision that I did not like it, that I did not want it in the bill, but that it would raise $200,000,000, that it seemed we could not get that amount from other sources, and that I was going to shut my eyes and vote for that provision of the bill.

Now, it has been intimated by some gentlemen in these demagogic speeches that there was a deal between the gentleman from Michigan [Mr. FORDNEY] and myself with respect to sugar and tobacco, sugar in his district and tobacco in my district. I denounce such statement or intimation unqualifiedly as a falsehood. [Applause.] There is not a Republican or Democrat in this House who knows me, there is not a man in my State or elsewhere who knows me who believes that I would make a deal with anybody in matters of legislation with respect to any special interest in my district or elsewhere. [Applause.] I remember in 1909 I stood alone of all the Democrats of North Carolina in the House and at the other end of the Capitol and voted for free lumber, against the protests of the big lumber interests that were in every nook and corner of my district and State. If I made any deal with Mr. FORDNEY or anybody else with reference to sugar and tobacco, I did not get my part of the deal, because this bill puts 100 per cent additional tax upon manufactured tobacco the raw material of which is raised in my district, which produces more than any other five districts in the United States. [Applause.] We levy on manufactured tobacco, cigars, cigarettes, smoking tobacco, and chewing tobacco $70,000,000 by this bill, twice as much as we are now levying under existing law.

They have made speeches here against this little tax of 5 per cent upon bills for light and heat furnished not by yourself, not on your coal bill, not on your wood bill, as the gentleman from Iowa [Mr. GOOD] would have you believe. There is no tax upon that. The tax is only 5 per cent upon the bill which you pay, that anyone pays to another person or corporation that furnishes light and heat for your home. That is all that tax is, yet they would make you believe that this is a great burden upon the poor people, and they lift up their voices and cry out "Tax wealth, tax wealth! Raise it all out of incomes, all out of excess profits, all out of war profits!" We are taxing wealth. We have taxed wealth. Two years ago, June 30, 1915, we collected from incomes and profits less than $85,000,000. With the bill proposed here and existing law we will tax incomes and profits $1,375,000,000, and yet the gentleman from Iowa [Mr. GOOD] cries, "Tax wealth, tax wealth; do not tax the poor man." They tell us that is a tax upon poverty. You know it is not. You know that $19 out of every $20 that will be collected by that tax will be collected from men like you and me. There is not a poor man in this country or a little family that will pay more than 10 cents a month extra; but it will cost men like you and me maybe from a dollar to two dollars extra, and we ought to pay this little tax without complaint. [Applause.]

In 1862, when the Confederate armies were turning toward this Capital and every man, woman, and child in the North were trembling at their advance, a tax measure was introduced in this House in order to raise money to support an army to resist this march. In that bill there was a tax, nearly as large a tax as this, on tallow candles, which were practically the only light that the poor as well as the rich people of this country had. There was a license tax upon the manufacture of candles and then an ad valorem tax of 3 per cent. There were demagogues then, though they stood almost within the very sight of Confederate bayonets, who got up on this floor and asked the Members of the House to vote against that tax, because it was a tax upon the poor man. They made the same argument then that those who are in favor of the Lenroot amendment make to-day; but there were men in this House who had the courage and patriotism, in spite of audacity and demagoguery, to vote for that tax and every other tax in that bill. By that tax bill they raised and supported an army which defended this Capital and the Nation, and saved the Union [applause]; and patriots now, South and North, thank God they did. [Applause.]

Mr. LENROOT rose.

Mr. KITCHIN. No; I have not time to yield now. Let no man vote against this item or that item in this bill, because it is going to affect some poor man. [Applause.] There are items in this bill that are going to affect the poor man and the rich man alike, but we have put the large burden of taxation on the wealthy. They should pay. I believe that the poor man in the city or the country is willing to pay this little pittance of 5 cents or 10 cents a month on the little light or heat bill in order to sustain this great Government in the mightiest struggle in which it ever engaged, and I hope the gentleman's amendment will be voted down. [Applause.]

The CHAIRMAN. All time has expired, and the question is on the amendment offered by the gentleman from Wisconsin, Mr. LENROOT.

Mr. HULBERT. Mr. Chairman, is it in order to offer an amendment to perfect the paragraph?

The CHAIRMAN. Yes.

Mr. RAINEY. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAINEY. Is not the House entitled to vote now on the Lenroot amendment?

Mr. HULBERT. But this is a preferential motion to perfect the paragraph.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, after the word "heat," insert in line 2 the words "when the same amounts to $5 per month."

Mr. HULBERT. Mr. Chairman, I ask unanimous consent to modify that amendment so that it will come in after the word "service" instead of the word "heat."

The CHAIRMAN. Is there objection to the modification stated by the gentleman from New York?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was lost.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin, Mr. LENROOT.

The question was taken; and on a division (demanded by Mr. LENROOT) there were 58 ayes and 116 noes.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment officered by the gentleman from Rhode Island, Mr. STINESS.

The Clerk read as follows:

Page 2, after the word "effect," insert "or if cash fare be paid." On page 30, line 18, after the word "book," insert the following: "or paying the cash fares," so as to read:

"If a ticket or mileage book used for such transportation or accommodation has been purchased before this section takes effect, or if cash fare be paid, the tax imposed by this section shall be collected from the person presenting the ticket or mileage book, or paying the cash fare, by the conductor or other agent."

Mr. KITCHIN. Mr. Chairman, I think that amendment is a just one.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa [Mr. GREEN].

The Clerk read as follows:

Page 20, line 17, after the word "another," insert:

"*Provided*, That nothing herein contained shall be construed to require the carrier paying such tax to list separately in any bill of lading, freight receipt, or other similar document if the total amount of the freight and tax be therein stated."

Mr. GREEN of Iowa. Mr. Chairman, this is to avoid the trouble of a lot of work in making out freight bills and in stating the amount of the tax in every one of them. There has been considerable reference to that on the part of the clerks who have to make up the list of the bills, and it seems to me entirely unnecessary.

Mr. KITCHIN. Mr. Chairman, I see no objection to that amendment.

Mr. GOOD. Mr. Chairman, there seems to be some feeling with regard to reference that has been made on the floor of the House about sugar and tobacco. I love both the gentleman from Michigan and the gentleman from North Carolina; they are big men. [Applause.] I did not intend to accuse either of them of any deal; I have not even mentioned their names. I do not accuse them, I only asked for an explanation of the suggestion made yesterday which indicated there was something out of the ordinary that had transpired, and my reason for asking for an explanation was the rather remarkable speech made the other day by the gentleman from Connecticut [Mr. HILL], from which I read:

Now, here is the proposition. What are we going to do? I asked the chairman of the committee what he was going to do on subsequent amendments. Are we going to strike out the postage because somebody does not like it; are we going to strike out the retroactive clause because somebody does not like it? I say, let us stand for the bill and go down in defeat if necessary rather than embarrass the administration. There is the situation. It can be done; there is no trouble about it at all, Mr. Chairman.

There are two things that stood fundamentally in the way of this bill; one is sugar and the other is tobacco. We might as well understand it.

* * * * * * *

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. COOPER of Wisconsin. In conversation here there are some of us who do not understand precisely what the gentleman from Connecticut means by his reference to sugar and tobacco.

Mr. HILL. Oh, the gentleman is too innocent.

Now, Mr. Chairman, I am one of the innocent Members of this House, and the Ways and Means Committee, with that statement in the RECORD, owes it to the membership of this House to explain what the gentleman from Connecticut referred to when he said the difficulty in the way was two things, one was sugar and the other was tobacco. The implication in the remark of the gentleman from Connecticut [Mr. HILL] I thought needed explaining. His explanation does not remove the implication contained in his answer to the question of the gentleman from Wisconsin [Mr. COOPER].

Mr. HILL. Mr. Chairman, if I can have five minutes I am ready to explain, as I did explain the other day, and if the gentleman would read the rest of my remarks——

Mr. GOOD. I have read them.

Mr. HILL. I have explained on the floor of the House two or three times. I am a protection Republican. I believe that we ought to get revenue out of a tariff. I have said it over and over again. I say now, in order to satisfy the extremely critical ideas of the gentleman from Iowa, if the gentleman from North Carolina will pardon me, that at the beginning man announced that whatever action the committee saw fit to of the discussion in the Ways and Means Committee the chair- take in regard to tobacco he would cheerfully and loyally accept. [Applause.] I do not think it needs any more explanation. I believe from my political standpoint that we ought to raise more. I said in committee that I intended to offer an amendment to raise the manufactured-tobacco tax to 25 cents a pound instead of 16 cents a pound, notwithstanding I came from a State where the second largest crop is tobacco.

But after the statement made by the chairman of the committee in full meeting of the committee, and the committee had raised it to 16 cents, I declined to make the motion to raise it any further. I accepted his statement. In regard to sugar, I did offer a motion to raise $150,000,000 from sugar. If that had been done it would not have been necessary to put in some of these other taxes. The committee saw fit to vote it out. I believed in it honestly and conscientiously, and the fact that it was voted out upon the ground that the committee did not want to impose any consumption taxes, contrary to my ideas, did not imply any wrong. It was simply a statement of fact, and when the gentleman from Wisconsin [Mr. COOPER] asked me the question I said he was too innocent, and went on then and explained exactly what I meant; and the gentleman from Iowa [Mr. GOOD] has done me the injustice to read a part of my remarks and not go on and read the rest of them. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I ask for a vote upon my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this section, 500, be closed in 50 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate upon this section and all amendments thereto shall close in 50 minutes. Is there objection?

There was no objection.

Mr. SEARS. Mr. Chairman, I offer the following amendment which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. SEARS: Page 20, line 4, after the word "another," insert "*Provided*, That said tax shall not be levied or assessed upon amounts paid for transportation of fruits, vegetables, and grain."

Mr. SEARS. Mr. Chairman, I listened with a great deal of interest to the argument of the majority leader about demagoging on the floor of this House, and desire to say I fully agree with him. I therefore trust I shall not be accused of demagoging because I have offered the above amendment, for I assure you such is not the case. I have only offered it because I believe it is equitable and just, and I shall endeavor to prove to you that same should be adopted. I would offer an amendment exempting all food products from the additional 3 per cent freight tax, if I believed I could secure the passage of such an amendment, but I do not believe the House would go that far, and so I have only offered the amendment exempting fruits, vegetables, and grains. I want to say, in passing, that I heartily agree with the distinguished gentleman from Georgia [Mr. HOWARD] when he says there should be no discrimination between freight rates and express rates, and I trust the amendment he has offered will pass. I trust this House will consider seriously the amendment which I have offered, and I am only sorry, if a division should be demanded, so many who will vote upon the question if a division is demanded are not here to listen to the argument presented. The facts are these. The Interstate Commerce Commission about two years ago granted an increase of from 10 to 15 per cent on all freight rates in the southeastern district. The Interstate Commerce Commission is now considering and, I fear, will grant an additional increase

in freight rates of 15 per cent. If this is done, it means, in my State alone, something like $1,400,000 increase of freight rates on the fruits and vegetables of that section. I want to say in fairness, I do not believe the Committee on Ways and Means took into consideration this prospective increase when they incorporated this provision in the bill. If you increase the freight rate this 3 per cent, I want to warn you that you will place on the fruit and vegetable growers of my State alone an additional burden of more than $250,000, and thereby cause the food question in this country to become more acute than it is at present.

Mr. Chairman, much has been said about discrimination against the cities. Let me say to my colleagues who represent the cities that if this amendment is defeated the people in the cities will suffer more than the people on the farm. You will create a situation in this country that is similar to the one in Russia, where, I am told, the price of production is so much in excess of the market price the people will not only not plant but will not even harvest the crop planted. I want to place this House on notice, and I want to warn my colleagues unless you take this amendment seriously you will have a food crisis in this country which will prove even more serious than any which now exists in Europe.

We have spent large sums of money investigating the high cost of living. The administration is now asking for the passage of a bill to control and regulate the food situation, and no doubt we will again be called upon to appropriate large sums of money for that purpose. And yet we are about to again place an additional burden on the producer.

In my State alone there are hundreds of acres of vegetables to-day that, even with the present express and freight rates, can not be shipped to the cities. My colleagues, it will be your constituents who will suffer and cry out for food. If this is demagoging, then I am guilty of demagoging. If to make it so we can carry to your people in the cities vegetables and grain constitutes demagoging, then I am guilty of the charge.

Grain does not affect my district very much; but do you gentlemen realize when you pass a 3 per cent increase in the freight rates upon grain you are passing a double taxation? You are, because when you ship your wheat or corn to the mills you pay the additional 3 per cent freight rate, and when it is shipped back to the consumer as flour and meal they pay another 3 per cent increase of freight rates, thus making, as a matter of fact, an increase of 6 per cent over what they are now paying to have it transported. Bread is now practically out of the reach of the poor people, and if this is true, imagine if you can what the condition will be if the Interstate Commerce Commission allows the 15 per cent advance, and in addition to that we place this extra taxation of 6 per cent on flour and meal. Why not stop spending the people's money for investigations and do some real thinking while we are legislating. Your people are complaining—at least mine are—because they can not get flour for less than $15 to $17 a barrel, and frankly I must confess I do not blame them nor do I know what they will do unless some relief is afforded.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. HOWARD. Mr. Chairman, I have two amendments which I desire to present.

The CHAIRMAN. We will first dispose of this amendment of the gentleman from Florida.

Mr. HOWARD. I supposed that the Chair would dispose of the amendments all at one time.

The CHAIRMAN. There was nothing said about it, but unless otherwise directed, the Chair will dispose of them as they are offered. The question is on the amendment offered by the gentleman from Florida.

The question was taken; and on a division (demanded by Mr. SEARS) there were—ayes 19, noes 32.

So the amendment was rejected.

Mr. HOWARD. Mr. Chairman, I would ask the Clerk to read the first amendment I have offered.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 20, line 4, after the word "another," strike out all of subsection (d) and insert in lieu thereof the following: "(d) a tax equivalent to 2 cents on each shipment by express companies consigned from one point in the United States to another."

Mr. HOWARD. Now, Mr. Chairman and gentlemen of the committee, I do not know if you gentlemen take this as a serious proposition or not, but I want to call your attention to the fact it is. I have two amendments here. The committee seeks to raise revenue. Under the express transportation charges they seek to raise $15,000,000. Now, I do not care what they get out of express companies; we are only concerned in doing what is just and fair. I have got nothing to do with their business or what amount of taxes they pay on excess profits, but incidentally I want to remind you that you did get under the present law $270,000 out of one of the smallest express companies in the United States, and under the proposed bill you will get twice that amount in excess profits. But here is what I am concerned about: The people in the State of the gentleman from Florida are the greatest producers of perishable goods in the United States. The people of Georgia are great producers of berries, strawberries, and peaches. We are forced by the very nature of the product we produce in less than carload lots to use the express companies. Let us see what burden you put on the shippers of perishable goods. On a crate of peaches from Mount Airy, Ga., to Washington City the express charge is about 85 cents. Ten per cent under this bill means 8½ cents, and, as we have no fractional money, under the provisions of this bill it means 9 cents added. Who pays it? The people. Now, I say that the express charges under this bill are excessive and unreasonable from the standpoint of the public that have that much added to the cost of their food. Now, let us see what the other condition is. You are discriminating unjustly and unfairly, and I can appeal to the conscience and mind of any man on this floor and demonstrate to you that you are discriminating against the express companies and practically putting them out of their very useful field in the transportation of perishable stuff.

Mr. FESS. Will the gentleman yield? I am interested in this discrimination.

Mr. HOWARD. I will tell you why. Three per cent is your freight charge on all nonperishable stuff. As was said by the gentleman from New York [Mr. SNYDER], who ships about 200 packages a day from his place of business, he will divide up the packages now between the express and the parcel post. Under this bill he will divide them up between freight and parcel post. Now, why? Because it is 3 per cent on freight charges and nothing on parcel post.

Mr. FESS. Why should there be nothing on parcel post?

Mr. HOWARD. I do not know. I have an amendment making a flat rate on each package. Sixty-five per cent of the entire business done by the parcel post in the United States is done by mail-order concerns. Twenty-five per cent is done within the first zone, and my amendment exempts the first zone. There comes in my amendment and protects a little over 11 per cent of the people of the country. It is fair and will raise $10,000,000, and, according to the estimate of the Postmaster General, we carried last year 1,000,000,000 packages by parcel post. We are raising the postage on first-class matter; we are raising the postal rates by zones upon second, third, and fourth class matter. It would not add but 1 cent that anybody will feel on all those packages outside the first zone and raise $10,000,000, and why discriminate against the common carrier of the people of the South that raise these perishable fruits in due season, which the people in the Northwest also raise in due season, and make the people who consume the perishable and necessary vegetables and fruits of this country pay the tax, which, in fact, is outrageous. By my two amendments you would get $18,000,000. Under the provisions of this bill, as brought in by the Committee on Ways and Means, we only get $15,000,000. The proposition is in favor of the Ways and Means bill by $3,000,000 under the actual figures, and I appeal to you gentlemen on the floor of this House, I appeal to you to vote for both of these amendments, which are just, which are equitable, which are fair, and I know that no man wants to do an injustice to the shippers of my section, who will be forced to use the express companies no matter how outrageous this tax may be.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLOAN. What is the average price paid for carrying a parcel-post package covering the period of a year?

Mr. HOWARD. I can not at this moment recall the exact figures.

Mr. SLOAN. I wanted to know how it relatively——

Mr. HOWARD. I can say to the gentleman I think about 25 or 30 cents.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. I ask that the gentleman have five minutes additional.

The CHAIRMAN. The time has been fixed for debate.

Mr. MEEKER. Mr. Chairman, in line with what the gentleman from Georgia [Mr. HOWARD] has just said, I hope that some member of the committee will, before we conclude on this amendment, explain, if he can, why this tax on express and freight and no tax upon parcel post is provided. Surely to a man who is looking on and seeing that the fair thing is done to everybody there must be some reason given. As has been pointed out by the gentleman from Georgia, I have no interest whatever in the

express companies as such other than as a public-service corporation upon which the people must depend.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. SABATH. I am not a member of that committee, but I have certain figures right here that might interest the gentleman as to express companies. I notice that in 1915 there was a balance to the credit of the Adams Express Co. of $6,000,000——

Mr. MEEKER. That is all from the gentleman on the Adams Express Co.; that is enough from the gentleman from Illinois, and I decline to yield further.

Mr. SABATH. And also the Southern Express Co.——

Mr. MEEKER. The gentleman has gotten that out of his system for the seventh time to-day on my positive count.

Mr. SABATH. The gentleman is wrong in that, the same as he is on every other thing in this bill.

The CHAIRMAN. The gentleman from Illinois must not interrupt.

Mr. MEEKER. I decline to yield.

Mr. SABATH. The gentleman did yield to me.

Mr. MEEKER. I decline to yield further.

Mr. SABATH. The gentleman has no information, and I am trying to give him some.

Mr. MEEKER. I am not getting it from you; that is, not what I want.

Mr. SABATH. These are statistics.

Mr. MEEKER. The fact of the business is, Mr. Chairman, that the individual shipper will pay this to the express company, and the gentleman from Illinois [Mr. SABATH] now is a friend of the express company in this particular instance, although he does not know it. This tax will come from the individual consignor, and that rate will rest upon the individual who ships that, while by parcel post he will go scot free, and if by freight 3 per cent only. It has not a thing to do with the income of any express company in the country. It is the shippers from the southern part of the country who are compelled to send their fruit and vegetables into these northern States, which fruits and vegetables the people are compelled to have if we are going to feed our cities, that we should consider. The express companies will not lose a nickel if this goes through, but they can stand that loss much more easily than can the people down in the southern States, who are going to be compelled to put up this extra cost on every package that goes through the express company. That is the point in this thing that we are contending against. As it is written in the bill it is not just unless there is some reason back of any that has yet been given in the committee as to why we should lay on the producers of these commodities this additional duty.

The gentleman from Georgia, in the amendment that he has offered, provides for a flat rate rather than leaving the figuring out with the 10 per cent and the fractional pennies that will come through this, as provided in this bill—a flat stamp of 1 cent and 2 cents on the parcel post. I should think that they should all carry that burden, if it is a burden. Nevertheless, in this provision as it is here, it is not going to simply strike the men who are protesting yonder, but it is going to put up the fruit and vegetable market in every city in the North, for the stuff will rot in the gardens of the South unless these men are still able to get the service of this company at a reasonable rate. And in the amendment, which I hope will carry, they certainly have a simple solution of it all.

Mr. MONDELL. Mr. Chairman, I have an amendment which I wish to offer.

Mr. SMITH of Michigan. Mr. Chairman, I would like to speak on this amendment.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. SMITH of Michigan. Mr. Chairman and gentleman of the committee, I am in favor of this amendment. I have heard it stated on the floor of the House—I was going to say for the last week, but I will extend it to the last three weeks—that we should have and that we need sufficient revenue with which to carry on this, the greatest war in the history of the world. We have been asked to point out certain things on which revenue could be raised. This is one place where a revenue can be raised, and by so doing mete out absolute justice to the enterprise that is being carried on. I want to ask any gentleman of this committee if he were in the business of transportation and the Government of the United States, or any other person, company, or firm were given the right to compete with him, and the Government or his competitor did not pay a cent of charges for that privilege, while he was charged or taxed 10 per cent on his business, what excuse could we make for this discrimination? Would we want to be in the express business or any other and pay 10 per cent for conducting or carrying on that business when our competitor did not pay one cent? I will ask you whether or not that is fair treatment?

Mr. HARDY. Will the gentleman yield for a question there?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SMITH of Michigan. Yes; I will yield. [Laughter.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. HOWARD].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. KITCHIN. Division, Mr. Chairman.

The committee divided; and there were—ayes 23, noes 26.

Mr. HULBERT. Mr. Chairman, I make the point of no quorum.

Mr. HOWARD. I ask for tellers, Mr. Chairman.

The CHAIRMAN. It is too late. The point of no quorum has been made.

Mr. HULBERT. I will withdraw the point of no quorum.

Mr. HOWARD. Then I ask for tellers.

Tellers were ordered.

The CHAIRMAN. The gentleman from Georgia [Mr. HOWARD] and the gentleman from Illinois [Mr. RAINEY] will take their places as tellers.

Mr. HOWARD. Mr. Chairman, I ask unanimous consent, on account of having been requested to do so by several gentlemen, to tell what this amendment is that we are about to act on.

Mr. MANN. Mr. Chairman, I ask to have it reported.

Mr. HULBERT. There are men voting on this thing who were not here when it was debated.

Mr. GARNER. A parliamentary inquiry, Mr. Chairman. Has the question of tellers and no quorum been settled?

The CHAIRMAN. It has.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOWARD: Page 20, line 4, after the word "another," strike out all of subsection (b) and insert in lieu thereof the following: (b) a tax equivalent to 2 cents for each shipment by express companies consigned from one point in the United States to another.

The CHAIRMAN. The gentleman from Illinois [Mr. RAINEY] and the gentleman from Georgia [Mr. HOWARD] will take their places and act as tellers.

The committee again divided; and the tellers reported—ayes 42, noes 49.

The CHAIRMAN. On this vote, as counted by the tellers, the ayes are 42 and the noes are 49, and the amendment therefore is rejected.

Mr. HOWARD. Now, Mr. Chairman, I have another amendment to this section pending. I would like to have the amendment reported, if the Chair please.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Georgia [Mr. HOWARD].

The Clerk read as follows:

Amendment offered by Mr. HOWARD: Page 21, after line 17, after the word "conversation," insert a new subsection (g): "(g) upon each package or parcel deposited for transportation by parcels post beyond the first zone there shall be paid 1 cent per parcel in addition to the rate prescribed by law."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia.

The question was taken, and the Chairman announced that the noes seem to have it.

Mr. HOWARD. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 25, noes 46.

So the amendment was rejected.

Mr. MANN. Mr. Chairman, I offer an amendment.

Mr. BATHRICK. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MANN. Mr. Chairman, I offer an amendment. On page 20, line 4, strike out the word "ten" and insert the word "five."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. MANN: Page 20, line 4, strike out the word "ten" and insert in lieu thereof the word "five."

Mr. MANN. I ask unanimous consent for five minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes.

Mr. MANN. The time was not divided among certain gentlemen in any request that was made. I ask unanimous consent for five minutes. I was on the floor and reserved the right to object to the agreement, stating that I wanted the time.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MANN. Mr. Chairman, I am not especially interested in express companies. Express companies do not pay the tax.

But here is a bill that levies against the shipper a tax of 3 per cent on freight receipts, nothing on parcels post shipments, and 10 per cent on express receipts. I do not know how the committee figure it out, but freight and express and parcels post are in competition with each other. If it was the intention of the committee to endeavor to compel the shipments of early vegetables and fruits by freight instead of by express, or by parcels post instead of by express, then certainly they have gone a long way toward accomplishing the purpose.

Now, these three services are in competition. To say that you will tax one nothing and tax another 3 per cent and tax another 10 per cent is utterly unjust. The Interstate Commerce Commission has the power to regulate the rate by freight and the rate by express, and after a long series of years they have endeavored to regulate the freight and express rates in such a way as that they are in fair competition with each other, according to the service which is rendered.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. BARKLEY. Is the gentleman taking into consideration what will be the effect on this rate if the Interstate Commerce Commission increases the freight rates 15 per cent above what they are now?

Mr. MANN. No; because they have not increased it; and I do not think they are going to increase it that much.

Mr. BARKLEY. I hope the gentleman is correct.

Mr. MANN. I think they are going to increase it some. They are just as likely to increase the express rate as the freight rate; that is all. There is a large class of business that has to go by express—perishable stuff that has to go by express. That ought not to be discriminated against. There is a large class of business that can go either by express or freight, and we ought not to undertake to determine which way it shall go. Let the shipper determine that. He knows best. Why should we say to a man, "If you want to send it the best way for your goods, we are going to make you pay a good deal more than formerly you were required to pay or compel you to send by the other way, the poorer way"? I hope the committee will recognize the justice of this. In no other place is the rate fixed higher than 5 per cent.

Mr. KITCHIN. I think the proportion would be 3 and 6. I hope the gentleman will agree to 6.

Mr. MANN. Of course, whatever the committee says about that I will agree to.

Mr. KITCHIN. I am convinced that 6 and 3 would be the right proportion.

Mr. MANN. On most of the shipments the express rate is not very great. I always consider the convenience of people in reference to these matters. Now, so far as I am concerned, I am quite handy with figures myself, but it is a great deal more convenient when you are figuring things to figure them on a decimal system, and it is easier to figure half of 10, and it is rather complicated to figure 6 per cent unless you owe money. [Applause.]

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FORDNEY. Mr. Chairman, if the percentages on express bills are not in proportion to the difference between the rate charged by the express companies and the railroad companies then there is discrimination against one or the other. It is my information that express charges are three and one-half times the freight charges, and as the percentage on freight bills is 3 per cent, if I am correct—if that information has been given correctly to me—then the rates on express charges ought to be three and one-third times 3 per cent, or 10 per cent.

Mr. HOWARD. Mr. Chairman, will the gentleman yield right there?

Mr. FORDNEY. I will.

Mr. HOWARD. That may be true in some classifications, but not in general classifications.

Mr. FORDNEY. In general it is. There are five classes of freight, and more than that many classes of express goods. On the other hand——

Mr. MANN. Will the gentleman yield?

Mr. FORDNEY. Let me finish that sentence. The parcel-post rate is 5 cents a pound in the first zone, and running up to 12 cents a pound in the eighth zone, or beyond 1,800 miles. Five cents a pound is $100 per ton. Railroad companies make no such charge as that. Express companies make no such charge as that, except on goods of a very high class or of great value; and to increase the parcel-post rates would be entirely out of joint with these other rates.

Mr. MANN. The gentleman referred to the percentage of difference between express and freight charges. Does the gentleman think that is true as between express and fast-freight charges?

Mr. FORDNEY. I do not know just the difference between those rates.

Mr. MANN. Take a carload of oranges coming from California, for instance, which may come by fast freight or by express.

Mr. FORDNEY. Yes.

Mr. MANN. There is a slight extra charge for express, but no such percentage of difference as the gentleman stated.

Mr. FORDNEY. It is my information that generally on freight and generally on express rates of every description the difference is about three and one-third times.

Mr. MANN. Wheat and coal and iron do not go by express.

Mr. MADDEN. Investigation of railway mail pay before the Post Office Committee disclosed the fact that fast-freight rates average about 4½ cents per ton-mile.

Mr. FORDNEY. And your parcel-post rate is 5 cents a pound. Then where is the justice in increasing the parcel-post rate?

Mr. MANN. There is no proposition pending before this House concerning the parcel post.

Mr. FORDNEY. It was suggested here that the parcel-post rates ought to be raised.

Mr. GILLETT. Will the gentleman from Michigan yield?

Mr. FORDNEY. I yield to the gentleman from Massachusetts.

Mr. GILLETT. Even if it does cost three times as much to send by express as by freight, why should the tax be three times as much?

Mr. FORDNEY. It is on your freight bill and on your express bill.

Mr. GILLETT. It is 10 per cent on your express bill, and the express bill is much larger per hundred pounds, so that even if it were 3 per cent on each it would be a greater tax on express than on freight, because the freight charge is much greater.

Mr. FORDNEY. You will discriminate against one or the other.

Mr. GILLETT. I should think it would treat both alike to have the same rate on each.

Mr. HOWARD. I want to say to the gentleman that since he has taken the floor I have been informed by a gentleman who is in a position to know about the rates that under the adjustment by the Interstate Commerce Commission of express rates in 1914 there is hardly two times the difference between freight rates and express rates.

Mr. FORDNEY. I should like to have some man present that here and to know that it is correct.

Mr. HOWARD. And in many instances the difference is less.

Mr. FORDNEY. If that is true, I want it in writing from somebody who knows. The same as everybody else, I have exercised my best judgment, on the best information I could obtain, and I voted to put that rate in the bill, and I think it is right, and I think, unless some man knows to the contrary, who has greater knowledge than myself, I am going to stick to the information I have so far; but I want some man to come here and offer reasonably correct information showing that I am wrong, and I will not take the say so of any average man.

Mr. HOWARD. If the gentleman will yield right there——

Mr. FORDNEY. Yes; I yield to the gentleman from Georgia.

Mr. HOWARD. The people who are in a position to give that information do not have the privilege of coming on this floor.

Mr. FORDNEY. Who are they?

Mr. HOWARD. But I will say positively in my place that the express rates are not three and a third times as much as the freight rates.

Mr. FORDNEY. Let the gentleman put it in writing.

Mr. HOWARD. I will have it in writing in three minutes if the gentleman desires it.

Mr. STAFFORD. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. I understand it is the gentleman's impression or understanding that the express rates are three and one-third times the freight rates on first-class freight transportation?

Mr. FORDNEY. That the average express rates are three and one-third times the average freight rates. You must understand that there are five classifications of freight, and each class pays a different rate, and that is true as to express packages.

Mr. STAFFORD. Is it not a fact that the express rates are allied to first-class freight rates?

Mr. FORDNEY. I have stated my position on the subject.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MANN. Mr. Chairman, I ask unanimous consent to modify the amendment that I offered by striking out "ten" and inserting "six."

The CHAIRMAN. The gentleman asks unanimous consent to modify his amendment in the respect indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modification of the amendment offered by Mr. MANN: Page 20, line 4, strike out the word "ten" and insert in lieu thereof the word "six."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. KITCHIN. The committee have no objection to that. We accept it.

The amendment was agreed to.

Mr. BATHRICK. Mr. Chairman, I ask the Clerk to read the amendment which I have sent to the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. BATHRICK: Page 20, line 24, strike out the words "amount paid for the transportation of oil by pipe line" and insert the words "value of oil transported by pipe line."

Mr. BATHRICK. Mr. Chairman, I want the attention of the committee for about three or four minutes. I want to ask the chairman of this committee if this clause puts any tax upon the oil in the pipe line belonging to the owners of these pipe lines? It seems to tax the shipper, who pays for transportation, but does not tax concerns like the Standard Oil Co., who owns a pipe line.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BATHRICK. Just for a question. I have only five minutes.

Mr. GREEN of Iowa. The committee on its information, after investigating it a good deal, found that these rates imposed by the pipe lines were merely paper rates; that such conditions were imposed; that the independent refiners shipped but very little oil through these pipe lines, and that the rates by the pipe lines were about 60 per cent of the rail rates.

Mr. BATHRICK. The Interstate Commerce Commission has authority over pipe lines, because they are common carriers, and if you impose this 5 per cent upon the oil shipped by the independent refiners and do not impose it upon the oil shipped through the pipe lines by the owners of them, you will create an enormous power to be used against the independent refiners in this country.

Mr. GREEN of Iowa. The bill does impose a tax on all the oil.

Mr. BATHRICK. Not the oil owned by the pipe-line companies.

Mr. KITCHIN. Yes; it does.

Mr. BATHRICK. The amount paid for transportation?

Mr. KITCHIN. If they transport their own oil, they must pay at the same rate.

Mr. BATHRICK. There is nothing of that kind in the bill.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. BATHRICK. I would like to have some Member tell me where there is any such provision in this bill.

Mr. KITCHIN. In section 501.

Mr. SABATH. Section 501 will cover it.

Mr. BATHRICK. Very well, if the gentleman from North Carolina thinks that it is already covered, Mr. Chairman, I will ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw the amendment he has offered. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. MONDELL: At the top of page 30 strike out subdivision (a), reading as follows: "a tax equivalent to 3 per cent of the amount paid for the transportation by rail or water of property by freight consigned from one point in the United States to another."

Mr. MONDELL. Mr. Chairman, my amendment is to strike out the subdivision which provides for the 3 per cent tax on freight shipments. I think there are very few who believe in a consumption tax. There is no consumption tax I can think of so burdensome and far-reaching as a tax on freight shipments. Of course gentlemen on the committee will say they propose by this provision to raise $77,000,000, and if we do not raise it in this way, how shall we raise it? That is not the proper view to take of any provision in this bill. If a tax is unfair and inequitable, it ought not to be laid, even though it will produce a large amount of revenue, and I know of no tax more unfair and more inequitable than a tax that increases the price of everything that people buy and use. That is exactly what this freight tax would do.

The railroad companies will not pay it; the shipper and consumer will. It is a tax direct on the consumer, and the consumer will not only pay 3 per cent but he will pay considerably more because of this 3 per cent tax.

Mr. JOHNSON of Washington. And the consumer pays going and coming. He will pay on the wheat that goes in and the flour that comes back.

Mr. MONDELL. That is true, and the gentleman calls attention to another reason why the tax is inequitable and unfair. It is a tax particularly burdensome on the farming sections of the country and on the interior and the Far West.

The country in which I live ships much of its products at least 500 miles to a primary market, and then those products must, in the main, go another 1,000 miles to reach the consumer. Everything that we wear, much that we eat, and most of the things that we use are hauled by rail from 1,500 to 1,800 miles. An ordinary car of mixed freight landed at the little town where I live has a freight charge on it from $300 to $400, and you gentlemen are proposing to lay a 3 per cent tax on top of that already enormous burden and thus further increase the cost of living.

The burden will not, it is true, fall so heavily upon those who live near sections of manufacture and production of manufactured articles, so far as these classes of articles are concerned, but it will fall heavily on them on those products that come from long distances—cattle and the grain that is shipped from our western country to the consumer in the East.

If the committee had started out to find a tax that would be as directly burdensome on the ordinary citizen as it could be made in comparison with the amount raised, if it had started out with the view of laying a direct consumption tax affecting every citizen in the Union, affecting every article that the citizen uses—if that had been the purpose of the committee they could not have selected a better tax for that purpose than this, a tax on consumption, a tax on bread, a tax on meat, a tax on clothing, a tax on everything that we use. In other words, 3 per cent added to the already tremendously high cost of living. And, as I have said, the tax is laid in a particularly burdensome way on these sections of the country that are compelled to ship their products a long distance to market and then on the other hand are compelled to ship the manufactured articles they use still greater distances from manufacturing centers. Certainly there is some way of raising $77,000,000 more equitably than by this burdensome and oppressive consumption tax. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I do not intend to detain the House but a minute. The argument of the gentleman from Wyoming is about on a line with the other arguments that have been made. The gentleman has treated this as if it was a 3 per cent tax on the consumption of the article. The freight rate is of very small proportion compared with the value of the articles that are shipped. This is a 3 per cent rate on the freight, a percentage on a percentage. When it gets to the consumer it is a trifling matter, distributed over all of the people of the country.

Mr. MONDELL. It is $77,000,000; is that a trifling amount?

Mr. GREEN of Iowa. It is a trifling amount compared with the whole amount of the bill.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. JOHNSON of Washington. I want to ask some member of the committee about the 3 per cent tax on the amount paid for rail transportation of freight, page 20, lines 1 to 3, and since the gentleman from Iowa [Mr. GREEN] has the floor I will ask him. I have a telegram here from the Pacific coast which reads:

Proposed tax of 3 per cent on freight bills would be a serious item to lumber shippers from the Pacific coast. Freight runs $200 to $600 per car. Present contracts, involving approximately 30,000 cars, were not figured to cover this item. Bills should provide that receiver of freight must pay this tax, as he alone is in a position to protect himself. If left in doubt who shall pay, it will lead to endless litigation. In many instances the freight on this material which would be subject to the tax will amount to more than the stock itself at point of shipment.

Now, what I want to ask is, What does the bill provide as to the payment of the tax on shipments not yet made but which have been long since contracted for?

Mr. GREEN of Iowa. How is it sold—f. o. b.?

Mr. JOHNSON of Washington. Yes; and thirty or forty thousand carloads sold a month or longer ago, but no cars on which to deliver and not likely to be for perhaps 60 days.

Mr. GREEN of Iowa. Were they sold with an agreement to pay the freight?

Mr. JOHNSON of Washington. Yes.

Mr. FORDNEY. Lumber is always sold on a delivered price.

Mr. JOHNSON of Washington. Will the sellers get caught for this stuff that has been already sold?

Mr. GREEN of Iowa. I think so.

Mr. MANN. They ought to be thankful that they could sell it.

Mr. JOHNSON of Washington. Oh, well, we are thankful that we can sell some lumber after the lean years of the Underwood Tariff Act, but when we get a chance to sell the freight cars disappear; and when we begin an agitation that seems likely to get us some freight cars we are staggered with a demand that the Interstate Commission authorizes a 15 per cent increase in freight rates, catching us with thousands of cars sold but not delivered; and now we are further staggered with a proposed 3 per cent tax on our freight bills. I am in hopes that this bill will be amended so as to carry a clean-cut provision as to vendor and vendee, so as to prevent litigation, at least.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 501. That the taxes imposed by section 500 shall be paid by the person, corporation, partnership, or association paying for the services or facilities rendered.

In case a carrier by rail, water, or pipe line does not, because of its ownership of the commodity transported, or for any other reason, receive the amount which as a carrier it would otherwise charge, such carrier shall pay a tax equivalent to the tax which would be imposed upon the transportation of such commodity if the carrier received payment for such transportation: *Provided*, That in case of a carrier which on May 1, 1917, had no rates or tariffs on file with the proper Federal or State authority, the tax shall be computed on the basis of the rates or tariffs of other carriers for like services as ascertained and determined by the Commissioner of Internal Revenue: *Provided further*, That nothing in this section shall be construed as imposing a tax upon the transportation of any commodity which is necessary for the use of the carrier in the conduct of its business as such and is intended to be so used.

Mr. SABATH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. SABATH: Page 21, line 20, strike out the word "paying" and the word "rendered" and insert, after the word "association," the word "rendering."

Mr. SABATH. Mr. Chairman, by the adoption of this amendment the section would read as follows:

That the taxes imposed by section 500 shall be paid by the person, corporation, partnership, or association rendering the service or facility.

In other words, that the tax would be paid by those rendering the service instead of those receiving the service.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: Page 21, line 20, after the word "rendered," strike out the period and add in new line the following: "to the United States at such times and in such manner as the Secretary of the Treasury may prescribe."

Mr. GREEN of Iowa. Mr. Chairman, this is simply to provide that the Secretary of the Treasury may make regulations so that the railroad companies will not have to pay these taxes in driblets.

Mr. KITCHIN. Mr. Chairman, that is unnecessary. We have a general clause in the bill farther on that takes care of all of that.

Mr. GREEN of Iowa. And the gentleman thinks that applies to this?

Mr. KITCHIN. Yes.

Mr. GREEN of Iowa. I thought the general clause did not apply. I shall withdraw my amendment, with the consent of the committee.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. CRAMTON. Mr. Chairman, I had an amendment which I desired to offer to section 500, which is agreeable to the committee. I was called out of the Chamber for a moment——

Mr. KITCHIN. Mr. Chairman, I shall ask to go back to that after we get through with this other.

Mr. CRAMTON. Very well.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 502. That no tax shall be imposed under section 500 upon any payment received for services rendered to officers or employees of the United States, or of any State or political subdivision thereof, in the course of their official business.

Mr. CRAMTON. Mr. Chairman, I move to strike out section 502.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 22, strike out section 502.

Mr. CRAMTON. Mr. Chairman, I desire to direct the attention of the committee to this section. I understand that owing to constitutional provisions or implications, it is not possible for us to tax a State or any of its governmental agencies, and hence in the enforcement of this law something such as is proposed by this section is necessary. I suggest that it would be better to leave the question to the courts to determine in which cases we must exempt and in which cases we are not required to rather than to have this particular language, because, on the one hand, this will open the door wide to abuse and graft and will exempt a great many cases that ought not to be exempted. For instance, I am a Member of Congress and I am an officer of the United States. I go up into Michigan on official business. I go down here to the railroad station, and I tell the agent that I am a Government official, and I am going to Michigan on official business. The agent has no option, but must take my statement, and it may be that I am going up there to talk politics or on some private business. The agent who sells me the ticket must accept my statement and sell me a ticket without the tax. It is the same with a prosecuting attorney of some county in a State. He may make the same statement, and the agent will not even know that he is a prosecuting attorney, but the agent must accept his statement. It opens the door for abuse and graft. I might multiply the instances. For instance, in the matter of furnishing heat and light to an officer, say, to a prosecuting attorney, who is one-tenth of the time acting as prosecuting attorney and the other nine-tenths of the time practicing law privately. Perhaps you will have to exempt his bill for electric light for his office which is used more for private purposes than as an official. On the other hand, you have not exempted a municipality or a State. You have exempted officers, but not the city, county, or State itself. Hence the electric light furnished to a municipality by a lighting concern is to be taxed, according to the language, for service furnished directly to the State or the subdivision thereof is to be taxed. I tried to look into this question as to how far we could tax things used by a State in its governmental functions, and I find that the question is an involved one and not easily decided. It was assumed here this afternoon that if a municipality manufactures electric light the Federal Government could not tax the municipality furnishing the electric light in the event the tax was placed upon the concern furnishing the light, whereas in the South Carolina case where the State assumed to sell liquors, it was held by the United States Supreme Court that the Federal Government could tax a business agency undertaken by the State. It is a complicated question, and I think that each case should stand upon its own footing. Let the courts decide when they are exempt and when not.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLACK. As I understand it, the whole taxes covered by section 500 are not to be paid by the corporation itself, but are to be collected from the consumer?

Mr. CRAMTON. Yes.

Mr. BLACK. And if the municipality owns the water plant and the light plant, they do not pay the taxes themselves, but the consumer does.

Mr. CRAMTON. The gentleman misunderstood me. I admit that is true under the bill as read, but if a municipality is a customer, and not the manufacturer, then this bill does not exempt the municipality although I presume the courts would. I was trying to point out the difficulty of laying down a rule. It was assumed here in debate that if a municipality was the manufacturer of electricity and attempted to sell it, and we tried to tax it instead of passing it to the consumer, we could not do it, whereas in the North Carolina case the court said that we could do it. So I suggest either this section ought to be left out entirely and leave it to the courts to lay the boundaries, or it ought to be greatly modified and improved.

Mr. MANN. Mr. Chairman, I would just like to give the committee an illustration which I think would not be an uncommon one. I am a member of the House Office Commission. The Capitol power and light plant is under the control of the House Office Commission. The Interior Department Building has just been erected. We gave permission recently to furnish electric power to the Interior Building, although the matter has not been finally adjusted, at a certain rate. It is to be paid for out of the appropriations made for heat, light, and power purposes in the Interior Building. Now, after that how ridiculous it would be to say that when that is adjusted the Interior De-

partment shall pay, in addition to what we figure the cost which is charged against their appropriation, a 5 per cent tax. The purpose of this section is to prevent that very thing. Without this section to every appropriation that we have made for heat, light, or electric power in all the public buildings of the United States you would have to add the 5 per cent tax to the bill and then turn it into the Treasury of the United States in a way and pay it out for the very thing for which it is turned in. It would create a great amount of bookkeeping which would be very onerous, and you might just as well, if you strike out this section, say that a man who has $10 in one pocket and through purpose or absentmindedness pulls it out of that pocket and shoves it in his other pocket, must pay a 5 per cent tax for that purpose.

Mr. COOPER of Wisconsin. Will the gentleman yield for an interruption?

Mr. MANN. Certainly.

Mr. COOPER of Wisconsin. Section 500 relates not only to the 5 per cent electric power for domestic use, etc., but its use for the transportation of passengers.

Mr. MANN. Yes.

Mr. COOPER of Wisconsin. Section 502 provides that you shall not charge anything extra for carrying an alderman of the city or an engineer of the city, or any other official of the city, anywhere on official business. Now, when do they determine that that is official business, and who decides, and what is to prevent an official from giving these men, their favorites, commutation tickets and many other tickets at a less figure than the ordinary man will pay. There is no certificate required that this is on official business.

Mr. MANN. It is very certain there will be certificates that it is on official business or it will be paid.

Mr. COOPER of Wisconsin. I do not see that there is any certificate required and there never used to be any certificate, and, as the gentleman from Michigan [Mr. CRAMTON] has pointed out, this opens up the door for the widest sort of favoritism.

Mr. MANN. They will pay unless it is shown it is on official business.

Mr. CRAMTON. That is one side of it; now as to the other side of it. My home municipality buys the electricity which lights our city streets from a private concern. Is there anything in this section to exempt that city from paying the tax?

Mr. MANN. Why, certainly.

Mr. CRAMTON. It is the municipality which is the consumer.

Mr. MANN. The municipality will not pay taxes for city purposes.

Mr. CRAMTON. I think the city would be exempted by reason of the Constitution, but would not by reason of this section.

Mr. MANN. The Constitution has nothing to do with it.

Mr. CRAMTON. Well, the implied provisions of the Constitution. There is nothing in this section, because the light is furnished, not to officers but to the city.

Mr. MANN. I know, but payments are made by the officers.

Mr. CRAMTON. The service was not rendered to the employees.

Mr. MANN. No——

Mr. CRAMTON. That is what the section says. The section says "for services rendered to officers." It does not say bills rendered, but "services rendered to officers."

Mr. MANN. I do not think the language of the bill is very perfect. The gentleman, however, has not proposed to perfect it. Do not accuse me of trying to defend the language of any provision of this bill; I have not.

Mr. MONDELL. If the gentleman will yield. None of the members of the committee have explained, and I would like to have the gentleman's opinion as to how this would affect the telephone or lighting bill of an Army officer in this city or anywhere in the country. Would it relieve him from the payment of taxes?

Mr. MANN. I should think not, although they have an allowance.

Mr. MONDELL. Yes; they have a commutation.

Mr. MANN. They have an allowance for this purpose.

Mr. HELVERING. The exemption does not attach simply because the fellow claims it; he must do it.

Mr. MANN. Claiming it would not do.

Mr. CRAMTON. I want to say to the gentleman from Illinois, who suggests that I have not offered an amendment to perfect the language, that I am not claiming to be able to write the proper language; I am simply calling attention to it.

Mr. MANN. I have no criticism of the gentleman on that point—far from it. I feel the same way.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 504. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the amount paid by any person, corporation, partnership, or association to any other person, corporation, partnership, or association for advertising or advertising space other than in newspapers and periodicals.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that we pass over this section for the present.

Mr. FITZGERALD. Mr. Chairman, I would like to offer this amendment and have it pending.

Mr. KITCHIN. All right.

Mr. FITZGERALD. I desire to move to strike out the paragraph and insert the following.

Mr. MOORE of Pennsylvania. Mr. Chairman, pending that, I should like to ask the gentleman from North Carolina if he will not consent to amendments being introduced and read at this time for information.

Mr. KITCHIN. I do not object to that.

Mr. MOORE of Pennsylvania. That all amendments be offered now and read for information.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all amendments proposed to be submitted to this paragraph be sent to the desk and reported, and at the expiration of the reporting of these amendments the section and the amendments thereto be passed for the present without prejudice.

The Clerk will report the amendment of the gentleman from New York [Mr. FITZGERALD].

The Clerk read as follows:

Mr. FITZGERALD moves to amend section 504, page 23, by striking out, on page 23, in line 9, the word "five" and inserting in lieu thereof the word "one," and in line 13, on page 23, by striking out the words "or advertising space other than in newspapers and periodicals" and inserting in lieu thereof the words "other than newspapers whose circulation does not exceed 5,000 copies: *Provided*, That the gross receipt for advertisements to the amount of $1,000 by any person, persons, firm, or company shall be exempt from the tax."

The CHAIRMAN. The Clerk will report the next amendment that will be sent to the desk.

Mr. FITZGERALD. I understand the purpose of the gentleman from North Carolina is to have this passed over?

Mr. KITCHIN. We are going to have another meeting before we finish the bill, and we want to take this into consideration.

Mr. SABATH. You desire to pass the section with the amenments offered thereto?

Mr. KITCHIN. I ask that they be printed in the RECORD instead of being read.

Mr. JOHNSON of Washington. My amendment need not be read.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all amendments in this connection be sent to the desk to be printed in the RECORD without being read at present.

Mr. PARKER of New Jersey. I object, Mr. Chairman.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 23, line 12, strike out the words "or advertising space other than in newspapers and periodicals," so that the section will read:

"SEC. 504. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 2 per cent of the amount paid by any person, corporation, partnership, or association to any other person, corporation, partnership, or association for advertising."

Mr. MANN. If this section is to be passed over, how can an amendment be offered to it?

The CHAIRMAN. It is part of the request of the gentleman from North Carolina that all these amendments be sent to the desk and reported, and that the section and the amendments be passed over.

Mr. WALSH. Mr. Chairman, I desired to ask permission to withdraw an amendment which I have sent to the desk.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280 and had come to no resolution thereon.

REGISTRATION FOR SELECTIVE DRAFT, ETC.

Mr. DENT. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. DENT. To ask unanimous consent that there be printed as one public document the Army law recently approved by the President, the registration regulations approved May 18, 1917, to carry that law into effect, and the President's proclamation, and that there be printed 1,000,000 copies of this document, to be distributed through the folding room.

Mr. MANN. I will say to the gentleman it can not be done by the action of the House. We have no authority to print beyond the sum of $500 without a concurrent resolution.

Mr. DENT. I spoke to the chairman of the Committee on Printing, Mr. BARNHART, and he could not be here to look after it, but he said it could be done that way. I am sure I am not familiar with the procedure.

Mr. MANN. The House can not order printing beyond a limit of $500 at a time.

Mr. GARNER. How much will it cost?

Mr. DENT. About $7,000.

Mr. MANN. You will have to get the information from the Printing Office, and prepare a concurrent resolution, which the House could consider later in the day.

Mr. DENT. I already have the information about the cost. A million copies will cost about $7,000.

Mr. MANN. Prepare a concurrent resolution that the House can pass when the committee rises.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 3330. An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 505. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid the following taxes on the issuance of insurance policies:

(a) Life insurance: A tax equivalent to 8 cents on each $100 or fractional part thereof of the amount for which any line is insured under any policy of insurance, or other instrument, by whatever name the same is called: *Provided*, That the provisions of this subdivision shall not apply to any fraternal beneficiary society or order, or farmers' purely local cooperative company or association, or employees' relief associations operated on the lodge system or local cooperation plan, organized and conducted solely by the members thereof for the exclusive benefit of its members and not for profit.

Mr. LONERGAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LONERGAN: Page 23, line 21, section 505, clause (a), after the word "called," insert "except that no policies of group life insurance covering groups of not less than 100 lives in the employ of the same person, firm, or corporation, the tax shall be equivalent to 2 cents on each $100, or fractional part thereof, of the amount for which any life is insured under any such policy or other instrument."

Mr. LONERGAN. Mr. Chairman and gentlemen of the committee, the purpose of this amendment is to equalize the taxation to be imposed under this section. Under the bill as proposed, a tax of 8 cents on each $100 or fractional part thereof of the amount for which a life is insured would, under the regular forms of life insurance issued, assuming the average premium to be $30 for each $1,000 worth of insurance, produce to the Government a tax equivalent to 2⅔ per cent of the annual premium paid for insurance.

In the case of group life insurance the average annual premium per thousand paid by the employer is in the neighborhood of $8 per thousand. Hence, at the rate proposed by the bill the tax of 8 cents on each $100 or fractional part of the amount for which the life is insured would produce to the Government, from group life insurance, a tax in excess of 10 per cent of the annual premium paid.

Now, group insurance, gentlemen of the committee, is insurance issued at the instance of the employer for the benefit of the employees. We will take, as an example, a manufacturer employing 1,000 men. Under a blanket policy he would pay the premium and insure the lives of all of his employees. The rate of insurance per thousand would approximate $8. The average rate of insurance premiums on ordinary insurance is $30 per thousand, and this law proposes a tax at the rate of 8 per cent on each $100 of insurance issued, and under this section it would mean a tax of 10 per cent, as against the tax of 2⅔ per cent on ordinary insurance.

The group insurance is issued annually. Hence we find one of the injustices of the proposed tax. The purpose of this amendment is merely to equalize the taxation. It is very apparent that the Committee on Ways and Means, with its many able gentlemen, was altogether too busy to look into this detail. This is a class of insurance by which insurance companies earn a comparatively small profit. I have talked with some of the ablest insurance men in Hartford, Conn., who have given me this assurance.

The insurance companies in my town have made no complaint at all on account of the tax to be imposed under the provisions of this bill. They merely ask for the change of rate on group insurance so it will reflect the rate on regular life insurance. One company alone in my city is to pay a tax of approximately $400,000, and there is no complaint. The only thing that they ask for is that this tax be equalized, as it should be, because, gentlemen, the payment of the premium on group insurance must necessarily come out of the overhead expense of the employer, and group insurance has done a great deal toward promoting efficiency on the part of the employees. It has done a great deal toward cementing friendly relations between the employer and the employee, and it is one of the best forms of insurance that have been designed in recent years. It is comparatively new. I think it has been issued only in the last five to eight years. And I say, gentlemen, that this is a proposition to which I hope you will give your favorable consideration.

Mr. O'SHAUNESSY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. LONERGAN. I will.

Mr. O'SHAUNESSY. I simply want to get into my mind the benefit that goes to the employee.

Mr. LONERGAN. The benefit that goes to the employee is this: Many men do not have their lives insured for the benefit of their wives and dependent children, and under this form of insurance the employer does that part for them. Under the provisions of this act, subdivision (a), the provision is, gentlemen of the committee—

Provided, That the provisions of this subdivision shall not apply to any fraternal beneficiary society or order, or farmers' purely local cooperative company or association, or employees' relief associations operated on the lodge system or local cooperation plan, organized and conducted solely by the members thereof for the exclusive benefit of its members and not for profit.

Mr. SWITZER. Mr. Chairman, will the gentleman yield?

Mr. LONERGAN. In a moment.

Mr. O'SHAUNESSY. Mr. Chairman, will the gentleman yield right there for a moment?

Mr. LONERGAN. Yes.

Mr. O'SHAUNESSY. Do I understand, then, that the employer pays the premium for the life insurance policy, the money of which goes to the family of the employee?

Mr. LONERGAN. Yes; that is correct.

Mr. SWITZER. Mr. Chairman, will the gentleman permit me to ask him a question?

Mr. LONERGAN. I will yield in a minute. Now, the point is, gentlemen, that to be sure this is a form of insurance that is issued for profit, but——

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. O'SHAUNESSY. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut may proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

Mr. MANN. I ask unanimous consent that he may proceed for 10 minutes. I want to ask him a question.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Connecticut may proceed for 10 minutes more. Is there objection?

There was no objection.

Mr. LONERGAN. I thank the gentlemen. To be sure, this is a form of insurance that is issued for profit, but the premium is paid by the employer and the benefit is derived by the employee.

Now, I have no authority to use the name of the man with whom I talked a few days ago, but I want to say to you, gentlemen of this committee, that I talked with one of the ablest insurance men of this country, the president of one of the leading insurance companies of this country, located in my home city of Hartford, and that gentleman told me that this form of insurance is carried by the insurance companies at the closest margin of profit of any that is issued by the insurance companies. It is used, of course, not only for profit but as a means of advertising the business of the insurance companies, and is accepted by the employers who furnish other classes of insurance business which is profitable to the insurance companies that get their business. For patent reasons it is not so expensive as other forms of life insurance.

Now, I would like to read to the members of the committee a statement issued by Commissioner Mansfield, the insurance commissioner of Connecticut, in a speech made in July, 1912, to a convention of insurance commissioners assembled in Spokane, Wash., in which he said:

> Life insurance in groups is a progressive step. In consonance with acts regulating workmen's compensation in case of accident, sickness, and death, old-age pensions, and the like, all striving for the better protection of those who are employed in mechanical, business, or other pursuits. Any plan for its development can not be perfect at the start. Many obstructions, real or imaginary, may retard its progress; but they are only of temporary nature, and it seems to me that as public servants we should welcome such a measure and join with both employer and employed, with both the insurer and the insured in all reasonable efforts for its promotion.

Now, gentlemen of the committee, let me call your attention to the fact that there is no class of business in this country that will assume the liability as a consequence of this war that the life insurance companies of this country will assume. They carry millions upon millions of liability in the way of issued policies, noncontestable in character, and thousands upon thousands of the men who carry those insurance policies will be among the army of the conscripted, and they will be obliged to go to the front, and of course out of that number of thousands upon thousands will be young men who will not return to this country, because they will die in the trenches abroad, which, of course, we all deeply regret. Now, these life insurance companies should be given consideration. They are not asking for any favor. They are only asking for equitable treatment here.

I talked with one of the honorable gentlemen of the Committee on Ways and Means, and his argument to me was, "Why, we impose a tax of 5 cents upon a telegram which costs perhaps only 25 cents, and we impose a tax of 5 cents upon a telegram which perhaps costs $5. I maintain, gentlemen of the committee, that the cases are not parallel. The 5-cent tax made for the sending of a telegram is distributed among the millions and millions of people in this country who have occasion to send telegrams, and you know and I know that the average man seldom sends a telegram, that the average small retail merchant sends a telegram but occasionally, and the larger users of the telegraph companies of this country, who do send many telegrams, can well afford to pay. But in that case, gentlemen of the committee, the tax is distributed throughout the country, whereas in this case this tax, unfair and disproportionate, falls upon a comparatively few, who are already obliged to carry an unusually heavy burden under the provisions of this bill and who will carry that burden patriotically and without complaint.

Mr. NORTON and Mr. SWITZER rose.

Mr. LONERGAN. I yield to the gentleman from Ohio [Mr. SWITZER].

Mr. SWITZER. As I understand, the 8 cents on every hundred dollars on life insurance is only paid once, and that is when the policy is taken out?

Mr. LONERGAN. I understand this is a tax that is imposed every year.

Mr. SWITZER. I do not so understand it.

Mr. LONERGAN. That is my understanding.

Mr. SWITZER. I will ask the gentleman from Michigan, Is the 8 cents on the hundred dollars payable every year or only when the policy is issued?

Mr. FORDNEY. Only when it is issued.

Mr. SWITZER. That is the way I understood it, payable only when the policy is issued.

Mr. NORTON. I observe that the tax on marine, inland, and fire insurance and on casualty insurance is on the premium paid. May I ask the chairman of the committee why that tax on life insurance is on the amount of the policy, rather than on the insurance premium paid? Here is a tax levied on the amount of the policy in the case of life insurance, and in the case of casualty, marine, inland, and fire insurance levied on the premium.

Mr. KITCHIN. We followed the law of 1898 on that.

Mr. SWITZER. If the tax were levied on the premium paid, it would meet the objection that the gentleman from Connecticut made, which seems to be very meritorious.

Mr. GREEN of Iowa. The premiums on life insurance are paid every year, but on fire, marine, and inland insurance they are all paid at one time and do not have to be paid again, as far as any that I ever knew of.

Mr. NORTON. Oh, they are paid for three or four years, two years, or one year, and they are computed on yearly rates, and so are casualty and life insurance.

Mr. GREEN of Iowa. I do not understand the point of the gentleman's question.

Mr. TILSON. If my colleague will yield for a moment, I wish to ask about these group policies. If an employer takes out a group policy for 200 lives, we will say, and he pays this tax one time, does he have to pay it again, and does that continue indefinitely?

Mr. LONERGAN. Every year.

Mr. TILSON. He pays the premium every year, but do I understand it correctly that he takes out a policy for a group of 200 men, then next year takes out another policy for another group, or does he continue the first group indefinitely?

Mr. LONERGAN. If there are changes made in the group—if there are deaths, dismissals, or resignations—other names are substituted.

Mr. TILSON. And thus he must pay an additional tax.

Mr. LONERGAN. Yes. Now, gentlemen of the committee, I would call attention of the body to the report issued by the Ways and Means Committee. The last item of the estimate is insurance, $5,000,000. The honorable chairman of the Ways and Means Committee in conversation with me admitted that the tax proposed in this bill levied against the insurance companies will raise approximately $9,000,000. I maintain, gentlemen, because it is equitable and because it is just and because it is fair, that you ought to give favorable consideration to the amendment which I offer here to-day.

Mr. LONGWORTH. Will the gentleman yield?

Mr. LONERGAN. I will.

Mr. LONGWORTH. I ask purely for information. The gentleman has referred to an increased risk assumed by the companies during the war. Is it or not the fact that premiums have been advanced on the policies of men who have volunteered?

Mr. LONERGAN. Yes; on insurance issued from now on, but what about the hundreds of millions of outstanding liabilities on the part of these companies on policies that have been issued for a great many years and which are noncontestable? I hope, gentlemen, that you will give serious and favorable consideration to the amendment I have offered.

Mr. O'SHAUNESSY. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more time, because I think we ought to have a very clear understanding of this proposition. I want to get it before the committee, because I want to vote for it if it is a just amendment. I want to know whether the employer or the employee gets the benefit of this policy of insurance; does it go to the family of the employee?

Mr. LONERGAN. It does.

The CHAIRMAN. The gentleman from Rhode Island asks unanimous consent that the gentleman from Connecticut may have five minutes more. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, the gentleman from Connecticut has been speaking 20 minutes, or 10 minutes over his time, and I ask unanimous consent that debate on this paragraph and all amendments thereto close in 15 minutes, and I want 5.

Mr. FORDNEY. I want about three minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. KITCHIN. Will the gentleman permit a question?

Mr. LONERGAN. I will.

Mr. KITCHIN. Is not four-fifths of this group insurance issued for the protection of the employer against death of employees in his mill or factory from alleged negligence?

Mr. LONERGAN. No, sir.

Mr. KITCHIN. None of it?

Mr. LONERGAN. I know of nothing of the kind. We have a workman's compensation law in Connecticut, and there is one in many States.

Mr. KITCHIN. Who pays the premium?

Mr. LONERGAN. The employer.

Mr. KITCHIN. And it is not charged to the employee?

Mr. LONERGAN. No, sir; it goes to overhead expenses.

Mr. FORDNEY. Who pays the premium of the employer's liability?

Mr. KITCHIN. I think four-fifths of this insurance is to indemnify the company against the risk of killing men by negligence.

Mr. LONERGAN. This is the first time I ever heard that point advanced.

Mr. IGOE. Will the gentleman yield?

Mr. LONERGAN. Yes.

Mr. IGOE. Does not the gentleman from North Carolina refer to casualty insurance instead of life insurance?

Mr. LONERGAN. I think he must. I want, before I forget it, to say that the gentleman from North Dakota [Mr. NORTON] interrogated the gentleman from North Carolina [Mr. KITCHIN] and asked the question why the tax was not imposed upon life insurance the same as upon fire insurance, and the gentleman from North Carolina said that they copied the law in operation in 1898. I want to say that this form of insurance had its inception about the year 1911 and 1912, or thereabouts, and of course it could not have been incorporated in the law of 1898.

Mr. KITCHIN. Has the gentleman a copy of one of the policies?

Mr. LONERGAN. I have not, but I can procure one.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LONERGAN. Yes.

Mr. GREEN of Iowa. As I understand, the objection of the gentleman from North Dakota was a different one from that stated by the gentleman from Connecticut.

Mr. JAMES. Will the gentleman yield?

Mr. LONERGAN. Yes.

Mr. JAMES. Life insurance is issued for 10 or 20 years or for life, and group insurance is issued yearly and paid by the employer yearly, so there would be that tax yearly instead of once in 20 years or the lifetime.

Mr. LONERGAN. Yes.

Mr. O'SHAUNESSY. Will the gentleman yield for one more question?

Mr. LONERGAN. Yes.

Mr. O'SHAUNESSY. Does this insurance tend to make the employee more efficient and to make him more contented with his work?

Mr. LONERGAN. That is one of the purposes of it.

The point I want to make is that if the bill stands as proposed there will be a tax of 10 per cent levied against this form of insurance, as against 2⅞ per cent levied against insurance that most of us carry on an ordinary policy.

Mr. PLATT. Will the gentleman yield?

Mr. LONERGAN. Yes.

Mr. PLATT. Does not the gentleman think that there may be a discrimination between term insurance and life insurance. Some are insured for 10 years, and the group insurance is term insurance.

Mr. LONERGAN. The advantage would be on the other side. If you get life insurance for one year, you pay a higher rate than if you get it for a number of years.

Mr. PLATT. I think there ought to be a difference between life insurance, term insurance, and group insurance. It would be more equitable.

Mr. AYRES. Will the gentleman yield?

Mr. LONERGAN. Yes.

Mr. AYRES. Is it not a fact that the insurance is paid to the employee only when the employer is liable for the death of the employee?

Mr. LONERGAN. No; if the man dies from any cause, natural or otherwise, the dependents of the employee are paid the money. Take the case of the Underwood Typewriter Co., with 4,000 employees. It stands to reason that the employees are shifting, on account of death, resignation, and dismissal, and when one place is vacant and taken by another man the insurance company is notified that William Smith takes the place of John Jones.

Mr. TILSON. And the company has to pay the premium annually?

Mr. LONERGAN. Yes. [Applause.]

Mr. FORDNEY. Mr. Chairman and gentlemen, you get right back to the fact again that nobody wants to be taxed. Here is a gentleman complaining because we are going to put a tax of 8 cents a hundred dollars on life insurance placed on him or his neighbor. Oh, how burdensome; how cruel it is for Congress to put 8 cents on each and every $100 insurance on a man's life! The gentleman does not offer anything as a substitute from which we can collect this money. Why not throw out everything in the bill and raise $2,000,000,000? How——

Mr. LONERGAN. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONERGAN. Can the gentleman tell how much money would be derived from the tax as proposed on group insurance alone?

Mr. FORDNEY. No; and I do not care.

Mr. LONERGAN. It amounts to very little.

Mr. FORDNEY. It is figured out by the experts, but even if it is a small amount, there is less occasion for the gentleman's complaining about this small tax.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. TILSON. Can not the gentleman see any distinction between paying once on a life insurance policy and paying on one as a group policy when that group is continually changing?

Mr. FORDNEY. There is some difference, but a great number of men here yesterday voted to put three taxes on a corporation, and then they get up here and complain about 8 cents a hundred on life insurance policies. Offer something in lieu of those things you would like to strike out and find out where you are going to land in getting the $2,000,000,000 to carry on this war.

Mr. JAMES. Mr. Chairman, if the gentleman from Michigan takes out a policy of life insurance to protect himself, the company only pays the tax once; but if Mr. FORDNEY, the employer takes out insurance to protect his employees in case of death, then they would pay 20 times.

Mr. FORDNEY. Let me ask the gentleman, where does liability insurance rest? Who pays it? Does the employee?

Mr. JAMES. But the company would pay 20 times instead of once.

Mr. FORDNEY. It does not make any difference whether the company pays it or not.

Mr. LONERGAN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONERGAN. Does the gentleman maintain that this is liability insurance—group insurance?

Mr. FORDNEY. There are many kinds of insurance. I have not the time to discuss all of them now, but I know this, that 8 cents a hundred on life insurance is not going to hurt anybody, and I know that 1 cent or a dollar on a hundred of fire insurance is not going to hurt anyone. You get up here and complain about items in this bill, but you offer nothing as a substitute. If we were to strike out everything that everyone on the floor of the House wants out, you would have nothing in your bill at all on which to put a tax except—oh, well, you know what. [Laughter.]

Mr. LONERGAN. I want to ask the gentleman whether this is not life insurance instead of liability insurance?

Mr. FORDNEY. Life insurance is life insurance and liability insurance is another kind of insurance, whether it is life or accident or what.

Mr. LONERGAN. This is life, is it not?

Mr. FORDNEY. You are not talking about life alone, but you are taking in the whole thing.

Mr. LONERGAN. I beg the gentleman's pardon.

Mr. FORDNEY. I so understood the gentleman, but it does not make any difference whether it is life insurance or not. You do not want anybody to be taxed, do you, and yet you want to raise $2,000,000,000, do you? Shame on the men who will come up with such little petty propositions as that!

Mr. LONERGAN. I have voted persistently and consistently with this committee.

Mr. FORDNEY. And I hope the gentleman will continue to do so. You are a good fellow, but heavens above, who is there here who does not want to tax somebody else besides himself?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KITCHIN. Mr. Chairman, there is a great deal in what the gentleman from Connecticut [Mr. LONERGAN] said, and I sympathize to some extent with the argument he advances, but I do not think it is quite strong enough to justify us in relieving these insurance companies, if they are engaged in the business for profit. He says some of these insurance companies are not in it for profit, that they constitute a local organization—mutual companies. Such companies will be exempted anyway under this provision.

The committee will offer an amendment exempting all insurance companies of every kind—fire, life, all kinds—that are now exempted in the income-tax law. These will be exempted

as in the income-tax law. The income-tax exemption provision reads as follows:

Farmers' or other mutual hail, cyclone, or fire insurance company, mutual ditch or irrigation company, mutual or cooperative telephone company, or like organization of a purely local character, the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting its expenses.

Mr. TILSON. Will not the gentleman distinguish between a straight life policy which is taken out once on a man's life and runs the rest of his life and this group insurance, which is not in a strict sense life insurance? It is taken out for a group of men in a company's employ, which changes from year to year. If a man comes in and takes the place of a man who has been discharged or who has voluntarily left, the employer must pay on that policy when he comes in. The fact is the group is constantly changing from year to year. Is it not different, and should it not be put upon a different basis from a straight life policy, which is issued but once, taxed but once, and then runs for a lifetime?

Mr. KITCHIN. I do not know. The same thing occurs in straight life policies. People are dropping out every three or four months, or they only stay in that long, and others come in. Then take this little weekly industrial insurance. They drop out, thousands and thousands of them, and, as some gentleman here suggests, they are only insured for a year at a time.

Mr. TILSON. This runs only for a short period, and it is more like paying the premium on a fire insurance policy.

Mr. KITCHIN. I see the gentleman's argument.

Mr. JAMES. Why not put it in class C and tax it according to the premium—1 per cent?

Mr. KITCHIN. It is a very small tax. It is not going to hurt anyone. It does not come out of the employee at all. It is for the benefit of the employer who pays it as well as for the employee.

Mr. GORDON. It is for his indemnity, is it not?

Mr. KITCHIN. In four-fifths of the cases I would say so.

Mr. LONERGAN. I would like to ask the gentleman a question. The first paragraph of section 505 has this as the concluding statement:

And paid the following taxes on the issuance of insurance policies.

Now, this form of insurance is issued yearly, is it not?

Mr. KITCHIN. I understand yes.

Mr. LONERGAN. The ordinary insurance is issued but once upon the life of the person?

Mr. KITCHIN. Yes; upon the life.

Mr. LONERGAN. Does the gentleman know what the average premium rate is on group insurance as compared with ordinary insurance?

Mr. KITCHIN. I would say it is about 50 per cent.

Mr. LONERGAN. I will say to the gentleman that the maximum rate of group insurance is $8 per thousand and on ordinary insurance it is $30 per thousand, and when those policies average $1,000, which we tax at the rate of 8 per cent per hundred, the insurance issued then——

Mr. KITCHIN. I think this is a fair tax.

Mr. LONERGAN. The proposition is to enact an equitable and proportionate measure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The question was taken, and the chairman announced the noes seemed to have it.

On a division (demanded by Mr. LONERGAN) there were—ayes 20, noes 72.

So the amendment was rejected.

The Clerk read as follows:

(c) Casualty insurance: A tax equivalent to 1 cent on each dollar, or fractional part thereof, of the premium charged under each policy of insurance or obligation of the nature of indemnity for loss, damage, or liability, issued or executed or renewed by any person, corporation, partnership, or association transacting the business of employer's liability, plate glass, steam boiler, burglary, elevator, automatic sprinkler, automobile, or other branch of insurance (except life, personal accident, and health insurance, and insurance described and taxed or exempted in the preceding paragraph, and excepting also workmen's compensation insurance carried on by the members thereof solely for their own protection and not for profit): *Provided*, That policies of reinsurance shall be exempt from the tax herein imposed by this subdivision.

Mr. KITCHIN. Mr. Chairman, I offer an amendment to strike out that section and insert the following. I will say the change made in striking out the provision is that instead of having amendments to each one of the subdivisions striking out certain provisos in certain lines making certain exceptions we have put the exemptions in one separate paragraph.

The CHAIRMAN. The Clerk will report the amendment.

Mr. STAFFORD. Mr. Chairman, the gentleman from North Carolina means to ask unanimous consent, because we have already adopted this paragraph?

Mr. KITCHIN. I do ask unanimous consent to offer this amendment now.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to return to the paragraph just passed for the purpose of offering the amendment at the desk as a substitute therefor. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

On pages 23 to 25, strike out section 505 and insert in lieu thereof the following:

"SEC. 505. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid the following taxes on the issuance of insurance policies:

"(a) Life insurance: A tax equivalent to 8 cents on each $100 or fractional part thereof of the amount for which any life is insured under any policy of insurance, or other instrument, by whatever name the same is called: *Provided*, That on all policies for life insurance only by which a life is insured not in excess of $500, issued on the industrial or weekly-payment plan of insurance, the tax shall be 40 per cent of the amount of the first weekly premium: *Provided further*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

"(b) Marine, inland, and fire insurance: A tax equivalent to 1 cent on each dollar or fractional part thereof of the premium charged under each policy of insurance or other instrument by whatever name the same is called whereby insurance is made or renewed upon property of any description (including rents or profits), whether against peril by sea or inland waters, or by fire or lightning, or other peril: *Provided*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

"(c) Casualty insurance: A tax equivalent to 1 cent on each dollar or fractional part thereof of the premium charged under each policy of insurance or obligation of the nature of indemnity for loss, damage, or liability (except bonds taxable under subdivision 2 of schedule A of Title VIII) issued or executed or renewed by any person, corporation, partnership, or association, transacting the business of employer's liability, workmen's compensation, accident, health, tornado, plate glass, steam boiler, elevator, burglary, automatic sprinkler, automobile, or other branch of insurance (except life insurance, and insurance described and taxed in the preceding subdivision): *Provided*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

"(d) Policies issued by any person, corporation, partnership, or association, whose income is exempt from taxation under Title I of the act entitled 'An act to increase the revenue, and for other purposes,' approved September 8, 1916, shall be exempt from the taxes imposed by this section."

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I wish the chairman would explain the changes the committee amendment proposes from that carried in the bill. I notice from the reading of the amendment that industrial life insurance——

Mr. KITCHIN. That was omitted.

Mr. STAFFORD (continuing). Is on a different basis of taxation than it was as carried in this bill.

Mr. KITCHIN. It was omitted in this bill, if the gentleman will notice. I do not know why it should——

Mr. STAFFORD. It was not omitted; but the exception was not made, I suppose the gentleman means. Class A would apply to industrial life insurance, and the gentleman had made no exception, as suggested in the proposed amendment.

Mr. KITCHIN. The amendment is—

Provided, That on all policies, for life insurance only, by which a life is insured not in excess of $500, issued on the industrial or weekly payment plan of insurance, the tax shall be 40 per cent of the amount of the first weekly premium.

Mr. STAFFORD. This is a new provision covered by this amendment——

Mr. KITCHIN. It is the same provision that was in the act of 1898, except that on the policies over $500 the tax will be 8 cents on each $100, like regular life insurance.

Mr. STAFFORD. I suppose that many of these industrial life insurance policies lapse within a month or two after issuance?

Mr. KITCHIN. Yes; that is correct.

Mr. STAFFORD. There are some other changes?

Mr. KITCHIN. The other changes are to make the exceptions uniform and definite and to make the exceptions apply to all companies that were excepted by the income-tax law. We say:

Policies issued by any person, corporation, partnership, or association, whose income is exempt from taxation under title 1 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, shall be exempt from the taxes imposed by this section.

Mr. STAFFORD. I notice in the reading of the amendment there is a change in the phraseology by incorporating some exceptions in the "c" subdivision, so far as bonds are concerned, which is not included in the bill as presented by the committee.

Mr. KITCHIN (reading)—

Except bonds taxable under subdivision 2 of schedule A of Title VIII,

Mr. STAFFORD. That is to conform to existing law.

Mr. KITCHIN. So there would not be a double tax on those bonds.

Mr. WALSH. Will the gentleman yield for a question?

Mr. KITCHIN. I will.

Mr. WALSH. Do these exemptions which have just been read following each subdivision take care of the farmers' local co-operative companies?

Mr. KITCHIN. Yes; that takes care of them.

Mr. WALSH. So they will not be subject to any of this tremendous burden?

Mr. KITCHIN. No insurance company—fire, life, or any other—which is exempt from paying an income tax will have to pay the taxes imposed by this section.

The CHAIRMAN (Mr. FOSTER). The question is on the amendment offered by the gentleman from North Carolina by way of a substitute.

The question was taken, and the substitute was agreed to.

The Clerk read as follows:

SEC. 506. That every person, corporation, partnership, or association, receiving any payment for advertising or advertising space upon which a tax is imposed by section 504, or issuing policies of insurance upon the issuance of which a tax is imposed by section 505, shall, within the first 15 days of each month, make a return under oath, in duplicate, and pay such tax to the collector of internal revenue of the district in which the principal office or place of business of such person, corporation, partnership, or association is located. Such returns shall contain such information and be made in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulation prescribe.

Mr. MOORE of Pennsylvania. Mr. Chairman, I desire to offer a new title unless the gentleman does not propose to go on to-night.

Mr. KITCHIN. We wanted to finish the reading of that section in order that we could get onto the war tax on manufactures on Monday.

Mr. MOORE of Pennsylvania. May I reserve the right to offer a new title to this on Monday?

Mr. KITCHIN. Yes. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280 and had come to no resolution thereon.

THE LATE REPRESENTATIVE COMSTOCK.

Mr. DIXON. Mr. Speaker, it is with deep sorrow that I announce to the House the death in this city this morning of my colleague and friend, Judge DANIEL W. COMSTOCK, a Member of this House. At a later time I will ask that a day be selected when the Members will be given opportunity to pay appropriate tribute to his life, character, and public services. At this time I desire to present the following resolutions.

The SPEAKER. The Clerk will report the resolutions.

The Clerk read as follows:

House resolution 83.

Resolved, That the House has heard with profound sorrow of the death of Hon. DANIEL W. COMSTOCK, a Representative from the State of Indiana.

Resolved, That a committee of 16 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolutions.

The question was taken, and the resolutions were unanimously agreed to.

The SPEAKER appointed the following committee in accordance with the foregoing resolutions:

Mr. DIXON, Mr. COX, Mr. BARNHART, Mr. DENMAN, Mr. BLAND, Mr. SANDERS of Indiana, Mr. MOORES of Indiana, Mr. VESTAL, Mr. PURNELL, Mr. WOOD of Indiana, Mr. KRAUS, Mr. FAIRFIELD, Mr. TIMBERLAKE, Mr. PARK, Mr. HEINTZ, and Mr. DEWALT.

HOUR OF MEETING MONDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. on Monday next.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. on Monday next. Is there objection?

There was no objection.

REGISTRATION FOR SELECTIVE DRAFT, ETC.

Mr. BARNHART. Mr. Speaker, I ask unanimous consent for the present consideration of the concurrent resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House concurrent resolution 9.

Resolved by the House of Representatives of the United States (the Senate concurring), That there be printed as a House document 1,250,000 copies, in one document, of the act to increase temporarily the Military Establishment, approved May 18, 1917; registration regulations prescribed by the President under authority of said act, approved May 18, 1917; and the proclamation of the President of same date fixing June 5, 1917, as the date of registration, 875,000 for the use of the House and 375,000 for the use of the Senate, the same to be distributed through the folding room of the House and Senate, respectively.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none. The question is on agreeing to the resolution.

The resolution was agreed to.

On motion of Mr. BARNHART, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

THE LATE REPRESENTATIVE COMSTOCK.

The SPEAKER. The Clerk will report the other resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect, this House do now adjourn.

The resolution was unanimously agreed to; accordingly (at 3 o'clock and 56 minutes p. m.) the House, under its previous order, adjourned until 11 o'clock a. m., Monday, May 21, 1917.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of War transmitting, with a letter from the Chief of Engineers, report on reexamination of Pearl River below Rockport, Miss. (H. Doc. No. 145), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PARK, from the Committee on Accounts, to which was referred the resolution (H. Res. 45) authorizing clerks and assistant clerks to certain committees of the House, reported the same with amendment, accompanied by a report (No. 56), which said resolution and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the resolution (H. Res. 44) authorizing clerks to certain committees of the House, reported the same with amendment, accompanied by a report (No. 57), which said resolution and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SCOTT of Pennsylvania: A bill (H. R. 4604) providing for the waiver of pay and compensation by persons entering the military service of the United States; to the Committee on Military Affairs.

By Mr. FRENCH: A bill (H. R. 4605) providing for handling as official business mail matter relating to naturalization; to the Committee on the Post Office and Post Roads.

By Mr. OSBORNE (by request): A bill (H. R. 4606) to obtain a national anthem by means of competition of composers and subsequent vote of the people; to the Committee on the Library.

By Mr. MILLER of Minnesota: A bill (H. R. 4607) authorizing the President to commission as second lieutenants in the Regular Army and in the Officers' Reserve Corps qualified persons who have attained the age of 20 years; to the Committee on Military Affairs.

Also, a bill (H. R. 4608) to amend the second paragraph of section 2 of an act to reorganize and to increase the efficiency of the Artillery of the United States Army, approved January 25, 1907; to the Committee on Military Affairs.

By Mr. CLARK of Missouri: Memorial of the Legislature of the Territory of Alaska, favoring amendment to the laws relating to performance of manual labor on mining claims in Alaska, so as to allow claim owners to pay certain sums of money in lieu of work; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRITTEN: A bill (H. R. 4609) granting a pension to Minnie Baker; to the Committee on Pensions.

By Mr. BRODBECK: A bill (H. R. 4610) to compensate Thomas G. Allen for injuries received while employed in the General Land Office of the United States, and making an appropriation therefor; to the Committee on Claims.

By Mr. BUTLER: A bill (H. R. 4611) to reinstate Henry Read Leonard, jr., as an ensign in United States Navy; to the Committee on Naval Affairs.

By Mr. HAYDEN: A bill (H. R. 4612) granting a pension to John J. Collins; to the Committee on Pensions.

By Mr. WHEELER: A bill (H. R. 4613) to promote on the retired list of the United States Army Brig. Gen. David S. Gordon, United States Army, retired; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of Federation of Catholic Societies and Parishes of St. Clair County, Ill., relative to Irish freedom; to the Committee on Foreign Affairs.

Also (by request), memorial of Washington Central Labor Union, against increase in postage on second-class matter; to the Committee on Ways and Means.

Also (by request), memorial of Luxemburger Brotherhood of America, pledging loyalty and support to the President and Government; to the Committee on Military Affairs.

By Mr. BRODBECK: Papers filed in support of House bill 4610, to compensate Thomas G. Allen for injuries, etc.; to the Committee on Claims.

By Mr. CARY: A brief to the Finance Committee of the Senate on behalf of Pathe Exchange (Inc.), respectfully suggesting that proposed method of taxation will ruin industry while Canadian system, one tax on entire industry at box office, will yield a larger revenue than now demanded, enable the industry to meet future levies, and yet not halt the growth of the industry, which promises to soon monopolize all markets of the world, 90 per cent of industry favor Canadian system, and Motion Picture Exhibitors' League of America submitting brief urging it; to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Memorial of Missionary Society of West Side Presbyterian Church, Beloit, Wis., asking prohibition in Porto Rico; to the Committee on Insular Affairs.

By Mr. DALE of New York: Petition of Washburn Realty Co., of Boston, Mass., against 1-cent tax on 5-cent theaters; to the Committee on Ways and Means.

Also, petition of United Brotherhood of Carpenters and Joiners of America and sundry publishing companies against increase in postage rates on second-class matter; to the Committee on Ways and Means.

By Mr. FOSS: Petition of sundry citizens of Chicago, Ill., opposing prohibition as war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of Local Union No. 1624, United Mine Workers of America, of Seneca, Ill., asking legislation to reduce the high cost of living; to the Committee on Agriculture.

Also, petition of Charles W. Helmig, of Peru, Ill., praying that municipally owned water and light companies be exempt from Federal taxation; to the Committee on Ways and Means.

Also, petitions of the Priscilla Publishing Co. and Streator (Ill.) Brick Co., opposing increase of letter postage and zone system; to the Committee on Ways and Means.

Also, memorial of Streator Post No. 68, Grand Army of the Republic, Department of Illinois, favoring vigorous prosecution of the war and the Roosevelt volunteers for service in France; to the Committee on Military Affairs.

By Mr. GALLIVAN: Memorial of New York Association for the Protection of Game, relative to protection of migratory birds; to the Committee on Foreign Affairs.

By Mr. GRIEST: Petition of E. W. Coble, of Lancaster, Pa., and Grit Publishing Co., of Williamsport, Pa., protesting against increase in second-class postage rates; to the Committee on Ways and Means.

Also, petition of A. H. Armstrong Advertising Co., of Harrisburg, Pa., protesting against 5 per cent gross tax on street car advertising; to the Committee on Ways and Means.

By Mr. GRIFFIN: Petitions of Brooklyn Sunday School Union and Swedish Mission Young People's Covenant, of Cook County, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the Patent Cereals Co., of Geneva, N. Y., against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of National Special Aid Society of New York City, favoring increasing Aviation Corps in the Navy and Naval Militia; to the Committee on Naval Affairs.

Also, petition of Washburn Realty Co., of Boston, Mass., against tax of 1 cent on 5-cent theaters; to the Committee on Ways and Means.

Also, petition of L. Schepp Co., of New York, and Joseph Wild & Co., of New York, against 10 per cent duty on goods on free list; to the Committee on Ways and Means.

Also, petitions of sundry publishing companies, against increase in postage rates on second-class matter; to the Committee on Ways and Means.

Also, petitions of sundry citizens of New York, relative to amendment to the revenue bill affecting the jewelry interests; to the Committee on Ways and Means.

By Mr. HOWARD: Petition of Foote & Davies Co., of Atlanta, Ga., against tax on newspaper advertising; to the Committee on Ways and Means.

Also, petition of J. W. English, of Atlanta, Ga., against special tax on automobile manufacturers; to the Committee on Ways and Means.

By Mr. HULBERT: Petition of hull division, navy yard, New York, relative to more pay for clerical force of at navy yards; to the Committee on Naval Affairs.

By Mr. LINTHICUM: Petitions of C. Read & Co. and others, of Baltimore, Md., against any increase in letter postage; to the Committee on Ways and Means.

Also, petitions of sundry publishing companies of Maryland, against increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Baltimore, Md., favoring passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of Branch No. 73, Glass Bottle Blowers' Association, of Bellaire, Ohio, against increased rates on second-class matter; to the Committee on Ways and Means.

Also, petition of Washburn Realty Co., of Boston, Mass., against 1-cent tax on 5-cent theaters; to the Committee on Ways and Means.

Also, petition of William H. Brown & Bro. Co., of Baltimore, Md., against increased tax on alcohol; to the Committee on Ways and Means.

By Mr. LONERGAN: Memorial of Convocation of New Haven County, Conn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the Federated Temperance Committee of Allegheny County, B. L. Scott, secretary, requesting the Government of the United States to prohibit both the sale and manufacture of liquor during the period of the war; to the Committee on the Judiciary.

By Mr. MOTT: Memorial of New York Association for Protection of Game, favoring the passage of the migratory-bird act; to the Committee on Foreign Affairs.

Also, memorial of Poster Advertising Industry of the United States, relative to the war-revenue cost; to the Committee on Ways and Means.

Also, petition of employees of the Dodge Street Pulley Corporation, of Oneida, N. Y., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. RAKER: Petition of F. B. Ackerman, of Yreka, Cal., relative to tax on patents, perfumes, etc.; to the Committee on Ways and Means.

Also, petition of Mayer & Talbott Co., of Los Angeles, Cal., indorsing bill providing for revision of our postal rates; to the Committee on the Post Office and Post Roads.

Also, petition of William E. Bonton, of San Francisco, Cal., asking exemption from stamp provision of building and loan associations; to the Committee on Ways and Means.

By Mr. RAMSEYER: Petition of Local Union 1799, United Mine Workers of America, favoring control of foodstuff, etc., by United States Government; to the Committee on Agriculture.

By Mr. RANDALL: Petition of 121 citizens of Los Angeles County, Cal., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. ROWE: Petitions of sundry publishing companies of New York, against increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of M. Rusling Wood, of New York City, against 5 per cent tax on advertising; to the Committee on Ways and Means.

Also, petitions of Farmers' Feed Co., of New York; Penn Grain & Feed Co., of Philadelphia, Pa.; and Milwaukee (Wis.) Grain & Feed Co., against prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of A. Dougherty and Russell Playing Card Co., of New York, relative to tax on playing cards; to the Committee on Ways and Means.

SENATE.

MONDAY, *May 21, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee for a faith that is clear, strong, and all-conquering, our faith in God. In the midst of times that test, that put us to the utmost trial, times that are dark and uncertain, times that are wringing the hearts of mothers, times that try the courage of our boys, amid the darkening cloud along the pathway of our national life, we bless Thee for the supremacy and power of our faith in God. Grant that our hearts may be true to Thee, that there shall be no forgetfulness of God on the part of any of the leaders of this people. May we not by any personal sin add to the weight of anxiety and care which rests upon any home, but with our hearts cleansed from sin and true lives, under the guidance of God may we go forward to accomplish Thy great purpose in this time of trial. To this end do Thou lead us in the discharge of the duties of this day. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Thursday, May 17, 1917, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PRESENTATION OF FLAG.

The VICE PRESIDENT. The flag which is just back of the chair of the Vice President has been presented to the Senate of the United States in a letter which the Secretary will read.

The Secretary read as follows:

To the President, the Hon. WOODROW WILSON,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: I am taking the liberty of expressing a flag made throughout by my own hands, which I would like to have presented through you to the Senate.

With my kindest wishes, I beg to remain,
Sincerely, yours,

Mrs. J. M. TARELLE,
Savannah, Ga.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a concurrent resolution (H. Con. Res. 9) providing for the printing as a House document of 1,250,000 copies, in one document, of the act to increase temporarily the Military Establishment, approved May 18, 1917, etc., in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 3330) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution of the Legislature of the Territory of Hawaii, which will be incorporated in the RECORD and referred to the Committee on Territories.

The concurrent resolution is as follows:

THE NINTH LEGISLATURE OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 26, 1917.

The honorable the PRESIDENT OF THE SENATE
OF THE UNITED STATES,
Washington, D. C.

SIR: In conformity with the terms thereof, I have the honor to transmit herewith senate concurrent resolution No. 9, introduced in the Senate of the Ninth Legislature of the Territory of Hawaii by the Hon. Robert W. Shingle, senator from the third senatorial district, which was unanimously adopted by the senate and concurred in by the house of representatives.

Most respectfully, yours,
O. P. SOARES,
Clerk of the Senate.

Concurrent resolution 9.

Whereas the several political parties of the Territory of Hawaii have pledged themselves to support a change in the organic act to the end that the female citizens of the Territory shall be empowered to vote at elections held under the laws of the Territory of Hawaii; and

Whereas the Hon. J. K. KALANIANAOLE, Delegate from Hawaii, has introduced in the House of Representatives of the United States of America a bill granting the Legislature of the Territory of Hawaii the power to submit to the voters of the Territory of Hawaii the question of whether or not the female citizens of the Territory shall be empowered to vote at elections held under the laws of the Territory of Hawaii: Therefore be it

Resolved by the Senate of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States is hereby requested and respectfully petitioned to pass the bill introduced by the Hon. J. K. KALANIANAOLE, Delegate from Hawaii, on the 22d day of December, 1916, granting to the Legislature of the Territory of Hawaii additional powers relative to elections and qualifications of electors; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Delegate to Congress from Hawaii.

—

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 2, 1917.

We hereby certify that the foregoing concurrent resolution was this day adopted in the Senate of the Territory of Hawaii.

CHAS. F. CHILLINGWORTH,
President of the Senate.
O. P. SOARES,
Clerk of the Senate.

—

THE HOUSE OF REPRESENTATIVES,
OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 11, 1917.

We hereby certify that the foregoing resolution was this day adopted in the House of Representatives of the Territory of Hawaii.

H. L. HOLSTEIN,
Speaker House of Representatives.
EDWARD WOODWARD,
Clerk House of Representatives.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution of the Legislature of the Territory of Hawaii, which will be incorporated in the RECORD and referred to the Committee on Territories.

The concurrent resolution is as follows:

THE NINTH LEGISLATURE OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 26, 1917.

The honorable the PRESIDENT OF THE SENATE
OF THE UNITED STATES,
Washington, D. C.

SIR: In conformity with the terms thereof, I have the honor to transmit herewith senate concurrent resolution No. 8, introduced in the Senate of the Ninth Legislature of the Territory of Hawaii by the Hon. Robert W. Shingle, senator from the third senatorial district, which was unanimously adopted by the senate and concurred in by the house of representatives.

Most respectfully, yours,
O. P. SOARES,
Clerk of the Senate.

Concurrent resolution 8.

Whereas the people of the Territory of Hawaii had, previous to the annexation of the islands to the United States, maintained and upheld an independent government, the principles of which were based upon and in accord with the Constitution of the United States, and had thereby demonstrated not only their capacity for self-government, belief in, understanding of, and attachment to the principles which should govern a free people; and

Whereas the voters of the Territory of Hawaii have naturally ample knowledge of the qualities, abilities, and attributes which should be required of a person called upon to act as their chief executive, and have intelligence sufficient to guide them in the making of such a choice and would be better satisfied with a chief executive chosen by themselves: Now, therefore, be it

Resolved by the Senate of the Territory of Hawaii, regular session of 1917 (the House of Representatives concurring), That the Congress of the United States is hereby requested and respectfully petitioned to pass the bill introduced by the Hon. J. K. KALANIANAOLE, Delegate from Hawaii, on the 18th day of December, 1916, to provide for the election of the governor and secretary of the Territory of Hawaii; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Delegate to Congress from Hawaii.

—

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 2, 1917.

We hereby certify that the foregoing concurrent resolution was this day adopted in the Senate of Territory of Hawaii.

CHAS. F. CHILLINGWORTH,
President of the Senate.
O. P. SOARES,
Clerk of the Senate.

—

THE HOUSE OF REPRESENTATIVES
OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 3, 1917.

We hereby certify that the foregoing concurrent resolution was this day adopted in the House of Representatives of the Territory of Hawaii.

H. L. HOLSTEIN,
Speaker House of Representatives.
EDWARD WOODWARD,
Clerk House of Representatives.

The VICE PRESIDENT. The Chair lays before the Senate a joint memorial of the Legislature of the Territory of Alaska, which will be incorporated in the RECORD and referred to the Committee on Public Lands.

The joint memorial is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY FOR THE TERRITORY OF ALASKA,
Juneau, Alaska, May 9, 1917.

The Hon. PRESIDENT,
United States Senate, Washington, D. C.

SIR: By direction of the Alaska Territorial Legislature, the session of which has just been completed, I am sending you herewith a certified copy of Senate joint memorial No. 16.

Yours, very truly,

CHARLES E. DAVIDSON,
Secretary of Alaska.

Senate joint memorial 16. (By Senator Sundback.)

To the President of the United States, the United States Senate, and the United States House of Representatives:

Your memorialists, the Senate and House of Representatives of the Territory of Alaska most respectfully represent that—

Whereas the construction of wagon roads and trails is vitally essential to the development of Alaska; and

Whereas this has been recognized both by Congress and the Territorial Legislature in large appropriations made for road purposes in order that rich mineral districts in all parts of Alaska be afforded a base of supplies, without which their development is retarded and often prevented; and

Whereas the laws of the United States require the owners of mining claims in Alaska, as well as elsewhere, to perform at least $100 worth of labor or improvements during each calendar year on each mining claim; and

Whereas it is a well and long-established fact that a very large proportion of the labor and improvements performed to hold mining claims is absolutely wasted and thrown away; and

Whereas in a multitude of instances mining claims are so distant from the base of supplies that the cost of travel and transportation for the purpose of performing annual labor far exceeds the su mof $100: Now, therefore,

We, your memorialists, the legislature of the Territory, most respectfully urge that the laws of Congress relating to the performance of annual labor on mining claims in Alaska be so amended as to permit the owner of such claim, at his option, to pay in lieu of the work required by law, the sum of $100 into the road fund of the divisional road commission in which such claim is located; said money so paid to be expended as far as practicable on roads in the vicinity of the claim.

Passed the senate May 3, 1917.

O. P. HUBBARD,
President of the Senate.

Attest:

W. M. EDDY,
Secretary of the Senate.

Passed the house May 3, 1917.

LUTHER C. HESS,
Speaker of the House.

Attest:

A. H. ZIEGLER,
Chief Clerk of the House.

UNITED STATES OF AMERICA,
Territory of Alaska, ss.:

I, Charles E. Davidson, Secretary of Alaska, do hereby certify that the foregoing is a full, true, and correct copy of Senate joint memorial No. 16 of the Alaska Territorial Legislature, passed at the 3d session thereof.

Witness my hand and the seal of the Territory of Alaska, affixed at Juneau, the capital, this ninth day of May A. D., 1917.

[SEAL.] CHARLES E. DAVIDSON,
Secretary of Alaska.

The VICE PRESIDENT. The Chair lays before the Senate a telegram from the international executive board, United Mine Workers of America, of Indianapolis, Ind., which will be incorporated in the RECORD and referred to the Committee on Finance.

The telegram is as follows:

INDIANAPOLIS, IND., *May 18, 1917.*

Hon. THOMAS R. MARSHALL,
Vice President of the United States, Washington, D. C.:

The international executive board, United Mine Workers of America, representing 500,000 miner workers, directs the undersigned to protest against the increase upon second-class postage from 1 to 6 cents per pound, as proposed in the pending war-revenue bill. Such an increase in second-class postage is confiscatory. We could not publish the official magazine of our union and pay this increase in second-class postage. Our official publication, as well as many other labor-organization magazines, must cease publication under such unreasonable increase in second-class postage rates. This would strike at a free press, because only magazines and newspapers whose income would justify could pay this proposed increase. Also we appeal to you to actively and vigorously oppose this proposed increase.

JOHN F. WHITE, *President.*
FRANK J. HAYES, *Vice President.*
WM. GREEN, *Secretary and Treasurer.*

The VICE PRESIDENT presented a petition of the Luxemburger Brotherhood of America in annual convention at Chicago, Ill., pledging support to the President, which was ordered to lie on the table.

He also presented a petition of the Friends of Irish Freedom, of Youngstown, Ohio, praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Wisconsin State Council of Defense, praying for Federal control of explosives, which was referred to the Committee on Military Affairs.

He also presented a telegram in the nature of a petition from the West Side Business Men's and Taxpayers' Association, of Buffalo, N. Y., praying for the enactment of legislation to prohibit speculation in food products, which was referred to the Committee on Agriculture and Forestry.

Mr. POMERENE. I present a resolution in the nature of a petition from the Pennsylvania Conference of the Primitive Methodist Church in America, sent to me by Rev. W. C. Hall, president of the conference. I ask that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

The Pennsylvania Conference of Primitive Methodist Churches in the United States of America, convening in Youngstown, Ohio, this 2d day of May, 1917, unanimously adopts the following resolutions:

"Whereas after two and one-half years of unparalleled patience and long suffering, under divine Providence the President and Congress of these United States, expressing the will of the people, have been led to declare a war existing between these United States and Germany; and

"Whereas the moment calls for the dedication of the life of the Nation to the task of safeguarding the sacred rights of liberty and humanity; and

"Whereas the supreme call of the hour is for that poise of mind, that sanity of spirit, that charity of judgment that will unite all elements and solidify citizenship and best help to preserve those principles that gave to our country her birth, her happiness, and peace, which she has long treasured; and

"Whereas our Nation enters the great war with open eyes, knowing and counting the cost, with no illusion of glory and no dream of conquest, but because the issue has been drawn between autocracy and the democracy for which we stand and because of the necessity for sharing with democratic peoples of the world in the endeavor to save for our children the heritage won by our fathers: Be it therefore

"*Resolved*, That we heartily indorse the action of our most illustrious President, Woodrow Wilson, and the Congress of these United States as the action of those who have at heart the safeguarding of the sacred principles of democracy, viz, liberty, equality, freedom of the seas, justice, intelligence, and integrity. And be it further

"*Resolved*, That we assure the President of our loyalty as individuals and also as a collective body. We feel that this is the solemn hour of the Nation's history; and since the President, in language worthy of the man, the hour, and the country, has challenged us to our task, we pledge ourselves to heartiest cooperation, assuring the President of our whole-hearted devoutness to the great task of establishing the principles of liberty and democracy. And be it further

"*Resolved*, That we assure our President of our sympathy and our prayers for his well-being and strength in this hour of trial. We have recognized in him a man of indomitable zeal, whose unexampled labors have been expended for the glory of God and the blessing of the Nation, and with his hand directing the affairs of the hour we feel assured of the glorious victory of the Government 'for the people, by the people, and of the people.' And be it finally

"*Resolved*, That copies of these resolutions be forwarded to the President of these United States, the senior Senators of the States of Pennsylvania and Ohio, and the governors of the States of Pennsylvania and Ohio, and that a copy be also printed in the Conference Yearbook."

WILLIAM CHARLES HALL,
President of the Conference.
WESLEY BOYD,
Secretary for Foreign Missions.

Attest:

N. WHITE,
Secretary of the Conference.

Amendment: *Resolved*, That we also express ourselves as unanimously in favor of national prohibition as absolutely essential to the life of the Nation.

Mr. POMERENE. I present a preamble and resolution in the nature of a petition passed by the City Council of the City of Cleveland, Ohio, relating to the subject of the income tax, which I move be referred to the Committee on Finance.

The motion was agreed to.

Mr. FLETCHER. I present a resolution adopted by the Board of Trade of Tampa, Fla., which I ask may be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the resolution was ordered to be printed in the RECORD and referred to the Committee on Interstate Commerce, as follows:

Resolution adopted by Board of Trade of Tampa, Fla.

Whereas there are pending before the Senate Committee on Interstate Commerce certain bills intended to regulate the matter of car service, including exchange, interchange, and return of cars used in the transportation of property by common carriers; and

Whereas that known as the Esch bill (H. R. 328, 65th Cong., 1st sess.), entitled "A bill to amend an act entitled 'An act to regulate commerce,' as amended, in respect of car service, and for other purposes," already passed the House, having the indorsement of the individual members of the Interstate Commerce Commission as embodying their official recommendations to the Congress in their thirtieth annual report, would seem fully to cover the requirements from shippers' standpoint; and

Whereas shippers of this State are vitally interested in effectual control of car supply: Now, therefore, be it

Resolved by the Tampa Board of Trade in regular meeting assembled, That we indorse the said Esch bill (H. R. 328) and respectfully call upon our Senators, Hons. DUNCAN U. FLETCHER and PARK TRAMMELL, to use their influence in having the said bill promptly reported favorably by the committee, and thereafter to work for its enactment into law; and be it further

Resolved, That this action be communicated to the said Hons. DUNCAN U. FLETCHER and PARK TRAMMELL by telegram and confirmed by a formal copy of this resolution under seal of this organization.

Passed this the 16th day of May, 1917.

W. G. BROREIN, *President.*

Attest:
[SEAL.] L. P. DICKIE, *Secretary.*

Mr. BRADY. I present a telegram from the pastor and congregation of First Congregational Church, at Mountain Home, Idaho, praying for the passage of a prohibitory law to have effect during the war. I ask that it be printed in the RECORD without reading.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MOUNTAIN HOME, IDAHO, *May 13, 1917.*

Senator JAMES H. BRADY,
Washington, D. C.:

Please convey to President Wilson and to Congress the fact that by unanimous vote the congregation of the First Congregational Church here took action urging national prohibition as a war measure, in the interest of food conservation, increased production, and general efficieny at home and in the field.

CHAS. E. MASON, *Pastor.*

Mr. BRADY. I also present resolutions adopted by the Burke Miners' Union, No. 10, of Burke, Idaho, relative to taxation. I ask that they may be read at the desk.

There being no objection, the resolutions were read, as follows:

Whereas the United States is at war with Germany; and
Whereas immense war appropriations must be made immediately to supply the Government with funds necessary to carry on the war; and
Whereas it is of paramount importance in this crisis that the financial burden of the war should be distributed among the citizens of the United States in accordance with their ability to bear it; and
Whereas in the interest of national unity and a spirit of harmonious cooperation between all classes it is necessary that every citizen should know that the cost of the war will be paid promptly and not remain as a future burden upon those who have fought and their children: Therefore be it

Resolved, That all bonds, certificates, of indebtedness, and other obligations issued by the Government for war purposes shall be paid by a tax levied on all net incomes in excess of $2,000 for unmarried persons and in excess of $3,000 for all married persons, beginning at 2 per cent, and increasing on a sliding scale to a point which will permit of no individual retaining an annual net income in excess of $100,000, such war tax to continue until said bonds, certificates of indebtedness, and other obligations issued for war purposes are paid; and be it further

Resolved, That all war supplies or war service, including transportation, shall be furnished to the Government at a reasonable profit, to be fixed by Congress; that Congress shall enact legislation preventing the sale of necessaries of life during the war at excessive profits; and that intentional failure to supply the Government with correct figures as to income or as to profits on such sales and service and that furnishing the Government with defective war supplies shall be a felony, punishable by imprisonment.

Adopted by Burke Miners' Union, No. 10, I. U. of M. M. and S. W., this 4th day of May, 1917.

PHILIP RYAN, *President.*
[SEAL.] M. P. VILLENEUVE, *Secretary-Treasurer.*

Mr. KENYON. In the nature of a petition I ask to have read a letter, as it is so unusual, in relation to taxes.

There being no objection, the letter was read, as follows:

FARMERS' SAVINGS BANK,
Ruthven, Iowa, May 15, 1917.

Senator W. S. KENYON,
Washington, D. C.

DEAR SIR: Whenever we find anything to kick about in regard to the national legislation we do not hesitate to write you and advise you of our feelings. At this time when so many are objecting to the large taxes that must be assessed to raise the necessary revenue we wish to state that we will gladly pay what is found necessary to assess to us, and that we will have no objection whatever, and we are with you in every way that we possibly can be.

Those of us who can not go to the front should certainly be willing to do what little we can to help in a financial way.

Very respectfully, JOHN H. BALE.

Mr. SMITH of South Carolina. On Saturday we had a discussion here in reference to transportation and distribution through our car service. In the nature of a petition I send the following telegram to the desk and ask that it may be read and referred to the Committee on Interstate Commerce.

There being no objection, the telegram was read and referred to the Committee on Interstate Commerce, as follows:

PORT ROYAL, S. C., *May 20, 1917.*

Hon. E. D. SMITH,
United States Senate, Washington, D. C.:

Gentlemen, our attention has just been called to an embargo that has been placed by the Pennsylvania Railroad on all shipments of fruits and vegetables consigned to Jersey City and New York. We, the undersigned shippers, feel that this is a great injustice to us as well as the consumer, and ask that you insist that the Government take action in this matter at once, so as to prevent the possibility of the great loss that a condition of this nature will bring us. We suggest that the Government, if necessary, take charge of the situation temporarily while investigation is being made, and if it is on account of longshoremen strike, unload all shipments of fruits and vegetables with recruits of the Army or Navy or any contingent of either that may be available.

BEAUFORT TRUCK GROWERS' ASSOCIATION,
PAT WALL.
W. H. HULL, *Secretary.*
S. M. RICE.
I. M. GREGORIE.
C. BURCKMYER & CO.
H. B. ATTAWAY.

Mr. PENROSE. In connection with the telegram just read at the request of the Senator from South Carolina I should like to ask him whether any effort has been made to secure information from the Pennsylvania Railroad as to the complaint referred to in the telegram?

Mr. SMITH of South Carolina. My reference will develop that. I asked to have the telegram referred to the Committee on Interstate Commerce, and that committee doubtless will take such steps as are necessary to ascertain just what is the condition.

Mr. PENROSE. Sometimes it is not amiss to find out as an individual what the trouble is before appealing to a governmental bureau, and whether there is any valid reason for delay.

Mr. SMITH of South Carolina. I take it for granted that the committee having charge of interstate commerce will be the proper agency to investigate the question and do justice to all parties. Hence I had the telegram referred to that committee.

Mr. CALDER. I have here a letter from the chairman of the committee on resolutions of the National City Planning Conference recently held in Kansas City, Mo. I should like to have it read.

There being no objection, the letter was read, as follows:

NEW YORK, *May 12, 1917.*

Hon. WILLIAM M. CALDER,
United States Senate, Washington, D. C.

MY DEAR SENATOR CALDER: As chairman of the committee on resolutions of the National City Planning Conference which has just been held in Kansas City, I presented on the behalf of the committee the following resolution:

"Whereas the United States Government proposes to establish certain plants for the manufacture of armor plate and of other materials which may be required for the effective prosecution of the war, which plants will require the services of a large number of workers:

"*Resolved*, That the National Conference on City Planning strongly urges the President, the Secretary of War, and any other officers of the Government who may be charged with the location, planning, and construction of such plants to profit by the examples of our allies in providing for the proper housing of the workers in such plants to the end that their efficiency may be increased to the highest possible degree and that these servants of the country may not be exploited by land speculators and builders but that decent and sanitary homes may be provided for them at reasonable cost."

This resolution met with unanimous approval and will be forwarded to the authorities named. I venture, however, to add my personal appeal to you, as this is a matter which will probably require action by the Congress. I have been informed, and I think that the information is probably trustworthy, that at Charleston, W. Va., where the armor-plate plant is to be located, land speculators and builders are already very busy, while the Government has secured only the land needed for the actual plant. Great Britain and Canada appear to have been confronted with this same problem of protecting the employees of their munition and other plants from exploitation by those who expect a rich harvest from the concentration of large numbers of operatives and to have taken steps to see that proper homes as well as suitable workshops are provided for them. The additional cost of doing this would probably be slight in comparison with the higher degree of efficiency which would result from insuring wholesome and sanitary surroundings. I hope that this is a matter which will appeal to you and will have your support.

Let me assure you that the position which you have taken upon matters of vital importance which the Congress has thus far considered is a source of much gratification to those whom you represent in the Senate.

With best wishes, I am yours, very truly,

NELSON P. LEWIS.

Mr. POINDEXTER. I present a memorial of the Legislature of the State of Washington, and I ask that it may be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA,
THE STATE OF WASHINGTON,
DEPARTMENT OF STATE.

To all to whom these presents shall come:

I, I. M. Howell, secretary of state of the State of Washington and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of house joint memorial No. 8, of the fifteenth session of the Legislature of the State of Washington, with the original copy of said memorial as enrolled, now on file in this office, and find the same to be a full, true, and correct copy of said original, and of the whole thereof, together with all official indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Washington. Done at the capitol, at Olympia, this 15th day of May, A. D. 1917.

I. M. HOWELL,
Secretary of State.
[SEAL.] By J. GRANT HINKLE,
Assistant Secretary of State.

House joint memorial 8.

To the honorable Senate and House of Representatives of the United States in Congress assembled.

Your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, do most respectfully state, represent, and petition as follows:

Whereas as a result of senate joint memorial No. 6, introduced by Senator Troy at the 1911 session of the Legislature of the State of Washington, H. R. 18631 was introduced into the Sixty-second

Congress of the United States, second session, which was in words and figures as follows:

"IN THE HOUSE OF REPRESENTATIVES,
"*January 24, 1912.*

"Mr. Warburton introduced the following bill, which was referred to the Committee on Railways and Canals and ordered to be printed:

"A bill making an appropriation of $62,500 for the construction of a canal between Port Townsend Bay and Oak Bay.

"*Be it enacted, etc.*, That the sum of $62,500 be, and is hereby, appropriated, out of any money in the Treasury not otherwise appropriated, to be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, for the construction of a canal between Port Townsend Bay and Oak Bay, only when land and right of way for deposit of dredged material is furnished free of cost to the Government"; and

Whereas as a result of action taken by the said United States Congress on said H. R. 18651, the Government of the United States did appropriate the sum of $62,500 therein called for, to be expended and which was expended upon the construction of a ship canal between Port Townsend Bay and Oak Bay in Jefferson County, Wash., by which expenditure and subsequent additional advancement there was constructed and now exists for commercial use and is used a canal of 75 feet width on the bottom and of 15 feet depth at mean lower low tide; and

Whereas the use of said canal for the approximate period of two years last past has demonstrated the commercial necessity of this improvement and the requirements for further development in commercialism and as a strategical channel in the general development of preparedness in the northwest country in connection with Forts Flagler, Worden, and Casey, located in the immediate vicinity of said canal; and

Whereas it has been further conclusively demonstrated by tests and use that, in order to render said canal most desirable and efficient for the purposes for which it was constructed, and for the greater probable uses in the general preparedness program, its depth should be increased to 25 feet, at least, at mean lower low tide and its width made 150 feet, at least, on the bottom: Therefore be it

Resolved, That the Senate and House of Representatives of Washington, in legislative session assembled, do hereby respectfully request and petition the Congress of the United States to pass an act referring the matter of widening and deepening said canal for the purposes above enumerated and toward attaining the measurements above stated to the Chief of Engineers of the United States of America for reference by him in due course and through proper channels to the local corps of engineers stationed at Seattle, Wash., for survey, estimates, report, and further proceedings necessary to effectuate the improvement; and be it further

Resolved, That the chief clerk of the house and the secretary of senate be instructed to transmit a copy of this memorial to the Senate and House of Representatives of the United States, and to each Member thereof from the State of Washington for their use in endeavoring to secure the passage of such legislation.

Passed the house, February 27, 1917.

GUY E. KELLY,
Speaker of the House.

Passed the senate, March 1, 1917.

LOUIS F. HART,
President of the Senate.

Mr. PHELAN. I present several telegrams in the nature of protests from labor organizations in California against a modification of the Chinese-exclusion law. I ask to have them printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *May 17, 1917.*

Hon. JAMES D. PHELAN,
United States Senate, Washington, D. C.

SIR: The Sacramento Federated Trades Council vigorously protests against any attempt to temporarily repeal the Chinese exclusion act or to otherwise weaken the immigration laws for the purpose of permitting the importation of oriental labor.

SACRAMENTO FEDERATED TRADES,
WM. C. EDDY, *Secretary.*

—

SAN PEDRO, CAL., *May 18, 1917.*

Hon. JAMES D. PHELAN,
Senate, Washington, D. C.:

The Central Labor Council protests against any attempt to set aside present Asiatic exclusion laws in order to flood California with coolie labor. We urge upon you the vital necessity of protecting California workers by uncompromising opposition to these vicious measures. Keep California white.

HARRY POTHOFF, *Secretary.*

—

LOS ANGELES, CAL., *May 17, 1917.*

Hon. JAMES D. PHELAN,
United States Senate, Washington, D. C.:

The Los Angeles County Building Trades Council urges you to offer vigorous and uncompromising opposition to any attempts to flood our State with cheap labor by the importation of Asiatics under the false and hysterical cry of shortage of labor. Let us save California from the yellow peril confronting it.

TOM BARKER, *Secretary.*

—

RICHMOND, CAL., *May 17, 1917.*

Hon. JAMES D. PHELAN,
Washington, D. C.

DEAR SIR: There has been information received by the Contra Costa Central Labor Council that a determined effort is now being made to temporarily repeal the Chinese exclusion act and weaken other immigration laws in order to bring in cheap labor. This council vigorously protest such a move and urges that you do all in your power to defeat such a move.

Respectfully submitted.

J. C. LEBER,
Secretary-Treasurer Contra Costa Central Labor Council.

Mr. GALLINGER presented a petition of New Durham Quarterly Meeting of Free Baptists, of Rochester, N. H., praying for national prohibition, which was referred to the Committee on the Judiciary.

He also presented the petition of Gilbert A. A. Pevey, of Boston, Mass., praying that mutual insurance companies be put on the same basis as stock insurance companies in the matter of taxation, which was referred to the Committee on Finance.

Mr. HUSTING. I present patriotic resolutions adopted by the Council of Defense of Polk County, Wis., which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolutions adopted at the organization of the Polk County (Wis.) Council of Defense, at Balsam Lake, Wis.

Whereas the autocracy of Germany, in its endeavor to extend its power over peoples enjoying representative government, has committed acts of barbarism heretofore unknown to enlightened peoples, and our Nation has long and patiently suffered indignities and the murder of its citizens rather than resort to arms; and

Whereas continued endurance has proved only the invitation of further barbarities and the sacrifice of the great purpose of democracy to enjoy in peace, according to the laws of civilization, the right to life, liberty, and the pursuit of happiness; and

Whereas our President and Congress have, in obedience to the conscience of the people of the United States, declared that a state of war exists with the Government of Germany, and the President by proclamation has appealed to all our citizens to meet the ultimate test of democracy to prove that a government by the people is worthy to exist: Now, therefore, be it

Resolved by the citizens of Polk County in public assembled, That we respond to the President's appeal as becomes free men who love our institutions and the happiness and general welfare of future generations; that we adhere to the principle of universal responsibility, and therefore assume our full share of the strife for the future peace and security of the world; that we do this by the encouragement of enlistments; and that we strive by careful economy and simple living to control and economize in the use of our material resources; that we approve the movement to prevent cereals needed to satisfy hunger from being used in distilleries and breweries;

Resolved, That we strive to the utmost to increase the productiveness of our industries, to grow more on our farms, to feed the hungry, and lend succor to our Government; that we urge our representatives in Congress to help prevent, as far as possible the unwarranted manipulation of the Nation's food supply by those who handle it on the way to the consumer, so that soulless greed may not thrive at the expense of those who bear the burden;

Resolved, That we urge our representatives in the various lawmaking bodies to see that the wealthy and rich bear their just share of the burdens of warfare, and that we consider it just as fair to draft into use and service the hoarded wealth of the rich as it is to draft our young men into the trenches; and further be it

Resolved, That we stand ready to uphold wisely and in no uncertain spirit the cause in which our country is engaged, and to help further the means that the experience of our allies have shown to be effective in the common cause; that we pledge our lives and our substance to the preservation of democracy and its extension throughout the world to the end that the terrible blight of war may cease to curse mankind; and further be it

Resolved, That it is the sense of this meeting that if it can be practicably arranged by our Government that ships carrying provisions and munitions to our allies across the Atlantic should carry back from our allies able-bodied prisoners of war, under reasonable restrictions, to be fed and employed on the farms and in the factories of this country, in order to save carrying provisions for these people at great hazard across the Atlantic, as well as to relieve the labor situation in this country; and that a copy of this resolution be sent to the governor of this State, our United States Senators and our Congressman, as well as to the State Council of Defense.

Mr. HUSTING. I present resolutions adopted by citizens of Washburn, Wis., pledging faith and support to the Government, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Patriotic resolutions adopted by citizens of Washburn, Wis.

Whereas the United States is now in a state of war with foreign powers in accordance with the edicts of the President and the Congress of this country; and

Whereas the people of the city of Washburn are loyal Americans and have faith in their Executive and Congress: Therefore be it

Resolved, That we, the people of this city and neighborhood in mass meeting assembled, knowing that "in union there is strength," do hereby pledge our faith, support, and fealty to the flag of our country, to the cause of liberty, and to the arms of the Nation; and we are also

Resolved, To abstain from incendiary remarks that may bring reproach upon the Stars and Stripes or which may arouse internecine strife among our neighbors, and that we will now and hereafter, so long as this war shall continue, do our utmost as good citizens to support the Constitution of the United States and its defenders at home and abroad.

NELS M. OSCAR,
Presiding Officer.

Mr. HARDING. I present resolutions of the Slavic-American Patriotic League of the Mahoning Valley, Ohio, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas we, Slavs of the Mahoning Valley, fully appreciate the liberties and the privileges enjoyed by us in these United States of America; and

Whereas we, Slavs of the Mahoning Valley, fully approve and indorse the decision of these United States of America to war not only for humanity and civilization but also for the liberation of the smaller European States from tyranny, despotism, and oppression, which instills our hearts with the new hope that at last our long-cherished dreams and aspirations—the national independence of the subjugated and downtrodden Slavic Nations—will again become a reality; and

Whereas in this hour of great national crisis we, Slavs of the Mahoning Valley, believe it the duty of each and every one of us to bear his full burden in upholding and supporting the President of the United States and the National Government in the step they have taken: Therefore be it

Resolved, By the Slavs of the Mahoning Valley, numbering over 25,000 souls, that we pledge our continued and unconditional support of the President and the Congress of this Nation in their determination to protect its honor and its ideals of right and humanity; and to this great cause we dedicate our lives and our fortunes; and be it further

Resolved, That a copy of this resolution be sent to the President and to the House of Representatives and to the Senate of the United States of America.

JNO. A. WILLO, *Chairman*.

PRODUCTION OF POTASH.

Mr. PITTMAN. On May 5 I introduced a bill for the purpose of increasing the production of potash in the United States. I sent a letter to the Council of National Defense in regard to the bill asking for their opinion upon it as an emergency war measure. In the letter I set forth certain facts showing the necessity for potash and the effect of the bill. I ask unanimous consent that the letter may be printed in the RECORD together with the bill for the information of the Senate.

There being no objection, the letter and the bill were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON TERRITORIES,
May 19, 1917.

Hon. NEWTON D. BAKER,
Chairman Council of National Defense, Washington, D. C.

DEAR SIR: I herewith inclose you Senate bill 2156, introduced by me on the 5th day of May of this year, and referred to the Public Lands Committee, which committee now has it under consideration. The purpose of the bill is to increase the production of potash in the United States and to reduce its cost to such an extent that it may be practically used as a fertilizer. It provides a method for utilizing a large potash deposit in the United States that is now, and for several years has been, permitted to lie idle and be unproductive because no law exists under which such deposit can be utilized. I refer to the potash supply in Searles Lake, Cal. This lake, according to the estimates of the Geological Survey and the Bureau of Mines, contains at least 20,000,000 tons of chloride of potassium in solution. It is the only concentration or deposit of potash yet discovered in the United States that is sufficiently extensive and so constituted as to permit the production of potash salts at a price sufficiently reasonable to justify their extensive use in fertilization. This concentration is in every respect similar to the great concentrations that have been developed for many years in Germany, and upon which not only Germany, but England, France, and the United States have depended almost entirely for such fertilizer. Experts, who have made a study of the production of potash, give it as their opinion that potash may be produced from the Searles Lake concentration in competition with the German supply.

A grave doubt exists as to whether or not the existing mining law applies to the location and acquisition of a deposit such as that at Searles Lake. However, even if it be conceded that such liquid concentration could be acquired and utilized under the existing mining laws, it would not avail in the present case as the area embracing the lake has been withdrawn by the Government from the operation of the mining laws. While I am personally opposed to many of the withdrawals made by the Government, I am satisfied that this withdrawal was justifiable. A syndicate or corporation controlled by foreigners, who are prohibited under our mining laws from acquiring lands by location, have attempted to acquire practically the entire lake through what I believe to be fraudulent dummy entries and through the subterfuge of dummy corporations.

Again, it is difficult to conceive how the fluids in the lake could be equitably and satisfactorily mined under the existing mining laws even if they applied. It is my opinion, and I believe the opinion of the Secretary of the Interior, that this deposit can be satisfactorily worked and made to produce large quantities of commercial potash without the danger of monopoly and with equal protection to the Government and the operators under the plan submitted in my bill. The substance of this bill was included in the general leasing bill, which passed both the Senate and House in the Sixty-third Congress. The bill, however, died in conference. The same bill containing the same provision with regard to potash passed the House in the Sixty-fourth Congress and was favorably reported by the Public Lands Committee of the Senate. While there was considerable opposition to other provisions of the general leasing bill, I believe that it was generally conceded that the same objections did not exist with regard to the provisions concerning potash, which are now incorporated in this separate bill which I have introduced.

The absolute necessity for potash as a fertilizer in this country is fully realized by all who have given the subject any consideration. It is the chief ingredient of nearly all fertilizers and is essential to the commercial production of many of our most important foodstuffs. The following enormous loss in production by reason of the lack of potash is given as a sample by a statistician:

In Indiana the yield of corn per acre fertilized with potash, 75.7 bushels; without fertilizer, 32.1 bushels.

Pears fertilized with potash, 205.8 bushels; without fertilizer, 58.8 bushels.

In Michigan, pears fertilized with potash, 22.7 bushels per acre; without fertilizer, 5 bushels.

The same comparison in production of fertilized and unfertilized land equally applies to many other grains, fruits, and vegetables.

I am informed that potash as a fertilizer is almost essential to the successful raising of cotton. In the report of the statistics committee of the National Fertilizer Association it is said: "The absence of a sufficient amount of potash in the soil has caused the appearance of a disease commonly called 'rust,' but it is too early at this time to forecast to what extent this trouble will obtain."

It is unnecessary to test the accuracy of these figures. It is well known that the proper use of fertilizers will increase the production of most crops from 50 to 100 per cent.

The United States has got to produce foodstuffs to the maximum capacity of its lands. The farms of England and France are going to ruin by reason of the withdrawal of men for military purposes and the lack of essential fertilizers. A large portion of our own production, which we are attempting to supply to those unfortunate people, is being wiped out of existence by the submarine warfare of the enemy. These misfortunes place a duty and obligation upon us that we must meet with expedition and energy. They can not be met except through the most intensive production, and this production can not be obtained except through the maximum use of fertilizers. The successful termination of the world war depends upon it. It is as vital and pressing as any problem that we now have to consider. This production can not be obtained without an ample supply of potash. Where can we obtain it? Prior to the war practically all of the potash used in the United States, Holland, Great Britain, and France came from Germany. In 1911 the consumption of potash in the principal countries of the word was as follows:

Germany, 422,341 metric tons, or 49.8 per cent of the total production.

United States, 237,453 metric tons, or 28 per cent of the total production.

Holland, 34,375 metric tons.

Great Britain, 21,217 metric tons.

To-day, while Germany is producing enough foodstuffs for its 80,000,000 people on an area not as great as that of the State of Texas by reason of an ample supply of potash, England and France are finding it impossible to produce half enough to supply their own people by reason of a lack of such fertilizer.

The production of crops in the United States is steadily decreasing for the same reason at a time when the greatest production is required. To-day the United States is only producing and has available about 16,000 tons of potash per annum. Prior to the war potash was selling or $39 per ton. It is now selling for about $400 per ton.

The following table discloses the amount of potash that is required in this country for fertilizer each year and the amount that we have available:

In 1913 we imported 529,000 tons; the domestic production was 400 tons.

In 1915 we imported 93,000 tons; the domestice production was 1,800 tons.

In 1916 we imported about 10,000 tons; the domestic production was 16,000 tons.

In 1913 about 20,000 tons of potassium chloride were used in the industries and about 500,000 tons were used in agriculture.

I contend that this bill should be treated as a war measure. Unless it is so considered by Congress it will not receive consideration at this session.

I have written you fully with regard to this matter, as I hope that you will assist me in impressing upon Congress the necessity for the immediate passage of this bill or a measure of similar purport. I would appreciate receiving an early reply to this letter, so that I may present it to the Senate in support of the immediate consideration and passage of the bill.

Very truly, yours,

KEY PITTMAN.

A bill (S. 2156) to authorize exploration for and disposition of potassium or sodium.

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed, under such rules and regulations as he may prescribe, to grant to any applicant qualified under this act a prospecting permit which shall give the exclusive right to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium, or borates, carbonates, or nitrates of sodium, or borates of calcium, or associated similar salts, on public lands belonging to the United States for a period of not exceeding two years: *Provided*, That the area to be included in such permit shall not exceed 2,560 acres of land in reasonably compact form.

SEC. 2. That upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of one of the substances enumerated in section 1 hereof have been discovered by the permittee within the area covered by his permit, the permittee shall be entitled to a patent for 640 acres of the land embraced in the prospecting permit, to be taken in compact form and described by legal subdivisions of the public-land surveys, or if the land be not surveyed, then in tracts which shall not exceed 2 miles in length, by survey executed at the cost of the permittee, in accordance with rules and regulations prescribed by the Secretary of the Interior. All other lands described and embraced in such a prospecting permit from and after the exercise of the right to patent accorded to the discoverer, and all other lands known to contain such valuable deposits as are enumerated in section 1 hereof and not covered by permits or leases, may be leased by the Secretary of the Interior, through advertisement, competitive bidding, or such other methods as he may by general regulations adopt, and in such areas as he shall fix, not exceeding 2,560 acres, all leases to be conditioned upon the payment by the lessee of such royalty as may be specified in the lease and which shall be fixed by the Secretary of the Interior in advance of offering the same, and which shall not be less than 2 per cent on the gross value of the output at the point of shipment, which royalty, on demand of the Secretary of the Interior, shall be paid in the product of such lease, and the payment in advance of a rental, which shall be not less than 25 cents per acre for the first year thereafter; not less than 50 cents per acre for the second, third, fourth, and fifth years, respectively; and not less than $1 per acre for each and every year thereafter during the continuance of the lease, except that such rental for any year shall be credited against the royalties as they accrue for that year. Leases shall be for indeterminate periods, upon condition that at the end of each 50-year period succeeding the date of any lease such readjustment of terms and conditions may be made as the Secretary of the Interior may determine, unless otherwise provided by law at the time of the expiration of such periods, and a patentee under this section may also be a lessee.

SEC. 3. That in addition to areas of mineral land to be included in prospecting permits or leases the Secretary of the Interior, in his discretion, may grant to a permittee or lessee under this act the exclusive right to use, during the life of the permit or lease, a tract of unoccupied nonmineral public land not exceeding 40 acres in area for

camp sites, refining works, and other purposes connected with and necessary to the proper development and use of the deposits covered by the permit or lease.

SEC. 4. That the Secretary of the Interior shall reserve the authority and shall insert in any preliminary permit issued under section 1 hereof appropriate provisions for its cancellation by him upon failure by the permittee or licensee to exercise due diligence in the prosecution of the prospecting work in accordance with the terms and conditions stated in the permit.

SEC. 5. That no person shall take or hold any interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease under the provisions hereof which, together with the area embraced in any direct holding of a lease under this act, or which, together with any other interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease under the prvisions hereof, exceeds in the aggregate in any area 50 miles square an amount equivalent to the maximum number of acres allowed to any one lessee under this act; that no person, association, or corporation holding a lease under the provisions of this act shall hold more than a tenth interest, direct or indirect, in any agency, corporate or otherwise, engaged in the sale or resale of the products obtained from such lease; and any violation of the provisions of this section shall be ground for the forfeiture of the lease or interest so held; and the interests held in violation of this provision shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in any court of competent jurisdiction, except that any such ownership or interest hereby forbidden which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition.

SEC. 6. That said Secretary, in his discretion, in making any lease under this act may reserve to the United States the right to dispose of the surface of the lands embraced within such lease under existing law or laws hereafter enacted, in so far as said surface is not necessary for use of the lessee in extracting and removing the deposits therein: *Provided further*, That if such reservation is made it shall be so determined before the offering of such lease; that the said Secretary, during the life of the lease, is authorized to issue such permits for easements herein provided to be reserved.

SEC. 7. That each lease shall contain provisions deemed necessary for the protection of the interests of the United States, and for the prevention of monopoly, and for the safeguarding of the public welfare.

SEC. 8. That any lease issued under the provisions of this act may be forfeited and canceled by an appropriate proceeding in a court of competent jurisdiction whenever the lessee fails to comply with any of the provisions of this act, of the lease, and the lease may provide for resort to appropriate methods for the settlement of disputes or for remedies for breach of specified conditions thereof: *Provided*, That no provision or limitation shall be inserted or included in any lease waiving or requiring the waiver of the right of the lessee or of the United States to resort to the courts.

SEC. 9. That the provisions of this act shall apply to alll ands of the United States which may have been or may be disposed of under laws reserving to the United States the phosphate, oil, gas, potassium, or sodium with the right to prospect for, drill, mine, and remove the same, subject to such conditions as to the use and occupancy of the surface as are or may hereafter be provided by law.

SEC. 10. That 50 per cent of all moneys received from royalties and rentals under the provisions of this act, excepting those from Alaska, shall be paid by the Secretary of the Treasury after the expiration of each fiscal year to the State wherein the leased premises are situate. The remaining 50 per cent shall be paid into, reserved, and appropriated as a part of the reclamation fund created by act of Congress approved June 17, 1902, known as the reclamation act.

SEC. 11. That the Secretary of the Interior is authorized to prescribe necessary and proper rules and regulations and to do any and all things necessary to carry out and accomplish the purposes of this act.

SEC. 12. That the deposits herein referred to shall be subject to disposition only in the form and manner provided in this act, and except as herein otherwise provided all laws or portions of laws in conflict herewith are hereby repealed, except as to valid claims existent at date of the passage of this act and thereafter maintained in compliance with the laws under which initiated.

REPORTS OF COMMITTEE ON THE JUDICIARY.

Mr. WALSH, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment:

S. 70. A bill providing for an additional judge for the district of Montana; and

S. 1484. A bill ratifying the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish.

CAR-SERVICE SHORTAGE.

Mr. POMERENE. From the Committee on Interstate Commerce I report back favorably with an amendment the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes; and I submit a report (No. 43) thereon.

I desire to state in presenting the report that the purpose of the committee is to confer fuller authority upon the Interstate Commerce Commission in connection with the distribution of cars. I can not under the rule ask for the consideration of the bill to-day, but I shall hope to call it up at the earliest moment possible.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. SMITH of Michigan subsequently said: Mr. President, in reference to the report which was made a moment ago from the Committee on Interstate Commerce by the Senator from Ohio [Mr. POMERENE], and which he gave notice of his intention to press before the Senate, I desire to ask the Senator from Ohio if the bill is to be pressed for consideration to-day?

Mr. POMERENE. I understand that there is another bill pending, being the unfinished business, and if there is any objection to the consideration of the car-shortage bill, of course, I can not bring it up to-day.

Mr. SMITH of Michigan. If the Senator will allow me, I desire to ask is his report from the committee on that bill a unanimous one?

Mr. POMERENE. It was a unanimous report of the quorum present. I think there were, perhaps, eight members present.

Mr. SMITH of Michigan. And the bill deals with the question of the distribution of freight cars?

Mr. POMERENE. It does.

I may say to the Senator from Michigan that in January last the Interstate Commerce Commission, by a divided vote of 4 to 3, held that under the interstate-commerce act they had the power to deal with this subject; but I think it is only fair to say that there is room for an honest difference of opinion. The bill known as the Esch bill was introduced in the other House and recently passed that body. The report which I have made is upon that bill, which reenacts several sections of the law and is 15 or 18 pages in length. The committee thought it would be wise to redraft the bill and to incorporate in a substitute therefor just the new matter which it was sought to add to the interstate-commerce act.

Mr. SMITH of Michigan. Mr. President, I think if the Senator from Ohio should give notice that he is going to call up the bill to-morrow it would advise Senators as to his intention. I regard the bill as very important legislation. I want to say to the Senator that I listened with much interest to the speech of the Senator from Georgia [Mr. SMITH] last week, and, according to my information, there are 2,500,000 freight cars in this country which because of the lack of systematic distribution work only two hours a day, and that, too, at a time when it is so essential that they should be properly and economically used in handling the congested business of the country and with which our welfare is so intimately related. If it is true—and I think I am well within the facts—that 2,500,000 freight cars are used only two hours a day, the situation calls for some prompt legislation in order that our crops may be moved at the appropriate time with facility and dispatch.

Mr. POMERENE. Mr. President, there is much truth in what the Senator from Michigan has said on that subject, and I think every member of our committee felt that the Interstate Commerce Commission should have fuller authority to deal with the situation.

I now give notice that I shall call up the bill to-morrow, and shall ask the Senate to consider it, assuming, of course, that there is no unfinished business in the way.

Mr. FLETCHER. Before the Senator from Ohio takes his seat may I ask him a question with regard to this report?

Mr. POMERENE. Certainly.

Mr. FLETCHER. I have been receiving a great many telegrams, letters, and resolutions indorsing heartily what is known as the Esch bill, and evidently that bill meets with very considerable favor. I inquire of the Senator from Ohio whether the report which he has made on the Esch bill will correspond and agree with the provisions of that bill as it passed the other House, or whether there will be any divergence?

Mr. POMERENE. Mr. President, without attempting to answer completely the Senator's inquiry, I may say that the purpose of both bills is one and the same. At the last session of Congress I introduced in the Senate a duplicate of the Esch bill, and I have also introduced it at the present session. I think that if this bill is passed, assuming that there are differences—and there are a few differences—they can be readily worked out in conference.

Mr. ROBINSON. Mr. President, will the Senator permit me to make a brief statement?

Mr. POMERENE. I yield to the Senator.

Mr. ROBINSON. Touching the inquiry of the Senator from Florida the authority of the Interstate Commerce Commission under the so-called Pomerene amendment, which the Interstate Commerce Committee of the Senate has ordered reported, is broader and more general, in my opinion, than that which is contained in the Esch bill. As an illustration of that fact, the Esch bill authorized the commission in case of emergency to make orders for the distribution and movement of cars, while the Pomerene amendment, which the Senate committee has reported, gives the commission the general authority to exercise that power regardless of any emergency. The word "emergency" is vital in the Esch bill. There are other differences, but that is the one material difference.

Mr. POMERENE. Yes; and I may say to the Senator from Florida that another important difference between the two bills is this, that the Esch bill defines car service as meaning "exchange, interchange, and return of cars," while the substitute defines car shortage as including the movement, distribution, exchange, interchange, and return of cars. I think that when we take the matter up for fuller consideration the Senator will see the necessity of that change.

Mr. FLETCHER. I look upon it as a very important matter, and I hope the Senator will be able to get it up as early as possible and complete its consideration.

Mr. TOWNSEND. Mr. President, I was not in the Chamber when the Senator from Ohio made his request. Did the Senator ask for immediate consideration of the bill?

Mr. POMERENE. I did not. There is another bill which has the right of way; but I gave notice that I would call it up to-morrow for consideration.

Mr. TOWNSEND. I had hoped the bill might be disposed of to-day.

Mr. POMERENE. If an opportunity presents itself, I would be glad to have it disposed of to-day.

Mr. GALLINGER. Mr. President, I ask for the regular order. If this matter ever comes before the Senate, it will be properly debated; it is not before the Senate now.

The VICE PRESIDENT. The regular order is demanded. The introduction of bills and joint resolutions is next in order.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMPSON:

A bill (S. 2327) further to provide for the support of the Army by the prevention of the waste of the food products of the United States during the period of war and to prohibit their manufacture into alcoholic liquors, except in certain cases, to provide for the distillation of liquors in bond or heretofore manufactured, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SHEPPARD:

A bill (S. 2328) to provide for the settlement, registration, transfer, and assurance of titles to land, and to designate a court of land registration, with jurisdiction for said purposes, in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 2329) to establish a landschaft system of rural credit in the United States; to the Committee on Banking and Currency.

By Mr. PENROSE:

A bill (S. 2330) granting an increase of pension to George Bessor; and

A bill (S. 2331) granting a pension to Jeanette Jenkins; to the Committee on Pensions.

By Mr. BANKHEAD:

A bill (S. 2332) for the naturalization of Francois Wilhelm Hiddinga; to the Committee on Immigration.

By Mr. WEEKS:

A bill (S. 2333) authorizing the Postmaster General to increase prices for certain supplies to conform to abnormal market conditions; to the Committee on Post Offices and Post Roads.

By Mr. MYERS:

A bill (S. 2334) to authorize absence by homestead settlers and entrymen, and for other purposes; to the Committee on Public Lands.

By Mr. SUTHERLAND:

A bill (S. 2335) to promote on the retired list of the United States Army Brig. Gen. David S. Gordon, United States Army, retired; to the Committee on Military Affairs.

A bill (S. 2336) granting a pension to James Chaffin; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 2337) granting an increase of pension to John H. Denny (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 2338) granting a pension to John Aldrich (with accompanying papers);

A bill (S. 2339) granting an increase of pension to George A. Stanhope (with accompanying papers);

A bill (S. 2340) granting a pension to Flora Hopkins Devereux (with accompanying papers);

A bill (S. 2341) granting a pension to Melinda A. Smiley (with accompanying papers); and

A bill (S. 2342) granting an increase of pension to William M. Somers (with accompanying papers); to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 2343) authorizing the President to recommission in the Regular Army as additional number Brice P. Disque; to the Committee on Military Affairs.

By Mr. RANSDELL:

A joint resolution (S. J. Res. 67) to fix the status and rights of officers of the Public Health Service when serving with the Coast Goard, the Army, or the Navy; to the Committee on Public Health and National Quarantine.

PNEUMATIC MAIL-TUBE SERVICE.

Mr. BANKHEAD. Mr. President, I introduce a joint resolution and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 66) making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917, was read the first time by its title, and the second time at length, as follows:

Resolved, etc., That the appropriation for the investigation of the pneumatic mail-tube service, under the provision of the act approved March 3, 1917, be, and the same is hereby, made immediately available.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. SMOOT. Mr. President, I ask that the joint resolution may again be read.

The Secretary again read the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENTS TO THE PENDING BILL.

Mr. WADSWORTH submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

Mr. THOMPSON submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. CUMMINS submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense; to conserve foods, feeds, and fuels; and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. HUSTING submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense; to conserve foods, feeds, and fuels; and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. JONES of Washington. Mr. President, I submit two amendments which I intend to propose to the bill which is now the unfinished business. These amendments relate substantially to the same matter covered by the bill introduced to-day by the Senator from Kansas [Mr. THOMPSON], if I caught the reading of that bill correctly. I ask that the amendments may be printed in the RECORD and referred to the Committee on Agriculture and Forestry, with the hope that the committee may have a meeting to consider the subject. I desire to give notice to Senators who complained when this matter was presented during the consideration of the bill which was passed here a few days

ago that ample time for consideration of the subject could not then be had, that these amendments will be pressed on the pending bill, and that it is to be hoped that a vote will be had upon them or upon some other measure embodying the proposition before any agreement is made fixing a 5 or 10 minute debate.

Mr. STONE. Mr. President, I inquire to what the amendments relate that have just been offered by the Senator from Washington?

Mr. JONES of Washington. I thought I had announced to what they relate.

Mr. STONE. No doubt the Senator did, but I was engaged at the moment.

Mr. JONES of Washington. I beg the Senator's pardon.

In brief, the amendments authorize and direct the President to commandeer such intoxicating liquors as may be now on hand as he may deem to be necessary for munition purposes, and to prohibit the use of food products in the further manufacture of intoxicating liquors except for munition purposes, and under a permit to be issued by the Secretary of the Treasury. That is, in brief, the purpose of the amendments. I ask that the amendments be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, that action will be taken.

The amendments are as follows:

SEC. —. That for the purpose of conserving the man power and resources of the Nation and to increase the efficiency and safety of the Army, Navy, and the people throughout the country during such war, the manufacture, sale, gift, importation, or transportation in interstate commerce of any alcohol or alcoholic liquors for beverage purposes is hereby prohibited.

SEC. —. That in the judgment of Congress it is necessary and proper for the successful prosecution of the war with the Imperial German Government to prevent the wasteful use of food products, to promote the health and efficiency of and to amply support the men of the Army and Navy and to conserve in the highest degree the resources and power of the Nation, and to these ends it is enacted:

First. That the President of the United States is hereby authorized and directed, during the period of such war, to requisition and commandeer such part of or all of the intoxicating liquors now in existence as he may deem necessary for the purpose of supplying the needs of the Government in the prosecution of said war, together with any or all distilling plants deemed by him necessary for the redistillation of the same, and to pay the owner thereof just compensation therefor to be determined by him, and if the compensation so determined shall be unsatisfactory to the person, firm, corporation, partnership, or association entitled to receive the same such person, firm, corporation, partnership, or association shall be paid 75 per cent of the sum so determined by the President and shall be entitled to sue the United States to recover such further sum as added to the amount so paid will be just compensation for such liquor, in the manner provided by section 24, paragraph 20, and section 143 of the Judicial Code.

Second. That during the period of such war it shall be unlawful to manufacture alcohol from food products for beverage purposes or at all, except upon a permit from the Secretary of the Treasury, who is authorized to issue a permit to any reputable and properly qualified person, firm, corporation, partnership, or association to manufacture alcohol from food products for munitions or for any other purpose necessary to carry on the war or to manufacture intoxicating liquors for industrial, scientific, or medicinal purposes under such rules or regulations as he may prescribe.

Third. That during the period of such war any person, firm, corporation, partnership, or association may use in, manufacture, or redistill into alcohol for, the manufacture of explosives or other military, industrial, or scientific purposes any or all intoxicating liquors now in existence or which may be manufactured or distilled within 30 days after the passage and approval of this act, and when such liquor is so used, manufactured, or redistilled the tax thereon for beverage purposes as now provided by law shall be waived, refunded, or credited on the amount of tax due on such liquor from the owner thereof under such rules and regulations as the Secretary of the Treasury may prescribe.

Fourth. That during the period of such war the importation of any alcohol or any alcoholic liquors for beverage purposes shall be unlawful.

Fifth. That any person, firm, corporation, partnership, or association doing anything declared unlawful by this section or in willful violation of any rule or regulation prescribed thereunder shall be punished by a fine of not exceeding $5,000 or by imprisonment at hard labor not exceeding one year or by both such fine and imprisonment.

WAR REVENUE.

Mr. KENYON submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

WITHDRAWAL OF PAPERS—REBECCA J. ABEL.

On motion of Mr. BRADY it was

Ordered, That the papers accompanying the bill (S. 3640) granting a pension to Rebecca J. Abel, Sixty-fourth Congress, be withdrawn from the files of the Senate, no adverse report having been made.

SOCIALIZATION OF THE LAW.

Mr. POMERENE. Mr. President, I have here a very interesting article, written by Mr. James Harrington Boyd, of the Toledo (Ohio) bar, on the subject of "Socialization of the law." It is printed in the Case and Comment, the lawyers' magazine. I suggest that it be referred to the Committee on Printing for a report as to the advisability of having it printed.

The VICE PRESIDENT. It will be so referred.

INCREASE OF MILITARY ESTABLISHMENT.

The VICE PRESIDENT laid before the Senate the following concurrent resolution (H. Con. Res. 9) of the House of Representatives, which was read:

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document 1,250,000 copies, in one document, of the act to increase temporarily the Military Establishment, approved May 18, 1917; registration regulations prescribed by the President under the authority of said act, approved May 18, 1917; and the proclamation of the President of same date fixing June 5, 1917, as the date of registration; 875,000 for the use of the House and 375 for use of the Senate, the same to be distributed through the folding room of the House and Senate, respectively.

Mr. CHAMBERLAIN. Mr. President, I ask that the Senate concur in the resolution of the House. I may state with reference to the matter, Mr. President, that I am receiving hundreds of requests from all over the country for copies of the registration regulations prescribed by the President and the proclamation of the President in reference thereto.

The VICE PRESIDENT. The concurrent resolution only provides for the printing of 375 copies for the use of the Senate, so many requests could not well be supplied.

Mr. BRANDEGEE. I was going to suggest that the word "thousand" be inserted in the resolution after the numerals "375."

Mr. SMOOT. I suggest that the concurrent resolution be referred to the Committee on Printing.

Mr. CHAMBERLAIN. I did not note that the resolution only provided for 375 copies for the Senate. As it passed the House, it provided for 375,000 for the use of this body. I therefore ask that it be referred to the Committee on Printing.

The VICE PRESIDENT. The concurrent resolution will be referred to the Committee on Printing.

FOOD CONTROL.

The VICE PRESIDENT. If there be no concurrent or other resolutions, morning business is closed.

Mr. GORE. I ask unanimous consent that the unfinished business be laid before the Senate.

The VICE PRESIDENT. Is there any objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes.

Mr. FLETCHER. Mr. President——

Mr. GALLINGER. Mr. President, I inquire if the bill has been read?

The PRESIDENT pro tempore. The bill has been read as far as section 6.

Mr. GALLINGER. Let reading of the bill be continued then, Mr. President.

The PRESIDENT pro tempore. The Secretary will continue the reading of the bill.

Mr. BRANDEGEE. I ask that the previous sections be printed in the RECORD in connection with what the Secretary is about to read, so that the whole bill will appear in the RECORD.

The PRESIDENT pro tempore. Without objection, it will be so ordered. The Chair hears none.

The Secretary resumed and concluded the reading of the bill, which in full is as follows:

Be it enacted, etc., That by reason of the existence of the state of war there is a national emergency, and it is essential for the national security and defense further to assure an adequate supply and equitable distribution and to facilitate the movement of foods, feeds, and fuel, hereafter in this act called necessaries, for the Government and people of the United States, and to protect them against injurious speculation, manipulations, and controls affecting such supply, distribution, and movement. For such purposes the powers, authorities, obligations, and prohibitions hereinafter set forth are conferred and prescribed.

SEC. 2. That the Secretary of Agriculture is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food. It shall be the duty of any person, when requested by the Secretary of Agriculture, or any agent acting under his instructions, to produce books, letters, papers, documents, or reports, or to answer correctly, to the best of his knowledge, all questions necessary to carry into effect the provisions of this section. Any person who shall refuse or willfully neglect to produce such books, letters, papers, documents, or reports, or who shall refuse or willfully neglect to answer any such question, or who shall willfully give answers that are false, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

SEC. 3. That it is hereby made unlawful for any person to hoard, or to hold, or enter into any contract or arrangement for any necessaries in excess of an amount reasonably needed to supply his individual or business requirements for a reasonable time; to monopolize or attempt to monopolize, either locally or generally, any such necessaries; to engage in any discriminatory and unfair or any deceptive practice or device in handling or dealing in or with such necessaries; to enter into any con-

tract, arrangement, or conspiracy to restrict the supply or, except as permitted by law, for preventing gluts and for effecting equitable apportionment of perishable products among markets, to restrict distribution, or to enhance the prices of any such necessaries; to exact excessive prices for any such necessaries; or to aid or abet the doing of any act made unlawful by this section: *Provided*, That this section shall not apply or extend to any accumulating or withholding by any farmer, gardener, or other person of the products of any farm, garden, or other land cultivated by him.

SEC. 4. That no person shall conspire, combine, agree, or arrange with any other person to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessaries, or to restrain or injure trade or commerce in relation to any necessaries, or to prevent, limit, or lessen the manufacture or production of any necessaries, or to enhance the price thereof, or to prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation, insurance, or supply of any necessaries.

SEC. 5. That the Secretary of Agriculture may, from time to time, establish and promulgate standards for grade and other classification of foods, food materials, feeds, seeds, other agricultural products, and fertilizers, hereafter in this section called commodities, by which their quality and value may be judged or determined, and standards for receptacles for commodities, by which the capacity of such receptacles may be judged or determined, and may make regulations governing the marks, brands, and labels used or to be used upon receptacles for commodities, for the purpose of showing the name and address of the producer or packer and the quality, nature, or quantity of the contents, and for the purpose of preventing deception with reference thereto. Before promulgating any standard under this section the Secretary of Agriculture may make such investigation and hear such representatives of trade interests concerned as he deems essential. Whenever the Secretary of Agriculture deems it essential to establish a standard for any commodity or receptacle, and a standard therefor shall then be effective under any act of Congress, such standard shall be promulgated as the standard for such commodity or receptacle under this section. Whenever any standard for grade or other classification of any commodity becomes effective under this section, no person thereafter shall pack for sale, offer for sale, consign for sale, or sell any such commodity by any grade or other classification other than that of such standard: *Provided*, That any person who packs for sale, offers for sale, consigns for sale, or sells any such commodity without regard to grade or other classification shall specifically describe such commodity or plainly mark the receptacle thereof in accordance with the regulations of the Secretary of Agriculture, in such manner as to indicate that such commodity is ungraded or unclassified. Whenever any standard for a receptacle becomes effective under this section no person thereafter shall pack for sale, offer for sale, consign for sale, or sell, in a receptacle, any commodity to which such standard for a receptacle is applicable, unless the receptacle conform to the standard, subject to reasonable variations therefrom permitted in the regulations of the Secretary of Agriculture, or unless the receptacle be so different in form, shape, and capacity as upon ordinary observation clearly to be distinguishable from the standard: *Provided*, That such requirements and regulations shall not apply to highly perishable fruits and vegetables. Whenever any regulation governing the marking, branding, or labeling of a receptacle for a commodity becomes effective under this section, no person thereafter shall pack for sale, offer for sale, consign for sale, or sell any such commodity in a receptacle to which such regulation is applicable, except in accordance with such regulation. This section shall not apply to offers for sale, consignments for sale, or sales in the original package of foods or feeds imported from a foreign country. Any person who violates any provision of this section, or of the regulations of the Secretary of Agriculture thereunder, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding one year, or both.

SEC. 6. That whenever the Secretary of Agriculture shall find it necessary, in order to carry out the provisions of this act, he may license the manufacture, storage, or distribution of foods, food materials, feeds, and fuels, and, after having publicly announced such necessity, no person shall, after a date fixed in such announcement, engage in or carry on any business specified in such announcement of manufacture, storage, or distribution of such articles, or any of them, unless he shall secure and hold a license issued by the Secretary of Agriculture. For the purposes of this section the Secretary of Agriculture is authorized to prescribe such reasonable regulations governing the conduct of the business of licensees as he may find to be necessary. Such regulations may include requirements for systems and auditing of accounts to be kept by licensees, submission of reports by licensees, and the entry and inspection by the Secretary of Agriculture, or his duly authorized agents, of the places of business of licensees. Any person who, without a license issued by the Secretary of Agriculture, shall engage in or carry on any business for which a license is required under this section, or willfully violates any provision of this section or any regulation of the Secretary of Agriculture under this section, or willfully fails or refuses to comply with any order of the Secretary of Agriculture under this section, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof, be punished by a fine not exceeding $1,000 and by imprisonment not exceeding one year.

SEC. 7. That whenever the Secretary of Agriculture shall ascertain and publicly announce that any specified mixture of wheat, wheat flour, or other wheat product with any other cereal or cereal flour or other material of vegetable origin is wholesome and economically fit for food, such mixture, if marked or labeled so as plainly to disclose the kinds and relative amounts of the ingredients of the mixture and prepared in accordance with regulations made by the Secretary of Agriculture, shall not be deemed to be adulterated or misbranded within the meaning of the act of June 30, 1906, as amended, commonly known as the food-and-drugs act, or to be subject to the provisions of the act of June 13, 1898, as amended, commonly known as the mixed-flour law.

SEC. 8. That any person who violates any of the provisions of this act, except as otherwise provided, shall, upon conviction thereof, be punished by a fine not exceeding $5,000 or by imprisonment for not exceeding five years, or both.

SEC. 9. That words used in this act shall be construed to import the plural or the singular as the case demands. The word "person," wherever used in this act, shall include individuals, partnerships, associations, and corporations. When construing and enforcing the provisions of this act, the act, omission, or failure of any official, agent, or other person acting for or employed by any partnership, association, or corporation within the scope of his employment or office shall, in every case, also be deemed the act, omission, or failure of such partnership, association, or corporation as well as that of the person.

SEC. 10. That the sum of $1,500,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, for the carrying out of the purposes of this act, including the payment of such rent, the expense of such printing and publications, and the employment of such agencies in the Department of Agriculture, such persons, and such means, in the city of Washington and elsewhere, as the Secretary of Agriculture may deem necessary.

SEC. 11. That this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be determined and proclaimed by the President; but such date shall not be later than one year after the termination, as ascertained by the President, of the present war between the United States and Germany.

During the reading,

Mr. SMITH of Michigan. Mr. President, if I catch the meaning of section 6, it obliges, at the pleasure of the Secretary of Agriculture, every person engaged in the manufacture, storage, or distribution of food, food materials, and so forth, to procure a license to do business.

Mr. GALLINGER. Mr. President, I rise to a point of order. The reading of the bill was ordered by the Senate, and I think the reading ought to be completed.

Mr. SMITH of Michigan. I think so, too. I wanted to see if I caught this correctly. I think I have. If so, I want to say something about it.

The PRESIDENT pro tempore. The reading of the bill has been ordered.

Mr. GALLINGER. Let the reading of the bill be concluded.

The PRESIDENT pro tempore. The Secretary will continue the reading of the bill.

The Secretary resumed and concluded the reading of the bill.

Mr. HARDWICK. Mr. President——

The PRESIDENT pro tempore. The Senator from Georgia.

Mr. HARDWICK. I suppose the general discussion of this bill is now in order?

Mr. GORE. Mr. President, I have prepared a series of amendments to the bill, and I should like to offer them first.

Mr. HARDWICK. I yield, of course, to the Senator from Oklahoma.

Mr. GORE. The amendments vary, and I may say that some of them are highly important and some of them less so. Any amendment of any serious consequences that any Senator desired to have passed over will, of course, be passed over for further consideration. Some of them, however, I can present, I think, and have adopted and clear the way for the more serious matters.

Mr. THOMAS. Mr. President, I have an amendment which I desire to offer, but will postpone it until the offer of the amendments by the chairman of the committee.

Mr. GORE. There is a series of these, Mr. President.

Mr. HARDWICK. If the Senator from Oklahoma desires to dispose of the committee amendments before the general discussion takes place——

Mr. GORE. These, I may say, are not committee amendments. The committee amendments have been agreed to. But they are amendments which I have discussed more or less with the members of the committee.

Mr. HARDWICK. If that is the situation, unless the Senator much prefers it, I will go on now with what I have to say.

Mr. GORE. I would much prefer it, because I think it would perhaps change, or at least modify, the character of the Senator's discussion.

Mr. HARDWICK. In deference to the Senator's wishes I yield to him for that purpose.

Mr. FLETCHER. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. The Senator from Oklahoma is recognized. Does the Senator from Oklahoma yield to the Senator from Florida?

Mr. GORE. I yield to the Senator from Florida.

Mr. FLETCHER. I desire to offer an amendment, simply to have it printed, and will ask to take it up after the amendments submitted by the Senator from Oklahoma have been disposed of.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. GORE. I yield to the Senator from Utah.

Mr. SMOOT. I desire to ask the Senator whether he has had prepared a comparative print of the bill as reported to the Senate and the bill as it would be, including the amendments he proposes to offer?

Mr. GORE. No, sir; there is no comparative print. There is a comparative print of this bill in parallel columns with bills pending in the House.

Mr. SMOOT. That is House bill 4125?

Mr. GORE. Yes, sir; and still another bill; I think it is House bill 4188.

Mr. SMITH of Michigan. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Michigan?

Mr. GORE. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. I should like to ask the Senator from Oklahoma, the chairman of the committee, if section 6 is intended to apply to canners of food products—whether they are to be licensed or not permitted to do business in interstate commerce?

Mr. GORE. I will say that I have here an amendment to section 6. Such an amendment is included among those to which I referred; and if it pleases the Senator, I should be glad to omit that discussion until we reach that amendment.

Mr. SMITH of Michigan. I will not interrupt the Senator. I simply want to remind him, however, of an experience which we had in Congress a few years ago when we undertook to establish what was known as the denatured-alcohol business in this country. We supervised it in the same general way that we are seeking to supervise this situation, and it failed, and failed utterly, although other countries demonstrated that it was a matter of very great value to them. To-day it stands the German Empire in very good stead that it is able to make denatured alcohol.

I do not want to see this legislation surrounded with so much of detail that the business man who seeks to engage in enterprises of this character or scope will be hampered and limited and restricted and discouraged from going on with his business. I hope the Senator's amendment may touch that very matter. It is very important.

Mr. GORE. I may say that I think the industry referred to was perhaps supervised out of existence. I hope we can arrange this bill so as not to strangle any business we handle.

I send to the desk the first amendment to which I wish to call the attention of the Senate.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. On page 1, line 8, after the word "people," it is proposed to insert "and for the Army and Navy," so that it will read:

To assure an adequate supply and equitable distribution and to facilitate the movement of foods, feeds, and fuel, hereafter in this act called necessaries, for the Government and people and for the Army and Navy of the United States.

Mr. SMITH of Michigan. If you say "Government," that covers the others.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. The Senator from Connecticut.

Mr. BRANDEGEE. I want to ask the Senator in charge of the bill a question. I notice that this bill was introduced by the Senator from Oklahoma [Mr. GORE] by request on May 11, and has been reported practically as it was introduced. I should like to be informed whether this bill emanates from a department of the Government?

Mr. GORE. What was the Senator's inquiry?

Mr. BRANDEGEE. I should like to be informed whose product this bill is. Who drafted it?

Mr. GORE. I will say that the Department of Agriculture prepared two different bills, sending, as I am informed, copies to the chairman of the Committee on Agriculture of the House, and also sending copies to myself. I do not remember the number of the first bill as introduced in the House. I introduced a similar bill—an identical bill, I may say—in the Senate, by request. Later another bill was sent to the chairman of the House committee and to myself. The chairman of the House committee introduced that bill in the House. I did not introduce that measure in the Senate. I did, however, if I may use the expression, cut ribs out of its side, and prepared a separate bill, including certain sections.

I had several reasons for pursuing that course. I thought the bills as drawn had perhaps pooled the opposition instead of dividing the opposition, that some Senators might object to one section and favor all the rest, and so on, and that by marshaling too much opposition the bill might fail. That is one reason. Another reason for not introducing the last bill sent to me is the fact that it contained a taxing clause, and of course could not originate in the Senate. There were other reasons than that why I did not introduce that measure, which I need not detail at this time.

With regard to the separate bills including different sections which I introduced, the committee took them under consideration, and consolidated a number of them into a measure which was then introduced by me as a distinct bill, referred to the committee, and reported back to the Senate. That is the pending measure, Senate 2263, varying in many important particulars from the drafts sent up by the department, and containing two or three sections which were not embodied in those drafts.

That is the history of the legislation up to date. I may say, however, that it was deemed necessary to have a food survey or census, and I requested the department to prepare a bill covering that subject, and suggesting the amount of money necessary for its execution. Afterwards I received the measure suggested, which of course covered a great deal more ground than that.

Mr. BRANDEGEE. Mr. President, the object of my inquiry is to ascertain whether this bill, introduced by the Senator by request and in the manner he has described, as at present reported has the approval of the Department of Agriculture?

Mr. GORE. Mr. President, I am unable to answer that question. I do not know whether the changes made by the department meet the approval of the Secretary of Agriculture or not. I am not prepared to say.

Mr. SMITH of Georgia. Mr. President, will the Senator pardon me?

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Georgia?

Mr. BRANDEGEE. I yield.

Mr. SMITH of Georgia. It is true, however, that the bill as reported is the bill suggested by the department in modified form. The present bill does not go to the extent that the bill suggested by the department went.

Mr. REED. Mr. President——

Mr. GORE. I yield to the Senator from Missouri.

Mr. REED. I was only going——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Missouri?

Mr. REED. The Senator from Connecticut does not have the floor.

Mr. BRANDEGEE. I desired to have a matter read from the desk, but I will yield to the Senator.

The PRESIDING OFFICER. The Senator will suspend. The Senator from Missouri is mistaken. The Chair has recognized the Senator from Connecticut, and he asked a question of the Senator from Oklahoma. The Senator from Oklahoma was on the floor by courtesy of the Senator from Connecticut.

Mr. BRANDEGEE. If I control the floor, I do not want the Senator from Misosuri to understand that I decline to yield to him at all. I am perfectly willing to yield to the Senator, but I do not wish to lose the floor.

Mr. REED. It is immaterial now.

Mr. BRANDEGEE. Then, Mr. President, I wish to ask the Senator from Oklahoma if there is a written report accompanying the bill?

Mr. GORE. There is not, Mr. President. I may say that it was my intention to prepare a report analyzing the bill, but I have not had an opportunity to do so. Being a member of the Committee on Finance, which holds meetings in the forenoon, I have been denied the opportunity. I will say to the Senator that there is a comparative print of this bill, which will be illuminating if he will obtain it.

Mr. BRANDEGEE. Of course, we are engaged now in the passage of the bill.

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. And any report that the committee may make later on analyzing it will not be of service now in enlightening us as to how we shall vote upon the different amendments and sections of the bill.

Mr. GORE. That is true.

Mr. BRANDEGEE. Was the testimony taken before the committee printed, and is it obtainable?

Mr. GORE. It is obtainable; yes, sir.

Mr. BRANDEGEE. There are copies in the committee room?

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. Can the Senator state in general what experts or witnesses appeared advocating the bill?

Mr. GORE. I will say that there seemed to be a consensus of opinion that the Government ought to take steps of some kind to meet the situation with reference to foods and feeds, and to anticipate, if practicable, a possible dearth or scarcity.

Mr. BRANDEGEE. But I wanted to know the names of the witnesses who advocate the bill.

Mr. GORE. Mr. President, I do not know that I can say offhand, without consulting the RECORD; but a number of them were examined more particularly as to the price-fixing proposition. Some of them advocated that. Generally, they did advocate it. There were one or two that did not. I think Mr. Dillon, of New York, perhaps was opposed to the price-fixing

plan. I think Dr. King, of the University of Pennsylvania, favored it. I think Dr. Huebner, of the University of Pennsylvania, favored it; and I think probably George W. Perkins favored it.

Mr. BRANDEGEE. The Senator means, I assume, that they favored some plan of Government control of food products.

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. Not necessarily favoring this particular bill in every respect?

Mr. GORE. Well, I may say to the Senator that this bill was drafted after the hearings had been concluded. The hearings were on the general situation, and on the bills introduced in the House, and the bill introduced by myself in the first instance. This bill is a sort of recast after the hearings were over.

Mr. BRANDEGEE. Mr. President, I send to the desk and ask to have read by the Secretary a printed article sent to me by a newspaper, the article being a reprint from the New York Globe of May 17, 1917, being an article by Alfred W. McCann, bearing upon the general proposition of having control by the Government through a director, or whatever they call him, of food products. I should like to have the Secretary read it before the amendments are acted upon.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[From the New York Globe of May 17, 1917.]

HOOVER SAYS HIS FOOD FIGHT WILL BE FOR PLAIN PEOPLE—MAN WHO MAY BE DICTATOR WON'T ALLOW POLITICIANS OR THEORISTS TO INTERFERE, HE TELLS MCCANN—PREDICTS FLOUR AT $6.60—BELIEVES IN 81 PER CENT MILLING.

[By Alfred W. McCann.]

WASHINGTON, *May 17.*

"As an economic aid to our shipping larger quantities of wheat to our allies I would be glad to see everyone in the United States eat 100 per cent bread, but I will never act the part of an engine to drive them to eat it."

This statement was made to me last evening by Herbert C. Hoover, prospective food dictator of the United States, in his apartments in the New Willard, Washington.

Hoover is a tired man, a depressed man, an impatient man, but a strong man. For two years he administered the work of feeding 10,000,000 ravished Belgians on food which has, as he himself says, left them so woefully underfed that they are now subject to every disease that scourges humanity.

HOOVER SHUDDERS AT MEMORY.

"We built our own flour mills in Belgium with American machinery and milled the wheat to 81 per cent. That 81 per cent of the wheat grain, with fats and soup, has been all that the broken Belgians have had to eat for two years," he said with a faint suspicion of a shudder, as if he would have blotted from his memory a picture too horrible to contemplate.

"We tried at one time in desperation to squeeze more of the wheat into the flour, but the Belgian mortality increased immediately by a thousand deaths, and we did not after that dare to mill more than 81 per cent of the grain.

"If it falls to my lot to control the food supply of the United States," he said, "I shall begin at once to cut off every official and every theorist. There must be, above all, no professors on this job. The commercial interests of this country are the only people who know anything about food that is practical, and to them I shall look exclusively for aid in helping me to solve the big and complex problems which are involved in this work.

"I will not be shackled by anybody in the Department of Agriculture and will not allow a single job hunter or profit monger to help me.

"Patriotic and unselfish men, every one of them working without pay or compensation of any kind, will be my assistants."

He spoke with a finality that reflected the present state of mind of the President, who, as was freely rumored in the corridors of the Capitol during the day, no longer reposes full confidence in Secretary Houston or any of the old bureaucrats who for years have worked under cover in the Department of Agriculture.

HIS BIG JOB.

"My big job," he said in a manner that did much to convince me he had accepted the job, "will be to drop the outrageous price of flour to $6.60 a barrel.

"I know of no more diabolic or wicked thing in all this hellish business than the crime committed against humanity by the damned robbers, for that is exactly what they are, who have shot up the price of flour to its present level.

"There are thousands of abandoned flour mills scattered all over this country which can be reopened to bring about the drop in price, which I hold to be the most important and most radical move now up to the American people. Local milling will establish direct lines between producer and consumer and cut off the grabbing hands between.

"Those mills will have to get at least 81 per cent out of the wheat, and there will be no flour milled under this standard. Those that want to mill a hundred per cent can do so, but there will be no regulations compelling them to go further than 81 per cent.

"There was down here a fellow named Johnson, who came from New York to tell us about his 100 per cent bread. We investigated it and found the flour which he thought was whole wheat was merely 75 per cent. He had been fooled by the millers and was fooling his customers in turn.

"The millers have been lobbying around Washington ever since I came here," he went on, "but they have made no impression upon me. What they actually want is no change at all."

I asked him if the Belgians were getting sufficient food in quantity to keep them in health, for it seemed that what he said was an indication that he did not believe in the wholesomeness of flour containing more than 81 per cent of the wheat.

NOT SUFFICIENT FOOD.

"No; they have not had sufficient food to keep anybody in health," he answered.

"But there seems to be in your mind the conviction that bread containing all or most of the wheat is not good food and that your single experience with whole-meal bread caused the death of a thousand Belgians. Is not the malnutrition of those people probably attributable to too little food of any kind rather than to the little whole meal which they received?" I asked.

"I saw people die when we increased the percentages of wheat in their bread, and I do not want to shoulder the responsibility of making the entire country eat whole wheat unless it wants to.

"Moreover, there are certain people who can not eat bran, and the keeping qualities of their flour must be considered. If we could mill flour within 30 days of its consumption, it might be a different thing, but I don't want the responsibility of deciding this issue," he repeated.

I reminded him that the reopening of the county mills, mills near the cities and in the cities, would bring the flour well within the 30-day period which he had in mind, and that the very millers who were lobbying for white flour were themselves advertising and selling in fancy packages, for its medicinal value, the bran which they had taken out of that white flour.

He said he knew that.

I told him about the making 100 per cent bread, 50,000 loaves of it a week, and the bakers of Chicago who were doing the same thing, and of our own little group of 75 undernourished boys who were restored to health on a diet of 100 per cent bread.

NEEDED WHOLE WHEAT, SAYS M'CANN.

I told him of the experiments of Moore, Eddy, and Sympson, of England, of Gautier, of France, of Vert, of Germany, of Sullivan Towles, and Voegtlin, of the United States Public Health Service, and of numerous others who had demonstrated that in such a diet as he was forced to rely upon in feeding the Belgians nothing could save such people from malnutrition but the very elements which were lost in 81 per cent bread.

He shook his head grimly, the act of an honest man who has suffered a dreadful and heartbreaking experience, and said:

"But I saw a thousand Belgians die on such bread."

"Mr. Hoover," I replied, "I believe in you. Patriotism, unselfishness, and great ability are written all over you, but your sad experience is incompatible and irreconcilable with the known and proved facts. There was some other factor behind the experience which has led you to your unshakable convictions, and if you will let me I will place myself at your convenience to bring another set of facts before you."

He was tired almost to exhaustion, and told me how heavy was his task and how few the hours in which he had to perform that task.

"Some time in the future I hope we may discuss this thing again," he said.

Before leaving his apartment I reminded him of the great army of clerks and other workers who were striving to support life on incomes averaging less than $20 a week, and of their all too restricted diet, urging him to consider the meaning to them of adequate bread containing the salines which they could find in none of the modern processed foods, and without which their watery tissues and thin blood made them subject to the very plague of diseases, including tuberculosis, which he had seen overtake the half-starved Belgians.

HE'S FOR THE MASSES.

He stood straight up and cried with an earnestness that no politician has ever successfully simulated:

"It is for them, the great inarticulate and helpless masses, that I am thinking all the time. It is for them that I am working. It is for them, by God, that I am here."

Oh, what a service this strong, stubborn, unselfish man has attempted to render his fellows and what a service is within his power to render!

May God assist him. After such a talk with such a man one realizes the awfulness of the curse that has been visited upon this earth. Hoover has seen it, has felt it, has lived with it. He knows that Attila has been reincarnated and lives. He know that Attila must die.

Would that I could make him believe that the surest and quickest way to destroy the still living destroyer of men, women, and children is by keeping our soldier and civilian population of our allied nations physically fortified with the food elements which all humanity, thanks to the American miller, now disregards.

Hoover speaks of the difficulty of changing national habits, of bringing about the popularization of whole meal bread. Humanity, realizing the dreadfulness of the task before it, would eagerly change its bread habits if those educational forces already in possession of the facts began at once to tell the truth.

Hoover himself needs to hear those truths again and again and again if only to make less vivid the impression which tragedy and barbarism have burned into his soul.

President Wilson, if your own scientists—Sullivan, Towles, and Voegtlin—have worked to any purpose at all, now is the hour to call them into conference with this man. What they informed the world through a public document, compiled at public expense and printed by the United States Government just one year ago, must be imparted to Hoover. Let them do it now. Across the street from the House they work. In five minutes they can reach Hoover. Send them. Send them now.

The PRESIDENT pro tempore. The question is on the adoption of the amendment offered by the Senator from Oklahoma [Mr. GORE].

Mr. SMITH of Georgia. Mr. President, I believe I can be of some service to the Senate by very briefly calling attention to what each of these sections in a general way apply to.

Mr. NORRIS. Before the Senator proceeds, will he permit me to ask the chairman of the committee whether the testimony of Mr. Hoover and Dr. Taylor has been printed?

Mr. GORE. It has been printed, in part 4.

Mr. NORRIS. I did not catch the Senator's answer.

Mr. GALLINGER. It is in part 4.

Mr. KENYON. It has been printed, I will state to the Senator.

Mr. FALL obtained the floor.

Mr. McCUMBER. I wish to ask the chairman of the committee whether there will be any proposition coming from the

committee in the form of an amendment for fixing the prices of food products?

Mr. GORE. My judgment is that there will not be. That proposition, I assume, will come over to the Senate from the House and will then be considered by the Senate. I do not speak finally, however, as to what the committee might decide in order to facilitate the consideration of the bill, and that question might be submitted as an amendment to the pending measure.

Mr. McCUMBER. But at least no such proposition will come from the committee at this time upon the bill.

Mr. SMITH of Georgia. What proposition?

Mr. McCUMBER. The proposition for fixing either a minimum or a maximum food charge.

Mr. GORE. I can not answer that question finally, because in order to facilitate the consideration of the measure the committee may report such an amendment to the Senate after it has been introduced in the House in final form. I can not speak advisedly on that point. There is great contrariety of opinion among members of the committee on the subject. I think I speak within limits when I state that they have not brought out definitely any final conclusion on that subject.

Mr. McCUMBER. That is all I desired to know.

Mr. GORE. Nothing of that sort is immediately in prospect.

Mr. FALL. Mr. President, before we proceed to the discussion of the bill to occupy the time of the Senate at any length in discussion of it I should like to call the attention of the chairman of the committee to the statement of the President of the United States, followed by the statement of Mr. Hoover, as published in all the daily papers of yesterday. I have before me the Washington Post of Sunday, May 20. It seems to me that upon reading the statement of the President it will be seen that there is a very strong conflict between some of the provisions of the proposed bill and the ideas of the President as he proposes to insist upon them, and that, taking into consideration the recommendation of the President, it might be a good idea to ascertain further what he wants before we proceed with this bill.

I call the attention of the chairman of the committee to the fact that the bill provides for certain duties to be performed by the Secretary of Agriculture and that department, while the President announces that he proposes to impose the work upon a commissioner. I will ask that the article be read in full a little later:

All measures intended directly to extend the normal activities of the Department of Agriculture in reference to the production, conservation, and the marketing of farm crops will be administered as in normal times through that department, and the power asked for over distribution and consumption, over all imports, prices, purchase, and requisition of commodities, storing, and the like, which may require regulation during the war, will be placed in the hands of the commissioner of food administration appointed by the President and directly responsible to him.

The suggestion that I make is, first, that this statement be read now, and then I will ask the chairman whether he thinks it is advisable to proceed with this bill until after consultation.

Mr. SMITH of Georgia. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Georgia.

Mr. FALL. I yield.

Mr. SMITH of Georgia. I had the floor and I yielded it for a question by the Senator from Nebraska [Mr. NORRIS]. I did not intend to yield the floor. I believe that I could in five minutes call the attention of the Senate to what the bill covers and what is omitted, and thereby help the Senate, those who are not members of the committee in appreciating the situation as it is now presented to the Senate.

Mr. FALL. I had the floor under the recognition of the Chair. I did not intend to usurp the time of the Senator at all. The Chair recognized the Senator from New Mexico.

The PRESIDENT pro tempore. May the Chair interrupt the Senator for one moment, because the question has been raised once or twice this morning? The Senator from Georgia was recognized, but he resumed his seat, and before he again rose the Senator from New Mexico addressed the Chair and was recognized. The Senator from North Dakota [Mr. McCUMBER] did not notice that the Senator from New Mexico was recognized and proceeded to address an inquiry to the chairman of the committee. The Senator from New Mexico is properly now upon the floor.

Mr. FALL. The Senator from New Mexico had in view exactly the same idea that has just been announced by the Senator from Georgia—that it is possible the Senate, with full information before it, may proceed to legislate in accordance with the desire of the President of the United States in the conservation of time. I ask that this article be read. It appears on pages 1 and 4 of the Washington Post of yesterday.

The PRESIDENT pro tempore. Is there objection?

Mr. SMITH of Georgia. I object.

Mr. FALL. Then I will read it.

Mr. SMITH of Georgia. All right; let the Senator read it.

Mr. FALL. With very great pleasure.

Mr. GALLINGER. Mr. President, there is a rule of the Senate that when an objection is made to the reading of a paper the question shall be submitted to the Senate.

The PRESIDENT pro tempore. But the Chair thinks that the Senator from New Mexico was proceeding to read it as a part of his remarks, which, of course, he is entitled to do.

Mr. GALLINGER. Certainly; I have no objection to that.

Mr. FALL. I will proceed.

Mr. KENYON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. FALL. I do.

Mr. KENYON. I should like to suggest to the Senator as he reads the article to indicate what part of the statement of the President conflicts with any provisions of the bill.

Mr. FALL. I will read the statement first and then indicate the portions of the bill that I think conflict.

It is very desirable, in order to prevent misunderstandings or alarms and to assure cooperation in a vital matter, that the country should understand exactly the scope and purpose of the very great powers which I have thought it necessary in the circumstances to ask the Congress to put in my hands with regard to our food supplies.

Those powers are very great indeed, but they are no greater than it has proved necessary to lodge in the other governments which are conducting this momentous war, and their object is stimulation and conservation, not arbitrary restraint or injurious interference with the normal processes of production.

INTENDED TO BENEFIT FARMERS.

They are intended to benefit and assist the farmer and all those who play a legitimate part in the preparation, distribution, and marketing of foodstuffs.

It is proposed to draw a sharp line of distinction between the normal activities of the Government represented in the Department of Agriculture in reference to food production, conservation, and marketing on the one hand and the emergency acitivities necessitated by the war in reference to the regulation of food distribution and consumption on the other.

I will call the Senator's attention to the fact that section 4 of this bill does provide for the regulation of the distribution of food products and, indirectly, of consumption. There is something in each of the different sections with reference to it. Section 6 is the one which I have particularly in mind. The statement continues:

ANNOUNCES THE COMMISSIONER.

All measures intended directly to extend the normal activities of the Department of Agriculture in reference to the production, conservation, and the marketing of farm crops will be administered as in normal times through that department, and the power asked for over distribution and consumption, over all imports, prices, purchase and requisition of commodities, storing, and the like, which may require regulation during the war will be placed in the hands of a commissioner of food administration appointed by the President and directly responsible to him.

The objects sought to be served by the legislation asked for are: Full inquiry into the existing available stocks of foodstuffs and into the costs and practices of the various food producing and distributing trades; the prevention of all unwarranted hoarding of every kind, and of the control of foodstuffs by persons who are not in any legitimate sense producers, dealers, or traders; the requisitioning when necessary for the public use of food supplies and of the equipment necessary for handling them properly; the licensing of wholesome and legitimate mixtures and milling percentages, and the prohibition of the unnecessary or wasteful use of foods.

WOULD ESTABLISH PRICES.

Authority is asked also to establish prices, but not in order to limit the profits of the farmers, but only to guarantee to them when necessary a minimum price which will insure them a profit where they are asked to attempt new crops, and to secure the consumer against extortion by breaking up corners and attempts at speculation when they occur by fixing temporarily a reasonable price at which middlemen must sell.

I have asked Mr. Herbert Hoover to undertake this all-important task of food administration. He has expressed his willingness to do so on condition that he is to receive no payment for his services and that the whole of the force under him, exclusive of clerical assistance, shall be employed so far as possible upon the same volunteer basis.

VOLUNTEER COOPERATION NEEDED.

He has expressed his confidence that this difficult matter of food administration can be successfully accomplished through the voluntary cooperation and direction of legitimate distributers of foodstuffs and with the help of the women of the country.

Although it is absolutely necessary that unquestionable powers shall be placed in my hands in order to insure the success of this administration of the food supplies of the country——

Mr. SMITH of Georgia. If the Senator from New Mexico would prefer that the article be read at the desk, I withdraw my objection.

Mr. FALL. No; I thank the Senator for his exceeding courtesy. As I have started, I shall proceed, so that the Senator can not offer any objection.

Mr. SMITH of Georgia. All right.

Mr. FALL. The President continues:

I am confident that the exercise of those powers will be necessary only in the few cases where some small and selfish minority proves unwilling to put the Nation's interests above personal advantage and that the whole country will heartily support Mr. Hoover's efforts by supplying the necessary volunteer agencies throughout the country for the intelligent control of food consumption and securing the cooperation of the most capable leaders of the very interests most directly affected, that the exercise of the powers deputed to him will rest very successfully upon the good will and cooperation of the people themselves, and that the ordinary economic machinery of the country will be left substantially undisturbed.

MEETS MANIFEST EMERGENCY.

The proposed food administration is intended, of course, only to meet a manifest emergency and to continue only while the war lasts.

Since it will be composed for the most part of volunteers, there need be no fear of the possibility of a permanent bureaucracy arising out of it.

May I pause here to congratulate the President upon his calling volunteers into the service, Mr. President, and assuring the country against bureaucracy by virtue of such measures? I resume the reading:

All control of consumption will disappear when the emergency has passed.

I digress again to remark that that is one of the benefits of volunteer democracy, Mr. President. The article proceeds:

It is with that object in view that the administration considers it to be of preeminent importance that the existing associations of producers and distributors of foodstuffs should be mobilized and made use of on a volunteer basis.

NO PRUSSIAN AUTOCRACY.

The successful conduct of the projected administration by such means will be the finest possible demonstration of the willingness, the ability, and the efficiency of democracy, and of its justified reliance upon the freedom of individual initiative.

The last thing that any American could contemplate with equanimity would be the introduction of anything resembling Prussian autocracy into the food control in this country.

It is of vital interest and importance to every man who produces food and to every man who takes part in its distribution that these policies thus liberally administered should succeed and succeed altogether.

It is only in that way that we can prove it to be absolutely unnecessary to resort to the rigorous and drastic measures which have proved to be necessary in some of the European countries—

I suppose he has reference to some selective-draft proposition.

HOOVER TELLS OF PLANS.

Mr. Hoover last night issued a statement saying he would accede to the request of the President upon the assumption that he grant the necessary authority for setting up a competent administrative system.

"I hold strongly to the view," he said, "that while large powers are necessary for minority cases, they will probably need but little application, for the vast majority of the producing and distributing elements of the country are only too willing to serve our national necessities.

RECOMMENDATIONS HE MAKES.

"I have recommended to the President five cardinal principles of food administration:

"First. That the food problem is one of wise administration and not expressed by the words 'dictator' and 'food controller,' but food administrator.

"Second. That the administration can be largely carried out through the coordination and regulation of the existing legitimate distributive agencies supplemented by certain emergency bodies composed of representatives of the producers, distributers, and consumers.

ASKS VOLUNTARY CONSERVATION.

"Third. The organization of the community for voluntary conservation of foodstuffs.

"Fourth. That all important positions, so far as they may be, shall be filled with volunteers.

"Fifth. The independent responsibility of the food administration directly under the President, with the cooperation of the great and admirable organization of the Department of Agriculture, the Department of Commerce, the Federal Trade Commission, and the railway executives."

NEEDS AID OF HOUSEWIVES.

Mr. Hoover also emphasized the necessity of cooperation on the part of the housewives of the country in the intelligent purchase and use of foodstuffs. He purposes to submit to them a scheme by which every woman at the head of a household will pledge herself to carry out the instructions she will be given from time to time.

"We do not ask," he said, "that the American people should starve themselves, but that they should eat plenty, wisely, and without waste."

ON VOLUNTEER BASIS ONLY.

"I have represented to the President," he added, "that I am confident that the whole of this service can be carried out by the men and women of this country on a volunteer basis, and that I can see no other means by which the problem can be adequately solved in the United States. If this can not be done, I shall certainly willingly surrender the task to some other method of emergency. I hold that democracy can yield to discipline and that we can solve the food problem for our own people and for our allies in this way, and that to have done so will have been greater service than our immediate objective, for we will have demonstrated the rightness of our faith and responsibility to defend ourselves without being Prussianized."

Mr. President, I had no intention of reading this entire article when I arose, but I have done so. I have not read it in personal opposition to this bill nor any of the provisions of the bill, but it appears to me that the suggestions contained in it are in entire opposition to the bill. The bill does provide for certain drastic regulations with reference to foods; it does undertake to vest large powers in the hands of the Secretary of Agriculture; and Mr. Hoover's theory appears to be that he can do all that is necessary to carry out his object by voluntary cooperation between himself and the food producers and those who sell the foods and who handle the foods of the country.

It was with the best intention that I called the attention of the Senate to the fact that this statement had been given out, because if we are to be notified later, after proceeding at great length to discuss the present bill, that it does not meet with the executive approval, but that other measures will be insisted upon in conflict with it, necessarily then our work would have been useless. It was with that idea and that alone, sir, that I arose.

Mr. GORE. I desire to say to the Senate and to the Senator that I intend to offer certain amendments, some of which will meet the criticisms suggested by the Senator from New Mexico. I realize that the bill as it now stands is open to his criticisms.

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Ohio?

Mr. GORE. I do.

Mr. POMERENE. Have those amendments been printed?

Mr. GORE. They have not. I prepared them this morning and intend to offer them. I will say that if there is any amendment which any Senator desires to have passed over, it will be passed over, so that it may receive his and the Senate's fullest consideration.

Mr. POMERENE. I hope the Senator will consent to that.

Mr. GALLINGER. I will ask the Senator if the amendments might not be submitted and a "rush" order entered to have them printed? In that event they will be back here before we adjourn this evening probably and we will be able to examine them.

Mr. POMERENE. I was going to make that same request to the Senator.

Mr. GORE. I think I can arrange to do that in a few moments. Some of the amendments, I think, will provoke very little opposition. At the same time, they put a different aspect on the bill in many particulars. I was anxious to have those amendments considered, so that, if adopted, the bill could be considered on the basis suggested by the Senator from New Mexico. I will have them sent to the desk and read to the Senate, in order that Senators may have them in mind, and then try to have them printed on a rush order.

Mr. GALLINGER. There can be no objection to that, it seems to me. They will appear in the RECORD to-morrow morning at least, and the Senator in the meantime can have them printed; but I think that if there is any amendment that is contested the Senator ought not to insist upon a vote on that amendment this afternoon.

Mr. GORE. Not at all. I intend to pass them over if there is any objection and to have them printed, so that Senators may be fully advised as to them.

Mr. HARDWICK. Mr. President, if the Senator will allow me to interrupt him, suppose, then, that we proceed and, if there is any objection to an amendment, let it go over, but let those not objected to be adopted.

Mr. GORE. I will say to the Senator that that was the program that I had hoped to see carried out.

Mr. HARDWICK. I think that would be a proper procedure, because the bill might be changed so that some of us would not be quite so strongly opposed to it as we now are. There is certainly room for improvement.

Mr. GORE. I was anxious to do that before the discussion proceeded; but, of course, I have no control of that situation.

Mr. HARDWICK. Suppose the Senator offers the amendments now.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. GORE. I do.

Mr. JONES of New Mexico. I should like to inquire whether or not the amendments referred to by the chairman of the committee have been considered by the committee or whether they have been prepared since the committee has had the bill under consideration?

Mr. GORE. I will say that they have not been considered by the committee, although I have conferred with several members of the committee in regard to them. As Senators know, we are all pretty busy at this time. I myself am a member of the Finance Committee, which occupies the entire forenoon in the consideration of the forthcoming revenue bill. That will have to serve as my apology, both to the committee and to the Senate, for not having taken these amendments up formally with the committee.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. GALLINGER. I ask that all the amendments the Senator proposes to offer shall be read for the information of the Senate.

Mr. GORE. Does the Senator desire that done at once?

Mr. GALLINGER. I should like to have it done at once; otherwise, I shall object to their consideration.

Mr. GORE. I thought that would be more confusing than simply to offer the amendments separately. Then if any Senator asked that any particular amendment go over I should be glad to consent to let it go over.

Mr. GALLINGER. The Senate can take them up after they have been read.

The PRESIDENT pro tempore. Without objection, the amendments proposed by the Senator from Oklahoma will be read without action immediately.

The Secretary read as follows:

On page 1, line 8, after the word "people," insert "and for the Army and Navy."

On page 2, line 3, after the word "Agriculture," insert "or such other officer or agent of the Government as the President may direct."

On page 2, line 10, after the word "food," strike out the period and insert a colon and the following:

"*Provided*, That in ascertaining such cost or other facts herein required the Secretary of Agriculture, or such other officer or agent of the Government as the President may direct, shall avail himself of the result of any investigations into like subjects on the part of the Federal Trade Commission or any other department, bureau, or officer of the Federal Government, and it shall be the duty of such commission, department, bureau, or officer to cooperate with the Secretary of Agriculture, or other officer or agent, in carrying out the provisions of this section."

On page 2, line 23, after the word "person," insert "wilfully to destroy or make away with, or."

On page 3, line 1, after the word "necessaries," insert "essential to the support of the Army or maintenance of the Navy of the United States, or which are involved in or constitute a part of commerce among the States or with foreign nations."

On page 3, line 18, after the word "shall," insert "monopolize, or attempt to monopolize, or."

On page 3, after line 26, insert:

"The word 'necessaries' as used in this section shall be construed to relate to such necessaries as are essential to the support of the Army or the maintenance of the Navy of the United States, and the words 'trade or commerce' shall be construed to mean trade or commerce among the States or with foreign nations.

"Any such necessaries owned by any such person or combination, or any such monopoly, or conspiracy, being in course of transportation from one State to another, or to a foreign country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law, and such forfeiture and condemnation shall be in addition to the other penalties imposed by this act."

On page 6, line 9, strike out the words "Secretary of Agriculture" and insert in lieu thereof the word "President."

On page 6, line 12, after the word "fuels," insert "which constitute a part of trade or commerce among the States, or with foreign nations."

On page 6, line 18, strike out the words "Secretary of Agriculture" and insert in lieu thereof the following: "President or such officer or agent of the Government as he may direct."

On page 6, line 19, strike out the words "Secretary of Agriculture" and insert in lieu thereof the word "President."

On page 6, line 21, strike out the word "licenses" and insert the word "licensees."

On page 6, line 24, strike out the words "the Secretary of," and on line 25 strike out the word "Agriculture" and insert in lieu thereof the following: "such officer or agent of the Government as the President may charge with the administration of this act."

On page 6, line 25, strike out the word "agents" and insert the word "representatives."

On page 7, line 2, strike out the words "by the Secretary of Agriculture" and insert in lieu thereof the following: "in accordance with this section."

On page 7, line 5, strike out the words "Secretary of Agriculture" and insert in lieu thereof the word "President."

On page 7, line 7, strike out the words "Secretary of Agriculture" and insert in lieu thereof the word "President."

After section 7, page 7:

"SEC. —. That whenever the President finds it essential in order to prevent undue enhancement or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the prices of necessaries, hereafter in this section called evil practices, he is authorized to prescribe such regulations governing operations, practices, and transactions at, on, in, or subject to the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices. Any person who wilfully violates any regulation made pursuant to this section, or who knowingly engages in any operation, practice, or transaction prohibited by the President pursuant to this section, or who aids or abets any such violation or any such prohibited operation, practice, or transaction, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $5,000 and by imprisonment for not exceeding two years."

"That the President is authorized, from time to time, to ascertain the needs of the country for preference movements by common carriers, in interstate commerce, in order to assure an adequate and continuous supply of necessaries, and, whenever he shall find that any such preference movements are essential for the purpose, he is authorized to transmit his findings, so far as concerns preference movements by common carriers other than by water, to the Interstate Commerce Commission, and, so far as concerns preference movements by common carriers by water, to the United States Shipping Board. Upon receipt of any such findings, the Interstate Commerce Commission, or the United States Shipping Board, as the case may be, is authorized and required, in so far as practicable, to make and enforce appropriate orders and regulations to carry into effect such findings. Every common carrier to which such an order or regulation is directed or applies shall comply with the same. In case of failure or refusal on the part of any common carrier to comply with the terms of any such order or regulation, such carrier shall be liable to a penalty of $1,000 for each offense and $100 for each and every day of the continuance of such offense, which shall accrue to the United States and may be recovered in a civil action brought by the United States. In addition, any person who wilfully fails or refuses to comply with the terms of any such order or regulation shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $10,000, or by imprisonment for not more than two years, or both."

During the reading,

Mr. GORE. Mr. President, I observe from the reading of the new section proposed to be inserted after section 7 that it does not include a clause limiting those necessaries to such as constitute a part of interstate and foreign commerce. I should like to modify that.

Mr. JONES of New Mexico. Mr. President, it seems to me the importance of this bill is generally recognized, and also the importance of the various amendments which have just been submitted by the chairman of the committee. I understand that they do not come here as committee amendments; but I wonder if it would not be possible to have the bill printed showing these amendments just as they would appear if they had been submitted as committee amendments?

Mr. GORE. I intended to make that request as soon as the reading of the amendments was finished, and I will make it at this time.

Mr. LODGE. I suggest that the reading of the amendments be completed.

Mr. JONES of New Mexico. I supposed that had been done.

The PRESIDENT pro tempore. That is the regular order, as suggested by the Senator.

The Secretary resumed and concluded the reading of the amendments submitted by Mr. GORE.

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. LODGE. I should like to ask the Senator from Oklahoma whether the amendments that have just been read have been offered with the authority of the committee? Are they committee amendments?

Mr. GORE. They have not been, Mr. President.

Mr. LODGE. Then they are offered by the Senator in his individual capacity?

Mr. GORE. They are; but I will say that they were contained in the drafts of the bill that were sent up from the department, with one or two changes. The one with reference to preferential shipments, as prepared by the department, related both to interstate shipments and to intrastate shipments. The phrase "interstate shipments" is not contained in the amendment that I offered. The amendment relating to boards of trade not only authorizes the President to prescribe rules and regulations governing the transactions of boards of trade, but it also gives him power to prohibit those transactions in whole or in part. Owing to certain proceedings in the committee with reference to this matter, that clause was omitted in the draft which I presented. These amendments were discussed more or less in the committee.

Mr. LODGE. If I may ask, why was not that bill, or these amendments, reported by the committee?

Mr. GORE. I can not answer that question, Mr. President. The committee did not see fit to report it.

Mr. BRANDEGEE. Mr. President, is not this the situation: The Senator says that most of these amendments were in the draft of the bill which the committee considered.

Mr. GORE. No; the last——

Mr. BRANDEGEE. So they really stand here as having been rejected by the committee and offered by the Senator from Oklahoma.

Mr. GORE. No; the Senator is mistaken. The last two were in the bills as sent up, and were introduced by me by request as separate bills. The one relating to boards of trade was considered and was not reported; but owing to the discussion in the Senate a few days ago on an amendment offered by the Senator from Colorado [Mr. THOMAS], it was decided by certain members of the committee with whom I conferred—we have not had a meeting of the committee since—that it might be well to present this proposition to the Senate.

Mr. HARDWICK. Mr. President, will the Senator yield?

Mr. LODGE. I think I have the floor.

The PRESIDENT pro tempore. The Senator from Massachusetts was recognized.

Mr. LODGE. I had the floor, and asked the Senator from Oklahoma to answer a question.

Mr. HARDWICK. I beg the Senator's pardon.

Mr. LODGE. I shall be through in one moment.

Mr. HARDWICK. I do not intend to go on until the Senator has finished.

Mr. LODGE. I was only seeking information. What I understand is that the bill that is upon our desks then is the only bill that comes here with the authority of the committee.

Mr. GORE. It is.

Mr. LODGE. I say that because the amendments that have just been read are most extreme. The bill itself is a pretty strong measure, but the amendments go much further and completely change the whole subject. I think we ought to have them before us in some comprehensive form. We can not act on amendments that are merely read from the desk.

Mr. HARDWICK. Mr. President, if the Senator will yield to me for just a moment. I agree thoroughly with the Senator from Massachusetts. The bill, as modified by the Senator's proposed amendments, is one that we can all consider, at least; it is undoubtedly within the constitutional power of Congress, whereas this other one is not, as I think I can demonstrate. Would it not be wiser, then, to recommit this bill to the committee and have the committee report this bill, or something like it, with the amendments suggested by the Senator, so that the Senate can give it some real consideration?

I do not want to interfere with the Senator's committee or with his bill, but it does look to me like the Senate itself would get a more intelligent view of this question and could make a more intelligent disposition of it if that were done.

Mr. GORE. Mr. President, at this point, before answering the Senator's question, I desire to ask unanimous consent to have the bill printed with the amendments just read shown as proposed amendments, whether they shall be agreed to or disagreed to during the day. I will say further to the Senator from Georgia that I apprehended that the present consideration of certain of these amendments would be objected to, very properly; and any amendment suggested to which any Senator objects will, of course, be passed over. I have no desire to rush the consideration of the measure. I appreciate the feeling of the Senator from Georgia, and the feeling of other Senators, and I may say that I share those feelings in very great measure, and I shall have no disposition to press the bill unduly.

Mr. HARDWICK. Would the Senator think it was all right to have the bill recommitted and let the committee pass on these various amendments?

Mr. GORE. I will say that I think certain of the amendments would probably be agreed to without opposition. I hope we can proceed with the consideration of the bill, passing over the amendments to which any Senator may make any objection, and I will try to assemble the committee, if deemed desirable after a conference with them, for further consideration of the matter by them.

Mr. HARDWICK. I would not want to make a motion to recommit unless it was agreeable to the Senator in charge of the bill.

The PRESIDENT pro tempore. The Senator from Oklahoma has submitted a request for unanimous consent regarding the printing of the bill with the proposed amendments.

Mr. LODGE. Mr. President, I do not know that I shall object, but I want to say a single word. Our usual method of doing business here is to have a bill reported from a committee, and then we deal with that bill as reported from the committee, and with the committee amendments. Then any Senator is at liberty to offer amendments.

Here we have a bill from the committee. The chairman presents now what is really a new bill, and a much more extensive one, in his amendments, which have not the authority of the committee. They are his individual amendments. I think we ought to have the whole thing brought in with a report from the committee, so that we may know how the committee stand who have been giving consideration to this subject; and there should be a printed report. They should let us know what they accept and what they do not accept. Of course, the opinions of a chairman of a committee have great weight in the Senate, and justly so.

Mr. KENYON. Mr. President——

Mr. GORE. I will say, Mr. President, before the Senator goes on, that most of the amendments are designed rather to limit and confine the powers sought to be conferred in the bill. The last two amendments are subject to the suggestion of the Senator from Massachusetts. They undertake to confer additional powers, one relating to boards of trade, and the other to preferential shipments.

Mr. KENYON. Mr. President——

Mr. GORE. One of those has been pretty thoroughly discussed before the Senate. I may say that really I apprehended that the other one, with respect to preferential shipments, probably would encounter very little opposition. Of course, in that I may be in error.

Mr. KENYON. Mr. President——

Mr. LODGE. These amendments create a food controller, and they give him power to grant preferential rates, as well as I can judge, or preferences in interstate and foreign commerce. I am not discussing the merits of the matter now; but I think the Senate must see that that is pretty extensive legislation, and I do not think we can consider it properly in the way in which it is presented. That is all I am trying to get at.

Mr. GORE. Very well; I withdraw that amendment.

The PRESIDENT pro tempore. The Chair understands the Senator from Oklahoma withdraws his request.

Mr. GORE. No; I do not. I withdraw the particular amendment referred to by the Senator from Massachusetts.

Mr. KENYON. Mr. President——

The PRESIDENT pro tempore. The Chair will have to get the matter straightened out.

Mr. SMITH of Georgia. I hope the Senator will at least have it printed——

Mr. KENYON. Mr. President, I ask if, in order to be recognized, it is necessary for Senators not to address the Chair?

The PRESIDENT pro tempore. The Chair will recognize the Senator from Iowa, who has endeavored to get recognition. The Chair is unable to tell to which amendment the Senator from Oklahoma refers, and the secretaries are also unable to do so.

Mr. GORE. The one relating to preferential shipments.

Mr. HARDWICK. If the Senator will pardon me, I think it had better be——

Mr. KENYON. Mr. President, I make the suggestion again: Is it necessary not to address the Chair in order to get recognition?

The PRESIDENT pro tempore. The Senator can not hear the Senator from Iowa. What is his inquiry?

Mr. KENYON. I have asked to be recognized two or three times, and I observe Senators rising and being recognized when they do not address the Chair. I should like to know if that is to be the practice?

The PRESIDENT pro tempore. The Chair will say that he has noticed a considerable amount of that to-day, and sincerely hopes Senators will not proceed along that line. The Chair will recognize the Senator from Iowa as soon as the request of the Senator from Oklahoma is disposed of.

The request of the Senator from Oklahoma is that the amendments which have been read from the desk, with the exception of the one relating to preferential shipments, be printed as a part of the bill, in such a manner as to indicate that they are his proposed amendments. Is there objection?

Mr. ROBINSON and Mr. JONES of Washington addressed the Chair.

The PRESIDENT pro tempore. The Senator from Arkansas.

Mr. ROBINSON. Mr. President, reserving the right to object, I want to inquire of the Senator from Oklahoma why he does not also have that amendment printed?

Mr. GORE. It has been read and will appear in the RECORD.

Mr. ROBINSON. Very well. I think it will be more convenient, however, to have it printed so that Senators may easily have access to it.

Mr. GORE. I have no objection to its being printed for the information of the Senate.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Then the request of the Senator from Oklahoma includes that relating to preferential shipments?

Mr. GORE. Yes; except that that shall not be regarded as a pending or proposed amendment. It is simply to be printed for the information of the Senate.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. The Senator from Washington.

Mr. JONES of Washington. As I understand, these amendments are to be printed in the body of the bill just as we have been accustomed to printing committee amendments. Is that the request?

The PRESIDENT pro tempore. The Chair does not, of course, know further than has been stated how the printing will be done.

Mr. JONES of Washington. I think the request ought to cover that.

Mr. GORE. The request is that the amendments shall be indicated as amendments.

Mr. JONES of Washington. In printing the bill?

Mr. GORE. Yes; in the print.

Mr. JONES of Washington. As I understand, these are not committee amendments.

Mr. GORE. They are not.

Mr. JONES of Washington. They are individual amendments, the same as those presented by any other Senator; and if any amendments are printed in the body of the bill, all amendments that have been presented by Senators should be printed in the bill, so as to give them the same standing. If the Senator would include that in his request—that all amendments that have been presented as intended to be proposed to this bill may be printed within the bill—then I shall not object.

Mr. GORE. Mr President, I have no objection to any amendments that have already been printed and are lying on the table being included in that request. Of course, any Senator can present an amendment at any time and ask to have it printed.

Mr. JONES of Washington. Oh, yes.

The PRESIDENT pro tempore. The Chair now understands the request to be that the bill be printed with all amendments proposed shown as amendments.

Mr. KELLOGG. Mr. President——

The PRESIDENT pro tempore. The Senator from Minnesota.

Mr. KELLOGG. I desire to offer an amendment, which I have sent to the desk. If the amendments are to be printed, I should like to have that also printed.

The PRESIDENT pro tempore. Including the amendment just offered by the Senator from Minnesota. Does the Senator desire to have his proposed amendment read?

Mr. KELLOGG. No; I have no desire to have it read at this time.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. KENYON. Mr. President——

The PRESIDENT pro tempore. The Senator from Iowa.

Mr. KENYON. Mr. President, I understand now, under the unanimous consent, if it is granted, that every amendment that has been proposed to this bill will be printed. For instance, the Senator from Kansas [Mr. THOMPSON] has introduced this morning an amendment with relation to the liquor question. The Senator from Washington [Mr. JONES] has introduced another amendment with relation to that question; and we will have a bill with two or three different amendments on the same subject included within the bill. It seems to me it is a perfectly absurd proposition.

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. KENYON. I do.

Mr. ROBINSON. Reenforcing what the Senator has just suggested, these amendments may be offered in such form as to make it physically impossible to print the bill with the amendments, as has been suggested by the chairman. Suppose half a dozen amendments, for instance, are to be inserted at a given place. It would be physically impossible to print the bill with those amendments in it without creating great confusion. The correct action, it seems to me, if I may make the suggestion, is to print all amendments and let the bill as reported by the committee remain before the Senate. I do not think we would make anything by attempting to print in the body of the bill amendments that have no standing except that of amendments by individuals.

Mr. KENYON. It would seem that the amendments introduced by the chairman of the committee, perhaps, ought to have more persuasion than the amendments that are introduced. I should like to see the bill printed with those amendments, and not others. I believe those amendments will receive the sanction of the committee. But while I have the floor I want to say a word which I think should be said.

There seems to be a good deal of confusion about this bill, and I am not surprised that this should be true. The bill known as the Lever bill, which was very broad in its scope, was introduced in the House, considered by that committee, and reported by that committee of the House to the House itself. The discussion was commenced in the House on that bill. It is divided now, I think, into a number of different bills. When the bill came to the Committee on Agriculture and Forestry it was given a great deal of attention. Hearings were held for two weeks, and the hearings were closed. It was thought then by the committee that the bill might be divided into different parts. There are clear-cut lines of distinction in this food proposition. There is the question of stimulating production. That can be taken care of in one bill. There is the question of getting rid of speculation. That can be taken care of in another bill. It is a question that has many ramifications. So the committee took the Lever bill and took those parts concerning which it thought there would not be lengthy discussion and about which there was nearly unanimity of opinion and introduced that here as this bill.

I think I ought to say that the Committee on Agriculture and Forestry is not at all settled in its conviction about many of the propositions in this food-control bill, but they felt that it ought to be out on the Senate floor and let the Senate hammer it out. I believe this offers a skeleton upon which amendments can be placed and a better bill worked out. I think we might as well understand that for the purpose of the argument which can be made there will be many amendments offered to the bill, and there will be amendments along the line of giving to the President the power and authority to fix a guaranty of minimum prices on certain staples. I believe there will also be an amendment along the line of fixing a guaranty of maximum prices outside of the hands of the producer—not while they are in producers' hands. I think that agitation and that provision in the original Lever bill produced around the country a great hysteria and a great opposition to the bill among the producing classes. The fixing of a maximum guaranty has proved an absolute failure in every country that has tried it, and they have tried it during the war. I believe a plan will be worked out whereby that maximum can be used to break corners and to break speculation, but that it will not be attempted to be used on the producers of the country.

While I am very earnestly in favor of some food legislation, I believe it would be a great mistake for us to attempt to fix any maximum price in this country that would apply to the producer. The ramifications of that question are so great that I would not undertake at this time to discuss them.

Mr. ROBINSON. Will the Senator yield a moment? I do not care to divert the Senator, but would the Senator care to state whether he has reached a conclusion as to whether there should be an authority to fix minimum prices.

Mr. KENYON. I have in my own mind. I believe unquestionably that it will stimulate production, and while late for this year, when the year's wheat is practically all in, and the corn will soon be in, but for such staples as potatoes, beans, and possibly peas it will stimulate production for this year. But this war may not be finished this year, and we need to stimulate the question of production for the years that are to come. England has a minimum guaranty that has just taken effect a few months ago.

I merely rose to get before the Senate the status of this bill. The committee is trying to present these propositions so that they may be ironed out by the Senate, but either there will be a great many amendments to this bill or else there will be a new bill covering some of the lines of thought I have suggested.

I believe it would be wise to have the bill printed, with the amendments offered by the chairman of the committee, which I think reflect the views of the committee as well as can be done.

Mr. THOMAS. I desire to offer an amendment to the pending bill to be known as section 4a. I ask that it be printed and lie on the table.

The PRESIDENT pro tempore. It will be so ordered. Is there objection to the request of the Senator from Oklahoma as now framed?

Mr. GORE. I wish to ask the Senator from Washington if he will withdraw his request relating to all other amendments, because it would lead probably to more confusion than would the original proposition.

Mr. JONES of Washington. If the amendments proposed by the Senator were presented by the committee as committee amendments, of course I would have no objection to their being printed as a part of the bill, but the Senator has expressly stated that they are not committee amendments. They are individual amendments, and it seems to me that it would simply complicate the matter and lead to confusion to have certain individual amendments printed and not others. We all know what influence printed amendments in the body of the bill have upon Senators who have not given the matter especial study and consideration. They will consider them as committee amendments and accept them as the judgment of the committee.

Mr. GORE. I withdraw the request, Mr. President.

The PRESIDENT pro tempore. The request of the Senator from Oklahoma is withdrawn.

Mr. HARDWICK. I obtained the floor.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. HARDWICK. I yield to the Senator.

Mr. JONES of New Mexico. I should like to suggest to the Senator from Washington that it seems to me there would be no impropriety in granting the request made by the chairman

of the committee. It is evident that the amendments offered by him are intended to perfect the bill; and while they do not come from the committee as committee amendments, yet as a matter of fact they are presented here by the chairman of the committee and are concurred in by a number of the members of the committee. I am sure it would facilitate the consideration of the bill to have the amendment offered by the chairman of the committee printed in the same manner as they would have been printed had they been offered as committee amendments. I am sure it will aid the Senate in the consideration of the measure if that course should be followed. That is the reason why the request was made to have the bill printed in that manner, not printing the amendments offered by other Senators because other amendments are intended to supersede something in the bill, or they present some independent suggestion. I sincerely trust the request of the chairman of the committee will be granted.

Mr. JONES of Washington. There are some of the amendments proposed by the chairman of the committee that relate to entirely new matter and cover matters of very great importance. I do not know what is the character of the other amendments and I am not objecting to them on that account, but it is contrary to the universal practice of the Senate to have individual amendments printed in the body of a bill and it seems to me that it would lead to utter confusion.

It appears to me that we ought to follow one of two courses. We ought to take up the bill and have the amendments presented in the regular way as suggested by the Senator from Arkansas a moment ago, or else we should have the bill sent back to the committee, as suggested by the Senator from Georgia, so that the committee may pass upon the different amendments and whatever they indorse let them report back here as committee amendments. I think we would save a lot of time by doing that; many of them having the indorsement of the committee would be accepted and it would save time. Bringing in here a bill on which apparently the committee differs and is not united, it is bound to create confusion and cause much more debate than if the amendments were considered in committee long enough at least for a majority of the committee to reach a conclusion in reference to vital propositions in the bill. Of course, I am not criticizing the committee at all, but I am making these suggestions in what I believe to be in the interest of saving time and in the interest of prompt action on the bill.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. The Senator from Georgia has the floor. Does he yield further to the Senator from New Mexico?

Mr. HARDWICK. I yield to the Senator.

Mr. JONES of New Mexico. I wish to say that the purpose of my insisting upon this request was to obviate the possible necessity of recommitting the bill. I think we should have the bill printed in the form suggested, and if that can not be done I think the bill ought to be recommitted.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Utah?

Mr. HARDWICK. I yield to the Senator.

Mr. SMOOT. I wish to ask the chairman of the committee if he has offered all the amendments he intends to present?

Mr. GORE. I can not answer that question, because it depends somewhat upon the fate of the amendments already offered.

Mr. SMOOT. None of the amendments the Senator has offered has been acted upon by the committee or by the Senate?

Mr. GORE. No, sir.

Mr. SMOOT. Then it seems to me the Senator ought simply to have his amendments printed as amendments offered by him and let them lie on the table.

The PRESIDENT pro tempore. The Senator from Oklahoma has withdrawn his request that the amendments be printed in the body of the bill.

Mr. SMOOT. He has withdrawn his request to have them printed in the bill, but he has not withdrawn his request to have them printed.

The PRESIDENT pro tempore. Of course not.

Mr. SMOOT. That I think ought to be done.

The PRESIDENT pro tempore. That will be done automatically, the Chair will state.

Mr. HARDWICK. Mr. President, it seems to me we have a somewhat confused situation here. We have a number of committee amendments which are printed in the bill.

Mr. GORE. They have been acted on.

Mr. HARDWICK. They have been acted on and approved in the Committee of the Whole, and now the Senator from Oklahoma presents certain amendments of the utmost importance changing the very form and structure and character of this proposition. The Senator from Iowa says he has a belief that the committee will approve them. My own belief is that we will get a disposition of this business a great deal quicker and a great deal more satisfactorily if we will let the bill go back to the committee and let them whip it into shape, which I think they ought to do. If the Senator from Oklahoma is not going to seriously oppose it, I think I will move to recommit the bill.

Mr. GORE. My idea was that we would proceed with the consideration of the amendments which would not provoke serious opposition.

Mr. HARDWICK. But we can not tell. For instance, let me illustrate to the Senator what I have in mind. Of course I would find it impossible, under my view of the Constitution, to vote for the bill unless it was confined to interstate and foreign commerce and to the necessities of the Army and Navy. I think it may be that the Senator from Oklahoma might find himself in the same position, and I have enough faith to believe that a majority of the Senate will find itself in the position when it carefully considers the question.

Therefore it is of the utmost importance to know that the vital amendment suggested by the distinguished Senator from Oklahoma is or is not to be incorporated in this bill. If it is, a great many Senators—I started to say, I believe the majority of the Senate—will approach the consideration of the bill from a different standpoint and from a different frame of mind than they would approach it if the bill was left as originally reported. It seems to me that we ought to have an early determination of that question.

Mr. KELLOGG. To which amendment does the Senator refer?

Mr. HARDWICK. I refer to the amendment in which the Senator from Oklahoma suggested that the provisions of the bill be confined to transactions in interstate and foreign commerce, and transactions necessary to supply the Army and Navy of the United States. That is the extreme limit of the power of Congress and exhausts the power of Congress to deal with this subject. My judgment is—and I do not hesitate to state it openly and publicly—that if the bill as reported by the committee had passed the Senate and Congress and had received the approval of the President no judge in the United States would ever uphold its constitutionality. We have no power even in times of war to do the sort of thing this bill proposes in a State with respect to intrastate business, unless it is strictly for the Army and Navy.

Of course, the Senate can see at once what my position is. I do not like to move to recommit the bill, yet at the same time I am going to oppose the bill if this amendment is not adopted. It seems to me the question raised is fundamental, and ought to be settled before going into a discussion of details and before considering other amendments. If it is adopted, it changes the form and structure of the bill.

Mr. GRONNA. Mr. President——

Mr. HARDWICK. I yield to the Senator from North Dakota. I had almost concluded.

Mr. GRONNA. I wish to say to the Senator that I think in justice to the members of the committee it is hardly fair to state that the amendments proposed by the chairman would be agreed to by the committee.

Mr. HARDWICK. I suppose the Senator from Iowa expressed an opinion, merely giving his own judgment, and of course he may be in error about it, but I hope not.

Mr. GRONNA. I have not talked with the individual members, but I can say that the amendment proposed by the chairman this morning has not been considered by the whole committee. It may have been considered by individual members of the committee. I should like very much to see the bill recommitted, and I am quite sure we would save a great deal of time if that is done.

Mr. HARDWICK. If the Senator will pardon me, I hope the Senator from Oklahoma will not take it amiss, but I am within my right, and willing to take the responsibility, and I move to recommit the bill to the Committee on Agriculture and Forestry.

Mr. BORAH. Mr. President, if I vote to recommit the bill I do so because I think it will save time. I dislike, however, to vote to recommit the bill just brought out if the chairman of the committee is going seriously to oppose its recommittal. I have no doubt from the amendments which have been offered, if the committee could either bring out a bill which would incorporate them or if they rejected them, we would save much time.

Mr. HARDWICK. If the Senator will pardon me, that was the real reason I stated for my motion, and I want to state it openly in the Senate, that I think we will save time by allowing the committee to make some recommendation.

Mr. BORAH. I should dislike very much to vote to recommit the bill if the chairman is going to resist the motion very strenuously.

Mr. GORE. I shall make no resistance to the Senator's motion. I am not sure but that it would be the most expeditious course to pursue. I will not ask that it be done; I will let that responsibility rest on the Senate; but I shall interpose no objection to the motion.

Mr. McCUMBER. I suppose it is understood that included in the motion are all the amendments that have been offered?

Mr. HARDWICK. Of course, the committee will consider the question anew and consider all the amendments.

Mr. McCUMBER. If offered at this time they would not necessarily go back to the committee. I want that understood.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The question is on the motion to recommit the bill to the Committee on Agriculture and Forestry.

Mr. NELSON. Mr. President, before that motion is put I just want to make a brief statement. To prevent undue speculation in one of the most important food products—to wit, wheat and flour—we have recently had an object lesson, and we had another object lesson in the early part of the war in respect to another matter. When at the beginning of the war Europe dumped a whole lot of American securities on this country for sale the price went down and down to such an extent that it almost produced a panic, and for protection against that panic and that cut in prices the New York Stock Exchange was closed for a long time. During the closing of the stock exchange to prevent a great tumbling in prices below the level, owing to the action of the Agricultural Department in part and partly owing to the agitation here in Congress and through the press that we are suffering from a food shortage, as soon as the report of the Department of Agriculture for April came out that there was going to be a deficiency in the winter wheat crop, wheat went up 50 cents a bushel. When the May report came out it was not really more unfavorable, but it was coupled with the excessive agitation and clamor about food shortage, and the result was the speculators raised the price of wheat another 50 cents a bushel until it went up to $3.25 a bushel.

Now, what transpired? It got so rank that the Chicago Grain Exchange less than 10 days ago closed the sale of all futures in wheat except to complete existing contracts. What was the result of that action of the Grain Exchange of Chicago? It reduced the price of wheat immediately from 40 to 50 cents a bushel.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from New Mexico?

Mr. NELSON. I yield to the Senator.

Mr. JONES of New Mexico. I would like to ask the Senator if he does not think we are now approaching the season of the year when parties who manipulate the price of wheat are interested in reducing the price, so that when the new crop comes in they may get it for less money?

Mr. NELSON. There may be something in that, but I refer to those two instances, the one on the New York Stock Exchange, to prevent prices from going too low, and the other on the Chicago Grain Exchange, to prevent prices from going too high. To my mind, if you want to check speculation in such food products as wheat and flour or wheat, for instance, or rye, the best way to do it is to give the President power at the proper time, when such a course of speculation exists, to suspend all future sales or to close up even the stock exchanges.

I do not take the narrow view of the Constitution that the Senator from Georgia [Mr. HARDWICK] takes. I hold that when we are in a state of war we have broader powers in those things relating to the welfare of the country than we do in time of peace; but I will not go into that question now. I merely made this suggestion to the members of the committee that if they want to check speculation in wheat that object lesson on the Chicago Grain Exchange should furnish them the proper key to the situation.

I want to make another suggestion on another branch of the case. My friend from Kansas and my friend from Washington have reintroduced what I call—and I hope they will not be insulted by it—the liquor amendments, to prohibit the use of cereals in the manufacture of all kinds of liquor. I want to call their attention to this fact: The manufacturers of whisky have enough manufactured ahead and in cold storage in Government warehouses for two years or more, and if you succeed in closing the breweries and leave the door open for that two years' supply of whisky you will make our people instead of a beer-drinking Nation a whisky-drinking Nation.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Washington?

Mr. NELSON. I yield to the Senator.

Mr. JONES of Washington. I merely wish to suggest that we do not leave that door open. That is taken care of, I think, to the satisfaction of the Senator from Minnesota.

Mr. NELSON. It was not the other day in the Cummins amendment.

Mr. JONES of Washington. This is a different proposition.

Mr. NELSON. I am glad to hear it is on a different line. If it was like the Cummins amendment, it would have the effect of making us a whisky-drinking country instead of a beer-drinking country.

I make these suggestions for the benefit of the committee to be applied to all these amendments.

Mr. WADSWORTH. Mr. President, before the motion to recommit is entertained I desire to state that I offered this morning during the morning hour a proposed amendment to this bill somewhat of the same nature as those offered by the Senator from Kansas [Mr. THOMPSON] and the Senator from Washington [Mr. JONES]. It is not my desire that that amendment shall be referred to the Committee on Agriculture and Forestry in the event the bill is sent back to that committee. I now ask that my amendment be referred to the Committee on Finance.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. GALLINGER. I will ask what is the nature of the proposed amendment?

Mr. WADSWORTH. It is about half a page of typewritten matter, and——

Mr. GALLINGER. The Senator can state it in a word, I imagine.

Mr. WADSWORTH. It prohibits the use of food products in the manufacture of distilled spirits, and limits the percentage of alcohol that can be used in the manufacture of beer or malt liquors. That is the object of the amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New York will be referred to the Committee on Finance. The Chair hears no objection.

Mr. KENYON. Mr. President, I understand the bill is now to be recommitted to the committee. The motion has been made, and I wish to say one word.

A circular was read here this morning from the New York Globe. I do not know what the purpose was in asking to have it read. It was with reference to Mr. Hoover and what Mr. Hoover had to say. The circular seemed to imply some friction between the Agricultural Department and Mr. Hoover.

I want to say this, Mr. President, that I feel, after having listened to Mr. Hoover, that criticisms of Mr. Hoover and the work he is trying to do are out of place. He is giving his service to the Government with absolutely no compensation. He is a great, patriotic American, and is interested in this question only for the good of his country.

Mr. Hoover had in Belgium charge of all that work. He had an army mostly of volunteers under him for that work of 175,000 people, and what he did there for humanity the whole world has applauded.

The same idea of getting friction into the departments of the Government has been observed here and there. It seems to me it is an unfortunate thing. The country is told that there is friction between the President and Congress. That is unfortunate, and not true. Now, this circular tells us, impliedly at least, that there is friction between Mr. Hoover and the Agricultural Department. I know that is not true, and I do hope that in this work he is undertaking we will not criticize him unless it be warranted, and that we will help him. It is a great question, this food question, and a difficult question, and it is going to require the best thought of us all. We can get along better in everything in this crisis if criticism between different departments and different officers of the Government is ended.

Mr. SMITH of South Carolina. Mr. President, before the bill is recommitted I should like to have some little information as a member of the committee. I understand if such action is taken it is taken for the purpose of having the committee consider amendments that have been proposed and determine whether they will incorporate or reject wholly or in part the amendments. It is for that purpose, if it is recommitted, the recommittal will be made.

Mr. HARDWICK. Of course, the committee will have full power to amend the bill in any respect.

Mr. SMITH of South Carolina. I was going to ask this question: Upon its being recommitted, aside from considering the amendments which have been offered, the committee will then be at liberty to incorporate any other matter?

Mr. HARDWICK. It is simply a motion to recommit. The parliamentary situation the Senator knows. If the motion prevails the committee will have full charge of the bill and full power to do as it pleases.

Mr. SMITH of South Carolina. I should like to have that clearly understood.

Mr. KELLOGG. Mr. President, we can not hear the Senator from South Carolina on this side.

The PRESIDING OFFICER. The Senator from South Caroline will suspend. The Chair requests Senators to cease audible conversation.

Mr. SMITH of South Carolina. The point I am getting at is this: I take it that there is a partial instruction, if it is recommitted, that the present form of the bill does not at this time meet the approval of the Senate, and the bill is sent back for the committee to consider it, together with such modifications as the committee itself may originate.

Mr. VARDAMAN. I understand the object is to put the bill in better form rather than to recommit it with instructions.

Mr. SMITH of South Carolina. That is indirectly answering the inquiry. I want to get it clear to the Senate that the suggestion of the recommittal of the bill and its consideration there is that the Senate is not in favor of it in its present form, and to consider modifying amendments and such other modifications as the committee may see fit to incorporate in it is the reason for its return. I want to know that we can modify it in some particulars. I have a pretty clear idea along what lines a modification seems to be desired. For that reason I want to get it clearly in my mind that that modification is asked by the Senate.

Mr. McCUMBER. Mr. President, there was one amendment offered by the Senator from New York [Mr. WADSWORTH] to the bill that he asked be referred to the Committee on Finance, and he very properly asked that it be so referred, because it relates to a restriction of different agricultural products in the use of intoxicating liquors. As we are preparing to raise a very important amount of our war revenue on the taxation of liquors, it becomes most important that all amendments which relate to that subject should go to that committee.

I desire to ask the Senator in charge of the bill whether while I was out of the Chamber there were ony other amendments offered to the bill that pertain to the restriction of agricultural products either in the manufacture of beer or distilled spirits.

Mr. THOMPSON and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Dakota yield; and if so, to whom?

Mr. McCUMBER. I am trying to get information from the chairman of the committee.

The PRESIDING OFFICER. The Senator will suspend. The conversation in the Chamber is so loud that the proceedings can not be carried on. The Chair again requests Senators to cease from audible conversation.

Mr. McCUMBER. I have asked the question of the chairman of the committee, and I take it that he is ready to answer.

Mr. GORE. I will say that the Senator from Kansas [Mr. THOMPSON] has offered an amendment relating to that subject, and I believe an amendment has also been offered by the senior Senator from Washington [Mr. JONES], but upon that point I am not certain. I know of no other amendments of the kind. Of course, they may have been presented this morning, and they would not have come to my notice.

Mr. McCUMBER. It seems to me that those amendments should follow the amendment offered by the Senator from New York, and they should go to the Committee on Finance.

Mr. GORE. I may say in this connection that there are two bills relating to the liquor question now pending before the Committee on Agriculture and Forestry with a view of conservation. I assume that that is the reason why the Senators offered their amendments to the pending bill.

Mr. THOMPSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Kansas?

Mr. McCUMBER. I yield.

Mr. THOMPSON. I simply rose to inform the Senator that I introduced an amendment of that character this morning, and if there is any question about my amendment following the course suggested by the Senator from Georgia I request that my amendment go to the Comittee on Agriculture and Forestry, where I think the subject can be properly considered. It relates to the conservation of the food products of the country, which we are considering thoroughly, on which we have held hearings for several weeks, and all the facts are before the committee.

Mr. McCUMBER. Mr. President, I think the Senator can realize that we are going to get matters very much complicated, for the Committee on Finance, who are now meeting every day and considering the measure for raising a portion of our revenues from distilled and malt spirits, will then have another bill designed to prohibit the manufacture of the very articles from which it is proposed to obtain that revenue.

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. McCUMBER. I yield to the Senator from Georgia.

Mr. HARDWICK. I merely wish to suggest to the Senator, and for the benefit of the Senator from Kansas, that, of course, the Senator from New York escaped the parliamentary situation by having his amendment, by special action of the Senate, referred to another committee; but if the motion to recommit prevails, every amendment to this bill pending in the Senate goes with the bill to the committee——

Mr. McCUMBER. It certainly does, unless——

Mr. HARDWICK. Unless the Senate takes contrary action.

Mr. McCUMBER. Unless there is a motion made that the amendments be referred to another committee.

Mr. HARDWICK. That is true. I say, unless the Senate takes contrary action.

Mr. McCUMBER. And I think they should all go together. To bring this matter before the Senate, I move that the amendment offered by the Senator from Washington [Mr. JONES] be referred to the Committee on Finance. I will take one amendment at a time.

Mr. JONES of Washington. Mr. President, the Senator from North Dakota will gain no time by that, because I can offer my amendment to this bill when it comes up on the floor of the Senate, and I propose to do so. The amendment has been referred to the Committee on Agriculture; it was so referred when I introduced it this morning. I desired that done because I wanted the Committee on Agriculture to pass upon the matter. If the Committee on Agriculture, after considering it——

Mr. GRONNA. Mr. President, I rise to a question of order. The motion before the Senate is to recommit this bill. I do not wish to take the Senator from Washington off the floor, but I think that we ought to dispose of one thing at a time; and I do not think the motion of my colleague is in order.

Mr. JONES of Washington. I am perfectly willing for the vote to be taken, although I do not think that the Senator ought to make that motion, because a motion that would take the amendment of the Senator from New York from the Finance Committee and refer it to the Committee on Agriculture would be just as much in order as is this motion, and I think there would be much more reason for it.

The PRESIDING OFFICER. The Senator from Georgia [Mr. HARDWICK] moves to recommit the bill with all amendments to the Committee on Agriculture and Forestry. The Chair understood the Senator from North Dakota [Mr. McCUMBER] to offer a substitute for that motion, that a certain amendment—to wit, the amendment offered by the Senator from Washington [Mr. JONES]—be referred to the Committee on Finance. The Chair thinks that motion is in order.

Mr. McCUMBER. That was my intention; but in order that the matter may not be complicated at this time—and I suppose that it will come up later, the chairman of the Committee on Finance [Mr. SIMMONS] being present—I will withdraw the motion and leave the matter to the chairman of the committee.

The PRESIDING OFFICER. The question, then, is on the motion of the Senator from Georgia, that the bill with all amendments be recommitted to the Committee on Agriculture and Forestry.

Mr. REED. Mr. President, I understand that debate is now in order.

The PRESIDING OFFICER. It is.

Mr. REED. Mr. President, before this bill goes to the committee, and because there have been some observations made upon the floor which I think are entirely erroneous, I desire to discuss some matters which I think are somewhat misunderstood.

Every once in a while some Senator charges that the price of grain is due to speculation. Thereupon the vials of senatorial wrath are copiously poured forth upon the heads of the wheat speculators. It is for the time being taken as a fact that all the rise in the price of wheat is due to the wicked speculators. A short while thereafter another Senator will undertake to justify a food dictatorship upon the ground that there is such a shortage of wheat in this country and in the world that everybody is liable to starve to death. Of course, if the latter case be true, it accounts fully for the high price of wheat. If the two causes exist together, then they ought to be considered together and each charged with its share in the production of the high prices.

It seems to me, Mr. President, that in our desire to regulate conditions which exist we may if we are not careful do a great deal more harm than we shall do good. The most dangerous thing ever attempted is for half-informed men to undertake to interfere with the business of well-informed men. There has never yet been a man upon this earth who undertook to run the

business of the people of any nation who has not made a mess of it, and for the simple reason that every man knows more about his own business than any other man can possibly know. The business of the country is the aggregate business of individuals and the knowledge of the individuals engaged in that business. If you interfere with the management of the private businesses of millions of men you must substitute for their close and intimate knowledge the knowledge of some one man. That man is necessarily ignorant of all the details of each private business, and even uninformed regarding its general aspects. This must be true unless the dictator is possessed of intelligence little short of that of the Infinite God. Accordingly whoever undertakes the job is bound simply to make a mess of the business of a nation.

With that preliminary observation I want to submit to the Senate some facts which I think completely disprove certain assertions that have been made. It is asserted that the present price of wheat is unprecedentedly high. Reasoning from the high price, these gentlemen find no difficulty in concluding that it is caused by a tremendous shortage. That sort of logic soon leads them to declare that $2.15 wheat means world starvation.

Mr. President, the shortage of wheat always will have something to do with the price of wheat; but the present shortage of wheat does not account for the increased price of wheat. Speculation in wheat may also have something to do with the price of wheat, but the speculation in wheat can not justify the present price of wheat. There are causes outside of those two conditions that must be considered. I believe, if I can have your attention for a little bit, that I can, at least, make a suggestion that will furnish food for thought.

The present crop prospects of wheat in the United States are not much below what they were in 1916. The crop shortage in 1916 was not enormously below that of 1912, when we had no such prices as now prevail. The amount of wheat exported is not sufficient to account for this difference in price. It is a false logic that starts with the high price of an article and argues back to a shortage. Likewise it is a false logic that starts with a high price and argues back to speculation. Each may contribute, yet it does not follow that either is a potential cause. We must look further.

Now, let me prove that. The price of coal in the United States has enormously increased; it has increased almost in proportion to the increased price in wheat. Is there a real coal shortage in the United States? Has the coal output suddenly proven a failure? Mr. President, the scientists tell us that there is enough coal in the bowels of the earth, reasonably accessible to man, to supply the wants of this world for 20 centuries, yet coal has advanced almost as rapidly as wheat has advanced. When you find that condition, therefore, you must look for some other cause than a world shortage in the crop. So also you must look for some other cause than the speculation upon the board of trade, because coal prices are not so controlled.

The cotton crop of last year was nearly an average crop, falling, perhaps, a little below that of the average; and yet the price of cotton mounted to the extraordinary figure of 20 cents a pound. That is the highest price that cotton has been within the memory of man, almost. When did it go higher than that?

Mr. SMITH of Georgia. Soon after the late war.

Mr. REED. Fifty years ago.

Mr. SMITH of Georgia. The price of cotton is now the highest in 40 years.

Mr. REED. Well, 50 years ago, of course, when the South was prostrated by the war, there was but little cotton being raised; but, with the exception of the time during that war, the highest price for which cotton has ever sold is now being paid. That can not be accounted for by speculation in the cotton market. There may be some speculation, but the present high price can not be accounted for by the wicked trading on the Board of Trade in Chicago or in New York. You must seek another cause.

We find if we examine the matter that the price of corn has gone up just about as fast as has the price of wheat; and yet there is no tremendous world shortage in corn, and the corn prospects for this year, notwithstanding the reports that may have been sent out of a pessimistic character, are as good as they have been in the history of this country for the past 10 or 12 years. There is no indication of such a shortage as will account for the increased price.

There was a great shortage of potatoes last year, but the singular fact is that the potato price runs in its increase just about with these other prices.

Let me call your attention to manufactured products. The raw materials for steel are inexhaustible. There is no limit to the amount of steel that can be produced in the United States except the capacity of the mills. That capacity, of course, can be multiplied as rapidly and as often as capitalists feel there will be a remunerative return upon additional mills. The supply of iron ore is practically exhaustless, and yet the price of steel of all kinds has gone up as rapidly as has the price of wheat or corn. That is not all. The price of locomotives has gone up about as rapidly; the price of freight cars has gone up about as rapidly; the price of nearly all of the great staples, whether they be food for the table or clothing for the back, or the instrumentalities of transportation, or fuel for the household or for the factory, has mounted, all in about the same way.

So, Mr. President, the Senator who rises on the floor and assumes that the world is starving to death, or is going to starve to death, and proves it by the price of wheat, or the man who undertakes to prove that the price of wheat and the price of other edibles is controlled by speculators upon boards of trade is confronted by the fact that in those lines and vocations of life not at all concerned with the speculator in wheat the same rapid and unusual increase of price has taken place. This leads me to inquire whether it is not well for us to pause and endeavor to ascertain what the real reasons are for the remarkable increase in prices?

Mr. President, I undertake to assert that an examination will demonstrate that while speculation has something to do with all of these increased prices it has not been the controlling factor, and while the shortage of production of wheat or corn has had something to do with the price it has not been the controlling factor; that, outside of those considerations, there are other influences that have produced the greater part of the present conditions.

What are those influences? I believe they are made up of a multitude of things, all contributing to one general result. I talked this morning with one of the best-informed dealers in grain in the western country. He is a man who simply handles or trades upon commission; he does not own or buy wheat for himself. I asked him what the cause was for the remarkable price of wheat. He said frankly, "There is an element of speculation that has contributed to some extent to the increased price of wheat, but that is not the real and vital cause. The real and vital cause," said this gentleman to me, "is undoubtedly to be found in the fact that the allies have been placing orders for enormous quantities of wheat in this country. They have placed these orders to such an extent that it is known throughout the trade that there is a remarkably strong movement of concentrated buying; that some powerful influence has gone into the market and is buying all the grain that it can secure. The result has been that everyone concerned in buying grain has felt that influence." The purchases on behalf of the allies have been made in good faith, but those purchases run into the millions of bushels and have affected the price of grain. That movement now is not speculative, and the increase in price is simply a response by the market to the existing conditions of trade; for, plainly, if there was no war in Europe and European agents suddenly came over here and placed orders for 100,000,000 or 200,000,000 or 300,000,000 bushels of wheat at almost any price the price of grain in the country would be bound to rise.

I talked this morning with a great railroad builder—and I would unhesitatingly give his name to any committee, but I do not care to drag it into the public debate here—in regard to the cost of articles that railroads are obliged to buy. We were not considering the question I am now discussing. In the course of our conversation this gentleman told me that the railroads were paying prices now for steel rails that were twice as great as the prices paid a few years ago; that they were paying for spikes a price which, if I recollect aright—and I may be in error in my recollection—was approximately three times the amount paid only two or three years ago. I asked him, "Why are these prices exacted? Is it the result of combination, or what is it the result of?" He replied, "It grows out of the fact that the mills can sell to the allies and other European nations practically all the surplus products of their mills, and almost at their own prices." Now, observe that is not speculation. It is an abnormal condition, and it may be a condition that can in some degree be remedied; but what I am arguing to the Senate is that we ought not to go chasing a will-o'-the-wisp; we ought not to follow any false scent, but the Committee on Agriculture, charged now with the responsibility of this bill, ought to go to the bottom of these matters before it brings the bill back to the Senate.

Mr. VARDAMAN. Mr. President——

Mr. REED. I yield to the Senator.

Mr. VARDAMAN. I can understand how the price of steel would increase because of the greatly increased demand, but that would not altogether be the case with foodstuffs. There is more steel being used now than ever before, but there are no more foodstuffs being used, because people eat about the same quantity from one year to another.

Mr. REED. I say that there is some food shortage, and that that is an honest reason for an advance in price. I say that there is probably some speculation, and I am calling the attention of the Senate to the fact that there is probably this great buying movement on the part of the allies, who have entered into our markets and who are seeking to gain possession of all the grain possible.

Mr. VARDAMAN. Is it the purpose of the Senator to establish the fact that the price of foodstuffs has not been affected by the wholesale gambling and speculation on exchanges and boards of trade?

Mr. REED. It is my purpose to try to get the committee to go into the facts and not to guess at the facts. I have heard them guessed at on the floor.

Mr. VARDAMAN. The Senator is entirely correct as to that.

Mr. REED. And it is my purpose to call attention to the fact that the mere existence of a high price for food does not necessarily indicate a speculative movement. Now, let me call the Senator's attention to a matter which I think may elucidate what I am going to say. I have no theory to maintain here. I have no pet hobby to ride.

Mr. VARDAMAN. I want the Senator to understand that I did not intend to create that impression. I merely wanted to get the trend of the Senator's argument that I might follow him.

Mr. REED. I understand the Senator, and I think he understands me. I simply mean to say that I do not rise here for the purpose of trying to ride a hobby under the wire. I am, on the other hand, pleading that an impartial investigation shall disclose the real truth. To that end I call attention to the fact that speculation in wheat is not the controlling cause of high wheat prices, and I cite this as an illustration: I am informed that although ordinarily wheat for future delivery runs in its price away ahead of wheat for present delivery, the present condition of the market is that wheat for July delivery is away below wheat for present delivery. That condition I am told has been occasioned by the enormous buying orders that have been placed by the allies with the principal grain men of the country; that is one thing that I think has caused this rise.

Another thing that I think has caused the rise in price is that the departments of the United States, every one of them that have had anything whatever to say, have said the things necessary to create a food panic in the United States. I do not want to say this harshly or in criticism, but I think that is not an exaggeration, when one reads such statements as this from the Agricultural Department:

> The condition of winter wheat on May 1, this year, 73.2, was the lowest it has been on that date since 1888. The abandonment of acreage planted is the heaviest ever recorded, nearly 31 per cent of the acreage planted. The forecast of production, based upon the condition and the acreage remaining for harvest, 366,000,000 bushels, is the smallest production of winter wheat since 1904. It compares with a production of 482,000,000 bushels last year and 674,000,000 in 1915—

And so forth.

When the Agricultural Department puts out that kind of statements, and when Mr. Hoover puts out his interviews, and when we are solemnly told that we must have somebody to control this situation or we are going to starve, and when we are talked to about eating doctored bread—a composite of bran, shorts, and middlings—when we find on the table of the Senate restaurant a recipe for making bread out of cottonseed hulls, and when the miserable stuff is actually put before us——

Mr. SMITH of South Carolina. Mr. President——

Mr. REED. When the alarmist is upon every platform and every stump shouting, "Woe, woe, woe!" and the fellow with the cottonseed meal is standing in the public places crying "Eat this or starve"—when you have conditions like that coordinating and cooperating, is it any wonder that every man who has a bushel of wheat hides it from sight and that the prices go skyrocketing?

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Missouri yield to the Senator from South Carolina?

Mr. REED. I yield for the defense of cottonseed meal. I know that is what is coming. [Laughter.]

Mr. SMITH of South Carolina. Mr. President, the cottonseed meal needs no defense at my hands, or at least not at the hands of those who had occasion to eat it the other day down on the table. I wanted to call the Senator's attention to the fact that it was out of that meal that this bread was made; and it is an assurance along the line of his argument that even though there might be a shortage in the amount of wheat flour that we have, we could fall back upon an adequate supply of cottonseed meal made in the form of the bread we had the other day.

I think the actual conditions will show that a wheat shortage does not yet exist, or should not; because, if the Senator will allow me, I should like to call his attention to the fact that in 1915 we made 1,025,000,000 bushels of wheat, which was the largest crop up to that time ever made in the history of America. In 1916 we made 639,000,000 bushels of wheat. Adding the two together and dividing it by two, we have for the two years an average of something like 840,000,000 bushels, which was 120,000,000 bushels higher than the 10-year average up to 1915.

Mr. REED. Mr. President, we are told that in order to keep prices within proper limits we must have somebody to fix these prices. What does that mean to everybody who has anything to sell? Is it not notice that there is a frightful shortage? Is not its direct result to make all who have wheat cling to it and all who need wheat willing to buy while yet there is an open market?

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED. I do.

Mr. HITCHCOCK. Before the Senator leaves the statement of the causes which might necessarily and legitimately advance prices I want to ask him if it is not also a fact that there is another great and far-reaching cause which always prevails in war times, and which is especially potent at this time, namely, the great expansion in the currency of the world and the fact that a great many men are taken out of productive employment?

We know that France, for instance, has expanded her currency something like three thousand million dollars. Germany has expanded her currency in about the same amount; and there has been brought into the United States over two thousand million dollars of gold, so that we have had a great expansion in currency. It is a well-known economic fact that this expansion of the currency of the world will inevitably lead to an increase in the level of prices—a great law that is well understood, that is very potent, and that can not be controlled by legislative action.

Mr. REED. Mr. President, the Senator has anticipated me. I was coming to that point, but he states the proposition from a little different angle and states it splendidly, and I thank him for his contribution.

I beg that Senators will approach this question thoughtfully, not in a spirit of excitement, and I hope nobody in any public position will play politics. Of course that would be impossible in the Senate. But in line with what the Senator from Nebraska has just said, that a general increase of prices results from an expansion of the money volume, I call attention to the fact that a general increase of price usually means a change in money value, so that frequently there is an apparent increase of price, when in reality there has been a depreciation in the value of the money itself.

I do not know that authority is any longer of any value in court, in the Senate, or in any other place, because we have been breaking down all the milestones and destroying the red lines on all the intellectual maps; but John Stuart Mill laid it down that a general rise in prices affects no one except those with fixed incomes, and that a general rise in prices really means a change in money value, not in the value of the article itself.

What I was starting to say when the Senator from Nebraska rose was that about two-thirds of that thing which causes business to go is confidence in the result. Our friends the Republicans taunted us Democrats a few years ago with the statement that what we needed was a restoration of confidence. The truth is that if you can inspire every man in the country with a confident belief that business is going to be good, business will be good, for every man will begin to buy and begin to sell, begin to plant and begin to sow, so will come the increase of the harvest. So when people all conclude that business is going to be good it makes business good, and when business improves in one section of the country it is bound to improve in other sections of the country.

On this question of price, let us look for a few minutes at what has been going on. Nearly three years ago war was declared in Europe. At that time a good many American mills were languishing. At that time there was some degree of uncertainty; but when war was declared in Europe, and when European agents came here and began buying very large quantities of steel, it, of course, had an immediate and stimulating effect. In a short time that effect spread. Then they began buying horses all over the United States; they began putting in orders for wheat, for corn, for cotton, for mules, for wool, for every sort of thing. Is it remarkable that prices went up?

Now, if prices go up on certain staple articles it forces prices up on other articles. Every freshman student of political

economy knows that is true. For instance, if corn were this year to go to $1 a bushel, and wheat were to remain at 60 cents or 70 cents a bushel, and that were continued for two or three years, it is certain that everybody would begin planting corn, and that the price of wheat would have to come up. If men are making enormous profits in agriculture, it is certain that that will be soon felt in every other line of industry. So we must recognize the fact that the stimulating effect of this war has been such that it has put up prices everywhere, on every kind and on every sort of thing that there is in the United States.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. REED. I do.

Mr. McKELLAR. That does not include real estate, however, because there are many places in the United States today where real estate is at a lower price than it has been in many years.

Mr. REED. Possibly; and yet you will find that while real estate lies outside of the zone of immediate control, yet the real-estate market does follow the movements of commerce. You will find that if farm products keep to their present figure for a few years, farms in the United States will go up largely in value.

Mr. President, if, then, we find it is true that there has been a general revival of business in the United States, if along with that general revival of business there has been a general increase of prices, if the wages of labor have been increased, if the price of corn and wheat and oats and rye and barley have been increased, if the price of cattle and hogs and sheep and wool and cotton have been increased, if the price of steel has been increased, if the price of copper has been increased, if the price of lead and zinc have been increased, if the price of everything has been increased, then will somebody tell me what sense there is in trying to interfere with that great law of supply and demand which has increased prices all along the line, and which, while it imposes its burdens, at the same time grants its benefits?

I am not talking about the cornering of things. I am not talking about the criminals. I am not talking about that scoundrel whom we have legislated against for years, who tries to forestall the market. I am not talking about the man who conspires to do some wicked thing of that kind, but I am talking about the general proposition of the control of prices; and I submit that when you interfere with the general law of supply and demand you are liable—to use the expression I employed before, for want of a better one—to mess things all up, to introduce chaos and ruin.

Let us see, when you come to a practical test of these matters, where you come out.

A farmer, under this law of supply and demand, finds that he is able to get $1.75, or even $2, for his bushel of wheat. We appoint some gentleman now, and give him arbitrary power, and he says: "The price of wheat shall not exceed $1.25 a bushel. That is enough for anybody to pay for wheat. It is enough for any farmer to receive." I grant you that if times were normal, perhaps $1.25 is all the farmer would need to receive. But now, when things are not normal, we step in and interfere with the price of wheat for this farmer. Likewise, it may be said to this farmer: "You can only have 80 cents for your corn, and you can only have 60 cents for your oats," and so on, down the line.

Mr. VARDAMAN. Mr. President, I understand that this bill does not undertake to control the price in the hands of the producer.

Mr. REED. I understand that, but please let me proceed with my argument. I am delivering this little homily here on general principles. I do not know what is coming in here. Only the Lord God of Hosts can look ahead and tell us what is coming. What I say may be of no value, but I want to say it.

I was saying suppose that you put this limit upon the price the farmers are to receive for their wheat and their corn and their oats, and likewise you limit the price of their cattle and of their hogs. Now, you have covered food products, the thing most complained about. Ah, but how about the farmer now! He has to buy, and in what markets must he buy? He must buy from the hardware merchant, who buys indirectly from the great steel producers of the country; and when he buys anything, from a pound of nails to an agricultural implement, to a tool that he uses on his place, he must pay an advanced price. In some instances the advance has not been great; in some instances it has been enormous.

When he hires a man to work upon his place he hires a man who demands higher wages, because wages have gone up in all parts of the United States and because the man, from the shirt on his back to the shoes on his feet, has had to pay more for everything he wears, and that man demands higher wages. When the farmer brings his grain to the market and puts it upon the railroad tracks he pays a higher freight rate than was paid a few years ago, and, if I mistake not, he will soon be paying a very much higher freight rate to get his grain to the market than he is paying now, for I believe there will be an increase in freight rates. So, now, if you are going to reduce the farmer's price upon his grain, upon his hogs, upon his cattle, and upon his cotton, then, clearly, you must protect that farmer upon everything that he buys. If you are going to fix a maximum and a minimum price for him, then you have got to fix a maximum and a minimum price for every man who sells anything that the farmer has to use. That is the farmer's end of it.

I see, sitting here on my left, a great cattle raiser, and yet I have no doubt that if he were to rise in his seat he would say that notwithstanding the enormous increase in the price of cattle there has been nothing like a corresponding increase in the profits of the cattle raiser, and would give you the reasons why, and would tell you of the increased burdens and costs that have fallen upon the cattle raiser. So, Mr. President, if you carry on this project you must protect all classes. If you are going to regulate the price of foods produced on the farm you must regulate the price of farm labor, or otherwise your farmer will find himself unable to pay the wages that are being charged. You must also protect the farmer on his shoes, his clothes, on all he must buy.

My friend says they have done that in England. Very well. Then if you regulate the price of the farm laborer's wages you must regulate the price of all other wages, because if you do not reduce the wages in other employments correspondingly nobody will work for the farmer at the arbitrary price you have fixed. The farmer will find his grain rotting in his fields and no one there to do the work, because you have reduced the price of his labor so low that nobody will work, and there will be no one to harvest the crops, unless the law lays its hand upon them and you introduce slave labor upon the farms of this country; for I do not care, sir, whether you put the individual in the uniform of this Government and have him pitch hay in a khaki coat or whether you put him in a cotton shirt; if he works at that kind of labor against his will, he is a slave, sir, whether he be white or black.

If you are going to reduce the wages of all labor in order that you may preserve this equality, you will, of course, proceed to reduce the price of steel to the steel maker, the price of coal to the coal-mine owner, and accordingly you will also go down the line and you will reduce the wages of the men who dig the coal and who make the steel, because manifestly the proprietors of these institutions can not pay the high prices that they are now paying if you reduce their prices to too low a point. So, when you get through what have you done? You have reduced the price of everything the farmer produces; you have reduced the price of everything that everybody else produces, including the labor of men. The result of all your efforts is that you have cut the price of everything, including wages, but you have also to the same degree cut the ability of all men to get money. Hence nobody is any better off than he was before you interfered at all.

Mr. President, these observations are not new. They have been regarded as fundamentals all down the course of the years since old Adam Smith's day. They are elaborated and dwelt upon by the philosophers who have considered questions of this character; and yet, singularly enough, it is now proposed, in certain bills that are in Congress, to give to the Secretary of Agriculture an almost arbitrary right to deal with the question of food value and food prices, and so forth; and perhaps we shall also have a bill proposed to regulate wages, for, if once we begin to regulate prices produced by combinations or forestalling, who shall say we must not include wages?

Mr. VARDAMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Mississippi?

Mr. REED. I do.

Mr. VARDAMAN. Did the Senator ever stop to consider this phase of the question—that the creation of this benevolent, altruistic food despot is but the beginning of a policy which the German Government and the English Government have been forced to resort to, which puts the Government in control not only of the production but of the consumption and distribution and dissemination of the work of man's hands and the product of man's industry? That is to where it tends.

Mr. REED. That is not only to where it tends but that is—to follow the phraseology—to where it inevitably goes, if you accomplish anything; because, now, if an arbitrary power interferes with and limits the price of articles and the price of

labor and the production of articles, it has yet accomplished nothing for the general good unless it also regulates the distribution of the articles; otherwise, the man having the advantage either in money or in position might get it all, and the man who lacked these advantages would get nothing. But in addition to that you get nowhere, as I have undertaken to show, by your regulation of prices, because you must regulate all prices downward if you regulate any price downward. Barring, I mean now, unjust speculations, barring criminal acts, you get nowhere unless you regulate all of them downward, and even then you have gotten nowhere; for if you were to cut wages 50 per cent and cut all prices 50 per cent, everybody would still be in the same relative position he was in before you made any regulation. So that in order to accomplish anything you must go the next step; you must say how much men can consume. You must enter every household, peep into every larder, or, by bread tickets and meat checks and milk certificates limit the amount the people of the United States are to be permitted to eat.

Mr. President, I venture to ask you to consider this thought: A thing which may be vitally necessary under one set of circumstances may be absolutely foolish and destructive under another set of circumstances. If a man has me crowded in a corner with his knife at my throat it may be highly justifiable for me to kill him. If the man be a thousand miles or 3,000 miles removed from me it may be absolutely foolish and criminal for me to seek him out to the end that I may have occasion to kill him. That is not a fortunate illustration because you might be applying it to the war. I am not applying it to the war but to commercial conditions. If a citadel be encompassed about with the enemy, if its ordinary means of access have been cut off, if it is a question whether the fortress can hold out until the enemy may be driven away or exhausted, it may be highly important for the commander of that fortress to put his people upon almost starvation rations, to weigh every ounce that enters between their lips, to the end that he may preserve enough strength to hold the citadel until reinforcements come. Everything is subordinated to that one supreme, overmastering necessity. But under ordinary times with the enemy a thousand miles away, it would be foolish to close down the industries of that city, it would be destructive to stop all labor and the usual avocations of life. It would be injurious to the last degree, because you would stop the production of wealth and arrest the powers of the people.

Sir, the wise man observing the enemy a thousand miles away and marching toward his fortress would endeavor to keep the productive capacity of the people at the highest point without interfering with it in any way except to stimulate it to the greatest degree. The wise man would keep the productive capacity going, the machinery of life in operation as long as he could until the enemy was almost at the gates. Then he would close down only because of the higher necessity.

So, Mr. President, because conditions in Europe have called for radical action, for an overturning of all the usual affairs of life, and a revolution in every business capacity and in every kind of organization, it does not follow that it is wise for us to pursue any such course.

Mr. President, let me give you an illustration. Let us suppose that the States of Virginia, Maryland, and Pennsylvania were surrounded by a cordon of fire and steel. It would then, in a way, represent the condition of Germany. Under those circumstances what would be the duty of the Government? Manifestly, the Government would act as the commander of the fortress would have acted in the illustration I used a few moments ago; he would gather in all the food, he would parcel it out, he would compel everybody to produce only that which could be utilized to hold the battle line and help win the fight. That would be a reasonable and rational thing for him to do.

But, sir, if the war was 3,000 miles away, and if the things he was required to contribute were men and money, and there was no enemy at his gate, what would the wise controller of this imaginary province I am speaking of do? Would he not say to the business man and the manufacturer, "Keep the wheels of your industry running; create, create, and still create; put on three shifts of men and run night and day if you can"? Would he not say to the agriculturist, "Plant, plant, and still plant; let every acre of ground bring forth its golden fruitage, for every bushel of wheat and every bushel of corn is as valuable to us as a bullet or as a bayonet"? Would he not stir the energies of his people and seek to keep them at their highest point of efficiency? It seems to me that by doing that he would create the wealth necessary, he would create the resources necessary, he would create those great forces in the mighty struggle which are at last to determine the issue. That is what a wise man would do. But would a wise man under those circumstances expect to get that result by interfering with the organized business of the people, by setting up some arbitrary agency that would undertake to tell every man what he should do? A thing of that sort would be utterly foolish. The thing to do is to hold before the people a general reward. What is that general reward? The general reward that puts into play every faculty of mind and every muscle for the highest money to be paid.

If I wanted to set every mill in this country running on full time, if I wanted to double the capacity of every mill in this country and had the arbitrary power to do it, I would so arrange it that every man who built a new mill would be certain of good prices for some time to come. If I wanted to have plenty of wheat and corn and rye and oats and barley and cattle, hogs, sheep, chickens, and eggs, and things we must have, then I would make it so that every farmer in the country would be certain that his labor would receive a rich reward when the harvest time came.

So instead of interfering because they interfere in Europe, where the enemy are thundering at their gates, we ought to stand here to encourage the business of the United States. We ought to stand here to encourage the farmer and the laborer and the merchant and all other men who produce. There is no necessity for shackling business.

Mr. President, I grant you that if we could have a man as food regulator who was wise enough to look with infinite sweep of vision down into the homes and hearts and lives of people and appreciate their wants, and guard with the wisdom of the Almighty One all the energies of the earth, then there would be some use in having a food dictator. But, sir, I said the other day, and I repeat in substance what I then said, there is scarcely a farmer of ordinary intelligence between the Atlantic and the Pacific, between the Canadian line and the Rio Grande River, who is living on a farm that he has worked for a year or two who does not know better how to run that farm and get results than the Secretary of Agriculture. He knows more about it than any expert who is down here in the Agricultural Department. I admit that an expert from the Agricultural Department may come to a farmer who has a farm and say, "Here is an improved variety of corn we have discovered; try it." And the Agricultural Department may come to another and say, "Here is an improved variety of wheat; try it," and the farmer with his practical knowledge may take that bit of scientific knowledge and add it to his own and he may make a better farm. So with fertilizers. But in these instances the Government is coming in simply to aid, not to control; simply to encourage, not to boss; simply to contribute, not to seek to manage. But I say to you, if you turn your ordinary agricultural expert loose on 160 acres of land out in any of the States, he will have to go to the farmers who have farmed the ground around him in order to learn how to plant his crops, in order to learn how to harvest them.

I happened to have been born and reared upon a farm, yet I was a grown man before I ever saw the white snowballs of the cotton fields. I did not know anything more about raising cotton than a fellow born and reared under the Equator knows about skating on the ice of the North. No man at the Agricultural Department is capable of managing the business of the American farmer or the American business man.

Sir, I do not want to make this personal, and yet we can not disregard personalities when personalities appear in Congress and, with bills in their hands, ask that they themselves be created a supreme dictator of the business of our country.

I know farmers in the country, and you all do know them, who have amassed princely fortunes at farming, men who have studied climate and soil and crops and markets, great masters in their business, and with such men the Secretary of Agriculture can not as an agriculturalist be compared. I say that kindly. I have the utmost respect for the Secretary of Agriculture. In his own line and in his own business, as the teacher in an agricultural college, I think him a very fine man; but when you talk about taking the business of the farmers of the United States from their hands and giving its direction to a man who never saw their farms you propose an infinite absurdity. I assert that I can take from the farms of this country men who if they were put in the same field of human activity with any agricultural expert there is in Washington would outstrip that expert.

Let me tell you, sirs—and it is time the fact was known—that appointment or election to an office does not give any man an intellectual superiority. Let me tell you that men mentally in this world differ no more than they do physically. There is a great common and general average of men physically, men who can do about the same amount of physical labor and endure

about the same amount of toil. Beneath them is a class of those who are physically deficient. Above them is a class of men who are a little superior to the general average physically. So it is in the intellectual world. But there are no intellectual kings or monopolists, as there are no monopolists of physical power. You can take an ordinary citizen and put him in office down here at the other end of the Avenue or at this end of the Avenue and he does not know a bit more after he is put in than he did before he was put in, and the day before he was put in office he did not know any more than a hundred other men in the community. When you talk about taking the business from men who have created their business and put it in the hands of one, two, or three men who did not create that business you propose a thing monstrous and horrible and destructive.

Mr. President, we are a funny set of creatures in this world. I have seen an ordinary lawyer practicing at the bar who, when he was called into consultation with lawyers at the same side of the table, they would express great doubt as to whether he knew anything about his own case. When they met him in the forum as antagonists they unhesitatingly attacked him with supreme confidence in their own power. I have seen that man peddle his own petition, I have seen his friends peddle it, to have him appointed to a judicial position. I have seen the disgust written upon the faces of the members of the bar at the supreme impudence of the fellow asking for a high judicial position. I have seen him appointed, and 24 hours afterwards I have seen them banquet him and call him judge, and two months afterwards they would quote everything he said from the bench as though it were said by the Lord God of Hosts. Yet he knew no more upon the bench than he did before. He had a little more authority.

I have seen men engaged in struggle for political office; I have seen them defeated by a few votes; I have seen the victor win by a few votes or by a few tricks; and then I have seen it suddenly claimed that the victor is a man possessed of remarkable wisdom and prescience, while the man who was defeated is regarded as no longer worthy to wash the feet of the great. Yet between the two men there was nothing but a political accident. We have seen this repeated over and over again. I have seen men taken from the obscurity of private life, men who had never won a single position of prominence, who had never done a thing to attract public attention, who had not risen to any commanding position in anything they ever undertook, who had been merely ordinary humdrum fellows of no special mark—I have seen those men put into office and suddenly they are quoted as though they spoke with all the accumulated wisdom of the ages. They knew no more in office than they knew when they were out of office. You may take a man from the obscurity of private life, you may elevate him to a position in the Cabinet of the President, and a great President, yet that man does not know one thing more the day he went into office than he knew the day before, except that he has an office, and the day before he would have been open to your challenge at every turn. You would have refused to blindly follow him the day before; you would have taken his judgment along with the judgment of your fellow men as no better than that of the average man; but suddenly we find it asserted that whatsoever he says is a verity.

Mr. President, I am one of those who believe in the intelligence of the people. I do not believe that the intelligence of the Congress of the United States is much greater than the intelligence of the communities of the people of the United States. We only represent the general average of intelligence.

Mr. GORE. Everybody knows more than any one body.

Mr. REED. As the Senator from Oklahoma says, "Everybody knows more than any one body." I hope we can remember that.

So, Mr. President, we may be elected to these offices and may do our best, and we may by study and constant effort be able to know a little bit more about questions than the men at home, yet if you go home and call together the intellectual men of your community you will find that their views are probably just as wise and as worthy of consideration as are ours. What is true of the Congress of the United States is true of the executive department of the United States.

Make no mistake. If in this emergency you appoint a food dictator, as it is called, you will have appointed but an ordinary man. He may be a smart man, but there are thousands of smart men. He may be a good man, but there are thousands of good men. He may be an energetic man, but there are thousands of energetic men. He may do as well as any one man can do, but this is the thing that I assert: No man ever has done or ever will attend to the business of the 104,000,000 people of the United States as well as they can attend to that business themselves. No man can do it.

If we will but meet this case upon the simple ground of preventing forestalling the market, if we will put our finger upon the criminal who has been guilty of those practices which have always been condemned; if you will do something to get transportation restored, you will have met the great and the crying needs of the hour.

Mr. President, I said the other day and I repeat it now, the man who goes about the United States of America preaching that we are on the verge of bankruptcy or starvation is a false prophet—is the man who does not speak the truth. Why, sir, as you go over this country from the Atlantic to the Pacific, what do you behold? Ten thousand, 100,000, plowshares are turning over the soil, and the man back of the plow knows how to cultivate that piece of ground. He knows what to plant it with. He knows how to get the best results. Go a little farther and you will observe the cattle upon the hills. They have not fallen off in their numbers. Starvation and gaunt want has not yet thrust its ugly countenance into the faces of the American people.

Go on farther and farther and you will come to the vast plains of the West, where the cattle and the sheep graze by the thousands and tens of thousands. Look wherever you will and you will find that in this mighty domain of ours everybody is at work. The smoke is rolling from countless chimneys. The whir of the wheels of industry is making the sweet music of production. Everywhere men are employed. Everywhere men are in their shirt sleeves. Everywhere the tireless muscles of the American workingman are being employed. All you need to do is to leave to the stout citizenry of the land the problems of production and they will keep the United States of America from starving this year at least. But interfere with them and you may work irreparable injury.

I appeal to the Senate that nothing be done to interfere with that vast machine known as America. Its elements are made up of the richest soil there is on earth, of the finest climate there is beneath the sky, of the greatest mines there are anywhere, of mighty powers of water and of steam; and it is financed by more powerful agencies than have ever been gathered in any nation of the world. Above everything else, and as its chief and highest attribute, is the indomitable energy, the tireless arm, the skillful brain of the greatest people God has ever created and gathered under one government.

We need nothing, Mr. President, but confidence, and the people will solve these problems. Confidence with the aid of Government in so far as to prevent an interference with production, as to prevent any blocking of the avenues of commerce, as to prevent any combination or any conspiracy stopping the vast machine. That is all we need, and the people of the United States will attend to that if the Government will attend to the business of government.

I desire to put into the RECORD, as illustrative of my remarks, a table which I have prepared, showing a comparison of production, exportation, consumption, and price in relation to certain staple articles for a number of years.

The VICE PRESIDENT. Without objection, permission to do so will be granted.

The table referred to is as follows:

Product.	1912	1913	1914	1915	1916
WHEAT.					
Total production	730,267,000	763,380,000	891,017,000	1,025,891,000	639,886,000
Amount exported	79,689,000	142,879,000	145,590,000	332,464,000	154,049,686
Consumed here	650,578,000	620,501,000	745,427,000	693,337,000	485,836,314
Average price	$0.92	$0.79	$0.84	$1.31	$1.25
CORN.					
Total production	3,124,746,000	2,446,000,000	2,672,000,000	2,994,000,000	2,582,000,000
Amount exported	41,797,000	50,000,000	10,000,000	50,000,000	53,543,227
Consumed here	3,082,949,000	2,396,000,000	2,662,000,000	2,944,000,000	2,529,456,773
Average price	$0.71	$0.53	$0.77	$0.75	$0.79

Product.	1912	1913	1914	1915	1916
OATS.					
Total production	1,418,337,000	1,121,768,000	1,141,060,000	1,540,362,000	1,251,902,000
Amount exported					
Consumed here					
Average price	$0.52	$0.33	$0.39	$0.53	$0.42
HAY.					
Total production	72,691,000	64,116,000	70,071,000	85,225,000	89,991,000
Amount exported	59,000	60,000	50,000	105,000	136,157
Consumed here	72,632,000	64,056,000	70,021,000	85,120,000	89,854,843
Average price	$11.79	$11.15	$12.20	$11.64	$11.78
COTTON (BALES).					
Total production	13,488,539	13,982,000	15,905,000	11,191,820	11,511,000
Amount exported	9,199,093	9,256,000	8,931,000	8,358,992	7,007,795
Consumed here	4,249,446	4,726,000	6,974,000	2,732,828	4,503,205
Average price	$0.10	$0.11	$0.11	$0.10	$0.19
POTATOES.					
Total production	420,647,000	331,527,000	405,921,000	359,103,000	285,437,000
Amount exported	1,237,000	2,028,000	1,794,000	3,135,000	3,229,646
Consumed here	419,410,000	329,499,000	404,127,000	355,968,000	282,207,354
Average price	$1.17	$0.50	$0.70	$0.47	$0.97
COAL.					
Production	534,466,580	569,960,219	513,525,477	531,619,487	597,474,000
Exported	20,326,619	24,798,080	19,747,945	22,741,895	26,007,262
Consumption	514,139,961	545,162,139	493,777,532	508,877,392	571,466,738
Average price per ton	$1.30	$1.33	$1.33	$1.29	

Mr. UNDERWOOD and Mr. SIMMONS addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama.

Mr. SIMMONS. I will ask the Senator from Alabama if he will yield to me?

Mr. UNDERWOOD. I yield.

Mr. SIMMONS. Mr. President, I understand the matter before the Senate at this time is the motion to recommit the bill?

The VICE PRESIDENT. It is.

Mr. SIMMONS. To recommit the bill together with certain amendments which have been offered this morning. Among those amendments are quite a number which refer to the prohibition and regulation of the use of grain in the manufacture of intoxicating drinks. One of those amendments has been referred to the Committee on Finance; the others, I think, have been referred to the Committee on Agriculture and Forestry. The Finance Committee think that all of these amendments ought to be referred to it, because they relate not only to the question of conservation and prohibition, but they relate, in a very important way, to the question of revenue. The Finance Committee is going to consider at once the amendment which has been referred to it. Inasmuch as we can not make up the bill now under consideration in committee until we know exactly what our resources are going to be—and the tax upon intoxicating spirits, it is well understood, is one of the chief resources of the Government for revenue—I wish that all of these amendments might be referred to the Finance Committee. I understand, however, that the Senator from Oklahoma [Mr GORE], in charge of the bill, is not willing for that course to be taken. But I wish now to give notice if the bill is recommitted that when it comes out of committee if any of these amendments are offered to it I shall then move and insist that they be referred to the Committee on Finance before action is taken upon them.

Mr. UNDERWOOD. Mr. President, I do not intend to detain the Senate late this evening, but before the motion is put to recommit this bill to the Committee on Agriculture and Forestry I feel that there are a few words that should go into the RECORD in reference to the attitude of the Government and the attitude of certain great interests in this country toward the question of the food supply.

I am sure that it can not be controverted that the greatest problem that confronts this Nation or any other nation is always to see that the people of the Nation are supplied with an adequate quantity of wholesome food. There is no golden rule that can solve this problem. There is no patent right that you can take out to increase the food supply. The world has been studying the question of food and its supply to the people for thousands of years. There is not a schoolboy in his teens who does not know that the one governing cause in determining the result is the question of whether the supply is adequate to the demand.

It is true that the supply can be made adequate to meet the demand; and sometimes a very small supply will meet the artificial demand when by order of government the people of a country are told that they must go on half rations in order to make the supply meet the demand. But is there a man who holds a seat on the floor of the Senate to-day who is prepared by his vote to tell the people of America—the best food producer of the world—that the conditions of the world and of the country are such to-day that by arbitrary enactment of law they must be half fed because we have become involved in war? If you are not prepared to say it yourselves, as a matter of affirmative action, are you prepared to say that you will delegate the power of government, that the people of this country have placed in your hands, to some one else to say when your people shall eat? If you are not, then the time has come when the Senate of the United States should give deliberate consideration to the bill that is now before it, which has been presented by the Committee on Agriculture and Forestry. There is one sure way to secure cheaper food and more food for the masses of the American people, and that is to produce cheaper food and more food for the people of the country and the people of the world. It is the only way, if you want your people fed, and fed adequately.

I recognize the fact that there may be some shortage in food supply, not by reason of the lack of production of crops in this country, not by reason of a falling off in production, but by reason of the fact that some of the lands of the world that have been competitors in the markets of the world in supplying food products are cut off by reason of war conditions. Does any man here believe that a bushel of wheat would be selling to-day for what it is selling for in the markets of the United States and the markets of London if the Dardanelles were open and the wheat supply of Russia were available to the world? Everybody knows that it would not be. We might have high-priced wheat, as compared to the average for 10 years past, but we would not have the pyramiding prices of to-day. When this war is over and the markets of the world are opened to the food production of the world there will be a great reduction in prices; but even then, Mr. President, the prices of food will not go down to a point where there will be an adequate supply of food for the toiling masses of the people of the world. There is only one way by which you can get an adequate supply of food for the growing demands of the industrial classes, and that is by producing more food.

There was a time in the history of the past when new fields and virgin soil of new countries were open to the production of a greater supply of foodstuffs. The new fields of tropical countries will not produce the foodstuffs that the people of the northern latitudes demand; and when it comes to the latitudes in which corn and cotton and wheat and cattle can be produced there are comparatively no new countries left and no new fields to plow.

Reading the history of the world, we know that 500 years before Christ the people of the Grecian Archipelago nearly reached the point of starvation, and that many of them became serfs because the worn-out fields were unable to produce the food supply which had fed those people a few hundred years before. The greatest boon that ever came to man was the discovery of the fact that the grasses that grew in the meadows could be transplanted to the higher fields and produce hay and fodder for cattle, so that the cattle ranges might develop and be carried to the high lands as well as to the low lands.

Mr. President, a half century ago the Empire of Germany could not adequately feed her own people. When this war was declared—I do not mean by the United States but when the European war was declared in August, 1914—the German Empire, with poor land, rock-ribbed hills, was producing within 10 per cent of an adequate food supply to liberally feed the people of that country. What is the story that is told to-day? That empire, without rich land, an empire to a large extent of barren soil, surrounded by a rim of bayonets, cut off from the world to a large extent for its food supply, has been able to maintain its armies and its people, if not with an adequate food supply, yet with sufficient food to maintain them on the battle fields for nearly three years. You do not have to go far afield to find out how the result has been accomplished. Any man who will look conditions in the face will read it in the recent history of the past.

Fifty years ago Germany inaugurated a system of intense fertilization of her land. When this war came on she was importing more fertilizer in proportion to her population than was any other country in the world; she was using more fertilizer on her fields than was any other country in the world; and in her production of crops of wheat, of barley, and of potatoes and other food products she was producing more per acre than the great continent of America, with its fertile fields and productive soil. That is the way we must furnish an adequate supply of food to our people.

There is in the far West to-day some soil that as yet is not worn out; the soils in the arid regions of the Rockies may possibly last for centuries to come; the plains of Nebraska, of Iowa, and the Dakotas may last for decades yet to come before intense fertilization is needed; but every man who is familiar with the conditions in the New England States, in the Southern States, and even to-day in the Middle Western States, recognizes the fact that the cultivation of food products can not continue long, to be profitable to the farmer unless he is given fertilizer to renew worn-out soil so as to enable him to double and treble his crop production, as he can do with adequate fertilization.

More than a year ago a bill was pending on the floor of the Senate, which the Senate passed after much debate—and I said then much of what I am saying to-day—providing an appropriation of $20,000,000—for what purpose? To supply this country with fertilizer in time of peace and powder in time of war. War is here, and it is said that we must appoint a general manager of our food supplies in order to keep this country from want. Yet no action has so far been taken to supply the nitrogen necessary to provide an adequate supply of powder in time of war and fertilizers in time of peace.

I do not wish to say anything that is unjust or unfair in this matter. The President of the United States, in whose hands this great power was intrusted, of course, has not the opportunity nor the time to exercise the power himself, and nobody expected him to do so. He delegated it to a committee of his Cabinet officers, who, after some deliberation, went to work to solve the problem. In the midst of their attempt to solve the problem the burdens and the cares of this war were cast upon their shoulders, and they have delegated the labor to a committee of chemists to find out whether the farmer needs the fertilizer and whether the Government needs the powder and what is the best method by which they can be produced.

Mr. SMITH of Georgia. Mr. President, if the Senator has the names of the chemists to whom he refers, I wish he would read them to the Senate.

Mr. UNDERWOOD. I have not at hand the list of that particular board of chemists, but I have a list of a board appointed some days ago by the Council of National Defense to consider questions related to the one we have under consideration. I will say, however, that the board of chemists that have been appointed are able, distinguished men in their line of science, but I also want to say that they are about as far removed from the farmers of this country as the North Pole is from the Equator.

Mr. REED. Mr. President, if the Senator will pardon an interruption, I find some consolation in the Senator's illustration, for if it takes a food dictator as long to get into action as it has taken the other department to establish the proposed nitrate plant, then the war will be over and most of us will be gathered to our fathers before there is any attempt made to fix the price of anything.

Mr. UNDERWOOD. I think the Senator is right. I listened with great interest to his able address this afternoon, and I am in accord with most of the things he said. The time has come for some action in this matter. The responsibility is here. We have handed on our responsibilities to other people long enough, and they have not acted. The responsibility rests with the Committee on Agriculture. We have delegated our power; we have delegated to some one else the opportunity to act, but no action has been obtained.

Mr. SMITH of Georgia. Mr. President, does the Senator mean that the responsibility for the failure to build the nitrate plant rests on the Committee on Agriculture?

Mr. UNDERWOOD. No, sir.

Mr. SMITH of Georgia. We recommended that bill and cordially supported it.

Mr. UNDERWOOD. No, sir; I did not say that at all. The Committee on Agriculture did its part, and for the failure to secure any definite results up to this date they are no more responsible than are other Members of the Senate; but when you trust a man once and he fails you, it is his fault; if you trust him the second time and he fails you, it is your fault. If the Committee on Agriculture proposes now to merely delegate power without providing effective legislation, it will be their fault and no one else's when the failure comes.

Mr. SMITH of Georgia. I desire to ask the Senator if anything in the bill reported from the committee carries the suggestion of a food dictator?

Mr. UNDERWOOD. No; but I say the time has come for Congress to do something affirmatively. If the Government wants powder, we can say, "Go and produce that powder," and those charged with responsibility will have to produce it. If we believe that a nitrogen supply in this country is needed, we can stop leaving it to the discretion of somebody else, and say that action must be taken; provide the money and specify how it shall be used to produce the desired result. Then we will have a determination of the question.

I regret that it is left for me to make this speech this afternoon. I think I have as much patience as any other man; I have been patient for an entire year, but I know that if an enemy of this country was able to drive us off the seas, we could not fight a battle with a first-class power for six months for the lack of an adequate nitrate supply, and I know that if we want the people of this country to have cheaper food, we must give our farmers an opportunity to raise cheaper food, so they can sell cheaper food, and sell it profitably.

There is but one way out, and you can read it in the history of the world. The essential thing for producing cheap food is rich land, and when rich land has been depleted and worn out that which takes the place of rich land is fertilizer; but other Senators know, as I know, that when we had a bill here a year ago to provide a fertilizer supply in this country some of the great interests placed themselves, like lions, across the path, and they are still there. It is not to their interest that present supplies should be increased or that new methods should be made use of to bring about cheaper fertilization.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. UNDERWOOD. Yes.

Mr. SMITH of Georgia. I wish to say that I cordially agree with the Senator. We really had a right to have the nitrogen plant erected long before this time, and if anybody has been a "slacker" it is not Congress; but the Senator suggests that the Committee on Agriculture can remedy the difficulty in some way. I want to say as one member of that committee that I have suggested to the authorized agency created by us months ago that we were entitled to action, and I complained at the delay. As the Senator seems to think the committee has some way to press the matter, I should be glad to have him suggest the way, because I, individually, as one member of that committee, have been urging action and have felt that there was cause for serious grievance that nothing had been done.

Mr. UNDERWOOD. I will be delighted to suggest a way. I do not think there is any difficulty in suggesting a way. I think if this bill is recommitted and the committee will send for the men who have been put in charge of this matter and ask them what they are doing and whether they are going to do anything, and if they have not done anything and do not intend to do so, then for the committee to write in the law a definite plan of procedure, what shall be done, we will obtain results. If they will make up their minds as to the process which should be adopted to furnish this country with cheap fertilizer and the nitrogen that it needs and when and where that process should be installed, we will soon start a great reform in our agricultural development. There are Members on the floor of the Senate who will sustain the committee when they bring in a report of that kind.

Now, this is no new story.

Mr. SMITH of Michigan. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Michigan?

Mr. UNDERWOOD. I do.

Mr. SMITH of Michigan. If my memory serves me right, the Senator from Alabama presented about a year ago a communication from private parties agreeing to develop a nitrate plant in this country if they were given an opportunity.

Mr. UNDERWOOD. Surely.

Mr. SMITH of Michigan. And the only reason why it was not done, if I am correctly informed, is because of the fear that it might be a monopoly. Now, I want to ask the Senator from Alabama if it is not true that in the present international emergency these same people are furnishing to the Government powder for the Government's use at a less cost by considerable than they have ever furnished it to anyone else, and at a less cost than it is now being produced through Government agencies?

Mr. UNDERWOOD. The Senator is talking on one subject and I am talking on another.

Mr. SMITH of Michigan. I am talking about nitrates and their relation to the powder situation.

Mr. UNDERWOOD. The Senator is talking about a powder situation. I am talking about a fertilizer situation that could be used to supply powder in war times.

Mr. SMITH of Michigan. Exactly.

Mr. UNDERWOOD. I think, so far as I am informed, that the Du Pont Powder Co. has acted very properly, very fairly, and very justly with the Government in the present emergency. I am not criticizing them.

Mr. SMITH of Michigan. No; I did not understand that the Senator criticized them. What I was speaking of was the independence of our country in the matter of powder making. We are not independent. We are dependent upon the nitrates of a foreign country in order to make powder.

Mr. UNDERWOOD. To be sure. The Du Pont Powder Co. could not make a pound of powder if you cut off from them the supply of Chilean saltpeter.

Mr. SMITH of Michigan. It could not.

Mr. UNDERWOOD. And the Government of the United States, by its authorized officers, has stated before a committee of the other House within the last week that we could not afford to send ships to Chile to bring nitrogen here for fertilizer purposes, and yet a year ago a great organization that was driven out of this country, that produces nitrates just as they are being produced in Germany to-day, stated before the Agricultural Committee of the Senate that if the Government would give them an opportunity to use cheap water power they would be willing to guarantee that the cost of fertilizer to the farmers in this country would be reduced one-half. Now, that is in the record. Go and examine the record of the Committee on Agriculture and Forestry.

Mr. REED. What was that company?

Mr. UNDERWOOD. That was the American Cyanamid Co., an American company that has been compelled to do business on the other side of Niagara Falls by the laws of our own Government, and the refusal of our own Government to give them an opportunity to do business on American soil.

Why, suppose that Mr. Schwab, of the Bethlehem Steel Co., had come down here when you wanted to build armor plate and had said, "Gentlemen, if you will let me dam one of your rivers and get cheaper electricity, I will agree to furnish your armor plate at one-half the sum you are paying for it to-day," would you have ignored that proposition and not considered it at all? Suppose, now that we are building ships, that the great United States Steel Corporation were to come before this body and say, "If you will give us an opportunity to get cheaper electrical power with which to operate our machinery, we will build these ships for you at one-half the price they are going to cost you to-day," would you ignore that proposition? No. But because this merely relates to farmers and fertilizers you say that it is socialistic for any man to say that the Government of the United States should give a company an opportunity to furnish the farmers of this country with cheaper fertilizer.

Mr. HUSTING. Mr. President, may I interrupt the Senator for a question?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. UNDERWOOD. Yes.

Mr. HUSTING. I ask the Senator whether this Cyanamid Co. does not buy its power from the Province of Ontario?

Mr. UNDERWOOD. I think it does, but I am not sure.

Mr. HUSTING. And does not the Senator know that those desiring to get power at Niagara Falls refused to accept a permit or franchise upon the same terms that the manufacturers of power on the Canadian side are willing to pay?

Mr. UNDERWOOD. Why, as I understand—I do not exactly understand the Senator's question—my information is that the men who are getting power on the Canadian side are getting it cheaper than those who are getting it on the American side.

Mr. HUSTING. I just want to suggest to the Senator that the Cyanamid Co. are purchasing power under the terms of the Ontario act when they were unwilling, or those who have applied for permits on the American side are unwilling, to accept as favorable terms here as they are willing to pay on the other side of the river.

Mr. UNDERWOOD. I do not know where the Senator got his information, and I am sure he got it from somebody or he would not have made the statement; but I can say there is not any truth in what the Senator says on that subject, because I know. I know that this company came before the Congress of the United States and asked for an opportunity to buy power in this country and develop power, and I know that the Congress, after a long fight, passed a bill to give them the power, and they were prepared to spend in this country the money that they spent in Canada when a President of the United States vetoed that bill.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama further yield to the Senator from Wisconsin?

Mr. UNDERWOOD. I yield.

Mr. HUSTING. I do not know anything about what the Cyanamid Co. are willing to do. I only want to say to the Senator that those enjoying a permit under the Province of Ontario are getting their power by paying to the Province of Ontario about 75 cents for every horsepower that they have developed and used; and not only that, but they have undertaken to sell to the extent of, I think, 100,000 horsepower to the Province of Ontario, the power at the rate of $9 a horsepower.

Mr. UNDERWOOD. Undoubtedly they are getting it cheaper on that side. In other words, the Canadian Government is taking better care of its people than our Government is in this regard. That is true.

Mr. WADSWORTH. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New York?

Mr. UNDERWOOD. I yield.

Mr. WADSWORTH. May I supplement the remarks of the Senator from Wisconsin by saying that, as contrasted with the 75 cents per horsepower paid by the companies on the Canadian side, the total of the taxes levied against the companies on the American side amounts to about $2.50 a horsepower—almost three times as much.

Mr. UNDERWOOD. Surely; and yet this Government not only refuses to allow this development but has stopped the development anywhere in this country on navigable streams of an opportunity for individual capital to utilize our water power and to develop a supply of nitrogen that might supply our farmers with fertilizers.

Now, I know that the great steel corporations of this country that are making by-product coke say that you can get your fertilizer by taking ammonia from by-product coke. As I stated here once before, I know that that does not help the farmer, and it does not help supply the demand, and you never can supply the demand in that way. I just wanted to call your attention and the attention of the Committee on Agriculture and Forestry to these things, because they bear the responsibility until they put it on us, and I hope at no distant day they will put the responsibility on the Senate instead of bearing it themselves.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Minnesota?

Mr. UNDERWOOD. I yield.

Mr. KELLOGG. Will the Senator please tell us why this plant which Congress authorized has not been built?

Mr. UNDERWOOD. Why I do not know. The money is appropriated. Board after board has been investigating, but the investigation does not stop. What I want is to have something done.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. UNDERWOOD. I yield.

Mr. SMITH of Georgia. If the Senator will yield. I desire to disclaim again for the Committee on Agriculture and Forestry responsibility for this delay, and I decline to accept the entire senatorial responsibility as resting upon the Committee on Agriculture and Forestry. If any Senator had desired to raise the question, he might have done so by resolution, calling on us to make an examination; and it rests on all the Senate as well as on the Committee on Agriculture and Forestry. But I wish to thank the Senator from Alabama for having relieved himself

of his part of the responsibility by his splendid contribution this afternoon to the discussion of that subject.

Mr. UNDERWOOD. I thank the Senator; and what I am doing, instead of introducing a resolution, is introducing a speech that I hope will have some weight with him.

Mr. KENYON. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. UNDERWOOD. I do.

Mr. KENYON. I am a humble member of the Committee on Agriculture and Forestry, and accept with grace the castigation of the Senator. The Senator, I suppose, is familiar with the fact that the Committee on Agriculture and Forestry reported out here a bill appropriating $10,000,000, I think it was——

Mr. UNDERWOOD. Twenty million dollars.

Mr. KENYON. No; the ten millions was for nitrate.

Mr. UNDERWOOD. Oh, yes; yes.

Mr. KENYON. And also twenty millions for the factory.

Mr. UNDERWOOD. Surely.

Mr. KENYON. Now, has the Senator introduced any further bill for the Committee on Agriculture and Forestry to consider? And does the Senator feel that because some commission has not acted promptly the Committee on Agriculture and Forestry is to blame?

Mr. UNDERWOOD. No; I am not blaming the Committee on Agriculture and Forestry.

Mr. KENYON. One further question. I understood the Senator was placing the responsibility on the Committee on Agriculture and Forestry.

Mr. UNDERWOOD. No; I do say the responsibility lies there, but you hold the keys to the door. Any resolution going into your committee can not get out as long as you lock it up.

Mr. KENYON. It certainly can not get out if it never gets there.

Mr. UNDERWOOD. Now, I am not saying that any resolution has gone in, but I say the time has come when it is up to the Committee on Agriculture and Forestry to inquire why something has not been done and to do something.

Mr. KENYON. May I ask the Senator one more question? He is generally fair. Is it not a fact that this nitrate plant has not been located because of the active competition of various parts of the country as to its location? And if that is true, then is not the responsibility upon those various people who can not get together and unite on some place for the location of this plant, and is not that the reason why the plant has not been located?

Mr. UNDERWOOD. No; I think not. I think it is very proper and very right that a number of places should apply, and very proper and very right that the board should take time to consider them; but a similar board, with less time to work in, selected a site for an armor-plate factory. They have located a number of other plants; and I think there has been ample time for them to find out where they can produce a certain amount of horsepower out of the navigable rivers of this country.

Mr. KENYON. I agree with the Senator; but I believe that the delay has been caused, as nearly as I understand, by the strife between different parts of the country for the location of the plant.

Mr. UNDERWOOD. I am not criticizing the committee now. I want to disclaim any criticism of the Agricultural Committee.

Mr. KENYON. I am glad of that.

Mr. UNDERWOOD. But I want just as distinctly to call to the attention of the committee the condition that exists, and insist that the responsibility rests with them.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. UNDERWOOD. I yield.

Mr. SMITH of Georgia. If the Senator will allow me, as I understand his position it is this: We passed the bill making the appropriation and putting the responsibility of the construction upon the other end of the Avenue, and as they have neglected to do their duty there it is the duty of the Committee on Agriculture and Forestry to inquire into the causes of the delay and prod them up.

Mr. UNDERWOOD. Not only that, but if action is not obtained, and the right kind of action, determine on the location yourselves and use that money in the interest of the American farmer. You can determine it as well as anybody else, if you will do it.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Missouri?

Mr. UNDERWOOD. I yield.

Mr. REED. Just to refresh my recollection, in whose care and keeping was this great work of construction placed?

Mr. UNDERWOOD. It was primarily placed in the hands of the President of the United States; but, as I stated a few moments ago, nobody expected him as an individual to exercise it. He passed it on to his Cabinet officers, and they were at work on it when this war condition came on.

Mr. REED. Which Cabinet officers?

Mr. UNDERWOOD. Why, the Secretary of War, the Secretary of Agriculture, and the Secretary of the Interior. Now we have got it down to a subordinate board of chemists that do not seem to be doing anything.

Mr. REED. That brings up the question I wanted to ask a little while ago. Is that board of chemists engaged now in the work of finding a location, or is it engaged in determining whether or not nitrogen can be produced in the manner contemplated by the bill?

Mr. UNDERWOOD. As far as I can tell, that board is trying to find some new process to make nitrogen instead of adopting well-known processes that are producing results in other countries to-day.

Mr. REED. Then it is a board to review the action of Congress?

Mr. UNDERWOOD. Well, it may construe itself to be such a board.

Mr. REED. But I am in earnest about this. Does it not amount to this: Congress appropriated $20,000,000 to build a nitrate plant. Congress provided that a location should be found, and at that location a plant should be built; and that plant was to extract nitrogen from the air.

Mr. UNDERWOOD. Surely.

Mr. REED. Now, am I to understand that this board of chemists are now going to investigate the question whether that is the proper way to make nitrogen?

Mr. UNDERWOOD. I will say to the Senator that when this resolution was passed in the Senate last year there were two well-known methods of extracting nitrogen from the air in a commercial way. Of course there were some old processes by which nitrogen had been taken from the air, 80 or 100 years old, that were never a commercial success and could not be made so; but there was what was known as the arc process, that was being used in Norway and some other countries with a marked degree of success, and there was the cyanamid process, that pretty nearly every civilized country in the world except this one was using.

When the nitrogen bill was passed, instead of carrying out the intention of Congress to make nitrogen, and make it now, and leave for the future the development of the science, they have stopped to develop the science, while the farmer is needing the nitrogen. That is all there is to it. These processes are known. They have been a commercial success. They have made the nitrogen. Fertilizer has been made out of the nitrogen they make, but that was not good enough for the eminent scientist to rest upon.

Now, I understand that among others there is what is known as the Haber process that the German Government uses. The Haber process uses a smaller amount of electricity and a larger amount of chemicals. The Haber process is a German patent. Although this board of chemists, I understand, are experimenting with a plant and trying to make nitrogen by the Haber process, I have serious doubts to whether there is a man in America that can properly draw the specifications for the Haber process to make nitrogen, and I am confident that the method pursued is far more expensive than known methods in use before this experimentation with Government money was inaugurated. The Haber process evidently is not very much better than the other processes that we know of, because practically half of the nitrogen that is being made in Germany to-day is made by the cyanamid process. There is a known road, and an easy road, ahead. Why not follow it?

But let me call your attention to the things that have caused me to get up on my feet and speak this afternoon. In a hearing before the Agricultural Committee, I think it was, on the production and conservation of food supplies, Mr. John A. McSparron, of Furnace, Pa., master of the Pennsylvania State Grange and secretary of the legislative committee of the National Grange, made this statement:

> Well, it has always been the custom, we have noticed, for many years in this Government, when they appoint a board that has to do with farming that they never put any farmers on the board. It is the popular thing to appoint these men from the hearts of the big cities.

That is item of evidence No. 1.

I hold in my hand what is called the Official Bulletin, edited by Mr. George Creel, chairman, and bearing date Washington,

Monday, May 14, 1917. I suppose that the statements in this Official Bulletin are authentic. I find in it this statement——

Mr. STONE. Mr. President, may I ask the Senator, if he pleases, if it be not a secret, where he obtained that document?

Mr. UNDERWOOD. It is distributed in our offices. I have no doubt the Senator will find his there, if he will hunt for it.

Mr. STONE. I have not hunted for it, and I have not seen it. The junior Senator from Georgia [Mr. HARDWICK] has just made of me substantially the inquiry I have made of the Senator from Alabama.

Mr. UNDERWOOD. Why, it comes to everybody; but I can give the Senator the place where it is published.

Mr. STONE. Is it a public document?

Mr. UNDERWOOD. It is a Government publication.

Mr. HARDWICK. It is a Government newspaper.

Mr. UNDERWOOD. It is a Government newspaper, published at No. 10 Jackson Place, Washington, D. C.

Mr. HARDWICK. Mr. President, if the Senator will pardon me——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. UNDERWOOD. I do.

Mr. HARDWICK. That is a Government newspaper, is it not?

Mr. UNDERWOOD. To be sure; at least, I understand it to be such.

Mr. HARDWICK. I mean by that it is paid for by the Government—printed and issued by the Government?

Mr. UNDERWOOD. I am not able to answer that question, but it comes with the authority of the Government.

Mr. SMOOT. Mr. President, I will say to the Senator that there is no question that the Government pays for it, and it is the administration paper.

Mr. REED. Mr. President, I think——

Mr. UNDERWOOD. I ask the Senator not to get me away from the point that I want to make about this paper. The paper itself is not so important.

Mr. STONE. No; it is not. I do not want to divert the Senator.

Mr. BANKHEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to his colleague?

Mr. UNDERWOOD. I do.

Mr. BANKHEAD. I want to say for the information of my colleague that this publication is printed at the Government Printing Office here in the city of Washington.

Mr. SMOOT. There is no doubt about that.

Mr. BANKHEAD. The reason why I say that is because an employee of the office gave me one the other day, and said they were issuing them in great numbers.

Mr. UNDERWOOD. There is no doubt about the authenticity of the statement. I have read to the Senate what Mr. McSparron has said in reference to the appointment of committees. Now, I want to read this:

> The Council of National Defense announces the appointment of a subcommittee on chemicals to serve under the committee on raw materials of the advisory commission, of which Bernard M. Baruch is chairman, Dr. William H. Nichols, of the General Chemical Co., of New York, is chairman of the new subdivision.
>
> Besides Dr. Nichols the subcommittee is composed as follows:
>
> Acids: E. R. Grasselli, of the Grasselli Chemical Co., Cleveland; Henry Howard, Merrimac Chemical Co., Boston.
>
> Fertilizers: Horace Bowker, New York; Charles E. McDowell, president Armour Fertilizer Co., Chicago.
>
> Alkalis: J. D. Pennock, Solvay Process Co., Syracuse.
>
> Miscellaneous chemicals: Edward Mallinckrodt, jr., St. Louis.

Now, I know those gentlemen, a number of them. They are able eminent men in their profession. They are men who represent some of the greatest business interests of this country. They are selling fertilizers to the farmers. That is part of their business. Do you suppose that they can approach this question of the farmer getting fertilizers from some other standpoint without some bias of judgment in the matter?

One or two of these men are friends of mine, and I would not have anybody say that I had said anything here to criticize them or their attitude; but if I were in the fertilizer business and all my fortune were involved in the fertilizer business, as it is constituted to-day, I would not appoint myself on the board to determine whether a newer and a better process could be had to furnish the farmers of this country with fertilizer.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. UNDERWOOD. I do.

Mr. JONES of New Mexico. I should like to inquire of the Senator if Congress has ever passed a bill providing a means for the manufacture of nitrates to be used primarily as fertilizer?

Mr. UNDERWOOD. No; not exactly that way; but last year Congress passed a bill appropriating $20,000,000 for the erection of a plant to make nitrogen, and providing that that nitrogen should be used by the Government for powder in times of war and for fertilizers in times of peace; and it is to that bill that I am addressing my remarks. The bill is here; it has been passed; the money is in the Treasury, but there is no movement seen anywhere on the landscape.

I hold in my hand a letter that I have received from Mr. R. F. Bower. Mr. Bower is a member of the Farmers' Educational and Cooperative Union of America. He is their special legislative agent in Washington, appointed by the Farmers' Union of America to come here last year and aid in securing the passage of a bill to aid in the production of nitrogen. In other words, he represented the Farmers' Union of America in his support of the nitrogen bill we passed last year, appropriating $20,000,000; and I am in receipt of a letter from Mr. Bower in reference to the situation on this subject, which I think should go in the RECORD. I send it to the desk and ask to have it read. When it has been read I will ask to have it returned to me.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

FARMERS' EDUCATIONAL AND COOPERATIVE UNION OF AMERICA,
NATIONAL UNION,
Washington, D. C., May 21, 1917.

Hon. OSCAR W. UNDERWOOD,
United States Senate.

MY DEAR SENATOR: Will you let me, please, have enough of your time in the interest of the farmers I represent to call your attention to page 3 of the inclosed copy of May 14 issue of Official Bulletin, where you will find that the Council of National Defense announces a committee on fertilizers, to serve under the committee on raw materials, of which Mr. Bernard M. Baruch is chairman?

You will note with interest, perhaps—and certainly we farmers are noticing with interest—that this fertilizer committee is composed of a representative of the Armour Fertilizer Co., of Chicago., and Mr. Horace Bowker, of New York, who is the president of the National Fertilizer Association. In this connection I attach an extract from a hearing before the Senate Committee on Agriculture, in which extract you will find a statement made by Mr. McSparron, who is master of the Pennsylvania State Grange and secretary of the legislative committee of the National Grange. The committee on fertilizers above referred to is just another example of what Mr. McSparron called attention to.

One thing is clear again, and it has been mighty clear all the time, that the Fertilizer Trust is looking after its own, and I hope you will not think we farmers are unfair when we compare the people on this committee with the failure of the President to even answer Mr. Barrett's letter asking that we be granted representation on the nitrate supply committee.

Dr. W. R. Whitney, of the General Electric Co., who was a member of the nitric acid committee from the Academy of Sciences, and who also is a member of the new nitrate supply committee, in the Manufacturers' Record of September 14, 1916, wrote in part as follows:

"It is common to assume that the production of any nitrogen fertilizer product in addition to that now produced would so reduce the price as to injure the interests of those who, for example, are now actively engaged in recovering ammonia from gas liquors and coke ovens. There is probably no advantage in robbing Peter to pay Paul, and unless the new fertilizer processes could exist and compete without abnormal support there are economical hindrances as determining as the laws of survival in case of living organisms. This makes it seem desirable that attention be continually attracted to the possibilities of fertilizer production in the South and to the factors determining the value of different processes, in the hope that southern capital may itself develop the industry. Water-power rights or power supply permitted equally freely to all industries under conditions that would insure the utilization of an appreciable fraction of the power available seems a step in the right direction."

I quote this to point out with what strange uniformity we find that nearly everyone charged with the responsibility of selecting a process constantly expresses the fear that some private interest will be hurt, and nobody seems to care at all whether the farmers' interests are helped with this legislation, which the farmers got passed, or not.

Who is the "Peter," anyway, that Dr. Whitney refers to in the above quotation? He is the same "Peter" that we have been contending against in connection with this nitrate legislation and in connection with the selection of a process for over a year. "Peter" is the great iron and steel companies, the fertilizer-manufacturing companies, the Chilean nitrate monopoly, and the power companies, every one of whom have fought us, and still are.

Now, who is "Paul"? "Paul" is the farmers, the public that buys food and clothing. And if a process is selected that merely increases the ammonia supply of the country from a Government nitrate plant in times of peace, then "Peter," the fertilizer manufacturers, profits and "Paul" will "get it in the neck."

Now, what the farmers want to know is, Are the administration and Congress going to be for "Paul," or going to stand for "Peter"?

Again, we find in the New York Times magazine of May 13 that Dr. Whitney is credited and quoted with the following statement:

"The Department of Agriculture is interested in any form of fixed nitrogen and is carrying on experiments for itself. The Army and Navy want only nitric acid or something from which it can be made. The Department of the Interior is interested in it as a mineral proposition, and is doubtless drilling for it. Several industries are trying to produce nitrates or ammonia, and many industries would use the product."

Now, this quotation closely expresses a situation that we fear is going to swamp the farmer. All of these nitrogen doctors have different views, and they constantly are discovering new processes, etc., all the time forgetting that there is to be found in the hearings before the committees of Congress the undisputed statement by the representative of the company that has successfully established for the first time the nitrogen industry in North America, and the statement is that if a cooperative plan can be adopted by the Government, then the farmers will get their fertilizers at one-half the cost they were paying for them previous to the beginning of the European war.

Now, we farmers honestly think that the administration and Congress ought not to surrender us and the legislation we got Congress to pass to the Fertilizer Trust in the face of a statement that deserves,

if not confidence, at least investigation, that the farmers of this country can receive their fertilizers at one-half the cost that the Fertilizer Trust has been furnishing fertilizers for.

If the Army and Navy experts and other Government bureau experts have found a process that will furnish nitric acid for explosives cheaper than any process that will at the same time furnish fertilizers for one-half what the farmers now pay for them, the farmers ask the question, How much cheaper is this nitric-acid process that will furnish nitric acid for cheaper explosives than some process that will furnish nitric acid at a higher cost but very cheap fertilizers? Suppose it is found that some nitric-acid process will save the Government $300,000 a year in peace times, as against a nitric-acid process giving cheap fertilizers, is it possible that, as the Government nitrate plant will be operated 95 per cent of the time in the future, primarily for fertilizers, that the cost of food should yield to the cost of explosives?

The Government appropriates $11,000,000 to free itself from the Armor Plate Trust and more than a million dollars to free the Navy from the projectile combine, and over $100,000,000 to help crop production in the arid States of the West, then why can not the farmers east of the Mississippi River fairly demand that, in the Government's selection of a nitrogen process the purely military and naval needs of the Government for nitric acid and the cost of the same yield to the necessity of an increase in crop production and a decrease in the cost of food; and, more than this, if, as has been complained by some, the $20,000,000 appropriated by Congress for the Government nitrate plant is not enough money to provide the necessary nitric-acid establishments for the Government, then, with the present cost of food and crop conditions in this country, would you hesitate to support an additional appropriation that would permit the selection of a process that would give the farmers of this country fertilizers at one-half the price they have been paying in the past?

The fertilizer bill of the farmers of this country for 1914 amounted to a total of $185,000,000. Of this total, $86,395,000 was for nitrogen and $69,005,000 for phosphoric acid and $29,600,000 for potash. Suppose that the farmers of this country, as was suggested last spring before the Military and Agricultural Committees of the House and Senate that it would be possible in connection with the building of a Government nitrate plant to establish fertilizer factories that would give a fertilizer compounded of ammonia from air nitrogen and phosphoric acid from phosphate rock at one-half the cost per unit of plant food that the farmers have been paying for fertilizers—suppose such a fertilizer available to the farmers, and that in one year they could get and use a universal fertilizer composed of phosphoric acid and nitrogen to the extent of a year's bill for this kind of fertilizer of $155,400,000—and this amount was paid for nitrogen and phosphoric acid in the fertilizers purchased in 1914—the saving would be in one year $77,700,000. Now, can this administration, can Members of Congress, ever explain to the farmers of this country and excuse the adoption of a process that will simply increase the ammonia supply of the country for the benefit of the Fertilizer Trust, when there is an opportunity and a possibility of saving to the farmers of this country $77,700,000 per year in the mere cost of fertilizers purchased, not to speak of other great savings made in the way of labor efficiencies, etc.? If such a mistake is made it never can be explained to the farmers, and we will again and again and forever ask for the explanation.

Yours, truly,

R. F. BOWER.

Mr. UNDERWOOD. Mr. President, I have put in the RECORD from the Official Bulletin the statement that Mr. Bower referred to. I have put in the RECORD the official statement of the representative of a very large majority of the farmers of the country on this question. You can not deny it; you know it is a fact, that there is a large interest in this country that would like to have you make all the ammonia that you can for them to buy and make fertilizer out of it. But where do you get? You do not get anywhere. You merely saturate the market with ammonia, and you allow the combinations to continue to put up the price to the farmers.

This Government was offered a proposition to reduce the price of fertilizers. There was nothing in the bill limiting it to that proposal, but the Congress was so impressed by the offer that it appropriated $20,000 000. That was before this war, when $20,000,000 was a big sum of money.

The committee has brought in a bill here to create an artificial condition, not a natural condition. I do not mean to say that food prices have not pyramided, and it may be that they need some artificial regulation to stop the pyramiding. I think if the men on the floor of the Senate would stop advertising to the world that they think there is going to be scarcity of food supply, if the newspapers of the United States would not advertise to the people of America every day that there is going to be scarcity of food supply, and there is not so far as our country is concerned, the man in the city would not have to pay twice as much for his food as he did last year.

Mr. SMITH of Georgia. Will the Senator pardon me a moment?

Mr. UNDERWOOD. Surely.

Mr. SMITH of Georgia. The measure brought in by the committee aims solely at preventing the manipulation of foodstuffs after they passed from the hands of the farmers. The committee declined to consider the numerous provisions along other lines which were submitted to it.

Mr. UNDERWOOD. I am not objecting to that proposition. I say that you probably need some regulation of artificial conditions. What I am talking about is trying to relieve this situation not only for our own people and our own country but for the world by artificial legislation, by endeavoring to lessen consumption, and therefore making the supply more adequate, which is an artificial way to handle the proposition; shall we not go back to the natural way of raising more food and cheaper food, and let the people have all the food they want at a cheaper price, and enable the farmer to raise it profitably by allowing him to raise 40 bushels of corn on 1 acre of ground instead of 15. That is the problem which confronted Congress; that is the problem which confronted the world. There is nothing new in it. As I said awhile ago, the German Empire solved the problem of feeding its own people by giving them more fertilization and by more intensive farming. It is the problem here to-day. It will enable the farmer to prosper and enable the man in the city to have cheaper food, and it is the only way that you can accomplish the problem and get results at the same time.

I am not going to weary the Senate with longer discussion of this question. I have kept my mouth shut for a year about it. I am not criticizing the Committee on Agriculture and Forestry; but I do say the Committee on Agriculture and Forestry has a great function to perform for the benefit of the people of America; that it holds the key to the door. You are entitled to great credit in reporting the bill originally. You are entitled to credit for your efforts in the recent past to try to solve the situation in a natural way. But I say to the committee, and the entire purpose of my speech is to say to the committee, when you have under consideration the bill you have brought before us, I think you should consider the natural way to control this question. Send for these men to come before your committee. I would say, take this bill back to your committee, because you have not solved the whole problem. You have only brought one side of it to us. You have not brought the bigger side, the better side of the problem to the Senate. Take your bill back to your committee. Send for these gentlemen in whose hands this $20,000,000 rests and ask them if they are going to do anything, and where they are going to do it; and if they do not give you a satisfactory answer, then I beg of you for the people of the United States, the man who labors in the factory in the city, the man who stands behind the plow in the country, give him an opportunity, and if they will not act, determine yourselves what you think is the best process, and determine yourselves where is the best location for the plant, and then when you bring that bill before the Senate of the United States I think I can safely predict that you will get action, and the American people will get something out of this legislation.

Mr. SMITH of South Carolina. Mr. President, as a member of the Committee on Agriculture and Forestry, in justice to myself and in justice to the farmers of the country I am going to make a statement. I on my own initiative called on one of those who had charge of this end of departmental work, or who was appointed by the three departments that have charge of this proposition, to know what progress was being made and what they proposed to do. I was informed that they were studying the processes and that they were charged with the duty of getting as cheap a process as possible in order to conserve the money the Government had appropriated for this purpose.

I called attention to the fact, which seems not to be generally known in the Senate, that in a large portion of our country the ingredient is now an absolutely prime essential in the production of anything like an adequate crop, and was rapidly becoming a necessity throughout the whole United States, for it is a mathematical proposition as easy of demonstration as that subtracting 2 from 4 leaves 2 that you can not take off the great western plains millions of bushels of wheat, the essential element of which is another form of nitrogen, and leave the soil as rich as it was before the crop was taken off.

It was testified before our committee by the experts of the Government that nitrogen, produced either from the air or taken from the nitrate beds of Chile, when placed on land would increase the yield from 50 to 100 and even 200 per cent, according to the lack of fertility in the soil and the judicious manner in which it was applied. I asked what length of time would be necessary, perhaps, to get the Government plant running or to get the process in operation by which we could extract nitrogen from air and make it available to increase the yield. The reply was from 12 to 14 months after they had determined upon the process.

So far as I am concerned, I had discharged my duty in calling attention to the fact that the country was crying for it and needed it; but listen: At a time when the Government is calling upon the farmers to increase their yield and is proposing to fix minimum prices, which might be above the market price and involve millions upon millions of taxation to the consumer, I asked an appropriation of $10,000,000 for the purpose of enabling Government vessels to go to Chile and obtain nitrates to be sold to the farmers of this country. According to the

figures given by the Senator from Virginia [Mr. SWANSON] the cost of the nitrates was only $47 a ton at the beds, or at the ship's side, and in addition there would be the freight charge from there here. It is a foreign article; it would come in competition with no domestic manufacturer. I asked that vessels be sent to a foreign country, get this all-important ingredient, and bring it to this country for sale at cost to the farmers for cash in advance; but the Secretary of Agriculture goes over to the other end of the building, after the bill had passed this body by a vote of 7 to 1, and indicates that the price is too high and that Government vessels were too scarce. In the name of the living God, while we are striving by the expenditure of hundreds of millions of dollars to get vessels to carry food to the allies, why should we refuse to grant a loan of $10,000,000 to the producers of the foodstuffs that we want to carry to the allies—not to give it to the farmers, but to lend it to them?

Mr. SMITH of Georgia. Merely to bring nitrates here so that they might buy them.

Mr. SMITH of South Carolina. To bring them here so that the farmers might buy them. I was informed that the Secretary of Agriculture went over and said that, according to his information, so far as he had investigated the matter, the application of nitrate had only increased the yield of crops 10 per cent, when on my own farm I have seen it increase the yield from 50 to 200 per cent. I challenge any man's statement to that effect and ask him to call any farmer on the Atlantic seaboard and ask him what will be the effect of the proper use of this element on the grain production on the Atlantic seaboard or on the western plains. What hope have we of this legislation being put into operation when the head of one of the three departments charged to look after the establishment of the nitrate plant says when the price reaches about $60 or $70 a ton that he does not know that it would be profitable for the farmers to use it?

Reference has been made to the Agricultural Committee. The Agricultural Committee reported the nitrate plant bill. I had the honor to introduce it, and I had the honor to fight it through the Senate, by and with the aid of those who understood it. Then it went to the other House, was there passed, and finally became a law. It was then under the administrative direction of three departments, and the head of one of those departments in this acute emergency now says that we can not afford to have Government vessels go to Chile and get this commodity, and to send private vessels to get it would cost too high.

The question was raised as to whether or not we, being a belligerent, could go to a neutral port to get this fertilizing ingredient. I want to submit to the Senate this proposition: The basis of all of our explosives is nitrogen. If American vessels can not go to Chile to get this supply, in view of the fact that the nitrogen plant here has not been built, what are we going to fight with? If we are cut off in those directions, then we have got to depend upon private vessels to go and get the ingredient upon which the Government is dependent to fight this war.

Mr. STONE. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Missouri?

Mr. SMITH of South Carolina. I yield.

Mr. STONE. It certainly can not be contended, and certainly has not been contended, by anyone who has given thought to the subject that a belligerent country could not go to the port of a neutral country and purchase any war material it pleased and take the chance of getting it through.

Mr. SMITH of South Carolina. I do not ask the Senator from Missouri to take my word for it, but will refer him to the hearings before the Committee on Appropriations. There he will find it in black and white. If I am mistaken, the reading of the hearings will correct me. The question was asked me, "Have you investigated our status since we have declared war; and do you think we can send a vessel there and take the time to load this material and bring it here?" That question was asked by members of the committee and is incorporated in the hearings.

Mr. STONE. The only point I meant to make—I only wish to make it because I do not think it well to have a contrary impression go out to the Senate or to the country, not that I wish to antagonize what the Senator is saying——

Mr. SMITH of South Carolina. I know the Senator is not doing that.

Mr. STONE. Quite the contrary. But the only point I had in mind was that there can be no question, as I think, of the right of a belligerent country under international law to go to a neutral country and buy war material without the neutral country violating its neutrality by selling it.

Mr. SMITH of South Carolina. Precisely. I am glad the Senator has made that statement, because I want that statement in the RECORD; but the fact is—and this is the point that I make—that because it was proposed to get this commodity for the farmers of this country that absurd question was raised, for everyone knows that we shall get all the ingredients that we want for munitions purposes.

Some one has said—and it was received with great joy in high places—that we need biscuits as badly as we need bullets. It takes nitrogen to make biscuits as well as to project the bullets. We will buy all of this material we want for bullets, but the man who makes the biscuits will have to do the best he can. That is a plain statement of the proposition. We have appropriated $20,000,000 for the purpose of constructing a plant to extract free nitrogen from the air and selling it to the farmers; and we passed another bill in the Senate appropriating $10,000,000 to send Government vessels to a foreign country to secure an ingredient that will enable the farmers to quadruple their crops; but the Secretary of Agriculture says that he does not believe it will pay to get it at the prevailing price and that he does not believe there are available Government vessels.

I tell you here and now it is more important to this Government to see that Government vessels are put on the sea and sent to Chile to bring this ingredient here than it is to double our means of sending to the allies what we have already produced. What we ought to do is, first, to provide for an adequate crop for ourselves, and then out of our abundance to send abroad. Charity begins at home; and the wise statesman is the man who will see to it that along right and legitimate lines his own will be protected, and then through their splendid equipment let them help those who need their help.

I want to clear myself of any dereliction of duty. I understand just as acutely as other Senators, perhaps more so, the need for this wonderful ingredient, but what chance have we if committees that are not informed as we are informed are to be told by the department that it would not be profitable to buy it at present prices, and, further, on account of our status as a belligerent and the status of Chile as a neutral nation American vessels could not go there and bring this material to this country.

I am going to give the Senate an opportunity to adopt my joint resolution as an amendment to the food-control bill, so that it will at least again have a hearing on the floor of the Senate and not be choked to death in committee, and so that the other House may discuss it, as the Senate did a few weeks ago, and register what it has to say about this matter. We registered our approval of it seven to one.

I have between five hundred and a thousand letters from the men who produce crops saying that the application of this ingredient will increase the yield from 50 to 100 per cent. I invite the Senate to read the testimony of Dr. Norton before the Agricultural Committee when we were discussing the establishment of the nitrate plant as to his opinion of what the effect would be upon the production of this country if we have an adequate supply.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. SMITH of South Carolina. I do.

Mr. NORRIS. Did I understand the Senator to say that he was going to offer as an amendment to this bill the joint resolution which was adopted by the Senate some weeks ago appropriating $10,000,000 for the purchase of nitrates for the benefit of the farmers?

Mr. SMITH of South Carolina. I am.

Mr. NORRIS. That proposition passed the House, did it not?

Mr. SMITH of South Carolina. No; I think I stated the facts in connection with that matter. I am informed that the joint resolution is not likely to be reported out.

Mr. NORRIS. I misunderstood the Senator. I understood the Senator to say that the joint resolution had passed the House.

Mr. SMITH of South Carolina. No; I said it had passed the Senate, but remained unacted upon in the committee of the House.

Mr. NORRIS. I will have to accept the Senator's correction, of course; but I think he will find that in substance he said that it had passed the House, but had not yet become a law.

Mr. SMITH of South Carolina. If I said that, I will ask the Reporter to make the correction.

Mr. NORRIS. How did it happen to be killed in the House?

Mr. SMITH of South Carolina. It was referred to a committee of that body, as I have stated, and the Secretary of Agriculture appeared before that committee and in his testimony

practically said that we could not get Government vessels—I am informed that he said so; I have not read his testimony—that on account of the status of Chile as a neutral nation it was doubtful if we could use Government vessels to transport the commodity, and, in the next place, its cost was too high to be profitable to the farmer.

Mr. NORRIS. Then, as I understand the situation, it was killed in the House committee by the Secretary of Agriculture?

Mr. SMITH of South Carolina. Well, so far it is moribund.

Mr. NORRIS. Does the Senator know whether or not the House committee has decided to make a report on it?

Mr. SMITH of South Carolina. I understand on inquiry that it is not likely to be reported out on account of the testimony of the Secretary of Agriculture.

Mr. NORRIS. Then, it reduces itself to this proposition, that the Secretary of Agriculture has succeeded in defeating it in the House.

Mr. SMITH of South Carolina. Yes; it reduces itself to that. Now, I am going to ask the Senate, Who is a better judge of what is needed on the farms than the man who himself is a farmer? We have the testimony of from 500 to 1,000 such men, as honest as any set of men in this country, that the application of nitrates will increase the yield of the farms by from 30 to 100 per cent. That is backed up by the testimony of Clemson Agriculture College, of my State, and by every practical farmer who knows enough about farming to know the difference between the jimson weed and the cotton plant.

I did not come here with a proposition that was fantastical or theoretical. I have doubled the yield of my wheat and doubled the yield of my oats by the application of this material. It has redeemed the corn crop of the South, quadrupled the truck growing of the entire country, and yet it is said that Government vessels can not go to Chile and bring this foreign article here to be sold to the farmers at cost, although we can spend hundreds of millions of dollars for building ships to carry food from this country to the allies. I am perfectly willing to vote for that; I am perfectly willing to lend the allies everything that we can possibly spare; but I do say that it is a commentary on our own patriotism and our relation to our own that we will not requisition every vessel that is necessary and send it to Chile to give those who make bricks the straw with which to make them.

Now, Mr. President, I have placed these facts before the Senate for them to take such action as they may see fit. I am not advised as to what process will be adopted for the fixation of atmospheric nitrogen. I do know that they have not done anything practical so far as relieving the farmer is concerned up to date. I know that the possibility of getting relief, so far as the $10,000,000 appropriation is concerned, is practically null unless it is attached to this bill and the House is given an opportunity to express itself on the floor of that body. I believe when that opportunity is given they will record for it as big a majority as it received when it passed the Senate, and I propose to give them that opportunity.

I am glad of the opportunity afforded me of having said what I have, so as to enable me to set my record straight and to let my colleagues on the floor know that these practical questions must be settled by those of us who have an intimate knowledge of these questions and not by department heads who theorize through specialists.

Mr. NORRIS. Mr. President, before the Senator surrenders the floor I should like to ask him another question, if he will yield.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. SMITH of South Carolina. Yes; I yield.

Mr. NORRIS. When that $10,000,000 proposition was before the Senate, did the Senator know then that the Agricultural Department was opposed to it?

Mr. SMITH of South Carolina. I did not. I want to make this explanation. I had discussed it with different officials who I thought would have in charge the execution or administration of the law, if we passed it. Incidentally some one asked me if the Secretary of Agriculture was in favor of it, and I was so thoroughly convinced that every man who knew anything at all about the use of fertilizer in relation to agriculture would agree that we ought to make the effort that I said "yes." I had not advised with him, however.

Mr. NORRIS. The Senator was laboring at that time under the impression that the Secretary of Agriculture was favorable to it?

Mr. SMITH of South Carolina. I was laboring under the impression that, as the proposition had been so favorably received and was only a question of appropriating money and of getting the ships, that the Secretary was in favor of it. That, however, was merely an impression, and I should have corrected it then. I take the opportunity now to correct it in the RECORD. I do the Secretary of Agriculture the justice to say that I discussed it with him only incidentally and not in minute detail, because I believed then, and I believe now, that we are the proper ones to legislate and not the department.

Mr. GORE. Mr. President, in connection with the discussion that has just been listened to by the Senate, I wish to express the hope that the Committee on Agriculture and Forestry may be acquitted of any responsibility and may be acquitted of any culpability, if there be any, in connection with the delayed construction of the nitrogen plant authorized by law during the last Congress. The Committee on Agriculture and Forestry reported that measure to the Senate without delay. The Committee on Agriculture and Forestry supported that bill in the Senate during its passage through this body. At the present session the Committee on Agriculture and Forestry has reported a measure empowering the President to take steps to secure nitrates from South America to be used as fertilizers in connection with the present crop. The Committee on Agriculture and Forestry has been in the active voice and not in the passive voice in connection with all legislation seeking to promote the welfare of the farmers of this country. It has not only felt but has exhibited the most earnest solicitude to promote and to dispatch all business having that end in view.

I wish to say further that I believe no committee of the Senate is more capable, more active, or more public-spirited than the Senate Committee on Agriculture and Forestry. In connection with both measures not only the Committee on Agriculture and Forestry but the Senate itself has discharged its full duty. The Committee on Agriculture and Forestry is merely an arm of the Senate. It has no executive powers. It has no inquisitorial powers. The Committee on Agriculture and Forestry can not constitute itself a grand inquest to review the activities of executive officers or branches of the Government.

I wish to say this in order that the Committee on Agriculture and Forestry may not have attached to it responsibilities which do not belong upon it, and before I sit down I ask unanimous consent to introduce a bill for reference to the Committee on Agriculture and Forestry.

Mr. SMOOT. I call for the regular order.

The PRESIDING OFFICER. The Senator from Utah has demanded the regular order.

Mr. GORE. I hope the Senator will yield for that purpose.

Mr. SMOOT. As this is on the subject matter under consideration, Mr. President, I shall not object, but it does seem to me that we ought to have a vote upon the motion to recommit.

Mr. GORE. I hope to have that motion voted upon before we adjourn.

Mr. SMOOT. We ought to have it voted upon now; and after that vote is taken, then, of course, bills can be presented.

The PRESIDING OFFICER. The Senator from Oklahoma introduces a bill the title of which will be stated.

The SECRETARY. A bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The PRESIDING OFFICER. The bill will be referred to the Committee on Agriculture and Forestry.

Mr. WALSH. Mr President, as the bill under consideration is likely to be recommitted, I want to detain the Senate for five minutes to submit a few observations with respect to it.

This measure has been popularly referred to as the food-control bill, but you will observe by section 1 of the bill that it purports to affect not only foods and feeds but fuel as well. Whatever powers are authorized by the bill are to be exercised by the Secretary of Agriculture. The incongruity of reposing in the Secretary of Agriculture powers over fuel supplies, such as coal, oil, natural gas, and so forth, need not be adverted to. It is perfectly obvious from the reading of the bill itself.

The provisions of the bill are altogether inapplicable to the subject of fuels. This is so obvious that in section 2 of the bill its provisions are expressly restricted to the subject of foods.

Sections 3 and 4 are very general in their character and in their terminology, and those are sufficiently comprehensive to embrace fuels; but it is only in those provisions of the bill that it in any wise affects the subject of fuels.

The Department of Agriculture is not equipped with any machinery for the purpose of securing any information concerning fuel supplies. Another department and branch of the Government is intrusted with work of that character and has done much and valuable work, and is at the present time possessed of information concerning the available supply of the different forms of fuel. That has no place in the bill at all.

There is another word I want to say. I feel entirely satisfied that all of section 2 of the bill which authorizes the Secretary of Agriculture to call upon any person affected for his books,

letters, papers, documents, or reports, and subjects one who refuses to a penalty for refusal to comply, flies in the very teeth of the constitutional provision with relation to searches and seizures; and I commend to the committee a careful study of the case of Boyd against United States, reported in One hundred and sixteenth United States, in which will be found a discussion which it seems to me should dispose of that feature.

I also want to submit to the committee that a very large portion of section 3 is already covered by the Sherman Act, and other portions of it are dealt with in a bill which is now on the calendar, reported from the Committee on the Judiciary—a bill introduced by the Senator from Washington [Mr. POINDEXTER]. The bill was the subject of some careful study by a subcommittee of the Judiciary Committee in connection with the Assistant Attorney General, who has charge and has had charge for a number of years of all prosecutions under the antitrust act. I think the Committee on Agriculture would do well to secure a copy of the bill introduced by the Senator from Washington, together with a copy of the substitute reported by the Judiciary Committee.

Mr. BRANDEGEE. Mr. President, does the Senator think that in other respects the bill is all right? [Laughter.]

Mr. WALSH. I am not prepared to vote for it in the shape in which it is now.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia [Mr. HARDWICK] to recommit the bill to the Committee on Agriculture and Forestry.

Mr. NORRIS. On that question I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. NORRIS. Well, Mr. President, it does not seem to me that the bill ought to be recommitted in this way. If Senators do not want a yea-and-nay vote on it——

Mr. HARDWICK. Mr. President, if the Senator will yield to me, we thought there was practically no opposition to the recommittal of the bill, and a great many Senators have gone to their homes.

Mr. NORRIS. It can not be done by unanimous consent, Mr. President.

Mr. HARDWICK. Not if the Senator objects; certainly not. It is purely a matter of the personal convenience of Senators who have left.

Mr. NORRIS. I do not want to inconvenience them at all, but it does not seem to me that the motion ought to prevail.

Mr. HARDWICK. Oh, well, if the Senator is opposed to it, that is different.

Mr. NORRIS. I am opposed to it.

Mr. KENYON. Mr. President, I will say to the Senator that a new bill has been introduced this afternoon by the Senator from Oklahoma, and the committee has been called to consider that bill.

Mr. NORRIS. Yes; I understand that another bill has been introduced, and the committee has been called.

Mr. KENYON. Does not the Senator feel that all of these bills ought to be before the committee if it is to consider the subject?

Mr. NORRIS. I have not read the new bill that has been introduced, although I have been informed that there will be a meeting of the committee to-morrow morning at 9.30 o'clock to consider it. I do not know whether that bill covers the same ground that is covered by this bill or not.

Mr. KENYON. I will say to the Senator that it does not go to the extent of this bill. It contains very few provisions. It relates only to the question of production. That bill can be reported back to the Senate and discussed and passed this week. There will be another bill, very broad in its terms, which will go to the question of the general regulation of the food question. That bill has not yet been introduced.

Mr. NORRIS. Is the Senator of the opinion that if this bill is recommitted, and the other bill is taken up and passed, no bill like this will be necessary?

Mr. KENYON. I am of the opinion that the bill the Senator from Oklahoma has introduced, dealing particularly with the question of production, can be brought back to-morrow from the committee, and can be passed this week. I do not believe it will arouse very great discussion. The other bill unquestionably will arouse a great deal of discussion, and will require very much time.

Mr. NORRIS. That is true of the bill now before the Senate.

Mr. KENYON. The provisions of this bill that may not be found in the bill of the Senator from Oklahoma will be covered in some form by the general regulatory bill.

Mr. NORRIS. What advantage is to be gained by delay, and are there not many disadvantages connected with it? If this matter has to be fought out at some time, why not do it now?

Mr. KENYON. That is the very point. This will expedite the matter. This other bill is more simple in form and does not carry some of these very complicated questions.

Mr. NORRIS. Well, these complicated questions have got to be met, have they not?

Mr. KENYON. They will be met in the general regulatory bill.

Mr. NORRIS. When is that coming in?

Mr. KENYON. That bill will be introduced into the House to-morrow, I think.

Mr. NORRIS. Then the idea is to have the Senate do nothing about it until the bill passes the House?

Mr. KENYON. It will be introduced in the Senate, too, as I understand.

Mr. NORRIS. Will not the same debate come up on that bill? If so, it will just make one debate instead of two.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. The Senator from Nebraska has the floor, and yielded to the Senator from Iowa. Now does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. NORRIS. I do.

Mr. GORE. I wish merely to reenforce what the Senator from Iowa is saying—that the bill which I have just introduced relates to the production part of this problem and ought to be passed without delay, because two or three more weeks lost in the present producing season is a year lost, and it is desirable to dispatch its consideration. The bill that will be introduced in the House to-morrow, as I understand, involves a number of points contained in the bill which we have been discussing to-day, and the entire problem will then be raised in the Senate; but it was undesirable to delay the measure relating to the production side of the matter until that measure comes up and is disposed of.

Mr. NORRIS. Mr. President, of course, I am not informed now, and have not been in the past, and do not expect to be in the future, as to what the wishes of the administration may be; but I have known for a good while that it was generally believed by a great many people, including Senators and Members of the House, that some measure regulating the distribution of food products was necessary as a war measure. I believed that myself. I do yet. I knew, and I think it is generally conceded, that whatever legislation is had ought to be had immediately. I think it ought to have been had before this.

When this bill was reported, being, as I supposed, one of the administration measures on the subject, I was surprised that it should immediately be met, when it got on the floor, with a motion to recommit it. If those who are behind the legislation, the administration, or the deparment that I supposed had drawn these bills, or had the most to do with their drawing and their introduction, desire now to back up and commence over again, notwithstanding the delay which is going to be entailed, I do not suppose I ought to object, nor do I suppose that if I did object it would do any good; but it seems to me that this delay is dangerous. We never will get a bill here that will suit everybody, and we might as well fight it out at one time as another.

Mr. NELSON and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield, and to whom?

Mr. NORRIS. I yield first to the Senator from Minnesota, who first addressed the Chair.

Mr. NELSON. The Senator from Nebraska is laboring under a misapprehension. I do not think this motion to recommit was inspired by the administration.

Mr. NORRIS. Oh, I did not say it was.

Mr. NELSON. I think the occasion for it was the fact that the chairman of the committee introduced a large number of amendments to the bill which were not incorporated in the print; and I think the feeling was that the committee had better consider all these amendments in connection with the bill, and that was the motive for making the motion.

Mr. NORRIS. The chairman of the committee has the same right to offer amendments to a bill that any other Member of the Senate has. If we are going to recommit a bill every time the chairman of the committee offers an amendment, we will be in that business continually, because we have found from experience that in the case of practically every bill the chairman of the committee offers more amendments than anybody else.

Mr. GORE. Mr. President——

Mr. NORRIS. I yield to the Senator from Oklahoma.

Mr. GORE. I merely wish to say that the so-called Lever bill is now being revised. I am not advised myself as to what the now being revised. I am not advised myself as to what the changes are proposed to be; but, according to my information, they will make the measure conform more nearly to the desires of those who will be in charge of the administration of the

law, and I really think we might save time by waiting until that bill comes over, or at least until we can ascertain what it contains. I am anxious myself to utilize the time and to avoid any unnecessary delay.

Mr. NORRIS. Mr. President, it does not seem to me, under the existing circumstances, that the Senate ought to be doing business in this way. Those who have been talking about hurrying and speeding things up and who are anxious to get the country in a state so that it can defend itself or so that it can prosecute a war successfully realize that the food proposition is one of the important considerations. No two men will perhaps agree as to just what powers ought to be delegated and to whom they ought to be delegated. So far as I am concerned, in the control of food products, I am ready to delegate very great power to the President or to some other designated person; but every day we delay we are only making it worse. This bill has been the unfinished business on the calendar for several days.

Mr. BRANDEGEE. It was made so Saturday night.

Mr. NORRIS. It was made so Saturday night, was it?

Mr. BRANDEGEE. Yes.

Mr. NORRIS. Well, it has been introduced and has been reported for several days at least. Now, it seems we are going to stop; we are going to go back; we are going to commence again; and it does not look to me as though that is the way to deal with the matter or to reach a final conclusion. Whatever bill comes here that will give any power will be subject to criticism, as it ought to be, of course. Men will honestly disagree. There will be some question about the constitutionality of the power involved. Some of the amendments which the chairman of the committee has introduced are very important. That will be true of any other bill that gets here very likely. But it seems in some unknown way some unseen power has pervaded the entire Senate and reached the consciousness of all Senators except mine that the bill must be recommitted and we must start anew again. We have devoted the entire legislative day to a discussion of a motion to recommit.

Mr. HARDWICK. Mr. President——

Mr. NORRIS. No; I am not finding fault with that, but it seems when we get through with this day's work it has been understood all the time that the bill is going to be recommitted. Then why waste all this eloquence?

Mr. HARDWICK. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. HARDWICK. The Senator has not stated the whole truth. We debated everything else except the motion to recommit.

Mr. NORRIS. Technically we debated the motion to recommit, and some of the debate has borne on it and some of it has given to me a great deal of light on some other subjects. I think it was interesting; a great deal of it was instructive, but if we are going to recommit the bill, we ought to have done it on Saturday. If we only reached the conclusion or got instructions to reach a conclusion this morning, we ought to have done it immediately when the command was given, and it ought to have been recommitted at once. We have lost the whole day.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia to recommit the bill, with amendments, to the Committee on Agriculture and Forestry.

The motion was agreed to.

ADDRESS BY SECRETARY OF THE TREASURY M'ADOO (S. DOC. NO. 34).

Mr. SIMMONS. Mr. President, I ask unanimous consent to have printed as a public document an address delivered by Hon. W. G. McAdoo, Secretary of the Treasury, at a meeting in Chicago, Ill., May 17, 1917, of bankers and business men of the seventh Federal reserve district. The speech was very largely devoted to a discussion of the sale of the bonds which the Secretary is now in the West trying to promote. It is believed that the publication and extensive circulation of this document will help very materially in selling the bonds. I ask unanimous consent that it be made a public document.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. SMOOT. The Senator called my attention to the speech delivered by the Secretary of the Treasury. It is upon a question that is being considered now by one of the committees of the Senate. It is for that reason, and that only, that I shall not insist that it be sent to the Committee on Printing. I have no objection to printing the address, because the committee desires to use it to-morrow.

The PRESIDING OFFICER. Without objection, the request is granted.

WAR-RISK INSURANCE.

Mr. SIMMONS. I move that the Senate proceed to consideration of the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes.

Mr. SMOOT. The Senator does not desire to proceed with the consideration of the bill to-night?

Mr. SIMMONS. I simply want to make it the unfinished business.

Mr. SMOOT. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill is before the Senate as the unfinished business.

Mr. SIMMONS. I ask that it be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the bill will be temporarily laid aside.

Mr. NEWLANDS. I ask the Senate to take up the bill (S. 1816) to amend the act to regulate commerce as amended, and for other purposes. It is the bill to increase the membership of the Interstate Commerce Commission. I will state that it is really a war measure of the greatest importance. It is urged by the President and favorably reported by the Committee on Interstate Commerce. It provides for an increase in the membership of the Interstate Commerce Commission and its work in divisions.

Mr. MARTIN. Mr. President——

Mr. NEWLANDS. I ask whether there is any objection to taking it up?

Mr. SIMMONS. That can not be done without displacing the unfinished business.

Mr. NEWLANDS. That has been laid aside.

Mr. MARTIN. It was temporarily laid aside.

Mr. SMOOT. We can not consider the bill to-night.

Mr. SIMMONS. I wish to make a parliamentary inquiry. If we adjourn and the bill is before the Senate, would it not displace the unfinished business?

Mr. SMOOT. Of course it would.

The PRESIDING OFFICER. It would, if on motion it is taken up for consideration.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 22, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 21, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

God of heaven and earth, life and liberty, truth and righteousness, justice and mercy, inspire us with the highest ideals and help us to consecrate our life to them; that in the great task laid upon us we may feel sure that we are doing Thy will; that we may put our souls into the work and be assured that our sacrifices will not be in vain, but for the good of generations yet unborn; that out of it shall come a purer, higher, nobler civilization which shall weld all mankind into a common brotherhood; and pæans of everlasting praise shall swell the angelic chorus, "Glory to God in the highest, and on earth peace, good will toward men." Amen.

The Journal of the proceedings of Saturday, May 19, 1917, was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, had insisted upon its amendments, had requested a conference with the House of Representatives on the bill and amendments, and had appointed Mr. MARTIN, Mr. UNDERWOOD, and Mr. WARREN as the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with deep sensibility the announcement of the death of Hon. DANIEL W. COMSTOCK, late a Representative from the State of Indiana.

Resolved, That a committee of five Senators be appointed by the Chair to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased in Richmond, Ind.

Resolved, That the Secretary communicate a copy of these resolutions to the House of Representatives.

And that in compliance with the foregoing resolutions the Vice President had appointed as the committee on the part of

the Senate Mr. NEW, Mr. WATSON, Mr. FERNALD, Mr. THOMAS, and Mr. HARDWICK.

EXTENSION OF REMARKS.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter from Trooper MacMenigall, a resident of my district, who is serving with the British troops in France.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD by printing the letter indicated. Is there objection?

There was no objection.

Following is the letter referred to:

LETTER FROM TROOPER W. MACMENIGALL, D SQUADRON, D. L. O. Y., THIRD CORPS CAVALRY, SERVING WITH BRITISH TROOPS IN FRANCE, SON OF MR. AND MRS. JOHN MACMENIGALL, OF 1 SONOMA PLACE, HOLYOKE, MASS.

B. E. F., *April 6, 1917.*

MY DEAR PARENTS: I have been been informed within the last hour that the "dear old U. S. A." has declared war. The reason why this information has been rather late in reaching me is because ever since this German retreat started I've been in action as cavalry scouting and pursuing. My job has been point man or first scout out. I've had to approach all villages under as much cover as possible for the purpose of finding out if it was held by the enemy and their strength. Our regiment has been very successful in these duties and in action. No doubt from the letter you will realize that my life has been rather adventurous recently. I have not time to write my own personal experiences here, but I have been near a goner on more than one occasion.

In one case my horse saved my life. The only damage I had personally was a rifle bullet off my water bottle and two through my cape. My horse had a slight wound in his foreleg. Of course some of my comrades have gone on to the "happy hunting grounds," also horses. But we have more than scored our losses in Huns.

We have made captures both of horses and men from the German cavalry. In our advance I've come across numerous civilians suffering semistarvation. They were mostly people of advanced age and very young children. All young women from the ages of 17 to 30 were forcibly sent to Germany or carried back with the German Army on its retreat, I can not determine which. I've met old people that were heartbroken because their daughters had been taken away, their homes destroyed by being blown up or burned. All villages are nothing but a heap of ruins. Orchards have also been destroyed by cutting down all the fruit trees. It is nothing but a destitute land, and will be for years. The civilians have been all sent to our rear, out of danger. Previous to going, many informed me that it was the American relief that supplied what food and comfort they did get while in German hands. When they told me this, I stated that I was an American, for I speak some French now. On finding out that my parents lived in the States they made me promise that in my next letter I would send their personal thanks, deep appreciation, and gratitude to all the American people for their kindness and thoughtful generosity to them during their misfortunes. * * *

* * * I wish that father would inform the war office that I have a keen desire to serve my own country, now that they have entered the war, not that I'm dissatisfied with the British authorities, officers or men, for I've found them excellent fellows. Ever since coming I have been very industrious in trying to learn as much as possible, feeling that my country would be forced to enter the war at some future period; and all of my notes, observations, experiences, etc., in the field would be of use to my own school pals should they soldier here at some time.

The following are the essential items to the soldier: Physical care of himself and horse, making himself comfortable in shelter with material at hand, whether a tree trunk or a barn; carrying only kit that is essential to himself; care of arms, ammunition, sword, rifle, bombs in all weather; making use of cover in an attack, digging oneself in, etc.; observing the enemy, endeavoring to find his next move, should you think it is contemplated, because of your own position being inferior; the latter in actual war and maneuvers aren't the same.

I have had courses and passed in the following as an efficient soldier: Machine gunner, bomber, sniper, trench observer. I have been from the extreme north to the south of the British line. Was through the whole battle of the Somme, noting at the time why they placed machine guns in certain positions, trenches, etc., to repel our advances, and endeavoring to learn why they did it. I am capable of instructing physical drill, rifle and exercises, bayonet fighting, sword drill and exercises, dismounted and mounted.

I have made it all a study for my own benefit, because only the fittest survive here, also thinking I might be of use at some time. My colonel would recommend me for a commission in the British Army if I so desired. I wish you to offer my services to our Government as commissioned officer or private, any way they may judge fit to use me. I feel assured they can arrange my transfer from British to American, for all the subjects of Britain were claimed from the French and Belgian Armies at the commencement of the war.

Hoping you will excuse paper—it is all I have—also mistakes, for I am writing behind a hedge, finding it quite difficult. Give all my best wishes to all the boys in their patriotic endeavors for the country. Tell them to learn as much as possible in their training; to become disciplined willingly for the benefit of the old United States and themselves. I want them to make a showing when they arrive, and feel assured they can do it.

* * * I have been out here almost two years now and am feeling fit.

* * * I can't place or reason that the German-Americans would do the same as the Germans have done here. It seems impossible.

* * * I have noticed in old newspapers that the United States will require 25,000 men of military experience to officer her new army.

* * *

Yours, BILLY.

(Trooper William MacMenigall, 4146, Duke of Lancaster's Own Yoe, Third Corps, Cavalry B. E. F., France.)

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a resolution passed by the State Senate of Texas, denying the authority of certain citizens of Texas lately appearing before the Committee on Agriculture to voice the sentiments of my State.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

Following is the resolution referred to:

Whereas it is shown by the press that the Congress of the United States has at this tme under consideration the question of fixing the prices on all food products in America; and

Whereas we have faith in the patriotism of the men on the farms and ranches of our country who produce the food of our Nation, and do not believe them responsible for the present high prices of agricultural products, but do believe that middle men and speculators and others causes are responsible for such high prices; and

Whereas we do not believe that any men have the right to pretend to speak for the Texas farmer and to ask that the price of the products of Texas farms be fixed by law or official order, but do believe that if the said middle men and speculators who rob both consumer and producer and selfishly enrich themselves were eliminated that the products of the farms and ranches would bring larger legitimate prices to those who raise them at less cost to those who consume; Now, therefore, be it

Resolved, That we condemn the action of those men who would seek to capitalize petty political positions as authority to speak for the great patriotic farmers and stock-raising interests of this State, and who appear to be asking that prices be fixed by Congress on agricultural proudcts, but we ask that governmental control and influence be confined to every possible effort to eliminate the middlemen and speculators aforesaid; and be it

Resolved further, That a copy of this resolution be forwarded by the Secretary of the senate, to the President of the United States, and to each Representative in Congress from the State.

May 16, 1917, the foregoing resolution was adopted by the Senate of Texas.

JOHN D. MCCALL,
Secretary of the Senate.

EMERGENCY DEFICIENCY BILL.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 3971, the emergency deficiency appropriation bill, disagree to the Senate amendments, and agree to the conference asked for.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill H. R. 3971, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked for. Is there objection?

Mr. MANN. Reserving the right to object, Mr. Speaker, it seems to me that with respect to an attempt to authorize an appropriation amounting to three-quarters of a billion in one item that body which is supposed to originate appropriation legislation ought to have a chance to consider it. I think it would be due respect to the House. I am surprised that the gentleman from New York should ask that authority be given to make an authorization of an appropriation of three-quarters of a billion without the House having any opportunity to express an opinion upon it.

Mr. FITZGERALD. I have not done that, Mr. Speaker.

Mr. MANN. Certainly the gentleman has.

Mr. FITZGERALD. The gentleman should not express surprise at anything I propose, but having unlimited confidence in myself I supposed there could be no doubt that this will be safe in my custody.

Mr. MANN. If the gentleman's request is acceded to, the House can not have any opportunity. Therefore I shall have to object.

The SPEAKER. The gentleman from Illinois objects.

Mr. FITZGERALD. I ask, Mr. Speaker, that the Speaker refer the bill under the rule.

The SPEAKER. It is referred under the rule.

DISPENSING WITH THE UNANIMOUS CONSENT CALENDAR.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business on the Unanimous Consent Calendar be dispensed with to-day, in order to continue with the war-revenue bill.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to dispense with the Unanimous Consent Calendar to-day. Is there objection?

There was no objection.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280, the war-revenue bill. The question is on agreeing to that motion.

Mr. FESS. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Ohio makes the point of no quorum, and evidently there is none.

CALL OF THE HOUSE.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

Mr. GARNER. It is automatic.

Mr. FOSTER. It comes automatically in this case, does it not, Mr. Speaker?

The SPEAKER. Why so? The House was not voting on anything.

Mr. FOSTER. The Chair was putting a question.

Mr. MANN. There was no division.

The SPEAKER. The gentleman from North Carolina moves a call of the House. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Eagan	Linthicum	Sanders, Ind.
Bacharach	Eagle	Lobeck	Scott, Pa.
Barnhart	Edmonds	McCulloch	Scully
Bland	Fairchild, G. W.	Maher	Sherley
Bowers	Flynn	Martin, Ill.	Siegel
Britten	Focht	Mays	Sims
Brodbeck	Francis	Moon	Sisson
Bruckner	Fuller, Mass.	Moores, Ind.	Smith, T. F.
Butler	Gallivan	Morin	Stafford
Byrnes, S. C.	Glass	Neely	Steele
Caldwell	Godwin, N. C.	Nelson	Stephens, Miss.
Candler, Miss.	Gray, N. J.	Nolan	Strong
Cantrill	Griest	Norton	Sullivan
Capstick	Griffin	Oliver, N. Y.	Swift
Carew	Hamill	Padgett	Talbott
Carlin	Hamilton, N. Y.	Park	Timberlake
Chandler, N. Y.	Haskell	Powers	Vare
Coady	Hawley	Pratt	Venable
Copley	Hayes	Price	Vestal
Costello	Heaton	Purnell	Voigt
Cox	Heintz	Ragsdale	Volstead
Dale, N. Y.	Hill	Ramsey	Walton
Davis	Hutchinson	Rankin	Watson, Pa.
Denison	Igoe	Riordan	Whaley
Dewalt	Kahn	Robbins	Williams
Dixon	Key, Ohio	Robinson	Wise
Dooling	Kiess, Pa.	Rose	Wood, Ind.
Drukker	Kraus	Rowe	
Dyer	Kreider	Rowland	

The SPEAKER. On this call 312 Members, a quorum, have answered to their names.

Mr. KITCHIN. I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from North Carolina moves to dispense with further proceedings under the call.

The motion was agreed to.

LEAVE OF ABSENCE.

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. WALTON] be excused indefinitely on account of illness.

The SPEAKER. The gentleman from Louisiana asks unanimous consent that the gentleman from New Mexico [Mr. WALTON] be excused indefinitely on account of absence. Is there objection?

There was no objection.

WAR REVENUE.

On motion of Mr. KITCHIN, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, with Mr. FOSTER in the chair.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 25, after line 18, insert a new paragraph, as follows:

"TITLE VI.—WAR TAX ON COTTON.

"That there shall be levied, assessed, collected, and paid upon all unmanufactured cotton a tax of $2.50 a bale."

Mr. CRISP. Mr. Speaker, I make a point of order against the amendment.

Mr. MOORE of Pennsylvania. Mr. Chairman, may I inquire what the point of order is?

Mr. CRISP. The point of order is that under the rules of the House it is a new item, which does not relate to any item in the bill. It is not germane to anything in the bill, and therefore is obnoxious to clause 3, Rule XXI.

Mr. MOORE of Pennsylvania. Mr. Chairman, this is a bill "to provide revenue to defray war expenses, and for other purposes."

Mr. CRISP. Mr. Chairman, in order to give the gentleman from Pennsylvania the full benefit of the point of order, I will call his attention to clause 3 of Rule XXI, which provides that no amendment shall be in order to any bill affecting revenue which is not germane to the subject matter of the bill; nor shall any amendment to any item in such bill be in order which does not directly relate to the item to which the amendment is proposed.

There is nothing in this bill relating to a tax on cotton.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. MOORE of Pennsylvania. Is the gentleman aware that the amendment proposes a new title?

Mr. CRISP. Yes; I am aware of that; but that does not make any difference under the rules of the House. The gentleman from Missouri [Mr. ALEXANDER], when he was chairman of the Committee of the Whole House on the state of the Union, delivered the first ruling under this rule, and these questions were all taken up, and there was an elaborate ruling, and the gentleman from Missouri [Mr. ALEXANDER] sustained the point of order against an amendment proposing an additional item to a revenue bill.

Mr. MOORE of Pennsylvania. May I ask the gentleman if he is aware of the fact that cotton has been a subject of taxation for revenue purposes, and that acts of Congress were passed on several occasions providing for a tax on cotton as a means of raising revenue for the purposes of the Government?

Mr. CRISP. Be that as it may, there is nothing in this bill relating to it; and I would suggest to the gentleman that if we are going to levy a consumption tax, we might levy a tax on manufactured steel, on coal, on wheat, on corn, on barley, on meat, on cattle, and other things.

Mr. MOORE of Pennsylvania. In war time, why not?

Mr. CRISP. If we want to go into that we can raise billions of dollars by levying a consumption tax.

Mr. MOORE of Pennsylvania. Then I would have a tax on cotton, which would be as germane as any of the other propositions that the gentleman has mentioned.

Mr. CRISP. Does the gentleman favor a tax on coal?

Mr. MOORE of Pennsylvania. It might be germane, when we are raising revenue for the purposes of the Government. We are taxing a variety of products in this bill.

Mr. HEFLIN. Would the gentleman favor a tax on wool?

Mr. MOORE of Pennsylvania. Why, we already have a tax on all wool manufactured, and we have a tax on cotton manufactured.

Mr. HEFLIN. Not an excise tax on wool.

Mr. MOORE of Pennsylvania. That, I regret to say, is the trouble with the gentleman, that he wants raw cotton to go free, although it now is one of the best profit makers in the country, but he wants everything that is produced from cotton to be taxed. Everyone who fabricates cotton, who toils over it and wears it, is to be taxed, but the man who produces it or who operates under the benign influence of a Providence that is good to him, is to go free?

Mr. CRISP. The gentleman certainly does not want a tax on cotton, with wheat at $3 a bushel and corn and flour and everything else at their present high prices untaxed. While people have to eat those things, they have to wear cotton. I think the gentleman's district manufactures and consumes about as much raw cotton as any district in the United States.

Mr. MOORE of Pennsylvania. We will cross that bridge when we come to it; but the proposition now is to tax cotton. If the gentleman thinks grain ought to be taxed, that might be an appropriate subject for taxation. If the gentleman thinks coal ought to be taxed, that would be an appropriate subject for taxation.

Mr. CRISP. The gentleman is not in favor of any consumption tax in this bill at present.

Mr. MOORE of Pennsylvania. The gentleman may be obliged to vote for a tax upon the gas which lights the small homes of the land. He may be obliged to vote for a tax upon the electric light that is put to domestic use, and he may be obliged to vote for a tax upon the heat that comes from the coal that the gentleman thinks is not taxed. Why not tax cotton, if we are to tax all these necessaries of life?

Now, Mr. Chairman, as to the point of order I wish to say this: The gentleman makes the point that a tax upon cotton would not be germane to this bill. The gentleman has already proposed to introduce into this bill a tax upon cotton imports into the United States. That is provided for in the paragraph proposing a 10 per cent ad valorem tax upon all imports into the United States. The gentleman would tax cotton coming into the country but he would avoid putting an excise tax upon the cotton going out of the country—much of it for munitions.

Mr. CRISP. Will the gentleman yield?

Mr. MOORE of Pennsylvania. If the gentleman rests upon the parliamentary suggestion that a tax upon cotton would not

be germane, then he must strike out the tax that is already proposed upon cotton coming into the country.

Mr. HOWARD. Is the gentleman familiar with the decision in the Farris case, as to the constitutionality of the revenue tax on cotton during the War between the States?

Mr. MOORE of Pennsylvania. No; I am not a lawyer, as the gentleman from Georgia is, but I have observed that every cotton-tax lawyer falls behind some decision of the Supreme Court when it is proposed to put a tax on cotton. What I propose now is, in this war extremity when everything else in the land is being taxed——

Mr. HOWARD. The Farris case was a war-extremity case, and the greatest judges we ever had on the bench of the United States were evenly divided.

Mr. MOORE of Pennsylvania. Yes; and in 1864, June 30, Congress provided for a tax of 3 cents a pound on cotton.

Mr. HOWARD. In 1862 there was an act of Congress putting a cent a pound on raw cotton.

Mr. MOORE of Pennsylvania. The gentleman knows that, notwithstanding the Supreme Court decision behind which he deftly falls, that particular act furnished a tax of 3 cents a pound.

Mr. HOWARD. Why did not the gentleman propose a tax on cotton in 1914?

Mr. MOORE of Pennsylvania. Perhaps I did.

Mr. HEFLIN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HEFLIN. The gentleman proposes to put a tax of $2.50 on a bale of cotton.

Mr. MOORE of Pennsylvania. Yes.

Mr. HEFLIN. The gentleman has cotton manufactories in his district?

Mr. MOORE of Pennsylvania. Quite a number, all heavily taxed.

Mr. HEFLIN. If the gentleman's amendment should be held germane and adopted, what does he suppose would be the situation when the manufacturers of Philadelphia went to buy cotton to use in their mill? Would not the producer say to him "there has been a tax of $2.50 a bale put on this cotton"?

Mr. MOORE of Pennsylvania. It might be that the producer would pass it along.

Mr. HEFLIN. The manufacturers might have to pay it, and does the gentleman want to put that tax on the manufacturers of Philadelphia?

Mr. MOORE of Pennsylvania. If that is the gentleman's proposition, why is the gentleman from Alabama complaining?

Mr. LEVER. Mr. Chairman, I make the point of order that the gentlemen are not discussing the point of order.

The CHAIRMAN. The gentleman from Pennsylvania will proceed to discuss the point of order.

Mr. MOORE of Pennsylvania. The point of order, Mr. Chairman, is that the amendment is not germane to the revenue bill. My answer is that the title to the bill is to provide revenue "to defray war expenses, and for other purposes," and that numerous sources of taxation are mentioned in connection with that revenue title; that on page 47 of the bill is a paragraph which says:

> That on and after the day following the passage of this act there shall be levied, collected, and paid upon all articles when imported from any foreign country into the United States, * * * a duty of 10 per cent ad valorem in addition to the existing duty (whether ad valorem or specific); and if not now dutiable by law, a duty of 10 per cent ad valorem.

That would apply to imports of raw cotton, so that cotton is just as much a subject of taxation in this bill as any other commodity.

Mr. MANN. Mr. Chairman, I would like to be heard for a moment on the point of order. The rule to which reference has already been made provides that no amendment shall be in order on any bill affecting revenue that is not germane to the subject matter in the bill. That is as much of the rule as would be applicable.

This rule was first adopted in the Sixty-second Congress when our Democratic friends, including my distinguished colleague, came into power in the House, after a long campaign designed to liberalize the rules of the House, so that the House itself might act upon matters, and not be confined wholly to the decree of the committee. There never had been such a rule in this or any other legislative body before that time.

Now, I will grant to the Chair that if the Chair sustains the point of order he will have plenty of precedents, precedents that have arisen since the adoption of the rule, to sustain it. What is the subject matter in this bill? It is a bill to provide revenue for war purposes. The subject matter in the bill is in relation to the raising of revenue covering a variety of subjects, covering excise taxes, tariff duties, income tax, and every other scheme which the committee could think of or somebody could dream about.

Now, this is a suggestion that the Chair must follow precedents and hold that in the great matter of raising enormous sums of money in the way of revenue for war purposes the House itself is powerless to act on them unless the Committee on Ways and Means has recommended to the House a certain item for taxation. This rule construed as the gentleman from Georgia asks the Chair to construe it, and for which there are precedents, relegates the House to a mere vetoing body. It can not originate legislation, it can only veto the Ways and Means Committee. And this great Democratic majority which came into power in the Sixty-second Congress, instead of liberalizing the rules of the House, made the rules more restrictive than any body in the history of the world has ever made rules before.

Now, I appeal to the Chair to overrule the precedents and decide according to the proper merits of the question, and to hold that the House of Representatives has the right to originate revenue legislation itself and not be confined to the sweet will of 23 Members who happen to be elected to the Ways and Means Committee. [Applause.]

Mr. FITZGERALD. Mr. Chairman, this is a very important question. If this point of order be sustained, then the House is absolutely powerless to consider numerous amendments designed to correct glaring abuses which this bill will establish. Under the provisions of the bill, for instance, the beet-sugar interests of the country will get an additional tariff benefit that will result not in increasing the value of their product from three to five hundred per cent, as it has within the past three years, but to about a thousand per cent. This is a bill to provide revenue for the war, and it contains revenue measures of every conceivable character. It includes excise taxes, tariff taxes, direct taxes, and taxes upon postal matter, which do not belong in the bill.

Anything which proposes to raise revenue is germane to the subject matter of the bill, because the variety of matters is so great that it is impossible to conceive of any article subject to any form of taxation that is not germane.

I am somewhat familiar with the history of this particular rule which has been invoked. I drew it myself. I drew it at the request of the gentleman from Alabama, Mr. UNDERWOOD, and it was drawn for the specific purpose of carrying out what was then proposed to be the policy of the Democratic Party. The Democratic Party for years had been complaining of the abuse of enacting revenue legislation in omnibus tariff bills, and in the Sixty-second Congress that party proposed to undertake revenue legislation in bills dealing with single items of the tariff. The purpose of the rule was to make it impossible to complicate matters by offering amendments in the House dealing with other subjects to bills dealing with single items to be subject to customs duties.

For instance, we enacted the free-wool bill and a number of other bills which were sent to the Senate, confined to a single topic of the tariff law. This rule was to prevent those bills being encumbered by combinations such as had previously controlled the methods of enacting revenue legislation.

The pending amendment proposes an excise tax upon cotton. I am not discussing the merits of the amendment. I do not know whether there should be a tax upon cotton; but I know, if this bill goes through in its present form, that there should be levied a compensating tax on domestic sugars, and I propose to offer such an amendment, and ascertain whether the domestic sugar producers of the country can get away with what is proposed to be given to them under the provisions of this bill. The Chair will find in section 304, on page 12, an excise or direct tax levied upon all still wines, including vermuth, and upon all champagnes and other sparkling wines and liqueurs and cordials "hereafter produced in or imported into the United States." That is an excise tax upon food products produced in the United States. The Chair will find under Title VI a war tax on manufactures or commodities produced in the United States. He will find taxes on tobacco increased in this bill. Mention any subject or any article subject to taxation and it is affected by this bill, because of the provision later that increases by 10 per cent ad valorem the tax upon all articles imported into the United States, whether now upon the dutiable or upon the free list. If it be not possible to consider this amendment, then it is impossible to consider, if the committee desires, a proposal to put a tax on gasoline, a proposal to put a tax upon anything else unless a particular paragraph can be found specifically enumerating the subject matter proposed to be taxed. Whatever may have been the wisdom of the adoption of this rule, no one ever contemplated so preposterous a construction of it as would produce such a result. This is one of the most important questions submitted to the House. It vitally affects the power of the House to do

business, and to consider legislation in any intelligent and proper manner. I do not propose to have the House crippled and curtailed by the interposition of a point of order upon such a question as this without at least voicing my protest. The rules of the House, Mr. Chairman, are designed to promote the business of the House by having it conducted in an orderly manner.

The rule of germaneness was adopted early in the history of the House so that matters that could not be reasonably anticipated in the consideration of a bill could not be precipitated upon the House for consideration without ample preparation. Does anyone imagine that any particular method or form or object of taxation can be suggested or proposed in connection with this bill which would bring surprise to anyone, excepting those who are resting in the hope that they are secure from assault by the taxing power? So far as the legislative mind is concerned, it is possible to consider in this bill any matter at all subject to taxation without surprise. It is not a tariff bill; it is not a bill to obtain money by internal taxation; it is not a bill to obtain revenue by some peculiar form of taxation. It is a bill to obtain money by every conceivable form or method known to the American legislator, and to say that a proposal to tax some particular commodity can not be considered in connection with such a bill is preposterous.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. MANN. I would like to ask the gentleman's opinion, if I may, if the Chair should rule this amendment out of order, whether an amendment would be in order to adopt the recommendation of the Secretary of the Treasury to raise $75,000,000 by taxing the refining of petroleum, including lubricating oil, illuminating oil, and gasoline?

Mr. FITZGERALD. If this point of order should be sustained by the Chair, no proposed amendment would be in order unless the particular matters proposed to be taxed can be found enumerated in some particular paragraph in the bill.

Mr. MANN. Then, I take it, that it is the gentleman's opinion also that the House would not be able to consider over a point of order the recommendation of the Secretary of the Treasury that there be raised $2,500,000 by a tax upon wholesale dealers and jobbers in tobacco, or a tax of $4,800,000 on retail dealers in cigars, cigarettes, and so forth, or $5,000,000 by taxing denatured alcohol, or $92,000,000 excise tax on sugar, or $6,000,000 excise tax on glucose?

Mr. FITZGERALD. No; it would not even be in order to offer an amendment to obtain revenue by placing a tax upon the gross receipts of race tracks, which ought to be taxed in this bill if anything is to be taxed.

Mr. MANN. So that if this amendment is ruled out, the House is not even able to give consideration to a number of recommendations of the Treasury Department respecting methods of raising taxes?

Mr. FITZGERALD. Mr. Chairman, I wish to add that the purpose of this particular provision of the rule was to limit the amendments to the bill which dealt with a single object or method of taxation. It was never contemplated, it was never believed, that anyone would suggest that a bill of such an omnibus character, dealing with every conceivable subject and method of taxation, could not be amended by such an amendment as is proposed.

The CHAIRMAN. The Chair is ready to rule.

Mr. LENROOT. Mr. Chairman, I would like to add one word. The gentleman from Illinois [Mr. MANN] suggested to the Chair that he could find a number of precedents to sustain this point of order, since the Democratic Party has been in control. I do not believe that even that is quite correct. I do not think the Chair can find a single precedent, even under this drastic rule adopted by the Democrats since they came into power, to sustain this point of order, and I want to call the attention of the Chair to this distinction. In every case where this question has heretofore come up the bill as to which the ruling was applied, under its title related to some specific subject, and the ruling always was that any amendment must be germane to the subject matter of the bill. For instance, one of the most important rulings upon the question was a ruling with reference to a bill placing agricultural implements upon the free list, so declared by its title to be the purpose of that bill. An amendment was offered to add to the free list certain commodities not connected with agriculture or any of the things mentioned in the title, and the Chair very properly held that it was not germane, but in no case, Mr. Chairman, can you find, in my judgment, any precedent where the purpose of the bill is as broad as this bill is, "to provide revenue to defray expenses and for other purposes," where the Chair has sustained a point of order against an amendment that is germane to the general purposes of the bill. Now, there is only one bill I have any recollection of that was so general in its terms as this, and there the Chair ruled that an amendment was germane, and that was in the case of the Canadian reciprocity bill where Mr. SHERLEY, who was chairman, held that an amendment admitting other enumerated goods from Canada free from duty was germane. Now, Mr. Chairman, where will the House find itself if the Chair sustains this point of order? The House will be absolutely helpless. There will be no way by which the House can frame this revenue bill or express its will with reference to it. More than that, if this point of order is sustained the Committee on Ways and Means itself can not add one single item to this bill. Suppose $200,000,000 is stricken out of this bill as it is drawn, and the Committee on Ways and Means finds it necessary or desirable to supply that $200,000,000 in order to meet the needs of the Treasury. If this point of order is sustained, how will the committee go about it? There is no way that it can be done unless we recommit the bill and the committee brings an entirely new bill in if this point of order is sustained, because the Committee on Ways and Means has no greater privilege in the offering of amendments than any individual Member of this House. This matter is so important, Mr. Chairman, so necessary, if the House is to have its will or have anything except, as the gentleman from Illinois says, a veto power, that this point of order must be overruled.

Mr. KITCHIN. Mr. Chairman, just a word. The question before the Chair is not as to the policy or the wisdom or the result of this rule. It may be a bad rule; it may be an unwise one; and it may result just as the gentleman from Wisconsin [Mr. LENROOT] has just said, that the Committee on Ways and Means could not add any item to this bill, and that is true. That was the object of the rule when this rule was first enacted in the Sixty-second Congress. We all knew it was true, every man in the House knew it. Now, the only question here is, What is the rule? The rule is as plain as the English language can make it that such an amendment is not in order. The rule says:

> No amendment shall be in order to any bill affecting legislation which is not germane to the subject matter of the bill, nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

That is just as plain as language can make it.

Mr. LENROOT. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. LENROOT. This is not an amendment to any item of the bill.

Mr. KITCHIN. No. It is an amendment to the bill. The rule says:

> No amendment to the bill which is not germane to the subject matter; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

No amendment shall be in order to any bill affecting revenue which is germane, not to the subject, but to the subject matter. Now, let me give you a ruling. We had a free-list bill in the Sixty-second Congress putting many articles on the free list.

Now, Mr. MANN offered a dozen amendments to add not to one item, not affecting any item, but to add to the bill other items. We had up in that free-list bill extracts of tan bark, and so forth. We had up different items as we have had during the consideration of this bill. Mr. MANN offered an amendment to add not to any one item, but to add to the bill additional items just like this proposed amendment. He offered at least a dozen amendments. The point of order was made. The Chair in a long, elaborate ruling said that it was out of order and not in order under the rule. Other amendments were offered, dozens of them, adding other things, for instance, shoe laces, and each amendment was ruled out of order because it violated that plain, specific rule. Now, I will tell you the reason for the rule. If you did not have this rule, in the consideration of a tariff bill or a bill like this, one could offer 10,000 amendments, because you could think of 10,000 different articles you would or could add to it; you could add to it every conceivable article in the whole universe, and therefore you could keep on voting on amendments the whole session and never get through. That is one reason. Now, let me give you one ruling that came under my observation as late as March, 1916, just last session. We had before the House for consideration the bill repealing the free-sugar provision of the Underwood law. Mr. HOWARD, of Georgia, moved to recommit by adding silk, and putting an ad valorem duty on silk, and the Speaker held that it was out of order because there was no silk proposition in the bill, but it added another item that was not in the bill at all.

Mr. LENROOT. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. LENROOT. I would like to ask, in the case the gentleman has just spoken of what was the subject matter of that bill?

Mr. KITCHIN. The subject matter of that bill was a tariff on sugar. There is a great deal of difference between the subject matter of a bill and the purpose of a bill. The purpose is to raise revenue. You get mixed up in the purpose and the subject matter.

Mr. LENROOT. The subject matter of this bill is to raise revenue.

Mr. KITCHIN. That is the purpose of it.

Mr. LENROOT. To raise revenue by the imposition of different kinds of taxes——

Mr. KITCHIN. On certain specific articles.

Mr. LENROOT (continuing). One of which is an excise tax. That is the subject matter of the bill, is it not?

Mr. KITCHIN. The subject matter of the bill, as distinguished from the purpose and method of the bill, is, for instance, as in Title VI, "War tax on manufacturers." That is the text of that title. Now, then, the subject matter of the title of this bill is a tax upon automobiles, automobile trucks, jewelry, and so forth, and the other specific articles mentioned therein.

Mr. LENROOT. I want to ask the gentleman one more question, and that is, if the construction he now puts upon this rule——

Mr. KITCHIN. I am putting the construction that the Chair puts upon that question.

Mr. LENROOT. Kindly let me finish my question. If that is correct, why was it necessary to incorporate the last part of the rule, to the effect that no amendment to any item should be in order, because, if the gentleman's construction is now correct, it was absolutely unnecessary to incorporate the last part of the rule as to any amendment?

Mr. KITCHIN. It was unnecessary, but it was put in to make it specific and clear; and the Chair, as I said, on the question of raw silk and sugar made it plain that you can not add an item.

Mr. LONGWORTH. Mr. Chairman, just a word on the point of order. I express no opinion as to the merits of the amendment; but even if the contention of the gentleman from North Carolina [Mr. KITCHIN] was true, that you can not under any circumstances add a new object of taxation to a revenue bill, that does not hold good in this case. Cotton is taxed twice in this bill. It is taxed as a raw product on its importation; it is taxed as a manufactured product. This is merely another method of taxing the same thing.

Mr. HOWARD. I would like to call the Chair's attention to this fact, that as late as Saturday the Chair held on an amendment offered by me to the subject matter dealt with in this bill, to wit, the increased license upon liquor—and I introduced an amendment to increase the license from $75 on retail liquor dealers to $5,000—the Chair held in that instance that while the subject matter was all right, the question of dealers in liquor was not dealt with in this tax, and that therefore my amendment was subject to the point of order.

Mr. LENROOT. When the gentleman offered that amendment, did he think it was in order?

Mr. HOWARD. I certainly think now it is in order, if there is a semblance of order in the amendment offered by the gentleman from Pennsylvania [Mr. MOORE].

Mr. LENROOT. My question was, if the gentleman thought it was in order when he offered it?

Mr. HOWARD. I agree with the Chair that he was right about it when he ruled it out of order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] offers an amendment, on page 25, after line 18, as a new paragraph, as follows:

TITLE VI.—WAR TAX ON COTTON.

That there shall be levied, assessed, collected, and paid upon all unmanufactured cotton a tax of $2.50 a bale.

The gentleman from Georgia [Mr. CRISP] makes the point of order that it is not in order under Rule XXI, paragraph 3, which provides:

No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

As stated, this rule was first adopted in the Sixty-second Congress, after which Congress had under consideration the bill known, as the Chair now remembers it, as the farmers' free-list bill.

An amendment was offered to that bill providing that glass should be placed upon the free list as one of the items. Judge ALEXANDER, of Missouri, who was then in the chair, for whose opinion the present occupant of the chair has great respect, delivered an elaborate decision upon this rule, stating that the amendment offered at that time was not germane to the item in the bill. It has been said here that precedents are not always the proper way by which to decide questions, and yet the Chair thinks, without exercising his arbitrary power, that the decision of former Speakers or Chairmen of Committees of the Whole should be taken into consideration. And there is upon that question in Hinds' Precedents, volume 2, page 873, matter in line with that:

On January 10, 1842, Chairman George W. Hopkins, of Virginia, in the course of a ruling made in the Committee of the Whole, said:

"A Chairman does not sit here to expound rules according to his own arbitrary views. A just deference for the opinions of his fellows should constrain him to give to precedent its proper influence; and until the House shall reverse them, to give them all the consideration which is due to cases heretofore settled by a solemn decision of the House.

Mr. LENROOT. Mr. Chairman, may I ask the indulgence of the Chair to ask him a question on this ruling? [Cries of "Rule!" "Rule!"]

The CHAIRMAN. Yes.

Mr. LENROOT. I gather that the Chair is basing his ruling on Judge ALEXANDER's decision. I merely desire to ask the Chair whether he has in mind the fact that in Judge ALEXANDER's decision the title of the bill related expressly to certain specific articles on the free list?

The CHAIRMAN. Well, the Chair is not through with that matter yet.

Now, there was another decision, as stated here in 1916, by the Speaker of the House, when Mr. HOWARD, of Georgia, moved to recommit the bill H. R. 11471 to the Committee on Ways and Means, with the following amendment:

Strike out all after the enacting clause and insert the following: "That on and after May 1, 1916, a duty of 35 per cent ad valorem be levied upon all importations of raw silk."

The point of order was made upon this amendment by the gentleman from North Carolina [Mr. KITCHIN] and sustained by Mr. Speaker CLARK.

Judge ALEXANDER, the Chair thinks, took some time and some trouble to look up the decisions in reference to this matter, and came to the conclusion that the matter of placing another article on the free list of the bill was not germane to any item in the printed bill. So the point of order at that time was sustained.

A statement was made here on last Saturday, when the gentleman from Georgia [Mr. HOWARD] offered an amendment to which a point of order was made, and the Chair sustained it, similar to the one now offered by the gentleman from Pennsylvania [Mr. MOORE]. The Chair is not here to say what the policy of a rule of this kind may be, and how it may affect the action of the House, but the Chair's business is to construe the rule as he thinks right and just. The statement referred to, made by the gentleman from New York [Mr. FITZGERALD], was that he drew this rule, and, as the Chair understood, he drew it for this particular purpose, so that it might act in this way, so as to exclude a lot of these amendments that were not germane under this new rule.

Now, the Chair in this case thinks that, according to the decisions in the past in the Committee of the Whole, and what the Speaker of the House has decided, the amendment offered by the gentleman from Pennsylvania [Mr. MOORE] to place another title in the bill, to tax cotton $2.50 a bale, is not germane, and therefore sustains the point of order.

Mr. MANN. Mr. Chairman, I think that we ought to set a new precedent, and I therefore respectfully appeal from the decision of the Chair.

Mr. HEFLIN. Mr. Chairman, I move to lay the appeal on the table.

Mr. MANN. You can not lay the appeal on the table. If you knew anything about it, you would not undertake to do it.

The CHAIRMAN. The Chair will ask the gentleman from Virginia [Mr. SAUNDERS] to take the chair.

Mr. MANN. Mr. Chairman, I ask for tellers.

Mr. GARRETT of Tennessee. Mr. Chairman, is the matter of the appeal subject to debate?

The CHAIRMAN. No.

Mr. GARRETT of Tennessee. I would like to make a statement, if I may.

The CHAIRMAN. Without objection, the gentleman will be recognized.

Mr. GARRETT of Tennessee. Mr. Chairman, the ruling of the Chair is correct. It is not only consistent with the precedents, but is in accord with the text and the spirit of the rule. I shall vote to sustain the action of the Chair.

In so doing, however, I wish to say, Mr. Chairman, that I do not agree with the policy of the rule itself. I myself am somewhat familiar with the history of the rule, and know

something of how and why it originated and how and why it was adopted. I did not favor the policy that was involved in it when it was first adopted, because it tied the hands of the House and gave to a committee of the House a power that the House itself could not exercise. I protested against it at the time in the committee. My views upon it have not changed since, and in my judgment the policy that is involved in the rule is bad, and eventually it must be changed.

But, as I said, the ruling of the Chair is entirely logical and correct, and I shall vote to sustain the ruling of the Chair. [Applause.]

The CHAIRMAN. The Chair appoints——

Mr. MANN. Mr. Chairman, just a word. I think the Chair was justified in making the ruling which he did. The Chair must necessarily be guided largely by the precedents.

I remember very distinctly when the original ruling was made on this rule. I offered amendments to various bills in every conceivable form. The Chair ruled them out. But, having ruled as he does under the precedents, it is no reflection upon the Chair or the Committee of the Whole to change the precedents, and if the committee which constitutes the membership of the House desires to have its hands free in making up a revenue bill it will reverse the decision of the Chair. The exigency of our Democratic friends in the Sixty-second Congress, when they were trying to pass the revenue bills by schedules, is not the exigency now before us, and we ought to have the right and the license to consider all propositions of raising revenue without hindrance. I hope the House will give a new precedent, which will not be any reflection on the Chair.

Mr. ADAMSON. Mr. Chairman, will the gentleman yield for a question?

Mr. SAUNDERS of Virginia. Mr. Chairman——

Mr. DOOLITTLE. Regular order!

Mr. ADAMSON. I was asking the gentleman from Illinois to yield to me to ask a question.

Mr. SAUNDERS of Virginia. Mr. Chairman, am I recognized?

Mr. MANN. I yielded the floor to the gentleman from Georgia.

Mr. POU. Mr. Chairman, the regular order.

The CHAIRMAN. The regular order is on the appeal.

Mr. DOOLITTLE. I demand the regular order.

Mr. BURNETT. Mr. Chairman, may I have one minute?

Mr. ADAMSON. Mr. Chairman, the gentleman from Illinois had the floor, and he is willing to answer. After I rose the gentleman yielded the floor.

Mr. MANN. I have yielded the floor.

Mr. ADAMSON. I would like to ask him a question.

Mr. DOWELL. Mr. Chairman, this is all out of order.

Mr. HAMLIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ADAMSON. If the gentleman is afraid to answer the question, all right. I addressed the Chair long before he yielded the floor.

Mr. HAMLIN. If this is all proceeding by unanimous consent, then I object.

Mr. HARDY. Mr. Chairman, a parliamentary inquiry.

Mr. SAUNDERS of Virginia. Mr. Chairman——

Mr. HAMLIN. Have I the right to object?

The CHAIRMAN. The Chair thinks so.

Mr. HAMLIN. Then I object.

Mr. SAUNDERS of Virginia. I have not submitted any proposition yet, and therefore no objection can be made in advance of the proposition. I want to submit a proposition——

The CHAIRMAN. The committee will be in order.

Mr. SAUNDERS of Virginia. Mr. Chairman, several gentlemen, including the gentleman from Illinois [Mr. MANN], have submitted remarks relating to this subject matter, which is certainly one of exceeding importance. The line of argument of the gentleman from Illinois was that he suggested that, while the Chair is technically right, this body, which is to sit as a court of appeal on the matter of whether it is or is not technically right, shall admit him to be technically right and yet decide the other way.

Mr. POU. And so change the rules.

Mr. SAUNDERS of Virginia. Because that will be the effect of their action.

Mr. POU. I should like to ask the gentleman if it is not a proposition to change the rules?

Mr. SAUNDERS of Virginia. That is the very proposition I am trying to present to this body.

Mr. POU. And to change them in an irregular way?

Mr. BURNETT. Mr. Chairman, if the Chair is right, then he is right, and it is a cowardly thing to try to overrule a righteous decision without changing the rule itself.

SEVERAL MEMBERS. Regular order!

Mr. ADAMSON. A parliamentary inquiry, Mr. Chairman.

Mr. SAUNDERS of Virginia. Mr. Chairman, in order that I may proceed briefly, I ask unanimous consent to speak for three minutes on this subject matter.

Mr. BENJAMIN L. FAIRCHILD. I object.

SEVERAL MEMBERS. Regular order!

Mr. ADAMSON. A parliamentary inquiry.

The CHAIRMAN. The committee will be in order. It is impossible to transact business with every Member on his feet. The gentleman from Georgia wishes to submit a parliamentary inquiry. The gentleman will state it.

Mr. ADAMSON. In voting upon the appeal from the decision of the Chair, is not the committee individually as much bound by the precedents as is the Chairman?

The CHAIRMAN. The Chair is not ready to decide that.

Mr. MANN. Nobody would think that.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the decision of the committee?

Mr. MANN. Mr. Chairman, I demand tellers on the vote.

Tellers were ordered, and the Chairman appointed Mr. MANN and Mr. CRISP.

The committee divided; and the tellers reported—ayes 136, noes 117.

Accordingly the decision of the Chair was sustained.

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

Mr. LENROOT. Mr. Chairman, I move to strike out the last word. In view of this ruling of the Chair, and the action of the committee upon it, I want to suggest that the Committee on Rules ought to convene immediately and amend this rule. [Applause.] I want to take a moment to give my reasons for it. We are now placed in the position that, however unjust some of the items in this bill are, the chairman of the committee can arise in his seat on the floor and say, "The Treasury Department must have this money. If you strike out this item, there is no way to get that money." No new amendments can be proposed, even by the committee itself, to supply revenues in place of any items that the House in its wisdom may seek to strike out. For instance, it has been suggested that a little further on in the bill there ought to be a tax upon the three million and more automobiles in this country. The House is helpless now to propose any such thing. Is the House of Representatives in this, the greatest crisis that our country has ever known, going to permit itself to be helpless to legislate and powerful only to veto? [Applause.] Does the chairman of the committee think that any such thing should be done, that the Committee on Ways and Means should be greater than the House of Representatives itself? Gentlemen, if in the wisdom of the House some item of this bill should be stricken out, and then the House, in striking it out, should say, "We do not desire to embarrass the Treasury, and in its place we will propose something else;" under the situation as it now exists there is only one way in which this can be remedied, and that is for the Committee on Rules to meet immediately and propose an amendment to this rule. And I want to remind gentlemen upon that side of the aisle that this rule is a Democratic piece of handiwork. The situation never could have arisen when the Republicans were in power. And now, when it is working such a great injustice, is it too much to ask of you Democrats in this exigency to amend this rule so that the House will be permitted to exercise its will?

Mr. KITCHIN. I ask unanimous consent to have just three minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent for three minutes. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent that I may have five minutes following the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. KITCHIN]?

There was no objection.

Mr. KITCHIN. Mr. Chairman, the House is not in any such situation as the excitement of the gentleman from Wisconsin would have you believe. Why, you can raise $100,000,000 or $200,000,000 more right in this bill. The gentleman had the privilege of offering an amendment to increase the tax on whisky and on tobacco. He did increase the tax on incomes $60,000,000. He could have made it $100,000,000 more. He could have offered an amendment to raise the tax on excess profits $200,000,000. He did not do it. All these items, and

hundreds of items in this bill, are open to amendment. He can move to increase them. The entire tariff provision is subject to increase. He can move to increase any one item in the tariff bill. Why, there is no such situation as he suggests——

Mr. LONGWORTH. Mr. Chairman, when we reach the stamp tax, under the decision which the Chairman has just made, have I the right to offer an amendment to put a stamp tax on bank checks?

Mr. KITCHIN. No; you would not have under this ruling. The gentleman from Wisconsin says that the rule is the handiwork of the Democratic Party in the Sixty-second Congress. I wish to remind the gentleman that President Taft himself, when he was President of the United States, in a letter written to Mr. MCKINLEY, chairman of the Republican congressional committee, suggested a rule like this. He said in that campaign he wanted to revise the tariff, but could not do it. He said:

> Of course, that will be impracticable unless Congress itself shall adopt the parliamentary rule, as I hope it will, that a bill to amend one schedule of the tariff can not be subject to amendment by adding changes in any other schedule.

[Applause on the Democratic side.]

The gentleman from Wisconsin did not oppose this rule, nor did a single gentleman on that side of the House. That rule was voted on without a protest from any man in the House.

Mr. MANN. The gentleman will do me the honor to say that he is mistaken about that; many of us opposed it.

Mr. KITCHIN. A majority did not oppose it. Not enough opposed it to call the yeas and nays on it.

Mr. MANN. The gentleman is again mistaken.

Mr. KITCHIN. I challenge you to look at the RECORD and show that the gentleman from Illinois [Mr. MANN] or the gentleman from Wisconsin [Mr. LENROOT] opposed that rule, because it was following the suggestion of their President. I thought that I ought to say that much. [Applause on the Democratic side.]

Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed for five minutes.

The CHAIRMAN. Is there objection?

Mr. HARDY. Reserving the right to object, I want two minutes myself. We have heard from that side——

Mr. MANN. I hope the gentleman will not do that. The gentleman from Pennsylvania started to do the same thing and withdrew it. It is not the practice of the House to make trades.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am not concerned so much as to the operation of this rule at the present time as I am in raising revenue equal to eighteen hundred million dollars, as requested by the Secretary of the Treasury to carry on the war in Europe. I am interested in making that great burden of taxation as equitable as possible. I reserved the right in the Committee on Ways and Means to offer an amendment to this bill to tax cotton. I kept the faith this morning by offering an amendment, and the result is well known to you. It was not intended in the preparation of this measure that cotton should be taxed. Everything manufactured from cotton is taxed, and is to be taxed more in this bill, but unmanufactured cotton, a wealth producer to the extent in 1916 of $1,500,000,000, does not pay one cent of tax. I might be charged with sectionalism if I said more on this line at this time.

I do not now intend to make the argument I had it in mind to make on the merits of the amendment, but I do intend to read a few hurriedly prepared lines instead. It is all I can do in five minutes, and will help, I hope, to a better understanding of the effect of the recent ruling of the Chair as it relates to cotton. [Applause.]

COTTON IS FREE.

In fixing your taxes to pay for the war,
A trifle of billions, unheard of before,
Be sure to distribute the burden around
And catch every fellow who ought to be bound—
The rich man, the poor man, your good self, and me—
But don't you tax cotton,
For cotton is free.

Double up all the taxes on incomes and such,
And take all the profits from industry's clutch;
Insurance and business, tax higher and higher,
Till each corporation shall gasp and expire;
But ever and always remember to be
A friend of King Cotton,
For cotton is free.

Put taxes on whisky, wines, soda, and beer;
Let "Old Prohibition" resume his good cheer;
Cigars and tobacco—but never the leaf—
Let them pay for war and our common relief;
The cigarette smoker—he'll gladly agree—
But don't you tax cotton,
For cotton is free.

Let shippers pay tax for the goods they transport;
Let passengers pay, or to walking resort;
Add taxes to those who must message by wire;
Tax automobiles from the top to the tire;
Tax talking machines till they yell like high C—
But don't you tax cotton,
For cotton is free.

The "movies," the ball fans, the boys in the club,
Are taxable stuff and can stand for a rub;
Like perfumes and powders and troches and pills,
They are all patriotic and like to pay bills.
So let them contribute, for happy they'll be—
But don't you tax cotton,
For cotton is free.

Another suggestion: Stamp taxes on deeds,
That ought to help make up the Government needs;
And 8 cents a pack on your cards, which the same
Will help if you let Uncle Sam in the game;
Take these and life's earnings, whatever they may be—
But don't you tax cotton,
For cotton is free.

Tax people who write for the use of the mails;
Let rates go up higher—who writes never quails;
All parties, all nations, are now in accord
In praising the pen as more fierce than the sword,
So pile on these taxes where welcome they'll be—
But don't you tax cotton,
For cotton is free.

And here's a suggestion: Just call it "our bit";
Tax all manufactures, so we don't get hit;
Lay on, old Macduff, when it comes to the mill
On that proposition vote "aye" with a will;
Tax high the whole workshop from Alpha to Z—
But don't you tax cotton,
For cotton is free.

We've had a good season, our crop has not failed;
We've put by some profits, and have some more baled;
We've had a few censuses—Congress is kind,
And "field demonstrations" have not gone behind;
The war-risk insurance has helped on the sea—
But don't you tax cotton,
For cotton is free.

So pile on the taxes and pile them up high;
Tax everything found 'twixt the earth and the sky;
Raise money for Balfour and sturdy old Joffre,
They're right on the job, and you've no time to loaf;
"Special privilege to none" our great war cry shall be—
But don't you tax cotton,
For cotton is free.

[Laughter and applause.]

Mr. HARDY. I ask unanimous consent that I may proceed for three minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that he proceed for three minutes.

There was no objection.

Mr. HARDY. Mr. Chairman and gentlemen, there are some narrow minds that fail while they talk about equal rights and all that to realize the first element of it. I am in favor of the rule as it stands on the statute book, notwithstanding the furor and frenzy of the gentleman from Wisconsin [Mr. LENROOT] for its repeal. This very amendment illustrates its wisdom, for I had an amendment to the amendment to offer which would equalize the burden, if the raw product of the farmer of the South was to be taxed, by putting a tax on corn, wheat, potatoes, the products of the farmers of the great West, and coal, the product from the gentleman's own country, and then, of course, it would be defeated, as it ought to be. But for the rule which the Chairman has just enforced we could clutter up this bill by a thousand proposed amendments, gotten up here on the floor, that would keep us discussing them for days and weeks, and small minds would vent their sectional spleen ad nauseam.

The gentleman from Pennsylvania [Mr. MOORE] speaks of the inequality of not taxing cotton, because we tax cloth made of cotton. He knows that the taxes on the manufactures of cotton are in the main to the detriment of the cotton producer. We groan under the fact that we raise cotton and must sell it in the open markets of the world and that we must buy our own cotton products when they come back to us as clothing in the closed markets of the gentleman from Pennsylvania, yet he pretends that he does not see that. I am sorry that this question came up in a form that made it a sectional one. It is strange and sad to me that all of the favor the gentleman's resolution finds is from a section that does not raise cotton. If the proposition was to tax wheat, the line-up would be different, but why should the wheat farmer not be taxed as well as the cotton farmer? Both wheat and cotton are necessities of life. Cotton is a great food product as well as a clothing product. Why should you go to the farmer who buys his stuff in the closed market and put a direct tax on his product, whether it be wheat or cotton, while you put a tax on competing articles to raise the manufacturers' prices? The truth is that all of the western men in the House are interested with the southern men in letting the farm products, the raw materials of the country, be free of any direct taxation, even though they can not be protected by a special benefaction. You can not protect your wheat, you can not

protect our cotton, you can not raise the price of either by a tariff on the same products. But this gentleman, in the height of his folly, wants not only to protect his own industries, but to impose a special burden of a special tax on our industry. It seems to me that we have had enough of this sectional pettifogging. I think the gentleman only meant buncombe. He was not in earnest. He knew that the cotton farmer and the wheat farmer and the corn farmer and the potato farmer all stand alike, furnishing the necessary production of farm products, but he did not dare include wheat and corn because he did not dare face the indignation of the West, and of course he did not include coal because that comes from his own district. Of course his coal can be taxed just as much as the cotton, but that is another matter. Oh, no; he does not want to raise any revenue in that way, anxious as he is to raise revenue, which is the poor hypocritical reason he gives for his proposition.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

SEC. 600. That there shall be levied, assessed, collected, and paid—

(a) Upon all automobiles, automobile trucks, automobile wagons, and motorcycles, and automobile, motorcycle, or bicycle tires (including inner tubes) sold by the manufacturer, producer, or importer a tax equivalent to 5 per cent of the price for which so sold: *Provided*, That from the tax which otherwise would be imposed upon a manufacturer, producer, or importer of automobiles, automobile trucks, automobile wagons, or motorcycles there shall be deducted the amount of any tax paid under this subdivision upon the tires thereon at the time of sale.

Mr. KELLEY of Michigan. Mr. Chairman, I move to strike out the section.

Mr. KITCHIN. Mr. Chairman, before that amendment is put I have a committee amendment to make it clear that they will have the deduction of 5 per cent upon tires.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend, on page 26, lines 5 and 6, by striking out the words "the amount of any tax paid under this subdivision upon the tires thereon at the time of sale" and inserting "an amount equivalent to 5 per cent of the amount paid for the tires, including the inner tubes, on such vehicles by such manufacturer, producer, or importer."

Mr. KITCHIN. That makes it clear that the man deduct his 5 per cent upon the tire.

The CHAIRMAN. The question is upon the amendment.

The committee amendment was agreed to.

Mr. KELLEY of Michigan. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Pages 25 and 26, strike out paragraph (a) of section 600.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and amendments thereto close in one hour.

Mr. MANN. Mr. Chairman, reserving the right to object, I suggest that the demand for time upon this side will be one hour.

Mr. KITCHIN. Then I ask unanimous consent that the debate upon this paragraph and all amendments thereto close in two hours, one half of that time to be controlled by myself and the other half by the gentleman from Michigan [Mr. KELLEY].

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this paragraph and all amendments thereto shall close in two hours, one-half of the time to be controlled by himself and one-half by the gentleman from Michigan [Mr. KELLEY]. Is there objection?

There was no objection.

Mr. KELLEY of Michigan. Mr. Chairman, I desire to be recognized for 20 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 20 minutes.

Mr. KELLEY of Michigan. Mr. Chairman, the motion which I have made is to strike out the paragraph which imposes a 5 per cent tax on the gross sales of automobiles and automobile trucks.

Before I enter into a discussion of the automobile industry and the effect of the proposed tax upon it, I want the House to have clearly in mind just what the proposal is. In the first place, under this bill an automobile company is required to pay the corporation tax of 4 per cent and the excess-profits tax of 16 per cent just the same as other corporations. In addition to the corporation tax and the excess-profits tax, this bill proposes to levy a gross-sales tax of 5 per cent on the selling price of every automobile and truck. It is estimated that this proposed 5 per cent tax on automobiles, trucks, and tires will produce approximately $80,000,000 in revenue.

To show the full extent of the discrimination against the automobile industry, let us take two corporations, one engaged in making automobiles and the other in making some article of commerce not included in Title VI of this bill. Let us assume that each corporation has an actual investment of $1,000,000, gross sales of $2,000,000, and a profit of $200,000 before deducting any taxes levied under this bill. The automobile company would pay a tax of $105,760 under this bill, while a corporation engaged in another line of business, with the same capital, the same gross sales, and the same profits, would pay $35,120. In the example which I have given the burden falling upon the automobile company would be practically three times as great as that falling upon the other company, although the actual capital and profits of both are the same. It is to the wisdom and justice of this proposal that I desire to direct the attention of the House.

It is said that this bill comes before the House with the indorsement of the full committee. Under ordinary legislative conditions a unanimous report from any of the leading committees of the House in favor of the passage of a bill would carry great weight with the Members of this body. This is particularly true of bills reported from the Committee on Ways and Means, a committee which takes high rank in the House, and whose members are held in the very highest esteem. The House naturally attaches great weight to the action of such a committee, because it is presumed that the committee has thoroughly investigated the subject of the proposed legislation and that the action recommended is based upon well-digested and thoroughly established facts. Unfortunately it seems to have been impossible for the committee to pursue the usual course in the preparation of this bill. It was first taken up by a subcommittee, which, according to the press, sat in secret, keeping all information as to their proceedings concealed even from other members of the committee. Later it was taken up by the full committee and shortly thereafter reported to the House. Although every vital interest of the country is affected by this bill, no hearings were held, no testimony was taken, and no investigation conducted.

With all proper respect for the members of the Committee on Ways and Means and with a full appreciation of their splendid abilities, I do not believe that it is within the capacity of any committee of Congress, no matter how able or distinguished, to legislate safely or wisely upon all the subjects carried in this bill without testimony, without inquiry, and without investigation. A bill so prepared must of necessity contain provisions based upon "first-blush" conclusions, springing in part from unsupported personal opinion or perhaps unsuspected prejudice, or at the best from views supported only by superficial and fragmentary information.

As might be expected under the circumstances many provisions of this bill furnish ample evidence of superficial consideration and hasty conclusions. Title VI of the bill undoubtedly furnishes the most brilliant example of this. An examination of this title shows that for purposes of taxation the bill groups together 9 or 10 classes of articles, which in the judgment of the committee apparently are so similar in character and service and perform so similar a function in the life of the Nation that they can be properly grouped together and taxed in the same manner. This list of articles should be carefully examined by the Members of the House. It is made up of automobiles and trucks, musical instruments, moving-picture films, jewelry, pleasure boats, sporting goods, patent medicines, perfumery, cosmetics, and chewing gum. It will be seen that under the provisions of the bill automobiles and trucks are classified with the piano player, motor boats not used in trade, the phonograph, moving-picture films, tennis racquets, golf balls, golf sticks, baseball bats, footballs, fishing rods, checkerboards, pool tables, playing cards, hair oils, talcum powder, and chewing gum.

Those who have built up the great automobile industry of the country until it ranks in importance and in value of product next to the steel industry in manufactures will undoubtedly be highly gratified to know that upon the authority of a great committee of Congress the automobile is at least equally important and vital to our national life as chewing gum, talcum powder, and hair oil.

The fact is that the Committee on Ways and Means has done itself a great injustice in taking the automobile industry out of the list of great industries, where it of right belongs, and putting it in a group of manufactures of a wholly different character. The automobile is not a plaything like a phonograph or a fishing rod or a tennis racquet. It is a great independent, individual agent of transportation and trade. The average price of an automobile is $605. This is but little more

than the price of a first-class team of horses and equipment at the present time. The cheaper grades of automobiles like the Ford are scarcely more expensive or more of a luxury than a good horse and equipment.

Mr. HULBERT. Will the gentleman yield at that point for a very brief interruption?

Mr. KELLEY of Michigan. I will.

Mr. HULBERT. I want to call the gentleman's attention to the fact that on page 27 of this item an exemption is made in the case of motor boats or other vessels not used or intended to be used for trade, and I want to ask why this exemption is made for motor boats when they do not make any such exemption for automobile trucks and automobile wagons used for trade?

Mr. KELLEY of Michigan. What the gentleman from New York says is absolutely true. They have included in this list with perfumery and chewing gum the automobile truck, one of the great agencies of transportation and trade in every State in the Union, and the point I want to make right here is that this classification, upon its face, shows that the distinguished Committee on Ways and Means gave little or no consideration to this great industry which they have picked out for this unusual and extraordinary burden. I do not know how they arrived at the conclusion that automobile trucks, talcum powder, and chewing gum should be classed together for purposes of taxation.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. KELLEY of Michigan. I will.

Mr. SMITH of Michigan. Does the gentleman think that automobile trucks are as necessary as silk stockings?

Mr. KELLEY of Michigan. Well, that depends upon conditions a great deal. [Laughter.] Sometimes one would be more necessary than the other. But, gentlemen, the point I want to make is simply this, and I want the members of the committee to be in a most serious frame of mind while I am discussing it, because it is a serious proposition not only for those engaged in the business but for the country as a whole——

Mr. ANDERSON. Will the gentleman yield?

Mr. KELLEY of Michigan. Not now.

The CHAIRMAN. The gentleman from Michigan declines to yield.

Mr. KELLEY of Michigan. The automobile is not an instrument of amusement like the piano player. It is a great agency of transportation.

There are in existence in this country more than 3,500,000 automobiles and trucks carrying State licenses, or on the average one car for every 29 persons—men, women, and children. In the great agricultural States of Iowa and Nebraska there is one automobile for every 13 persons. The farmers of the great Middle West apparently do not consider the automobile in the same class with golf balls, tennis racquets, and chewing gum. They consider it a great economic agency of transportation for themselves, their families, and their products. [Applause.] Nobody knows the value of an automobile better than the men who live in the country. It is actually transforming country life by destroying the isolation of it. Within the next 10 years the automobile, the telephone, the rural carrier, and good roads will stem the tide of population which has been steadily flowing during the past few years from the country to the city. The automobile adds to the comfort, the prosperity, and the contentment of rural life. It is solving the question of the rural church and the rural school. It takes city people to the country and country people to the city, thus making country and city one. Yet this bill, drawn in a hurry, puts this great agency of commerce and trade and social advantage in the amusement class with golf and tennis. On one of the public buildings in the city of Washington, just which building I do not now recall, there is carved in stone a statement which I commend to the consideration of the Committee on Ways and Means. It reads in substance: "Of all the inventions that have ever sprung from the brain of man, those which have abridged distance and destroyed space have conferred the greatest blessings on the human race." This is a conception which I am sure was not taken into account by the framers of this bill.

From whatever point of view the automobile industry is considered it can not be regarded otherwise than as a great national industry closely interlaced with our whole industrial, social, and economic life. It has brought into being in the last 15 years the greatest army of skilled mechanics that the Nation has ever known, and these skilled men draw the best wages paid anywhere on the face of the earth. They in themselves are a great national asset at a time like this, when the battles of the world depend upon the genius and skill of industry even more than on the valor of men.

The volume of business done by the automobile industry is so great and affects the life of the country in so many ways that it is most difficult to comprehend and measure it. In 1916 there were manufactured 1,525,578 cars, valued at $921,378,000, or an average price per car of $605. During the same period there were manufactured 92,130 motor trucks, valued at $166,650,273, or an average price of $1,809 per truck. This makes a total output of automobiles and trucks in 1916 of 1,617,708, valued at $1,088,028,273. There are in the United States 25,924 dealers, 23,686 garages, 12,171 automobile machine shops, 5,675 companies having automobile supply departments, 2,503 companies handling automobile supplies exclusively, 231 companies manufacturing automobiles, 364 companies manufacturing trucks, and more than 800 companies manufacturing automobile parts. The following tables will show the distribution of dealers, garages, and manufacturers by States:

Distribution of car, truck, and engine manufacturers in the United States.

State.	Automobiles.	Commercial vehicles.	Engines.	Total.
California	4	14		18
Colorado	1			1
Connecticut	4	3	2	8
Delaware				
District of Columbia		1		1
Georgia		2		2
Illinois	23	43	4	62
Indiana	26	12	5	39
Iowa	1	11		11
Kansas	1	1		2
Kentucky	2	3		4
Louisiana	1	1		2
Maine		1		1
Maryland	2	2		2
Massachusetts	7	14		17
Michigan	47	43	14	99
Minnesota	3	36		37
Missouri	5	9		13
Nebraska	1	2		3
New Hampshire		1		1
New Jersey	3	7		10
New York	22	43	6	65
North Carolina		1		5
Ohio	34	48	5	75
Oregon	1			1
Pennsylvania	13	27	7	42
Rhode Island		1		1
Texas	1	1		2
Virginia	1	1		2
Washington	2	5		5
West Virginia	1	2		3
Wisconsin	6	14	7	25
Canada	19	15	1	27
Total	231	364	51	575

Dealers, garages, machine shops, and supply houses in the United States.

State.	Dealers.	Garages.	Machine shops.	Companies having supply department.	Supplies exclusively.	Total.
Alabama	172	109	74	37	35	278
Arizona	86	82	51	24	12	152
Arkansas	174	96	59	29	18	245
California	1,096	1,211	739	200	151	2,032
Colorado	346	312	177	80	22	520
Connecticut	394	431	211	50	70	715
Delaware	65	62	27	11	5	90
District of Columbia	57	56	36	8	24	140
Florida	246	272	163	64	45	464
Georgia	315	266	123	33	46	549
Idaho	151	100	53	23	10	297
Illinois	1,857	1,645	968	390	131	5,889
Indiana	984	795	409	247	65	1,467
Iowa	1,619	1,322	681	360	64	2,106
Kansas	986	774	380	266	33	1,445
Kentucky	291	230	82	62	24	413
Louisiana	120	67	45	31	18	170
Maine	279	262	124	80	19	459
Maryland	222	242	125	75	36	402
Massachusetts	771	828	421	180	141	1,520
Michigan	985	822	349	132	88	1,535
Minnesota	1,155	833	458	271	29	1,551
Mississippi	133	84	50	40	13	193
Missouri	810	639	413	222	81	1,310
Montana	240	205	117	60	14	345
Nebraska	810	647	285	218	20	1,031
Nevada	57	52	28	19	4	84
New Hampshire	192	214	107	59	10	319
New Mexico	102	73	42	33	28	223
New Jersey	621	844	411	192	6	1,170
New York	2,003	2,217	1,172	456	321	3,735
North Carolina	306	233	111	85	21	421
North Dakota	537	339	198	119	9	703
Ohio	931	1,347	542	425	172	2,589
Oklahoma	286	311	125	136	27	581
Oregon	205	231	130	49	30	315
Pennsylvania	1,677	1,682	776	452	113	2,673
Rhode Island	85	141	91	16	19	262
South Carolina	156	113	58	48	19	248

Dealers, garages, machine shops, and supply houses in the United States—Continued.

State.	Dealers.	Garages.	Machine shops.	Companies having supply department.	Supplies exclusively.	Total.
South Dakota	442	308	155	35	7	584
Tennessee	188	136	75	20	40	285
Texas	626	488	267	47	87	1,059
Utah	88	62	33	15	15	143
Vermont	187	156	83	33	11	286
Virginia	230	158	111	41	41	391
Washington	356	318	168	25	54	599
West Virginia	199	143	52	24	13	246
Wisconsin	1,016	874	410	135	47	182
Wyoming	76	56	37	13	2	103
Hawaii	6	7	3		1	9
West Indies	25	20	5	1	1	32
Canada	854	760	358	3	95	1,262
Mexico	8	11	3	1	2	15
Total	25,924	23,686	12,171	5,675	2,503	40,912

Some people who have given the automobile industry only a superficial consideration seem to have an idea that it is located out in the region of the Great Lakes and that whatever benefits flow from it are confined to that region. Those who have such an idea have no comprehension of the automobile business. In the first place, the building of an automobile is the most complex of all industrial processes. More operations are required in the building of an automobile than any other product of industry. This fact has led to specializing in the manufacture of parts. The automobile manufacturer, at the present time, does but little more than assemble the parts which have been manufactured by others. By highly specializing the manufacture of parts is done at a much lower unit cost than could be done if every automobile manufacturer attempted to supply himself with all the parts entering into the manufacture of an automobile. The wheels, the engines, the tires, the springs, the bodies, the tops, the electrical equipment, the lamps, the windshields, and scores of other parts are, as a rule, no longer made by the manufacturer of automobiles, but by parts manufacturers. Some of these corporations manufacturing parts are as large and have as much capital invested as the automobile manufacturer himself. I have in mind one engine factory which makes all the engines for 27 different automobile companies. The manufacture of parts is not centralized like the manufacture of automobiles, but, on the contrary, is carried on in almost every section of the country. The fact is that there is no industry in America that scatters its benefits into every section of the country to a greater degree than the automobile industry. I suppose that if the Committee on Ways and Means sought to pick out an industry which dovetails into the greatest number of other industries, and which, if anything happened to it, would carry down with it more classes of business than any other industry in America, they could not have hit upon a better industry for that purpose than the automobile industry.

The quantity of material used annually in the automobile business is a matter of constant amazement to those who have examined the figures. In 1916 the automobile industry used $20,000,000 of brass, purchased mainly in Kentucky, New England, New York, Pennsylvania, and Wisconsin. More than $32,000,000 of copper was purchased in New England, Michigan, Wisconsin, Montana, and other Western States; $25,000,000 of cotton fabric from the cotton mills of New England and the South; $22,000,000 of coal and coke from Pennsylvania and West Virginia; $5,000,000 of glass from Pennsylvania, Ohio, and West Virginia; $26,000,000 of tin from Pennsylvania, Ohio, and West Virginia; $7,500,000 of zinc from Missouri, Colorado, and Nevada; $16,500,000 of lead from Colorado and Missouri; $10,000,000 of hardware from New York, Illinois, Pennsylvania, and New England; $16,800,000 of oil from Oklahoma, Texas, and Ohio; $9,000,000 of mohair from Texas and Oregon; $24,000,000 of hides and hair from Illinois, Nebraska, and Missouri; $42,600,000 of electrical equipment from New York, New England, and Pennsylvania; $150,000,000 of lumber from Tennessee, Arkansas, Mississippi, Georgia, and other Southern and Western States; and $250,000,000 of iron and steel from Alabama, Minnesota, Illinois, Ohio, Pennsylvania, West Virginia, and Maryland. It is believed by many that not less than 2,000,000 men are employed in factory, mill, and mine, directly and indirectly, as a result of the development of the automobile industry. Of course, it is not possible to secure accurate data on this point. In view of the magnitude of the figures just given, Congress should give most careful consideration to any proposal affecting this great industry adversely.

But it is said that the automobile business is in a very prosperous condition; that the profits are very large; and that a 5 per cent tax on gross sales could be paid out of the profits without in any way injuring the business. It is true that certain corporations have made great profits in the automobile business. The Ford Co. is one of the leading corporations of the world. The story of the development of the Ford plant reads like a dream or a fairy tale. The success of the Ford business is so well known that most people think of the Ford when discussing the question of automobile profits. It must be remembered, however, that while Mr. Ford has made a magnificent success through a rare combination of mechanical, scientific, and organizing genius, thousands of others have sunk fortunes in the business. Seven hundred and eighteen companies have failed or gone out of business during the last five years. One hundred and thirty-three of these companies have failed or gone out of business in the last two years.

MOTOR VEHICLES MANUFACTURING COMPANIES THAT HAVE FAILED OR RETIRED FROM THE BUSINESS SINCE 1912.

Automobile Co. of California, San Francisco, Cal.; Abbott Motor Co., Detroit, Mich (succeeded by Consolidated Car Co.); Abell Automobile Truck & Manufacturing Co., Newark, N. J.; Abendroth & Root Manufacturing Co., Newburgh, N. Y.; Abresch & Co., Milwaukee, Wis. (retired from automobile business); Acme Motor Car Co., Reading, Pa.; Acorn Motor Car Co., Cincinnati, Ohio; Adams Bros. Co. (The), Findlay, Ohio (reorganized as Adams Truck, Foundry & Machine Co.); Adams Co. (The), Dubuque, Iowa; Acrocar Co., Detroit, Mich.; Akron Motor Car & Truck Co., Akron, Ohio; Allen Kingston Motor Car Co., New York, N. Y.; Alpena Motor Car Co., Alpena, Mich.; Amalgamated Motor Corporation, Alhambra, Cal.; American Cycle Car Co., Bridgeport, Conn. (succeeded by Trumbrill Motor Car Co.); American Commercial Truck (Inc.), Kingston, N. Y.; American Eagle Motor Car Co., Brooklyn, N. Y.; American Locomotive Co., New York, N. Y. (retired); American Manufacturing Co., Chicago, Ill. (succeeded by Partin Manufacturing Co.); American Motor Co., Brockton, Mass.; American Motor Truck Co., Detroit, Mich.; American Motor Truck Manufacturing Co., San Francisco, Cal.; American Motors Co., Indianapolis, Ind.; American Steam Truck Co., Saginaw, Mich.; American Voiturette Co., Detroit, Mich.; Amplex Motor Car Co., Mishawaka, Ind. (reorganized as Amplex Manufacturing Co.); Angus Automobile Co., Nelson, Nebr.; Anhut Motor Car Co., Detroit, Mich.; Argo Electric Vehicle Co., Saginaw, Mich. (succeeded by American Electric Car Co.); Armore Motor Car Corporation, New York, N. Y.; Atlantic Vehicle Co., Newark, N. J.; Atlas Motor Car Co., Springfield, Mass.; Automatic Registering Machine Co., Jamestown, N. Y.; Auto-cart Co., Hallowell, Mo.; Auto Motor Co., Columbus, Ohio; Automobile Cycle Car Co., Detroit, Mich.; Automobile Manufacturing & Engineering Co., Traverse City, Mich. (succeeded by Evans Motor Car Co., Nashville, Tenn., also failed); Auto Tri Manufacturing Co., Buffalo, N. Y.; and Avery Co., Peoria, Ill. (business continued).

H. H. Babcock Co. (Inc.), Watertown, N. Y.; Badger Motor Car Co., Columbus, Ohio; Baker-Bell Motor Co., Philadelphia, Pa.; Bantam Motor Co., Boston, Mass.; W. M. Bean, Malden, Mass.; Behlen Sons & Co., Cincinnati, Ohio; Bell Locomotive Works, Yonkers, N. Y. (retired from the business); Bell & Waring Steam Vehicle Co., New York, N. Y.; Bellamore Armored Car & Equipment Co., New York, N. Y.; Belmont Motor Vehicle Co., Castleton, N. Y.; Bonham Manufacturing Co., Detroit, Mich.; Benton Motor Car Co., Benton, Ill.; L. J. Bergdoll Motor Co., Philadelphia, Pa.; Berkshire Motors Co., Pittsfield, Mass.; Bertviet Motor Car Co., Reading, Pa.; Beat Manufacturing Co., San Leandro, Cal.; Beyster-Detroit Motor Car Co., Detroit, Mich.; Bingham Manufacturing Co., West Park, Ohio; Joan H. Blacker & Co., Chillicothe, Ohio; B. F. Board Motor Truck Co., Alexandria, Va.; Bond Tri-Car Co., Los Angeles, Cal.; Borland-Grannis Co., Chicago, Ill. (succeeded by American Electric Car Co.); Briggs-Detroiter Co., Detroit, Mich.; Brightwood Motor Manufacturing Co., Springfield, Mass.; Bree Electric Vehicle Co., Cleveland, Ohio (succeeded by American Electric Car Co.); Bronx Electric Vehicle Co., New York, N. Y.; Brooks Manufacturing Co., Saginaw, Mich. (succeeded by Duryea Manufacturing Co., also out of business); Brooks Motor Car Co., Buffalo, N. Y.; Brown Commercial Car Co., Peru, Ind.; Brown-Sautter Motor Truck Co., Newark, N. J.; Brunn's Carriage Manufacturing Co., Buffalo, N. Y.; Buckeye Wagon & Motor Car Co., Dayton, Ohio; H. H. Bucklen, jr., Motor Truck Co., Elkhart, Ind.; Buffalo Electric Vehicle Co., Buffalo, N. Y.; Burg Carriage Co., Dallas City, Ill.; Burns Bros., Hagerstown, Md.; G. W. Bushnell Press Co., Thompsonville, Conn.; and Byron Motor Co., Pueblo, Colo.

C de L. Engineering Works, Nutley, N. J.; Cady Co., Canastota, N. Y.; California Automobile Co., Los Angeles, Cal.; California Motor Car Co., Oakland, Cal. (succeeded by Cole California Car Co., also failed); Cameron Manufacturing Co. Beverly, Mass. (succeeded by Cameron Manufacturing Co., West Haven, Conn.); Canton Buggy Co., Canton, Ohio; Carhartt Automobile Corporation, Detroit, Mich.; Carrier Car Co., Dayton, Ohio; Carroll Motor Car Co., Strasburg, Pa.; Case Motor Car Co., New Bremon, Ohio; Cass Motor Truck Co., Port Huron, Mich. (succeeded by Independent Motors Co.); Catasauqua Motor Car Works, Catasauqua, Pa.; Central Car Co., Connersville, Ind.; Century Electric Car Co., Detroit, Mich. (succeeded by Century Manufacturing Co.); Chalfant's Sons, John H., Lenover, Pa.; Champion Motor Car Co., St. Louis, Mo.; Champion Wagon Works, Owego, N. Y.; Chautauqua Motor Co., Dunkirk, N. Y.; Chelsea Maunfacturing Co., Newark, N. J.; Chester County Motor Co., Coatesville, Pa.; Church-Field Motor Car Co., Sibley, Mich.; Church Motor Car Co., Chicago, Ill.; Chicago Business Car Co., Chicago, Ill.; Chicago Coach & Carriage Co., Chicago, Ill.; Chicago Commercial Car Co., Chicago, Ill.; Chicago Electric Motor Car Co., Chicago, Ill. (succeeded by Walker Vehicle Co.); Chicago Motor Wagon Co., Chicago, Ill.; Cine Motor Car Co., Cincinnati, Ohio; Clark-Carter Co., Jackson, Mich. (succeeded by Cutting Motor Car Co., also out of business); Clark Motor Car Co., Shelbyville, Ind.; Clark Motor Co., Buffalo, N. Y. (succeeded by Buffalo Electric Vehicle Co., also failed); Clark Power Wagon Co., Lansing, Mich.; Cleburne Motor Car Manufacturing Co., Cleburne, Tex.; Cleveland Auto Sales & Manufacturing Co., Columbus, Ohio; Cleveland-Gallon Truck Co., Cleveland, Ohio; Cleveland Motor Truck Co., Cleveland, Ohio; Club Car Co. of America, New York, N. Y.; Coates Commercial Car Co., Goshen, N. Y.; Cosy-Mitchell Automobile Co., Chicago, Ill. (succeeded by Motor Co.); Cohoes Automobile Co., Cohoes, N. Y.; Colburn Automobile Co., Denver, Colo.; Colby Motor Co., Mason City, Iowa (succeeded by Standard

Motor Co., Minneapolis); Coleridge Commercial Car Co., Detroit, Mich.; Colonial Electric Car Co., Detroit, Mich.; Columbia Electric Co., The, Knightstown, Ind.; Columbia Motor Car Co., Hartford, Conn.; Columbia Vehicle Co., Washington, D. C.; Columbus Buggy Co., Columbus, Ohio (succeeded by New Columbus Buggy Co.); Colvia, L. H., Muncie, Ind.; Comet Cycle Car Co., Indianapolis, Ind.; Commercial Motor Car Co., Detroit, Mich.; Commercial Motor Car Co., Sam Houston, Tex.; Commercial Motor Co., Minneapolis, Minn.; Commercial Motor Truck Construction Co., Newark, N. J.; Commercial Motors Co., Chicago, Ill.; Consolidated Motor Car Co., Cleveland, Ohio; Consolidated Motor Car Co., Atlanta, Ga.; Continental Engineering Co., Chicago, Ill.; Continental Motors Corporation, Buffalo, N. Y.; Cooper Machine Works, Brooklyn, N. Y.; Corbin Motor Vehicle Co., New Britain, Conn.; Cortland Motor Wagon Co., Pittsfield, Mass.; Covel Manufacturing Co., Boston Harbor, Mich.; Cowles-MacDovell Pneumobile Co., Chicago, Ill. (succeeded by Pneumobile Motor Car Co., Anderson, Ind., also failed); Crane Motor Car Co., Bayonne, N. J. (succeeded by Simplex Auto Co., New Brunswick); Crary Motor Car Co., Detroit, Mich.; Crescent Motor Car Co., Carthage, Mo.; Crescent Motor Co., The, Cincinnati, Ohio; Cricket Cycle Car Co., Detroit, Mich. (succeeded by Motor Products Co.); Criterion Motor Car Co., Kent, Ohio; Crown Commercial Car Co., Louisville, Ky. (succeeded by Hecules Motor Car Co.); Crown Motor Car Co., Louisville, Ky.; Croxton Motor Car Co., Washington, Pa.; Croxton Motor Co., Cleveland, Ohio; and Cutting Motor Car Co., Jackson, Mich.

Dain Manufacturing Co., Ottumwa, Iowa; Daniels Motor Car Co., East St. Louis, Ill.; Dauch Manufacturing Co., Sandusky, Ohio; Davis Flyer Co. (not Inc.), Milwaukee, Wis.; Davis Motor Co., Anderson, Ind.; Day Auto Co., Detroit, Mich.; Dayton Auto Truck Co., Dayton, Ohio (succeeded by Durable Dayton Truck Co.); Dayton Cycle Car Co., Joliet, Ill. (succeeded by Crusader Motor Car Co.); Dayton Electric Car Co., Dayton, Ohio; Dayton Motor Car Co., Dayton, Ohio (bought by Maxwell Motor Co.); Deal Motor Vehicle Co., Jonesville, Mich.; Decatur Motor Car Co., Decatur, Ind. (succeeded by Grand Rapids Motor Truck Co.); De Cross Cy Car Co., Cincinnati, Ohio; De Loach Manufacturing Co., Atlanta, Ga.; De Luxe Motor Car Co., Detroit Mich.; Denniston Co., Buffalo, N. Y.; De Temble Motors Co., Anderson, Ind.; Detroit Cyclecar Co., Detroit, Mich.; Detroit River Boat & Car Co., Wyandotte, Mich.; Diamond Motor Car Co., Chicago, Ill.; Dixie Motor Car Co., Frederick, Okla.; Doyle's Sons, Austin, Chicago, Ill.; Dragon Automobile Co., Philadelphia, Pa.; Dunlap Manufacturing Co., Columbus, Ohio; Duplex Motor Truck Co., Philadelphia, Pa.; Duquesne Motor Car Co., Pittsburgh, Pa.; Durocar Manufacturing Co., Alhambra, Cal. (succeeded by Amalgamated Motor Corporation, also failed); Duryea Motor Co., Saginaw, Mich.; and Dusseau Fore & Rear Drive Auto Co., Toledo, Ohio.

Eastern Power Truck Co., Providence, R. I.; Eastern Machine Co., South Boston, Mass.; Eclipse Truck Co., Franklin, Pa.; Economy Car Co., Indianapolis, Ind (succeeded by International Cycle Car Co., New York City, also failed); Economy Motor Car Co., Joliet, Ill.; Edgemont Machine Co., Dayton, Ohio; Edison Electric Vehicle Co., Lawrence, Mass.; Edwards Motor Car Co., Long Island City, N. Y.; Electric Omnibus Co., Troy, N. Y.; Electric Vehicle Co., Louisville, Ky. (bought by Kentucky Wagon Manufacturing Co.); Elgin Light Car Co., Fenton, Mich.; Elk Motor Truck Co., Charleston, W. Va.; Elkhart Motor Car Co., Elkhart, Ind.; Elmer Auto Corporation, Elkhart, Ind.; Elmore Manufacturing Co., Clyde, Ohio (bought by General Motors Co. and discontinued); Emerson Contracting Co., New Brunswick, N. J.; Enterprise Machine Co., Chicago, Ill.; Epperson Commercial Truck Co., St. Louis, Mo.; Erwin Motor & Machine Co., Philadelphia, Pa.; Euclid Motor Car Co., New York City, N. Y.; Evans Motor Car Co., Detroit, Mich.; Evarts Machine Co., Hartford, Conn.; Evansville Automobile Co., Evansville, Ind.; Everitt-Metzger-Flanders Co., Detroit, Mich.; Erbank Electric Transportation Co., Portland, Oreg.; and Ex-Cel Motor Truck Co., Jamesburg, N. J.

F. A. L. Auto Co., Chicago, Ill.; F. S. Motors Co., West Allis, Milwaukee, Wis.; Falcon Cyclecar Co., Staunton, Va.; J. D. Fato Co., Plymouth, Mich.; W. H. Fauber, New York City, N. Y.; Fewick Motor Car Co., Sioux Falls, S. Dak.; Fenton Cyclecar Co., Fenton, Mich. (succeeded by Koppin Motor Car Co., Detroit, also failed); Findlay Carriage Co., Findlay, Ohio (succeeded by Grant Motor Co.); Findlay Motor Co., Findlay, Ohio; C. J. Fischer Co., Detroit, Mich.; Flagler Cyclecar Co., Chicago, Ill. (in receiver's hands); Flanders Electric (Inc.), Pontiac, Mich.; Flanders Manufacturing Co., Chelsea, Mich.; Flanders Motor Co., Detroit, Mich.; Flyer Motor Car Co., Detroit, Mich.; Fort Wayne Auto Manufacturing Co., Fort Wayne, Ind.; Franklin Boiler Works, Troy, N. Y.; and Fuller Power Truck Co., Delphos, Ohio.

G. J. G. Motor Car Co., White Plains, N. Y.; Gage Manufacturing Co., Los Angeles, Cal. (succeeded by Union Car Co.); Gaylord Motor Car Co., Gaylord, Mich.; General Industrial & Manufacturing Co., Indianapolis, Ind.; Geneva Auto Co., Geneva, N. Y.; Grabowsky Power Wagon Co., Detroit, Mich.; Grand Rapids Motor Truck Co., Grand Rapids, Mich. (succeeded by Parcel Post Equipment Co.); Grant-Lees Machine Co., Cleveland, Ohio; Great Southern Auto Co., Birmingham, Ala.; Greyhound Auto Co., Orange, Mass.; Greyhound Cycle Car Co., Toledo, Ohio (succeeded by States Motor Car Co., also out of business); and Grant Automobile Co., Orange, Mass.

Haborer & Co., Cincinnati, Ohio; James T. Halsey, Philadelphia, Pa.; B. E. Harris, Chicago, Ill.; Hart-Kraft Motor Co., York, Pa.; Hatfield Auto Truck Co., Elmira, N. Y.; Hauber Wagon & Auto Works, St. Marys, Iowa; Havers Motor Car Co., Port Huron, Mich.; Hawkins Cycle Car Co., Xonia, Ohio; Hayward Wagon Co., Newark, N. J.; Heine-Velez Agency, San Francisco, Cal.; Henderson Motor Car Co., Indianapolis, Ind.; Henry Motor Car Co., Muskegon, Mich; Hercules Motor Truck Co., Boston, Mass.; Hercules Motor Truck Co., Detroit, Mich. (succeeded by Alma Motor Truck Co.); Hercules Motor Truck Co., Grove City, Pa.; Herman Bros., Chicago, Ill. (succeeded by Tulsa Automobile Manufacturing Co.); Hermes Motor Car Co., Cincinnati, Ohio (succeeded by De Grose Cycle Car Co., also failed); Herreshoff Light Car Co., Troy, N. Y.; Herreschoff Motor Co., Detroit, Mich.; Hester Motor Truck Co., New York, N. Y. (succeded by Roland Gas Electric Co., also failed); Hoff Motor Car Co., La Crosse, Wis.; Holly Motor Co. Mount Holly, N. J.; Norner Handy Wagon Co., Detroit, Mich.; Howard Motor Car Co., Connersville, Ind.; Howe Engine Co., Indianapolis, Ind. (business continued); and Haseiton Motor Car Co., Butler, Pa.

Ideal Motor Car Co., Indianapolis, Ind. (succeeded by Stutz); Imperial Automobile Co., Jackson, Mich. (succeeded by Mutual Motors Co.); Imperial Electric Motor Co., Philadelphia Pa.; Independence Motor Co., Hyattsville, Md.; Independent Harvester Co., Plano, Ill.; Indiana Motor & Manufacturing Co., Franklin, Ind. (succeeded by Martindale & Milliken); International Cycle Car Co., New York City, N. Y.; Inter-State Automobile Co., Muncie, Ind. (still in business); and Ivey Motor Truck Co., Buffalo, N. Y.

J. & M. Motor Car Co., Lawrenceburg, Ind.; Jarvis-Huntington Automobile Co., Huntington, W. Va.; Jefferson Motor Car Co., Detroit, Mich.; Jenkins Motor Car Co., Rochester, N. Y.; Jewell Carriage Co., Cincinnati, Ohio; Joeras-Thies Motor Car Co., St. Paul, Minn.; Johnson Service Co., Milwaukee, Wis.; Joliet Automobile Truck Co., Joliet, Ill. (succeeded by Dayton Cycle Car Co.); and Jones Cycle Car Co., Maloon, Detroit, Mich.

K-D Motor Co., Boston, Mass.; KaDix Motor Truck Co., Newark, N. J.; Kalamazoo Motor Vehicle Co., Kalamazoo, Mich. (succeeded by Columbia Motor Truck & Trailer Co., Pontiac, Mich.); Kanawha Automobile Truck Co., Charlestown, W. Va. (succeeded by Elk Motor Truck Co., also failed); Kansas City Vehicle Co., Kansas City, Mo.; Kaufman Buggy Co., Miamisburg, Ohio; Kecten Motor Co., Detroit, Mich.; Koenen Manufacturing Co., Long Beach, Cal. (formerly Koenen Motor Truck Co., also failed); Kendle Motor Car Co., Philadelphia, Pa.; Kenmore Manufacturing Co., Chicago, Ill.; Kimball & Co., Chicago, Ill. (retired); Kinnear Manufacturing Co., Columbus, Ohio; Kirby Motor Car Co., Detroit, Mich.; Kline Motor Car Corporation, Richmond, Va., and York, Pa. (resumed); Knickerbocker Motor Truck Co., New York City, N. Y.; Knox Automobile Co., Springfield, Mass. (succeeded by Knox Motors Co.); Kopp Motor Truck Co., Buffalo, N. Y.; Koppin Motor Co., Detroit, Mich.; Kratzer Automobile Co., Allentown, Pa.; O. F. Kress & Son, Lawrence, Mass.; Krickworth Motor Truck Co., Chicago, Ill. (succeeded by the Krick Co.); and Krit Motor Car Co., Detroit, Mich.

L. A. W. Motor Truck Co., Findlay, Ohio; L-P-C Motor Co., Racine Wis. (receiver); Lagerquist Carriage & Automobile Co., Des Moines, Iowa; Lane Motor Vehicle Co., Poughkeepsie, N. Y.; Lanpher Carriage & Automobile Co., Carthage, Mo.; Lansden Co., Newark, N. J.; La Vigne Cycle Car Co., Detroit, Mich.; Lewis Motor Truck Co., Oakland, Cal.; Lexington Motor Car Co., Connersville, Ind. (succeeded by Lexington-Howard Co.); Light Commercial Car Co., Marietta, Iowa; Light Motor Truck Co., Detroit Mich.; Linfrank Motor Manufacturing Works, Brooklyn, N. Y.; Little Motor Car Co., Flint, Mich. (succeeded by Republic Motor Co.); Lincoln Motor Car Co., Lincoln, Ill.; Lincoln Motor Car Works, Chicago, Ill.; Lincoln Motor Truck Co., Sacramento, Cal.; Lion Motor Car Co., Adrian, Mich.; Longest Bros. Co., Louisville, Ky.; Los Angeles Cyclecar Co., Los Angeles, Cal.; and Los Angeles Motor Truck Manufacturing Co., Los Angeles, Cal.

M. & P. Electric Vehicle Co., Detroit, Mich.; McCord Auto Co., Chicago, Ill.; McIntyre Co., W. H., Auburn, Ind.; MacInnie Bros., Toledo, Ohio; Manistee Motor Car Co., Manistee, Mich.; Marathon Motor Works Co., Nashville, Tenn.; Marinette Motor Car Co., Marinette, Wis.; Marion Motor Car Co., Indianapolis, Ind. (succeeded by Mutual Motors Co.); Marquette Motor Vehicle Co., Chicago, Ill.; Martin-Coulter Co., Pittsburgh, Pa.; Mason Motor Co., Waterloo, Iowa; Matheson Auto Co., Wilkes-Barre, Pa.; Maxim Tri-Car Manufacturing Co., Port Jefferson, N. Y.; Maxwell-Briscoe Motor Co., Tarrytown, N. Y.; Megow, C. F., Co., Milwaukee, Wis.; Mechanics Machine Co., Rockford, Ill.; Merchants Automobile Co., Chicago, Ill.; Mercury Cyclecar Co., Detroit, Mich.; Mercury Motor Co., Long Island City, N. Y.; Meteor Motor Car Co., Battendorf, Iowa; Meteor Automobile Co., Mount Vernon, N. Y.; Metropole Motors Corporation, Port Jefferson, N. Y.; Metropolitan Automobile Co., Chicago, Ill.; Michaelson Motor Truck Co., Minneapolis, Minn.; Michigan Auto Co., Kalamazoo, Mich.; Michigan Buggy Co., Jackson, Mich.; Michigan Motor Car Co., Kalamazoo, Mich.; Michigan Steam Motor Co., Detroit, Mich.; Middleboro Automobile Exchange, Middleboro, Mass.; Middleby Automobile Co., Reading, Pa.; Midland Motor Car Co., Moline, Ill.; Mier Carriage & Buggy Co., Ligonier, Ind.; Miller Car Co., Detroit, Mich. (now Kosmeth Co.); Miller Machine Co., Defiance, Ohio; Milwaukee Auto Truck Co., Milwaukee, Wis.; Milwaukee Cycle Car Co., Milwaukee, Wis.; Missouri Motor Car Co., St. Louis, Mo.; Modern Motor Truck Co., St. Louis, Mo.; Monarch Motor Co., Detroit, Mich. (succeeded by Monarch Motor Car Co.); Moore Motor Truck Co., Philadelphia, Pa.; Moore Motor Truck Co., The, Toledo, Ohio; (removed to Waterville, Ohio; out of business); Moore Motor Truck Co., F. L., Los Angeles, Cal. (succeeded by Pacific Metal Products Co.); Mora Power Wagon Co., Cleveland, Ohio; Morgan Motor Truck Co., Worcester, Mass.; Morse Motor Car Co., Brookline, Mass.; Motokart Co., Tarrytown, N. Y. (reorganized as Motokart Manufacturing Co., New York); Motor Car Manufacturing Co., Indianapolis, Ind. (succeeded by Pathfinder Co.); Motor Conveyance Co., Milwaukee, Wis.; Motor Truck Co., St. Paul, Minn.; Motor Vehicle & Marine Construction Co., Sewaren, N. J.; Motor Wagon Co. of Detroit, Detroit, Mich.; Muelhauser Machine Co., Cleveland, Ohio; Multiplex Manufacturing Co., Berwick, Pa.; and Muncie Motor Truck Co., Muncie, Ind.

Naumar Co., Milwaukee, Wis.; Nelson-Brennan-Peterson, Detroit, Mich.; New Columbus Buggy Co., Columbus, Ohio; New Departure Manufacturing Co., Bristol, Conn.; New Primo Motor Works, Atlanta, Ga.; New York Motor Wagon Works Co., Avondale, N. J.; Newark Automobile Manufacturing Co., Newark, N. J.; Nonpareil Motor Truck Co., Newark, N. J.; Norwalk Motor Car Co., Martinsburg, W. Va.; and Nyberg Automobile Works, Anderson, Ind.

O. K. Motor Truck Co., Detroit, Mich.; Ohio Falls Motor Co., New Albany, Ind.; Ohio Motor Car Co., Cincinnati, Ohio (succeeded by Crescent Motor Co., also failed); Oklahoma Motor Truck Co., Tulsa, Okla.; Oliver Motor Truck Co., Detroit, Mich.; Omaha Motor Car Co., Omaha, Nebr.; Omaha Tractor & Engine Co., Omaha, Nebr.; Only Car Co., New York, N. Y.; Orson Automobile Co., New York City, N. Y.; Otto-Mobile Co., Mount Holly, N. J.; S. Overholt Co., Galesburg, Ill.; Owego Car Co. (Inc.), Owego, N. Y.; and Owosso Motor Co., Owosso, Mich.

P. H. P. Motor Truck Co., Westfield, Mass.; Packers Motor Truck Co., Wheeling, W. Va.; Paige-Detroit Motor Car Co., Detroit, Mich. (resumed); Palmer & Singer Manufacturing Co., Long Island City, N. Y.; George W. Parsons Co., Newton, Iowa; Partin-Palmer Motor Car Co., Detroit, Mich.; Peninsula Motor Co., Saginaw, Mich. (bought by General Motors Co. and discontinued); Penn Auto Co. (not incorporated), Philadelphia, Pa.; Penn Motor Car Co., Newcastle, Pa.; Penn-Unit Car Co., Allentown, Pa.; Pennsylvania Auto Motor Co., Bryn Mawr, Pa.; Perfix Co., Milwaukee, Wis.; Petrol Motor Car Co., Milwaukee, Wis.; Philadelphia Truck Co., Philadelphia, Pa.; Phipps Electric Vehicle Co., Detroit, Mich; Phoenix Auto Works, Phoenixville, Pa.; Pickard Bros. Motor Car Co., Brockton, Mass.; Piggins Motor Truck Co., Racine, Wis. (succeeded by Piggins Bros. Motor Truck Co.); Pitt Motor Truck Co., Pittsburgh, Pa.; Pneucar Co., Washington, D. C.; Pope Manufacturing Co., Hartford, Conn.; Poss Motor Co., Detroit, Mich.; Powell Engine Corporation, Brooklyn, N. Y.; Powercar Automobile Co., Cincinnati, Ohio; Power Vehicle Co., Milwaukee, Wis.;

Pratt, Carter, Sighee & Co., Detroit, Mich.; Pratt Manufacturing Co., Joliet, Ill.; Premier Motor Manufacturing Co., Indianapolis, Ind. (in receiver's hands); Primo Motor Co., Atlanta, Ga.; Prince Motor Car Co., Cleveland, Ohio; Princess Motor Car Co., Detroit, Mich.; Pullman Motor Car Co., York, Pa. (resumed); and Pungs Finch Auto & Gas Engine Co., Detroit, Mich.

Quakertown Auto Co., Quakertown, Pa.

R. C. H. Corporation, Detroit, Mich.; R. & S. Manufacturing Co., Cedar Rapids, Iowa; Rainier Motor Co., New York, N. Y.; Randall Manufacturing Co., Baltimore, Md.; Randolph Motor Truck Co., Flint, Mich.; Ranger Automobile Co., Chicago, Ill.; Rassel Motor Car Co., Toledo, Ohio (succeeded by Toledo Motor Truck Co., also out of business); Read Motor Car Co., Detroit, Mich.; Rector Engineering Co., New York, N. Y.; Red Arrow Auto Co., Orange, Mass.; Red Shield Rustler Power Car Co., Detroit, Mich. (succeeded by Auburn Motor Chassis Co.); Remington Standard Motor Car Co., New York City, N. Y.; Richard Auto Manufacturing Co., Cleveland, Ohio; Richmond Cycle Car Co., Richmond, Va.; Rider-Lewis Automobile Co., Anderson, Ind.; Ritz Cycle Car Co., Sharon, Pa.; Robson Manufacturing Co., Galsburg, Ill.; Rockford Motor Truck Co., Rockford, Ill.; Rodefeld Manufacturing Co., Richmond, Ind.; Rogers Motor Car Co., Richmond, Ind.; Rogers Motor Car Co., Omaha, Nebr.; Roland Gas-Electric Co., New York, N. Y.; and Royal Tourish Car Co., Cleveland, Ohio.

S. G. V. Co., Reading, Pa.; S. M. Motor Co. (Inc.), Detroit, Mich. (succeeded by Benham Manufacturing Co.); Sandusky Auto Parts and Truck Co., Sandusky, Ohio; Savage Factories, M. W., Minneapolis, Minn.; Savage Motor Co., Detroit, Mich.; Sebring Motor Car Co., Sebring, Ohio; Seitz Auto and Transmission Co., Wyandotte, Mich.; Sellers Motor Car Co., Hutchinson, Kans.; Senator Motor Car Co., Pittsburgh, Pa.; Schacht Motor Car Co., Cincinnati, Ohio (succeeded by Schacht Motor Truck Co.); Schmidt Bros. Co., Chicago, Ill.; Schubert Wagon Co., August, Oneida, N. Y.; Schumier Motor Car Co., St. Paul, Minn.; Scioto Auto Car Co., Chillicothe, Ohio; Sharp Arrow Auto Co., Trenton, N. J.; Sibley Motor Car Co., Detroit, Mich.; Simplex Auto Co., New York City, N. Y.; Smith Auto Co., Topeka, Kans.; Smith Co., A. O., Milwaukee, Wis. (retired); Somers Motor Truck Co., Boston, Mass.; Sommer Motor Co., Bucyrus, Ohio; Southern Automobile Co., Fort Worth, Tex.; Southern Auto & Equipment Co., Atlanta, Ga.; Speedwell Motor Car Co., Jackson, Mich.; Spoerer's Sons Co., Carl, Baltimore, Md.; St. Louis Car Co., St. Louis, Mo. (retired); Standard Electric Car Co., Jackson, Mich.; Standard Gas-Electric Power Co., Philadelphia, Pa. (succeeded by Vulcan Motor Devices Co.); Standard Motor Truck Co., Warren, Ohio; Stanley Motor Car Co., Detroit, Mich.; Star Motor Car Co., Ann Arbor, Mich.; Star Motor Car Co., Indianapolis, Ind.; Star Tribune Motor Sales Co., Detroit, Mich. (succeeded by O. K. Motor Truck Co.); Starbuck Auto Co., Philadelphia, Pa. (resumed); Staver Carriage Co., Chicago, Ill.; Steel Swallom Auto Co., Jackson, Mich.; Stephenson Motor Truck Co., Milwaukee, Wis.; Sterling Motor Co., Detroit, Mich.; Stevens-Duryea Co., Chicopee Falls, Mass. (retired); Stickney Co., Chas. A., St. Paul, Minn.; Storage Power Battery Co., San Francisco, Cal.; Streator Motor Car Co., Streator, Ill. (succeeded by Barley Manufacturing Co.); Suburban Motor Car Co., Detroit, Mich. (succeeded by Palmer Motor Car Co.); Sultan Motor Car Co., Springfield, Mass., Swanson Motor Car Co., Chicago, Ill.; Symonds Auto Truck Co., Chicago, Ill.; and Symonds Motor Wagon Works, Hyde Park, Mass.

Tate Gas-Electric M. V. Co., Jersey City, N. J.; Tegetmeier & Riepo Co., New York City, N. Y.; Tell Manufacturing Co., Medford, Mass.; Terre Haute Motor Co., Terre Haute, Ind.; Thomas Elevator Co., Chicago, Ill.; E. R. Thomas Motor Car Co., Buffalo, N. Y.; Toledo Carriage Woodstock Co., Toledo, Ohio; Toledo Cycle Car Co., Toledo, Ohio; Toledo Electric Vehicle Co., Toledo, Ohio; Toledo Motor Truck Co. Toledo, Ohio; Tone Car Corporation, Indianapolis, Ind.; Frank Toomey & Co., Newark, N. Y.; Tractor Engine Co., Trenton, N. J.; Traveler Auto Co., Evansville, Ind.; Traveler Motor Car Co., Detroit, Mich.; Tribune Motor Co., Detroit, Mich.; Triumph Manufacturing Co., Detroit, Mich.; Tuller Manufacturing Co., Kansas City, Mo.; Tulsa Auto & Manufacturing Co., Tulsa, Okla.; Twin City Motor Car Co., St. Paul, Minn.; and Twombley Car Corporation, New York, N. Y.

Union Motor Truck Co., San Francisco, Cal.; Universal Machinery Co., Milwaukee, Wis.; Universal Motor Co., Denver, Colo.; Universal Motor Co., Washington, Pa.; Universal Motor Truck Co., Detroit, Mich. (succeeded by Universal Service Co.) and United States Motor Constituent Co.'s (reorganized as Maxwell Motor Co.); Alden-Sampson Manufacturing Co., Detroit, Mich.; Brush Runabout Co., Detroit, Mich.; Columbia Motor Car Co., Hartford, Conn.; Courier Car Co., Dayton, Ohio.; Dayton Motor Car Co., Dayton, Ohio; Maxwell-Briscoe Motor Co., Newcastle, Ind.; Maxwell-Briscoe Motor Co., Providence, R. I.; and Maxwell-Briscoe Motor Co., Tarrytown, N. Y.

V-C Motor Truck Co., Lynn, Mass.; Van Anken Electric Car Co., Chicago, Ill.; Van I. Commercial Car Co., Grand Rapids, Mich.; Van Motor Car Co., Grand Haven, Mich.; Van Motor Wagon Co., Elgin, Ill.; Vandewater & Co., Elizabeth, N. J.; Vaughn Motor Car Co., Kingston, N. Y.; Victor Automobile Co., Ridgeville, Ind.; Victor Motor Truck Co., Buffalo, N. Y.; Victor Motor Car Co., St. Louis, Mo.; Victory Motor Car Co., San Jose, Cal.; Vulcan Manufacturing Co., Painesville, Ohio; and Vulcan Motor Car Co., Detroit, Mich.

W. F. S. Motor Car Co., Philadelphia, Pa.; Wade Commercial Car Co., Holly, Mich.; Wagenhale Motor Co., Detroit, Mich.; Wahl Motor Car Co., Detroit, Mich.; Wallof Motor Truck Co., Minneapolis, Minn.; Ware Motor Vehicle Co. (not inc.), St. Paul, Minn. (succeeded by Twin City Four-Wheel Drive Co.); Warwick Motors Co., Newark, N. J.; Warren Motor Car Co., Detroit, Mich.; Wasatch Motor Manufacturing Co., Salt Lake City, Utah; Washington Motor Vehicle Co., Washington, D. C. (succeeded by Columbia Vehicle Co., also failed); Waterville Tractor Co., Waterville, Ohio; Wayne Light Commercial Car Co., New York, N. Y.; the Webb Co., Allentown, Pa.; Webb Motor Fire Apparatus Co., St. Louis, Mo.; Weber Auto Truck Manufacturing Co., Louisville, Ky.; Weber Motor Vehicle Co., Louisville, Ky.; Welch Motor Car Co., Pontiac, Mich. (bought by General Motor Co. and discontinued); Wenonah Motor Car Co., Bay City, Mich.; Westfield Motor Truck Co., Westfield, Mass.; Westman Motor Track Co., Cleveland, Ohio; Westone Cycle Car Co., Los Angeles, Cal (succeeded by Homer Laughlin Engine Corporation); White Star Motor & Engine Co., Brooklyn, N. Y.; Whiteside Commercial Car Co., Newcastle, Ind.; Whitmore & Co., Dayton, Ohio; the Whitwood Corporation, Weedsport, N. Y.; Whyland-Nelson Motor Car Co., Buffalo, N. Y.; Willet Engine & Truck Co., Buffalo, N. Y.; Winkler Bros. Manufacturing Co., South Bend, Ind.; Woodburn Automobile Co., Woodburn, Ind.; Woodworth Motor Truck Co., Providence, R. I.; Woolston Auto Transfer Co., Riverton, N. J., and Wyckoff, Church & Partridge, Kingston, N. Y. (succeeded by Vaughn Car Co., also failed).

It must not be forgotten that there are at the present time 438 manufacturers of automobiles and automobile trucks in the United States. Of this number 12 corporations manufacture 80 per cent of the entire output. Had the Committee on Ways and Means made an investigation of the situation they would have found that a large number of automobile companies have not earned during the past year net profits sufficient to pay a 5 per cent tax on gross sales. In the automobile business in prosperous times the gross sales are about double the capital invested in the business. In order therefore to pay a gross sales tax of 5 per cent the company would have to make at least a net profit of 10 per cent on the actual capital invested. Many automobile manufacturers have never done this. The Committee on Ways and Means have made no investigation of the matter and have no facts which they can give the House, except in the case of a few large companies, respecting the ability of automobile manufacturers to pay a tax of 5 per cent on gross sales.

But it is said that the automobile manufacturers will add the 5 per cent gross-sales tax to the selling tax of the car and thereby pass the tax on to the consumer. This is very much more easily said, however, than done. No doubt the automobile manufacturer in most cases will add the tax to the selling price of the car if he can do so. General conditions of business, however, will determine very largely the advisability of attempting to increase the price of the car by the amount of the tax. The automobile business is apparently the first industry in the country to feel the effects of a general policy of curtailment and caution pervading the business world since our entry into the European war. A large percentage of the purchasers of automobiles of a grade ranging from $750 and upward are car owners already. Had there been no agitation in the country for curtailing expenses, there would probably have been the usual activity in the automobile market. Dealers throughout the country, however, are now reporting that many customers who had planned on buying new cars have decided to use the old cars another year. At any rate, dealers report that there has been a tremendous falling off in sales during the past few weeks. Obviously, under such conditions, it would not be an easy matter to further advance the price, as such action would undoubtedly result in further discouraging sales. From present indications there is bound to be a serious falling off in the volume of business until war conditions become settled and until many of the business uncertainties occasioned by our entrance into the war have cleared away. If this falling off of business becomes too serious, embarrassment is likely to overtake many of the smaller automobile companies, as well as the manufacturers of parts who supply the material. The automobile manufacturer has placed his orders for parts based upon a certain estimated production. The parts manufacturer has placed his order for materials based upon orders received or expected from the automobile manufacturer. The material is made up according to special design, and in most cases is useless except for the company which placed the order. Ordinary business intelligence is all that is needed to comprehend the fact that if you seriously interfere with production at the top you will set in motion a chain of disaster reaching back to the manufacturer of parts, to the jobber of material, to the mill producing the material, to the banker furnishing the credit, and on to the forest and the mine.

This is a rather serious time for the automobile industry. It is serious with or without the proposed tax on gross sales. The anxiety among the manufacturers is sincere and should not be lightly passed over by Congress. It is possible that a great manufacturer like Mr. Ford could absorb this tax. Mr. Ford indeed might consider it to be his patriotic duty to do so. His great corporation buys in large quantities and is efficiently organized in every branch of his business. He makes great savings in freight by scattering assembling plants throughout the country. He buys his material under the most favorable conditions, and as a rule discounts his bills for cash. He might be able and willing to absorb this tax. But the smaller manufacturer, operating in a much more expensive way, with a vastly increased overhead expense per car, might find himself in a position where he could not absorb the tax without bankrupting his business. On the other hand, if he adds the tax to the selling price of his car, his competitor, who has not increased the price of cars, may take away his customers and thus destroy his business. If the Committee on Ways and Means had deliberately set out to ruin the small automobile companies and throw their business to a few great concerns, they could not have selected a better instrument to accomplish that purpose than this bill. If this bill becomes a law, it will give an impetus to a movement to consolidate and monopolize a great industry, which is now one of the most highly com-

petitive industries in America. No such action as this should be taken by Congress. Or if it is to be taken, it should be only after careful investigation and thorough inquiry into all the conditions surrounding this great industry.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KELLEY of Michigan. I will take five minutes more.

Mr. NORTON. Will the gentleman yield?

Mr. KELLEY of Michigan. My time is so short I am sorry that I can not. I know my friend from North Dakota will excuse me.

I want to remind the Democratic side of the House that they have always professed to be enemies of monopoly. The way you vote on this proposition will be a test of your sincerity. A large number of automobile companies have never been able to make a net profit of 5 per cent upon their gross sales. Such companies will be driven out of business under the provisions of this bill. The automobile business is practically the only great industry that is not to-day in the hands of a monopoly. The men in the automobile business have themselves set their faces against monopoly. If the smaller concerns are forced out of business by excessive taxation, there will be nothing left for them to do except to knock at the door of the big corporations and say, "Take us in in order that we may avoid financial ruin." No such situation should at least be created by operation of law. The Democratic side of this House ought not to permit this legislation to go through.

And as for the Republican side of the House, I should like to inquire when we started in destroying American business and American enterprise without investigation and without inquiry? When did it become the policy of the Republican Party to pass legislation, the effect of which we know nothing? It has been our boast all the years that we were in power that we were the friends of labor and capital and that we wanted industry to flourish in the country. I see before me the distinguished ex-Speaker of the House [Mr. CANNON]. In all the 40 years that he has been a Member of this body I do not believe that he has ever before seen Republican members of the Ways and Means Committee subscribe to a bill aimed at a great industry employing hundreds of thousands of men and having an annual output of more than a billion dollars, without taking one line of testimony or without being able to give the House any facts which can justify the proposed action. We Republicans at least ought to stand by our historic policy of supporting and protecting American industry. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KELLEY of Michigan. Just for a minute. When the Republican Party came into control in this country we were a purely agricultural people, but under our policies the country has grown and prospered until it is the greatest manufacturing, the greatest mining, and the greatest agricultural country in the world. Under our policies of protecting, building up, and fostering industry in America this country has come up from the lowlands until it now occupies a commanding place among the nations of the world. [Applause.] As Republicans let us stick to our historic policy of taking care of the Nation's industries and guarding the welfare of the millions of men in their employ. [Applause.]

What, then, should be done in the matter? What am I asking the House to do at this time? Simply to treat the automobile industry just like every other great industry of the Nation. The automobile companies ask no special favors. They are entirely willing to do their full share in providing funds for carrying on the war. They ask nothing further than that they may be permitted to contribute on the same bases as the United States Steel Corporation, the Bethlehem Corporation, the sugar-refining corporations, the great packing houses of Chicago and Omaha, the Standard Oil Co., the International Harvester Co., and other great industrial institutions. There is no reason why any of these great corporations should be given more favorable consideration than the automobile industry.

In conclusion I desire to remind the House that we are just starting in upon a great war, and it is important that we shall conserve and hold together all the industries of the Nation. While individuals and corporations must contribute generously toward the expenses of the war, the utmost care should be exercised to collect the necessary revenue with the least possible disturbance to business. Let the Government take this year such part of the profits of industry as may be needed. Next year it may be necessary to take a larger part than this year. Before the war is over it may be necessary to take all the profits of industry or even to take capital itself. But at the very beginning of the war let us see to it that no great industry is destroyed, but that all are conserved and built up in order that all present and future demands for funds to prosecute the war may be quickly and easily supplied. [Applause.]

Mr. MADDEN. Mr. Chairman, I would like to have 5 or 10 minutes, if there is any time left.

Mr. KELLEY of Michigan. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. MADDEN. Mr. Chairman, when I was a boy, I can remember very well that every street leading out of the center of the city of Chicago was lined with beautiful shops, in which were employed the boys and the girls of the neighborhood. Each shop dealt in a different sort of commodity. We had the harness shop, the dry-goods shop, the shoe shop, the gent's furnishing goods, the hat store, and so on. All the property on the streets where these shops were located had good value. It was a good tax-paying property. The customers of the shops which lined these streets were the people who lived in the neighborhood. Each shop employed anywhere from 5 to 10 or more young men and young women. Their trade and their success depended in a large measure upon their habits and upon the friendly interest which the people of the neighborhoods took in them.

Later on the great department stores began to be established, and very soon after that began to be the case first one and then another of these little-shop keepers was obliged to abandon his business. He was compelled to apply to a department store for a position as manager of a department. The boys and girls whose morals had been looked after by the people of the neighborhood in which they lived and in which they were employed found themselves compelled to go and take employment in those department stores. When they found employment in those establishments they found themselves compelled to take half the compensation which they had formerly received. They were checked into the store every morning like pieces of baggage and checked out of the store every night in the same way. Nobody knew them. They were known only by a number. Their moral welfare was not looked after. They were allowed to run at large to find the means by which they could support themselves in addition to the meager sums which they received for their work.

The tax that is now proposed to be imposed upon the automobile industry of the United States will produce exactly the same sort of a condition that was produced by the change which I have described. You are going to center the automobile business, which is now scattered all over the United States, and transfer it from the hands of individual owners into the control of two or three or four or five great capitalists, and the men and women who are employed by the individual owners to-day will find themselves compelled to walk the streets looking for employment. You are going to create a monopoly in this line of industry such as we have not seen before in this country in a given line; and yet you claim you are in favor of doing away with monopoly, granting special privileges to no person and to no corporation. Still you are driving every independent operator who employs his capital and labor throughout the country in this great industry out of the business in which he is engaged.

You are imposing a gross-sales tax upon this great industry, and by the terms of the bill through which you impose it you compel the man who pays the tax to pay it without any opportunity whatever of charging it against his business. If he builds an automobile that costs him $900, and he sells it for $1,000 and is compelled to pay a tax of $150, he is not permitted to charge this $150 as a part of his expenses, and so he loses $50 between the making of the automobile and its sale, and you have put him out of business, and you have destroyed the opportunity of the Government of the United States to collect the tax on the excess profits which he otherwise would have made. You have destroyed the man, destroyed his opportunity for success, you have destroyed the opportunity of the men and the women employed by him to make a livelihood, you have destroyed the chance of the Government of the United States to collect the money necessary to finance the war. This is an unjust and unjustifiable tax and ought by every sense of justice to be stricken from the bill. [Applause.]

Mr. KITCHIN. I yield five minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, this item in this bill yields the enormous sum of $68,000,000.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. KELLEY of Michigan. I should like to know on what basis the gentleman figures that $68,000,000. The whole gross automobile sales were $1,000,000,000.

Mr. DOREMUS. Eight hundred and forty million.

Mr. KITCHIN. If the increase continues this year as it did last year, and as it has from January 1 to April 16 of this year, it will exceed that sum.

Mr. KELLEY of Michigan. Does not the gentleman have to assume that the automobile business will increase this year as it did last year in order to obtain that sum.

Mr. RAINEY. I will explain that. In 1914, when the unit value of automobiles was about the same as it is now, the output of automobiles from 338 establishments in the United States—and that was the number of them in that year—was 573,114. We have reliable statistics of the output for 1909, and it was 127,287 automobiles. In 1909 there were 315 establishments. In other words, in the five years from 1909 to 1914 there was an increase in the number of establishments engaged in the automobile industry of 23, and there was an increase in their output of nearly 400 per cent. In 1916 we had 454 establishments engaged in the manufacture of automobiles, and their output was 1,303,400 automobiles, an increase in output in seven years of over 1,000 per cent.

The statement has been made on the floor that in the last five years a number of establishments engaged in the manufacture of automobiles have gone out of business, but the fact remains that from 1909 to 1916 there has been an increase in the number of establishments of from 315 in 1909 to 454 in 1916.

The value of the automobiles manufactured in 1909 was $165,099,400. In five years the value of the output was increased until the aggregate value amounted to $465,042,000. But in 1916 this industry, which they say is in danger if we place this tax upon it, manufactured and placed on the market automobiles to the value of $1,000,069,000. If the ratio of increase in the output of automobiles continues in the future as in the past few years, we will get much more than the experts estimate we will be able to get out of this industry.

Stand on any one of the magnificent boulevards of this city and count the automobiles as they pass. Yesterday I was on Sixteenth Street in this Capital City, and going in each direction there was a continual procession of automobiles for hours during the pleasant sunshine of yesterday afternoon, thousands and thousands of them passing, and not one in one hundred engaged in commercial business. Practically every one of them was out for pleasure riding. Now, of course, that was Sunday, but you can go out this afternoon and you will find the same number of automobiles driving up and down any one of these boulevards here in this Capital City, and if you pick them out as you pass you will find that on week days not ten out of every one hundred will be engaged in trips for anything except pleasure. Men living in the suburbs of this city along street car lines are driving to their business every day in automobiles, consuming in gasoline and lubricating oils alone for each trip more than their street car fare would amount to if they came in on a street car. Automobiles are still to a very large degree luxuries, and this industry, so well able to stand it, ought not to escape this tax.

Mr. DOREMUS. Will the gentleman yield for a question?

Mr. RAINEY. Yes; I yield to my friend.

Mr. DOREMUS. Of all the automobiles that the gentleman saw upon the boulevard yesterday, was there one of them that is subjected to a dollar of taxation under this bill?

Mr. RAINEY. I am calling attention to the fact that the American people are tremendous consumers of automobiles, and they do not care particularly how much those machines cost. Expenses in connection with the purchase of automobiles and their operation do not deter the American people in these prosperous times, destined to become still more prosperous as we expend these billions of money——

Mr. HULBERT. Will the gentleman yield for a question?

Mr. RAINEY. Yes; for a question.

Mr. HULBERT. I probably owned one of the automobiles that the gentleman saw on Sixteenth Street yesterday. I pay a tax on that automobile to the State of New York of $15 per year. As far as I can see, I will not pay any tax under this bill. I would be very glad if my automobile and all other automobiles in use now were taxed for horsepower. [Applause.] But what I would like to know is this: I would like to know upon what theory the committee framed this bill and provided for a tax of 5 per cent upon motor trucks and automobile wagons used for commercial pursuits, not of the character that the gentleman saw on Sixteenth Street yesterday, and at the same time exempted motor boats used for commercial purposes from the payment of any tax?

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield right there?

Mr. RAINEY. Yes.

Mr. GREEN of Iowa. To relieve the mind of my friend from New York, I will say that he will find that under the provisions of this bill he will be taxed on his automobile.

Mr. HULBERT. I should like to have the gentleman indicate the section which imposes the tax.

Mr. GREEN of Iowa. He will have to pay about $10 each year on tires.

Mr. HULBERT. On tires?

Mr. GREEN of Iowa. Yes.

Mr. HULBERT. But you have not got any provision in the bill taxing the automobile for horsepower, and I should like to see a provision of that character.

Mr. RAINEY. I will say to the gentleman that his automobile will probably wear out in a year or two, and he will then have an opportunity to buy another.

Mr. HULBERT. I have not got that kind of a car.

Mr. RAINEY. And when he buys another car he will have an opportunity to pay this tax that he so patriotically expresses himself as willing to pay. And so every man in this country who expends from $360 up to thousands of dollars for an automobile will have the opportunity hereafter to pay this tax if the automobile owners refuse to pay it out of their profits and pass it on to him. We consumed in this country in 1916, 20,000,000 barrels of gasoline in the operation of automobiles alone, more than we consumed in any other year, and the cost of gasoline had gone up 70 per cent. It makes no difference to the owner of an automobile whether gasoline costs him 15 cents a gallon or 25 cents a gallon, he uses exactly as much and accomplishes just as much mileage.

Mr. HULBERT. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. HULBERT. I propounded an inquiry to the gentleman in regard to the discrimination between the automobile trucks for commercial purposes, which are taxed, and motor boats used for commercial purposes, which are not taxed. I would like to know if the gentleman in this time has had an opportunity to consider and answer the question?

Mr. RAINEY. If I have the time I will discuss motor boats, but we are now discussing automobiles.

Mr. HULBERT. Why are the automobile trucks and wagons used for commercial purposes taxed?

Mr. RAINEY. Because they can stand this tax. A man who is willing and able to go to the more expensive and more convenient and more profitable way of carrying on his business is able to pay this increased cost made necessary by this bill.

Mr. HULBERT. One more brief question. Do you remit or omit the tax on motor boats used for commercial purposes because they can not stand the tax?

Mr. RAINEY. The gentleman, if he knows anything about motor boats, knows that the question of what a motor boat is is a pretty difficult proposition. When you put a motor in a boat it is a motor boat. The little fisherman who operates a boat that costs him $8 or $10 in a western river puts in a movable motor to operate his boat. Does the gentleman want to reach a little boat made out of planks operated by a fisherman engaged in catching the fish that makes living cheaper in the city of the gentleman from New York [Mr. HULBERT] in order to gratify any desire he may have for war revenue?

Mr. HULBERT. The gentleman does not make any distinction other than the fact that he is not able to define what a motor boat is, but I call his attention to the fact that where they are used for pleasure purposes——

Mr. RAINEY. It makes no difference, so far as my discussion is concerned, whether we reach down and get every kind of a motor boat or not. The fact remains that as to this industry it is demonstrated that it is able to stand it in this war period. We will probably collect a tax of over $68,000,000 on account of this item, and it will not injure the industry of manufacturing automobiles in this country in the least. Men will buy just as many cars as they ever did before, and they are willing to pay more.

Mr. MEEKER. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. MEEKER. The gentleman from Michigan said the other day that there has been no investigation on the part of your committee as to whether or not these men could stand this tax.

Mr. RAINEY. If the figures I have given do not convey to the minds of those present the idea that an industry which has increased its output from 1909 to 1916, 1,000 per cent—in seven years from one hundred and sixty-five millions to over a billion

dollars—can stand this tax, then I am afraid I can not make it plain.

Mr. KELLEY of Michigan. Mr. Chairman, I yield five minutes to my colleague [Mr. CRAMTON].

Mr. CRAMTON. Mr. Chairman, I am not going to attempt to add anything in the way of information concerning the output of automobiles and the industry in general to what has been presented to you by my able colleagues, Mr. DOREMUS, Mr. NICHOLS of Michigan, and Mr. KELLEY of Michigan, for they come from districts where many of these factories are located and have well presented the facts. There is not a factory in my district, so that I can not be said to speak for constituents of mine engaged in the manufacture of automobiles, and I shall endeavor for a few minutes to call to your attention some considerations concerning the meaning of this to the automobile industry and to the Nation, and the welfare of the Nation we are all interested in.

The great principle upon which this bill has been framed is that "we need the money." I subscribe to that doctrine so far that I am going to vote for the bill, even though it contains things that I do not relish at all.

But there is another great principle that is paramount even to that, and that is the principle that a method of taxation should not be adopted that will defeat itself, that will ruin an industry, and that will cause disaster to the country when we need to have the country prosperous.

Now, what are the reasons advanced for this particular tax? One, offered by the gentleman from North Carolina [Mr. KITCHIN], urges that it is a tax upon a luxury or a semiluxury. The other has been urged in private conversation and alluded to on the floor by the gentleman from Illinois [Mr. RAINEY] and others—that it is being levied because the automobile manufacturers are making a lot of money. These two reasons contradict one another, and the facts contradict both of them.

First, that the automobile is a luxury. Well, suppose it is a luxury, what is the theory upon which we put taxation upon luxuries? Is it to penalize the manufacturer or to penalize the consumer? Do we put the tax on the man who makes the article or the tax upon the man who uses it because he can afford to pay? We all know that the tax on a luxury should be upon the man who uses the article and can afford to pay. As a matter of fact an automobile is no more an article of luxury or an article of semiluxury than a cake of ice is. The cake of ice the poor man uses, and it is a necessity. The rich man can take it and pack it around his bottle of champagne and it is a luxury. It depends upon the use.

I wish my friend the gentleman from Illinois [Mr. RAINEY] who started out late Sunday afternoon and counted the automobiles—and counted mine four or five times as it went up and down Sixteenth Street—would get out in Detroit early in the morning—impossible, perhaps, at 4 o'clock—and see the men who raise the truck in the truck gardens around Detroit, who drive in 10 or 15 miles. They used to take a horse and start at 12 o'clock midnight and get in there at daylight. Now they leave at 3 o'clock in the morning and are home again at 9 o'clock and do a day's work. Talk about fish and the motor boat; these automobiles bring the garden truck a radius of 10 or 20 miles greater and help to reduce the high cost of living. [Applause.]

I say the automobile is not a luxury. You ask the creamery that collects its cream from the farmers throughout a certain section by automobile trucks instead of by the old team method, when, instead of using the creamery, the farmers' wives set up the pans of milk and skimmed the cream and churned it into butter or made their boys do it, as is my recollection. The automobile is not a luxury except in rare cases, and if you are taxing it as a luxury take the suggestion of the gentleman from New York [Mr. HULBERT] and exempt those that are used for commercial purposes. Again, to speak of that stream going up and down Sixteenth Street yesterday, I was in it more or less, and I saw not only the automobiles of the rich, but I saw some little old "bugs" going up and down there, little old automobiles that go through 40 hands to the present purchaser, a laboring man probably, working for two or three dollars a day, who had his family out for an airing on Sunday, a thing just as necessary to him as anything else. In the bill, when you are treating of the necessities, in Title V you have an express provision that the tax upon them shall be passed on to the consumer. Railroad transportation, freight, electricity, gas, and all those things, must be passed on to the consumer. There is no such provision here; and while our friend from Illinois [Mr. RAINEY] assumes that we will pass this on to the consumer, he does not tell us how it is going to be done. In fact, there is an implication in the bill against it, because it is provided that the manufacturer must himself pay it to the Government. And, furthermore, you exempt the Federal Government and the State and county governments from any charge for electricity or transportation made as against their agents under Title V. There is an appropriation of $75,000,000 in one of our appropriation bills here with which to buy automobiles for the Government for war purposes. If this tax is passed on to the consumer, in that one item you have a tax of 5 per cent on $75,000,000 that is going to be passed on to the Government, and no exemption is provided. Oh, no; they do not expect it to be passed on to the consumer. Furthermore, if it is passed to the consumer and collected by the manufacturer, a minor discrimination arises. The man who manufactures electricity and collects the bill from the customer, for no charge whatever, performs the function of collecting the tax for the Government.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KELLEY of Michigan. Mr. Chairman, I yield the gentleman five minutes more.

Mr. CRAMTON. Mr. Chairman, the man who collects the electric bill turns the tax upon it over to the Government, the 5 per cent, and he does it without charge to the Government for the services. The man who sells an automobile and collects the tax on it for the Government would pay for the privilege of collecting the tax for the Government. If it was a $1,000 automobile and he passes the tax to the consumer by charging the consumer $50 more than he would have had to pay ordinarily, then the manufacturer would have to pay a tax, not upon the $1,000 but upon $1,050, and instead of paying the Government the $50 which he collects from the customer, he would pay the Government $52.50. Oh, you do not intend the tax to be passed on, but it is to be paid by the manufacturer.

Second, they say this is to be a tax upon the profits of the manufacturer. The other day we were talking about electricity and about passing on that charge to the consumer or having it paid by the manufacturer. The gentleman from Missouri [Mr. BORLAND] I think represented the sentiment of the committee perhaps when he said that the reason they did not provide for payment of the tax by the electric or gas company is that a lot of these corporations can not afford to pay it, their charges being fixed. But we know that a lot of those corporations that manufacture electricity and gas are unquestionably monopolies, and some of them have accumulated vast profits by reason of extortionate rates. But notwithstanding that, we say that because some of them are properly regulated and can not afford to pay the 5 per cent, so, in order to protect those who could not afford to absorb the tax, we exempt all of them, the unconscionable monopolies and all. Here is a case where there is no monopoly, where they are not so protected. They are engaged in competition, and still you are not going to protect the little fellow in the automobile industry. You force him to pay a 5 per cent tax on his gross sales.

Further, it has been pointed out how we tax all these automobile manufacturers otherwise in this bill upon their profits. We tax them upon their net income and upon their excess profits, and then we go to the stockholder and we tax him upon his income derived from dividends. But that is not enough in the case of the automobile manufacturer. You are going to tax him 5 per cent on every dollar that he takes in. This is rank discrimination. Why is it, that if I make a million dollars out of a stock-exchange gambling proposition you only tax me on my net income, but if I am engaged in a legitimate industry, the manufacturer of automobiles and automobile trucks, you charge me not only that same tax upon profits and incomes, but you tax me on the money taken in? It is unjust. It is not a question of choice as to which method of taxation you follow as to the automobile concern, because you tax him both ways, both upon his gross business and upon his profits. It penalizes the manufacturer who, by low prices based on small margin of profit, seeks to make his profits large by volume of business.

Furthermore, it is disastrous, because it must decrease the production, and it must tend to further accentuate the business apprehension in this country at this time, and that means financial disaster, and we can not afford that now.

It is not necessary. The committee can meet again, and they can bring in a tax suggested by my colleague, Mr. FORDNEY, a stamp tax on bank checks, which at least will bring in two or three times as much as the automobile tax. Then there is the candy industry. Talk about increases! The growth of the candy industry has been phenomenal. In 1909 the candy industry amounted to $60,000,000 and in 1914 it had gone up to over $170,000,000. A thriving industry, a luxury, a curb upon its production would serve to conserve our supply of sugar, an important food product, but it is not touched.

I want to urge this upon the Members of this House. You may not come from a State where they make automobiles. My

district does not, but whatever district you come from, there are probably manufacturing concerns in it. If you adopt this policy of taxing the manufacturer upon his gross receipts, before this war gets far, as you get in new taxes, we may tax the manufacturer of furniture, we may tax the manufacturer of farm wagons, the manufacturer of clothing, and of any article which is no more a necessity than the automobile.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. KITCHIN. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, it is easy to vote for an appropriation, it is often easy to vote for bonds, but it is hard often to vote for taxes to pay appropriations. In some instances it is hard to pay the taxes, and I sympathize with some of the complaints that have been made by parties upon whom the taxes which are proposed by this bill will bear hardly. But in this particular instance we have complaints from parties who will not pay the tax and who are simply afraid that they may pay the tax. Now, let me say at the outset, with reference to this kind of a tax, that a tax upon gross receipts, in my judgment, should never be laid in any case except where it will ultimately be borne by the consumer; and for the same reason it follows, in my judgment, that taxes upon gross receipts should not be levied upon necessities unless that tax is levied by reason of extremities in which the Nation finds itself and the absolute necessity for further taxes as a last resort. Now, let us see what the situation is with reference to the automobile industry. The gentleman from Michigan [Mr. DOREMUS] several days ago addressed the House with almost sepulchral mien and gave a tale of the woes of the automobile companies which cast a gloom over the House which has scarcely been dispelled yet. Now, to-day comes my friend, the other gentleman from Michigan, the genial, delightful Mr. KELLEY, who has so often interested and instructed the House and even charmed us by his eloquence, and he, too, objects to this provision in the bill. So far as Mr. KELLEY is concerned, I think his argument is legitimate, and I shall undertake to answer it. So far as the argument made by Mr. DOREMUS is concerned, I shall not answer it myself, but shall simply quote to you some figures. My friend Mr. KELLEY, I think, has an automobile factory in his district, and I am not finding any fault with either of those gentlemen for coming here and presenting the case of the automobile manufacturer. I realize perfectly well that the pressure upon them would be such that it could not be very well avoided, and, indeed, I would be very glad if I could myself join in with them. It is no pleasure to vote for taxes, but let me call attention——

Mr. KELLEY of Michigan. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. KELLEY of Michigan. I wish to say to the gentleman, as far as my district is concerned, if there are any automobile companies of the United States that could stand and absorb a tax of this kind I presume they might do so, because they are like the Ford, the General Motor, the leading automobile companies of the country, but there are scattered all over the United States small companies——

Mr. GREEN of Iowa. I will answer the gentleman on that, if he will permit me. I prefer to do it rather than for him to do so in my time. I find that the Reo Motor Co. is located in the district of the gentleman. I made an investigation not only on the returns of this company but also of a large number of automobile companies, and I will read some of the results, so that the House should have a knowledge of the terrible situation in which these automobile companies have found themselves. If you have tears, prepared to shed them now. Here is the record of the Reo Motor Co.: Dividends, 1906, 35 per cent; 1907, only 80 per cent; 1909, ran down to 60 per cent; 1910, down to 30 per cent; 1913—we will have to have an explanation of this—10 per cent; 1914, 37½ per cent; 1915, 35 per cent; 1916, 10 per cent to July 1. But that is not half the story. In 1906 they paid a 50 per cent stock dividend; in 1908—the figures are blurred, but I think it is 1908—33⅓ per cent stock dividend; in 1909, 100 per cent stock dividend; in 1914, a 50 per cent stock dividend; in 1916, 100 per cent on January 10, and I do not know how much more since. Now, some new companies have been started up in the automobile industry under great difficulty, as my friend tells us—very hard to get into this business. One of the new companies is the Paige Automobile Co. That was organized in 1910. In addition to the other dividends, they paid 230 per cent in stock dividends. Now they want to sell more stock, and they announce in their advertisements that if you had invested $1,000 in Paige stock in 1914 it would have been worth—how much? About a thousand—five thousand? Guess again. Ten thousand? Too low. Twenty thousand? Oh, not near enough. If you had bought a thousand dollars of stock, it would have been worth now $36,988. Then there is the Willys-Overland Co., which has been spoken of. The gentleman from Michigan [Mr. DOREMUS] intimated that was in rather bad circumstances. This was one of the most prosperous companies, next to the Ford, but the dividends and profits made out of it are not published as by the Ford company. Next to the Ford, more millionaires have been made through the Willys-Overland Co. than through any other company. The stock of this company issued April 1, 1916, was $15,000,000 preferred, $22,500,000 common—mostly water, as usual with common stock. On June 14, 1916, the stock was increased to $75,000,000 of which $25,000,000 was preferred stock and $50,000,000 common stock. For the four years ending December 31, 1915, the net profits of that company were over $25,000,000, and they made about $11,000,000 last year——

Mr. DOREMUS. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. DOREMUS. Why does not the gentleman tax those immense profits?

Mr. GREEN of Iowa. We are taxing them.

Mr. DOREMUS. You are not taxing them; you are taxing the gross sales.

Mr. GREEN of Iowa. They will have to pay on the excess profits, although there was an amendment offered by my colleague [Mr. GOOD] the other day that would have exempted them to a large extent.

The Saxon Motor Co. is one of those that makes a car somewhat cheap in price.

Mr. HARDY. Will the gentleman yield for a question?

Mr. GREEN of Iowa. Yes.

Mr. HARDY. Is the gentleman now basing the right to levy this tax solely upon the immense profits earned? If so, why did not the gentleman base it upon some other industries?

Mr. GREEN of Iowa. No; I am not. I am placing it on a logical basis, as I will explain to the gentleman.

Mr. CRAMTON. The gentleman admits that is not a logical basis?

Mr. GREEN of Iowa. I am sorry the gentleman is not able to see it at this time, but I hope he will be able to do so before we get through.

Mr. MEEKER. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. MEEKER. Will the gentleman explain to the committee why on everything which comes under this title the committee switched from the perfectly legitimate excess-profits tax and went to the gross-sales tax on this commodity? Why adopt a policy which at other times would be indefensible? Simply because we need the money or because it is a sound policy?

Mr. GREEN of Iowa. Not at all. And the committee did not switch. These companies will pay the excess-profits tax.

Mr. MEEKER. That is all right, but why this gross-sales tax? That is what we are trying to find out. Why switch to the gross-sales tax?

Mr. GREEN of Iowa. Automobiles, if not an article of luxury pure and simple, are not a necessity. And because the nature of the trade is such and, as I have shown, produces such enormous profits, the charges will be passed on to the consumer and will not cost the companies 1 cent. That is why we levy this tax. These enormous profits show that even the small companies must make a good profit.

Mr. MEEKER. Does the gentleman insist that on these gross-sales taxes they will get to the consumer?

Mr. GREEN of Iowa. There is no question about it in the world; none whatever.

Mr. KELLEY of Michigan. If that is the policy of the committee, that this should be paid by the consumer, why did not the committee include the 3,500,000 automobiles that are already in existence?

Mr. GREEN of Iowa. The committee does tax the automobiles that are already in existence.

Mr. KELLEY of Michigan. How?

Mr. GREEN of Iowa. By a tax on tires, one of the fairest kind of taxes that will be levied upon them. It will cost every man that owns an automobile from $2 to $10, according to the extent he uses his automobile. If he is a rich man, and goes driving over the country for 20,000 or 50,000 miles, he will have to pay more. If he has only a Ford, and uses it only a little, he will pay but a little.

Mr. DOREMUS. Will the gentleman yield for a brief question?

Mr. GREEN of Iowa. Yes.

Mr. DOREMUS. Why is it that you tax the automobile to be hereafter purchased, not only upon the automobile and the tires, while as to the automobiles now in use you tax only the tires?

Mr. GREEN of Iowa. Because that is an annual tax, and the other is a tax that is all paid at once. I am sorry the gentleman can not see it.

Mr. DOREMUS. Would not the tax on the automobile also be an annual tax?

Mr. GREEN of Iowa. It would not.

Mr. DOREMUS. Does the gentleman mean to tell us that they will pay this year and then cense paying? On the automobile already in us, if you levy a license tax upon it, it would only pay for one year?

Mr. GREEN of Iowa. The tax on the tire is an annual tax, and on the automobile, when the manufacturer sells it, is payable once and for all. I want to say, as I understand it—and gentlemen halve talked about a tax on the automobiles themselves, a tax that can never be levied with any approach to equity or fairness, because there is no way to do it—that we have a tax here on tires that is absolutely equitable and just, or as near to it as it can possibly be made.

Mr. CRAMTON. Will the gentleman yield for a very brief question on that particular point? The gentleman spoke of taxing cars now in use by the tax on the tires. Milady's limousine is only used by her a little bit in the afternoon while she is calling, and will not pay much tax; but the little old delivery wagon that runs all day and is a necessity will pay the heaviest tax.

Mr. GREEN of Iowa. The gentleman can always find one rare exception, one case out of a thousand, just as I can say as to the real-estate tax in my own State. If I had given a mortgage on a piece of land, I would have to pay as much on it as I did if I did not have any mortgage.

Mr. CRAMTON. Would that not happen more than once in a thousand?

Mr. GREEN of Iowa. Not more than once in a thousand with reference to the limousine.

Now, let me come to the situation here. Why will the automobile manufacturers not have to pay this tax? In the first place, because the tax on gross receipts is almost invariably paid by the consumer. Secondly, because the demand for the automobiles is so great and the profits are so great that the manufacturer can easily put the price on the consumer, and when they can, everybody knows that they will.

Gentlemen, do not worry about the automobile trade dwindling or falling off. There is nothing that people are so unwilling to do without as an automobile. There is nothing that they want so much. Men will mortgage their houses, borrow money, say that they can not send their daughter or their boy to college, but will have an automobile. They will quit buying everything else. It is well known that all lines of trade—and one of them is a line that is taxed also in this bill, that of jewelry—have suffered by reason of the extraordinary expenditures that have been going into the automobiles.

Now, the gentleman from Michigan [Mr. DOREMUS], in speaking of the tax that is imposed by this bill, said that it was "unprecedented, unheard of." That may not be his exact language, but that was the substance of it.

Mr. DOREMUS. I did not say that.

Mr. GREEN of Iowa. You did not say that?

Mr. DOREMUS. Not those words. But I could very properly have done so.

Mr. GREEN of Iowa. Let us see if you could very properly have done so. If the gentleman had investigated the taxes that were levied during the Civil War he would find that he could not say with propriety any such thing. The 5 per cent tax on gross sales was imposed on numerous articles at the time of the Civil War. A large number of industries were taxed then at the rate of 5 per cent, and the gross sales were taxed in the Civil War in such form that the tax was a great deal harder to bear than this. The tax was imposed not only on what the dealer sold but also on what he had.

Mr. DOREMUS. In the Civil War, in addition to those taxes, did they also impose an excess-profits tax and a gross-sales tax?

Mr. GREEN of Iowa. Yes. There was a dollar a barrel on crude oil, which, I think, was about what it was worth at that time, and there was a tax of 20 cents a gallon on refined oil, which was worth about $1 a gallon at that time. In addition to that, there was a tax of 2½ per cent on gross sales of refineries. Gentlemen talk as though we were imposing some unheard-of scheme of taxation. The real fact is that, so far as the taxes contained in this bill are concerned, compared with those levied in the time of the Civil War, the Government is not laying even its little finger on the taxable resources of this country as compared with the way it reached out with both arms and both hands into the pockets of the people at that time. People nowadays do not know anything about the taxation of that time, and they will not know it by this bill. They will not know it unless they look back and study the actual taxes that were imposed on the people at the time of the Civil War. Now, those taxes did not ruin the manufacturers in the time of the Civil War; on the contrary, they prospered exceedingly.

Mr. GREEN of Iowa. Now, I want to call the attention of the committee to another statement that has been repeatedly made on the floor, although it has nothing to do with the question immediately before the House. It was stated, with reference to what has been called the retroactive income feature that is contained in this bill. It is said that that kind of a tax had never been heard of before. But the committee in levying the taxes imposed by this bill had abundant examples and precedents before them, and they learned something from the experience that was gained at the time of the Civil War. Exactly that same kind of an income tax was levied in 1864, when an additional income tax over and above the income tax that had previously been levied was imposed on July 4, 1864, upon the incomes of 1863.

Now, gentlemen of the House, this tax can be stricken out; but what is proposed in lieu of it? What is it that the gentlemen offer? They say they would put another tax still on automobiles, a tax that would impose the same amount to be paid upon the old rattletrap as upon the fine new machine, and they think that would be more fair and more just. I do not think so. I think that this tax should be levied just as it is, where it will fall upon the man who wants a new car.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield there for a question?

Mr. GREEN of Iowa. Yes.

Mr. KELLEY of Michigan. What would the gentleman say to allowing an exemption of 8 per cent profits before this tax is levied?

Mr. GREEN of Iowa. Oh, I think that would be perfectly proper if I thought the manufacturer would have to pay the tax; but believing as I do that in any event he will not pay the tax, but pass it on to the consumer——

Mr. KELLEY of Michigan. Would not that be fair to lay it on another producer?

Mr. GREEN of Iowa. He will not have to pay the tax.

Mr. KELLEY of Michigan. That is your side of it.

Mr. GREEN of Iowa. Why, gentlemen, last year a large share of the automobile makers added $100, which is about twice the tax to be imposed in this bill, to the price of their automobiles, and the people fell over themselves in their haste to get automobiles, notwithstanding the increase in price; and, notwithstanding the raising of the price, the number of automobiles purchased in 1916 was double that of 1915.

Mr. KELLEY of Michigan. Well, having advanced the price once, does the gentleman think they can advance it again?

Mr. GREEN of Iowa. I think the gentleman from Ohio [Mr. LONGWORTH] can give us an instance of that.

Mr. LONGWORTH. I would be glad to give the gentleman this advertisement if he can make any proper use of it.

Mr. GREEN of Iowa. This is an advertisement of the Chandler Automobile Co. It says the price "must advance $200 by June 30" and advises everybody to get in before the price is advanced. [Laughter.]

Now, gentlemen say that this tax is going to hart the companies and that they will not be able to do as good a business as they have done before. Let me read to you an extract from the Wall Street Journal of May 17.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. I would like to have about two minutes more.

Mr. KITCHIN. I yield to the gentleman five minutes, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for five minutes more.

Mr. GREEN of Iowa. This article is headed in this manner:

Automobile makers not worried over 5 per cent tax. H. H. Franklin says that there will be a corresponding increase in prices, which buyers can stand, and sales of cars wld not be hurt.

It says further on that the "Franklin business for the six months ended May 1, 1917, showed an increase of 1.43 per cent over that of the preceding six months." I read further:

"Even if the proposed 5 per cent tax is put on, and even if it is higher than on other articles," said Mr. Franklin, "it will not be the tax that will hurt the sale of motor cars. The thing that will hurt the sale of automobiles will be the general situation." A 5 per cent tax, according to Mr. Franklin, will merely mean a corresponding increase in automobile prices, which he says the buyers can well stand.

Mr. WASON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. WASON. Does the gentleman know the reason why the president of the company made that statement?

Mr. GREEN of Iowa. No. I am not particularly interested in his reason, except that he says that he is already going to contract for a great many more cars than he made last year.

Mr. WASON. Does the gentleman know that the Franklin people are making a great point on the mileage they get on their cars, and that is the cause of the great increase in the demand for that car over others?

Mr. GREEN of Iowa. Oh, yes.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. GREEN of Iowa. Yes.

Mr. COOPER of Wisconsin. As the gentleman read it, it said that the sales of the last six months were greater than for the preceding six months, not for the corresponding six months of a year ago.

Mr. GREEN of Iowa. I may have stated it incorrectly.

Mr. COOPER of Wisconsin. That would make a very great difference.

Mr. GREEN of Iowa. It is correctly stated in the extract which I read.

Mr. KELLEY of Michigan. Will the gentleman yield?

Mr. SCOTT of Michigan. Will the gentleman yield?

Mr. GREEN of Iowa. No; I can not yield, for I have not time. I want to finish this. Here is an article from the Washington Post of May 13:

AUTOMOBILE DEALERS IN WASHINGTON OPTIMISTIC OVER BUSINESS OUTLOOK—CAR SALES FOR SPRING 1917 BEAT ALL PREVIOUS RECORDS, ACCORDING TO REPORTS OF LOCAL DEALERS—NO DEPRESSION DUE TO "WAR SCARE."

What is behind the assertions of the automobile manufacturers and dealers advertising that they are now enjoying the greatest business in their history? Is it a sort of optimism prompted by the idea that if they do not keep smiling and telling themselves that business is good the pessimism of panic and the hysteria of hard times will catch them napping? Or is there sufficient behind these assertions to make them worthy of investigation in an effort to find out just what condition this big business is as a result of the declaration of war by the United States?

"Business as usual," the slogan of Great Britain, hardly fits. Business is decidedly unusual, so far as the motor car is concerned. Dealers are not only unloading and selling cars as fast as they arrive, but they are writing and wiring their factories asking if it is not possible to secure additional cars.

It would not be correct to say that the war has had no effect on the industry, at least so far as sales in Washington are concerned.

Dealers admit that when the declaration of war was first made there was some slackening in buying. Prospective purchasers who were about to sign the dotted line on the order blank hesitated about committing the overt act.

Fortunately this condition did not last for long. Within 10 days the public began buying again with the same zest that they had displayed previous to any announcement of hostilities. March and April have been banner months in the business here. Every company reports an increase in business. Dealers who in previous years have during the late winter and early spring months been able to stock a few cars in anticipation of the late spring and early summer business have this year been unable to keep up with the demand.

The automobile industry is not worrying. Where Great Britain industries satisfied themselves with the slogan, "business as usual," one American business, the automobile, finds its business greater than ever.

There are some other trades and businesses that are subject to this same tax. Among others is the jewelry business. According to the statement made by an association to me, the jewelers of this country are not complaining of this tax. They had to pay 10 per cent on their stocks on hand at the time of the Civil War. They do say, however, that if the automobile tax is stricken from this section of the bill, the tax on the jewelry business and all the others ought to go out too, and I entirely agree with them. They say that their profits are nothing like what the automobile manufactures make, that the demand for their goods is nothing like, and that the extent of the industry is nothing like that of the automobile business. They admit that they are manufacturing a luxury to a certain extent, and they say that the price can be passed on to the consumer just as it always has been with taxes of this kind. I insist that this provision ought to stay in the bill; that with the exception of some of the so-called war babies engaged in the manufacture of munitions there is not a business in the country that is so well able to meet the conditions imposed by the bill. [Applause.]

Mr. KITCHIN. Mr. Chairman, if this automobile tax goes out of the bill, the tax on everything in this section ought to go out of the bill, and taxes in other sections to the amount of perhaps over $100,000,000 ought to go out of the bill; because outside of this section we collect much over $100,000,000 of taxes from other articles that are taxed more than 5 per cent ad valorem, some as high as an equivalent of 33⅓ per cent ad valorem, some over 100 per cent ad valorem. Take tobacco, cigars, cigarettes, smoking tobacco—they pay over 33⅓ per cent, but everybody knows that the increase in the tobacco tax and the increase in the whisky tax are going to be put on the consumer. The tobacco manufacturer and the distiller are going to add the price to the wholesaler, the wholesaler to the retailer, and the retailer to the consumer. Take carbonic-acid gas. We are placing a specific tax which amounts practically to 200 per cent, or twice as much as its present selling value, yet the carbonic-acid-gas manufacturers are making little complaint about the size of the tax, because they know they are going to add it to the price to the soda-water man and the bottling establishments throughout the country, and they, in turn, are going to add the price to the retailer, and he in turn in some way to the consumer.

Mr. LONGWORTH. If the gentleman would like to have the exact figures of these various titles, I can give them.

Mr. KITCHIN. Yes.

Mr. LONGWORTH. Under Title III, the war tax on beverages, $220,000,000.

Title IV, war tax on cigars, tobacco and manufactures thereof, $70,000,000.

Title VI, war tax on manufactures, which is the section under consideration, $118,000,000.

Mr. KITCHIN. Every one of those taxes ought to go out if this tax goes out.

The jewelry manufacturer is taxed just like the automobile manufacturer—the same 5 per cent ad valorem. The man who manufactures baseballs and baseball bats is taxed the same as the automobile man. The man who manufactures tennis rackets is taxed the same as the automobile man. The man who manufactures graphophones and talking machines and phonographs, or billiard tables, or pianos or victrolas, is taxed just the same as the automobile man. They have protested, but they have not brought a lobby here to swarm this Capitol, as the automobile manufacturers have. You have to elbow your way through them when you walk through the corridors of the Capitol. Why have they such a powerful influence here? No man is thinking about striking out the jewelry provision or the other provisions of this section. There has not been a suggestion of that kind in this debate; but the automobile manufacturers are strong enough to bring together here an influence to impose their desires and their will upon this body, not in behalf of the Government, but in behalf of their own selfish interests. Why? Because the automobile industry is larger than all the other industries that I have mentioned here combined. They have been able to gather, among the membership of this House, every district that had a little automobile industry, every district that had a little industry that made parts of automobiles and band them together in an assault upon this provision of the bill. They have appealed to the interests of those districts, not to the sense of right or the justice of the individual Members of this House. They told us, as the gentleman from Michigan [Mr. DOREMUS] told us, that if you put this tax upon automobiles the industry is ruined. Why, he pictured here the depressed condition that pervaded the whole automobile industry. He showed us how the Overland people were going to cut down their output, and the Hudson people were going to cut down their output, and the Packard people were going to cut down their output, and he showed to this House a picture not only of depression and stagnation, but of bankruptcy of the automobile industry.

Mr. DOREMUS. Will the gentleman yield for a question?

Mr. KITCHEN. Give me that Overland advertisement there [indicating].

Mr. DOREMUS. Does the gentleman deny that the Packard and the Hudson and the other companies to which I referred have, as a matter of fact, already reduced their output?

Mr. KITCHIN. Gentleman, they have imposed on the credulity and intelligence of the gentleman from Michigan. He tells you that the Packard is going to cut down their output of touring cars. Yes; because they have a tremendously big contract with the Government and can not make them. Is the Hudson Co. going to cut down? No. On May 12, in its statement in the Literary Digest, it says that it is making a special car now, a 1918 model, for $1,750—$100 advance—but is unable to turn out many of them this year because the exacting demand of the public for their other cars will require the full capacity of their plant. Now, the gentleman from Michigan does not know any better. He has not investigated it like we have, but he takes their word for it.

Mr. DOREMUS. Will the gentleman yield?

Mr. KITCHIN. My time is about up and I want to refer to other facts relative to the automobile industry.

Mr. DOREMUS. We will give you all the time you want.

Mr. KITCHIN. Then I will teach the gentleman something about automobiles and give him some statistics of which he seems ignorant. [Laughter.]

Mr. DOREMUS. Oh, I do not think the gentleman from North Carolina can tell the difference between a mud pan and a carbureter. [Laughter.]

Mr. KITCHIN. Now, let me read the gentleman what the Willys-Overland Co. says and compare it with what the gentleman says. He declares they have been compelled to cut down their output and this bill will put them in bankruptcy. I have here a double-page advertisement in the Literary Digest of April 14, 1917, in which they say that in 1914 they made 48,473 cars; in 1915 they made 93,724 cars, nearly 100 per cent increase; in 1916 they made 142,807; and at the rate they have been producing from January 1, 1917, to April 14, 1917, they say they will make 200,000 cars this year, an increase over last year of 67,000 cars. And an increase over 1915—in two years—of more than 106,000 cars—more than 100 per cent! This is what they said on April 14, 1917, when they wanted you and me to buy one of their cars. Did they tell the truth then, or have they imposed upon the gentleman's credulity?

Mr. DOREMUS. I will answer the gentleman——

Mr. KITCHIN. I will yield to the gentleman for a question, but not for a speech.

Mr. DOREMUS. I will answer the gentleman in my own time.

Mr. KITCHIN. I think the Willys-Overland Co. told the truth then. Now, the Franklin Car Co.—what do they say? The president of that company just a few days ago in the Journal of Commerce stated that this 5 per cent was not going to hurt the automobile industry; that it would not prevent the sale of a single car; and he said that they could stand it, because they could and would put it on the purchaser.

Now, let us see about the Hudson and the Packard, to which the gentleman referred as ruined and bankrupted victims of this bill if it passes. A Hudson car, with the manufacturer's profit added, leaves the factory at the price of around $1,250. Before it reaches you or me it goes up to $1,650. Does anybody suppose that this little $62.50 tax on a $1,250 automobile, with the manufacturer's profit added, with a margin of $400 between that and the purchaser's buying price, is going to prevent the sale of the automobile or going to bankrupt the company even if it pays the whole tax without passing it on to the dealer or purchaser? But you and I know it will add that tax to the price.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. KITCHIN. Yes.

M. GREEN of Iowa. The stock of this concern was originally $100,000, increased first to $1,000,000 by $900,000 stock dividend. On November 10 and August 13 it was increased by another million-dollar stock dividend.

Mr. KITCHIN. And the gentleman from Michigan, even with such facts, has been imposed on to such an extent that he honestly believes this small tax will ruin them. Let me tell you something more about this automobile industry. In 1914, 573,000 cars were made in this country; in 1915, 703,000 cars; in 1916, 1,303,000 cars, or nearly 100 per cent increase in the last year, and yet they would have us believe that the automobile industry is in a depressed condition and can not stand this tax.

What about the value? In 1914 the value was $465,000,000; in 1915, $625,000,000; and in 1916, $1,069,000,000! And still they would have this House believe that the industry is in a depressed condition and can not stand this tax.

Let me return to the Packard Co. Their regular touring car sells for $3,150. That car will have to pay a tax of $132.50. The car when it leaves the factory with the manufacturer's profit added is sold to dealers or selling agent for about $2,650. The margin between the manufacturer's price, with the profit added, and the paying price by the consumer is about $500. Do you not know, gentlemen, that if one wants to buy a $1,650 car that $62.50—the 5 per cent on the manufacturer's price—if put on one is not going to stand in his way? He is going to buy it in spite of the tax even if added to the price of the car. If one is going to give $3,150 for a Packard, the tax of $132.50, if added to the price, is not going to stand in his way, and if it did, let the Packard Co. take off some of that $500 profit between them and the consumer. Let the Hudson people take off some of the $400 profit between the manufacturer's price and the ultimate purchaser. Why, gentlemen, there is not a tax in this bill more just and fair and less burdensome and more easy to pass on to the purchaser than this tax on the automobile.

As I said the other day, in the Civil War there were men down here and men in Congress protesting and using just the same arguments that the gentleman from Michigan [Mr. DOREMUS] and the gentleman from Michigan [Mr. KELLEY] are using to-day. Congress put a tax of 5 per cent ad valorem on paint, a tax of 5 per cent ad valorem on umbrellas, a tax of 3 per cent on cotton goods and on woolen goods and boots and shoes. These interests flocked down here and made the same arguments and made the same prophecies of ruin and disaster to the industries as we hear to-day. But the patriotism and statesmanship of the Members of Congress stood firm against the appeals of the special interests and the tax was put on.

I do not criticize the gentleman from Michigan [Mr. DOREMUS] or Mr. CRAMTON or Mr. KELLEY for standing up in the House for the industries in their districts and performing a duty which in their judgment they owe them. Their loyalty to these industries should not perhaps be condemned.

But, my friends, I hope there are men enough here who believe in their hearts that in this hour of the Nation's danger their first duty is to their country, their best loyalty is to their Government, rather than to any industry in their district. [Applause.] The gentleman from Michigan the other day upon this floor announced the doctrine that we would better abandon this war than to tax the automobile industry.

Mr. DOREMUS. O, Mr. Chairman, the gentleman does not want to make a misstatement of what I said.

Mr. KITCHIN. I am not. The gentleman did not put it in that stark-naked language, but here is what he said, which means the same thing: He said that rather than do an acknowledged wrong by this bill to an American industry we had better abandon this war. He had been attempting to prove in over a half an hour's speech that it was not only wrong to put this tax on the automobile industry but almost a criminal, sinful outrage to do it. What did he mean by that language? I translate it into the pure, simple English meaning—the only meaning it could have.

Mr. Chairman, if it be the sentiment of this Congress that we should not tax a big, powerful industry in our district and State, because perhaps it is going to hurt that industry, because possibly it is going to prevent that industry from making as much profit as it wants, then we had as well do what the gentleman from Michigan [Mr. DOREMUS] advises us to do—abandon this war. We had as well take off the statute books the war resolution and authorize the President to surrender to Germany and the central powers at once. We can not prosecute the war without money. We can not get the money without taxation.

Mr. DOREMUS and Mr. KELLEY of Michigan have no more right to ask this House to take a tax off an industry in their districts than I have to come to you and ask you to take the additional tax of 100 per cent, 33⅓ per cent of its real value, off tobacco made in my district. I would be ashamed and I would hate to have my children in after years read in this RECORD that their father, when their country's life was at stake, fought here on this floor against a tax to help support his Government in her momentous struggle because it was going to hurt an industry in his district. [Applause.]

Mr. KELLEY of Michigan. Mr. Chairman, I ask for a vote upon my amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan to strike out the paragraph.

The question was taken; and on a division (demanded by Mr. KELLEY of Michigan) there were—ayes 48, noes 85.

So the amendment was rejected.

Mr. DOREMUS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. DOREMUS: Strike out the word "and," in line 6, on page 26, and insert in lieu thereof the following:

"*Provided*, That the tax of 5 per cent shall not be collected until the manufacturers of the articles herein enumerated shall have earned a profit of 8 per cent upon the actual capital invested. For the purpose of this paragraph actual capital invested means, first, actual cash paid in; second, the actual cash value at the time of payment of assets other than cash paid in; and third, paid in or earned surplus and undivided profits used or employed in the business."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

Mr. KELLEY of Michigan. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. DOREMUS].

Mr. DOREMUS. Mr. Chairman, the gentleman from North Carolina [Mr. KITCHIN] made a very eloquent speech, and yet in the entire course of his remarks he did not deny a single statement contained in my speech the other day. I expressly stated at that time that I was not appealing for the industries that could pay this tax and live. I was appealing for the industries that could not do it and would die. The Packard Co. can stand the tax, the Franklin Co. can stand the tax, and the Hudson possibly can stand the tax, but the gentleman ought to know, if he has made any investigation of this question whatever, that 80 per cent of the automobiles in this country to-day are made by 12 companies, and that 20 per cent of the output is supplied by 438 companies. Take the Hupmobile for example. Last year it made 1.1 per cent upon its entire gross sales.

The president of that company is a former member of this House. He has enlisted in the marines as a private. His patriotism is as great as that of the gentleman from North Carolina. While he has enlisted in the cause of his country the gentleman from North Carolina would crucify the business in which he is engaged. I am willing to put my patriotism or the patriotism of the automobile manufacturers in my district alongside the patriotism of the gentleman from North Carolina. How does he expect that this company, with a gross output of $10,000,000 last year can pay this tax of 5 per cent upon its output when it earns only 1.1 per cent upon that output? Take the Chalmers Co. Upon its gross output it made a little over 2 per cent last year. You propose to take 5 per cent and leave it to them to pass this tax on to the consumer.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DOREMUS. I have not time. The reason why I offer this amendment is this: If these manufacturers can not earn 8 per cent upon their capital, surplus, and undivided profits, this tax ought not to be imposed, and there is not a man in this House who will deny it. You will have an opportunity in voting for this amendment to say whether you are willing that this industry shall live. I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back two minutes. The question is on the amendment offered by the gentleman from Michigan [Mr. DOREMUS].

The question was taken; and on a division (demanded by Mr. DOREMUS) there were—ayes 66, noes 92.

Mr. DOREMUS. Mr. Chairman, I demand tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. KELLEY of Michigan and Mr. CRISP) reported that there were—ayes 94, noes 92.

So the amendment was agreed to.

Mr. GILLETT. Mr. Chairman, I have an amendment I desire to offer. I move, in line 23, page 25, to strike out the words "and motorcycles."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GILLETTS Page 25, line 23, strike out the words "and motorcycles."

Mr. KELLEY of Michigan. I yield the gentleman from Massachusetts five minutes.

Mr. GILLETT. Mr. Chairman, I appreciate after the interest and disturbance excited by the last vote to come to so small an amendment as I have offered does not attract the attention of the House, but it seems to me this amendment to strike out motorcycles is justified by the very arguments that the Ways and Means Committee have made in favor of this section. Their argument for taxing automobiles is based upon two propositions: One is that they are luxuries, and the other is that they are a prosperous and expanding business that can endure the tax. Now, neither of those propositions applies to motorcycles. The motorcycle is not a luxury. It is not used merely as an instrument of pleasure, but most of the motorcycles are used by workmen to carry them to and from their work. The gentleman talked about seeing the parade of automobiles on Sixteenth Street. He did not see any motorcycles in that parade of luxury unless it was a policeman's motorcycle who was watching the expensive automobiles. The motorcycle is an implement of business. When you argue about the expanding and prosperous business of automobiles, that does not apply to motorcycles. In 1913 there were made in this country 75,000 motorcycles. This year there are only made 52,000 motorcycles. They have decreased in production 33 per cent in four years, and, moreover, in 1913 only 5 per cent were exported, while this last year 25 per cent were exported. So the domestic production of motorcycles has gone down 45 per cent in four years. In other words, it is a falling business, not a prosperous and expanding business like the automobile. I suppose the reason is that the automobile with its enormous output can make machines cheap, and so is gradually being built to compete with the motorcycle and is entering its field and is driving it out of business, but the very argument made for taxing automobiles shows that it ought not to be applied to motorcycles because the motorcycle in the first place is the workman's instrument of transportation, and in the next place the makers of motorcycles are manufacturing on a constantly falling market and they are in competition against this enormous development of the automobile which by its very size is able to reduce expenses. Therefore, Mr. Chairman, it seems to me this amendment to strike out the taxation on motorcycles in this section ought to be adopted.

Mr. KELLEY of Michigan. Mr. Chairman, may I inquire how much time we have now?

The CHAIRMAN. Twelve minutes, the Chair is advised.

Mr. BATHRICK. Mr. Chairman——

The CHAIRMAN. The Chair understands that the time is apportioned.

Mr. BATHRICK. I want to speak in favor of this amendment.

The CHAIRMAN. The gentleman can not get it from the Chair, but must get it from the gentlemen who control the time.

Mr. GILLETT. I will yield the gentleman the two minutes I have remaining.

Mr. BATHRICK. Mr. Chairman, I am in hearty agreement with the gentlemen with respect——

Mr. KITCHIN. Mr. Chairman, I thought debate was exhausted.

The CHAIRMAN. The gentleman obtained two minutes from the gentleman from Massachusetts.

Mr. BATHRICK. Mr. Chairman, I am in hearty agreement with the amendment to exempt motorcycles from this 5 per cent taxation, if you are going to exempt automobiles. If there is a man on the floor of this House who has voted to exempt a Packard from the 5 per cent tax, he certainly is willing to exempt the motorcycle, so that the young man who has not money enough to buy a Packard can take a girl on the back seat of that motorcycle and have a good time. I would like to look him in the face if he is not willing. I have ridden down the street in an automobile with four wheels, and it has been a pleasure and a delight to me to see these young men who could not afford to buy automobiles riding on these motorcycles and having some kind of an outing. I will tell you it is not fair to exempt the high-priced automobile from this tax if you are not going to exempt the motorcycle. [Applause.]

I do not think a tax on gross receipts is sound. There is no way of fixing its proper relation to net profit, and therefore it may tax those who have little more than those who have much.

I was glad, then, to see the amendment of the gentleman from Michigan win, but if you will not tax a limousine why tax a motorcycle. The man in a Packard will be able to stand a tax passed down to him by the manufacturer better than the workman whom we meet with the little car on the side of his motorcycle, carrying his wife and baby.

If this gross tax stays in this bill, there must be a business readjustment all down the line. It will hurt until this readjustment takes place, but eventually the consumer must pay. By that fact you may tax the poor man more in proportion than you tax the rich, and I hope this amendment will pass. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the Chairman announced the noes seemed to have it.

On a division (demanded by Mr. GILLETT) there were—ayes 49, noes 89.

So the amendment was rejected.

Mr. KELLEY of Michigan. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY. Mr. Chairman, I voted for the resolution of the gentleman from Michigan [Mr. KELLEY] and for the resolution of the gentleman from Michigan [Mr. DOREMUS]. I want to say why. Almost the gentleman from North Carolina [Mr. KITCHIN] made me for a moment see black as white, but I want to make the warning to our people from the South, who from the nature of things represent a special industry that is in a minority in this country, and we saw an illustration of that in the effort to tax that industry because we were in the minority. If we vote for unfair and unjust taxes to-day, some day the chickens will come home to roost when our cotton is attempted to be taxed unjustly and unfairly by Representatives from other sections who are in a large majority in this House. I noted that to-day the gentleman from Michigan [Mr. KELLEY] and Mr. DOREMUS and Mr. CRAMTON, all from districts where automobiles are being built, alone bore the brunt of the discussion here in trying to give their industries simple equality and justice.

We from the South can not afford to vote for anything except a just and fair tax, one that bears equally upon our industry and all others. And it does seem to me that unless you can call the automobile industry one of producing luxuries, or unless it is a monopoly——

Mr. BLACK. Is it not a fact that we have some large automobile factories in Texas?

Mr. HARDY. I think there is one. I think I have heard——

Mr. BLACK. There is a very large one at Wichita Falls.

Mr. HARDY. That may be, but it is not in my district. [Laughter.] It is not my intention to do any wrong, but we see things according to our interests, and every man from the districts where automobiles are manufactured sees this as a foul injustice to his industry, and some day we will appeal for justice. When that time comes I do not want my mouth to be closed, my plea to be answered, by the reply that "You voted for an unjust tax upon an industry that was not in your district." And that is what this vote is. I want to tell you a tax upon gross sales is nearly always unjust. It is unjust unless the article is a luxury or its producer has a monopoly. No man can justify the imposition of a 5 per cent tax upon gross sales, which represents three times the amount of the capital invested, or 15 per cent of direct taxes upon the capital invested in the business. The output of many plants per annum is many times greater than the capital. We higgle or haggle about an income tax. I would rather bear an excess profits tax of 90 per cent than to bear a 3 per cent tax on the property I own, and yet this is 15 per cent tax upon the capital of many of these concerns. Some automobiles are a luxury. If you frame this bill to make it apply to only the automobiles that are luxuries, I will vote for it, but not for the autotruck and autowagon, and the common automobile that the common man uses. Even in war we ought to preserve the principle of equality of taxation as to all legitimate, useful, and necessary industries.

Mr. HULBERT. Mr. Chairman, I have an amendment, which I send to the Clerk's desk.

Mr. CRAMTON. Mr. Chairman, on behalf of the gentleman from Michigan [Mr. KELLEY] I wish to yield five minutes to the gentleman from Michigan [Mr. SMITH].

Mr. HULBERT. Will you let my amendment be read for information?

The CHAIRMAN. Without objection, the amendment will be read.

The Clerk read as follows:

Amendment offered by Mr. HULBERT: Page 25, lines 22 and 23, and page 26, lines 4 and 5, after the word "automobiles," strike out "automobile trucks, automobile wagons."

Mr. SMITH of Michigan. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Michigan: Page 26, after the word "and," at the end of line 6, add the following:

"*Provided further*, That no sale tax shall apply to any business, or be imposed thereon, when the business to be so taxed shall not have shown any net profit or earning during the preceding year or period for which such business is to be taxed."

Mr. KITCHIN. Mr. Chairman, what is that amendment?

Mr. SMITH of Michigan. Read it again.

The CHAIRMAN. The Clerk will report the amendment again.

The amendment was again reported.

Mr. KITCHIN. I would like to ask how much time is left. I thought it was exhausted long ago.

The CHAIRMAN. The gentleman from Michigan [Mr. KELLEY] has five minutes, according to the figures at the desk.

Mr. KITCHIN. All right.

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the committee, I would not vote for a tax on the automobile industry that I would not vote for on any other legitimate industry. It is not fair to impose a tax upon that business of 5 per cent and leave out the locomotives, or the passenger cars, or any other prosperous industry. If you imposed that tax simply because the industry was prosperous, I would ask you to look over the Standard Oil Co., and to look over the mail-order houses, and the International Harvester Co. I want to ask you, as a business proposition, whether or not you are in favor, or any reasonable man would be in favor, of imposing a tax upon a business that did not earn any profit? And that is all there is to the amendment I present. We have heard the automobile business compared here with the musical industries, and with the cigar industries, and with the jewelry industries. We have heard the gentleman from Iowa [Mr. GREEN] say that the automobile was not a necessity. If he had gone out in the country and observed the various uses to which they are put, or if he were engaged in business of any kind requiring transportation, or if he would even go down here to the end of Pennsylvania Avenue, in this city of Washington, he would see great trucks there, each one doing the business of three or four teams of horses drawing dirt out of a cellar. Would he think that automobile truck or motor car was a luxury and to be compared with the jewelry business or the cigar business or with a Victrola? That is not all the kind of uses to which it is put. And I am willing to present this amendment and vote for it and have it apply to any other business that does not make a profit, because I am for the business of the United States and I am in favor of the manufacturing industry. I want the manufacturers to prosper, as I do every other business in this country. I want every business to make a profit, and if it does not make any profit it ought not to pay a tax on its gross sales, because then you drive it out of business and you disturb and destroy the business. If a man is going to be taxed and can not make anything in that business, he will take his money out of it and put it into some securities or investments or into some other place where his profit, interest, or investment will be certain. You are asking him to go into some uncertain business. It is a tax on the business. Then, why not be fair and tax all business alike? There are over 400 of these concerns in the United States that have not made any profit, and they have sold their next year's output without regard to this 5 per cent tax. This 5 per cent tax is more than they can stand, and is more than they have made. You brought in this bill without any hearings by the committee or proper consideration. At first I thought that course was justifiable on account of immediate urgency to get needed money to prepare for the prosecution of the war. We are floating $2,000,000,000 bonds now, and we have plenty of money. We get paid for our time here and we ought to stay and submit a fair bill, one that will tax industry when it will stand it, if that be deemed necessary, and do justice to all our people. That is the way to do it. That would not do injury to any man or any business. We can afford to be fair. We can never afford to be unfair. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. HULBERT].

Mr. HULBERT. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) Upon all musical instruments sold——

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the balance of the title be read, and that all debate on the title and amendments thereto be closed in 30 minutes after it is read.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on paragraph (b) and all amendments thereto shall terminate at the end of 30 minutes.

Mr. GREENE of Massachusetts. I think more time than that should be granted.

Mr. KITCHIN. I said the balance of the title.

The CHAIRMAN. The Chair was misinformed. The gentleman from North Carolina asks unanimous consent that the balance of this section shall be read, and that the debate——

Mr. COOPER of Wisconsin. Mr. Chairman, I understood that the gentleman from North Carolina asked that the whole title be read. The Chairman said "section."

The CHAIRMAN. The Chair is just getting the facts in relation to that in order to put a correct statement of the request. The gentleman from North Carolina asks unanimous consent that at the conclusion of the reading of the balance of this title, to carry you down to Title VII, at the bottom of page 29, all debate on this title and the amendments thereto close in 30 minutes. Is there objection?

Mr. GREENE of Massachusetts. I object.

The CHAIRMAN. Objection is heard.

Mr. KITCHIN. Mr. Chairman, I ask that the balance of this section be read.

Mr. GREENE of Massachusetts. How far?

Mr. KITCHIN. Down to section 601, page 28. We are reading this bill by sections.

The CHAIRMAN. Down to section 601. Is there any request in connection with that?

Mr. KITCHIN. No; just reading the section.

The CHAIRMAN. Is there objection?

Mr. MEEKER. Reserving the right to object, Mr. Chairman, can amendments be offered?

Mr. MANN. Reserving the right to object, the items in this section are entirely separate from each other. Would it not be better to allow amendments to be offered to the paragraphs?

Mr. KITCHIN. As each amendment is offered, we will dispose of that before we go to other amendments.

Mr. MANN. Then you would jump from one paragraph to another.

Mr. KITCHIN. Mr. Chairman, I withdraw the request.

The CHAIRMAN. The request is withdrawn. The Clerk will read.

The Clerk read as follows:

(b) Upon all musical instruments sold by the manufacturer, producer, or importer for more than $10 each, and upon piano players, graphophones, phonographs, talking machines, and records used in connection with any musical instrument, piano player, graphophone, phonograph, or talking machine, sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold; and

Mr. MEEKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MEEKER: Strike out the word "and," in line 14, page 26, and insert in lieu thereof the following:

"*Provided*, That the tax of 5 per cent shall not be collected until the manufacturers of the articles herein enumerated shall have earned a profit of 8 per cent upon the actual capital invested. For the purpose of this paragraph 'actual capital invested' means (1) actual cash paid in, (2) the actual cash value at the time of the payment of assets other than cash paid in, and (3) paid in or earned surplus and undivided profits used or employed in their business."

Mr. MEEKER. Mr. Chairman, the same principle applies in this case as to the other, this amendment being the same as the one offered by the gentleman from Michigan, and which was accepted. The same principle should apply to all these lines of industry on which this extra tax has been paid. When the committee switches from the tax on excess profits to a tax on gross sales they have adopted a policy which, if permitted to go without restriction, may mean, and probably will mean, the absolute wiping out of many of the industries so taxed.

This amendment which is offered here should, I believe, be offered to every paragraph that will be read here if this is adopted. Then the House can say to these men on whom this third tax is to be levied that they shall have at least a fighting chance of 8 per cent profit before this additional tax is placed upon them.

I do not think we need take very much time in the discussion of the amendment, because we are discussing a principle instead of a specific case. If this policy can be put into effect I think the men who have rightfully protested against this gross-sales tax which has been placed upon them, or which would be placed upon them under this title, can feel that at least it will be possible for them to continue in business before they are called upon to pay this tax which the other industries will not pay.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. MOORE of Pennsylvania. I have been wondering whether the adoption of this amendment will mean that designing corporations or designing business men might not be able to avoid the tax by increasing salaries or increasing expenses?

Mr. MEEKER. If I thought that that safeguard were not provided I would not have offered the amendment.

Mr. MOORE of Pennsylvania. Would it be possible by advancing salaries or by juggling accounts to deprive the Government of revenue under this amendment?

Mr. MEEKER. I will ask the gentleman if that would not apply to the amendment already adopted in regard to automobiles?

Mr. MOORE of Pennsylvania. I put the question because the gentleman and others have inveighed against the tax on gross sales. Some people are of the opinion that a tax on gross sales would be a very equitable tax if carried out everywhere in good faith and in proportion. To make exceptions in a tax bill of this kind such as the gentleman proposes in his amendment, and such as the Doremus amendment provides in the case of automobiles, might not be so fair a system.

Mr. MEEKER. I am against taxing gross sales, regardless——

Mr. MOORE of Pennsylvania. I hope the gentleman does not think I am in favor of any of these taxes. I simply realize that we have got to make up a budget of $1,800,000,000.

Mr. MEEKER. We have been told that thousands of times—I might almost say one billion eight hundred million times. We are not objecting to raising the tax, but the how of the thing is what we are discussing. But when you propose to raise a tax on a man's gross sales, if the 5 per cent tax on his gross sales is going to abolish his profits, you have abolished the man so far as that industry is concerned, and that is what we are talking about. We know we have got to have that $1,800,000,000. We have been warned about that and have been assured that we must be patriots, but that does not abolish the thing that we are now contending for, namely, a system of taxation that will not destroy a man's business. If you will put this 5 per cent gross tax on some of these lines of business we know that some of these men will be wiped out of business, for already they are not making any profit, but are struggling for their lives; and the significant thing about the speech of the gentleman from North Carolina [Mr. KITCHIN] was that he only selected a few automobile companies that we know to be prosperous and that would live even under this tax, but he failed to say anything about the 400 automobile manufacturers who would be wiped off the earth. Now, the same thing is true with reference to the jewelry business. A jewelry man came here the other day protesting against this great tax. He said, "I can live. It will mean a burden to me, but it will wipe out my competitors." It is for that reason that this amendment should be adopted throughout.

Mr. KITCHIN. I ask unanimous consent that debate on this paragraph and all amendments thereto be closed in 20 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on this paragraph and all amendments thereto close in 20 minutes. Is there objection?

Mr. DILL. Reserving the right to object, I have an amendment.

Mr. HULBERT. Reserving the right to object, I have two amendments. May I have seven minutes?

Mr. KITCHIN. I will endeavor to accommodate the gentlemen.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DILL. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILL: Page 26, strike out lines 7 and 8.

Mr. DILL. Mr. Chairman, the other day I was termed anarchistic because I proposed an amendment by which the incomes of men which will be taxed would be made public the same as their investments now are. To-day, at the risk of being called impractical and sentimental, I dare to speak against taxing those instruments which, as somebody has so beautifully said, "make the common air blossom with melody." I have offered an amendment by which I distinguish between musical instruments by which the hand, the brain, and the skill of an individual produce music and musical instruments by which machines produce music. The two lines which I have moved to strike out refer to musical instruments that are manipulated by the hand and brain of an individual. The amount of revenue which that tax will produce is so small in comparison with the injury it will do that I think the amendment should be adopted.

Badly as this Government needs money with which to finance the war, I think it is a mistake to raise it by taxing the instruments which produce music. Such a tax will bring but a small return in comparison with the injury it will do. I am not a musician. I know little, if anything, about its technique or composition, but I do know something of its power in the hearts and lives of men. There never was a time when the American people needed the inspiriting influence of music more than they do now. Why tax the source and thereby discourage its production?

One of the great newspapers of New York, the Evening Mail, has recently called attention to the fact that before the French Revolution the French Government laid a tax on windows, and that one of the marked results was to discourage windows which let the light of day into the homes of the people. It points out further that music is one of the windows of the soul. Shall we discourage the opening of those windows which let such wondrous light into the souls of men and women?

When the infant child first breathes the breath of life its soul is in a crystal case darkened by the blinds of unconsciousness pulled low on every side. The mother by her caresses, her lullabies, and her thousands of indescribable attentions first slightly lifts the shades to let in the light of consciousness and love. Then the father helps to lift them a little more. Then relatives and friends lift them still higher. Then the teacher plays her part and helps let the light of knowledge in, but ever and again music comes to clarify and cheer the life, first of the little child, then of the youth, the man and maid, their home, their family. Then on the way down the other side of the hill of life it gives its solace and its joy and beautifies old age as nothing else can do. To every normal human being of every age and of every condition music expresses thoughts and feelings that neither language, painting, nor sculpture can. I am opposed to doing anything to hinder the production of music. [Applause.]

In the words of the editorial to which I have referred, "America needs music more now than it ever did before in its history.

Music can be made a great unifying, rousing, and inspiring force in the great crisis in which we are living. It can be made to promote patriotism, to stimulate the devotion, to focus the spirit of the Nation."

I want to express the hope that one of the benefits and rewards which will come out of this war, and I fear these benefits will be all too few, will be a new national tune—a tune to which all Americans will respond. Every people have their favorite songs and tunes, songs and tunes which are expressive of and harmonize with their tendencies and their temperament. Governmental rulers and musical leaders sometimes select anthems and songs which they think appropriate, but which too often do not touch the hearts and souls of the common folks. But no folk song ever fails to touch the heartstrings of all. The Irish, the Scotch, the Welsh, the French—in fact, the people of every nationality, including our own Americans—love and sing their folk songs regardless of musical critics or governmental sanction. It seems that it is in war times that this tendency flowers in its fullest form.

Our Yankee Doodle, like Topsy, just grew into the hearts of our Revolutionary patriots after some English troops had played it in derision of the Colonials in 1755. Dixie was written and first sung and placed by Uncle Dan Emmet, a northern man of Ohio, whom I knew personally when I was a boy. It took such a hold on the South that even to this day it is as dear to the soul of every southerner as anything he knows. In 1898, for want of something better, our soldier boys took up the rollicking tune of There'll be a Hot Time in the Old Town To-night, and it became a real part of that war. In the beginning of this world war we are told that English soldiers seized upon Tipperary, an Irish tune, and made it their very own. I do not know what tune will be adopted or is yet to be created which will cheer our boys as they march away to this war, but I am sure there will be some tune which will seem to spring from their very hearts and to give expression to their purposes, and I predict it will not be taken from any opera or cantata, but will be the product of the brain of some one who feels and knows their natures in an intimate way. With such history behind us and such hopes ahead, I protest most earnestly against the imposition of this tax.

I am opposed to laying any tax that will tend to discourage the production of music by the human mind and the human hand, and it seems to me that if we must have this tax on musical instruments we can well afford to distinguish between the instruments that make music by means of machines and the instruments that make music by means of the human hand and the human brain. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The amendment was rejected.

Mr. HULBERT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULBERT: Page 26, line 13, after the word "two," strike out "five" and insert "two and one-half."

Mr. HULBERT. Mr. Chairman, the illogical and indiscriminate theory upon which certain portions of this bill was framed has been heretofore presented by various Members, of unclouded vision, discerning thought, and intelligible argument, whose careful analysis and forceful and scholarly presentation of the facts refute the charge made by at least one member of the committee, that those who had the temerity to protest against the destruction of legitimate business by ruthless legislation were unpatriotic ignoramuses.

A few moments ago I pointed out that, while the committee makes no distinction between the purposes for which automobiles, motor trucks, and motor vehicles may be employed, motor boats and other vessels used or intended to be used for trade are expressly exempt; yet the House refused to recognize the inconsistency of the application of this principle and voted down my amendment to except automobile trucks and automobile wagons used or intended to be used for trade.

So the proposed tax on all musical instruments sold for more than $10 each, and upon piano players, graphophones, phonographs, talking machines, and so forth, is but another evidence of the fact that the committee has simply adopted as its policy the slogan, "The need of revenue justifies any means for raising it."

The war in Europe is ending its third year, but only beginning so far as our active participation is concerned. We live to learn, and yet we have not sufficiently profited by our experiences to have learned to let the industries which are the lifeblood of our Nation exist.

My understanding is that France, England, and Canada all in turn imposed a tax upon the manufacture and sale of musical instruments, only to find by the wisdom of experience the folly of their action, and repealed the tax.

Education is the impregnable bulwark upon which the security of a republic's happiness and prosperity is founded. At a time when American genius has dedicated its time and talent to the noble principle of placing American music upon the lofty plane established by Beethoven, Goethe, Schiller, Von Wagner, and Strauss, one would expect the great American Congress to recognize the distinction between educational opportunities and the commercial advantages connected with the sale of musical instruments.

Fifty-six thousand pianos are used in music schools and colleges and by music teachers. Shall their replacement or the extension of our musical educational system be penalized by a 5 per cent tax?

Moreover, 85 per cent of all the pianos sold are purchased by people of moderate means, upon whom this tax will fall heaviest.

Again, the cost of metals necessary to the production of musical instruments has increased nearly 300 per cent, and with the increased cost of labor, now leaves a very small margin of profit. Pianos are sold under such conditions that the tax can not in a great many cases be passed onto the purchaser; an enormous number of pianos are sold on the installment plan, which imposes another excessive penalty upon the piano manufacturer who must carry paper for a long term and is actually compelled to pay over his first payment or perhaps advance the amount of the tax to the Government, and should the customer fail to make his payments, necessitating the resale of the instrument, as I read the language used, it does not except the imposition and collection of the payment of another tax upon such resale.

Talking machines have now come to be recognized as the most successful method of learning foreign languages, and their inclusion also places a 5 per cent penalty upon everyone seeking that method of instruction.

Prior to the war approximately 75 per cent of all of the brass instruments used in America were imported from France. The conditions created by the war stimulated American manufacturers to virtually build up a new industry. One concern which I have in mind has contracted to supply the Government with the instruments to equip the bands which will be sent to the trenches with the Army raised by the selective-draft law. This contract was taken upon a 10 per cent basis with no guaranty by the Government upon the wage question, increase of material, and so forth, which have already made a serious inroad upon the expected profit. The imposition of a 5 per cent tax makes the performance of the contract at any profit extremely hazardous.

There are dozens of similar illustrations, but one which I particularly wish to bring to the attention of the committee is the situation which this provision creates with respect to the exportation of musical instruments. There has been introduced, and will be presently considered, the Webb export bill, designed in its purpose to aid American manufacturers to secure a strong hold in the Central, South American, and West Indian countries. France, for instance, has suffered no diminution in the output of musical instruments; but this bill places a handicap tax of 5 per cent upon the American manufacturer competing in the export trade in what is a new field of commercial activity.

I contemplate the provisions of this section with a great deal of uneasiness for the commercial prosperity of a considerable portion of the district which I have the honor to represent. Nearly one-third of all the pianos manufactured in the United States are made in the twenty-first congressional district of New York. They are largely the cheaper grades, where the margin of profit is smallest. And these manufacturers may be made the victims of a species of competition, aided by this 5 per cent tax provision, which the larger manufacturers can, perhaps, assume to pay; so that in the end, by driving out the small manufacturer, a substantial monopoly will be created that will thwart the musical ambitions of those who in the future are unable to regard the purchase of a musical instrument as anything but a luxury.

Hence I have offered two amendments which I hope will appeal to the sense of justice of a substantial majority of the membership of this House, and I trust you will vote for their adoption and avert the disaster with which this great educational industry is threatened. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from New York [Mr. HULBERT].

The question was taken, and the amendment was rejected.

Mr. HULBERT. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment by Mr. HULBERT: Page 26, line 12, after the word "articles," insert:

"*Provided, however,* That no tax shall be levied and collected upon any articles herein enumerated in subdivision (b) of section 600 intended for and actually exported beyond the limits of the United States during the pendency of this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

Mr. MEEKER. Mr. Chairman, I ask now that the amendment I have offered be read and a vote taken upon it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment by Mr. MEEKER: Strike out the word "and," in line 14 of page 26, and insert in lieu thereof the following:

"*Provided,* That the tax of 5 per cent shall not be collected until the manufacturers of the articles herein enumerated shall have earned a profit of 8 per cent upon the actual capital invested.

"For the purpose of this paragraph actual capital invested means (1) actual cash paid in; (2) the actual cash value at the time of payment of assets other than cash paid in; and (3) paid in or earned surplus and undivided profits used or employed in the business."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. MEEKER) there were 35 ayes and 58 noes.

So the amendment was rejected.

The Clerk read as follows:

(d) Upon all positive moving-picture films (containing a picture ready for projection) sold or leased by the manufacturer, producer, or importer a tax equivalent to 1 cent per linear foot; and.

Mr. BORLAND. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BORLAND: Page 26, line 21, after the word "foot," insert:

"*Provided,* That this paragraph shall not apply to films used solely for advertising purposes."

Mr BORLAND. Mr. Chairman, I want to call the attention of the chairman of the committee to this amendment, for I have an idea that he will accept it. The purpose of this paragraph is to impose a tax on picture films that contain pictures. My idea is that such films as are used for advertising solely are intended to come under the paragraph that levies a tax on advertising other than newspapers and periodicals. In fact, they will come under it. All moving-picture-advertising films will be taxed as advertisements, as billboards, and other things are taxed. It is not intended, I take it, to tax them as they do a picture ready for projection.

Mr. KITCHIN. The purpose of the committee is to tax films, whether they are used for advertising or not. We can not distinguish and ought not to do it. A man that sells or leases a film might say that he was doing it for advertising purposes. I think they ought to be taxed.

Mr. BORLAND. Then that is double taxation, if it is intended that they shall pay a tax once as a film and then once as an advertisement.

Mr. KITCHIN. If that is true, if we can argue it is double taxation because it is taxed in that way, there is not an item in this bill that is not doubly taxed, because there is a tariff upon every single article in the bill.

Mr. BORLAND. There is tariff upon this, and that would be treble of taxation.

Mr. KITCHIN. Some of them are taxed so that it is quadruple taxation.

Mr. BORLAND. Mr. Chairman, these films are not designed to be exhibited to attract people to pay an admission fee, but they are paid for by the advertiser. Nobody pays to go to see them. The advertiser pays for their being displayed, just the same as he does in a billboard or a circular.

Mr. FESS. Mr. Chairman, will the gentleman yield for a question?

Mr. BORLAND. Yes.

Mr. FESS. I am not sure that I catch the meaning of this, but would the film manufactured for educational purposes for a display of something in an educational institution fall under this tax?

Mr. BORLAND. Yes; it would. I will state that this covers every film that has a picture on it, whether displayed for profit or free. My amendment simply excludes those that are displayed as advertisements and that are taxed as advertisements.

Mr. FESS. The Agricultural Department has an immense amount of work in that way. Would this take that in?

Mr. BORLAND. Yes; this would apply to that kind of film. What I am discussing in my amendment is that these particular films manufactured for advertising purposes are all taxed in that clause.

Mr. COOPER of Wisconsin. Could the gentleman give an estimate as to the average length of those advertisements?

Mr. BORLAND. No.

Mr. COOPER of Wisconsin. A cent per linear foot, if it is 5,000 feet, would be a considerable tax.

Mr. BORLAND. As a matter of fact, the space occupied by one particular advertisement might not be very much, but the man who is manufacturing the film and getting the business of advertising for that particular film would use up the entire film. He would use up a great many thousand feet. It is exactly the same to him whether he uses 5 feet for a customer or 50 feet.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

(e) Upon any article commonly or commercially known as jewelry, whether real or imitation, sold by the manufacturer, producer, or importer thereof, a tax equivalent to 5 per cent of the price for which so sold; and.

Mr. LONGWORTH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LONGWORTH: Page 26, line 25, after the word "and," insert: "Upon platinum used in whole or in part in the manufacture of jewelry sold by the manufacturer, producer, or importer thereof, a tax equivalent to 250 per cent of the price for which so sold; and."

Mr. MOORE of Pennsylvania. Mr. Chairman, I reserve the point of order upon that. I would like to ask whether or not the gentleman from North Carolina intends to make the point of order?

Mr. KITCHIN. I shall not make the point of order upon that if the gentleman does not want me to. I would like to hear the matter discussed.

Mr. LONGWORTH. I think no point of order will be made after discussion, if it be subject to a point of order.

Mr. MOORE of Pennsylvania. I reserve a point of order.

Mr. KITCHIN. As I understand it, the gentleman asks this upon the theory that it is a war measure, pure and simple.

Mr. LONGWORTH. I do.

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the point of order, awhile ago a question was raised as to the propriety of introducing an amendment to tax cotton. The question of germaneness was raised and the Chair held that the amendment was not germane, as no new item could be added to this tax bill. This amendment proposes to add a new item and is not germane under the ruling of the Chair.

Mr. LONGWORTH. Mr. Chairman, I hope the gentleman will postpone his point of order. I might debate the point of order if it were made, but I do not think any gentleman, in view of the fact that this is offered purely as a war measure, will make the point of order.

Mr. MOORE of Pennsylvania. Of course, I would much prefer to reserve the point of order in order that the gentleman may make his statement, because his statement will be equally as important as mine was respecting cotton. I reserve a point of order.

Mr. LONGWORTH. Mr. Chairman, this may seem to be a rather unusual, even extraordinary, amendment to offer to a bill to raise revenue, for it is offered frankly and purely for the purpose of destroying any revenue that may be raised upon platinum used in jewelry. This bill is introduced for the purpose of providing for the national defense, however, and it seems to me that this amendment is entirely in line with objects of the bill, because platinum is a necessary part of the national defense. Platinum to-day is an absolute necessity in the production of high explosives. Platinum is a necessity for making concentrated sulphuric acid, which is thereafter made into nitric acid. It is also an essential for the oxidation of ammonia to nitric acid, the method that is now being pursued in all the European countries in the manufacture of nitrates. Platinum in 1900 sold at about $10 an ounce. It was less than half the value of gold. To-day platinum sells at $100 an ounce and more. It has increased in value ten times. To-day it is worth six or seven times the value of gold, and why? Because platinum to-day is used in jewelry for setting precious stones and for other purposes. The platinum supply in this country is almost nothing. We produce no platinum here. We have to import it, and almost all of it comes from Russia. A very small portion comes from Colombia, but only an insignificant amount. The situation to-day in this country is that it is almost impossible to get platinum, because the entire output is used in the manufacture of

jewelry. My amendment is to put a prohibitive tax on the use of platinum in jewelry. Our chemical laboratories throughout the country are having difficulty in getting any platinum. Our Government research bureaus are almost entirely without platinum, and the situation may soon arise, unless we pass a measure of this sort, where we will be in this country without an absolute and prime necessity for the manufacture of high explosives. Does it not seem a shame, gentlemen of the committee, that a fashionable fad, purely a fashionable fad, should bring this country to-day in a state where it may be without an absolute prime necessity for the national defense? A number of people have realized this situation—patriotic people. The Daughters of the American Revolution the other day in convention passed a resolution in which they said, after the wherases, showing the necessity for platinum in this country—

Resolved, That we, the delegates of the Daughters of the American Revolution, appeal to women and the men of America, and we pledge ourselves, to refuse to purchase or accept as gifts for the duration of the war jewelry and other articles made in whole or in part of platinum, so that all the available supplies of this precious metal shall be available for employment where they can do the greatest good in the service of our country.

And I have several other resolutions here from chemical societies, from the National Academy of Sciences, and others. Now, that is all very well as far as it goes, but it is not going to stop the insensate desire of some fashionable women of this country to buy platinum jewelry. Why, to-day the situation in Europe with regard to platinum is such that men and women are taking the platinum fillings out of their teeth and turning them over to the Government for the use of the Government in the national defense. I sincerely hope that I may have the cooperation of my colleague, the lady from Montana, in spreading this doctrine throughout the land. It seems to be plain, gentlemen, engaged as we are in raising revenue to supply provisions for the national defense, that in a matter of this concern it is not our highest duty to see to it that the use of platinum hereafter in jewelry shall be stopped.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. I ask unanimous consent to insert these various resolutions in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

The resolutions are as follows:

Resolution passed by the Daughters of the American Revolution.

Whereas the metal platinum is of the greatest importance for scientific and industrial work necessary for the constructive, productive, and defensive work of the country; and

Whereas there is a great shortage in the supplies of platinum available for those purposes, in a very great measure as a result of the extensive use of platinum for jewelry and for other articles of luxury: Therefore be it

Resolved, That we, the delegates of the Daughters of the American Revolution, appeal to the women and the men of America, and we pledge ourselves, to refuse to purchase or accept as gifts for the duration of the war jewelry and other articles made in whole or in part of platinum, so that all the available supplies of this precious metal shall be available for employment where they can do the greatest good in the service of our country.

—

Resolution passed by the American Chemical Society.

That the attention of the National Council of Defense be called to the scarcity of platinum under existing conditions, and to the great need of the metal, more particularly in the prosecution of the war. We hold that the use of platinum at this time in the production of articles of ornament is contrary to public welfare. Therefore we recommend that an appeal be made to the women of the United States to discourage the use of platinum in jewelry, and that all citizens be urged to avoid its use for jewelry, for photographic paper, and for any purpose whatever, save in scientific research and in the making of articles for industrial need.

—

Resolutions passed by the platinum committee of the jewelers' vigilance committee.

Whereas the Secretary of Commerce has requested the platinum committee of the jewelers' vigilance committee to bring to the attention of the jewelry trade of the United States the advisability of conserving platinum, in order that our Government may have larger supplies to draw upon for war purposes; and

Whereas the jewelry trade has already clearly expressed its desire and determination to assist our Government to the extent of its ability in bringing the war to a successful termination: Therefore be it

Resolved, That we pledge ourselves to discontinue and strongly recommend to all manufacturing and retail jewelers of the United States that they in a truly patriotic spirit discourage the manufacture, sale, and use of platinum in all bulky and heavy pieces of jewelry; and be it further

Resolved, That during the period of the war or until the present supplies of platinum shall be materially augmented, we pledge ourselves to discontinue and recommend that the jewelry trade discourage the use of all nonessential platinum findings or parts of jewelry, such as scarfpin stems, pin tongues, joints, catches, swivels, spring rings, ear backs, etc., where gold would satisfactorily serve; and be it further

Resolved, That the jewelry trade encourage by all means in their power the use of gold in combination with platinum wherever proper artistic results may be obtained; and be it further

Resolved, That copies of these resolutions be handed to the Secretary of Commerce, to the trade press, and be sent to all our trade organizations and to the daily press, in order that they may have the widest possible dissemination.

—

Resolution passed by the National Academy of Sciences.

Whereas there is a great shortage in the supplies of platinum available for scientific and industrial purposes; and

Whereas the shortage is in very great measure due to the extensive use of platinum for jewelry and other articles of luxury: Therefore be it

Resolved, That the National Academy of Sciences in this critical situation, where all the resources of the Nation should be put to the use of those immediately active in the constructive, productive, and defensive work of the country, appeal to the women and the men of America to refuse to purchase or accept as gifts jewelry and other articles made in whole or in part of platinum, and thus to allow all the available supplies of the metal to be used where they can do the greatest good.

Mr. MOORE of Pennsylvania. Mr. Chairman, I reserved the point of order on this amendment because it seemed that it is a case on all fours with that of cotton, also a munition of war equally important to platinum. The Chair ruled the cotton amendment was not germane. While I believed it was germane and that it should have remained in the bill as a source of taxation, I shall not insist upon the point of order in regard to platinum, which I believe is necessary as a war measure.

Mr. MANN. Mr. Chairman, I make the point of order so as to have the ruling of the Chair.

The CHAIRMAN. Does the gentleman desire to discuss the point of order?

Mr. MANN. Well, I know if the Chair had examined the matter he would rule properly on it. If he had not——

Mr. RAINEY. Will the gentleman withhold the point of order or make it?

Mr. MANN. Oh, I make it.

The CHAIRMAN. The Chair understands the amendment offered by the gentleman from Ohio [Mr. LONGWORTH] proposes to tax platinum in any of the forms in which it is introduced into the country at the amount indicated by the amendment——

Mr. LONGWORTH. Mr. Chairman, I submit this is not on all fours exactly with the cotton proposition ruled out of order this morning. It is an item which puts a tax of 5 per cent on the sale of articles commonly known as jewelry. My amendment puts an additional tax on the sale of a certain one of those articles manufactured into jewelry, to wit, platinum. It seems to me it is germane under the ruling of the Chair this morning, entirely germane to the paragraph, because platinum is an article of jewelry, and this is simply an addition to the tax imposed by this bill upon it. I regret that any gentleman should raise a point of order on this proposition, even as a test of the ruling of the Chair on cotton, because this is an absolute necessity, gentlemen. I am informed by the responsible officials of this Government that we are at straits to get any platinum in this country to-day.

Mr. CAMPBELL of Kansas. May I ask the gentleman from Ohio if platinum bears a duty of 5 per cent as——

Mr. LONGWORTH. I am glad the gentleman suggested that. In addition, we have imposed on all articles now on the free list, including platinum, a tax of 10 per cent. Therefore we will put an additional duty of 10 per cent on platinum. Platinum sells at $125 an ounce, which is the cheapest price for which it can be procured to-day.

Mr. MANN. Mr. Chairman, my friend from Ohio [Mr. LONGWORTH] regrets that anyone should make a point of order upon the amendment. I regret that anyone should seek to use this measure, which is a revenue measure, in order to put any certain kind of business out of business. I quite agree with the gentleman from Ohio about the need of platinum, but there are a great many things connected with the war which we will have to correct by legislation, and I doubt very much the propriety of inserting in a revenue bill, supposed to be actually and purely for the purpose of raising revenue, a provision intended to stop business of any particular kind. There are a good many places where possibly it ought to be done, and I expect we will have some legislation which will cover this identical matter before we are through, giving the President rather complete power over such matters.

Mr. LONGWORTH. If the gentleman will yield there, I think the Government already has that power. The President has authority now to conscript such articles as this, but that will be only so far as our Government is concerned.

That would not help the situation with regard to the platinum now used by the manufacturers of sulphuric acid and other chemicals for which platinum is necessary.

Mr. MANN. I agree with the gentleman. I think the ladies ought to be encouraged. I hope the gentleman from Ohio, who is a substantial character in every respect and a great pet of the ladies, will suggest they turn over their platinum jewelry to the Government.

Mr. LONGWORTH. I will agree to give no platinum jewelry to any of them.

Mr. GREEN of Iowa. There is so much involved in this ruling that if the Chair has not already determined on the ruling I would like to make this comment.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. GREEN of Iowa. As the gentleman from Ohio [Mr. LONGWORTH] has already suggested, we have in this bill a duty on platinum jewelry. This bill refers only to platinum that is used in jewelry. By this amendment the rate we have in the bill is raised. If we can not make an amendment of this kind, this bill would practically have to go through the House without the dotting of an "i" or the crossing of a "t."

Mr. MADDEN. I would like to ask the gentleman if there is not a tax on cotton products in this bill?

Mr. GREEN of Iowa. There is the tariff rate.

Mr. MADDEN. And the same thing that is true with respect to cotton prevails as to this.

Mr. MONTAGUE. Will the gentleman permit me to ask the gentleman from Illinois, Did you propose to amend the tax this morning on cotton?

Mr. MADDEN. Just exactly as we propose to amend this particular tax.

Mr. MONTAGUE. The amendment offered this morning, I will say to the gentleman, was an amendment dealing with facilities furnished by public utilities, advertising, and insurance. There was not anything in the section or the following section relating to cotton.

Mr. LENROOT. It was a new title.

Mr. MONTAGUE. It was technically a new section, a new number, but it was a substantial attempt to amend a section which dealt with a wholly different topic. It is parliamentary legerdemain to call it a new section, for, to repeat, the amendment neither related to the preceding nor succeeding section.

Mr. MADDEN. Is not the same question involved in this?

Mr. MONTAGUE. Here you deal with the question of jewelry, and a substantial element of jewelry is platinum. If you had been dealing this morning with an agricultural schedule, you might have dealt with cotton as being clearly embraced in such a schedule. But you were not doing that, and I do not think there is any analogy between the two amendments.

I beg the gentleman's pardon for taking his time.

Mr. GREEN of Iowa. I agree with my friend from Virginia [Mr. MONTAGUE]. The cases are not parallel at all. Here is an amendment to a specific paragraph relating to the rates obtaining therein. In the other case there was a new title offered in reference to an item, which, if taxed at all, is taxed in the bill in altogether a different manner and on a different principle, and there may be a question whether the tariff tax was any tax whatever. As I said before, unless we can make an amendment of this kind we can make no amendments whatever to the bill.

Mr. FESS. Will the gentleman yield? The subsection he refers to is jewelry?

Mr. GREEN of Iowa. Yes.

Mr. FESS. Which is a manufactured article?

Mr. GREEN of Iowa. Yes.

Mr. FESS. Will it cover any subject of raw material out of which jewelry is made?

Mr. GREEN of Iowa. I should think so—jewelry proper. Does the gentleman mean if it would cover the raw material separately?

Mr. FESS. Yes.

Mr. GREEN of Iowa. The gentleman's amendment does not cover the raw material separately. It applies to platinum alone.

Mr. FESS. It applies to platinum that is not now jewelry.

Mr. LONGWORTH. Mr. Chairman, I ask that my amendment may be again reported.

The CHAIRMAN. The Clerk will report the amendment.

The amendment was again reported.

Mr. LONGWORTH. Mr. Chairman, I simply want to call the Chair's attention to this fact, that there is no mention of a new item or object of taxation. There is no change of method by which jewelry is taxed as such and platinum along with other jewelry. It is simply adding a higher tax on platinum than any other article of jewelry.

Mr. FESS. Will the gentleman yield for a question?

Mr. LONGWORTH. I will.

Mr. FESS. I am not clear. With platinum used in the manufacture of jewelry, is not platinum the raw material?

Mr. LONGWORTH. Just as a diamond is. Jewelry usually means a precious stone of some sort set in some durable material, which in this case is platinum.

Mr. GREEN of Iowa. It applies to jewelry made up.

Mr. FESS. Is platinum raw material or jewelry?

Mr. GOOD. If it is used as a munition, it is jewelry.

Mr. GREEN of Iowa. That is a very sensible answer.

Mr. TILSON. Suppose that there was very little platinum, say a dollar's worth, used in setting a very valuable piece of jewelry.

Mr. LONGWORTH. As platinum is worth $175 an ounce, the gentleman's supposition is impossible. A watch chain—and there are a number of watch chains that I have seen made entirely of platinum—is an article of jewelry. It may be made of platinum, and in that way the tax under my amendment is a higher tax than it would be if it was a gold chain.

Mr. TILSON. Are there not instances, though, where a very little platinum is used in the setting of a very valuable piece of jewelry? Would the entire piece of jewelry be taxed, although it contained an infinitesimal part of platinum? Would it all be taxed?

Mr. LONGWORTH. No; not the diamond, but the result of the prohibitory tax would be to prevent the platinum from being used for that purpose. That is all I desire to do. I do not want to make it possible to set diamonds or scarfpins in platinum.

Mr. MANN. If the gentleman will yield——

Mr. LONGWORTH. Yes——

Mr. MANN. Platinum is not sold as jewelry by itself. It is sold when it is used for setting precious stones. I say it is not sold for jewelry, but it may be in the case of watch chains. Platinum has taken the place in jewelry for gold in the setting of precious stones. Now there would be no tax at all on the platinum unless we taxed the whole thing. I am not sure that there would be any tax upon it.

Mr. LONGWORTH. Well, if it were sold for the purpose of making jewelry, bought by a jeweler, he would have to pay 250 per cent additional, which would drive it out. It would make the cost of the jewelry so high that it would not be used.

Mr. MANN. No. The gentleman's amendment provides that the manufacturer shall pay the tax. It may be manufacturer, producer, or importer. Now, then, the wholesale dealer who sold the platinum to the jewelry manufacturing concern is not the manufacturer of the platinum, or the importer of the platinum, or the producer of the platinum. When he sells it there is no tax on it.

Mr. LONGWORTH. You mean where the importer——

Mr. MANN. Of course, the gentleman followed the language in the bill?

Mr. LONGWORTH. Yes.

Mr. MANN. That is designed to put the tax on the manufacturer of jewelry when he sells the jewelry. The gentleman's design was to put the tax on the man who sells the platinum to the jewelry concern, not the jewelry concern that sells it to the retailer. But I do not think the gentleman's language will do it.

Mr. LONGWORTH. My design was to make the price of platinum so high to the jeweler that he would not buy it for that purpose.

Mr. MANN. That is the manufacturing jeweler?

Mr. LONGWORTH. Yes.

Mr. MANN. The man who sells it is not the manufacturer or the producer of the platinum, and perchance he is not the importer of the platinum.

Mr. LONGWORTH. I would not be sure as to just what agencies the jeweler buys the platinum from. I presume the large manufacturing jeweler imports it.

Mr. MANN. Where does he import it from?

Mr. LONGWORTH. I will say to the gentleman that negotiations are now going on, as I understand, on the part of the Jewelers' Association of New York to import the platinum that is now in France and pay something like $150 an ounce for it.

Mr. MANN. If they are taking the platinum out of the teeth of their wives and daughters I do not suppose they would be able to do it.

Mr. LONGWORTH. Those who take it out of their teeth do not do it for profit, but only to help the Government.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. COOPER of Wisconsin. I would like to ask the gentleman from Ohio one question. Platinum is used, is it not, in surgical and optical and scientific instruments?

Mr. LONGWORTH. To some extent.

Mr. COOPER of Wisconsin. Then this taxation would not necessarily relate directly to the item which concerns only jewelry?

Mr. LONGWORTH. No. The gentleman misapprehends exactly what I am driving at. The reason why platinum is so high is on account of its use as jewelry, and the ladies who desire to have a large diamond tiara are not content now with one set in gold. That is too cheap. They want it to be as expensive as possible, and now that platinum has gone up to five or six times the value of gold, it becomes more desirable for that purpose, and that is the reason why it is difficult to get it for articles of necessity.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. COOPER of Wisconsin. Mr. Chairman, on the point of order I call the attention of the Chair and the attention of the gentleman from Ohio [Mr. LONGWORTH] to the last part of paragraph 3 of Rule XXI:

Nor shall any amendment to any item of such bill be in order which does not directly—

Not indirectly, but—

directly relate to the item to which the amendment is proposed.

Now, this item of the bill relates exclusively to jewelry. Jewelry is a manufactured article, an article used for personal adornment. This amendment relates exclusively to platinum. Platinum is a raw material used in the manufacture of surgical instruments, optical instruments, and other scientific apparatus and also in the manufacture of jewelry. But it is not itself jewelry. This item, as I have said, relates exclusively to manufactured articles called "jewelry." These articles may contain gold or silver or platinum or they may contain neither. Platinum does not necessarily relate directly to the subject matter of this item of the bill. It can be used for other purposes than the manufacture of jewelry. It is a raw material.

Mr. MANN. I did not know; but is the gentleman familiar with the amendment, and does he know that it applies only to platinum used in the manufacture of jewelry?

Mr. COOPER of Wisconsin. Yes; but it is platinum, a raw material. It is not jewelry; and the item relates only to "jewelry," a manufactured article.

Mr. MANN. That is true, and the amendment relates only to the platinum used in the manufacture of jewelry and not to other things.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The Chair is very glad to have had the benefit of this discussion on the point of order. The present occupant of the chair has no desire to make any hair-splitting distinctions, but desires to base his ruling on the solid grounds of reason, and sufficient precedent.

This paragraph relates entirely to jewelry. Jewelry may be made from a number of things, gold, silver, precious stones, and other articles. Many of these articles may enter at the same time into the composition of some particular article of jewelry. The amendment of the gentleman from Ohio relates exclusively to the raw material, in this case platinum, and proposes a tax upon that raw material, not upon platinum jewelry. The Chair does not understand that it would be out of order to offer an amendment relating to platinum jewelry, but this amendment relates to the article platinum which is a raw product that is a possible component of jewelry. This section deals exclusively with jewelry. By way of illustration this bill might impose a tax upon ready-made clothes. Wool is a possible element of clothes, but it would hardly be argued, it seems to me, that it would be in order in connection with a tax on ready-made clothes to offer an amendment relating to the imposition of a tariff on imported wool. Yet, as the Chair understands this situation after such attention as he has been able to give it, such an amendment in the case suggested would be in order, provided the point of order to the pending amendment is overruled. The Chair sustains the point of order.

Mr. LONGWORTH. Mr. Chairman, I offer a new amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

Mr. GREENE of Massachusetts. Mr. Chairman, I have an amendment pending.

The CHAIRMAN. Does that amendment relate to this amendment?

Mr. GREENE of Massachusetts. No; not to this amendment.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Ohio [Mr. LONGWORTH].

The Clerk read as follows:

Amendment offered by Mr. LONGWORTH: Page 26, line 25, after the word "and," insert: "Upon jewelry composed in whole or in part of platinum, sold by the manufacturer, producer, or importer thereof, a tax equivalent to 250 per cent of the price for which so sold; and."

Mr. MANN. I hope the gentleman will not press that amendment. I fully agree with the gentleman about the use of platinum. I think we ought to conserve it, but there are a great many articles of jewelry made up in retailers' hands in which there is a very small amount of platinum used, with very expensive precious stones. It is putting a rather hard burden upon those jewelers, many of whom can not reset the stones themselves, to have to return them to a manufacturer to take the stone out of the setting, because they can not even resell them back to the manufacturer.

Mr. SHALLENBERGER. Will the gentleman permit an interruption? Is it not true that the national-defense act empowers the Secretary of War to commandeer?

Mr. MANN. I do not know.

Mr. SHALLENBERGER. I will say to the gentleman that it does.

Mr. MANN. I am willing to take the gentleman's word. I know the national-defense act gives a great deal of power, but I did not know about this. But the retail dealer who has a $500 diamond or a $50 diamond—I do not think they set many $50 diamonds alone in platinum—who has that stone and setting can not sell it back to the manufacturer. He can not dispose of it in any way whatever except by himself, perhaps awkwardly, taking the stone out of the setting.

Mr. TILSON. Will the gentleman yield for a question?

Mr. MANN. Yes.

Mr. TILSON. Is it not often a fact that they use very little platinum on the gold, just enough to give it the color of platinum?

Mr. MANN. No; I do not think so. I do not know. Of course, a few years ago gold was used almost exclusively for the setting of precious stones. The fad grew up to use platinum. As soon as platinum became more expensive than gold everybody wanted jewelry set in platinum. We ourselves in the House here bought some when we made presents to some of these nice young ladies who were getting married; but I do not think we ought to endeavor, by crude legislation, perhaps absolutely to ruin retail dealers in jewelry without gaining anything by it.

Mr. LONGWORTH. Ordinarily I would defer to the opinion of the gentleman from Illinois, but in a case like this it seems to me that the urgency of the situation rises very far above the convenience of manufacturing jewelers.

Mr. MANN. This does not relate to manufacturing jewelers.

Mr. LONGWORTH. Or retail jewelers, for that matter. They can very easily unset those precious stones which are set in platinum and substitute gold or some alloy for that purpose. I am informed that new alloys have been invented which are just as beautiful, just as imperishable, and look exactly like platinum. Under ordinary circumstances I would agree that such an amendment as this ought not to go into a revenue bill; but as this revenue bill is designed for the national defense, and platinum is absolutely necessary as a means of national defense, which we are practically without to-day except in our jewelry stores, they can afford to stand the loss, if there be a loss, in the interest of all the people of America.

Mr. KITCHIN. Mr. Chairman, I ask that all debate on this amendment of the gentleman from Ohio close in five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. RAINEY. Mr. Chairman, this amendment applies to platinum jewelry, and it reaches jewelry in the hands of the manufacturer or producer or wholesaler. Every government engaged in this great war, except the United States, has taken steps to conserve the supply of platinum. It is an absolute necessity in the manufacture of explosives. You can not make any explosives without it, and you can not fight this war without explosives. At the present time there is only one agency in the United States endeavoring to restrict the use of platinum in jewelry, and that is the jewelers themselves who have passed a resolution agreeing that during the period of this war, or until the present supply of platinum is materially augmented, they are going to pledge themselves to discourage the use of the nonessential platinum findings or parts of jewelry. I will put the resolutions in the RECORD.

This is the only attempt in the United States to conserve the platinum here now, and an inventory is now being taken all over the United States in an attempt to locate the supplies of platinum and ascertain how much there is in the United States at this time.

Mr. LEHLBACH. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. LEHLBACH. I have a letter here written by the Secretary of Commerce, Mr. Redfield. Will the gentleman read it, as I will not have the time.

Mr. RAINEY. I have a letter from Mr. Redfield myself. I know the attitude of Mr. Redfield. The Department of Commerce says that this is an industry, and it is the business of the department to encourage all industries. Therefore, inasmuch as there appears to be no need for a larger supply of platinum at the present time than that on hand, this department of the Government takes the position that it ought to continue to encourage this industry as it encourages all other industries. The position taken by the Department of Commerce, however, cuts no figure in my judgment at the present time. The only platinum source of supply we have is Russia, and we do not know how much they have there. We do know that during the progress of the war they have prohibited the export of platinum to any part of the world, even to the United States. Now that we are at war, fighting with Russia as an ally, it is expected that the embargo on platinum will be raised so as to permit it to come from Russia to the United States. But that is no reason why in the interest of those who want to buy expensive jewelry we should not adopt this amendment. Nobody wanted platinum jewelry until it became more expensive than gold. To-day an ounce of platinum is worth five or six times as much as an ounce of gold, and so the very rich who can afford to buy the most expensive jewelry are demanding platinum. If they still demand platinum and this amendment passes they will pay 250 per cent more than they are paying for it now, and that will go into this war fund which we are establishing by this bill. It may not entirely cut off the supply of platinum in the jewelry industry, because the very rich may still insist upon it; but if they do, they are paying part of the great war fund we are creating by this bill.

The mere fact that the jewelers in this country want to continue this particularly profitable business during this war and that the very rich want to continue buying it is no reason why we should not conserve it, and I hope the amendment will be adopted. [Applause.]

Under the permission to extend my remarks I herewith print the resolutions adopted by the jewelers and the comments of the Secretary of Commerce thereon. I print it for the purpose of showing upon what a slender thread hangs this important product in this hour of national peril:

JEWELERS TO SAVE PLATINUM.

Having in mind the present needs of American industries, educational institutions, and sciences for platinum and the possible future requirements of the Government, the jewelers' vigilance committee, after giving the subject careful thought, at the request of the Secretary of Commerce, has adopted the following resolutions:

"Whereas the Secretary of Commerce has requested the platinum committee of the jewelers' vigilance committee to bring to the attention of the jewelry trade of the United States the advisability of conserving platinum in order that our Government may have larger supplies to draw upon for war purposes; and

"Whereas the jewelry trade has already clearly expressed its desire and determination to assist our Government to the extent of its ability in bringing the war to a successful termination: Be it

"*Resolved*, That we pledge curselves to discontinue and strongly recommend to all manufacturing and retail jewelers of the United States that they in a truly patriotic spirit discourage the manufacture, sale, and use of platinum in all bulky and heavy pieces of jewelry. Be it further

"*Resolved*, That during the period of the war, or until the present supplies of platinum shall be materially augmented, we pledge ourselves to discontinue and recommend that the jewelry trade discourage the use of all nonessential platinum findings or parts of jewelry, such as scarfpin stems, pin tongues, joints, catches, swivels, spring rings, ear backs, etc., where gold would satisfactorily serve. Be it further

"*Resolved*, That the jewelry trade encourage by all means in their power the use of gold in combination with platinum wherever proper artistic results may be obtained. Be it further.

"*Resolved*, That copies of these resolutions be handed to the Secretary of Commerce, to the trade press, and be sent to all our trade organizations and to the daily press, in order that they may have the widest possible dissemination."

In commenting upon these resolutions Secretary Redfield made the following statement:

"This is wise, patriotic, and unselfish action, for which the merchants and manufacturers are highly to be commended. It will take time to work out fully its beneficial effects to the country. It will disarm adverse criticism of the jewelry trade in this respect and lead to general cooperation with them. Such is the earnest desire of the department. The jewelry business is a part, and an important part, of our commerce. It has acted fairly; its normal needs should be considered fairly. Platinum is required for many uses. Every such use has its just claim. None may urge an exclusive demand. All have a part in our common country, and the Government of that country seeks through the Department of Commerce to secure for all a due and proper share. To this end the considerate course taken by the jewelers will directly contribute."

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent to proceed for three minutes in order to have read a letter from the Secretary of Commerce.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, May 21, 1917.

Mr. MEYER D. ROTHSCHILD,
Chairman Platinum Committee,
Jewelers' Vigilance Committee, New York, N. Y.

MY DEAR SIR: In response to your inquiry let me say that a supply of platinum is available to the Government from several sources: First, from domestic stocks, of which a census is now being made and which it is known can be increased if need be; second, from stock now held by the Government which is available for sale to Government laboratories needing it for Government uses and to outside laboratories at the market price with the understanding that it is to be used for the purposes of the Government; third, from stocks existing abroad known to be available.

No campaign said to be based upon the alleged present needs of the Government can therefore now be properly made looking to the restriction of the use of platinum in jewelry further than the jewelry trade have already voluntarily gone, as expressed in the resolutions adopted by them and which this department has published with its approval.

Yours, very truly,

WILLIAM C. REDFIELD,
Secretary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. LONGWORTH].

The question was taken; and on a division (demanded by Mr. KITCHIN) there were—ayes 42, noes 54.

So the amendment was rejected.

Mr. O'SHAUNESSY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 36, line 25, after the word "sold," insert a colon and add the following:

"*Provided*, That from the tax which would be imposed upon the manufacturer, producer, or importer of jewelry, whether real or imitation, there shall be deducted the amount of tax paid under this subdivision upon any part or parts of such jewelry."

Mr. O'SHAUNESSY. Mr. Chairman and gentlemen of the committee, this is no amendment to escape any tax. It is no amendment to rid an industry of its share of taxation or the burden of this war. An examination of the bill reveals the fact that tires of automobiles are taxed separately, so that when the manufacturer receives the tire he no longer pays the tax. He pays a tax on the automobile. So double taxation for the automobile manufacturer is not in evidence in this bill.

I do not think it ought to be in evidence for any manufacturer in any industry. But this amendment offered by me is designed to relieve the manufacturer of jewelry of double taxation. I have illustrated it in this way: When a manufacturer makes a pendant he pays the tax. He sells it to another manufacturer, who in turn puts some work in it, perhaps adds a chain, and when he comes to sell it he pays a tax of 5 per cent on the selling price. That is double taxation, and I submit to the fair minds of this committee that it is not just.

Mr. MOORE of Pennsylvania. Will the gentleman give a case in point, like the repairing of the watch, for instance? I think I see the gentleman's point.

Mr. O'SHAUNESSY. I illustrate it by the manufacture of the pendant. I sell it to you and you put a chain on it. I pay the tax and you pay the tax, and so it is taxed twice. I sell you a ring, which is taxed, and you put a diamond into it; the diamond is taxed and the ring is again taxed—double taxation.

Mr. MOORE of Pennsylvania. Is it taxed until it is sold?

Mr. O'SHAUNESSY. It is taxed at the time it is sold, which is double taxation.

Mr. MANN. Will the gentleman yield?

Mr. O'SHAUNESSY. Yes.

Mr. MANN. Is there any tax on the repairs of jewelry?

Mr. O'SHAUNESSY. No; it is in the case of the manufacturer. If the principle adopted in the matter of the tire and the automobile industry is to be followed, I think this is a fair case, worthy of consideration.

Mr. MANN. What the gentleman wants to cover is a case where the manufacturer produces, say, gold rings without the setting.

Mr. O'SHAUNESSY. That is it.

Mr. MANN. And he sells them to some jeweler who puts in the setting.

Mr. O'SHAUNESSY. Yes. There are many, many manufacturers——

Mr. MANN. Undoubtedly there are lots in that business. Is there any way of keeping these differentiated so as to know when the tax is paid?

Mr. O'SHAUNESSY. It is provided for in the administrative part of the law by monthly returns to the collector of internal revenue.

Mr. WALSH. Do I understand that the gentleman desires to avoid double taxation?

Mr. O'SHAUNESSY. Exactly.

Mr. WALSH. Does the gentleman think this is the only place in the bill where double taxation is imposed?

Mr. O'SHAUNESSY. Not at all.

Mr. WALSH. Does the gentleman not think that this is rather a poor place to try it out to avoid double taxation—on jewelry and matters of that kind?

Mr. O'SHAUNESSY. I have offered my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island.

Mr. GREENE of Massachusetts. Mr. Chairman, I am in favor of this amendment, and I think it ought to be adopted. It is the only method by which you can prevent double taxation in this industry, which would be very much injured if the bill remains as it is now written. During the Civil War, I am informed by my colleague on my right, it was the custom to provide just such an amendment as this is, covering a similar case. I think the amendment ought to be adopted, and I should have offered the amendment if the gentleman who is a member of the committee had not offered it.

Mr. KITCHIN. Mr. Chairman, I hope that this amendment will not be adopted. It is entirely different from the automobile case in several particulars, especially in the administrative features. In the case of the automobile tire there can be but one tire and you can keep a check on such sales and administer such a provision, while in the jewelry business there are hundreds of different kinds of operations. Each one is sold separately. The gentleman from Rhode Island illustrated a case of a pendant that is sold. If it is sold to a jeweler by a manufacturer, he puts on that price, and then another man would sell him the chain. It pays the 5 per cent tax. If the jeweler can sell each one separately, as very frequently he does, most frequently, of course, he adds it on to the price that the purchaser has to pay, and if he sells the pendant and the chain both together, he will add on the 5 per cent for the pendant and the 5 per cent for the chain.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. MANN. Would the sale of precious stones be covered by this?

Mr. KITCHIN. Separately, no. I should not think it would.

Mr. MANN. Suppose a wholesale jeweler sells some diamonds, will that sale be covered by this paragraph?

Mr. KITCHIN. I do not so understand.

Mr. MANN. Suppose the wholesaler sells some diamonds.

Mr. GARRETT of Tennessee. Uncut?

Mr. MANN. No; cut.

Mr. KITCHIN. I am not clear about that, whether the diamond itself, without being set, would be covered by this or not.

Mr. MANN. Suppose he sells a setting for a necklace without the stones being sold?

Mr. KITCHIN. I think, then, whoever puts that necklace together would be the manufacturer of that jewelry. It says the manufacturer or importer.

Mr. MANN. Does the gentleman from North Carolina think, then, that the jewelry to come under the terms of this paragraph must be completed jewelry, ready to go into the hands of the final purchaser?

Mr. KITCHIN. I am not clear about that.

Mr. MANN. I have had some little experience in purchasing jewelry, partly for this House. Here is the situation: Every retail jeweler in a large city with much of an establishment buys settings. He buys the stones. He takes the stones out of one setting, which he may have purchased, and puts them in other settings to suit the purchaser. Now, plainly, if the jeweler has had to pay the 5 per cent tax on his setting and the 5 per cent tax on his stones, when he sells the completed article he ought not to have to pay the 5 per cent tax again. That seems to me perfectly patent. Therefore I do not see how the amendment of the gentleman from Rhode Island can do any damage. If they do not pay the 5 per cent tax when they purchase the precious stones to begin with and the setting to begin with, then this does not affect them.

Mr. KITCHIN. Here is what would be the effect of this amendment: As I understand the amendment from the gentleman's discussion of it, here is a chain which is a finished product and here is a pendant. The jeweler buys the pendant from one man and the chain from another. A person comes and wants to buy it from the retailer. The retailer puts both together, and it is said that he had to pay a double tax because the pendant has been taxed and the chain has been taxed, but those are two separate pieces of jewelry.

Mr. MANN. Oh, no.

Mr. KITCHIN. Yes.

Mr. MANN. They are separate, but they are ready for the jeweler to put together; neither one can be used without the other.

Mr. KITCHIN. And the jeweler, if he sells to the purchaser, would recoup himself by putting it on the price.

Mr. MANN. That is another question. If the intention is to tax 5 per cent on the chain you can go in any of the jewelry stores and they will show you a pendant with a chain perhaps, and they will tell you they will put any kind of pendant on the chain that you want and that they will take the chain off and put any kind of a chain on the pendant that you want. If they have paid the tax on both, why should they pay it again because they happen to put them together?

Mr. KITCHIN. I will say to the gentleman——

Mr. MANN. I really think the gentleman ought to take time to consider this before we pass it.

Mr. KITCHIN. I believe if they were unfinished they would not pay the tax. They make a distinction in the tariff law about stones.

Mr. MANN. Here is a pendant that is completed.

Mr. KITCHIN. And here is a chain complete.

Mr. MANN. Even with the loop to be fastened to a chain. Here is a chain that is complete, even to the clasp with which to clasp the pendant.

Mr. KITCHIN. On the pendant if it is sold to a jeweler it is 5 per cent and on the chain if it is sold to a jeweler it is 5 per cent—that is, when it is sold separately—and it is 5 per cent on the completed product. If you put them together it is 5 per cent on the pendant and 5 per cent on the chain.

Mr. MANN. That is a 10 per cent tax.

Mr. KITCHIN. That is what the committee intended and that is what the language means.

Mr. MANN. I am afraid the committee had not investigated the jewelry subject or they would not propose it.

Mr. REED. I understand a diamond, if in a setting, would bear a tax. A ring with a setting in it would be a finished piece. Suppose you should go to one jeweler and buy an unfinished ring upon which there would be no tax. Suppose you would go to another and buy the stone and suppose you should go to the third and say that you had a little repair job and he puts them together?

Mr. KITCHIN. I would not be surprised if it escaped taxation.

Mr. LENROOT. The retailer, the large jeweler, has been suggested. He does not come under the definition of this act as being a manufacturer, producer, or importer, does he?

Mr. O'SHAUNESSY. No; I am speaking about this: Say, there is an assembler of parts made by another manufacturer. The first manufacturer paid the tax and he sends those parts just as he would in any other industry to another manufacturer who puts them together and he pays a tax.

Mr. KITCHIN. He pays the taxes whether he pays them separately or whether he pays by putting them together.

Mr. O'SHAUNESSY. Then the objection I think is this: That we are imposing here a tax of 10 per cent upon this industry, and on other industries a tax of 5 per cent, and I submit to the conscience of the committee that they ought to vote for my amendment.

Mr. GREENE of Massachusetts. I would like to ask the gentleman from North Carolina [Mr. KITCHIN] a question.

Mr. KITCHIN. If a man sells an automobile and an automobile blanket, you are not taxing the automobile and the automobile blanket twice if you sell them together, or the tire on the automobile.

Mr. O'SHAUNESSY. The tire has been taxed, and the manufacturer has been relieved of the payment of the tax on the tire.

Mr. GREENE of Massachusetts. I would like to ask a question of the gentleman from North Carolina, if during all the consideration of this bill I have been to him, asking him to make any changes in it, or whether any manufacturers of jewelry in the State of Massachusetts or in the State of Rhode Island have been to him and asked him to make any changes?

Mr. KITCHIN. The only thing I understood the gentleman to object to was a provision in the bill which appeared to make them pay a tax on the stock they had on hand.

Mr. GREENE of Massachusetts. The jewelry dealers, the retailers, pay the 10 per cent tax that way, and they do not think they ought to pay it. But the manufacturers have not been to you, nor have I.

Mr. KITCHIN. That is true.

Mr. GREENE of Massachusetts. I have a number of manufacturers in my district, and we ask you not to put in this bill a case of double tax, but you insist on putting it in.

Mr. KITCHIN. This is not a double tax.

Mr. GREENE of Massachusetts. It is nothing else. I hope the House will have the sense to vote down the proposition of the gentleman.

Mr. KITCHIN. The only objection I have heard from the jewelers was the section in the bill that proposed a tax upon their stock.

Mr. GREENE of Massachusetts. That was proper. That was what was done during the Civil War—just this same amendment—and if you had held hearings they would have gotten it as a matter of justice. You passed it all over without any hearings at all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. O'SHAUNESSY].

Mr. GREEN of Iowa. Just a word, without regard to the merits of the amendment. I want to pay a compliment to the manufacturers or jewelers. They have come in here and said as patriotic citizens they were ready to pay any duty imposed upon them. They, of course, did not want these charges, but they have not objected to the levy of this tax, notwithstanding it is a 5 per cent tax on the gross receipts, and their profits are not considered very extensive.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. O'SHAUNESSY].

The question was taken, and the Chair announced that the Chair was in doubt.

Mr. O'SHAUNESSY. Division, Mr. Chairman.

The committee divided; and there were—ayes 30, noes 59.

So the amendment was rejected.

Mr. SLOAN. Mr. Chairman——

The CHAIRMAN. The gentleman from Nebraska [Mr. SLOAN] is recognized.

Mr. SLOAN. I move to strike out the last word, and desire to call the attention of the gentleman from North Carolina [Mr. KITCHIN], the chairman of the committee, to page 26, line 22, which says:

Upon any article commonly or commercially known as jewelry, whether real or imitation, sold by the manufacturer, producer, or importer thereof.

As I understand the intention of that it was to include not only jewelry in the common acceptation of that term, but also jewels. I have been looking up the matter of the definition of the term "jewelry," and I think it would only, as defined here, include that which had been manufactured and made up in combination from metals and precious stones, and so on, but would not include simply diamonds or rubies, or——

Mr. KITCHIN. The gentleman is correct. As I expressed my opinion awhile ago, I am rather inclined to the view that it was the finished product. Since then I have sat down and read the description in the tariff act, and it makes that distinction—finished or unfinished, set or unset.

Mr. SLOAN. Is it the intention to tax the finished jewel?

Mr. KITCHIN. No; I do not think we intended that. I think it had better stay just as it is.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(f) Upon all yachts, pleasure boats, motor boats, or other vessels not used or intended to be used for trade, sold by the manufacturer, builder, or importer, a tax equivalent to 5 per cent of the price for which so sold; and.

Mr. HICKS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HICKS: Strike out the word "and," in line 4, page 27, and insert in lieu thereof the following:

"*Provided*, That the tax of 5 per cent shall not be collected until the manufacturers or builders of the articles herein enumerated shall have earned a profit of 8 per cent upon the actual capital invested. For the purpose of this paragraph the actual capital invested means (1) actual cash paid in, (2) the actual cash value at the time of payment of assets other than cash paid in, and (3) paid in or earned surplus and undivided profits used or employed in the business."

Mr. HICKS. Mr. Chairman, this amendment is similar to the one offered by the gentleman from Michigan [Mr. DOREMUS] a short time ago and accepted by the committee. A few moments ago I conferred with the genial chairman, the gentleman from North Carolina [Mr. KITCHIN], and I was informed privately, and I suppose confidentially, that he did not believe he could favor this amendment, despite the fact that the committee had already passed a similar one in regard to automobiles.

Mr. KITCHIN. I will say to the gentleman that the House has just voted down the proposition of the gentleman from Missouri [Mr. MEEKER] on the subject of pianos and graphophones.

Mr. MEEKER. That was a different tune played by the musical instruments. [Laughter.]

Mr. HICKS. There is a marked difference, Mr. Chairman, between the proposition offered by the gentleman from Missouri [Mr. MEEKER] and this one. While pleasure boats may be considered a luxury, they can and frequently are converted into aids of defense, and become necessities. We speak of yachts and motor boats; the idea generally being that we are talking about large yachts and pleasure craft of men of means, whereas, as a matter of fact, the yards all over the maritime districts of this country, where they build one yacht 150 feet in length, will make 100 medium-sized motor boats and a thousand small craft like rowboats and small sailing vessels.

It has been the hope and aim of this country to develop our shipbuilding yards all over the Nation. To-day the shipyards in my own district for the most part small concerns, are suffering for lack of business. It is almost impossible for them to make a meager living by manufacturing motor boats or rowboats; and, gentlemen of this House, the motor boats to-day that are 35 or 40 feet in length and upward are being used throughout the length and breadth of our Atlantic coast for the purpose of patroling and scouting in conjunction with the Navy, and it seems to me we should encourage the building of motor boats which may be used for war purposes as well as for other purposes, and should therefore relieve the builders of this tax.

Mr. KITCHIN. They are exempted under this act.

Mr. HICKS. I hope the committee will accept this amendment.

Mr. MANN. Mr. Chairman, I do not suppose that the provision in the bill would apply to a case where somebody turns his boat over to the Government.

There was a little dispatch in the papers the other day, under date of May 17, a portion of which I wish to read as bearing on this subject. I read:

Capt. Isaac E. Emerson, who was the first commander of the Maryland Naval Reserve, has presented to the United States Government Alfred Gwynne Vanderbilt's former yacht, the *Adriat*, which is said to be worth $500,000, with the stipulation that it shall be used to patrol only Maryland waters during the present war with Germany.

That is a safe place, by the way. I read further:

Capt. Emerson has also used his influence in having a number of Maryland men appointed officers on the boat. The yacht is now at one of the navy yards being fitted out with the most improved guns in use in the Navy, and when ready for duty will be sent to some station where it can patrol the Chesapeake Bay and its tributaries.

In the center of the war activities! In the Chesapeake Bay! This fine gentleman, to whom credit is due, offering his boat to the Government to get it behind where an enemy's fleet can not possibly reach it and have it in safety during the war.

Mr. MADDEN. At the expense of the Government.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MANN. No; I do not yield. Of course the Government pays the expenses of the Government officers on the boat. I do not believe the statement contained in this article to be true. The article says the boat is to be commanded by the son of one of the Cabinet officers, who, if that be the case, instead of being drafted into the service of the Government of the United States, will be paid to keep out of danger. [Applause.] Because there is no danger in a yacht in the Chesapeake Bay, unless it gets out in the water somewhere [laughter], and the danger will not be from the enemy, but from a lack of nautical ability.

Some one is due to deny the statement in this paper. It has gone all over the United States that men and women's children, their sons, are to be drafted into the Army as private soldiers, but that the sons of Cabinet officers are to be given fat jobs out of danger. [Applause.]

Mr. HICKS. Mr. Chairman, I just want to make the comment that this is not an argument either for or against my amendment. [Laughter.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. HICKS].

The question was taken, and the amendment was rejected.

Mr. HULBERT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULBERT: Page 27, line 2, after the word "vessels," strike out "not used or intended to be used for trade."

Mr. HULBERT. Mr. Chairman, I desire merely to call the attention of the House to the fact that when that provision was under consideration which provides for a tax on automobiles, the House declined to strike out the words "except automobile trucks or automobile wagons which are intended to be used for the purposes of trade," and that in order to be entirely consistent it seems to me that the House must now strike out the provision which would exempt motor boats not used or intended to be used for trade.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. HULBERT].

The amendment was rejected.

The Clerk read as follows:

(g) Upon all tennis rackets, golf clubs, baseball bats, lacrosse sticks, balls of all kinds, including baseballs, footballs, tennis, golf, lacrosse, billiard and pool balls, fishing rods, reels and lines, billiard and pool tables, chess and checker boards and pieces, dice, games and parts of games, except playing cards, sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold.

Mr. MADDEN. Mr. Chairman, I desire to suggest an amendment. Page 27, line 5, after the word "baseball," add the words "and congressional."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 27, line 5, after the word "baseball," insert the words "and congressional," so that it will read "upon all tennis rackets, golf clubs, baseball and congressional bats."

[Laughter.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. CONNALLY of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY of Texas: Page 27, line 8, after the word "lines," insert "sporting rifles, revolvers, pistols, and shotguns, and ammunition therefor."

Mr. KITCHIN. I make a point of order against that, and I will state to the gentleman who introduced it that we have now an extra 12½ per cent on all incomes and profits of manufacturers of rifles, shotguns, and so forth.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

Mr. NORTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NORTON. On what ground was the point of order sustained?

The CHAIRMAN. On the ground that the amendment was not germane to the subject matter or the item.

Mr. NORTON. To the subject matter or the item?

The CHAIRMAN. On the ground that it was germane to neither.

Mr. LONGWORTH. I should like to call the attention of the gentleman from North Carolina to the fact that, as I understand it, there are some committee amendments to this paragraph.

Mr. KITCHIN. In view of the ruling of the Chairman to-day they might go out on a point of order, and I thought it better not to offer them.

Mr. LONGWORTH. Nobody might offer a point of order. I think it would be better to offer one of these amendments, to see whether the committee have the power to get them adopted.

Mr. KITCHIN. I will say to the gentleman from Ohio that I am mightily afraid somebody will make a point of order.

Mr. LONGWORTH. They are good amendments, and I agree with the gentleman from North Carolina that they ought to be adopted. Now, let us see whether we have the power to get them adopted.

Mr. KITCHIN. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The gentleman from North Carolina offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 27, line 5, after the word "all," insert the following: "cameras, kodaks," and a comma.

Mr. MADDEN. I make the point of order against that amendment.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

(h) Upon all perfumes, essences, extracts, toilet waters, cosmetics, vaselines, petrolatums, hair oils, pomades, hair dressings, hair restoratives, hair dyes, tooth and mouth washes, dentifrices, toqth pastes, aromatic cachous, toilet soaps and powders, or any similar substance, article, or preparation by whatsoever name known or distinguished, used or applied for toilet purposes, and which are sold by the manufacturer, importer, or producer, a tax equivalent to 5 per cent of the price for which so sold; and.

Mr. ANDERSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 27, line 21, strike out the word "and" and insert in lieu thereof the following:

"*Provided*, That the tax of 5 per cent shall not be collected until the manufacturers of the articles enumerated shall have earned a profit of 8 per cent upon the actual capital invested. For the purposes of this paragraph actual capital invested means (1) actual cash paid in, (2) the actual cash value at the time of the payment of assets other than cash paid in, (3) paid in or earned surplus and undivided profits used or employed in the business.

Mr. ANDERSON. Mr. Chairman, I have offered this amendment believing that it would appeal to the sense of justice of the House and knowing that it ought to. It is the same amendment which was adopted to the automobile paragraph. There are many reasons why this provision ought to apply to the section to which I have offered it as an amendment which are more potent and which have in them more justice than those which were urged for the amendment as a limitation upon the automobile item.

I understand that it is the theory of this title that it is a tax upon luxuries. I doubt if my persuasive friend from North Carolina will assert that an automobile used for an occasional joy ride is a necessity, while toilet soap and tooth paste and articles of that kind are luxuries. Soap may be a luxury in the State of North Carolina, but it certainly is not in the State of Minnesota. I doubt if my eloquent friend from Michigan will claim that an automobile is a necessity, while the extracts used in every home in this country every day in the year are luxuries.

But I want to come particularly now to the reasons for the statement that there is more justice in applying this limitation to the section to which I have offered it than to the automobile item. The concerns engaged in the business of manufacturing articles included in this item are for the most part not very large and they do business on a comparatively small capital, their greatest asset being business ingenuity and acumen. They are hit by every title in this bill with the exception of two. They pay an income tax; they pay an excess profits tax; they use enormous amounts of alcohol in the product of the extracts and articles of that character. Upon alcohol the tax has been doubled. A great many of the drugs, vanilla beans, and articles of that character that go into the production of this class of articles are subject to a duty of 10 per cent under this bill. The duty in many instances is 75 or 100 per cent higher than the duty now carried in the tariff law.

I submit that when all these different taxes are applied to a business it is not fair, it is not just, that in addition to these taxes so imposed a 5 per cent tax on gross sales should be added. Most of these concerns have attempted to increase their prices, very largely without success, because most of these articles are sold at a fixed price that can not be easily increased. Much of this business is done directly from the manufacturer to the consumer, and because the trade is accustomed to a fixed price for an article it can not be sold at an increased price. Consequently, the manufacturer, in addition to the income tax, the excess profits tax, the corporation tax, and the alcohol tax, and in addition to the tax under every title of this bill with the exception of two, will be obliged to pay this tax on the gross sales.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MEEKER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, it seems practically useless to insist upon these amendments as we go along, and I am wondering what has become of the bunch of automobile patriots that were here a few hours ago. [Laughter.] That was a proposition on wheels that seems to have left us following the vote.

Mr. O'SHAUNESSY. May I suggest to the gentleman that they may have gone off in some of them?

Mr. MEEKER. Now, the result of this thing as it now is—whether it shall apply to a dealer in musical instruments or other articles mentioned—is going to positively work against the small producer and in favor of the big manufacturer. You can not make anything else out of it. The only trouble is that these small concerns have not got the fellows to talk for them and get up the publicity that the big concerns have. No man comes and talks for the small manufacturers in these lines, and many of the articles mentioned are as necessary as are automobiles.

We can not consistently go through here laughingly voting down amendment after amendment and justify that after we have voted to sustain the amendments in regard to automobiles. You take thousands of little concerns over this country engaged in the manufacture of commodities that are named in this section or paragraph, that have simply been holding on for the past year or more under the terrific increase in the cost of materials which go into their products, and this tax will not leave them any competition with the great concerns that are capitalized for millions. I can not understand how any man, whether he be from an automobile district or not, could vote for the amendment as offered by the gentleman from Michigan, and rightfully so, and refuse to put these little concerns in and permit them to make 8 per cent on their capital when everything they are interested in, every material that enters into their article, is taxed.

It is an easy thing to sit here and smile at one another as we vote down these amendments, and joke about it, but I want to say to you gentlemen that there is no section of the bill that is striking at the little manufacturers and the men in the small business for the benefit of the big man in the game so much as this one does.

Mr. KELLEY of Michigan. Is it not true that in all of these contracts that we are now letting on the part of the Government we are allowing the shipbuilders and others a profit of 10 per cent?

Mr. MEEKER. Sure we are, and we are saying to them, you charge all of the expense that you incur in labor and everything else, and add 10 per cent to the gross for your profit, and yet we come along here on these little concerns, many of them with only a few hundred dollars or a few thousand dollars of capital, representing the savings of a lifetime, and because they have not been able to organize and come in here and make a noise as loud as an automobile horn we are setting aside this amendment as though it meant nothing. I tell you gentlemen who for the last 10 days have been talking on this floor about the little man and about the small producer and the poor man, you have not voted on any section or title, the paragraphs of which, if carried through as provided in this bill—unless this amendment is agreed to—will put so many little fellows out of business in wholesale job lots as will this provision. I hope the time has come in this committee when we who talk about the automobile industry will show to the man who manufactures musical instruments and these people named in this paragraph that we are just as much interested in the principles of justice and right as they concern the little manufacturer, as when we talk about the hundreds of millions of dollars involved in the automobile industry. I hope the amendment will be adopted.

Mr. KITCHIN. Mr. Chairman, I am glad that I have found out why the gentleman from Missouri [Mr. MEEKER] voted to relieve the automobile manufacturers of this tax. While he has no automobile manufacturers in the city of St. Louis, he has a great many manufacturers, perhaps more, who manufacture in the city of St. Louis articles specified under this paragraph (h) than there are in any other city in the United States or perhaps in the world. I do not blame him for complaining that the automobile patriots are not present to help him, because he helped them. As his speech indicated, it was a question of you tickle me and I'll tickle you. I will tell the gentleman what Messrs. DOREMUS and KELLEY of Michigan would say in explanation of the difference between the automobile proposition and this proposition. It will be something like this, and I believe this would appeal to the reason of the gentleman. When you pay your 5 per cent on one of these $1,000 or $2,000 machines, it means $50 or a hundred dollars. That is a pretty hard thing, they say, to be passed on to the customer, and perhaps the automobile man would have to lose the $50 or the hundred dollars, while when you buy a little hair restorative—is that really the gentleman's reason for opposing this? [Laughter.]

Mr. MEEKER. Mr. Chairman, I would like to say to the gentleman that when I begin to vote on the proposition of you scratch my back and I will scratch yours, I hope that they will kick me out of this House.

Mr. KITCHIN. Oh, I hope that the gentleman will not be kicked out. When the gentleman began he will recollect that he asked where all these automobile patriots had gone; but let me proceed with the reason that Messrs. DOREMUS and KELLEY of Michigan will give you. This $100 or $200 proposition, you know, is a big tax on just one automobile, but when you come to the question of a hair restorative—it is just 1 cent more—they can pass it on very well to the customer. You buy the bottle and you will only have to pay 1 cent more, and of course it is easy to see that nobody will lose very much.

Mr. MEEKER. I will suggest that whoever buys hair restoratives usually loses his hair.

Mr. KITCHIN. It means just a couple of cents more, and that can be passed along. It does not hurt. It is easy for the manufacturer to do that. Then there is the question of perfumery. Say there is a bottle of violet water. You pay just a cent more. It does not break anybody. A fellow is willing to contribute his little cent and willing for the manufacturer to pass it on to the retailer and the retailer to the consumer. That is the reason they are going to give to you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and (on a division demanded by Mr. MEEKER) there were—ayes 21, noes 64.

So the amendment was rejected.

The Clerk read as follows:

(i) Upon all pills, tablets, powders, tinctures, troches, or lozenges, sirups, medicinal cordials or bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters (except those taxed under section 308 of this act), essences, spirits, oils, and all medicinal preparations, compounds, or compositions whatsoever, the manufacturer or producer of which claims to have any private formula, secret, or occult art for making or preparing the same, or has or claims to have any exclusive right or title to the making or preparing the same, or which are prepared, uttered, vended, or exposed for sale under any letters patent, or trade-mark, or which, if prepared by any formula, published or unpublished, are held out or recommended to the public by the makers, venders, or proprietors thereof as proprietary medicines or medicinal proprietary medicinal articles or preparations, or as remedies or specifics for any disease, diseases, or affection whatever affecting the human or animal body, and which are sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold; and.

Mr. SMITH of Michigan. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

By Mr. SMITH of Michigan: Amend: On page 28, at the end of line 16, add the following:

"*Provided further*, That such 5 per cent sale tax shall not apply or be collected in cases where the business of such manufacturer, producer, or importer (of medicines) has not produced or earned a net profit during the preceding year or period for which the tax is to be paid of 5 per cent; and."

Mr. SMITH of Michigan. Mr. Chairman, I wish to have read a telegram in my time in reference to this. This is one of the concerns that has no representatives or lobby, and, while it is not in my district, I would like to have a telegram sent to me presented to the House for your information.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DETROIT, MICH., *May 17, 1917.*

JOHN M. C. SMITH,
Washington, D. C.:

We are in favor of a tax on our postage, we are in favor of a tax on our freight, we are in favor of a tax on our advertising, we are in favor of a tax on railroad tickets, and we are in favor of a tax on our profits, but we are absolutely opposed to a tax on gross sales of medicinal products, because our business can not stand it. Such a tax is discriminatory, unjust, confiscatory, and therefore destructive.

NYAL CO.,
GEO. WILLOUGHBY, *Treasurer.*

Mr. SMITH of Michigan. This telegram contains the true patriotic spirit. They do not ask to be relieved from just taxation. It was not sent for that purpose. They do not want to be driven out of business. It is not right to ruin anyone or any industry. Their product goes into every sick room in our land. Certainly we should exempt the sick. I hope the amendment will prevail. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

Mr. CRAMTON. Mr. Chairman, I wish to offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 28, line 1, after the word "medicinal proprietary," strike out "medicinal."

Mr. KITCHIN. Mr. Chairman, we accept that amendment. I am glad to have had our attention called to it.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

(j) Upon all chewing gum or substitute therefor sold by the manufacturer, producer, or importer, a tax equivalent to 5 per cent of the price for which so sold.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 28, line 19, after the word "sold," add the following:

"Upon all candies, chocolates, sweets, or confectionery sold by the box or container a tax equivalent to 5 per cent of the price for which so sold: *Provided*, That no tax shall be imposed in the case of such candies, chocolates, sweets, or confectionery sold in boxes or containers for 30 cents or less."

Mr. KITCHIN. Mr. Chairman, I make the point of order on the amendment that it is not germane.

The CHAIRMAN. The Chair sustains the point of order.

Mr. DILLON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. DILLON: After line 19, on page 28, insert a new paragraph, as follows:

"(k) Upon the sales of any person, partnership, association, or corporation engaged in selling merchandise the major portion of whose business is solicited by mail and whose deliveries are made by mail,

express, or freight, and who issues catalogues of retail prices and known as a catalogue house, a tax equivalent to 5 per cent of the price for which such merchandise is sold."

Mr. KITCHIN. Mr. Chairman, I make the point of order the amendment is not germane.

The CHAIRMAN. The point of order is sustained.

Mr. FESS. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from North Carolina a question. I hear it suggested about this chamber and elsewhere that likely there will be an effort to put 1½ per cent upon all gross sales of all manufactures outside of food products.

Mr. KITCHIN. I do not know; I have not heard the suggestion, except some gentlemen have asked——

Mr. FESS. I have heard it.

Mr. KITCHIN. I do not think it will be in order——

Mr. FESS. I was wondering whether any consideration had been given.

Mr. KITCHIN. Yes; but when you begin to look it over you will find it will be very unjust to some and a very big thing for others.

Mr. FESS. It would doubtless raise an immense amount of money.

Mr. KITCHIN. There is no doubt about that. For instance, the sum of 1 per cent would be 25 per cent of the net income of one manufacturer, while 1 per cent would be 5 per cent of others. We selected taxes that could be most easily passed on to the consumer without any injury to any manufacturer, and we differentiate between necessities. If you put this 1 per cent on gross sales of all you take—for instance, clothes—1 per cent upon clothes, meat, flour, everything of that kind. That is the reason we did not do it——

Mr. FESS. What I had in mind was we had 5 per cent here, and with 1 per cent or 1½ per cent——

Mr. KITCHIN. We did not want to tax manufacturers and producers of food products, wearing apparel, and articles that we considered necessities of life.

Mr. FESS. The committee had really taken that up, then?

Mr. KITCHIN. Yes, sir. And we thought that the articles specified in this title of the bill were in the nature of luxuries and that they could be easily passed on by the manufacturer to the consumer.

Mr. SEARS. Mr. Chairman, I move to strike out the last two words just to make a few remarks.

I listened to the statement of the gentleman from Missouri [Mr. MEEKER] and it struck me with some force, but I think he is unduly alarmed.

During the Spanish-American War, it might be of interest to some of the Members of this House to know, a great many manufacturers of articles referred to by him in his remarks and in his amendment, and also manufacturers of medicines, not only charged the tax that was levied against them because of war conditions but charged the retail druggist 100 per cent profit on said tax. During the recent stamp-tax law, while the same was in force, I had occasion to look into this matter, and a great many manufacturers of toilet articles, face powder, and so forth, where the stamp tax was 20 cents, charged the retail druggist a tax of 40 cents, making a profit of 100 per cent because of the conditions which forced that stamp tax. I would like to see this tax taken out of the bill, if it was possible to secure it, but I realize that it is hopeless. I want to say here and now that I trust the retail druggist, wherever a manufacturer charges him a profit because of this tax made necessary because of the war we are now in, will not deal with that manufacturer. I do not believe any person should make out of another what is really, as a matter of fact, blood money, which it would be in this case as I see it.

My father was in the drug business during the Spanish-American War, and I know whereof I speak, and I also know the tax is so small the retailer can not pass the tax on to the consumer. The stamp tax on a dollar bottle of medicine was so small it was impossible to pass it on, but the manufacturer would charge us 100 per cent profit; and when we would write to inquire about the increased cost, he would answer it was because of the tax the Government was making him pay. I sincerely trust, and I believe, the wholesalers and manufacturers will not do that in this case.

Two years ago when the stamp tax was in force quite a number of manufacturers of toilet articles, and perhaps they were from the city which the gentleman from Missouri [Mr. MEEKER] represents, did not advance the price at all, but stood the burden. I wish I had the names of those manufacturers in order that I might place them in the RECORD; but a larger part of them did charge from 40 to 100 per cent profit because of the tax imposed by the Government.

Mr. GREEN of Iowa. Will the gentleman yield for a question?

Mr. SEARS. I will.

Mr. GREEN of Iowa. The gentleman has possibly made a thorough investigation into this stamp tax, and I intended to do so, but did not. Is not this tax lower in the percentage than the stamp tax in the Spanish-American War on similar articles?

Mr. SEARS. As I recall, it is considerably less.

The Clerk read as follows:

SEC. 601. That each manufacturer, producer, or importer of any of the articles enumerated in section 600 shall make monthly returns under oath in duplicate and pay the taxes imposed on such articles by this title to the collector of internal revenue for the district in which is located the principal place of business. Such return shall contain such information and be made at such times and in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulations prescribe.

Mr. KITCHIN. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from North Carolina offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 28, line 20, before the word "or," insert the word "builder" and a comma.

Mr. MANN. What is that?

Mr. KITCHIN. They omitted the word "builder."

Mr. MANN. Where is that used in the section otherwise?

Mr. KITCHIN. Page 27, paragraph (f), line 3.

Mr. MANN. All right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment was agreed to.

Mr. KELLEY of Michigan. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from North Carolina [Mr. KITCHIN] whether it is his interpretation of this language that the tax is to be paid monthly?

Mr. KITCHIN. Yes.

Mr. KELLEY of Michigan. It says returns shall be made monthly and the tax paid to the collector.

Mr. KITCHIN. To be paid monthly.

Mr. KELLEY of Michigan. The language does not quite state that.

Mr. KITCHIN. We have another section in here that covers all that.

The CHAIRMAN. The Clerk will read.

The Cerk read as follows:

SEC. 602. That upon all articles enumerated in subdivisions (a), (b), (e), and (f) of section 600 which are on the day this act is passed held by other than the manufacturer, producer, or importer, and intended for sale, there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the price for which sold by the manufacturer, producer, or importer. This tax shall be paid by the person, corporation, partnership, or association so holding such articles.

Mr. LEHLBACH. Mr. Chairman, I think there is a committee amendment to section 606.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to read the following section, too, because I have an amendment to strike out both sections.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent to read sections 602 and 603 together. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEC. 603. That upon all articles enumerated in subdivisions (g), (h), (i), and (j) of section 600 which are not in the possession of a retailer on the 1st day of May, 1917, and which, on the day this act is passed, are held and intended for sale, there shall be levied, assessed, collected, and paid, a tax equivalent to 5 per cent of the wholesale price paid therefor. This tax shall be paid by the person, corporation, partnership, or association so holding such articles.

With a committee amendment, as follows:

On page 29, strike out lines 4 to 21, inclusive, and insert in lieu thereof the following:

"SEC. 602. That upon all articles enumerated in subdivisions (a), (b), (e), (f), (g), (h), (i), or (j) of section 600, which on the day this act is passed are held and intended for sale by any person, corporation, partnership, or association, other than a retailer who is not also a wholesaler, and upon all such articles which between April 6, 1917, and the day this act is passed, both inclusive, have been sold to, and on the day this act is passed are held and intended for sale by, a retailer who is not also a wholesaler, there shall be levied, assessed, collected, and paid, a tax equivalent to 5 per cent of the price paid therefor. This tax shall be paid by the person, corporation, partnership, or association so holding such articles. No tax shall be imposed under section 600 upon any article upon which a tax is imposed under this section.

"The taxes imposed by this section shall be assessed, collected, and paid in the same manner as provided in section 1102 in the case of additional taxes upon articles upon which the tax imposed by existing law has been paid."

Mr. KITCHIN. Now, Mr. Chairman, I will say to the House that gentlemen will notice that section 602 of the printed bill

provides that upon all articles enumerated in subdivisions (a), (b), (e), and (f) of section 600, which covers, respectively, automobiles, musical instruments, jewelry, and yachts, the tax is to apply to all the stock on hand in the hands of retailers; and in section 603, embracing all articles enumerated in subdivision (g), (h), (i), and (j), which cover sporting goods, cosmetics, patent medicines, and chewing gum, the tax is to apply to all stock on hand except that which was not in the possession of the retailer on the 1st day of May, 1917.

Now, this amendment changes these provisions so that all the articles specified in sections 602 and 603 in the hands of a retailer, who is not a wholesaler, shall be taxed only upon the amount purchased since the day of the declaration of war, April 6, 1917, and on hand on the day the act passed. For instance, take jewelry. This amendment applies to jewelry and all other articles in the same category that were purchased by a retailer, who is not a wholesaler, since the declaration of war on April 6, 1917, and on hand and intended for sale by such retailer at the time this act passes. It does not apply to any retail stock on hand prior to April 6 or any part of the stock bought or already sold since April 6.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. The purpose evidently is to relieve the retailers from the payment of the tax on stock on hand and not disposed of?

Mr. KITCHIN. Yes; the dealers in musical instruments and the dealers in automobiles.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. COOPER of Wisconsin. Does it tax the wholesaler?

Mr. KITCHIN. Yes. He will have to pay the tax upon the articles that he has in his possession on the day this act is passed.

Mr. MOORE of Pennsylvania. It is to relieve the retailer in the case of goods out of date?

Mr. KITCHIN. Yes. He may have had certain articles on hand for 10 years.

Mr. MOORE of Pennsylvania. This responds to a great many complaints that have come in as to the old and outworn stock?

Mr. KITCHIN. Yes.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield for a question?

Mr. KITCHIN. Certainly.

Mr. MONTAGUE. I understand now that this tax extends only to the merchandise in jewelry which may have been acquired since the 6th day of April, 1917?

Mr. KITCHIN. Yes; and what is on hand. For example, suppose a man bought a thousand dollars' worth of jewelry since April 6, and has sold $500 of it since then.

Mr. MONTAGUE. I said since the 6th day of April.

Mr. KITCHIN. Yes; since the 6th day of April, and all these other articles in the same way.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield there?

Mr. KITCHIN. Yes.

Mr. SLAYDEN. I do not think I quite caught the gentleman's explanation. I have had some telegrams about that.

Mr. KITCHIN. This amendment that I am asking the committee to adopt only taxes the merchandise that was purchased by a retailer—who is not a wholesaler—since April 6, 1917, the day we declared war, and which he has on hand at the date of the passage of the act. For instance, as I just stated to the gentleman from Virginia [Mr. MONTAGUE], if a jeweler or a musical-instrument dealer has bought a thousand dollars' worth since April 6 and has on hand of that $1,000 worth when the act passes $500 worth, he is only taxed in the $500 worth.

Mr. SLAYDEN. Suppose he has on hand a part of his stock that was acquired previously?

Mr. KITCHIN. That is exempted.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman permit a question?

Mr. KITCHIN. Yes.

Mr. PARKER of New Jersey. I have just read over that amendment, and that applies only when the man is a retailer and not a wholesaler.

Mr. KITCHIN. Yes. The wholesaler is going to be protected in selling to the retailer.

Mr. PARKER of New Jersey. There are many dealers who are both wholesalers and retailers, and in such cases the tax would apply to the whole stock in their possession. Take the case of Tiffany's, for instance, and others, who sell both wholesale and retail. You tax their entire stock by the first three lines.

Mr. KITCHIN. No; we have an amendment to extend the time of payment until November 1, 1917.

Mr. PARKER of New Jersey. But if you will read the first three lines, upon all stock in hand held by a man who is not a retailer——

Mr. KITCHIN. I will say to the gentleman that the committee prepared the provision in that way in order to prevent a wholesaler from stocking up. The little retailer can not stock up. There is not much profit to the retailer to stock up in anticipation of the passage of this act; but the wholesaler would stock up to the extent of hundreds of thousands of dollars in order to escape this tax; but now he will not do it.

Mr. PARKER of New Jersey. He can not do it if you make it apply to purchases since April 6.

Mr. KITCHIN. It applies to all the stocks which the wholesaler has on hand.

Mr. PARKER of New Jersey. All the stocks which the wholesaler has on hand, no matter if he bought then 10 years ago.

Mr. KITCHIN. By a subsequent amendment we are going to give them until November 1 to pay the tax.

Mr. PARKER of New Jersey. It seems to me it would be better and easier to make the same principle apply to everybody and to make all old stocks free.

Mr. KITCHIN. The wholesaler will pass the tax on to the retailer. The wholesaler does not keep his stock on hand long, but the retailer may have to keep his stock on hand for years.

Mr. PARKER of New Jersey. We only exempt a retailer who is not also a wholesaler.

Mr. KITCHIN. Yes.

Mr. PARKER of New Jersey. And the result will be that if a man is a wholesaler and a retailer his retail stock will be taxed.

Mr. KITCHIN. That is correct.

Mr. PARKER of New Jersey. There are men in New York and other large cities who are wholesale and retail dealers, and who have on hand thousands and hundreds of thousands of dollars worth of jewelry which they bought years and years ago. Take, for instance, such a stock as Tiffany's, in New York.

Mr. KITCHIN. I believe the wholesalers' tax is just if we give them until November 1 to pay it.

Mr. PARKER of New Jersey. I think not. Can we not make it applicable to everybody? I am going to offer an amendment to strike out a part of this.

Mr. KITCHIN. Let me put this proposition to the gentleman: The wholesaler is not going to lose anything by this tax, because as soon as it is put on his whole stock is going to increase in value by 5 per cent, because all of his competitors will raise their prices 5 per cent. Now, as to the stock which he has bought since the passage of the act, or since April 6, his whole stock will increase in value 5 per cent, and he is going to get every bit of it back. It is necessary to protect the Government in this way.

Mr. PARKER of New Jersey. I move to strike out the words—

Which on the day this act is passed are held and intended for sale by any person, corporation, partnership, or association, other than a retailer who is not also a wholesaler, and upon all such articles.

I also move to strike out the words further along—

By a retailer who is not also a wholesaler—

and to insert "any person," so that it will read:

That upon all articles enumerated in subdivisions (a), (b), (e), (f), (g), (h), (i), or (j) of section 600, which, between April 6, 1917, and the day this act is passed, both inclusive, have been sold to, and on the day this act is passed are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the price paid therefor.

That is so as to get rid of that distinction between a wholesaler and a retailer, even if a man is both.

The CHAIRMAN. Will the gentleman from New Jersey indicate to the Clerk just the words which he wishes to strike out?

Mr. LOBECK. While the gentleman is getting his amendment into shape I would like to ask what about mail-order houses which sell jewerly at retail?

Mr. KITCHIN. They are exempted like any other retailers.

Mr. LOBECK. There are large firms that do an exclusively retail jewelry business, and they do it by catalogue, all over the country, such firms as Sears, Roebuck & Co. and Montgomery Ward & Co. They do that kind of business, and they are retailers.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New Jersey.

The Clerk read as follows:

Mr. PARKER of New Jersey moves to amend the committee amendment by striking out the words "which on the day this act is passed are held and intended for sale by any person, corporation, partnership, or association, other than a retailer who is not also a wholesaler, and

upon all such articles"; and by further striking out the language "by a retailer who is not also a wholesaler," and insert in lieu thereof the words "by any person," so that as amended the committee amendment will read:

"SEC. 602. That upon all articles enumerated in subdivisions (a), (b), (c), (f), (g), (h), (i), or (j) of section 600 which between April 6, 1917, and the day this act is passed, both inclusive, have been sold to and on the day this act is passed are held and intended for sale by any person there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the price paid therefor," etc.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New Jersey.

Mr. LOBECK. Mr. Chairman, I want to offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. LOBECK: Amend the amendment by inserting, after the word "association," the words "or mail-order house."

The CHAIRMAN. The first question is on the amendment offered by the gentleman from New Jersey [Mr. PARKER] to the committee amendment.

The question was taken; and on a division (demanded by Mr. PARKER of New Jersey) there were—ayes 10, noes 36.

So the amendment to the amendment was lost.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Nebraska [Mr. LOBECK].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on the committee amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent to return to section 308, to offer an amendment.

Mr. KITCHIN. I thought the gentleman only wanted unanimous consent for five minutes on that question; but if he will defer, I will ask unanimous consent to return to it before the bill is finally passed.

The Clerk, proceeding with the reading of the bill, read as follows:

TITLE VII.—WAR TAX ON ADMISSIONS AND DUES.

SEC. 700. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any place, to be paid by the person admitted, and a tax of 5 cents for each admission of each person (except in the case of a bona fide employee and children under 12 years of age), admitted free to any place for admission to which a charge is made, to be paid by the person so admitted: *Provided*, That the tax on admission of children under 12 years of age, where an admission charge is made shall in every case be 1 cent. These taxes shall not be imposed in the case of a place the maximum charge for admission to which is 5 cents.

No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious or charitable institutions, societies, or organizations, or admissions to agricultural fairs all the proceeds of which inure exclusively for agricultural ourposes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. This exemption in the case of admission where the charge is not more than 5 cents has raised some criticism, on the ground that in many places where a larger charge is now being made they might reduce the admission.

Mr. KITCHIN. Some gentlemen have talked to me about this, and thought that some of these places would reduce the admission from 10 cents to 5 cents in order to escape the tax. I can not conceive of anybody doing that; but if so, it would be a good thing for certain suburbs of cities to get a 10-cent show for 5 cents.

Mr. MOORE of Pennsylvania. I merely raised the question to know whether the gentleman would accept any amendment.

Mr. KITCHIN. I do not think we ought to accept any amendment.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 30, line 2, after the word "admission," insert the word "subscription," and after the word "admitted," on line 6, insert the following: "In the case of persons having the permanent use of boxes or seats in an opera house or any place of amusement or a lease for the use of such box or seat in such opera house or place of amusement there shall be levied, assessed, collected, and paid a tax equivalent to 10 per cent of the amount for which a similar box or seat is sold for performance or exhibition at which the box or seat is used or reserved by or for the lessee or holder."

Mr. LAGUARDIA. Mr. Chairman, it looks to me as if the committee had overlooked something to tax in New York. The Metropolitan Opera House, in New York City, and opera houses in some of the other large cities in the United States have an annual subscription list for boxes, and the sale of those subscriptions run for years while some of the boxes are held outright. These boxes have a value, sometimes $100 or $200 for a performance, and unless you amend this section there will be no tax for the admission of those people, while the people in the gallery and in the house at large will have to pay the 10 per cent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. KITCHEN) there were 32 ayes and 18 noes.

So the amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 30, strike out all of lines 3, 4, 5, and 6.

Mr. CRAMTON. Mr. Chairman, just a word in connection with that. I am moving to strike out the provision for a tax upon free admissions by reason of the complications that may arise in the enforcement of it. This exempts only bona fide employees and children under 12 years of age. It will charge a tax upon free admission of a policeman or a fireman who, under the municipal ordinance, may be required to be stationed in the theater; likewise reporters and critics for the newspapers.

Mr. KITCHIN. Policemen and firemen perhaps ought to be exempt, but surely not newspaper men.

Mr. CRAMTON. Certainly as to policemen and firemen.

Mr. KITCHIN. I would be willing to accept an amendment in the case of bona fide employees and children under 12 years of age and officers of the law who are attending upon official business.

Mr. CRAMTON. I am just calling it to the gentleman's attention.

Mr. KITCHIN. I believe that is a good suggestion.

Mr. CRAMTON. It seems to me a little funny if they can not fill the theater at a charge, and they want to fill it free, that you should tax the free admissions.

Mr. KITCHIN. I suggest perhaps we should exempt those State or municipal officers who are attending upon official business.

Mr. CRAMTON. Let me call the gentleman's attention to this, as another possibility—and there may be many possibilities that we will not think of. In my home city there is a State institution for defective children. Oftentimes when some entertainment is given the management will admit the inmates of that institution free as an act of charity. This would place a tax upon each of those inmates.

Mr. KITCHIN. Oh, no; there is another provision which takes care of that:

No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious or charitable institutions, societies, or organizations, or admissions to agricultural fairs all the proceeds of which inure exclusively for agricultural purposes.

Mr. CRAMTON. But this is not a case of that kind. It is where they admit two or three hundred inmates.

Mr. CRISP. They charge other people, but let them in free?

Mr. CRAMTON. Yes.

Mr. KITCHIN. Do you mean that with respect to a regular traveling troupe?

Mr. CRAMTON. Yes. For instance, we will say that Sousa's Band or something of that kind comes there. The management will permit these two or three hundred inmates to go in free and will charge everybody else.

Mr. KITCHIN. I do not know how you would distinguish that from other people; if you would say admitted free for charitable purposes, then might not these newspaper men and Members of Congress get into baseball games as a piece of charity?

Mr. CRAMTON. I would solve it by not putting a tax upon free admissions.

Mr. KITCHIN. Oh, we want to catch these fellows with free tickets. I get a ticket to the baseball game down here, perhaps, because I am a Member of Congress.

Mr. CRISP. How does the gentleman get it? I have not got one.

Mr. KITCHIN. Oh, I have not got it really. I am using that as an illustration.

Mr. TAGUE. How is that going to affect such things as admittance during the day of the charitable institutions to the baseball games? In my city, for instance, the proprietors of the baseball clubs give the poor children free admission, perhaps a thousand of them.

Mr. KITCHIN. In Boston?

Mr. TAGUE. Yes. Two days a week are set aside for that.

Mr. KITCHIN. Then I suggest that somebody would help to raise a little penny for each one of the children to pay. I think the people would do that.

Mr. TAGUE. It is not that the people will not do it, but it is something that occurs there every year, something given to all of the institutions by these proprietors.

Mr. KITCHIN. I will say to the gentleman from Michigan that I believe that a law officer would not come in under this

at all. He has a right to go, and it is not a question of a free admission.

Mr. CRAMTON. What would the gentleman say to this possibility? In the case where they admit free they may instead sell a ticket for 1 penny, and then it will be subject to no tax at all.

Mr. KITCHIN. What? Sell a Member of Congress a ticket for a penny?

Mr. CRAMTON. Yes; to anybody they want to admit free; they can evade the law.

Mr. KITCHIN. How would they evade it? Would the gentleman charge a penny to a baseball game?

Mr. CRAMTON. Say, for instance, to a newspaper reporter.

Mr. KITCHIN. The man who would not comprehend the game might have a reduced price down to a penny; but I do not know.

Mr. CRAMTON. I just want to call it to the gentleman's attention.

Mr. MOORE of Pennsylvania. Has the gentleman heard the news that, for instance, at Coney Island, it is reported by a distinguished Member of this House that they admit people free and charge them 10 cents before they permit them to leave?

Mr. KITCHIN. I saw that in the paper. Under this bill they would be caught. They are bound to enter to get out, and when they get in, if they have any accommodations at all, they are charged for admission, but there is another provision that covers that, anyway.

Mr. MOORE of Pennsylvania. The fact that they are admitted and would pay for admission, a charge for the privilege, does not affect the bill.

Mr. KITCHIN. No; we will collect the tax.

Mr. PARKER of New Jersey. Will the gentleman permit a question?

Mr. KITCHIN. I will.

Mr. PARKER of New Jersey. I would like to ask how in the world the tax is going to be paid by the person admitted. The section says it is to be paid "by the person so admitted." You do not assess it upon the proprietor of the establishment.

Mr. KITCHIN. He collects it. He is to turn it over. Under the law the proprietor collects it and turns it over.

Mr. PARKER of New Jersey. But who is to pay it; it does not say the proprietor is to turn it over?

Mr. KITCHIN. Yes; we have another section that provides for that.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. COOPER of Wisconsin. Will the person who has to pay that 5-cent tax pay it at the time he applies for the ticket?

Mr. KITCHIN. Yes; at the time he enters.

Mr. COOPER of Wisconsin. Of course I understand what it means; but the gentleman will observe the language "and a tax of 5 cents for each admission of each person admitted free to be paid by the person so admitted." He can not get in until he has paid the 5 cents, and yet it says "admitted free."

Mr. KITCHIN. He goes in free, but he pays the 5-cent tax to get in.

Mr. COOPER of Wisconsin. Exactly; but he is not "admitted free." That language ought to read "a tax of 5 cents"——

Mr. KITCHIN. That is the tax; he is admitted free.

Mr. CRAMTON. Mr. Chairman, I would ask to have my amendment voted on. My motion was to strike out. I think I will stand on that, and, if it is voted down, then the gentleman can offer his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The question was taken, and the amendment was rejected.

Mr. KITCHIN. Mr. Chairman, I send to the Clerk's desk an amendment out of an abundance of caution. I do not think it is necessary.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 30, line 5, after the word "age," insert the words "and municipal officers on official business."

The question was taken, and the amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I offer the amendment which is at the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. CRAMTON offers the following amendment: Page 30 line 8, after the word "charge," insert "less than the charge for adults."

Mr. CRAMTON. Mr. Chairman, if I may have the attention of the chairman of the committee I will say this seems to me necessary to prevent difficulty in the enforcement of the act. In many cases there are no differences made in the price to a child or an adult. A theater sells a ticket, that is a seat. Now, if you are going to make a difference in the tax as to whether an adult or a child uses that seat, that is a matter that the theater will not know about perhaps, not even the buyer of the ticket might know when he buys it. Hence, I have limited the children's tax, so to speak, to apply only when the ticket is sold at a special price to a child.

In that case, of course, it should work out all right.

Mr. KITCHIN. That is exactly what we intended here. Wherever a child is admitted that is under 12 years of age, I do not care whether it pays the full price or any other price, it pays a penny more.

Mr. CRAMTON. If Keith's Theater sells me a ticket for my little girl, they require me to pay full price for her.

Mr. KITCHIN. Then you will pay a cent on that ticket if she is under 12 years of age.

Mr. CRAMTON. They have no way of knowing.

Mr. KITCHIN. They would see whether it was all right or not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious or charitable institutions, societies, or organizations, or admissions to agricultural fairs all the proceeds of which inure exclusively for agricultural purposes.

Mr. FESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 30, line 14, after the word "organizations," insert "bona fide chautauquas or lyceum courses operated under a contract with local guarantors."

Mr. FESS. Mr. Chairman, if I can have the attention of the chairman of the committee, I will say that I have offered this amendment to exempt the bona fide chautauquas that are operating under local guarantors. I do not mean by that to exempt any associations that are run primarily for profit, but I wondered whether these many lyceum courses that are run in connection with the Young Men's Christian Associations or with the various churches, or with numerous committees that are created in villages and towns or municipalities, which are really charitable in their character, would fall under the terminology of this paragraph. It says, "Religious or charitable institutions, societies, or organizations." There seems to be some confusion as to whether these lyceum courses would fall under this exemption. The language is not conclusive in its meaning.

I have had a good deal of experience, not in lecturing in chautauquas, for I might say to this committee that I have never been in the employment of any lecture bureau, nor have I ever filled an engagement that was dated by a lyceum bureau under contract. So I am not now speaking in the interest of anyone who might have a commercial interest in lyceum courses.

Mr. FORDNEY. Will the gentleman yield?

Mr. FESS. I will.

Mr. FORDNEY. It was the purpose of the committee to tax where admissions were collected for profit, where those gatherings——

Mr. FESS. Let me ask my friend a question. Here is a school that runs an annual lecture course during the school year, and it is run to secure proceeds to be invested in a library, or in books, or in pictures for schoolroom decorations, or in a musical instrument, or the like of that, for use to the public in educational matters. Would such courses fall within the requirements of this tax?

Mr. FORDNEY. I would not think that would be profit.

Mr. FESS. It surely would. But the profits would be invested for the benefit of the town or school.

Mr. FORDNEY. If it is, it ought to pay, then; if it were profit for a library or school, or any other thing except charitable purposes.

Mr. KITCHIN. The gentleman from Ohio forgets this is no tax upon the chautauquas, but upon the man who attends. It collects his little penny, or 5 cents, or, if it is a dollar, 10 cents. Suppose it is a school, why not collect a war tax?

Mr. FESS. For the last 10 years we have run a chautauqua in connection with Antioch College, but never for profit. It has been a distinctive educational value of vast importance to our entire community.

Mr. KITCHIN. You would pay something for a Chautauqua lecture?

Mr. FESS. We had Speaker CLARK, and Gov. Kelley and others two years ago.

Mr. KITCHIN. They were there for profit?

Mr. FESS. We also had Mr. MADDEN and Senator HARDING.

Mr. KITCHIN. I do not think Mr. MADDEN would charge anything, nor in fact, would CLARK or HARDING——

Mr. FESS. Of course, men can not afford to give their time and talent; but in the main these did that for the sake of the college. Some of them gave their services entirely free, even paying their own expenses. It was purely a matter of personal contribution. If it had been necessary for me to have paid all of those men the usual lyceum price, that 1915 chautauqua would have cost me over $700 more than the receipts. My 10 years' experience proved that I could not run such an institution without gratuitous service.

Mr. KITCHIN. You would not have had to pay a cent of tax, because those attending would have paid this little toward the support of the Government.

Mr. FESS. I would have had to charge a sufficient additional amount for the tickets that it would have reduced the attendance way below what it really was. Every man of any experience knows you can not charge beyond a ruling price for either season tickets or single admission.

Mr. KITCHIN. Did you charge anything for the admission?

Mr. FESS. We charged $2.50 for the 10 days, including afternoon and evening programs. Now, I would have had to add——

Mr. KITCHIN. Twenty-five cents.

Mr. FESS. I would have had to make it $2.75.

Mr. KITCHIN. Do you think you would have kept a single person out of there if you had added 25 cents, they knowing that it was for war tax to help on this war?

Mr. FESS. My dear friend, the very fact that the war is on will make the chautauqua less profitable. People will not be so free to indulge in these instructional courses.

Mr. KITCHIN. The fellow that is going to attend will be glad to pay it.

Mr. FESS. I appreciate the position of the chairman. He places the additional amount on a patriotic basis. My fear is that this very important popular educational institution which must depend upon patronage for its continuance will discontinue. I look upon their cessation as a distinct loss to our country. The Chautauqua platform is a great summer school attended by a very respectable proportion of our population, young and old. It is the platform upon which are freely discussed all questions of national import pro and con. It is an error to regard them as primarily commercial. Were they of that character I should not defend them. In that case they should be made to pay the tax. I fear the tax will discourage the people from attendance. They will not buy the tickets.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FESS. I ask unanimous consent, Mr. Chairman, for three minutes more.

Mr. KITCHIN. Oh, let us get on.

Mr. FESS. Will my friend from North Carolina accept the amendment?

Mr. KITCHIN. No.

Mr. AUSTIN. I suggest that you add Mr. KITCHEN to your list of orators next time. [Laughter.]

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for three minutes more. Is there objection?

There was no objection.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes. I yield to the gentleman from Illinois.

Mr. CANNON. Will the gentleman allow me to ask him whether he is going to have the Swiss yodelers?

Mr. FESS. No. I am speaking of a system of public education that is pretty generally established throughout the country which I think will be very largely destroyed by this additional tax. It is not primarily entertainment. It is a public education, suggested by the character of the men that I mentioned a while ago. True we must vary our program so as to suit the community. We usually have musical numbers, some readings, and some entertainment in the evening. But our main program is educational, not entertainment.

Mr. CANNON. Let me ask the gentleman a question.

Mr. FESS. My friend who is interrupting me will likely remember that he had a letter from me inviting him to accept an invitation to come to our place to address our community from our Chautauqua platform.

Mr. CANNON. Yes. Let me ask the gentleman a question, and, if necessary, I will ask to have his time extended.

Mr. FESS. Very well.

Mr. CANNON. I understand that this is a business. The appointments are made in Cleveland, Chicago, and other places, and agreements are made with the people who attend the Chautauquas for so much. In order to get exactly what I mean I understand—and I think I am reliably informed—that some years ago a man who had temporary employment at Harvard—I do not know just how temporary—with a reputation at one time at Chicago, perhaps having some connection with the University of Chicago—a man went out to one point in Indiana and he proceeded to attack this political party and that political party and this individual and that individual, and when he got through he finished up his lecture by advocating the German policy that obtained in some portions of Germany of trial marriages, and if they did not like it it did not go for anything. Is that called "educational?" [Laughter.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CANNON. I ask that the gentleman from Ohio may have five minutes.

Mr. KITCHIN. Oh, let us get on with this.

Mr. COOPER of Wisconsin. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Wisconsin makes the point of no quorum. The Chair will count. [After counting.] Sixty-four gentlemen are present, not a quorum.

Mr. KITCHIN. Mr. Chairman, I move a call of the House.

Mr. MANN. Oh, do not punish all of us.

Mr. COOPER of Wisconsin. It is now half past 6, and when gentlemen begin talking about Chautauquas and trial marriages I do not see any prospect of getting through to-night. [Laughter.]

Mr. KITCHIN. I hope the gentleman will withdraw his point.

The CHAIRMAN. It is too late to withdraw the point of no quorum.

Mr. CARLIN. Automatically the call takes place now.

Mr. KITCHIN. Mr. Chairman, I will state to the House right now that we will stay here to-morrow night and finish the bill, if possible, if we have to stay up all night. [Applause.] This thing of leaving the impression on the outside world that we are not in favor of taxing ourselves to carry on this war is very lamentable and must stop. [Applause.]

Mr. MANN. I have been urging you for a week to stay here at night.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. If the committee will indulge the Chair for a moment, the Chair would like to say this, that the Chair was in error to-day when he made a ruling on the subject of debating an appeal. It is debatable. The Chair wants to correct that.

Mr. MANN. I knew the Chairman was wrong.

The CHAIRMAN. The gentleman from North Carolina moves——

Mr. LAGUARDIA. Mr. Chairman——

The CHAIRMAN. The gentleman is too late. The gentleman from North Carolina moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW—11.30 A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

Mr. MANN. I ask that the gentleman make it 11.30. We have a conference to-morrow morning.

Mr. KITCHIN. Very well.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11.30 to-morrow morning. Is there objection?

There was no objection.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 3330. An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes.

EXTENSION OF REMARKS.

Mr. FESS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the subject I was speaking on when interrupted by the point of no quorum.

The SPEAKER. The gentleman has the right to do that under the general order.

Mr. AUSTIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 33 minutes p. m.) the House adjourned, pursuant to the order just made, until to-morrow, Tuesday, May 22, 1917, at 11.30 a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. RAYBURN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 4467) to amend the act to regulate commerce, as amended, and for other purposes, reported the same without amendment, accompanied by a report (No. 58), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. COADY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 4503) to fix the status and rights of officers of the Public Health Service when serving with the Coast Guard, the Army, or the Navy, reported the same with amendment, accompanied by a report (No. 59), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 4614) providing a graduated rate for payment of second-class postage on newspapers, magazines, and periodicals according to rate of subscription price and number of copies circulated through the mails; to the Committee on the Post Office and Post Roads.

By Mr. AUSTIN: A bill (H. R. 4615) authorizing the Secretary of the Navy to acquire possession of a piece of land in Hudson River, State of New York, county of Rockland, known as Round Island; to the Committee on Naval Affairs.

By Mr. KALANIANAOLE: A bill (H. R. 4616) to ratify, approve, and confirm an act duly enacted by the Legislature of the Territory of Hawaii, creating a commission to increase, conserve, regulate, and control the food supplies of the Territory of Hawaii, and defining its powers and duties and making an appropriation for the purposes thereof; to the Committee on the Territories.

By Mr. FERRIS: A bill (H. R. 4617) to authorize absence by homestead settlers and entrymen, and for other purposes; to the Committee on the Public Lands.

By Mr. HULBERT: A bill (H. R. 4618) to increase the salaries of the United States district attorney and United States marshal for the southern district of New York, and for other purposes; to the Committee on the Judiciary.

By Mr. FITZGERALD: A bill (H. R. 4625) to incorporate the American Academy of Engineers; to the Committee on the Judiciary.

By Mr. EMERSON: Resolution (H. Res. 84) to investigate the cause of the high price of coal; to the Committee on Rules.

By Mr. LENROOT: Resolution (H. Res. 85) repealing paragraph 3 of section 21 of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. KALANIANAOLE: Memorial from the Legislature of the Territory of Hawaii, for the enactment of a law that will permit the people of Hawaii to elect their governor and the secretary of the Territory; to the Committee on Territories.

Also, memorial from the Legislature of the Territory of Hawaii, asking Congress to provide ways and means for the improvement of Honolulu Harbor to meet the ever-increasing requirements of shipping; to the Committee on Rivers and Harbors.

By Mr. CURRY of California: Memorial of the Legislature of the State of California, relating to needy Indians within the State of California; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of California, relative to devoting revenues from national forests to the construction of works for flood control; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of California, relative to the construction and maintenance of a military highway along the Pacific coast from the Canadian to the Mexican border; to the Committee on Military Affairs.

By Mr. KALANIANAOLE: Memorial of the Legislature of the Territory of Hawaii, asking Congress to pass the Kalanianaole bill to give to the Hawaii Legislature the right to put to the vote of the people the question of woman suffrage; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER of Ohio: A bill (H. R. 4619) granting a pension to Mrs. Lucinda Hollabaugh; to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 4620) granting an increase of pension to Joseph A. Craig; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 4621) granting an increase of pension to Ambrose Wells; to the Committee on Invalid Pensions.

By Mr. MORIN: A bill (H. R. 4622) for the relief of Brig. Gen. Chambers McKibbin, United States Army, retired; to the Committee on Military Affairs.

By Miss RANKIN: A bill (H. R. 4623) granting a pension to Claude Johnson; to the Committee on Pensions.

By Mr. ROBERTS: A bill (H. R. 4624) for the relief of Charles M. Way; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of the Southern Baptist Convention, New Orleans, La., signed by J. B. Gamrell, president, and C. M. Moore, secretary, protesting against increase of tax on intoxicating liquors for revenue, and urging prohibition at least during the war; to the Committee on Ways and Means.

Also (by request), petition of Manufacturer's Association, St. Louis, Mo., protesting against the prohibition of the use of grain in the manufacture of beer, liquors, and beverages; to the Committee on the Judiciary.

By Mr. CAREW: Petition of Central Labor Union and labor organizations, protesting against prohibition as a war measure; to the Committee on the Judiciary.

Also, memorial of American Institute of Mining Engineers and the National Arts Club, favoring universal military training; to the Committee on Military Affairs.

By Mr. CARY: Telegram signed by Messrs. Alsted Kasten Co., Emil Bachman, O. H. Bingenheimer, A. Bloedel, Fred Buege, L. W. Bunde, George Durner, Federal Optical Co., E. L. Feiling, Fink Boszhardt Co., Alfred Fuchs, A. E. Gasch, O. L. Glahn, George Gretzer, H. Hammersmith, J. R. Hample, A. C. Hentschel, Ed. Jenesen, J. J. Krieger, Max Krieger, L. Kuesel, Edward Kupper, Anthony Keising, Theodore Leubusher, Lockin Billings Jewelry Co., Otto Logeman, Edward Mass, O. G. Meacha, Arthur B. Meyers, Milwaukee Optical Co., E. H. Motl, Thomas Platzer, T. F. Randloph, E. F. Rohn, E. J. Rohn, August Rack, J. Sauermann, Theodore Schelle, Al Schreiber, Schulenberg Bros., R. Seidel, M. Springer, Henry Stretcher, R. Staller, Stouthammer Bros., B. W. Thien, Fred J. Theleman, F. A. Thomas, Theodore J. Welmeyer, William Upmeyer, L. A. Vaness, E. W. Warnke, Joe Weilstein, F. P. Wilde, Henry Zwengel, George Wolfgram, and George H. Doherty, all of Milwaukee, Wis., urging consideration of the brief and suggested amendments to the revenue bill presented by the jewelry committee which appeared before the Senate Finance Committee May 12; to the Committee on Ways and Means.

Also, petition of John Pritzlaff Hardware Co., of Milwaukee, Wis., protesting against Hardwick amendment to Federal reserve act; to the Committee on Banking and Currency.

Also, memorial of the Loan and Building Association League of Milwaukee, Wis., asking exemption of building and loan associations from war revenue tax; to the Committee on Ways and Means.

Also, petitions of the international executive board, United Mine Workers of America, and Titusville Forge Co., of Milwaukee, Wis., against zone system; to the Committee on Ways and Means.

By Mr. CRAGO: Memorial of Market Square Presbyterian Church, of Harrisburg; First Christian Church of Marianna; and Rotary Club of Pittsburgh, Pa., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Memorial of National Board of Fire Underwriters, favoring daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petitions of Wallace & Co. and the Crockery Board of Trade, of New York, against increase in letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of Retail Liquor Dealers' Association, against prohibition legislation; to the Committee on the Judiciary.

Also, petition of the Merchants' Association of New York, against 10 per cent tax on express shipments; to the Committee on Ways and Means.

Also, petition of sundry citizens of New York, opposing the zone system to second-class mail matter; to the Committee on Ways and Means.

Also, petition of the American Bankers' Association, favoring the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, memorial of New York Association for the Protection of Game, relative to treaty for protection of migratory birds; to the Committee on Foreign Affairs.

By Mr. DOOLING: Memorial of the Merchants' Association of New York, opposing increase of postal rates on second-class matter; to the Committee on Ways and Means.

Also, memorial of the Alumnæ Association of the Polytechnic Institute of Brooklyn, N. Y., expressing loyalty and support to the Government; to the Committee on Military Affairs.

By Mr. ESCH: Memorial of farmers and farm owners of Melrose and La Crosse (Wis.) Retail Grocers' Association, relative to food control; to the Committee on Agriculture.

Also, memorial of the New York Association for the Protection of Game, relative to treaty for protection of migratory birds; to the Committee on Foreign Affairs.

By Mr. FREEMAN: Petition of Edwin Lamphere and others, of Old Mystic, Conn., protesting against the use of grain in the manufacture of intoxicating liquors; to the Committee on the Judiciary.

Also, petition of Ernest Wilde and others, of Central Village, Conn., protesting against the use of grain in the manufacture of intoxicating liquors; to the Committee on the Judiciary.

Also, petition of J. M. Potter and others, of Gales Ferry, Conn., against the use of grain in the manufacture of intoxicating liquor; to the Committee on the Judiciary.

Also, petition of J. Franklin Bailey and others, of Durham, Conn., favoring national prohibition during the war; to the Committee on the Judiciary.

Also, petition of Mrs. Lucy Smith and others, of Eagleville, Conn., protesting against the use of grain for manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. GRIFFIN: Petitions of sundry publishers and citizens of New York, against the increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petition of Jewelers' Vigilance Committee, relative to the jewelry business in war-revenue bill; to the Committee on Ways and Means.

Also, petition of the American Bankers' Association of New York, favoring Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of Patriotic Educational Guilds, relative to universal military training; to the Committee on Military Affairs.

Also, petition of Retail Liquor Dealers' Association, against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Mitchell Wagon Co., relative to method for controlling profits of manufacturers and suppliers on war goods; to the Committee on Military Affairs.

Also, petition of Motion Picture Exhibitors' League of North America and other allied theater interests, concerning suggestion for amendment of House bill 4280, relative to war tax; to the Committee on Ways and Means.

Also, petition of Pathe Exchange, against tax in war-revenue bill and favoring Canadian system of taxation; to the Committee on Ways and Means.

By Mr. HOLLINGSWORTH: Memorial of United Presbyterian Church of Scraggsfield, Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. McFADDEN: Memorial of Universalist Churches of Hop Bottom and Nicholson, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the international executive board of United Mine Workers of America, representing 500,000 mine workers, protesting against an increase of rates on second-class mail matter; to the Committee on Ways and Means.

By Mr. NOLAN: Resolutions adopted by Local No. 164, International Molders' Union, San Francisco, Cal., and the Central Labor Council of Alameda County, Oakland Cal.; also protests of Stationary Engineers, Local No. 64, International Union of Steam and Operating Engineers, and Local Union, No. 1689, United Brotherhood of Carpenters and Joiners, of San Francisco, Cal., protesting against any amendment to the Chinese-exclusion act which would permit the importation to this country of any Chinese for farm laborers; to the Committee on Immigration and Naturalization.

By Mr. PLATT: Petition of members of the Tabernacle Baptist Church, of Poughkeepsie, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRATT: Petition of Woman Suffrage Party of Schuyler County, N. Y., by Miss Jessie Norton, secretary, favoring the woman-suffrage amendment; to the Committee on the Judiciary.

By Mr. ROWE: Petition of Printed Bookbinders Local Union, No. 3, of New York, N. Y., protesting against increase of second-class postage rates; to the Committee on Ways and Means.

Also, petition of A. Ryder, of Brooklyn, N. Y., protesting against exempting State, county, or municipal officers from payment of income tax; to the Committee on Ways and Means.

Also, petition of H. N. Thomas, of Brooklyn, N. Y., protesting against tax on carbonic acid; to the Committee on Ways and Means.

By Mr. SINNOTT: Petition of 700 citizens and residents of Mansfield, Oreg., favoring legislation against food speculation; to the Committee on Agriculture.

By Mr. STINESS: Petitions of Massachusetts and Rhode Island Retail Jewelers' Association, E. F. Lilley, president, J. Arthur Clem, secretary; B. A. Ballou & Co. (Inc.); the Low, Taussig, Karpeles Co., Maurice J. Karpeles, president; Cohn, Rosenberger (Inc.); Gorham Manufacturing Co.; William C. Greene Co.; M. F. Williams Co.; Cutler Jewelry Co.; S. B. Champlin Co.; Ostby & Barton Co.; E. R. Barker; Wolcott Manufacturing Co.; Markham & Stone; the R. L. Griffith & Son Co.; New England Manufacturing Jewelers and Silversmiths' Association; the Albert Walker Co.; Oscar E. Place & Sons Co.; Thornton Bros. Co.; Wachenheimer Bros.; and Chapin & Hollister Co., all of Providence, in the State of Rhode Island; and Standard Button Co., Clarence L. Watson, president, Attleboro, Mass., favoring amendments to the revenue bill as set forth by the jewelry committee representing the interests of the entire jewelry industry in its brief presented to the Senate Finance Committee May 12, 1917; to the Committee on Ways and Means.

By Mr. VARE: Petition of the Farm Journal, relative to proposed zone postal rates; to the Committee on the Post Office and Post Roads.

Also, memorial of Catholic Total Abstinence Union of Philadelphia and Rotary Club of Pittsburgh (Pa.), favoring prohibition as war measure; to the Committee on the Judiciary.

SENATE.

TUESDAY, *May 22, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, who sittest upon Thy throne ruling aright, look with infinite compassion upon us. Bless our whole Nation. Fill the people with an ardent desire for the establishment of the liberty of the sons of God, for the welfare of all mankind, and for the coming of Thy kingdom. Guide in the councils of our Nation. Bless every anxious heart awaiting amid uncertainty, with ever-increasing faith in Thy providence, and with patience under trials. Grant to hasten the day when triumph of the right shall come, when all the people shall read in living lines the leadership of God in the midst of this Nation, dedicated to His service. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of the National Board of Fire Underwriters, praying for the enactment of legislation for daylight saving, which was referred to the Committee on Interstate Commerce.

He also presented a telegram in the nature of a petition from the Fruit Growers' Agency of Spokane, Wash., praying that fresh fruit be classified as food and for the exemption of farm laborers from conscription, which was referred to the Committee on Agriculture and Forestry.

He also presented a telegram in the nature of a memorial from the Southern Baptist Convention, held at New Orleans, La., remonstrating against an increase of the tax on intoxicating liquor and praying for national prohibition, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Rochester, N. Y., praying for the repeal of the conscription law and remonstrating against sending troops to France, which was referred to the Committee on Military Affairs.

He also presented the petition of W. A. Claflin, of Montpelier, Vt., submitting a plan for solving the submarine menace, which was referred to the Committee on Naval Affairs.

Mr. KENDRICK. I have here a copy of a memorial from the market committee, representing the American National Live Stock Association, in which is reflected the sentiment of the stock growers of the Nation in regard to the pending food-control legislation. I ask that the memorial be read and published in the RECORD.

There being no objection, the memorial was read, as follows:

[Telegram.]

DENVER, COLO., *May 15, 1917.*

Hon. THOMAS P. GORE,
Chairman Committee on Agriculture;
Hon. DAVID F. HOUSTON,
Secretary of Agriculture, Washington, D. C.:

The American National Live Stock Association is in hearty accord with the policy of the Government to encourage food production and has tendered its active cooperation in determining and executing the most effective plans for the accomplishment of this purpose. To do this with respect to live stock it is most important that our available pasturage and feed supplies shall be utilized in the most highly efficient manner and that the number and character of animals fed and the distribution of these animals shall be properly related to the available pasturage and feed. We therefore respectfully suggest that legislative or administrative restrictions should not be imposed upon the shipment or slaughter of cows and calves until the precise character of such restrictions and their possible effect upon the very object we all have in mind has been given the most careful consideration in connection with such information and advice as can be obtained from experienced live-stock producers and feeders.

MARKET COMMITTEE AMERICAN NATIONAL
LIVE STOCK ASSOCIATION,
H. A. JASTRO, *Chairman.*

Mr. NELSON presented petitions of sundry citizens of Minnesota, praying for the enactment of legislation to prohibit the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

He also presented memorials of the Webb Publishing Co., of St. Paul, Minn., and the Agricultural Publishers' Association, of Chicago, Ill., remonstrating against an increase of postage rates on second-class mail matter, which were referred to the Committee on Finance.

Mr. TOWNSEND presented a petition of the congregation of the First Congregational Church of Onekama, Mich., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Coleman, Mich., praying for the repeal of the conscription law, which was referred to the Committee on Military Affairs.

He also presented a petition of the congregation of the Methodist Episcopal Church of Sandusky, Mich., remonstrating against the use of grain for the manufacture of intoxicating liquor, which was referred to the Committee on Agriculture and Forestry.

He also presented memorials of the Federation of Labor of Detroit, the Central Labor Council of Sault Ste. Marie; of Council No. 156, United Commercial Travelers of America, of Kalamazoo; and of Council No. 131, United Commercial Travelers of America, of Grand Rapids, all of Michigan, remonstrating against an increase in postal rates on second-class mail matter, which were referred to the Committee on Finance.

He also presented a memorial of Cigar Makers' Local Union of Sault Ste. Marie, Mich., remonstrating against an increase in the tax on cigars, which was referred to the Committee on Finance.

Mr. LODGE presented a petition of the Massachusetts State Committee on Public Safety, praying for the enactment of legislation for daylight saving, which was referred to the Committee on Interstate Commerce.

Mr. PAGE presented petitions of the Local Union, No. 683, United Brotherhood of Carpenters and Joiners of America, of Burlington, Vt., praying for the enactment of legislation to raise the war expenses by increased income taxes, etc., which were referred to the Committee on Finance.

Mr. SMITH of Maryland presented petitions of the congregation of the Presbyterian Church of Kensington and sundry citizens of Halethorpe and Baltimore, in the State of Maryland, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

BILLS AND A JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHERMAN:

A bill (S. 2345) granting an increase of pension to Joshua A. Epperson; and

A bill (S. 2346) granting an increase of pension to William F. Hicks; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 2347) granting an increase of pension to Josiah Wilson; to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 2348) granting a pension to Mark M. Coffman; to the Committee on Pensions.

By Mr. SMITH of Maryland:

A bill (S. 2349) for the relief of Jacob M. Middlekauff; to the Committee on Claims.

By Mr. JONES of Washington:

A joint resolution (S. J. Res. 68) authorizing a survey of the canal between Port Townsend Bay and Oak Bay, in Jefferson County, Wash.; to the Committee on Commerce.

DEALINGS IN FUTURES.

Mr. NELSON. I submit an amendment intended to be proposed by me to the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes. I ask that it be read, printed, and referred to the Committee on Agriculture and Forestry.

The amendment was read, ordered to be printed, and referred to the Committee on Agriculture and Forestry, as follows:

SEC. —. Any building or room occupied or used by a board of trade, chamber of commerce, grain exchange, or otherwise, in which wheat or other food cereals are bought or sold for present or future delivery shall, for the purpose of this act, be known as a grain exchange.

All persons engaged in buying or selling, for present or future delivery, any wheat or other food cereal, in or about any such grain exchange, shall be known and designated as traders in grain.

All sales of wheat or other food cereals by such traders in such exchanges for future delivery, and not for present or immediate delivery, shall be known and designated as dealings in futures.

If at any time during the pendency of the existing war between the United States and the German Empire the President of the United States shall find that such dealings in futures, in or about any grain exchange, unduly, unreasonably, and in an unwarranted manner raise or enhance the price of wheat or other food cereals, to the injury of the people of the United States, he may at once request the traders in such exchange to discontinue for a time specified by him all dealings in futures, where there is no actual delivery of the product sold. In case such request of the President is not promptly complied with, then he is hereby empowered to order such dealings in futures, as last aforesaid, to be entirely suspended and discontinued for such limited time as he may direct, and if such order is not promptly complied with he is hereby empowered to close such grain exchange for the purpose of enforcing such order.

FOOD CONTROL.

Mr. NEWLANDS submitted an amendment intended to be proposed by him to the bill (S. 2263) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

OREGON & CALIFORNIA RAILROAD CO.

Mr. CHAMBERLAIN. I ask to have referred to the Committee on Printing a copy of the law and the decision of the Supreme Court in connection therewith relative to the construction of a railroad and telegraph line from the Central Pacific Railroad, in California, to Portland, Oreg., with a view to having them printed as a public document.

Mr. SMOOT. May I ask the Senator what was the request?

Mr. CHAMBERLAIN. I was asking to have referred to the Committee on Printing a copy of the law and decision of the court, which I desire to have printed as a public document. I wish the committee to examine it and report on it first.

The VICE PRESIDENT. The matter will be referred to the Committee on Printing.

CAR-SERVICE SHORTAGE.

The VICE PRESIDENT. The morning business is closed.

Mr. POMERENE. I ask unanimous consent to proceed to the consideration of the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes, which was reported by me yesterday from the Committee on Interstate Commerce.

The VICE PRESIDENT. Is there objection to the request of the Senator from Ohio?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported

from the Committee on Interstate Commerce with an amendment to strike out all after the enacting clause and insert:

That an act to regulate commerce, approved February 4, 1887, and all acts amendatory thereof, be further amended and supplemented as follows:

The term "car service," as used in this act, shall include the movement, distribution, exchange, interchange, and return of cars used in the transportation of property by any carrier subject to the provisions of this act.

It shall be the duty of every such carrier to establish, observe, and enforce just and reasonable rules, regulations, and practices with respect to car service, and every unjust and unreasonable rule, regulation, and practice with respect to car service is prohibited and declared to be unlawful.

The Interstate Commerce Commission is hereby authorized by general or special orders to require all carriers subject to the provisions of the act, or any of them, to file with it from time to time their rules and regulations with respect to car service, and the commission may, in its discretion, direct that the said rules and regulations shall be incorporated in their schedules showing rates, fares, and charges for transportation and be subject to any or all of the provisions of the act relating thereto.

The commission shall, after hearing, on a complaint or upon its own initiative without complaint, establish reasonable rules, regulations, and practices with respect to car service, including the classification of cars, compensation to be paid for the use of any car not owned by any such common carrier and the penalties or other sanctions for nonobservance of such rules.

Whenever the commission shall be of opinion that necessity exists for immediate action with respect to the supply or use of cars for transportation of property, the commission shall have, and it is hereby given, authority, either upon complaint or upon its own initiative without complaint, at once, if it so orders, without answer or other formal pleading by the interested carrier or carriers, and with or without notice, hearing or the making or filing of a report, according as the commission may determine, to suspend the operation of any or all rules, regulations, or practices then established with respect to car service for such time as may be determined by the commission, and also authority to make such just and reasonable directions with respect to car service during such time as in its opinion will best promote car service in the interest of the public and the commerce of the people.

The directions of the commission as to car service may be made through and by such agents or agencies as the commission shall designate and appoint for that purpose.

In case of failure or refusal on the part of any carrier, receiver, or trustee to comply with any direction or order with respect to car service, such carrier, receiver, or trustee shall be liable to a penalty of not less than $100 nor more than $500 for each such offense and $50 for each and every day of the continuance of such offense, which shall accrue to the United States and may be recovered in a civil action brought by the United States.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. POMERENE. Yesterday I presented a report on the bill, and in order that the Senate may have access to the reasons which prompted the committee to adopt the amendment I ask that the report be printed in the CONGRESSIONAL RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Senate Report No. 43, Sixty-fifth Congress, first session.]

Mr. POMERENE, from the Committee on Interstate Commerce, submitted the following report:

The Committee on Interstate Commerce, to whom was referred the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended, in respect to car service, and for other purposes, having considered the same, report it back to the Senate with the recommendation to strike out all after the enacting clause and substitute therefor the following:

"That an act to regulate commerce, approved February 4, 1887, and all acts amendatory thereof, be further amended and supplemented as follows:

"'The term "car service" as used in this act shall include the movement, distribution, exchange, interchange, and return of cars used in the transportation of property by any carrier subject to the provisions of this act.

"'It shall be the duty of every such carrier to establish, observe, and enforce just and reasonable rules, regulations, and practices with respect to car service, and every unjust and unreasonable rule, regulation, and practice with respect to car service is prohibited and declared to be unlawful.

"'The Interstate Commerce Commission is hereby authorized by general or special orders to require all carriers subject to the provisions of the act, or any of them, to file with it from time to time their rules and regulations with respect to car service, and the commission may, in its discretion, direct that the said rules and regulations shall be incorporated in their schedules showing rates, fares, and charges for transportation and be subject to any or all of the provisions of the act relating thereto.

"'The commission shall, after hearing, on a complaint or upon its own initiative without complaint, establish reasonable rules, regulations, and practices with respect to car service, including the classification of cars, compensation to be paid for the use of any car not owned by any such common carrier, and the penalties or other sanctions for nonobservance of such rules.

"'Whenever the commission shall be of opinion that necessity exists for immediate action with respect to the supply or use of cars for transportation of property, the commission shall have, and it is hereby given, authority, either upon complaint or upon its own initiative without complaint, at once, if it so orders, without answer or other formal pleading by the interested carrier or carriers, and with or without notice, hearing, or the making or filing of a report, according as the commission may determine, to suspend the operation of any or all rules, regulations, or practices then established with respect to car service for such time as may be determined by the commission, and also authority to make such just and reasonable directions with respect to car service during such time as in its opinion will best promote car service in the interest of the public and the commerce of the people.

"'The directions of the commission as to car service may be made through and by such agents or agencies as the commission shall designate and appoint for that purpose.

"'In case of failure or refusal on the part of any carrier, receiver, or trustee to comply with any direction or order with respect to car service, such carrier, receiver, or trustee shall be liable to a penalty of not less than $100 nor more than $500 for each such offense and $50 for each and every day of the continuance of such offense, which shall accrue to the United States and may be recovered in a civil action brought by the United States.'"

The first paragraph of the proposed amendment defines the term car service used in this bill as including "the movement, distribution, exchange, interchange, and return of cars" used in the transportation of property by any carrier subject to its provisions;

The second paragraph makes it the duty of the carriers to establish, observe, and enforce just and reasonable rules, regulations, and practices, with respect to car service and prohibits unjust and unreasonable rules, regulations, and practices;

The third paragraph authorizes the commission to require carriers to file with it from time to time the rules and regulations with respect to car service and the commission, in its discretion, may order them to be incorporated in their schedules of rates, fares, and charges for transportation;

The fourth paragraph provides that the commission, after hearing on a complaint, or upon its own initiative without complaint, shall establish reasonable rules, regulations, and practices with respect to car service, classification of cars, and the compensation to be paid for the use of any car not owned by any such common carrier and penalties or other sanctions for the observation of such rules;

The fifth paragraph authorizes the commission, when in its opinion necessity exists for immediate action with respect to the supply or use of cars for transportation of property, either upon complaint or upon its own initiative, without complaint, at once, and if it so orders, without answer or other formal pleading, and with or without notice, hearing, or report, to suspend the operation or any or all rules, regulations, or practices then established for such time as the commission may desire, and to make such just and reasonable directions with respect to car service during such time as in its opinion will best promote car service in the interest of the public and the commerce of the people;

The sixth paragraph permits the commission to exercise its authority through such agents or agencies as it may designate for that purpose; and

The seventh and last paragraph fixes the penalties.

The purpose of the proposed amendment or substitute is to give the commission plenary power over the "movement, distribution, exchange, interchange, and return of cars," to the end that the public may receive the best possible service in transportation.

The Interstate Commerce Commission decided January 18, 1917, by a vote of 4 to 3, in "No. 9284, Car Supply Investigation," that the Interstate Commerce Commission had the power to control the distribution of cars. Three of the commissioners, Messrs. Clark, Clements, and Hall, dissented from this view. Whether the majority or minority opinion is the correct view, it is sufficient to say that grave doubt exists when there should be none. A maximum of service can only be had out of present facilities by conferring upon the Interstate Commerce Commission the power to regulate car service.

Our transportation system for months has failed to meet the requirements of trade. Cars have not been equitably distributed. This may be due in part to lack of warehouse, elevator, and trackage facilities; in part to insufficient supply of cars; in part to failure of shippers and consignees to load and unload cars, but it certainly is in large part caused by lack of system in the movement, distribution, exchange, and interchange and return of cars. Inexcusable delays have been permitted in returning cars from points of destination to the roads owning them. There seems to be an utter lack of spirit of accommodation among the different railway systems in the return of cars to the owning companies, with the result that many cars have been lying idle when they should be moving. Thus the public has been compelled to suffer unnecessarily. Because of this condition producers of food, fuel, and merchandise have not been able to transport their products to the consumers, and the public has been made to suffer unnecessarily.

To illustrate conditions in grain-producing States, the testimony of Mr. O. P. B. Jacobson, railroad commissioner of Minnesota, is illuminating. In substance he told the Interstate Commerce Commission on May 3, 1917, that the State of Minnesota had 25,000,000 bushels of grain which should be removed at once. Twenty million bushels of it had been sold to millers and other grain men throughout the United States and the other 5,000,000 to the allies, and the railroads were without cars with which to move this great supply. At that time thousands and thousands of cars with grain were on the tracks of the Lehigh Valley and other roads for months, coming from the West. Thirty per cent of the cars of the Great Northern Railroad were in the East and the owning company could not get them back. The same condition was true with the Northern Pacific.

According to figures furnished the committee by the Interstate Commerce Commission, the railroads grouped in the States indicated, had, on April 15, 1917, box cars on their lines in excess of those owned by them, as follows:

In the New England States, 9,869 cars.

In New York, New Jersey, Delaware, Maryland, and east Pennsylvania, 69,198 cars.

In Ohio, Indiana, Michigan, and west Pennsylvania, 12,060 cars.

In Virginia, West Virginia, North and South Carolina, 11,065 cars.

The railroads in the following groups of States on the same date owned box cars in excess of the number on their lines, as follows:

In Kentucky, Tennessee, Mississippi, Alabama, Georgia, and Florida, 24,980 cars; Iowa, Illinois, Wisconsin, and Minnesota, 30,211 cars; Montana, Wyoming, Nebraska, and the Dakotas, 2,230 cars; Kansas, Colorado, Oklahoma, Missouri, and Arkansas, 17,861 cars; Texas, Louisiana, and New Mexico, 4,617 cars; Oregon, Washington, Idaho, Nevada, California, Utah, and Arizona, 4,939 cars.

On the same date, the railroads grouped in the following States indicated had gondola coal and coke cars on their lines in excess of those owned by them, as follows:

In the New England States, 10,039; Ohio, Indiana, Michigan, and west Pennsylvania, 5,266; Iowa, Illinois, Wisconsin, and Minnesota,

19,350; Montana, Wyoming, Nebraska, and the Dakotas, 1,965; Kansas, Colorado, Oklahoma, Missouri, and Arkansas, 2,923; Texas, Louisiana, and New Mexico, 170; Oregon, Washington, Idaho, Nevada, California, Utah, and Arizona, 6,003.

And the railroads in the following groups of States owned cars in excess of the number on their lines as follows:

In New York, New Jersey, Delaware, Maryland, and east Pennsylvania, 47,646; Virginia, West Virginia, North and South Carolina, 31,249; and Kentucky, Tennessee, Mississippi, Alabama, Georgia, and Florida, 15,723.

Car service rules relating to the return of cars to the owning roads have been prescribed by the American Railway Association, but many of the carriers have refused or neglected to comply with these regulations. Failure to return cars to the owning roads has become a common practice.

"The misuses of equipment resulted in depriving the owning lines of cars which they had provided for the transportation of coal, grain, perishable commodities, and other articles and diverted such cars from the normal channels to the transportation of other commodities in other territory and reducing in large measure the ability of certain carriers to serve the shippers and consignees of freight located on their lines or their connections, and in denying to many shippers and consignees such transportation facilities as were necessary to them, and such as they would have received if freight cars had been handled in accordance with car-service rules."

Your committee is driven to the conclusion that while additional equipment is perhaps needed to accommodate the extraordinary amount of traffic, they have not used their present equipment systematically and so as to get from it the amount of service of which it is capable.

The American Railway Association has adopted rules providing for the return of cars to the owning roads, but their rules, no doubt adopted in the best of faith, have not been observed by some of the carriers. Under the circumstances, your committee is of the opinion that the Interstate Commerce Commission should be clothed not only with authority to make the necessary rules, but also with the power to see that they are properly enforced.

We therefore recommend the adoption of the proposed substitute. Our reasons for preferring the substitute for the bill as it passed the House are in part as follows:

First. It is shorter in form and we believe more readily understood.

Second. Its definition of car service is broader and embraces "the movement and distribution" of cars as well as "the exchange, interchange, and return of cars."

Third. The commission is required to establish reasonable rules, regulations, and practices with respect to car service.

Fourth. We give to the commission fuller power over car service whenever the occasion requires its exercise.

Mr. NEWLANDS. I suggest to the Senator from Ohio that he ask for a conference with the House upon the bill and amendment.

Mr. POMERENE. The Senator can make that request.

Mr. NEWLANDS. I move that the Senate request a conference with the House on the bill and amendment and that the conferees be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. NEWLANDS, Mr. POMERENE, and Mr. CUMMINS conferees on the part of the Senate.

INTERSTATE COMMERCE COMMISSION.

Mr. ROBINSON. I move that the Senate proceed to the consideration of the bill (S. 1816) to amend the act to regulate commerce, as amended, and for other purposes.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That section 24 of an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, be further amended to read as follows:

"SEC. 24. That the Interstate Commerce Commission is hereby enlarged so as to consist of nine members, with terms of seven years, and each shall receive $10,000 compensation annually. The qualifications of the members and the manner of the payment of their salaries shall be as already provided by law. Such enlargement of the commission shall be accomplished through appointment by the President, by and with the advice and consent of the Senate, of two additional Interstate Commerce Commissioners, one for a term expiring December 31, 1921, and one for a term expiring December 31, 1922. The terms of the present commissioners, or of any successor appointed to fill a vacancy caused by the death or resignation of any of the present commissioners, shall expire as heretofore provided by law. Their successors and the successors of the additional commissioners herein provided for shall be appointed for the full term of seven years, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he shall succeed. Not more than five commissioners shall be appointed from the same political party."

SEC. 2. That section 17 of said act, as amended, be further amended to read as follows:

"SEC. 17. That the commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends of justice. The commission shall have an official seal, which shall be judicially noticed. Any member of the commission may administer oaths and affirmations and sign subpœnas. A majority of the commission shall constitute a quorum for the transaction of business, except as may be otherwise herein provided, but no commissioner shall participate in any hearing or proceeding in which he has any pecuniary interest. The commission may, from time to time, make or amend such general rules or orders as may be requisite for the order and regulation of proceedings before it, or before any division of the commission, including forms of notices and the service thereof, which shall conform, as nearly as may be, to those in use in the courts of the United States. Any party may appear before the commission or any division thereof and be heard in person or by attorney. Every vote and official act of the commission, or of any division thereof, shall be entered of record, and its proceedings shall be public upon the request of any party interested.

"The commission is hereby authorized by its order to divide the members thereof into as many divisions as it may deem necessary, which may be changed from time to time. Such divisions shall be denominated, respectively, division 1, division 2, etc. Any commissioner may be assigned to and may serve upon such division or divisions as the commission may direct, and the senior in service of the commissioners constituting any of said divisions shall act as chairman thereof. In case of vacancy in any division, or of absence or inability to serve thereon of any commissioner thereto assigned, the chairman of the commission, or any commissioner designated by him for that purpose, may temporarily serve on said division until the commission shall otherwise order.

"The commission may by order direct that any of its work, business, or functions arising under this act, or under any act amendatory thereof, or supplemental thereto, or under any amendment which may be made to any of said acts, or under any other act or joint resolution which has been or may hereafter be approved, or in respect of any matter which has been or may be referred to the commission by Congress or by either branch thereof, be assigned or referred to any of said divisions for action thereon, and may by order at any time amend, modify, supplement, or rescind any such direction. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the commission.

"In conformity with and subject to the order or orders of the commission in the premises, each division so constituted shall have power and authority by a majority thereof to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned or referred to it for action by the commission, and in respect thereof the division shall have all the jurisdiction and powers now or then conferred by law upon the commission, and be subject to the same duties and obligations. Any order, decision, or report made or other action taken by any of said divisions in respect of any matters so assigned or referred to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the commission as a whole. The secretary and seal of the commission shall be the secretary and seal of each division thereof.

"In all proceedings relating to the reasonableness of rates or to alleged discriminations not less than three members shall sit in the hearing and participate in the decision; and in all hearings relating to the valuation of railway property under the act entitled 'An act to amend an act entitled "An act to regulate commerce," approved February 4, 1887, and all acts amendatory thereof, by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities,' approved March 1, 1913, not less than seven members shall sit in the hearing and participate in the decision.

"The salary of the secretary of the commission shall be $7,500 per annum.

"Nothing in this section contained, or done pursuant thereto, shall be deemed to divest the commission of any of its powers."

SEC. 3. So much of section 18 of the act to regulate commerce as fixes the salary of the secretary of the commission is hereby repealed.

Mr. SMOOT. Mr. President, I notice on page 5 of the bill, beginning in line 21, it is provided that—

The salary of the secretary of the commission shall be $7,500 per annum.

Mr. ROBINSON. It is.

Mr. SMOOT. As I remember, the present salary of the secretary is $5,000.

Mr. ROBINSON. The Senator from Utah is correct.

Mr. SMOOT. Will the Senator from Arkansas state to the Senate why that increase is made?

Mr. ROBINSON. I shall be very glad to do so.

Mr. SMOOT. I shall be very glad to hear the Senator.

Mr. ROBINSON. This increase is very strongly urged and recommended by the members of the Interstate Commerce Commission who appeared before the Senate Committee on Interstate Commerce. The facts, as disclosed upon the hearings on the bill and on similar bills, make it appear to the committee that the work of the secretary has been very greatly increased, that it is constantly increasing, and that the present salary is inadequate to compensate the secretary for the services which he actually performs. The committee thought the increase asked was but a fair one. That is the reason we made the increase from $5,000 to $7,500 per annum.

Mr. NEWLANDS. Mr. President, I will supplement what the Senator from Arkansas has said by stating that a similar bill passed the House at the last session. This matter was then fully considered by the committee of the House. The committee of the House also agreed that the important and onerous character of the duties of the practical administrator of the commission required this increase. This provision was in the bill as it came to us.

Mr. STONE. Mr. President, I should like to ask the Senator from Nevada how long has the present secretary been in office?

Mr. NEWLANDS. He has been in office for a number of years; I think ever since the death of Mr. Moseley.

Mr. STONE. When did Mr. Moseley die?

Mr. NEWLANDS. Some six or seven years ago.

Mr. STONE. What did Mr. Moseley get?

Mr. NEWLANDS. He got $5,000 a year.

Mr. ROBINSON. Mr. President, I should like to hear the proceedings of the Senate but I can not hear anything that is going on in the conversation or confidential communication between the Senator from Missouri and the Senator from Nevada.

Mr. NEWLANDS. I was stating, in reply to the query of the Senator from Missouri [Mr. STONE], that the present secretary,

according to my recollection, succeeded Mr. Moseley. The Senator then asked me what Mr. Moseley's salary was, and I said it was $5,000.

Mr. STONE. Who is the present secretary?

Mr. NEWLANDS. Mr. McGinty. Mr. McGinty is a very competent man. The duties of the commission have very largely increased and the duties of the secretary have very largely increased. The secretary is practically the administrative officer of the commission. That was fully considered by the Senate committee, as it had also been fully considered by the committee of the other House, and the bill which was passed by the other House at the last session provided for this increase of salary.

Mr. STONE. But what is the exact reason, as a business proposition, why Mr. McGinty's salary should now be raised one-half—I am not speaking of the per cent—one-half more than it now is? What is the exact reason for that?

Mr. NEWLANDS. The exact reason is that the duties of the office are very important and onerous and require a good administrator.

Mr. ROBINSON. Will the Senator from Nevada permit me to make a statement?

Mr. NEWLANDS. Certainly.

Mr. STONE. Just a moment. The duties of this officer are now the same as formerly?

Mr. ROBINSON. Will the Senator permit me, in my own time, to make a statement? If objection is made by the Senator from Missouri and other Senators to this increase in the salary, I offer the following amendment: On page 5, line 22, to strike out "$7,500" and to insert "$5,000."

Mr. SMOOT. Mr. President, just a word. I am glad that the Senator from Arkansas has offered that amendment, and I sincerely hope that the Senate will adopt it. I want merely a moment to give my reasons for that.

When the legislative appropriation bill was passed and all other appropriation bills providing for the salaries of the employees of the Government it was tacitly agreed that, under present conditions, there should not be an increase of salary in any particular case. I have thought it was nothing more than right that that same understanding be followed out in a special bill increasing the membership of the Interstate Commerce Commission. I do not care to say anything more in regard to the matter, because I think the amendment proposed by the Senator from Arkansas [Mr. ROBINSON] is a just one and ought to be adopted.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Arkansas.

The amendment was agreed to.

The VICE PRESIDENT. In view of the amendment which has just been made on the motion of the Senator from Arkansas, section 3, which relates to the same question, should be stricken out.

Mr. ROBINSON. I move that amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 6 it is proposed to strike out section 3, as follows:

SEC. 3. So much of section 18 of the act to regulate commerce as fixes the salary of the secretary of the commission is hereby repealed.

The amendment was agreed to.

Mr. SMITH of Georgia. Mr. President, I offer an amendment, to be known as section 4.

The VICE PRESIDENT. Section 3 has now been stricken out.

Mr. SMITH of Georgia. Then, I move the amendment which I send to the desk as section 3.

The VICE PRESIDENT. The amendment proposed by the Senator from Georgia will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. 3. That section 15 of the act to regulate commerce as amended June 18, 1910, be further amended by striking from the second paragraph of said section the following words: "the commission shall have, and it is hereby given, authority, either upon complaint or upon its own initiative without complaint, at once, and if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the propriety of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon the commission upon filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension may suspend the operation of such schedule and defer the use of such rate, fare, charge, classification, regulation, or practice, but not for a longer period than 120 days beyond the time when such rate, fare, charge, classification, regulation, or practice would otherwise go into effect; and after full hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the commission may make such order in reference to such rate, fare, charge, classification, regulation, or practice as would be proper in a proceeding initiated after the rate, fare, charge, classification, regulation, or practice had become effective: *Provided*, That if any such hearing can not be concluded within the period of suspension, as above stated, the Interstate Commerce Commission may, in its discretion, extend the time of suspension for a further period not exceeding 6 months"; and by inserting in lieu thereof the following: "the commission upon its own initiative may, and upon complaint or protest shall, at once, and if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, enter upon a hearing concerning the reasonableness and propriety of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon the operation of such schedule shall be suspended and the use of such rate, fare, charge, classification, regulation, or practice shall be deferred until after full hearing, and shall take effect only after the commission has found and declared the same to be just and reasonable, neither unjustly discriminatory nor unduly preferential or prejudicial nor otherwise in violation with the provision of this act, and after full hearing the commission may make such order in reference to said rate, fare, charge, classification, regulation, or practice as would be proper in a proceeding initiated after the rate, fare, charge, classification, regulation, or practice had become effective." So that said second paragraph of section 15 of the act as amended shall read as follows:

Whenever there shall be filed with the commission any schedule stating a new individual or joint rate, fare, or charge, or any new individual or joint classification, or any new individual or joint regulation or practice affecting any rate, fare, or charge, the commission upon its own initiative may, and upon complaint or protest shall, at once, and if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, enter upon a hearing concerning the reasonableness and propriety of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon the operation of such schedule shall be suspended and the use of such rate, fare, charge, classification, regulation, or practice shall be deferred until after full hearing, and shall take effect only after the commission has found and declared the same to be just and reasonable, neither unjustly discriminatory nor unduly preferential or prejudicial nor otherwise in violation with the provision of this act, and after full hearing the commission may make such order in reference to said rate, fare, charge, classification, regulation, or practice as would be proper in a proceeding initiated after the rate, fare, charge, classification, regulation, or practice had become effective. At any hearing involving a rate increased after January 1, 1910, or of a rate sought to be increased after the passage of this act, the burden of proof to show that the increased rate or proposed increased rate is just and reasonable shall be upon the common carrier, and the commission shall give to the hearing and decision of such questions preference over all other questions pending before it, and decide the same as speedily as possible.

Mr. ROBINSON. Mr. President, this is quite an important amendment, but I think that, so far as I am concerned, I am prepared to agree to it with a modification. On page 4, line 13, the amendment provides:

At any hearing involving a rate increased after January 1, 1910, or of a rate sought to be increased after the passage of this act, the burden of proof to show that the increased rate or proposed increased rate is just and reasonable shall be upon the common carrier—

And so forth.

I think that requires a modification. The use of the language "at any hearing involving a rate increased after January 1, 1910," might occasion a great deal of confusion and embarrassment to the commission in its proceedings. I believe that language ought to be stricken out and that the provision ought to read:

At any hearing involving a rate sought to be increased after the passage of this act.

Mr. SMITH of Georgia. I accept that modification.

Mr. NEWLANDS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Nevada?

Mr. ROBINSON. I do.

Mr. NEWLANDS. I will ask the Senator from Arkansas not to assent to this amendment, for the reason that it has not as yet received the consideration of the committee. It certainly proposes a very important change in the existing law. I have an entirely open mind regarding it; but at the last debate upon this subject in connection with the urgent deficiency bill it was arranged that the Senator from Georgia should present the amendment which he suggested to that bill to one of the bills pending before the Interstate Commerce Commission. My expectation was to have a hearing upon the subject; to have the commissioners and the representatives of the railroads cited to appear and present their views, and to submit the report of the committee after full consideration and reflection. I should very much deprecate action upon this important matter at this time without the consideration and report of the committee.

Mr. KELLOGG. Mr. President——

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. KELLOGG. Before the amendment is agreed to by the Senator having the bill in charge I wish to object to that amendment being tacked on to this bill at this time; and after the Senator has completed his statement I desire to be heard.

Mr. ROBINSON. Very well.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. Before the change suggested by the Senator from Arkansas is agreed to, I think we ought to have a clear understanding of what its effect would be. The present law is that in any hearing upon a rate that is sought to be increased

since January 1, 1910, the burden of proof shall be upon the railway companies, the carriers. If those words are stricken out in all the hearings that are now pending concerning rates now sought to be increased, in regard to which a decision has not yet been reached, the rule of proof will be abrogated and the burden of proof will be upon the shippers, those who assail the increased rates, instead of upon the railway companies.

Mr. ROBINSON. I do not think so, Mr. President. My understanding of the purpose of the amendment of the Senator from Georgia is to——

Mr. CUMMINS. Will the Senator allow me to read it?

Mr. ROBINSON. Just let me make this statement: My understanding of the purpose of the amendment of the Senator from Georgia is to prevent an increase in rates going into effect until after the commission has approved the increase. Under the practice that now exists the railroads file an application for an increase in rates, and, after a limited period, these rates go into effect and remain in effect until reversed by the commission.

The object of the amendment of the Senator from Georgia is to prevent the rates going into effect until the commission has passed upon the matter and approved the increased rates. With that purpose I am in sympathy. I had never read the amendment of the Senator from Georgia until it was presented here a moment ago, and during the course of the reading I was interrupted some four or five times by Senators about me who made suggestions outside of the record as to amendments that had already been agreed to in the bill, and I really have not had an opportunity to read the amendment or of considering its language. I ask the Senator from Georgia whether I have correctly stated the purpose of his amendment?

Mr. SMITH of Georgia. Yes; I think the Senator has.

Mr. ROBINSON. Now, Mr. President, I want to submit to the Senator from Georgia that his purpose can be accomplished in very much briefer and simpler language than that in which he has sought to express it in the amendment.

Mr. CUMMINS. But, Mr. President, the Senator from Arkansas, I think, does not get the point I made. I understand that what the Senator from Georgia desires to do is to require a hearing whenever an increase is proposed——

Mr. ROBINSON. Yes.

Mr. CUMMINS. And before the increase goes into effect. Now, that is the change he desires to make in the law.

Mr. ROBINSON. The language I have suggested——

Mr. CUMMINS. Just a moment. The Senator from Georgia does not desire to make any change in the law with regard to the burden of proof when a hearing is had, but if the change is made which has been suggested, the rule which has prevailed since 1910 with regard to the burden of proof will be abrogated so far as all of the increases which are now pending and have not been determined are concerned.

Mr. ROBINSON. If the Senator will permit me now, I agree, in part, with the statement the Senator has made, and if the language which I have suggested be stricken out is already in the act, I withdraw the suggestion, because I do not want to change the burden of proof. I think the burden of proof ought to be on the railroads, and I know that is the purpose of the amendment of the Senator from Georgia.

Mr. CUMMINS. Precisely. That part of the law ought not to be changed at all.

Mr. ROBINSON. I understood, from a statement made to me outside of the record by the Senator from Georgia while the amendment was being read, that he agreed that that language should go out of the bill——

Mr. CUMMINS. Yes.

Mr. ROBINSON. And that it was not calculated to carry out his purpose. That is the difficulty of considering an important amendment of this sort without its first having been passed upon by a committee of the Senate. I can not understand why a simple declaration that in all proceedings hereafter before the commission for an increase of rates no rate shall be increased until first approved by the commission would not accomplish the purpose of the Senator from Georgia and eliminate the remainder of his amendment. I ask the Senator from Georgia why that would not work his ends?

Mr. SMITH of Georgia. In reply to the Senator, the confusing language is simply the language that the law now contains. The change of language is brief; but to make it perfectly clear, after making the change, I restated the entire provisions of the act.

Now, with reference to the controversy between the Senator from Iowa and the Senator from Arkansas——

Mr. ROBINSON. There is no controversy between us. I have withdrawn my suggestion.

Mr. SMITH of Georgia. I do not mean that it is a controversy in the sense——

Mr. ROBINSON. I have withdrawn my suggestion, and unless the Senator thinks my suggestion was correct in the first place he need not address himself to that. The Senator from Iowa has pointed out the fact that that language is already in the law. I do not think its elimination would of necessity put the burden on the shipper, but I do not want to take any chances of doing it, and therefore I withdraw the suggestion.

Mr. SMITH of Georgia. I had intended to suggest that we might also leave out the words "after the passage of this act," and let the language read:

At any hearing of a rate sought to be increased, the burden of proof to show that the increased rate—

And so forth. But the language contained in this amendment is substantially the language of the present law, with the modification requiring a hearing before the advance takes place, and a finding that the rate is reasonable and just.

Mr. ROBINSON. Mr. President, with reference to the suggestion of the chairman of the committee, the Senator from Nevada [Mr. NEWLANDS], it is true that the matter has not been determined by the committee. The representatives of the railroads have asked for a hearing upon this question. I think I understand the subject matter of the amendment, and as far as I am concerned I am ready to vote upon it now. I think the principle of the amendment is correct, and I am willing to be bound by that declaration, though of course it may be readily conceded that I may be, as I frequently am, wrong.

I make this suggestion to the Senator from Georgia. The pending amendment has been before the Senate, or a similar measure, for a great many months. The necessity for an increase in the membership of the commission and for the authorization that the commission sectionalize or divide itself into divisions in order to facilitate its work is well known to the Senate. Now, I want to suggest to the Senator from Georgia that perhaps it would be well enough for him to present his amendment to the committee and let the committee have a hearing upon the matter and give us a chance to work out this subject without prolonging the debate on this bill. I fear that the bill may meet the same fate now that it has met on other occasions if we go into this broader and not intimately connected subject of preventing an increase in rates from going into effect until the increase has been approved by the commission. I submit that suggestion to the Senator from Georgia for his consideration.

The Senator understands that this subject has been pending here for a long time. In order to meet the objection of Senators to the bill made on a former hearing, I have incorporated in this bill an amendment of the Senator from Iowa [Mr. CUMMINS] and a suggestion made by the Senator from Wisconsin [Mr. LA FOLLETTE]. The Senator from Iowa has taken part in some informal conferences on the subject. That amendment is in the bill. It may be necessary to modify that feature in some particulars, but we have agreed that it may be most readily worked out in conference if any modification is necessary.

That amendment provides that in hearings on increases in rates not less than three members shall sit, and in hearings as to the physical valuation of property not less than seven members, if I remember correctly, are required to participate in the decision. Now, some members of the Interstate Commerce Commission think that this amendment, as they construe it, will very greatly embarrass them in speeding up their work; and the Senator from Iowa and I have agreed—and I think the Senator from Wisconsin concurs in that opinion, although I do not assert that I am authorized to bind him—that whatever changes are necessary in that amendment may be worked out in conference.

The amendment of the Senator from Georgia is a very important and far-reaching one. With the principle of that amendment I am in sympathy. I think I understand it, and for my part I am ready to diminish conversation on the floor of the Senate and let the vote come. If I could have any assurance that the amendment of the Senator from Georgia would not kill this bill, and thus prevent the commission from obtaining the relief to which everyone who has studied the subject knows they are entitled, I would be glad to see him press it. But I ask him again, in view of these circumstances, if he will not let this amendment be determined first by the Committee on Interstate Commerce? The committee will speedily pass upon the matter. There is no disposition on the part of the committee to delay action on his amendment.

Mr. SMITH of Georgia. Mr. President, I think it of the utmost importance that it be passed now, and I do not think it ought to substantially delay the bill. I am ready to vote with 15 minutes' discussion, so far as I am personally concerned.

Mr. ROBINSON. Mr. President, I ask unanimous consent that at not later than 1.30 o'clock to-day the Senate proceed to vote on the pending bill and all amendments to its final passage.

Mr. GALLINGER. I object, Mr. President.

The VICE PRESIDENT. There is no use in calling the roll, then.

Mr. KELLOGG. Mr. President, I do not think this amendment should be placed on this bill at this time. I am entirely open minded as to the merits of the proposition, but the Senator having the bill in charge does not understand what the amendment does accomplish. The senior Senator from Iowa says that it changes the rule as to the burden of proof as to the reasonableness of the rate.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KELLOGG. I do.

Mr. CUMMINS. The Senator from Minnesota is mistaken about that.

Mr. KELLOGG. I so understood the Senator.

Mr. CUMMINS. I said that the change that was proposed by the Senator from Arkansas to the Senator from Georgia would change the burden of proof; but the amendment itself, if adopted as presented by the Senator from Georgia, does not.

Mr. KELLOGG. I beg the Senator's pardon. I did not understand him.

The Senator in charge of the bill says that he has had no opportunity to read this amendment, but that he understands from the Senator from Georgia in a general way what it accomplishes. This amendment was introduced as a separate bill just the other day, sent to the Committee on Interstate Commerce, and the committee has ordered a hearing on it. So far as I am concerned, I am willing to meet with the committee at any time, to-day or any other day, have that hearing, hear the Senator from Georgia, and hear the gentlemen in opposition to him.

The change which is proposed by this bill entirely changes the law as it now exists. The law as it now exists provides that when the railroads file a proposed rate they must give 30 days' notice. The commission may suspend that rate and have a hearing. The proposed change, in substance, as I understand it—although I have not had a chance to examine it—provides that the commission must have a hearing or suspend the rate in every case.

The bill increasing the Interstate Commerce Commission by two members has been under consideration, as I am told, for a long time. It has been deemed important that during the war, because of the increase of business before the Interstate Commerce Commission, owing to the disarrangement of transportation and the large increase of transportation in handling munitions and products for the war, that the commission should have two more members. The committee confined itself to that in its report. When this bill was reported the committee did not have before it the bill changing the rule as to suspension of rates and hearings before the Interstate Commerce Commission. It does seem to me that an amendment of that importance should be considered by the committee, and not placed upon this bill in the hour of its final passage.

I am not prejudiced one way or the other as to the principle. I am entirely open minded. I desire to hear what is said on both sides of this question; but I do not think that a bill reversing the law as it has stood for many years and the practice now existing before the Interstate Commerce Commission should be adopted here without any hearing before the committee, or without the committee giving it any consideration whatever.

Mr. NEWLANDS. Mr. President, I regard this bill as a part of the emergency legislation required at this time. We all know that the Interstate Commerce Commission is an overburdened commission, that Congress has been for years increasing the range of its duties, and that it has been almost impossible for it to keep up with the requirements of its business and jurisdiction.

The committee thought it wise, in presenting a bill regarding the organization of the commission itself, to present it without any other changes in the general character of the interstate-commerce act. The hope was to present to Congress the single proposition as to the urgent necessity of an immediate increase in the commission and the urgent necessity of the power to divide the commission into divisions, each of which would have, to a greater or less degree, the jurisdiction of the entire commission, thus enabling the commission by this method of efficiency to double or treble its work.

The necessity of this bill was apparent before we entered into this war. Its necessity has been accentuated since. The war itself has thrown on the commission an increased burden. One of the members of the commission is a member of the Council of National Defense, cooperating with experienced administrators throughout the country in the great work of making the National Government efficient in its undertaking. The work of the commission will be increased.

The entire transportation system of the country is in this condition—that whereas the income of the railroads was abnormally low in 1914 and abnormally high in 1916, notwithstanding the large increase in revenue the expenses of the railroads have also largely increased, the cost of cars alone having been doubled within a period of three or four years, the average cost of a freight car increasing from $1,000 a car to $2,000 a car. We all know the increases in wages and in the cost of supplies that have been going on, so that the railroads themselves are confronted by difficulties, their rates being inelastic, and their expenses constantly increasing.

The question regarding these increases is now before the Interstate Commerce Commission as the instrumentality of Congress in the regulation of commerce; and in my judgment it should rest there, unaffected by any action of Congress, during the period of that consideration. But at all events, if we are to make any change in the existing law, it should be made upon consultation with the commission itself, whose experience, in my judgment, is the best guide regarding the legislation necessary to increase the efficiency of that body.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. NEWLANDS. Certainly.

Mr. CUMMINS. Did not the Senator from Nevada vote for this precise proposition in 1910, when we had it debated here for days and days?

Mr. NEWLANDS. I will state that with reference to almost all, and I think perhaps all, of the progressive legislation urged by the Senator from Iowa at that time, I was in complete harmony. I do not recall my vote upon this particular matter, nor do I know whether this precise question in this form was presented to the Senate.

Mr. CUMMINS. I offered this amendment in substance in 1910, and my recollection is that I had no more cordial supporter or effective advocate than the Senator from Nevada.

Mr. NEWLANDS. I will not be sure——

Mr. SMITH of Georgia. If the Senator will allow me to interrupt him for a moment, the language is the language of the provision that was before the Senate introduced by the Senator from Iowa and supported by the chairman of the committee when the bill was originally adopted.

Mr. NEWLANDS. I can not recollect as to the particular language of the provision at that time, nor do I recall my vote. All I know is that I was in general sympathy with the movement which was so skillfully directed at that time by the Senator from Iowa and other Senators with reference to liberalizing the interstate commerce law. But we were then proceeding upon questions which had been considered by the Interstate Commerce Committee, legislation that had been offered in the Interstate Commerce Committee and considered by it. Here we are proposing without consideration of the Interstate Commerce Committee to take up this matter simply upon the assumption that it is the same amendment that was offered by the Senator from Iowa five or six years ago.

I would like the present views of the Interstate Commerce Commission upon this subject before I act, even though I did vote for the same proposition five or six years ago. It seems to me that orderly procedure requires that we should have at least a hearing upon a subject of most animated debate five or six years ago, and in which the Senate itself took a position contrary to that contended for by the Senator from Georgia to-day.

There is other legislation pending before that committee, emergency legislation. There is a bill which we will report within a few days giving the President the right to fix priorities in transportation, a most important war measure. It was my purpose in connection with the consideration of that bill before the committee to bring up the important amendment presented by the Senator from Georgia for the first time, I believe, last Saturday upon the consideration of the urgent deficiency bill, and disposed of, I understand, with the assent of the Senator from Georgia that that amendment should go to the committee for consideration. That was the understanding of the Senate then. Why should it not be the understanding now?

Mr. SMITH of Georgia. It is not the same amendment. This is an entirely different matter. The amendment which last Saturday I consented to have referred to the committee involved

the purchase by the Government of freight cars and was entirely a novel proposition. Therefore I consented that it should go to the committee.

Mr. WATSON. But, Mr President, is not this the measure on which the Senator obtained a hearing?

Mr. SMITH of Georgia. No.

Mr. WATSON. Was not a hearing granted on the very bill that the Senator is now offering as an amendment?

Mr. SMITH of Georgia. No.

Mr. WATSON. That is my understanding.

Mr. NEWLANDS. May I ask the Senator from Georgia whether this particular amendment has gone to the Interstate Commerce Committee?

Mr. SMITH of Georgia. An original bill was introduced by me which was referred to the Committee on Interstate Commerce. This is a copy of that bill, but it has not had a hearing before the Committee on Interstate Commerce. Really I stated before the committee I did not ask a hearing; all I asked was that they should report upon it so that we could have a chance to vote on it. Upon that bill I did not desire to be heard. It was a subject that had been fully heard and fully debated on the floor of the Senate and was in no sense a novel proposition.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. NEWLANDS. Certainly.

Mr. KELLOGG. I should like to ask the Senator from Georgia if his amendment is not in substance the same as the bill which he introduced in the Senate last week?

Mr. SMITH of Georgia. I said it was exactly the same.

Mr. KELLOGG. And your bill, I understand——

The VICE PRESIDENT. The Chair must either be addressed or be excused from presiding.

Mr. KELLOGG. The bill, I understand, Mr. President, was referred to the Committee on Interstate Commerce and a hearing was granted.

Mr. NEWLANDS. Mr. President, that bill was introduced on May 11. There has been since that time a meeting of the Interstate Commerce Committee. It was held last Friday, but the entire time of the committee was taken up in considering this war measure, the priorities bill. It was referred to a subcommittee for further consideration and report to the full committee. It is my intention to take up the bill which is presented by the Senator from Georgia for the orderly consideration of the Senate committee. The Senator says that he did not request a hearing; but a hearing certainly does not include simply the Senator from Georgia. It may be that he would not desire a hearing, but it is customary in all such cases to ask the views of the Interstate Commerce Commission with reference to a change in the organic act which it is administering, and it is also customary to give notice to the shippers so that they may express their views. It is the custom of the committee always to give full hearings upon this subject, and I see no reason why we should depart from that custom at this time.

Mr. President, I do not propose to enter into the merits of this question. It may be that I supported this amendment five or six years ago. Possibly my views will be the same to-day that they were then; but if there are any changed conditions I want to be informed of them, and if there is anything to be said by the Interstate Commerce Commission itself that will be a guide to us in this legislation I wish to hear the commission. Certainly the process of evolution in five or six years of administration may bring forth views worthy of consideration.

There has been a general understanding that so far as this session is concerned we should not enter upon general legislation, that we should enter simply upon emergency legislation, legislation absolutely demanded by war conditions. We have a joint committee of the Senate and House considering the questions of general legislation. Its deliberations have been interrupted by this session, but that joint committee will doubtless go on and after full hearings deliver its deliberate judgment to Congress upon many important changes in the organic act that are suggested and many changes that are suggested with reference to the organization of the commission itself.

I urge, Mr. President, upon the Senator from Georgia that he yield to these considerations and not press upon the consideration of the Senate his amendment at this time. I will give him the assurance that to-morrow I shall call the committee together. I will give him notice of the hour and request the Interstate Commerce Commission to be represented there by a committee. I will give such notice as can be given under the conditions to the shippers, and will expedite the hearing upon the bill, conducting it consecutively until the committee shall come to a conclusion.

I also assure him that there is another bill with reference to which this amendment can be urged and to which it will be germane that will be reported within a few days.

Mr. SMITH of Georgia. Mr. President, this amendment, though a little long, is very simple. As the law now stands the railroad companies file their schedules of increases of rates and they go into effect without an investigation by the commission to determine whether the rates are reasonable and just. When the interstate-commerce act was before Congress, in the progress of its consideration before it was adopted the Senator from Iowa [Mr. CUMMINS] introduced an amendment providing that increases of rates should not go into effect until the commission had passed upon them and found they were reasonable and just. The Senator from Nevada was a warm supporter of that measure then.

It is not a new proposition at all. It does not require a hearing before the committee. It does not require days taken up by the counsel for railroads talking about immaterial matters. We know just what the issue is. It has been thrashed out day after day in debate upon the floor of the Senate.

The Senator from Nevada says it was understood that nothing was to be done at this session except necessary legislation. I think this is necessary and I think it is eminently important. I think we have a chance this morning, without burdening other legislation, to see how we stand upon it. Are we in favor of a hearing by the commission and the determination that increases of rates are reasonable and just before the increases take place, or are we willing to have the increases take place without a hearing? That is the whole issue.

I shall not detain the Senate. I can not withdraw the amendment. I think it is right and proper. I think it ought to become a part of the first bill applicable to the Interstate Commerce Commission that the Senate passes, and I am ready to vote.

Mr. NEWLANDS. I move that the amendment be referred to the Committee on Interstate Commerce.

The VICE PRESIDENT. The Senator from Nevada has moved to refer the amendment to the Committee on Interstate Commerce. The question is on the motion. [Putting the question.] The noes seem to have it. The noes have it, and the motion is lost.

Mr. NEWLANDS. I ask for the yeas and nays.

The VICE PRESIDENT. The Chair has ruled that the motion is lost. The question is on agreeing to the amendment proposed by the Senator from Georgia.

Mr. SMITH of Georgia. I ask for the yeas and nays on the motion to agree to the amendment.

The yeas and nays were ordered.

Mr. NEWLANDS. I asked for the yeas and nays on the motion to refer.

The VICE PRESIDENT. The qestion was put and the Chair ruled that the motion was lost. The question is now on agreeing to the amendment of the Senator from Georgia on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. McCUMBER (when his name was called). I have a pair with the senior Senator from Colorado [Mr. THOMAS]. He being absent, I withhold my vote.

Mr. MYERS (when his name was called). I observe that the Senator from Connecticut [Mr. McLEAN], with whom I have a general pair, is absent. I transfer that pair to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. McKELLAR (when Mr. SHIELDS's name was called). The senior Senator from Tennessee [Mr. SHIELDS] is unavoidably absent from the Chamber on public business. I should like to have this announcement stand for the day.

Mr. THOMAS (when his name was called). Has the senior Senator from North Dakota [Mr. McCUMBER] voted?

The VICE PRESIDENT. He has not voted.

Mr. THOMAS. I withhold my vote, being paired with that Senator.

The roll call was concluded.

Mr. SUTHERLAND. I wish to announce the absence of my colleague the senior Senator from West Virginia [Mr. GOFF] on account of illness. He has a general pair with the senior Senator from North Carolina [Mr. TILLMAN]. I will let this announcement stand for the day.

Mr. THOMAS. I transfer my pair with the senior Senator from North Dakota [Mr. McCUMBER] to the junior Senator from New Hampshire [Mr. HOLLIS] and vote "yea."

Mr. BRADY. I have a general pair with the junior Senator from Mississippi [Mr. VARDAMAN]. He is absent from the Chamber, and I withhold my vote. If permitted to vote, I would vote "yea."

Mr. HALE. I desire to announce the absence of my colleague [Mr. FERNALD] on official business.

Mr. GERRY. I desire to announce that the junior Senator from Mississippi [Mr. VARDAMAN] is detained from the Chamber on official business.

Mr. THOMPSON. I wish to announce that the senior Senator from California [Mr. PHELAN] is absent on official business of the Senate.

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is detained on official business.

Mr. WEEKS (after having voted in the negative). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. I notice that he has not voted. I transfer my pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and allow my vote to stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Washington [Mr. JONES] with the Senator from Virginia [Mr. SWANSON];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 51, nays 23, as follows:

YEAS—51.

Ashurst	Hardwick	Owen	Smith, Mich.
Bankhead	Husting	Pittman	Smith, S. C.
Beckham	Johnson, Cal.	Poindexter	Smoot
Borah	Jones, N. Mex.	Pomerene	Sterling
Broussard	Kendrick	Ransdell	Stone
Chamberlain	Kenyon	Reed	Sutherland
Culberson	King	Robinson	Thomas
Cummins	Kirby	Saulsbury	Thompson
Curtis	La Follette	Shafroth	Townsend
Fall	McKellar	Sheppard	Trammell
Fletcher	Nelson	Simmons	Walsh
Gore	Norris	Smith, Ariz.	Wolcott
Gronna	Overman	Smith, Ga.	

NAYS—23.

Calder	Hale	New	Wadsworth
Dillingham	Kellogg	Newlands	Warren
France	Knox	Page	Watson
Frelinghuysen	Lodge	Penrose	Weeks
Gallinger	Martin	Sherman	Williams
Gerry	Myers	Smith, Md.	

NOT VOTING—22.

Brady	Hitchcock	Lane	Swanson
Brandegee	Hollis	Lewis	Tillman
Colt	Hughes	McCumber	Underwood
Fernald	James	McLean	Vardaman
Goff	Johnson, S. Dak.	Phelan	
Harding	Jones, Wash.	Shields	

So the amendment of Mr. SMITH of Georgia was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WAR-RISK INSURANCE.

Mr. SIMMONS. I move that the Senate proceed to the consideration of Senate bill 2133, which is known as the war-risk insurance bill and which is the unfinished business.

The VICE PRESIDENT. The question is on the motion of the Senator from North Carolina.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. SIMMONS. Mr. President, I ask that the formal reading of the bill may be dispensed with.

The PRESIDING OFFICER (Mr. HUSTING in the chair). The Senator from North Carolina asks that the formal reading of the bill be dispensed with. Is there objection? The Chair hears none, and it is so ordered.

Mr. SIMMONS. Mr. President, I think that by making a very brief statement as to the purpose and scope of this bill Senators will be able to understand it probably a little better than they would be from a reading of the bill. The bill is somewhat voluminous, and a casual glance at it will create the impression that it is a new scheme of legislation, whereas in fact it proposes only a few, though important, amendments to the war-risk act of September 2, 1914. This misleading result is produced by the method of amendment adopted by the bill, which is to reenact certain sections of the old law as they will read as amended. This method is followed throughout the bill.

The first section is almost identical in language with the present law, namely, the act of 1914. The only change made is with reference to the salary of the director of the bureau. The salary of that officer under the present law is $5,000, while the salary provided in the bill is $7,500. That is the only change made, although the whole section of the old law is brought forward in this bill.

This increase is suggested because of the great—I might say enormous—increase in the business of this bureau, resulting in augmented responsibilities and greatly increasing the scope of the bureau's activities and enlarging the duties and labor of the director.

I desire to say here, Mr. President, that the present head of the bureau has administered the affairs of his bureau with signal ability. He is admittedly an exceedingly competent and efficient man. He is a practical, trained insurance expert, and he has taken the new business and in a short time put it on an economical and business basis of administration.

Mr. GALLINGER. May I ask the Senator from North Carolina a question?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Hampshire?

Mr. SIMMONS. I do.

Mr. GALLINGER. I desire to ask the Senator, who is now at the head of that bureau?

Mr. SIMMONS. Mr. William C. De Lanoy.

Mr. GALLINGER. Is this quite a large bureau? Is there a large force connected with it?

Mr. SIMMONS. The force originally was very small; but it is now quite large, I think.

Mr. GALLINGER. That has been true of all bureaus.

Mr. SIMMONS. I think until recently this bureau had three clerks and one assistant. Now it has 20 clerks and 2 assistants, and I am told this force is inadequate under present conditions. This force will have to be materially increased if this bill is adopted authorizing insurance against loss of life and injuries of seamen.

Mr. GALLINGER. That is true of all bureaus. They grow like green bay trees—from a small force of clerks to a large force in a year or two, and I suppose they will continue so to grow.

Mr. SIMMONS. The Senator from New Hampshire will understand that in the beginning we only appropriated $5,000,000 for payment of losses or insurance of vessels and cargoes, and the amount insured during the first year amounted to very little; now we appropriate $15,000,000, and this bill increases that amount to $50,000,000. The bureau is rapidly becoming a very large institution; it is already doing a tremendous work, and it is going to have to do a much larger work.

I will suggest to the Senator from New Hampshire, who is a member of the Finance Committee, that I think this amendment was agreed to unanimously in the committee.

Mr. GALLINGER. I will state frankly to the Senator that I did not investigate the question of the force employed in the bureau, and I am entitled to the information I have asked for.

Mr. SIMMONS. Certainly.

Mr. GALLINGER. I will venture to ask the Senator if he heard the appeal the Senator from Utah [Mr. SMOOT] made today to the Senator from Arkansas [Mr. ROBINSON], who had proposed an increase of salary, the Senator from Utah stating that it had been tacitly agreed somewhere that no salary should be increased this year.

Mr. SIMMONS. No; I did not hear the appeal of the Senator from Utah. I was not in the Senate Chamber until a few moments ago.

Mr. GALLINGER. I will leave that to be settled between the Senator from North Carolina and the Senator from Utah. The Senator from Utah seems to have the matter in mind.

Mr. SMOOT. I merely want to say to the Senator from North Carolina that after he gets through with his statement I am going to offer an amendment to reduce the salary of $7,500 to $5,000, which the official is getting at the present time.

Mr. SIMMONS. Very well.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. SIMMONS. Yes.

Mr. CHAMBERLAIN. The Senator states that originally $5,000,000 was appropriated for the purposes of this bureau, and that it is now sought to have $15,000,000 appropriated.

Mr. SIMMONS. No; $5,000,000 was the first amount appropriated. Then we increased it to $15,000,000; and this bill proposes to increase it to $50,000,000.

Mr. CHAMBERLAIN. I want to ask the Senator what is the occasion of that increase? Is it because the work of the bureau

has increased or has it become a profitable investment for the Government?

Mr. SIMMONS. No; it is not now a profitable investment. During the first two years of the bureau's existence it seems to have been a profitable investment.

Mr. CHAMBERLAIN. Can the Senator tell us what the profits were during the early period of the existence of the bureau, and what is the status of the institution now?

Mr. SIMMONS. I will state to the Senator that during the period from September 2, 1914, to January 1, 1917, the premiums upon insurance amounted to about $3,244,000. That was a monthly average of $115,000. In January, 1917, one month, the premiums amounted to $176,000; in February of this year to $223,000; in March of this year to $1,275,963.

Mr. POMERENE. What was the last amount?

Mr. SIMMONS. In March of this year the premiums collected amounted to $1,275,963. In April the premiums amounted to $2,772,323; and in May, up to the 21st of the month, the premiums amounted to $2,324,000.

Mr. POMERENE. Mr. President, may I ask the Senator what the losses were?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Ohio?

Mr. SIMMONS. In a moment. The figures given show that the premiums in the single month of April of this year were within about $500,000 of the total premiums for the period from September, 1914, to January 1, 1917.

Mr. POMERENE. Now, may I ask, is the Senator able to give us a statement as to the losses that were paid during these several periods?

Mr. SIMMONS. The known losses were $5,844,000—that is, up to the present time.

Mr. POMERENE. May I also ask whether there have been other losses which have not yet been adjusted?

Mr. SIMMONS. I think so; yes.

Mr. POMERENE. To what amount?

Mr. SIMMONS. I have no information as to that.

Mr. CHAMBERLAIN. May I interrupt the Senator for just a moment? I want to know how much the Government is losing—not what the losses of the insurers are but how much the Government is losing in undertaking to carry on this enterprise.

Mr. SIMMONS. I was going to state that.

Mr. CHAMBERLAIN. Very well.

Mr. SIMMONS. We might say that up to January, 1917, I think, the Government did not lose anything at all but made a considerable sum. My understanding is that something around $3,000,000 of these premiums have been covered into the Treasury under the law as it existed before the last amendment, the amendment of 1916. I am not quite sure that I am accurate about that, but I think I am. Those premiums were covered into the Treasury. We have changed that now, so that any excess of premiums over losses shall be credited to the insurance fund. The losses in the beginning, Mr. President, were small, and the Government made a profit on the business, but the losses are now running high. They have been exceedingly heavy during the last few months, since the declaration of war. Up to the present time upon the total business the Government has had a profit, but this can not reasonably be expected to continue. Senators will see that when we were not insuring contraband goods, before the beginning of hostilities between this country and Germany, the losses were necessarily smaller, because, on account of the great number of our American ships that then carried contraband, there were very few that could be insured under the act. Since the declaration of war every American vessel, without regard to whether it carries contraband or not, is insurable; and necessarily since the risk of ocean transportation has multiplied as it has as the result of the ruthless submarine warfare being waged by Germany every American ship that goes from here to the Continent of Europe desires and must have insurance. They can not and will not sail without insurance, and as the rate offered by the Government is under the usual rate, naturally they will come increasingly to the Government for this insurance.

The proposition to increase the amount set aside for this purpose does not in any way increase the liability of the Government; but the Secretary of the Treasury feels—and properly so, I think—that in writing this enormous amount of insurance there ought to be available to him at all times an adequate amount of money to promptly pay any possible loss in excess of premium funds in hand. If the money is not needed to pay losses sustained, the money will not be withdrawn from the Treasury; but the probabilities are that from now on there will be substantial losses in excess of profits. These losses must be paid. If the Government does not provide now, by congressional action, the money to pay losses as they are sustained, as it ought to do, it will have to provide for their payment later. I think it very desirable to provide and insure prompt and quick settlement of these losses and that the public shall know the money is ready in ample quantity.

Section 2 carries several very important amendments. Under the present law the Government is only permitted to insure the vessel, its cargo, freight, and passage money. The amendments to this section provides for two additional classes of insurance. One is upon the effects on board of the master, officers, and crew. The other is against loss of life, personal injury by risk of war, and detention in case of capture by an enemy of the United States of master, officers, or crew.

The premium on the first class of insurance—that on the effects of the crew, master, and officers—is to be paid by them. The second class of insurance—that against loss of life, personal injury, and in case of capture and detention—is to be paid for by the owners of the vessel. The owners of the vessel are required to take out this insurance. If they do not take it out by the time fixed for sailing, and in case of failure heavy penalties are imposed and the bureau is authorized to insure at the expense of the vessel.

The bill provides a form of policy for insurance against personal injury of the master, officers, and the crew, based very largely upon the workmen's compensation acts of the Federal Government and of the several States. The insurance to the individual for this purpose is based on one year's salary or wage, as the case may be, the minimum being fixed at $1,500 and the maximum at $5,000.

Another important amendment is one authorizing reinsurance—a principle which is well recognized in the insurance business. It is proposed to apply this principle as between us and our allies. One of the effects of this reinsurance is to lessen the average risk of both parties to the agreement.

The only other specially important amendment to the present law is one increasing the amount appropriated for paying losses from $15,000,000 to $50,000,000. The original appropriation was for $5,000,000—since increased to $15,000,000—and up to date the premiums received have exceeded the losses sustained; but it must be remembered that until we became a belligerent no contraband going to belligerent countries was insured, this with a view to strict neutrality, and under these circumstances not only has the volume of business been relatively small but the more hazardous risks were excluded.

Upon our becoming a belligerent all this has changed, and the bureau has become a highly important instrument in the carrying on of the war. Insurance against war risks is necessary if our shipments by American vessels to the enemies of Germany are to be made in the present or in increased volume.

To carry out this function it is necessary that the bureau be prepared to issue policies, if needed, up to the entire value of the vessel and the cargo she carries. This may at times amount to several million dollars, and while it is hoped to make the charge to the shipper and shipowner sufficient to represent the cost of the insurance, it must be recognized that to estimate the percentage of shipping that will be destroyed in the future by submarines is difficult even for the most expert.

Two things the bureau must accomplish:

They must see that our shippers using vessels of our flag can get all the protection against war risks they legitimately require at rates no higher than those they would obtain from the insurance department of a foreign government if their shipments were made by steamers of those foreign flags.

They must see that American vessel owners can obtain sufficient war-risk insurance at reasonable rates to permit the vessel to engage in trade to the other countries at war with Germany, and to insure their crews.

Having these two objects in mind, it is manifest that the appropriation should be sufficient to preclude the possibility of claimants having just claims being obliged to await further action by Congress before being paid.

Making the appropriation available neither increases nor diminishes the sums the United States may have to pay, but is a guaranty that the payment will be prompt.

Mr. President, I now ask that the committee amendments be taken up first.

The PRESIDING OFFICER. Without objection, it is so ordered. The Secretary will read the bill for committee amendments.

The first amendment of the Committee on Finance was, on page 5, line 22, after the word "eye," to strike out "35" and insert "45"; in the same line, after the words "per cent," to strike out "and"; and, after line 22, to insert "Total destruc-

tion of hearing, 50 per cent; and," so as to make the paragraph read:

(b) In case of any of the following losses, for the payment of the percentage of the principal sum indicated in the following tables:
One hand, 50 per cent;
One arm, 65 per cent;
One foot, 50 per cent;
One leg, 65 per cent;
One eye, 45 per cent;
Total destruction of hearing, 50 per cent; and.

The amendment was agreed to.

The next amendment was, on page 6, line 10, after the word "insured," to insert "for distribution to his family free from liability of debt," so as to make the paragraph read:

Payments provided for in this section shall be made only to the master, officer, or member of the crew concerned, except that a payment for loss of life shall be made to the estate of the insured for distribution to his family free from liability of debt, and payment on account of detention by an enemy following capture shall be made to dependents of the person detained, if designated by him.

The amendment was agreed to.

The next amendment was, on page 6, line 24, after the word "vessel," to insert "prior to sailing," so as to make the section read:

SEC. 3b. That in the event of failure of the owner of any vessel to effect insurance of the master, officers, and crew of such vessel prior to sailing, in accordance with section 3a of this act, the Secretary of the Treasury is hereby authorized to effect such insurance with the Bureau of War-Risk Insurance at the expense of the owner of such vessel, and the latter shall be liable for such expense and, in addition, to a penalty of not exceeding $1,000. The amount of such premium, with interest and of the penalty and of all costs, shall be a lien on the vessel.

The amendment was agreed to.

The next amendment was, on page 7, line 16, after the word "exceed," to strike out "$25" and insert "$20," and on line 22, after the word "exceed," to strike out "$25" and insert "$20," so as to make the section read:

SEC. 5. That the Secretary of the Treasury is authorized to establish an advisory board, to consist of three members skilled in the practices of war-risk insurance, for the purpose of assisting the Bureau of War-Risk Insurance in fixing rates of premium and in adjustment of claims for losses, and generally in carrying out the purposes of this act; the compensation of the members of said board to be determined by the Secretary of the Treasury, but not to exceed $20 a day each while actually employed. He is likewise authorized to appoint two persons skilled in the practices of accident insurance for the purpose of assisting the Bureau of War-Risk Insurance in the adjustment of claims for death, personal injury, or detention; the compensation of the persons so appointed to be determined by the Secretary of the Treasury, but not to exceed $20 a day each while actually employed. In the event of disagreement as to the claim for losses, or amount thereof, between the said bureau and the parties to such contract of insurance an action on the claim may be brought against the United States in the district court of the United States, sitting in admiralty, in the district in which the claimant or his agent may reside.

The amendment was agreed to.

The next amendment was, on page 8, line 14, after the word "compensation," to insert "not to exceed 10 per cent of amount recovered," so as to make the section read:

SEC. 5a. No claim agent or attorney shall be entitled to receive any compensation whatever for services in the collection of claims against the Bureau of War-Risk Insurance for death, personal injury, or detention, except when proceedings are taken in accordance with section 5 in a district court of the United States, in which case the judge shall, as a part of his determination and order, settle and determine the amount of compensation not to exceed 10 per cent of amount recovered, to be paid by the claimant on behalf of whom such proceedings are instituted to his legal adviser or advisers, and it shall be unlawful for any lawyer or other person acting in that behalf to ask for, contract for, or receive any larger sum than the amount so fixed.

The amendment was agreed to.

The next amendment was, on page 9, line 2, after the words "sum of," to strike out "$25,000,000" and to insert "$50,000,000," so as to make the section read:

SEC. 7. That for the purpose of paying losses and return premiums accruing under the provisions of this act there is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $50,000,000.

The amendment was agreed to.

Mr. SIMMONS. I offer the following amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from North Carolina offers an amendment, which will be stated.

The SECRETARY. On page 5, between lines 22 and 23, it is proposed to insert:

And that the Bureau of War-Risk Insurance may include in its policy undertakings to pay specified percentages of the principal sum for other losses or disabilities.

Mr. SMOOT. Mr. President, will the Senator, in a few words, state what will be the effect of that amendment? I can not quite connect it with subparagraph (b) of the bill.

Mr. SIMMONS. If the Senator will take the bill, he will see that this is a part of subsection (b). [A pause.] However, upon the suggestion of the Senator from Utah, that should probably come between lines 23 and 24 instead of between lines 22 and 23.

Mr. SMOOT. I do not know that it makes very much difference either way.

Mr. SIMMONS. I think that is the more orderly.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Carolina.

The amendment was agreed to.

Mr. SMOOT. Mr. President, on page 2, line 11, I move to strike out "$7,500" and insert "$5,000."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 2, line 11, it is proposed to strike out "$7,500" and insert "$5,000," so as to read:

That there is established in the Treasury Department a bureau to be known as the Bureau of War-Risk Insurance, the director of which shall be entitled to a salary at the rate of $5,000 per annum.

Mr. SMOOT. Just one word, Mr. President. I hope the Senator in charge of the bill will accept this amendment or, if not, that the Senate will adopt it, because of the fact, as I stated this morning, when there was an endeavor to raise the salary of the secretary of the Interstate Commerce Commission from $5,000 to $7,500, that when the legislative bill providing salaries for all the Government employees was before the Senate it was tacitly understood that during this year there should be no increases of salaries, and the Senator will remember that that understanding was strictly adhered to. In all of the other appropriation bills up to the present time it has been strictly adhered to, and I think it is a very unwise thing to have some special bill brought into the Senate and increases made of the salaries of any employees of the Government.

Not only that, Mr. President, but when you stop to think that the Commissioner of the General Land Office, with the tens of thousands of employees under his direct charge, the Commissioner of Pensions, and the Assistant Secretaries of the Treasury each receive only $5,000 per annum, it would be very unwise and very unjust, in my opinion, to increase this salary from $5,000 to $7,500.

Mr. SIMMONS. Do I understand the Senator to say that the Commissioner of Pensions gets only $5,000?

Mr. SMOOT. Only $5,000; and I have called attention to it a number of times upon the floor of the Senate; and there is the Commissioner of the General Land Office, with that great empire of land under his direct charge, with tens of thousands of employees, receiving only $5,000.

Under these circumstances it would be at least unwise, and I believe very unjust, to provide here a salary of $7,500 for the Director of the Bureau of War-Risk Insurance, and I hope the Senator will accept the amendment.

Mr. SIMMONS. Mr. President, I understand perfectly the sentiment which has prevailed here during this year and last year with reference to increases in salaries. I think the Senator probably is correct in saying that we have agreed generally upon the principle of not making increases for the present. The Secretary of the Treasury has recommended, I understand, this increase, and believes that it ought to be made. He thinks the character of the work requires not only efficiency but special technical training and knowledge, which ordinarily commands a good salary, and that the present director possesses both these qualifications, and the committee unanimously approved this amendment.

I therefore do not feel at liberty to accept the amendment which the Senator from Utah offers. I think the rule to which he refers, and which I grant we have been acting upon, in the main in present conditions a good one. But, Mr. President, every rule may have some exceptions.

Mr. President, it is a well-known fact that some of the departments of the Government have been losing their best-trained and best-qualified men because of inadequate salaries and the failure of Congress to provide for reasonable promotion and increase. They have been losing them to private employment, where better wages are paid for that class of men.

The head of one of these departments said to me only a few days ago that unless he could get some increase in the salaries for his men at the top, the men upon whom he chiefly relied, the men whose splendid training and familiarity with the work is largely of a technical character, many of them would leave the service and the department would have to rely upon raw, inexperienced, and perhaps inefficient men; that when he got a good man and after a few years' training he became thoroughly qualified to give the Government good and efficient service, he was frequently offered a better salary in private employment and the Government lost his services.

I do not think we ought to go, under the circumstances, into a promiscuous increase in salaries; but I do think, Mr. President, an exception ought to be made whereby the Government may, by proper recognition of high-class service, be able to retain its trained employees. I think this is a case of that kind. The

Government succeeded when it inaugurated this new service in getting an exceptionally qualified man, a man who, if he would go into private employment, would probably get twice as much as the Government is now paying him. There is no intimation of that sort which has come to me, but probably he and others of his class will be tempted by not only the present high salaries that are paid but the higher salaries that are going to be paid under conditions that are immediately in front of us to enter private employment.

Mr. President, under the circumstances I can not accept the amendment offered by the Senator from Utah, but I shall feel satisfied with whatever action the Senate may be pleased to take upon it.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah [Mr. SMOOT].

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NAVY AND MARINE CORPS.

Mr. SMOOT. Mr. President, Order of Business No. 30 on the calendar is the bill (S. 1873) to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes. A House bill exactly the same has already passed the Senate, and at the request of the Senator from Virginia [Mr. SWANSON] I move that the Senate bill be indefinitely postponed.

The motion was agreed to.

PROMOTION OF EXPORT TRADE.

Mr. MARTIN obtained the floor.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Ohio?

Mr. MARTIN. I was not aware that there was anything calling for the immediate attention of the Senate, and I was about to move an adjournment. However, I will hear the Senator from Ohio.

Mr. POMERENE. I thought as the Senate is in pretty good humor this afternoon I might call up the so-called export bill, which is the first bill on the calendar, the bill (S. 634) to promote export trade, and for other purposes.

Mr. MARTIN. I understand a good deal of discussion is expected in the consideration of that bill, and the Senate does not appear to be ready to take it up.

Mr. POMERENE. I will not insist on taking it up now, but I wish to give notice that if it seems opportune to-morrow morning I shall call up the measure in the morning hour.

Mr. SIMMONS. Will the Senator withhold his motion for a moment?

Mr. MARTIN. I will withhold the motion.

ADDRESS BY SECRETARY OF THE TREASURY M'ADOO.

Mr. SIMMONS. On yesterday I presented a copy of the address delivered by Secretary of the Treasury McAdoo and asked that it be made a public document. That request was granted. That speech deals with the subject of the bonds we are now trying to float. It is thought that the utmost publicity should be given to that speech.

It has occurred to me under the circumstances, notwithstanding the rule that when made a public document a paper shall not be also printed in the RECORD, this being a public matter of the greatest present consequence it might be well to print the speech also in the RECORD. I ask unanimous consent that the speech be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. SMOOT. Mr. President, just a word. I suppose all Senators understand that there is virtually an agreement between the Senate and the House that wherever a speech or other paper is made a public document it shall not be printed in the RECORD. But, as the Senator from North Carolina has well said, the speech made in Chicago by the Secretary of the Treasury was made for the purpose of getting before the people of the country the necessity of subscribing to the liberty war bonds. For that reason, Mr. President, and as the RECORD will show it, I will state that I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

ADDRESS BY HON. W. G. M'ADOO, SECRETARY OF THE TREASURY, DELIVERED IN CHICAGO, ILL., MAY 17, 1917, AT A MEETING OF BANKERS AND BUSINESS MEN OF THE SEVENTH FEDERAL RESERVE DISTRICT.

"Gentlemen, it is difficult to make the people of the United States realize that their country is now actively involved in the most terrible and colossal war of all time. One of the serious defects of democracy is the fact that the people can be fully aroused only after some great disaster, and then frequently too slowly, to grave dangers—dangers that menace their very liberty and national integrity.

"Some wit, or maybe philosopher, has said that the best friends of the American people were the Atlantic and Pacific Oceans. This is no longer true. Modern science and invention have nullified space. Already submarines have repeatedly crossed the Atlantic Ocean. Not only have German submarines visited our own shores, one of them having actually sunk merchant ships off the New England coast last summer, but the aeroplane has been developed to such an extent that it is only a question of military requirement when they will cross the Atlantic. Wireless telegraphy has also enormously facilitated as well as increased the dangers of modern warfare by making military operations on land and sea far more flexible and formidable. The Pacific Ocean has not been mastered to the same extent as the Atlantic, but it is only a question of time, and a very short time, when it could be equally conquered by a resourceful and well-equipped foe. With Guam and the Hawaiian Islands in possession of an enemy, submarine and aeroplane operations in the Pacific might become as easy as in the Atlantic.

"I cite these facts merely to show that America's splendid defensive isolation upon which we have relied for a century has been destroyed. We are face to face with the same unfortunate proximity to a formidable military power as that in which the European nations have found themselves for half a century. The only difference is that we have a body of water between us and that formidable military power, and this of itself will always make hostile attack upon us more difficult, but we should remember that the Atlantic has been reduced from a 3,000-mile stretch of ocean to a comparatively narrow river by the force of modern science and invention.

"We have also to support and maintain by force of arms whenever challenged the Monroe Doctrine, which has kept the Western Hemisphere free from European exploitation and attack for more than a century. The maintenance of this doctrine is essential not alone to the security of the United States, but to all of the Republics of the Western Hemisphere. The gravest danger to the peace and security of the world is autocratic military government, especially autocratic government dominated by ruthless and limitless ambition and organized in a higher degree than ever before known in the world's history.

"Never since the days of Alexander the Great has there been such an audacious and colossal project for world conquest and domination as that in which the German Kaiser is now engaged. Not alone does he seek to impose his will upon the whole of Europe, but once that ambition is realized to lay the heavy hand of tribute upon the rich possessions of the people of the United States, as well as those of Central and South America. In the furtherance of these objects the German Government has attempted to incite Mexico to war upon us and even to bring about a conflict between us and our friendly neighbor of the Pacific, Japan. We can not shut our eyes to these sinister designs of the Kaiser. We must awake to a realization of the situation and make every requisite preparation and sacrifice to protect ourselves against the evil possibilities of the future.

"Why are we at war with Germany? For the reasons just stated, as well as for the further reason that without shadow of right or justification in international law she has, for the past two years, flagrantly disregarded our rights, has killed our defenseless men, women, and children, who were engaged in lawful pursuits upon the high seas, has sunk our ships in the face of repeated warnings, and put at defiance the laws of civilization and humanity. This war has been thrust upon us in spite of every effort made by our great President through two years of extraordinary patience and forbearance to keep the Nation out of it. It is not alone because of the violation of our rights upon the high seas and the ruthless murder of defenseless American citizens, but it is because Germany threatens liberty and self-government throughout the world that the great American Republic has been compelled to enter this war. The safety and peace of the world in the future depend upon the establishment of self-government among all responsible peoples. It is only through democratic governments that the peace of the world can be preserved, because when a people have a determining voice in government time is taken for deliberation upon crucial issues, and the arbitrary will of no despot can then drive nations into war. Suppose that Germany and Russia and Austria had been self-governed people when the present controversy arose. Do you believe that there would have been war? Absolutely no!

"The deliberative bodies of those countries, if they had been self-governing, would have forced the issues to arbitration, or

would have settled them peacefully through negotiation. Self-governing peoples are the surest guarantors of the peace of the world, because peoples, as a rule, are pacific and the provocation must be extreme before they will fight; because democracies are never highly organized for military purposes, and therefore have not the same temptation to war except upon extreme provocation. Perhaps it is also because all democracies are inefficient in a military sense, and where all are thus equally inefficient they do not present the same danger to each other. Therefore, if military autocracies can be destroyed, the greatest menace to the world's peace and security will be removed. If self-government can be substituted for military autocracies, liberty can be made supreme throughout the world, and the inestimable blessings of democracy and security will be conferred upon the human race. Already, as a result of the war, one great military autocracy has been destroyed—Russia—and upon its ruins there has been reared the benevolent structure of democratic government and democratic institutions. Germany is the sole remaining formidable type of military autocracy. She must be defeated in order that liberty and peace may no longer be imperiled. This is what America is fighting for—universal liberty. She has no selfish end to serve; she has no hostility to the German people. Her battle is with the cancerous system which is eating the very vitals of the German people—the Hohenzollern autocracy.

"If, as a result of this war, Germany shall become self-governed, the greatest achievement for the future peace of the world will have been recorded. But if the German military autocracy should succeed and dominate all Europe, then the issue will be reduced to a war between Germany, the supreme military autocrat on the one hand, and the great Republic of North America, the champion of liberty, on the other. No one can doubt the outcome of that conflict if the American people awake to the gravity of the situation, organize the mighty resources of the Nation, and equip themselves to conquer in a supreme struggle for human rights and liberty. We have no selfish end to gain; we seek no territory, no indemnities, no advantage in this war. We seek peace and liberty for the peoples of the world. We seek that and nothing more.

"In order to carry on the war, the first necessity is money. That is the reason we have issued this great Liberty Loan; that is the reason we call it the Liberty Loan, because the money derived from it will be dedicated to the cause of human liberty throughout the world. This is a noble and inspiring ideal, the only ideal for which the American people are willing to engage in war, and the only ideal which can quicken them to dedicate their lives and their fortunes with the same splendid patriotism that animated our forefathers when they gained for us the imperishable blessings of liberty. If we are wise, we will not permit the issue to be narrowed to a final decisive conflict between Germany, as the master of Europe, and the United States, as the champion of liberty in the Western Hemisphere. We will wage war vigorously in conjunction with France, Great Britain, Italy, and Russia in order that this terrible war may be terminated quickly and successfully, that further sacrifice of human life may be prevented, and that as few Americans as possible may have to be sent to the trenches and the bloody battle fields of Europe.

"It is for these reasons that the Congress has wisely provided for an extension of credit by the Government of the United States to the allied Governments of Europe making common cause with us in the war against Germany. The Congress has given authority to the Secretary of the Treasury to issue $5,000,000,000 of 3½ per cent tax-exempt bonds. Two billion dollars of these bonds will be sold and the proceeds applied to the creation and equipment of an American army and for the general purposes of the war, and $3,000,000,000 will be loaned to our friends and allies in Europe who are helping us to fight the military autocracy of Germany.

"For all loans made to the European powers, their bonds or obligations will be taken, bearing the same rate of interest and having the same maturities as the bonds of the United States, so that as our bonds become due the bonds of the European powers will become due, and as they pay their debts to us the debts of the Government of the United States to its own people will be paid and discharged. We do not wish to profit by any assistance we render to the European Governments who are fighting with us in this war. We wish to give them the benefit of our credit on the same terms as those obtained by the United States.

"This great Liberty Loan is the first effective step we can take in this war. Prompt financial assistance to the allied Governments through which they may be able to acquire quickly the necessary supplies and munitions of war in this country may enable them to gain a decisive victory before American soldiers may have to be sent to Europe. This Liberty Loan will put the Government in position to extend this financial aid. Every man and woman who buys a Liberty bond will contribute in the most immediate and directly helpful way to bring this horrible war to a quick conclusion, and the quicker the war is ended the greater will be the saving in human life and the less will be the human suffering which not alone the armies of Europe but the civilian populations of all the countries must endure.

"The financing of these bonds will not cause business disturbance. Their proceeds will be employed in the United States for the purchase of necessary supplies and material, and for that reason the transaction will resolve itself largely into a shifting of credits. The money will not be taken out of the country nor withdrawn from the avenues of business; on the contrary, it will be kept in the country and circulated and recirculated in the channels of business, with corresponding stimulation and profit to business and productive enterprise.

"In order to prevent any possibility of disturbance, the Treasury Department has announced that the bonds may be paid for in easy installments, and a plan has been devised for the redeposit in the banks of a large part of the proceeds, so that the operation will, as already stated, be more largely a shifting of credits than actual transfers of money. Pending the delivery of the bonds about July 1, the Treasury is issuing short-time certificates of indebtedness which can be purchased by banks and their customers in anticipation of bond allotments, and by this means the process of payment of the bonds is being greatly eased and facilitated.

"I earnestly urge all banks and intending purchasers of Liberty bonds to buy these certificates of indebtedness. They enable the holders to get interest on their funds while waiting for the delivery of the bonds, and at the same time give them a chance of rendering effective and essential aid to their Government.

"We should not, however, finance a great war solely by bond issues. There is not an unlimited investment market, and if there was it would be extremely dangerous and unsound to finance a war wholly with bonds. A period of dangerous inflation would set in and the after consequences would be disastrous to business. While a certain amount of wholesome inflation, or perhaps it would be better to say expansion, is essential—and that will inevitably result from the amount of bonds the Government must in any event issue—nevertheless inflationary dangers must be counteracted by a reasonable amount of wholesome taxation. We must in fairness to the present and future generations impose taxes in payment of a part of the expenses of this war.

"Wars involve sacrifice not alone of life but as well of property. We are sending our soldiers to the field and expecting them to make the supremest sacrifice that a patriot can make for his country. We offer him no protection for his life except the arms and ammunition with which we supply him in order that he may sell his life to the enemy as dearly as possible.

"We must not be less hesitant to require the sacrifices of property that are needed to make our soldiers effective upon the battle field. We must do it not only for this reason but for the further reason that sound economy and prudence require that a large part of this war should be financed through taxation. I earnestly hope that before the revenue bill now in the Congress receives the President's approval an equitable adjustment and distribution of the taxes may be found.

"This is, of course, difficult because the differences of opinion are so great and varied. Every responsible person at Washington is impressed with the necessity for wisely distributed taxation, and is making a patriotic effort to secure it. The full Committee on Ways and Means of the House, including Republicans and Democrats, have worked singlemindedly and diligently to produce a satisfactory measure, but, as in all revenue bills, there are differences of opinion, which can only be reconciled after the measure has gone through the crucible of debate in both Houses and agreed upon in final conference. We were never so able to bear the taxation proposed by the pending bill, namely, $1,800,000,000, as we are now. It is absolutely necessary in order to finance the war that this much revenue be provided. We may differ about the objects of taxation, but we must not differ about the amount. The country economically was never more strong. The financial situation was never more secure, the gold supply was never so great, and business, on the whole, was never so prosperous. The patriotism and resources of the country are great enough to sustain the burden of necessary taxation.

"This brings me to the point of a certain amount of apprehension, amounting in isolated instances to hysteria, about the future of business. Inevitably upon the happening of such a momentous event as a war like this there is a brief period of hesitation and uncertainty.

"There is natural anxiety about the future, but this rapidly disappears with the restoration of the equilibrium and when men begin to get the true significance of the situation. There is no reason why business should not proceed upon its normal course. There is, in fact, every reason why business should proceed upon a larger basis of prosperity than it has ever known before. This war of itself will compel the production and consumption of a greater amount of supplies than this country has ever before produced. I speak not alone of food products but of manufactures and industry in general.

"If the war continues another year, the allied Governments will probably expend in the markets of the United States at least $5,000,000,000 for supplies and materials. This alone would compel prosperity even if we were reluctant to take it. In addition to foreign purchases, our own Government must expend from two to four billions of dollars in materials and supplies for training a large army and for carrying on the operations of the Army and Navy and the civil establishments of the Government.

"It is likely that a total of $9,000,000,000 will have to be expended by the allied Governments and the Government of the United States in our own markets within the next 12 months. How can business be hurt by these expenditures? Business prosperity always depends upon demand. We lose prosperity when there isn't enough demand to absorb the products of our soil and our factories at remunerative prices, or when the demand is so small that industry is only partially occupied. We gain prosperity when the demand is in excess of the supply and when every productive enterprise is pushed to the utmost to meet the demand. At such times prices are high, the rewards of industry are great, and there is a general stimulation in all lines of activity. We are now undergoing in some parts of the country this brief period of hesitation and uncertainty, but if you will only look the facts in the face with even short vision, you must see that there is no reason for hesitation; on the contrary, that there is every reason to go forward with confidence. The first duty of patriotism is not to halt, but to proceed with new vigor to produce everything that can be produced on the farms, in the mines, and in the factories of the country.

"We must keep production in every line at the highest point in order to meet the essential demands of our own people and of the allied Governments of Europe. We must omit nothing in the way of productive enterprise which will contribute to the successful conduct of this war. My only fear is that we will have too much prosperity and that the price level of everything may be lifted instead of lowered. This is one of the important problems of the day. Perhaps it can only be dealt with through reasonable governmental control and regulation. But whether we have such regulation or not, one thing is certain, and that is that the soundness of our prosperity can only be conserved by the application of a reasonable amount of wholesome taxation. Why do I say that? Because we can not afford to take the risks of the unrestrained inflation that will come from bond issues alone. Reasonable taxation is perhaps the most certain corrective we can apply. This is an economic question of great importance.

"Aside from the justice and wisdom of financing a large part of the war by taxation, it is necessary that the people of the country shall prevent waste and extravagance during the period of the war. Wisely devised and equitably distributed taxation is most helpful in effecting this kind of saving and economy. I do not believe in the kind of economy which prevents people from supplying their normal needs, and the hysteria about economy in some parts of the country has been carried to unfortunate lengths.

"What we mean by economy is that everyone shall make it a point to prevent waste and extravagance, and that luxuries shall be given up during the period of the war. There is no reason why the normal needs of the people should not be satisfied just as much as heretofore, but there is every need for the stoppage of waste and the prevention of extravagance.

"It should be remembered that very soon the Government may call into the field for military training a million men. While in the Army these men will be withdrawn from productive enterprise, and all that they need and require will be a new demand upon the general store of the country. The general store is going to be overtaxed by the demands of our own Government and people, and by the demands of the allied Governments of Europe.

"If, therefore, we in the United States fail to prevent waste and extravagance, we shall not have the essential supplies to meet the situation. Have you ever reflected what it means if every man and woman in the country should save during the next year what is ordinarily wasted by each in the way of food and general supplies? If 100,000,000 people reduce their demand upon the general supply of food and materials through the stoppage of waste and extravagance it would release an enormous amount which in turn could be used for the purpose of supporting and maintaining 1,000,000 soldiers in the field.

"The whole effort should be to relieve the general store of the country from the unnecessary demands imposed upon it by the waste and extravagance of the American people. This will have a wholesome effect in every direction. The amount saved in a year by the practice of intelligent economy—not foolish or unnecessary denial—would be sufficient to pay the cost of this war for a year. Moreover, it will have a helpful influence in keeping down the prices of food and preventing the hardships which are imposed upon all the people whenever the general price level of the necessaries of life is raised.

"While we must keep production stimulated to the highest point, the Government must always have in mind, along with the equitable distribution of taxation, the purchase of supplies and materials at prices that will give reasonable profits. It is not fair to ask producers to sell to the Government at cost, but it is fair to ask them to sell to the Government at a reasonable profit.

"The total amount of the Liberty Loan authorized by the Congress is $5,000,000,000. Of this only $2,000,000,000 is now being offered to public subscription. The wealth of the United States is so great, the investing power of its people is so large, that the entire $5,000,000,000 could be absorbed without the slightest inconvenience or disturbance. The annual increase of wealth in the United States is said to be $50,000,000,000, so that if the entire $5,000,000,000 was subscribed it would represent only 10 per cent of the annual increment of wealth. The $2,000,000,000 of bonds now offered should be eagerly subscribed by the patriotic people of America not only because it is their first duty to help their Government, but because it is the safest investment on earth. As the Government is willing to pay 3½ per cent interest on the loan, exempt from all Federal, State, and local taxation, except, of course, inheritance taxes—and no bonds are exempt from inheritance taxes—what better investment for income and security can be found? There is no government on earth whose credit is so high; there is no government on earth whose obligations ars so impregnably protected. And then to subscribe to one of these bonds, even though it be of the smallest denomination, $50, is to enlist in that great army of free men and women of the United States who will have dedicated themselves to the cause of liberty throughout the world, and who, if they can not expend their blood for their country, can render, nevertheless, another kind of effective service to their country.

"Every dollar subscribed to this Liberty Loan is a blow struck for liberty throughout the world, a blow struck for democracy and self-government throughout the world, a blow struck for that happy day when the self-governed peoples of all the nations of the earth will rise up and proclaim the United States the greatest apostle of liberty, the noble champion who has brought to them the assurance of that stable and just peace which has been the dream of all the ages.

"It is, as our noble President said in his immortal address to the Congress, a terrible thing to lead this peaceful Nation into war. War is a terrible thing no matter how noble its object may be, but throughout the history of the human race many of the greatest and most glorious things have been achieved for civilization only by the sacrifice of human life in the fiery crucible of battle.

"What we are fighting for is the only thing a great nation of free men would be justified in fighting for. We are in this war because the call of humanity compels it. The German Kaiser has challenged civilization. His military autocracy stands today as the antagonist of the principle of humanity and self-government everywhere. The success of that principle would mean the universal enslavement of the human race. In order to gain his ends, the Kaiser has violated treaties. He has not hesitated to disregard the elemental laws of civilization and the primal rights of humanity. He has struck a mortal blow to the security of society, if by victory he sustains the doctrine that no treaty obligations are sacred when they interfere with what a nation conceives to be national necessity. When he violated the neutrality of Belgium and tore up the Belgian treaty as 'a scrap of paper' he announced a doctrine which, if sustained, makes impossible the security of the civilized world, because the maintenance of friendly relations and intercourse between modern nations is based absolutely upon the inviolability of treaty obligations.

"A few days ago a patriotic citizen walked into my office in Washington and asked me for a pad and a pencil. I handed him by accident a torn piece of paper—in fact, 'a scrap of paper.' He immediately wrote the following:

"I hereby subscribe for $5,000,000 of Liberty Loan bonds and agree to pay for them whenever called upon by the Secretary of the Treasury to do so.

"It was a thrilling incident to me, because there was the answer to the German Kaiser's defiance of the sacred obligations of a treaty.

"There was the answer of the American people, phrased in simple language by an American citizen, to the declaration that sacred treaties are mere 'scraps of paper.' He answered it for the American people with another 'scrap of paper'—a 'scrap of paper' upon which was expressed the American spirit in this war—that with 'scraps of paper' representing the billions of resources of the American people, the principles of liberty throughout the world will be vindicated and established for all time."

ARMOR PLATE PLANT AT CHARLESTON, W. VA.

Mr. SWANSON. Mr. President, I have a telegram from W. E. Chilton, formerly Senator from West Virginia, regarding the criticism which was made several days ago by some letter published in the RECORD concerning the high price of lots, in which it was stated that the citizens of Charleston, W. Va., were interfering with the construction of the armor-plate plant there. At his request I desire to have his telegram printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The telegram is as follows:

CHARLESTON, W. VA., *May 21, 1917.*

Hon. CLAUDE A. SWANSON,
Washington, D. C.:

I am informed by wire that Senator CALDER, of New York, put into the RECORD a letter signed Lewis, accompanied by some resolutions of some society meeting in Kansas by some or all of which it is sought to make it appear that real estate speculators here are embarrassing the Government in housing the people who will be connected with the Government armor-plate plant. I have tried to get Senator CALDER by telephone, for what I know of him gives me assurance that he would not do an unjust act, and it was my purpose to ask him for details and give him the facts. Failing to get him by telephone and in Senator TILLMAN'S absence I am wiring you, for, while you were an ardent supporter of Virginia for the plant, now that it is to be located here, I know that your intelligent advocacy of a Government plant and your observations while the fight was in progress, convinced you that the opposition to the principle of Government operation came from money sources, and you will not be surprised if Charleston, the successful candidate, gets a few stray shells which were loaded for the congressional fight against Senator TILLMAN'S bill.

I readily acquit Senator CALDER of any ulterior purpose, and I should imagine that the society passing the resolutions was misled. We here, however, are on the firing line, and we get the projectiles whether they come from philanthropic people interested in better housing conditions or from the manufacturers of armor plate who may wish to delay the work here, hoping that at some time in the future another administration may recommend that no plant be built at all. Cold water is not always called by that name, and the armor plate people who finally faced a Congress not afraid to pass the armor-plate bill seem not yet to have recovered from the shock. Let me assure you that Charleston would welcome any investigation as to her locality and the sincere desire of all the people of West Virginia, except about the percentage of German sympathizers in the United States, to aid the Government not only in building the plant and housing cheaply and comfortably all her employees, but in making this war a success and confounding all our enemies. We have raised $300,000 and paid for over 200 acres of land worth much more. We have organized a million-dollar company to build good houses to take care of the additional population. We are spending here now over twenty millions in plants other than the Government plant, and which came here before the armor plant location was settled. Real estate values have not been inflated unduly, and most of the purchases have been made by our own people. Our chamber of commerce, business men's association, and other local civic organizations have taken up actively and intelligently the subject of properly housing the new population, and we have given the Government ample level land located on the river, a paved street, and street car line to build its own houses. If our patriotic work and active, earnest treatment of this particular subject should fail, the Government has a guaranty of security from extortion in the liberal gift of valuable conveniently located land. I feel sure that neither Senator CALDER nor the Senate will permit an injustice to be done people who are doing their bit nobly and generously. Whatever may be requested of this city by legal or moral obligation will be done, and our people would be glad to show the Senate how alert they are and how fully they are impressed with the importance of the subject referred to in the letter put into the RECORD. This city would thank you to give the above facts to the Senate.

W. E. CHILTON.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, May 23, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 22, 1917.*

The House met at 11.30 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God our Heavenly Father, help us to consecrate ourselves anew to Thee; that we may meet the duties and responsibilities of the hour with a firm and steadfast faith in the power of good over evil; that we may add truth to truth, strength to strength, better to good, and be assured of Thine all-inclusive love by which we shall live and love and advance through the eternal ages which are Thine. Comfort, we beseech Thee, the Member who has been sorely stricken by the sudden and unexpected death of his beloved wife. And let the Everlasting Arms be about the motherless boy. Help them to see through the eye of faith a glorious Beyond, where sorrows never enter; and all praise be Thine in His Name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, one of its clerks, announced that the Senate had passed the joint resolution (S. J. Res. 66) making immediately available the moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917, in which the concurrence of the House of Representatives was requested.

WAR REVENUE.

On motion of Mr. KITCHIN, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, with Mr. FOSTER in the chair.

The CHAIRMAN. When the committee rose last night there was pending an amendment offered by the gentleman from Ohio [Mr. FESS]. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment by Mr. FESS: Page 30, line 14, after the word "organizations," insert "bona fide chautauquas or lyceum courses operated under a contract with local guarantors."

Mr. MANN. Mr. Chairman, will the gentleman from North Carolina state whether it is his intention to run along this evening without a recess?

Mr. KITCHIN. Yes. Now, I suggest to the gentleman from Ohio [Mr. FESS], why not withdraw his amendment——

Mr. FESS. Mr. Chairman, if I may have unanimous consent I will withdraw that amendment in order to offer another.

The CHAIRMAN. The gentleman asks unanimous consent to withdraw the amendment just read, and without objection it is so ordered.

There was no objection.

Mr. FESS. Mr. Chairman, I offer an amendment, on page 30, line 13, after the word "religious," to insert a comma and the word "educational."

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FESS: Page 30, line 13, after the word "religious," insert a comma and the word "educational," so that the line will read: "or which inure exclusively to the benefit of religious, educational, or charitable institutions."

Mr. KITCHIN. I see no objection to that, and I will raise no objection to it. It puts educational institutions and societies on a level with religious institutions and societies.

Mr. MOORE of Pennsylvania. Mr. Chairman, is this now a matter of unanimous consent?

Mr. FESS. No; this is offered for a vote.

Mr. MOORE of Pennsylvania. Opening up the exemption to educational institutions is opening a very wide door, I want to say to the gentleman from North Carolina. Addresses delivered by men like the explorer Shackleton and by men who talk on special topics or matters such as our distinguished friend, Mr. Bryan, may discuss come under the classification of educational, and they are conducted very largely for profit.

Mr. STERLING of Illinois. It would not apply to that kind of an entertainment unless the profits went to an educational institution. They could not be conducted for private profit.

Mr. KITCHIN. I think the amendment is amply safeguarded. You know it was worded differently from this originally, and in the committee we left it out. It read originally "for educational purposes." Afterwards we changed it, so that the proceeds must go wholly to some institution.

Mr. MOORE of Pennsylvania. Let us take the very matter of a chautauqua, which I think is what the gentleman from Ohio desires to include by his amendment. Is it contended that a chautauqua is not conducted for profit?

Mr. FESS. Mr. Chairman, if the gentleman will permit, what I had in mind was to exempt the numerous lyceum courses given by the various educational institutions of the country. The amendment does not cover the chautauqua unless it is not run for profit. For instance, the circuit chautauquas run for commercial advantage, if that can be established, are not exempted, but the lyceum courses offered by schools and colleges will be exempted.

Mr. MOORE of Pennsylvania. The gentleman offers his amendment to a paragraph of the bill which provides that the admission fee shall not be taxed where the proceeds inure exclusively to the benefit of religious, educational, or charitable institutions. That is the way it will read if his amendment carries.

Mr. FESS. Yes.

Mr. MOORE of Pennsylvania. The chautauqua does not dedicate its profit to any institution, I understand.

Mr. FESS. If it is run for profit, it is not exempted by my amendment.

Mr. MOORE of Pennsylvania. If a chautauqua can employ lecturers at the rate of $100 a night or can engage so distinguished a speaker as the Hon. William Jennings Bryan—this is not political—to lecture for $250 a night, certainly those receipts ought not to be exempted.

Mr. MEEKER. Will the gentleman yield for a correction? Mr. Bryan is paid as high as $750 a speech on a fifty-fifty basis.

Mr. MOORE of Pennsylvania. I have no doubt he is worth it. I am not saying a word against his eloquence, but I am speaking of exempting from taxation those who are able to make so much money.

Mr. MEEKER. It is not intended that Mr. Bryan shall escape.

Mr. FESS. My amendment was precisely in the interest of what my friend from Pennsylvania is trying to get at. I wanted to exempt those associations that are purely educational and are not running a lyceum course for profit. If they are running it for a profit, they ought to pay the tax; but I want to exempt those lyceum courses that are offered by the Young Men's Christian Association and by various churches and by high schools, the proceeds of which do not go for any personal profit, but are expended for libraries or school education or something of that kind. I am sure that my friend does not want to tax those.

Mr. MOORE of Pennsylvania. I move to strike out the last word. It is possible that organizations may be formed for educational purposes, having no intent to make profit for the members of the association; but it is inconceivable that a large educational institution can be formed that can afford to pay $750 a night for a lecturer, or any less sum, without somebody getting some profit that in these war times ought to be taxed. It is not impossible that some "educational" concern might be established to employ Charlie Chaplin, one of the best-paid artists in the world, to give educational lectures or performances, without paying any tax to the Government of the United States. This would not be fair to legitimate theaters, moving-picure shows, or other amusements approaching the educational. My attention has been brought to the fact that many "star performers" who come from Europe seem to be in high favor. They can drain the people of their admission fees in performances or lectures of one kind and another and get away without paying any taxes, while our own citizen "artists" are always mulcted and have to pay.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. I want to call the gentleman's attention to the fact that it is not a question of whether the entertainment is educational in character. It might be educational and still liable to the tax. If the profit derived from the chautauqua goes for the benefit of any educational or religious institution, it is exempt from the tax. I think the gentleman makes a mistake in assuming that a chautauqua is exempt providing it is educational in its character, which is not the case.

Mr. MOORE of Pennsylvania. I observe that we have taken out of the class to be taxed those who attend the agricultural fairs, and yet the mill worker who goes to the moving-picture show where he pays more than 5 cents is taxed. If the farmer wants to go to the agricultural fair, which pays salaries to officers, and so forth, there is no taxation.

Mr. SNYDER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SNYDER. Does not the gentleman know that every farmer now takes his automobile and goes to the city to the moving-picture show every night?

Mr. MOORE of Pennsylvania. I have often stated, and am glad to repeat, that I am one of the best friends of the farmer in this House and wish him well; but the farmer has more friends in this House than the man in the city, and I have observed that the farmer can be exempted from conscription while the boy in the mill and the clerk in the bank is caught for war service. The farmer is exempt from taxation in other respects, while the father of the boy who works in the mill is held for taxation; and I observe that in the matter of great products that are going into munitions of war, like cotton and grain, the farmer who is making profit just now is released from some of the burdens of taxation levied by this bill that are going to be all placed upon the men of the mill. We should hold Charlie Chaplin if he is making $750,000 a year—I am not sure he is a citizen of the United States—we should hold him or any profit-making lecturer or artist who may be operating under the guise of a chautauqua or educational institution. Let him pay into the Treasury of the United States a little of that $750,000 per annum. These are war times.

Mr. SLOAN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SLOAN. Will the gentleman state where the farmer is any more exempt from draft than the man who works in the mill?

Mr. MOORE of Pennsylvania. The conscription bill specially designates that those employed in agricultural pursuits shall be relieved.

Mr. SLOAN. Oh, no; they are in a class that the President may exempt.

Mr. MOORE of Pennsylvania. The Secretary of Agriculture, and, I think, probably hundreds of others in office in Washington, have indicated that the boy who goes to the farm to fight the battles of his country will be doing as much or more service than if he puts a gun on his shoulder and goes across the water into the trenches like the boy in the mill and the clerk in the bank are expected to do.

Mr. TOWNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. TOWNER. I want to call attention to the fact that it seems to me that the imposition of the tax would not reach Mr. Bryan or Charlie Chaplain. Does not the gentleman think that the imposition of this 5 per cent tax should be added to the ticket for the entertainment?

Mr. MOORE of Pennsylvania. I think if the matter of educational exemptions is to apply to chautauquas, the voluntary or corporate associations, as the case may be, some of them may arrange that high enough salaries are paid to lecturers and others to leave no profits to be taxed.

Mr. TOWNER. Mr. Chairman, I rise to oppose the amendment offered by the gentleman from Pennsylvania.

Mr. MEEKER. Mr. Chairman, I move to strike out the last two words.

Mr. KITCHIN. I ask unanimous consent, Mr. Chairman, that all debate on this paragraph and amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

Mr. KITCHIN. I will take one minute—two minutes—to go to the gentleman from Illinois and two to the gentleman from Iowa.

Mr. TOWNER. Mr. Chairman, I think there can be no difficulty with regard to the point raised by these gentlemen. If gentlemen will examine the language of the section, they will see that the tax is not to apply where the proceeds inure exclusively to the benefit of religious or charitable institutions. The amendment proposed by the gentleman from Ohio [Mr. FESS] adds educational institutions. It could not be held in any case that a chautauqua organization was exclusively an educational institution. I do not think there will be any difficulty about that proposition, I would say to the gentleman. I want to say, however, Mr. Chairman, that I wish it was. I do not take the position by any means—in fact, I am very much opposed to the position—that any tax should be placed upon the chautauquas in the United States or on lecture courses in this country. Because certain gentlemen get high prices for lectures and chautauqua addresses does not take from me the belief that on the whole these institutions are a great benefit to the people and the country, both educationally and in a high sense as entertainment. I wish that this section and provision reached only to those institutions that were exclusively amusements in their nature, exclusively unnecessary, exclusively for the purpose of entertainment; but when institutions such as the chautauqua are organized all over the country, which give the people both high-class amusement and a high class of instruction upon educational grounds, it seems to me that it is a tremendous mistake to tax them as it is intended to do by this bill. I would be glad to strike out the provision of the bill that applies to lecture courses and chautauqua courses. I believe such a tax is unjust, I believe it is unmerited, I believe it is inexpedient, and I wish it was out of the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MILLER of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Minnesota. I understand that all debate upon this amendment has been exhausted?

The CHAIRMAN. There are still three minutes left.

Mr. MILLER of Minnesota. Is it in order to offer an amendment to the amendment in the nature of a substitute?

The CHAIRMAN. Yes.

Mr. MILLER of Minnesota. Then I desire to offer a substitute for the amendment.

The CHAIRMAN. The gentleman will be able to do that.

Mr. MADDEN. Mr. Chairman, I think there can be no question about the advisability of adding the word "educational" to this section of the bill. Of course, it is true that even educational institutions are obliged to employ men to give the education, and the man who comes as a lecturer for the purpose of educating the people assembled by the associations which are banded together for educational and religious purposes, if he gets enough money out of the income he receives from that source, will be compelled to pay a tax on that income. There ought not to be any unnecessary burden placed upon institutions of this sort, and no tax should be imposed upon an admission ticket where people are gathered for the purpose of receiving educational instruction, and where they are endeavoring to accumulate a fund to be used exclusively by the local organization, which is not banded together for profit. I think the whole story is very simple. It is merely a question of whether you are going to make it more difficult for a church or an educational institution in a local community to have men come in from the outside to educate them on things about which they want education. I believe that every person who gives thoughtful consideration to this question will agree that there ought not to be any tax where the institution is banded together purely for educational purposes, and where the profit from the entertainment, whatever it may be, goes exclusively either to the educational institution or to the development of the church.

Mr. KITCHIN. Mr. Chairman, I take it that this amendment does not apply to a case to which the gentleman from Pennsylvania objected. I take it that if the gentleman from Illinois [Mr. MADDEN] were employed by an educational institution or society to deliver a lecture and admission charges were made, and part of the proceeds went to pay the gentleman from Illinois, they would have to pay a tax under this amendment; but if the gentleman from Illinois charged nothing for his lecture, although charges of admission were made, and all of the proceeds went to the educational or charitable or religious institution, society, or organization, no tax would be charged.

Mr. MILLER of Minnesota. Mr. Chairman, I offer the following amendment by way of substitute, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MILLER of Minnesota: Page 30, line 13, after the word "institutions," insert the words "or to schools, colleges, or universities or any institution of learning organized thereunder or conducted thereby."

Mr. MANN. Mr. Chairman, I suggest that that amendment should come in after the word "organization," in line 14, instead of after the word "institutions."

Mr. MILLER of Minnesota. That is correct; and I ask unanimous consent to modify my amendment accordingly.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. MILLER of Minnesota. Mr. Chairman, the purpose of this amendment, offered as a substitute for the amendment offered by the gentleman from Ohio [Mr. FESS], is simply that it will enable the educational institutions, essentially such, to have lectures, admission to which will not come under this tax provision. It exempts schools, colleges, and universities, and, in addition, institutions of learning organized under schools, colleges, or universities, or conducted by them. The purpose of this last part is to enable schools, colleges, and universities to conduct extension work, which is a very large part of the work now of modern colleges and universities. It will obviate that which has been troubling many of us, namely, the exemption of chautauquas. It does not exempt them. It does not exempt any such institution, and I am one of those who believe that chautauquas as they exist to-day, splendid institutions as they are, should not be classed as purely educational. They are a mixture of education and high-class entertainment and should be so understood throughout the country. They have educational features, certainly, but are not essentially and exclusively educational. I went to Buffalo Bill's circus the other night. I went to get educated; I wanted to see how Jess Willard used his gloves.

A MEMBER. Were you educated?

Mr. MILLER of Minnesota. I was not. I was one of those who were stung. They could avoid the tax perhaps by classing this show as educational. Of course, that construction would be far stretched and misleading, but no further far stretched or more misleading than the citations already made by gentlemen in this debate. So it seems to me this substitute meets the requirements of the situation and is free from the objections that have been raised.

Mr. KITCHIN. Mr. Chairman, to save my life I can not see how that adds anything to it. I think you rather mystify it by putting that language in.

The CHAIRMAN. The gentleman from Ohio [Mr. FESS] offers an amendment following the word "religious," in line 13, page 30. The gentleman from Minnesota [Mr. MILLER] offers a substitute, after the word "organization," on line 14.

Mr. MANN. Is it really a substitute?

The CHAIRMAN. The Chair really thinks it is a substitute. The question is on the substitute offered by the gentleman from Minnesota [Mr. MILLER].

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. FESS].

The question was taken, and the Chairman announced that the Chair was in doubt.

Mr. MOORE of Pennsylvania. Division, Mr. Chairman.

Mr. MEEKER. A parliamentary inquiry. This is on the amendment of the gentleman from Ohio?

The CHAIRMAN. It is.

The committee divided; and there were—ayes 114, noes 1.

So the amendment was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment: On page 30, after line 12, before the word "proceeds," insert the word "gross," and on line 14, before the word "proceeds," insert the word "gross."

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 30, line 12, before the word "proceeds," insert the word "gross," and in line 14, before the word "proceeds," insert the word "gross."

Mr. KITCHIN. Mr. Chairman, that is hardly necessary at all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to have the amendment offered by me yesterday and agreed to corrected by inserting the word "or" before the word "subscription," on line 2, page 30.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York.

Mr. LONGWORTH. I suggest that that can not be made in the committee.

The CHAIRMAN. Did the gentleman offer an amendment?

Mr. LAGUARDIA. No; I asked unanimous consent to correct the amendment. I ask unanimous consent to return to this section. I just wanted to insert the word "or" before the word "subscription," which was inadvertently omitted.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. LAGUARDIA offers an amendment to the amendment adopted, by inserting the word "or" before the word "subscription," on page 30, line 2, after the word "admission," so that as amended it will read:

"Each 10 cents or fraction thereof of the amount paid for admission or subscription to any place," etc.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 801. That there shall not be taxed under this title any bond, note, or other instrument, issued by the United States, or by any foreign Government, or by any State, or local subdivision thereof, or municipal or other corporation exercising the taxing power, when issued in the exercise of a strictly governmental, taxing, or municipal function.

Mr. KITCHIN. Mr. Chairman, I offer a committee amendment on page 32, line 6.

The CHAIRMAN. The gentleman from North Carolina offers an amendment which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 32, line 6, strike out the period and insert in lieu thereof a semicolon and the following:

"Or stocks and bonds issued by cooperative building and loan associations which are organized and operated exclusively for the benefit of their members and make loans only to their shareholders."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Is guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than $1,000, or by imprisonment at hard labor for not more than five years, or both, in the discretion of the court, and shall also forfeit any such forged or counterfeited stamp, die, plate, or other article and the vellum, parchment, or paper upon which it is placed or impressed.

Mr. MANN. Mr. Chairman, I move to amend, on page 34, line 15, by striking out the words "at hard labor" where it says "imprisonment at hard labor."

The CHAIRMAN. The Clerk will report the amendment.

Mr. MANN. We no longer carry that language.

Mr. KITCHIN. That is in the old 1898 act.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows,

Amendment offered by Mr. MANN: Page 34, line 15, strike out the words "at hard labor."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MANN].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 808. That the collectors of the several districts shall furnish without prepayment to any assistant treasurer or designated depositary thereof of the United States located in their respective collection districts a suitable quantity of adhesive stamps for sale. In such cases the collector may require a bond, with sufficient sureties, to an amount equal to the value of the adhesive stamps so furnished, conditioned for the faithful return, whenever so required, of all quantities or amounts undisposed of, and for the payment monthly of all quantities or amounts sold or not remaining on hand. The collectors shall supply their deputies with a sufficient quantity of such stamps and may sell to other parties within their respective districts who may make application therefor adhesive stamps upon the same terms allowed by law or under the regulations of the Commissioner of Internal Revenue, who is hereby authorized to make such other regulations, not inconsistent herewith, for the security of the United States and the better accommodation of the public, in relation to the matters hereinbefore mentioned, as he may judge necessary and expedient. The Secretary of the Treasury may also from time to time make such regulations as he may find necessary to insure the safe-keeping or prevent the illegal use of all such adhesive stamps.

Mr. KITCHIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Committee amendment: On page 38, line 5, strike out the word "thereof."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

2. Bonds, indemnity and surety: Bonds for indemnifying any person, corporation, partnership, or corporation who shall have become bound or engaged as surety, and all bonds for the due execution or performance of any contract, obligation, or requirement, or the duties of any office or position, and to account for money received by virtue thereof, and all other bonds of any description, except such as may be required in legal proceedings, not otherwise provided for in this schedule, 50 cents: *Provided*, That where the premium charged for the execution of such bond is in excess of $100, the tax shall be paid at the rate of 1 per cent of the premium charged.

Mr. KITCHIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 39, lines 22, 23, and 24, strike out all after the colon in line 22 to the end of line 24 and insert:

"*Provided*, That where a premium is charged for the execution of such bond the tax shall be paid at the rate of 1 per cent of each dollar or fractional part thereof of the premium charged: *Provided further*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision."

Mr. MANN. Mr. Chairman, just what is the effect of that?

Mr. KITCHIN. As the bill is printed now, all bonds written, in which the premium does not exceed $100, have to pay 50 cents. The result is that on these rural-carrier bonds, indemnified by an indemnity company, the premium is only 50 cents, and the tax would be 50 cents. The effect of this amendment is to levy a tax of 1 per cent on the premium charged where a premium is charged.

Mr. MANN. That is what I thought you had just provided before, that the premium shall be 50 cents upon the bond.

Mr. KITCHIN. Yes; for an individual. When you sign the bond as an individual 50 cents will be collected. But when a bonding company makes charges——

Mr. MANN. But the 50 cents is not confined to a bond signed by individuals.

Mr. KITCHIN. Yes; where there is no premium charged.

Mr. MANN. I will not say so, positively, but I think the gentleman must be mistaken. I am doubtful myself about it. But the original provision in the bill was designed to make a charge of 50 cents for each bond.

Mr. KITCHIN. Yes.

Mr. MANN. But if the minimum charge is but $100, then it would be 1 per cent?

Mr. KITCHIN. Yes.

Mr. MANN. In other words, if the premium was to be $75 the tax on the bond was to be 50 cents?

Mr. KITCHIN. Yes.

Mr. MANN. Now, apparently the gentleman's amendment will make the tax 75 cents if the cost of the bond is $75.

Mr. KITCHIN. Yes; if a premium is charged.

Mr. MANN. But the proviso now only relates to where the premium charge exceeds $100.

Mr. KITCHIN. I am striking that out.

Mr. MANN. Does the gentleman mean to say that as the gentleman's bill was before, it did not provide for any charge when the premium was $100?

Mr. KITCHIN. If it was in excess of $100, it was 1 per cent. If under $100, it was 50 cents.

Mr. MANN. Now, the gentleman's amendment will make the charge 75 cents if the premium was $75?

Mr. KITCHIN. Yes; 1 per cent. Take the rural-carriers' bonds. Most of them have a premium of 50 cents.

Mr. MANN. The gentleman mentioned the rural-carriers' bonds. There are a great many bonds besides those. If it is the intention of the gentleman to increase the rate to more than 1 per cent on bonds where the premium amounts to $50, that is what it will do.

Mr. KITCHIN. On all bonds where there is no charge made it will be 50 cents, whether for $1,000 or $10,000. On all bonds where a premium is charged it will be 1 per cent of the premium charged.

Mr. MANN. I understand that is the gentleman's amendment. But that was the case before, except as to the bond where the premium was between $50 and $100. Now you simply increase the tax between $50 and $100?

Mr. KITCHIN. Yes; we simply increase the tax between $50 and $100 from the bill, and lower it——

Mr. MANN. No; you do not lower it anywhere. You increase it. I do not see the object of it.

Mr. KITCHIN. We lower it—of course we lower it. Suppose the premium charge here is $25. It is now 25 cents. Before it was 50 cents.

Mr. MANN. Then you have a contradiction. You said you had 50 cents, and then 25 cents.

Mr. KITCHIN. There is no contradiction. If the gentleman will read the amendment, he will notice that if no charge for premium is made it is 50 cents, no matter what the value of the bond is, and if a charge is made it is 1 per cent of the premium.

Mr. MANN. Does not the gentleman think that is "going some" to charge 50 cents on a bond where there is no premium charged, and if you pay a premium of $25, then you pay 25 cents?

Mr. KITCHIN. That provision is exactly like the bonding-company bond provision of the acts of 1898 and 1914, with reference to bonds for which a premium was charged.

Mr. MANN. That beats me.

Mr. KITCHIN. The gentleman voted for it. Oh, the gentleman was not here in 1898?

Mr. MANN. I was here when all of these tax matters passed which are in the gentleman's memory, but I did not vote for all of them.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from North Carolina [Mr. KITCHIN].

The amendment was agreed to.

Mr. ROWE. May I ask the chairman of the committee one word about the paragraph we have just passed?

Mr. KITCHIN. Yes.

Mr. ROWE. In line 9, page 39, it says:

That every renewal or extension of the foregoing shall be taxed as a new issue.

That refers to bonds of indebtedness. In the State of New York we give a bond with a mortgage. In many States they take a note with the mortgage. Our savings-bank mortgages run for one year only. Would they be subject to a tax every year?

Mr. KITCHIN. Yes; every renewal.

Mr. ROWE. That would be a very large tax to put on mortgages.

Mr. KITCHIN. The mortgages are not taxed at all. It is just the notes.

Mr. ROWE. Yes; but here is the bond which goes with the mortgage in New York, which is of the full value of the mortgage.

Mr. KITCHIN. The law of 1898 taxed both.

Mr. ROWE. But it did not tax the renewal where there was no written renewal.

Mr. KITCHIN. There was a tax where there was a written renewal, but it did not tax extensions.

Mr. ROWE. Yes; but in reference to savings-bank mortgages, coming due every year, to pay a tax every year on a big mortgage would mean a large expense.

Mr. KITCHIN. The only addition is the words "or extension."

Mr. ROWE. Why should it not say "written renewal"?

Mr. KITCHIN. That would be a written renewal if it is an extension.

Mr. ROWE. There is no renewal on our savings-bank mortgages. They may continue to run for 20 years, but the mortgage says it is due in one year.

Mr. KITCHIN. If they run for 20 years, and on the face of it the mortgage is due in one year, then that would be an extension.

Mr. ROWE. No; it says one year, and then the savings banks never call for it. It is just a custom of the State.

Mr. KITCHIN. The word "renewal" would not touch them, but the words "extension of" do catch them.

Mr. ROWE. There are other States also that have the same trouble.

Mr. KITCHIN. Will the gentleman prepare an amendment to strike out the words "or extension"?

Mr. ROWE. I move to strike out the words "or extension," in line 9, page 39.

Mr. GREENE of Massachusetts. In the State of Massachusetts all mortgages made to savings banks run for the term of six months, but they are witnessed, and that makes them run for 20 years before requiring a renewal. That has been so ever since the constitution of the State was established. The banks all take their notes for six months.

Mr. KITCHIN. The committee have no objection to striking out the words "or extension of."

The CHAIRMAN. The gentleman from New York [Mr. ROWE] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROWE: Page 39, line 9, strike out the words "or extension."

Mr. BARKLEY. Will the gentleman from North Carolina yield?

Mr. KITCHIN. I yield to the gentleman from Kentucky.

Mr. BARKLEY. Is it not possible that there will be no renewals at all, but simply granting extensions on the face of the notes?

Mr. KITCHIN. The banks will not do that. When the bank examiner comes around he will make them renew. I have been spending the greater part of my life in renewing notes.

Mr. ROSE. I presume with the words "or extension" stricken out it would provide that the tax shall be paid only when there is a renewal.

Mr. KITCHIN. Whenever they are renewed the tax will have to be paid.

Mr. JAMES. Will the gentleman from North Carolina yield?

Mr. KITCHIN. I yield to the gentleman from Michigan.

Mr. JAMES. Is the tax of 1 per cent on indemnity and surety bonds issued by a bonding company paid by the bonding company or the assured?

Mr. KITCHIN. That is paid by the bonding company. The gentleman refers to paragraph 2, beginning in line 14, page 39?

Mr. JAMES. Yes.

Mr. LANGLEY. Will the gentleman from North Carolina yield?

Mr. KITCHIN. I yield to the gentleman from Kentucky.

Mr. LANGLEY. This section does not in any way interfere with or handicap the renewal of notes, does it?

Mr. KITCHIN. No.

Mr. LANGLEY. If it does, I am opposed to it.

Mr. KITCHIN. Let us have a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ROWE].

The amendment was agreed to.

The Clerk read as follows:

The stamps representing the tax imposed by this paragraph shall be attached to the stock books and not to the certificates issued.

Mr. JAMES. Mr. Chairman, I move to strike out the last word. I should like to ask the gentleman from North Carolina how does this affect mutual building and loan associations?

Mr. KITCHIN. We have already exempted them by an amendment.

Mr. DOWELL. On the other section they were exempted on the bonds, but this is the stock. It seems to me there should be another exemption here, if the gentleman desires that they shall be exempt under this provision as to stocks.

Mr. KITCHIN. Will the gentleman please speak a little louder? I can not hear him on account of the confusion.

Mr. DOWELL. This is on the face value of the capital stock?

Mr. KITCHIN. Yes; 5 cents, like the provision in the laws of 1898 and 1914.

Mr. DOWELL. But it also taxes the stock of building and loan associations?

Mr. KITCHIN. No; we have just exempted them.

Mr. DOWELL. But your exemption applied not to the capital stock, but to the bonds; and the stock is not exempt under this paragraph at the top of page 40.

Mr. KITCHIN. The amendment says:

Stocks and bonds issued by cooperative building and loan associations.

And so forth. It seems to me that covers it.

Mr. DOWELL. It would seem to exempt it under the other sections.

Mr. KITCHIN. The House has just passed an amendment excepting bonds and stocks for building and loan associations.

Mr. MANN. Mr. Chairman, I would like to ask the gentleman from North Carolina what is the modus operandi with reference to stamp taxes attached to the stock books and not to the certificates? You provide that the stamp shall be attached to the stock book and not to the certificate.

Mr. KITCHIN. In this case the reason is——

Mr. MANN. I understand the reason, but what will be the method of operation?

Mr. KITCHIN. They will have the company issuing the stock stamp the stub on the stock book.

Mr. MANN. The man owning the certificate is supposed to pay for it?

Mr. KITCHIN. No.

Mr. MANN. The company will not transfer the stock and pay the expense.

Mr. KITCHIN. This refers to the original issue of stock. When I am selling my stock to another person I put the stamp on it.

Mr. MANN. Then this covers by the term "original issue" only the original stock?

Mr. KITCHIN. The original stock.

Mr. MANN. And it does not apply to any company in existence?

Mr. KITCHIN. No.

The CHAIRMAN. The pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

4. Capital stock, sales or transfers: On all sales, or agreements to sell, or memoranda of sales or deliveries of, or transfers of legal title to shares or certificates of stock in any association, company, or corporation, whether made upon or shown by the books of the association, company, or corporation, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale, whether entitling the holder in any manner to the benefit of such stock or not, on each $100 of face value or fraction thereof, 2 cents: *Provided*, That it is not intended by this title to impose a tax upon an agreement evidencing a deposit of stock certificates as collateral security for money loaned thereon, which stock certificates are not actually sold, nor upon such stock certificates so deposited: *Provided further*, That the tax shall not be imposed upon deliveries or transfers to a broker for sale, nor upon deliveries or transfers by a broker to a customer for whom and upon whose order he has purchased same, but such deliveries or transfers shall be accompanied by a certificate setting forth the facts: *Provided further*, That in case of sale where the evidence of transfer is shown only by the books of the company the stamp shall be placed upon such books; and where the change of ownership is by transfer of the certificate the stamp shall be placed upon the certificate; and in cases of an agreement to sell or where the transfer is by delivery of the certificate assigned in blank there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale, to which the stamp shall be affixed; and every bill or memorandum of sale or agreement to sell before mentioned shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers. And any person or persons liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person or persons who shall make any such sale, or who shall in pursuance of any such sale deliver any stock or evidence of the sale of any stock or bill or memorandum thereof, as herein required, without having the proper stamps affixed thereto with intent to evade the foregoing provisions shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not exceeding $1,000, or be imprisoned not more than six months, or both, at the discretion of the court.

Mr. SABATH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 40, after the word "not," in line 20, strike out all including the word "cent" in line 21, page 40, and insert "1 per cent."

Mr. SABATH. Mr. Chairman, I am trying to amend this section by striking out the provision which imposes a tax of 2 cents on every $100 stock certificate, and in lieu thereof inserting

a provision that the tax shall be 1 per cent. As it is now the brokers are receiving one-eighth to one-quarter of 1 per cent on all these transactions, and if there is anyone that can afford to pay a little larger tax it is these men who are dealing in stocks on the stock exchange. This does not increase the tax on the original stock issue. It only increases the tax on the sales on the various stock exchanges. When we take into consideration that the most of these transfers and sales are gambling transactions there ought not to be any objection. If gentlemen are anxious to gamble in stocks I think they can easily afford to pay 1 per cent for the privilege. I venture to say there is only a very small percentage of the American people that buy and sell these stocks. There might be 15,000 or 25,000 of these stock brokers who are making great fortunes at the expense of the American people, and I believe that it is no hardship to impose a tax of 1 per cent on these gambling transactions.

To my mind, I think it would be much better if we would completely eliminate and prohibit these dealings. I think the country would be greatly benefited, and in view of the fact that there is no provision prohibiting this kind of gambling, I think they can easily pay the tax of 1 per cent, especially in view of the fact that we are imposing a tax of 5 per cent on legitimate business that can not stand it as well as these gambling institutions. For that reason I hope the amendment will be adopted.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. McLAUGHLIN of Michigan. I want to know if I get the idea the gentleman has in mind. He wants to strike out that language that would impose a tax of 2 cents on $100 or fractional part thereof and impose a tax of 1 per cent. That would be $1 on a hundred.

Mr. SABATH. Yes; instead of 2 cents it would be $1 on every hundred-dollar certificate.

Mr. McLAUGHLIN of Michigan. Does the gentleman want to prohibit these transactions altogether?

Mr. SABATH. I think it would, in a great measure, eliminate a great many of these gambling transactions, especially cheap stocks, where the American people are, as I stated before, fleeced almost every day on the stock exchanges.

Mr. BATHRICK. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. BATHRICK. Does the gentleman want to put a tax of $1 on a certificate of stock that is only worth $4, notwithstanding the face value is $100?

Mr. SABATH. That is what I am trying to correct. My amendment in place of taxing each share regardless of value 2 cents will tax them on their actual value 1 per cent, so that a $10 share would pay 10 cents, a hundred-dollar share $1 instead of only 2 cents.

Mr. BATHRICK. Does not the gentleman know that the broker would not pay that, but the men who are fleeced will pay just so much more?

Mr. SABATH. It will be the gamblers who are gambling in stocks. Nine-tenths of these transactions are through brokers and by gamblers.

Mr. BARKLEY. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. BARKLEY. Is it the gentleman's contention that no tax is paid on a certificate under a hundred dollars?

Mr. SABATH. It is on $100. What would it be on $10?

Mr. BARKLEY. Two cents.

Mr. SABATH. According to the gentleman's view it might be 2 cents, but I would correct it, and make it $1. That would not hurt anyone.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. RAINEY. Mr. Chairman, a tax of 2 cents has been imposed, because it was the rate carried in the Spanish-American War tax bill. This is a revenue measure, and in this measure we are not attempting to close up the exchanges. The exchanges are the regular mediums through which business is transacted in the great cities of this country. We are unwilling to believe that a crisis has come in our country which makes it necessary to close up these exchanges and stop trade in these stocks. The amendment changes the tax suggested in the bill from 2 cents on $100 face value to $1 per $100. The effect of it might be at once disastrous to the recognized method of doing business in this country. We think the revenue item provided in the bill ought to stand, and the suggested amendment, which might have the effect of closing exchanges and impairing the volume of business transacted therein should not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. SABATH].

The question was taken, and the amendment was rejected.

Mr. MANN. Mr. Chairman, I move to strike out the last word to inquire whether this provides for a stamp on stock which has no face value? You have provided for that upon the original issue of stock. Is there any provision in here in reference to the transfer of stock without face value? If there is, it has temporarily escaped my attention.

Mr. KITCHIN. Mr. Chairman, I am pretty certain that we intended to cover that. I can not put my finger upon it now.

Mr. MANN. I do not catch it in this paragraph. Of course, it ought to be covered.

Mr. KITCHIN. Yes; we intended to cover that. Just let this be passed over, and I shall come back to that. It ought to be in if it is not in.

Mr. LANGLEY. Mr. Chairman, there is a correction in punctuation which I think should be made. At the end of line 24 there is apparently a period where there ought to be a comma.

Mr. MANN. That is correct.

Mr. LANGLEY. I suggest that the period be stricken out and a comma inserted.

Mr. MANN. That is not a period; it is a comma with the tail broken off.

Mr. LANGLEY. Probably.

The CHAIRMAN. Without objection, the Clerk will make the correction.

There was no objection.

Mr. FESS. Mr. Chairman, I move to strike out the last word. On page 41, line 19, a period ends the provisions of the law, and then you begin with the word "And" with the penalty. Does the gentleman not think that that word "And" ought to be stricken out?

Mr. KITCHIN. It would be better English; yes.

Mr. FESS. Then I move that the word "And" in line 19, page 41, be stricken out and that the word "any" be written with a capital letter.

Mr. KITCHIN. That should be done.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 41, line 19, strike out the word "And" at the beginning of the sentence and begin the word "any" with a capital "A."

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

The Clerk read as follows:

5. Produce, sales of, on exchange: Upon each sale, agreement of sale, or agreement to sell, including so-called transferred or scratch sales, any products or merchandise at any exchange, or board of trade, or other similar place, for future delivery, for each $100 in value of the merchandise covered by said sale or agreement of sale or agreement to sell, 2 cents, and for each additional $100 or fractional part thereof in excess of $100, 2 cents: *Provided*, That on every sale or agreement of sale or agreement to sell as aforesaid there shall be made and delivered by the seller to the buyer a bill, memorandum, agreement, or other evidence of such sale, agreement of sale, or agreement to sell, to which there shall be affixed a lawful stamp or stamps in value equal to the amount of the tax on such sale. And every such bill, memorandum, or other evidence of sale or agreement to sell shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers; and any person or persons liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person or persons, who shall make any such sale or agreement of sale or agreement to sell, or who shall, in pursuance of any such sale, agreement of sale, or agreement to sell, deliver any such products or merchandise without a bill, memorandum, or other evidence thereof as herein required, or who shall deliver such bill, memorandum, or other evidence of sale, or agreement to sell, without having the proper stamps affixed thereto, with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not exceeding $1,000 or be imprisoned not more than six months, or both, at the discretion of the court.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 42, line 12, after the word "cents," insert the following:

"*Provided*, That no such sale, agreement of sale, or agreement to sell unmanufactured cotton shall be lawful until a tax of $2.50 a bale shall have been paid upon such unmanufactured cotton."

Mr. MOORE of Pennsylvania. Mr. Chairman, some advices from the cotton belt indicate a desire to abolish the exchange system on the ground that the producer always gets the worst end of the deal on the exchanges. I am not vouching for this, but am repeating what I have heard from some of the States where cotton is produced. It has been charged here that exchanges promote speculation and otherwise tend to create fluctuations in the market and are depressing to the farmer who produces the cotton. Some of my friends from the South, not necessarily Members of Congress, have indicated that if a moderate tax were put upon cotton, such a tax, for instance, as $2.50 a bale, which would be about a 5 per cent ad valorem tax, it would strengthen the cotton market in the United States and

tend to reduce the power of Liverpool to control and deliver cotton, a desideratum, I take it, which would be very much appreciated by those who believe in "America first." Cotton in the raw is not taxed at all. Cotton has the very distinct advantage of being protected by the constitutional provision against a tax upon exports. In normal times about 60 or 65 per cent of American raw cotton goes abroad and is there manufactured into marketable textiles at a wage rate and an overhead charge far less than can be attained in the United States. These foreign-manufactured articles come back to the United States, and when the tariffs are low tend to depress the great industries of the United States that would gladly encourage the manufacture of cotton goods to a greater degree than they do if they were given a fair chance to compete with their foreign rivals. Yesterday in an effort to equalize the taxes imposed by this bill an amendment was offered putting a tax of $2.50 a bale upon raw cotton—that magnificent product and monopoly of the United States, which during the year 1916 produced a billion five hundred million dollars worth of wealth, which now in large part reposes securely in many of our southern banks.

Mr. LEVER. Does the gentleman know how much was produced in 1914?

Mr. MOORE of Pennsylvania. The gentleman refers to the slump in the price of cotton. Our mills were suffering when cotton was low, because our southern friends had not seen far enough ahead to give us the advantage of a tariff upon cotton manufactures that would so protect us in the mills as to enable us to take from the farmer of the South all his raw cotton at a fair price. We were unable to buy cotton when we would gladly have done so, because our friends had not given us the opportunity to run our mills to the full.

Mr. HOWARD. The gentleman does not contend that the South has a monopoly on the production of cotton?

Mr. MOORE of Pennsylvania. Well, I have not heard that they raise any cotton in Maine or in Minnesota.

Mr. HOWARD. Forty-six per cent of it is in competition. In other words, 64 per cent of the cotton produced in the world is raised in the South.

Mr. MOORE of Pennsylvania. I think the world's output of cotton is produced largely in the Southern States.

Mr. HOWARD. The gentleman from Florida made several attempts to get protection on long-staple cotton alone, and you and your party fought it vigorously.

Mr. MOORE of Pennsylvania. No; I think not; but the Democratic Party is now going to give him protection in this bill if, with Republican aid, it succeeds in passing it. This bill will give him a 10 per cent duty on long-staple cotton, so that Florida can compete with that cotton which comes from elsewhere. This bill is going to take care of citrus fruits, and there are various other Democratic annexes to what ordinarily would be a Republican measure. But the point, Mr. Chairman, is this: If our friends from the cotton States are going to regulate the cotton exchanges and prevent speculation, we had best put a moderate tax upon cotton itself, as cotton pays nothing directly to help us promote this war; and as cotton is a war munition, making extensive profit out of the war, it seems but fair, if we permit these exchanges to make these transfers and these sales on futures of cotton, and so forth, we should at least recover a tax of $2.50 a bale, which is very moderate, seeing that cotton has been realizing about $100 a bale and that more than 11,500,000 bales went to market in 1916.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. MOORE].

The question was taken, and the amendment was rejected.

Mr. DOWELL. I desire to inquire of the chairman of the committee the meaning of one word in this paragraph 5, which provides for a tax upon an agreement to sell or to deliver at any exchanges. Does that include the ordinary market house that is found in our cities? Will the chairman of the committee inform me as to the language of this section?

Mr. KITCHIN. On what page?

Mr. DOWELL. On page 42 it says:

Upon each sale, agreement of sale, or agreement to sell * * * any products or merchandise at any exchange.

Mr. KITCHIN. It says "at any exchange or board of trade." That means the produce exchange.

Mr. DOWELL. But the word "exchange" there may mean an ordinary market house.

Mr. KITCHIN. Oh, no. I will say to the gentleman this was in the act of 1898, and had a construction; it was in the act of 1914, and had the same construction. It is well defined. We did not change the language at all.

Mr. DOWELL. I think a number of these have been incorporated since that time.

Mr. KITCHIN. Oh, no. That is an exchange, a board of trade, or a similar produce exchange.

Mr. DOWELL. Of course the term "board of trade" explains itself, but the word "exchange" would seem to me to mean at any market.

Mr. KITCHIN. Oh, no.

Mr. DOWELL. If that construction the gentleman has put upon it is correct——

Mr. KITCHIN. The department has put that construction upon it.

Mr. McLAUGHLIN of Michigan. Would the gentleman consent to an amendment putting the words "or any stock exchange" in there?

Mr. KITCHIN. We could not do that.

Mr. McLAUGHLIN of Michigan. Why?

Mr. KITCHIN. Because a point of order would lie against that.

Mr. McLAUGHLIN of Michigan. Does the gentleman say that to make it exact and certain as to what you mean would be out of order?

Mr. KITCHIN. You said "stock exchange." No; we did not tax stock exchanges.

Mr. McLAUGHLIN of Michigan. It was to put the words "stock exchange" in there, so that it would mean any sale on a stock exchange or a board of trade.

Mr. KITCHIN. Has the gentleman ever heard of wheat or cotton being sold on a stock exchange? It is always on a board of trade or produce exchange.

Mr. McLAUGHLIN of Michigan. Stock or produce exchange. I am offering that with the idea of defining the meaning of the word "exchange."

Mr. KITCHIN. It is given a well-defined meaning by the Treasury Department. It has construed that language.

Mr. McLAUGHLIN of Michigan. This meaning is a definition given by the department, and was given at the time of the Spanish-American War, and other kinds of exchanges not covered by those definitions have been organized and have been in operation since that time.

Mr. MANN. This does not have to go back to the Spanish-American War. This was in the war-revenue bill passed a couple of years ago. It is the same thing. There is a recent construction.

Mr. DOWELL. I would like to have that construction put in the RECORD.

Mr. KITCHIN. I will not put it into my remarks. The gentleman from Illinois [Mr. MANN] can put it in his.

Mr. DOWELL. I have not heard it defined specifically here.

Mr. MANN. It means a board of trade or a similar exchange.

Mr. KITCHIN. That is all.

Mr. DOWELL. It ought to be defined.

Mr. MANN. They call it the Produce Exchange in New York.

Mr. KITCHIN. Mr. Chairman, let the Clerk read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

That no bill, memorandum, agreement, or other evidence of such sale, or agreement of sale, or agreement to sell, in case of cash sales of products or merchandise for immediate or prompt delivery which in good faith is actually intended to be delivered shall be subject to this tax.

Mr. McCLINTIC. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McCLINTIC: Amend section 807 by adding a new paragraph, to be known as "Paragraph 5a," as follows:

"5a. That all stocks, bonds, securities, and all other values which may be bought or sold at any board of trade, stock exchange, or similar place, which are not covered in the preceding sections of this act, there shall be levied and collected a tax of 2 cents on each $100 and on each additional $100, 1 cent. That all stocks, bonds, securities, and all other values which are not for immediate or prompt delivery, or are not intended to be actually delivered by the seller or received by the buyer, there shall be levied and collected a tax of 25 cents on each $100, and on each additional $100, 5 cents. A record shall be made of every sale or purchase by the officers of said institutions, and the collector of internal revenue is hereby given authority to make such rules and regulations as will be necessary to enforce the provisions of this section."

Mr. MADDEN. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the amendment.

Mr. McCLINTIC. Mr. Chairman, I am offering this amendment with the hope that those in charge of this legislation will see the need of taxing those occupations which should be called on to do their part toward maintaining this Nation. I do not

see why any class of business should be exempted, when at the same time this legislation reaches out and taxes so many legitimate occupations, in order that the revenue needed at this time may be made available.

This amendment, if enacted into a law, will cause a tax to be paid by that class of speculators which has not been provided for in other sections of the bill. Inasmuch as it is proposed to tax automobiles, musical instruments, and a great many other kinds of industries, occupations, and luxuries of life, I am of the opinion that it will be no more than right to cause a tax to be paid by those who claim the privilege of dealing in stocks, bonds, and liquid securities on the different boards of trade and stock exchanges in this country.

I have introduced a bill to prohibit speculation in grain and foodstuffs. If I had the opportunity, I would be glad to vote for any kind of legislation which would prevent speculation and dealing in futures. Inasmuch as it will not be in order to consider legislation that will bring this relief at this time, I have offered this amendment with the hope that same would be found in order and agreed to by the committee. I know it will raise a great deal of additional revenue, and when this tax is caused to be paid by those who desire to speculate the people of this country will say that the United States Congress did right and no favorable exemptions were made in behalf of persons or occupations. [Applause.]

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

6. Drafts or checks payable otherwise than at sight or on demand, promissory notes, except bank notes issued for circulation, and for each renewal or extension of the same, for a sum not exceeding $100, 2 cents; and for each additional $100 or fractional part thereof, 2 cents.

Mr. SWITZER. Mr. Chairman, I would like to ask a question of the chairman of the Committee on Ways and Means. This tax will be imposed on certificates of deposit issued by building and loan associations and savings and loan associations, would it not?

Mr. KITCHIN. I did not catch the gentleman's question. Will the gentleman please speak a little louder?

Mr. SWITZER. The tax carried in the paragraph would be imposed upon a certificate of deposit by a building and loan or savings and loan association?

Mr. KITCHIN. No, sir.

Mr. SWITZER. Your exemption went only to stocks and bonds?

Mr. KITCHIN. Yes; stocks and bonds. But the notes given——

Mr. SWITZER. Should not your exemption also exempt money deposited in the nature of stock?

Mr. KITCHIN. If they give you a certificate of deposit, that does not bear any. This is simply a note.

Mr. SWITZER. You do not expect that to be taxed?

Mr. KITCHIN. No; not a certificate of deposit; no, sir.

Mr SWITZER. That is, a certificate of deposit will not be taxed?

Mr. KITCHIN. No, sir; only drafts and checks payable on demand——

Mr. SWITZER. Let me have it clearly in my mind. If I deposit $100 in a savings loan company and they issue a certificate to me paying 3 or 4 per cent interest that is not taxed?

Mr. KITCHIN. No; it is not taxed.

Mr. CRAMTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 43, lines 16 and 17, after the word "checks," strike out the words "payable otherwise than at sight or on demand."

Mr. CRAMTON. Mr. Chairman, the purpose of this amendment is to provide for a stamp tax upon the great mass of bank checks, which for some reason was not provided in this bill.

To my mind they are a most suitable subject for taxation at this time. I understand that when we are raising approximately $2,000,000,000 of revenue annually in the form of new taxes it is bound to place a burden upon practically everyone in the country. Any tax is a burden. It is our duty, however, when we are placing this great amount of new taxation upon the country, to select subjects where the burden will be bearable if possible. [Applause.]

A tax upon checks is a bearable burden. It is not a heavy one, as is provided in this section 6. It will be 2 cents upon each $100, as was suggested by my colleague from Michigan [Mr. FORDNEY], a member of the Committee on Ways and Means.

Mr. FESS. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAMTON. In a moment. But if that particular figure does not appeal to the House, you have it in your power to change it after you have adopted my suggested amendment. By striking out the limitation on the word "check" you will thereafter have it in your power to fix the figure where you would prefer to have the tax. Now I yield to the gentleman from Ohio.

Mr. FESS. What I wanted to know is this: Would $100 be the limit, or would it take anything up to $100 in a check?

Mr. CRAMTON. Anything up to $100, 2 cents; and every additional $100, 2 cents.

Mr. FESS. And anything below $100?

Mr. CRAMTON. Yes; 2 cents.

Mr. FESS. A dollar check?

Mr. CRAMTON. Yes. If a man thinks he can get better service by going across the street and paying the cash and saving the 2 cents, it is up to him to do it in that way. It is up to him. I take a lot of newspapers in my district. When I come to send out the checks for a dollar or a dollar and a half apiece, those are the checks that are worrying some gentlemen here. Do you suppose I am going to object to paying 2 cents on each one of those little checks? It is a pleasure to know that the money goes to maintain at the front the armies of the United States, and I am glad to pay it.

Mr. RUSSELL. What is the gentleman's idea about who would pay this tax, the banker or the depositor?

Mr. CRAMTON. The man who draws the check will put the stamp on it.

Mr. RUSSELL. Does not the gentleman think that it is a great hardship upon the laboring man who may at the end of the week get a check for his week's wages of $10, to have to pay 2 cents to get his money out of the bank?

Mr. CRAMTON. He will not have to pay it. The man who draws the check has got to make it a good check by putting the stamp upon it. There is no hardship to the laboring man. He gets the check. Or the manufacturer whose weekly pay roll is, we will say, $10,000 may go to the bank and draw a check for $10,000 and present it. It must carry a 2-cent stamp for every $100. He may draw out the cash and take it to the office and pay his labor in cash. If so, the manufacturing concern has paid the tax—and payment in cash is not always the worst method, for at any rate the man does not have to go to a saloon to get a check cashed. If, however, instead of paying in currency the payment is made by check, the employer will have to put a stamp on each laborer's check before it is given out.

Mr. RUSSELL. But they do not do that.

Mr. CRAMTON. Put it in the law that they must do it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. May I have one minute more? I have been interrupted so much.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that he may proceed for one minute. Is there objection?

There was no objection.

Mr. CRAMTON. I want to take this one minute to remind you that there can be raised by this means perhaps not the billion dollars that my friend Mr. FORDNEY speaks of, but certainly two hundred million or three hundred million, and it will come in in a form that nobody will feel, and it will take care of that absolutely unjustifiable tax on gross sales of automobiles, if you please, that we limited yesterday and made rather fair. It will permit us to go back and strike out those onerous and burdensome taxes on necessities of life, taxes that will bear heavily on the laboring man and the householder—the taxes on freight charges, on electricity and gas used for lighting, heating, and cooking, on tea and coffee, and so forth. I appeal to you now. This is your opportunity. The ruling of yesterday cut out all new subjects of taxation. This is an opportunity to add $200,000,000 or $300,000,000 or $400,000,000 to this bill and opens the way for cutting out the worst features of the pending bill.

Mr. RAINEY. Do I understand the gentleman to say that this 2 cents tax on bank checks will yield $200,000,000 or $300,000,000?

Mr. CRAMTON. Two cents on every hundred dollars or less will do so.

Mr. RAINEY. The Spanish War tax amounted to only $9,000,000 from bank checks.

Mr. CRAMTON. That was only 2 cents on every check. This will be 2 cents on every $100 or less and will yield immensely more.

Mr. WINGO. Mr. Chairman, there is no tax that is more alluring in the abstract and yet more disappointing and dis-

astrous in its application than the tax upon checks. I have the highest personal regard for my friend from Michigan [Mr. CRAMTON] who has offered this amendment, but I am sure if he had studied the operation and effect of a stamp tax upon checks he would not have offered the amendment.

I am not going to undertake to talk about the exasperation of a tax like this. That is purely a political objection to the amendment, and if that were all, in this emergency I would, of course, not consider it.

But there is another consideration which I want to submit to the gentleman from Michigan and to the members of the committee. If you put a tax upon bank checks, what will be the effect? We had the experience in the Spanish-American War. The effect will be that a great many people will withdraw their funds from banks. A man will say, "Well, I shall probably need $100 during this week," and instead of giving small checks he will simply go to the bank and give one receipt and get $100. He will put that in his pocket. A great many people will do that. You will reduce the actual cash in as well as the deposits of the banks of this country.

Mr. CRAMTON rose.

Mr. WINGO. Please let me finish this statement. You will not only reduce the deposits, which are not always representative of actual cash, but you will take the actual cash out of the banks of this country, and if this becomes a law, wise bankers will increase their reserve holdings. That automatically will decrease the credit facilities of the banks throughout the country, and the two items within themselves will withdraw from circulation great volumes of actual cash, and in addition to that will reduce the volume of credits of the country, which is not to be desired at this time. Now, I yield to the gentleman from Michigan.

Mr. CRAMTON. Deposits in savings banks are not subject to check. In the next place, if a man draws out $100, how long will it be before that money will find its way back to the bank?

Mr. WINGO. I investigated that proposition when this was proposed a year or so ago. The country merchants will keep a lot of money in their safes for the purpose of accommodating their customers. The small shopkeepers will do the same.

Then, there is another thing you will do with reference to the larger man. Down in Mississippi and at the mills in the district of the gentleman from Michigan [Mr. CRAMTON], when the manager gets ready to make up his weekly or semimonthly or monthly pay roll, instead of giving checks as he does now, and paying out very little cash, in order to meet that pay roll he will go to the bank and get the actual cash, as some of them are so foolish as to do now. Then, the men will have to sign the pay roll, and pay envelopes will be made out, and the amount due each employee will be placed in an envelope and handed him instead of paying by checks as do all mills that have accepted modern, sensible methods.

Mr. KELLEY of Michigan. It is my understanding that my colleague from Michigan [Mr. CRAMTON] said that was the way he paid his help now, by drawing one check.

Mr. WINGO. I am surprised to know that any one of the business ability of the gentleman should cling to such an old-fashioned method as that.

Mr. HARDY. The gentleman from Michigan yesterday was one of the strong fighters against the tax on gross receipts. Now, is not this even worse than the tax on gross receipts, being a tax on the turnover?

Mr. WINGO. It is not only a tax on credit, but it will result in an automatic reduction of the cash in the banks.

Mr. HARDY. The gentleman from Michigan [Mr. CRAMTON] is just on the other side from what he was yesterday.

Mr. WINGO. The gentleman says it would result in raising $200,000,000 or $300,000,000. I think we got four or five million in the Spanish War.

Mr. RAINEY. Nine million.

Mr. WINGO. I thought that is the estimate of what will be obtained from this.

Mr. CRAMTON. If the gentleman calls this a tax on the turnover, does he not think that $100,000,000 or $200,000,000 would be a very modest expectation?

Mr. WINGO. Oh, no. I think if the gentleman really thought that he would be afraid to offer it.

Mr. CRAMTON. I do not accept the claim that it is a turnover.

Mr. HARDY. With the permission of the gentleman from Arkansas, I would like to ask the gentleman from Michigan [Mr. CRAMTON] to explain how it is that he opposes the tax on gross profits on the ground of injustice——

Mr. WINGO. Oh, I have not got time for that. The only object I had in rising was to call the attention of the committee to the effect which this would have in decreasing the actual cash in the banks of the country and decreasing the volume of credit. That is aside from the fact that the tax is "pestiferous"; and I am not offering that as a reason, but it is a dangerous thing to undertake to reduce the cash volume and credit.

Mr. MADDEN. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Michigan.

The Clerk read as follows:

Page 43, line 20, after the period insert a colon and add the following: "*Provided*, That no tax shall be levied or collected on drafts or checks amounting to $50 or less."

Mr. MANN. Mr. Chairman, I suggest that that is not an amendment to the amendment offered by the gentleman from Michigan. It is an amendment that should be offered later after this is disposed of.

Mr. MADDEN. Very well.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close in 20 minutes.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The gentleman from North Carolina asks unanimous consent that all debate on the paragraphs and amendments thereto close in 20 minutes. Is there objection?

There was no objection.

Mr. RUSSELL. Mr. Chairman, I think this amendment ought to be defeated in the interest of everybody concerned. In the first place, it is not proposed or expected to raise a great amount of revenue. In the next place, it is a great inconvenience to nearly everybody who draws checks on banks, and especially to those who are not familiar with the law and not prepared with a supply of stamps. I remember when a similar law was in force during the Spanish-American War, the farmers of the country, who had been accustomed to do so, would give checks to farm hands on Saturday and they would go to the banks with the checks, but, having no stamps upon the checks, could not get the money until the check was stamped. The man who had worked a week for his wages had to pay 2 cents to the bank out of the proceeds of his small check when cashed. He fell out with the bank, he fell out with his employer, because he thought his employer ought to have paid it, and that it ought not to come out of his wages, he got mad at his Congressman for passing such a law, and I do not blame him. The gentleman from Michigan says that the man who draws a check must pay the tax, but the fact is the farmer, as a rule, has no stamps and can not stamp the check when he writes it; he gives the check to the laborer, but he is not at the bank when the check is cashed, and he does not pay it. I know of no way that you can impose any penalty upon the farmer if he does not stamp the check. As a rule he does not do so; but if he does, it is a great inconvenience from which we should protect him. This would have the effect of driving money into hiding, because men who only have small deposits in the bank will take them out rather than to suffer this inconvenience, and the withdrawal of deposits from banks not only hurts the banks but takes the money out of circulation and is detrimental to all of the business interests of the country. The amendment should be defeated.

Mr. PLATT. Mr. Chairman, I do not understand how anybody can get up and talk about this being a tax on the laboring man. We have had this tax before several times, and I never heard anybody complain of it. The man who draws a check puts a stamp on it or he has it already printed in his check book.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. PLATT. Yes.

Mr. GREEN of Iowa. The tax we had before was not a graduated stamp tax, it was a 2-cent stamp on each check.

Mr. PLATT. But the principal was the same as far as putting the stamp on.

Mr. GREEN of Iowa. You could not print the stamp on the check under a graduated tax, and you would have to carry the stamps around with you.

Mr. PLATT. You can have it printed for all the small checks of less than $100 and put on the additional stamps for each hundred. Now, how much would this tax raise? The World Almanac, which ought to be good Democratic authority, says that the amount of checks that passed through the clearing houses of the country last year was $241,500,000,000. Two cents on each $100 of that amount would raise $48,300,000. Now, not one-tenth of the checks drawn in this country go through the clearing houses, though probably most of the very large checks do. At the very lowest estimate, I should think the proposed check tax would raise $100,000,000, and nobody would object to it. To some extent it would tend to diminish the number of small checks drawn, checks for a dollar or two or for fractional parts of a dollar, which cost the banks a good deal of extra book-

keeping, but nobody would complain of it, and in fact many people are asking why it is not included in this bill.

Mr. GREEN of Iowa. Mr. Chairman, with all due deference to my good friend from Michigan, if this tax is imposed it will be the most burdensome, and the most unfair, and the most unjust tax that could be put upon the statute books. There are concerns which it would tax more than their total profits. Take the small creamery companies in my district that issue small checks for all the produce they buy. The tax would amount to more than their net profits.

Mr. MADDEN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. MADDEN. How would it do to exempt checks up to $50?

Mr. GREEN of Iowa. Well, I have only a minute and a half and I can not discuss that now. When that amendment comes up we will discuss it, it is not before the House now.

Mr. MADDEN. Yes, it is.

Mr. GREEN of Iowa. As the gentleman from Arkansas says, it would cause bank deposits to shrink all over the country. The farmer would have to carry a check book around with him and the stamps to pay for the cattle and the hogs, or he would have to carry the money, and I do not know which he would do; in either case it would be extremely burdensome. There are concerns that issue enormous amounts of checks compared with the business that they do, and these concerns would be taxed heavily.

Mr. LANGLEY. And would it not do enormous damage to the country banks?

Mr. GREEN of Iowa. It would be a great injury to the country banks, whose deposits would decrease if such a tax was imposed. It would work unfairly because there are some concerns which issue but few checks and yet do a large business.

Mr. SLOAN. Mr. Chairman, I think it would be unwise to adopt this amendment for a number of reasons. I want to answer the suggestion of the gentleman from Illinois [Mr. MADDEN] as to the exemption of low-denomination checks. The effect of that would be to simply split the check. A check for $100 or $200 would be split up into three or four checks. That will be done. I think it would disorganize a very well-established system throughout the country.

Mr. MADDEN. Will the gentleman yield?

Mr. SLOAN. Yes.

Mr. MADDEN. The gentleman does not think that a man would be so dishonest if he had a hundred dollar bill to pay that he would make two checks?

Mr. SLOAN. I do not want to reflect on the people, but the gentleman knows about what human nature is, and there are many who would like to make a dollar out of the Government better than out of anybody else. I think that the deposit of funds in our banks throughout the country is the best incentive and encouragement for thrift that we have. This would amount to the greatest hobbling of the business transacted between banks and ordinary bank depositors that could be conceived. I know something about the little banking business, as we have it in the rural communities, and I know how it did affect the banking business in the 1898 period.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. I can not yield. I want to say this, That a large amount of the business transacted throughout the Northwest—a large factor of it—is the creamery business. We have several large establishments throughout the Northwest which issue to the farmers thousands of checks every month, payments being made every day or twice a week, or once a week or every two weeks or monthly. If they have to stamp every one of those checks it will mean a good deal to the man who is receiving the small payment, or it will have the effect of extending those payments over longer periods. I think as a means of hampering business, especially as it is organized in the agricultural communities, you could do nothing more effective than this. For instance, a man wants to do any little transaction. He does not have stamps with him. If he had to have a graduated stamp arrangement he could not meet that by the printing process suggested by some, because you have got to stop to calculate and then inconvenience both parties until the stamping can be figured out and adjusted. It will encourage small holders to keep their money in their pockets, to be lost or stolen. It will deprive the banks of a large amount of deposits which would decrease the crediting power of the banks in their communities.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. BORLAND. Mr. Chairman, has the time all expired?

The CHAIRMAN. There are three assignments yet remaining. The gentleman from Michigan [Mr. MCLAUGHLIN] has five minutes, the gentleman from Illinois [Mr. RAINEY] five minutes, and the gentleman from North Carolina [Mr. KITCHIN] two minutes.

Mr. RAINEY. Mr. Chairman, this is a proposition to strike out of lines 16 and 17, on page 43, the words "payable otherwise than at sight or on demand," and the effect of it is to place a tax of 2 cents upon checks, no matter what the amount of those checks may be, and no more. That part of the paragraph which provides for an additional 2 cents for "each renewal or extension of the same, for a sum not exceeding $200, 2 cents" can not have any effect at all. Whoever heard of a check being renewed or extended? This is an attempt to revive the old stamp tax on checks of the Spanish-American War period. We have had this tax before, of course, and that is the reason why we never should have it again, because of all the profanity provoking taxes this excels all, and if all of the profanity——

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. No. If all the profanity occasioned by this stamp tax on checks in the past on the part of nonchurch members and church members could be assembled and printed in volumes, the volumes would fill the Congressional Library.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. And it never yielded over $9,000,000, and it will not yield more than that now, and that would not compensate the churches for the backsliding of their members who are compelled to stick these little stamps on checks.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman declines to yield.

Mr. RAINEY. And it will have the effect of imposing unusual burdens upon some of the industries of this country, as the gentleman from Iowa [Mr. GREEN] has indicated. Out in the rural sections now they do not carry money around with them to pay small balances due merchants and for small purchases. They draw checks every day, checks for a dollar, checks for even a less amount than that, and the imposition of this check stamp tax now would mean that persons would be required to withdraw from their banks sums of money and carry paper money around with them, distributing it and the disease germs that go with paper money through the entire country. If there is any tax ever devised by the mind of man which is a complete nuisance, this is that tax, and the proposition ought to be voted down by a large vote.

Mr. CRAMTON. Mr. Chairman, the gentleman from Michigan [Mr. MCLAUGHLIN] I do not see, but I think he would yield me two minutes of his time under the arrangement.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, the gentleman can take my time.

Mr. KITCHIN. Mr. Chairman, I ask for a vote upon this.

Mr. CRAMTON. But the gentleman from Michigan has yielded his time to me.

Mr. KITCHIN. He can not yield time under the five-minute rule.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

Mr. CRAMTON. Debate upon this was all on one side.

The question was taken.

Mr. CRAMTON. Mr. Chairman, I ask for a division, and I shall ask for tellers also, because the time was all assigned on one side.

Mr. HASTINGS. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The gentleman from Michigan asks for tellers. Those in favor of taking the vote by tellers will rise and stand until counted.

Mr. CRAMTON. Mr. Chairman, I first asked for a division.

The CHAIRMAN. Oh, the Chair supposed that the gentleman wanted to get a result upon his vote.

Mr. CRAMTON. Mr. Chairman, I want a division. The time was all given on one side.

The committee divided; and there were—ayes 16, noes 89.

So the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to withdraw the amendment I offered.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from North Carolina a question. A little while ago we struck out the charge for the extension of bonds. I appreciate that there ought to be a charge for extension of notes, but this is what is likely to happen: A man goes to a bank or elsewhere and gives a note for 30 days. Upon that there is a tax. It seems to me that under this language if the holder of the note lets it go over a day without payment he is liable for a tax upon the extension.

Mr. KITCHIN. Mr. Chairman, I will say to the gentleman that I think that ought to go out like the word "extension" went out when we were dealing with bonds.

Mr. MANN. I think it would operate very hard on the maker.

I move to strike out, on page 43, line 18, the words "or extension."

Mr. KITCHIN. I think that amendment ought to pass.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 43, line 18, strike out the words "or extension."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

7. Conveyance: Deed, instrument, or writing whereby any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or purchasers, or any other person or persons, by his, her, or their direction when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance thereon at the time of sale and assumed by the purchaser, exceeds $100 and does not exceed $500, 50 cents; and for each additional $500 or fractional part thereof 50 cents: *Provided*, That nothing contained in this paragraph shall be so construed as to impose a tax upon any instrument or writing given to secure a debt.

Mr. LENROOT. Mr. Chairman, I move to strike out, on page 44, line 3, the words "and assumed by the purchaser."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Page 44, line 3, strike out the words "and assumed by the purchaser."

Mr. KITCHIN. Mr. Chairman, we accept that amendment. I think it ought to pass.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the amendment was agreed to.

Mr. LENROOT. Mr. Chairman, I move further to amend, in line 2, page 44, after the word "encumbrance," by inserting the word "remaining."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 44, line 2, after the word "encumbrance," insert the word "remaining."

Mr. KITCHIN. I agree to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

11. Proxy for voting at any election for officers, or meeting for the transaction of business, of any incorporated company or association, except religious, charitable, or literary societies, or public cemeteries, 10 cents.

Mr. STINESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Rhode Island offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STINESS: Page 44, line 24, strike out "10 cents" and insert in lieu thereof the following: "When the value of stock represented by such proxy is $100, and does not exceed $500, 10 cents, and for each additional $500 or fractional part thereof, 10 cents.

Mr. STINESS. Mr. Chairman, it seems to me that this amendment is a fair one, because it equalizes the amounts to be paid. As this bill reads, a person who owns $100 worth of stock pays exactly the same for a proxy as though $500,000 were voted. Now, this is not a matter which taxes a poor man, but it taxes the rich man, the man who holds the stock.

Now, we all know that in most of these large corporations directors and officers do not control the stock. The stock is held by a great many small holders, and they send out the notices of the annual meeting, and ask for proxies. When those proxies come in, if they get a majority of the stock they elect themselves or their friends. When the proxies are sent, particularly at annual meetings, there is usually a notice that goes with them, and when the stamp tax is required they will affix the necessary stamp. Now, in the case where these large insurance or railroad corporations receive these proxies it often represents from a thousand to five thousand or five hundred thousand dollars, and it seems to me in order to make things fair we should increase it according to the amount of stock. Therefore I hope this amendment will be agreed to.

Mr. RAINEY. Will the gentleman yield for a question?

Mr. STINESS. Certainly.

Mr. RAINEY. Does his amendment exempt stock with a face value of less than $100?

Mr. STINESS. It says with a value of $100 and not more than $500.

Mr. RAINEY. But if the value is less than $100, what effect will the amendment have?

Mr. STINESS. It will be 10 cents, the same as it is now.

Mr. GREEN of Iowa. If the gentleman will permit, his amendment does not change the paragraph at all except to make a graduated tax as you go on up above $100, if I understand it correctly.

Mr. STINESS. That is right.

Mr. GREEN of Iowa. It seems to me the amendment ought to be accepted.

Mr. MANN. I would like to know what it is. May we have it reported again?

Mr. KITCHIN. I trust the gentleman's amendment will not be adopted.

Mr. MANN. I ask unanimous consent to have the amendment reported again.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

The amendment was again reported.

Mr. RAINEY. Mr. Chairman, if the amendment is as I suppose it is, it does not impose any tax upon a transfer of stock of $100 or under, but it does impose an exceedingly large tax on transfers of stock over $100.

Mr. STINESS. Will the gentleman yield?

Mr. RAINEY. And makes these proxies exceedingly expensive.

Mr. STINESS. This is not a transfer of stock at all. It is simply a proxy to vote the stock, and I would ask the gentleman if he thinks it is fair to make the tax the same for voting on a proxy representing $500,000 as on a proxy representing $500 worth of stock?

Mr. RAMSEY. What does the gentleman consider a reasonable value?

Mr. STINESS. The market value.

Mr. RAMSEY. Why do you assume a value you do not know?

Mr. MANN. I would like to ask the gentleman from Rhode Island, as a matter of fact, if it is not customary for the company itself to pay this stamp tax on proxies?

Mr. STINESS. I will answer the gentleman by saying that from my own experience, in what little stock I have had, the people who want to get control of the corporation ask me for my proxy on my stock, and state they would attach the necessary stamp. When they get the proxy for my stock and the proxies for the other stock they elect themselves to offices that pay large salaries.

Mr. MANN. Oh, well, the gentleman can send his proxy to anybody he pleases. Sending his proxy to some individual, working separately, instead of to an agent, or a committee representing a large number never does any good. But if there is a combination or a committee enlisting the proxies, as I understand it, they invariably pay for the stamps. The gentleman would very materially increase the difficulty of an independent organization endeavoring to oust the directors of an organization already in office, because they will pay this increased tax in any event out of the funds of the corporation, while the outsiders would have to pay it out of their own pockets.

Mr. STINESS. I will say to the gentleman that if they are endeavoring to oust the present officers they would take the trouble to go themselves instead of sending a proxy.

Mr. MANN. Oh, we know that the bulk of the shareholders in such a concern can not go. They are scattered all over the United States.

Mr. HILL. Mr. Chairman, my experience in regard to this matter is this: The directors of any corporation desirous of continuing their control of the corporation or company send out a letter asking for proxies, and at the bottom of the letter is a note to the effect that the expense of stamps on the proxies will be defrayed by the company on the receipt of the proxy. That is the practice now. The result, you may say, is that possibly in some cases they thereby continue their control. Of course, it is entirely optional with the stockholder either to send in his proxy or not, as he sees fit.

Mr. MILLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. MILLER of Minnesota. Is it not true that the company affixes the stamp of these proxies, no matter to whom they may run?

Mr. HILL. Yes; the company affixes the stamp to the proxy; no matter to whom they may run, and if you add to this expense you are simply burdening the company by an extraordinary and unnecessary cost of procuring a proper representation in the stockholders' meetings. It does not make any difference whether the stockholders are in favor of the existing officers or not. That will be a great burden upon the company if the company

has thousands and thousands of stockholders. If, on the other hand, as the gentleman from Illinois [Mr. MANN] very fitly remarked, there is ground for ousting the officers of the company, and the majority of the stockholders think that there is occasion for having a change, and they start out to get proxies to reform the institution, the burden then falls on the very few who have given attention to the affairs of the company and who feel that its affairs should be adjusted; so that in one case it is a very great burden to the company, and through the company to the stockholders themselves, and in the other case it will make it almost impossible to secure a reform in the management of any large corporation if you add this great burden, which the gentleman from Rhode Island [Mr. STINESS] proposes to put on, of a 10-cent stamp on a graduated scale value of the stock that a man is giving the proxy for.

Of course, the immediate effect would be that where a body of stockholders had a desire to reform the company it would be impossible for them to assume that burden. On the other hand, those who wanted to keep in could prevent the accomplishment of that reform. Some revenue can be got out of it, it is true, but an attempt to adjust a situation of this kind by a tax would, it seems to me, simply aggravate the situation.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. TILSON. In an ordinary case, unless there was some sort of attempt at reform, there would be a very small representation of the stockholders?

Mr. HILL. Yes. They would probably spend 10 cents on one proxy. But take the case of a company in my own State that has 30,000 stockholders. See what you would do if you put a graduated tax on proxies and practically prevented the stockholders from sending in the proxies at all.

Mr. STINESS. They ought to attend the meetings.

Mr. HILL. The gentleman says they ought to attend the meetings. The fact is, they reside all over the United States and can not attend the meetings. One-half of the stockholders in the company to which I have referred, numbering about 15,000 stockholders, are women, and to put this graduated tax on an instrument merely giving authority to somebody else to represent them at the stockholders' meeting would be a great mistake. This item is already big enough in the bill.

Mr. STINESS. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. STINESS. I will ask the gentleman if he has not heard it stated on the floor of the House that the members of the Committee on Ways and Means had shut their eyes and simply gone in to secure revenue, whether it could be defended or not? Does the gentleman think it fair that a man whose stock represents an investment of $500,000 should be treated the same as a man whose stock represented only $100?

Mr. HILL. Oh, the man whose stock represents $500,000 would probably go to the meeting, but the woman who had one share or half a dozen shares would not go. And besides that, the gentleman knows that thousands and thousands of stockholders in such corporations are women and representatives of estates and guardians of children, so that if this burden were imposed it would go to those least able to bear it; and in the case of its being paid by the company, the stockholders themselves would be forced to pay it ultimately.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Rhode Island [Mr. STINESS].

The question was taken, and the amendment was rejected.

Mr. MILLER of Minnesota. Mr. Chairman, I move to amend line 23, page 44, by inserting, after the word "religious," the word "educational."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Minnesota.

The Clerk read as follows:

Amendment by Mr. MILLER of Minnesota: Page 44, line 23, insert, after the word "religious," the word "educational."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

12. Power of attorney granting authority to do or perform some act for or in behalf of the grantor, which authority is not otherwise vested in the grantee, 25 cents: *Provided*, That no stamps shall be required upon any papers necessary to be used for the collection of claims from the United States or from any State for pensions, back pay, bounty, or for property lost in the military or naval service.

Mr. ANDERSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. ANDERSON offers the following amendment: Page 45, line 7, after the word "service," strike out the period and insert "or upon powers of attorney required in bankruptcy cases."

Mr. ANDERSON. Mr. Chairman, under the practice in bankruptcy cases creditors are required to make powers of attorney to the attorneys representing them in the election of trustees of the estate. In many of these cases both the claims of the creditors and the assets are very small. I have in mind one instance in my own practice in which there were more than 8,000 claims filed, and in over half of them the amount of the claim was less than $10.

A tax of 25 cents on a power of attorney to represent a claim of less than $10 is a very heavy tax, especially as it is a tax not upon profit but upon a transaction which already represents a loss. It seems obvious that the tax ought not to apply to powers of attorney given in a bankruptcy case.

Mr. MANN. I do not happen to be familiar with the practice in bankruptcy proceedings. Is it necessary for a lawyer, in order to represent a creditor, to have a power of attorney?

Mr. ANDERSON. Yes; if he wishes to vote the claim at an election of trustees he must have a power of attorney.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question being taken, on a division (demanded by Mr. ANDERSON) there were—ayes 55, noes 53.

Accordingly the amendment was agreed to.

The Clerk read as follows:

13. Playing cards: Upon every pack of playing cards containing not more than 54 cards, manufactured or imported, and sold, after the passage of this act, a tax of 8 cents per pack in addition to the tax imposed under existing law.

Mr. HOWARD. I move to strike out the last word.

Mr. KITCHIN. Mr. Chairman, I have a committee amendment.

The CHAIRMAN. The gentleman from North Carolina offers a committee amendment, which the Clerk will report.

Mr. KITCHIN. I hope this amendment will satisfy the House.

The Clerk read as follows:

Committee amendment: On page 45, line 11, strike out the figure "8" and insert the figure "4."

Mr. HOWARD. I desire to oppose the amendment, Mr. Chairman.

Mr. OLNEY. I wish to ask the gentleman from North Carolina, would he be willing to strike out, in line 9, the words "containing not more than 54 cards"?

We must consider that in the game of five hundred, as it is played to-day, many of the packs contain 56 cards. Besides that, what would prevent a manufacturer from making packs containing 56 or 58 cards, perhaps four jokers? There seems to be a joker in this paragraph. Would not that prevent the collection of the tax, simply by putting in three or four useless cards?

Mr. KITCHIN. What does the gentleman want to strike out?

Mr. OLNEY. The words:

Containing not more than 54 cards.

That would tax five hundred cards and old maid cards.

Mr. KITCHIN. We certainly do not want to tax old maids.

Mr. HOWARD. Old maids ought to be taxed.

Mr. OLNEY. I think the language of the bill is rather doubtful, because I know the game of five hundred is largely played to-day in many families, and the five hundred packs consist of 56 cards. And what would prevent a manufacturer from making up a pack of 56 cards, in which three or four cards would be absolutely useless, thereby evading the tax?

Mr. KITCHIN. I want to say that the subject of playing cards is Greek to me. My colleague on the committee [Mr. LONGWORTH] seems to be an expert. [Laughter.]

Mr. OLNEY. Perhaps the gentleman from Ohio does not play five hundred.

Mr. BRITTEN. He does not play old maid, I promise you that.

Mr. KITCHIN. I think in the present law that language is found.

Mr. MANN. Is this a copy of the existing law as to the language?

Mr. KITCHIN. Of course, if this is the language of the existing law it ought not to be stricken out, because we got $750,000 from it last year under a 2-cent tax.

Mr. MANN. There has been a tax on playing cards ever since the year 1.

Mr. OLNEY. I suggest to the gentleman just to eliminate the words "containing not more than 54 cards."

Mr. MANN. The gentleman from Ohio [Mr. COOPER] asked me what the language meant, and I told him I could not tell. If those words are in the existing law, there is no difficulty about it.

Mr. KITCHIN. Being a little ignorant of the law as to playing cards, let us pass it over for a moment and see what the existing law is.

Mr. HOWARD. It imposes a tax of 2 cents.

Mr. KITCHIN. Does it say anything about "containing not more than 54 cards"? I think we had better look that up.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to pass over this paragraph without prejudice. Is there objection?

There was no objection.

Mr. MASON. I desire to have reported an amendment which I offer.

Mr. KITCHIN. Before it is passed over, is there any objection to the amendment I have offered changing the figure "8" to "4"?

Mr. HOWARD. I want to be recognized in opposition to that.

Mr. KITCHIN. Then let it be passed over.

Mr. MASON. Mr. Chairman, I ask for the reading of my amendment. Then, I will take only a couple of minutes.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MASON: Amend, Title VIII, by inserting at the end thereof the following:

"SEC. 14. One cent per pound on all canned meats, including all fish and fowl, to be paid by stamps on the original package, said stamps to be canceled in such a way as to show in legible letters the month and year of canning."

Mr. RAINEY. I make a point of order against that amendment.

The CHAIRMAN. Does the gentleman reserve his point of order?

Mr. RAINEY. I reserve the point of order.

Mr. MASON. Gentlemen of the committee, the thing sought here is a very simple one. Any man can see from the reading of the amendment what the purpose of it is. The complaint and trouble we have had in the past about canned meats has been largely due to the fact that the purchaser did not know anywhere within 5 or 10 years when the meat was canned. Certainly, the amendment is germane; and when the Government buys canned meat to send to the soldiers, or when for your own consumption you buy canned meat, you will know by an examination of the cancellation of the stamp whether the meat has been in the can 1 month, 1 year, or 20 years. I will reserve the balance of my time on the merits of this amendment.

Mr. RAINEY. Mr. Chairman, I make the point of order against the amendment.

Mr. MASON. What is the point of order?

Mr. RAINEY. That it is not germane.

Mr. MASON. If it is not germane, I know of nothing that is. Does the gentleman make the point of order that the cancellation is not germane or that taxing canned meats is not germane?

Mr. RAINEY. There is nothing in this bill imposing a tax on canned meats of any kind, and under the ruling of the Chair the other day it is subject to the point of order.

Mr. MASON. That does not take it out, as I understand the rule and the decision of the Chair. We are raising revenue and I purpose to put a tax on canned beef as you put it on playing cards and upon notes and bills. Canned beef may not have been mentioned in this bill, and the subject matter does not come within the decision of the Chair day before yesterday.

Mr. RAINEY. I think it comes clearly within the rule and the decision of the Chair.

The CHAIRMAN (Mr. FOSTER). The Chair thinks, without going into detail, that under paragraph 3, Rule XXI, this amendment would not be in order, and the Chair therefore sustains the point of order.

Mr. MASON. With all due respect to the Chair, I feel compelled to appeal from the decision of the Chair. In the first place, I can imagine no case that would be more just than this amendment. You are all in favor of giving pure food to soldiers who fight valiantly for the flag, and, if so, you are refusing an opportunity here and now to do so in advance of the thing that scandalized the manufacturers and the people of the country in regard to embalmed beef.

I do not believe that there is any other way to write this in except by putting it under a stamp and canceling the stamp with the date when the same was manufactured. Of course, it may be that it will be necessary to wait for special legislation, but I think that as this is a bill to raise revenue, and does raise revenue, that it is germane. It is true you have not mentioned canned beef and you have not mentioned cans and you have not mentioned beef and you have not mentioned many other things. Yet, as a matter of fact, I suppose I may speak now of the fact that I intend to offer an amendment with reference to the income tax and put a tax on those who have been speculating in food products by taking 50 per cent of their profits. You have not mentioned that in the bill and yet it is legitimately a part of the income tax. I do not like to have the Chair overruled, and yet I feel like taking an appeal from the decision of the Chair upon this question. I believe it is entirely germane. I was sorry to see anyone so anxious to protect the people who sell canned beef without giving the date of it by making a point of order to this amendment.

Mr. RAINEY. Mr. Chairman, the point of order clearly covers the amendment offered by the gentleman from Illinois. The matter of a stamp duty on canned beef and matters of that kind has been thrashed out in this House in years that are past. I do not want to go into the question whether there are any merits in the proposition of the gentleman from Illinois because it is unnecessary to take up the time.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. RAINEY. Yes.

Mr. MADDEN. Does not the meat-inspection law provide for a date on canned meats of all sorts?

Mr. RAINEY. I think my colleague is right about it. I make the point of order.

The CHAIRMAN. The point of order has been sustained and the gentleman from Illinois appeals from the decision of the Chair.

Mr. MASON. I should like to ask my colleague if there is such a provision in the law; if he is positive about it?

Mr. MADDEN. Surely.

Mr. HAUGEN. Does the gentleman mean in the meat-inspection law?

Mr. MADDEN. Yes.

Mr. HAUGEN. There is not.

Mr. MASON. Mr. Chairman, on the statement of the gentleman from Illinois [Mr. MADDEN], I will withdraw my appeal. I have just been informed by others, Mr. Chairman, that my colleague, Mr. MADDEN, is mistaken.

Mr. MADDEN. I do not think I am.

Mr. RAINEY. I call for the regular order.

Mr. MASON. The thing I am seeking to do is plain, but I am not trying to conceal anything. I ask to have the matter passed over until we can ascertain if the gentleman from Illinois [Mr. MADDEN] is right. If the cans are required to be dated it was under a law passed at a time I was not in Congress. My colleague, Mr. RAINEY, says that it has been thrashed out in the House. It was thrashed out and thrashed out in a way that was unsatisfactory to the consumer, and we propose to thrash it out again either in this Congress or at the next session. I am willing and anxious to deal fairly with the Chair and everyone else, and I will ask to have the merits passed over.

Mr. RAINEY. I do not think it is necessary, and I insist on the point of order, and we want to get through the bill at some time.

The CHAIRMAN. All the gentleman from Illinois asks is that it be passed over for the present.

Mr. MANN. Let us have a vote on the appeal and dispose of it.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken, and there were 99 ayes and 24 noes.

So the decision of the Chair stood as the judgment of the committee.

Mr. KITCHIN. I now ask to return to paragraph 13, with reference to playing cards. I wish to say to the gentleman from Massachusetts [Mr. OLNEY] that this paragraph follows the language of the present law "upon every pack of playing cards containing not more than 54 cards."

Mr. MILLER of Minnesota. Is there anything in existing law that places a tax on playing cards containing a number in excess of 54?

Mr. KITCHIN. No.

Mr. MILLER of Minnesota. What is to prevent a manufacturer making a pack of cards containing 55 or 56 cards?

Mr. KITCHIN. Nothing except that we propose to catch them at that for defrauding the Government. They have not attempted anything of the kind so far.

Mr. MILLER of Minnesota. I call attention to the fact that there are certain manufacturers of playing cards that always put more than 54 cards in a pack.

Mr. KITCHIN. Yes; but they always pay the tax.

Mr. CANNON rose.

Mr. KITCHIN. Does the gentleman from Illinois desire to ask me any question about cards? Can I give the gentleman any information? [Laughter.]

Mr. CANNON. This allows a pack of 54 cards. Will there be two jokers?

Mr. KITCHIN. The gentleman will have to ask the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Yes; two jokers.

Mr. CANNON. Then the country is safe. [Laughter.]

Mr. HOWARD. Mr. Chairman and gentlemen of the committee, I do not know very much about card games. What little I know I have learned from my good friend, the gentleman from Minnesota [Mr. MILLER], this morning, and I have been sitting over there talking to him about it, and he has given me a good deal of information.

Mr. MANN. That is information not usually obtained in the daytime.

Mr. HOWARD. I know nothing about these night games. [Laughter.] It might surprise some of you gentlemen if I were to make the statement that personally I do not know one card game from another, except as explained to me by those who had ulterior motives in trying to teach me.

Mr. MILLER of Minnesota. It would surprise us very much.

Mr. HOWARD. But that has not got anything to do with the point that I want to present to this House, which is this: The gentleman from North Carolina [Mr. KITCHIN] has offered an amendment to this particular provision of the bill which reduces the tax written in the bill from an additional 8 cents tax, which in all amounts to 10 cents a package upon playing cards. If there is any item on the face of the earth that can be taxed heavily and taxed without hurting anyone, and, on the other hand, doing a lot of good, it is playing cards; and 10 cents for these swells who go crazy about progressive bridge, and these "night owls" who play a game called poker will amount to very little for them and much to the Treasury, and it would be a good deal better for many people if this tax would prohibit them from buying the deck at all from experiences I have heard related by a good many of my friends. The result is that we have an item here from which we can get some revenue, and nobody will be hurt; because a man who has nothing else to do but to play a game of cards or the women who have nothing else to do but to play bridge whist can well afford to pay the 10 cents, and I hope this House will compel them to do so, whether the deck contains 54 cards or not. I do not know exactly how many it contains. There may be more than that. I understand that there is a game now that the church people have all gone crazy about in "attempting to whip the devil around the stump," which they call "rook"—at least that is what my friend MILLER tells me [laughter]—and that it is nothing in the world but a game where they use the numbers 1, 2, 3, and so forth, instead of the figures, or whatever they call them—spots, I believe they call them [laughter]—to denote what the card is. I understand that these decks have more than 54 cards. Why should they not pay a tax of 10 cents?

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. There is no reason on this earth to reduce this tax, and I am surprised that one of the deacons of the Mount Hope Methodist Church, the chairman of this committee, would offer an amendment to reduce the tax on playing cards. I am astounded at him [laughter] and I expect to report it at the next session of the Methodist Church South; but I am sure so good and pure a man as he must have been led astray by the seductive pleas of his colleague on the committee, Mr. LONGWORTH, of Ohio.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. Yes.

Mr. SMITH of Michigan. Would the gentleman object to a tax being placed on the excess profits on card-games receipts?

Mr. HOWARD. I want it right on the deck, right on the package, and I do not care whether the manufacturer pays it or not. I would rather let the gambler pay it, or these society swells who devote more time to cards than they do to children.

Mr. SMITH of Michigan. But I mean a tax upon the receipts of the game.

Mr. HOWARD. Oh, well, if you want to tax the thing they call the cat [laughter]——

A MEMBER. Does the gentleman mean the kitty?

Mr. HOWARD. There now, you see I have been misinformed after all. My friend from Minnesota, Mr. MILLER, told me it was the "cat." [Laughter.] If we could get dividends on that it would be a source of great revenue, but I do hope that this amendment of the chairman of the committee will not be adopted, and that the tax will stand at 10 cents. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—ayes 59, noes 84.

So the amendment was rejected.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to page 40 for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to return to page 40 for the purpose of offering an amendment, which he sends to the Clerk's desk. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 40, line 21, after the word "cents," insert a comma and add the following: "and where such shares or certificates of stock are without par value, the tax shall be 2 cents on the transfer or sale or agreement to sell on each share or certificates, unless the actual value thereof is in excess of $100 per share, in which case the tax shall be 2 cents on $100 of actual value."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The Clerk read as follows:

TITLE IX.—WAR ESTATE TAX.

SEC. 900. That in addition to the tax imposed by section 201 of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, as amended—

Mr. PLATT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 45, line 14, strike out the paragraph, lines 14 to 18, inclusive.

Mr. MANN. Mr. Chairman, the gentleman from New York has moved to strike out the first paragraph under Title IX. Of course, that motion really ought to be made at the conclusion of the reading of the title. I do not know how many amendments are going to be offered to this title, but why can we not reach an agreement to read the title through?

Mr. KITCHIN. Yes. Mr. Chairman, I ask unanimous consent that we may read through Title IX without interruption, and that then amendments shall be in order to any portion thereof.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that Title IX be read through, and that it then be in order to offer amendments to any paragraph thereof. Is there objection?

Mr. PLATT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PLATT. Does that include the motion to strike out the whole section?

The CHAIRMAN. That will include the motion to strike out anything. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

(a) A tax equal to the following percentages of its value is hereby imposed upon the transfer of each net estate of every decedent dying after the passage of this act, the transfer of which is taxable under such section (the value of such net estate to be determined as provided in Title II of such act of Sept. 8, 1916):

One-half of 1 per cent of the amount of such net estate not in excess of $50,000;

One per cent of the amount by which such net estate exceeds $50,000 and does not exceed $150,000;

One and one-half per cent of the amount by which such net estate exceeds $150,000 and does not exceed $250,000;

Two per cent of the amount by which such net estate exceeds $250,000 and does not exceed $450,000;

Two and one-half per cent of the amount by which such net estate exceeds $450,000 and does not exceed $1,000,000;

Three per cent of the amount by which such net estate exceeds $1,000,000 and does not exceed $2,000,000;

Three and one-half per cent of the amount by which such net estate exceeds $2,000,000 and does not exceed $3,000,000;

Four per cent of the amount by which such net estate exceeds $3,000,000 and does not exceed $4,000,000;

Four and one-half per cent of the amount by which such net estate exceeds $4,000,000 and does not exceed $5,000,000;

Five per cent of the amount by which such net estate exceeds $5,000,000 and does not exceed $8,000,000;

Seven per cent of the amount by which such net estate exceeds $8,000,000 and does not exceed $11,000,000;

Ten per cent of the amount by which such net estate exceeds $11,000,000 and does not exceed $15,000,000; and

Fifteen per cent of the amount by which such net estate exceeds $15,000,000; and

(b) A tax equal to 1 per cent of the value of the net estate not in excess of $25,000 (such value to be determined as provided in Title II of such act of Sept. 8, 1916, except that the exemption provided in subdivision (a) of section 203 of such act shall be $25,000 instead of $50,000) is hereby imposed upon the transfer of the net estate of every resident of the United States dying after the passage of this act.

Mr. PLATT. Mr. Chairman, I wish to offer an amendment to strike out the whole title.

The CHAIRMAN. The gentleman from New York [Mr. PLATT] moves to strike out the whole title, and without objection, the amendment is so modified.

Mr. PLATT. Mr. Chairman, it seems to me that the committee and the House could hardly have intended to put a special penalty upon the estates of men who may sacrifice their lives for their country; but if you adopt this section you will penalize the wife and children of any man who goes into the war and loses his life. Certainly there will be a great many among the men who have already volunteered and among those who will be drafted and among men in the Officers' Reserve Corps who own property worth $25,000, which is rather a small estate. But I do not see, whatever the estate is, why a tax should be higher which comes only once in a lifetime, on a death that occurs during the war, than at any other time. This section is only calculated to raise in the first year $6,000,000, which is not enough to be of any consequence. And I am sure if it should go through it ought to except the estates of soldiers. We are going to conscript men in the Army, rich and poor, and certainly the House never could have intended to penalize the families of those who lose their lives for their country. [Applause.]

Mr. RAINEY. Mr. Chairman, this tax follows the present estate tax. The brackets are the same all the way through. We increase the amount from one-third under the present law up to estates of $5,000,000 and over, and then we make it 5 per cent more on the first group of $5,000,000 to $8,000,000, and 7 per cent more on the second group, from $8,000,000 to $11,000,000, 10 per cent more on the next group, of $11,000,000 to $15,000,000; and 15 per cent of the amount by which such net estate exceeds $15,000,000.

It is a proposition which tends to dissipate large estates, especially during the period of this war. It will yield the first year $6,000,000, and each succeeding year $38,000,000 additional during the progress of this war. We think the tax ought to stand just as it is.

Mr. LENROOT. As I understand, the tax proposed in this bill does not affect the present exemption of $50,000 in any way whatever?

Mr. LITTLE. What is the $25,000 in for, then?

Mr. RAINEY. Oh, yes; in the last paragraph there.

Mr. ROBBINS. The last paragraph puts it on all estates.

Mr. RAINEY. Yes; the estates of $25,000.

Mr. ROBBINS. But not at all under $25,000?

Mr. RAINEY. No, sir. It only affects taxes under this; not under the old law.

Mr. LITTLE. If a man should volunteer and go to Europe and be killed, would his family have to pay this tax?

Mr. RAINEY. Of course.

Mr. LITTLE. I think that wrong.

Mr. RAINEY. There is not any provision by which any estate would be exempt no matter what the cause of death.

Mr. LITTLE. There ought to be. It is not right to kill a man and make him pay for it.

Mr. RAINEY. A soldier who is willing to sacrifice his life for his country——

Mr. LITTLE. That ought to be enough.

Mr. RAINEY. And the family should be patriotic enough, when these large estates——

Mr. LITTLE. Patriotic enough that they should not be penalized.

Mr. MONDELL. Under the new conscript law the soldier serves whether he will or no. You compel him to stand up on the firing line. Is it fair to take tax from the property of the man whom you compel to serve?

Mr. RAINEY. This tax applies to the estate of every decedent, no matter what the cause of his death, if his estate exceeds $25,000, during the pendency of this war, and the existing law imposed the same tax.

Mr. MONDELL. You ought to make an exception in case of the conscript.

Mr. RAINEY. This amendment is to strike out the entire title, which would give us, at the least, $6,000,000, and does not meet the objection the gentleman makes. It does not meet a single objection made on this floor, because existing law requires this contribution from the estate of any man who may die in this war as the result of wounds or diseases contracted in the war.

Mr. LITTLE. Why does not the committee make that exception?

Mr. RAINEY. And those between the ages of 21 and 30 are not likely to have very large estates, unless they inherit them.

Mr. LITTLE. You ought to encourage the millionaire to go and take a chance on getting killed.

Mr. GOOD. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Iowa [Mr. GOOD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 47, line 12, after the word "act," insert the following:

"*Provided*, That no estate tax shall be collected from the estate of any person engaged in the military or naval service of the United States during the war with Germany who may lose his life in battle while in line of duty, or who may die from wounds received in line of duty, or who may dies from disease contracted in line of duty.

The CHAIRMAN (Mr. ALEXANDER). The question is on the amendment of the gentleman from New York [Mr. PLATT] to strike out the title.

Mr. GOOD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOOD. The amendment which I have sent to the desk is to perfect the paragraph, and it takes precedence over a motion to strike out.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GOOD. Mr. Chairman, it seems to me that when, even in this hour of need, the country takes the life of an American citizen, either in battle or his death results from wounds received in battle or from disease contracted in line of duty, we ought to stop there, so far as levying taxes are concerned. We ought to stop at the open grave of our heroic dead who give their lives for the defense of the flag, and not reach into the pockets of the widow and children for the savings of such a man and take a part of all that is left. The soldier has given enough when he has given his life for the defense of the flag.

This amendment is intended to exempt the estates from this tax of men who engage in the military and naval service of the United States and who lose their lives because of that service. It seems to me we ought to adopt that principle. [Applause.]

Mr. MILLER of Minnesota. Mr. Chairman, I think the amendment offered by the gentleman from New York [Mr. PLATT], and also the amendment offered by the gentleman from Iowa [Mr. GOOD] proceed on an entirely erroneous theory as to what this tax is and should be. A tax upon a man's estate at his death is no tax upon him. He is dead and gone to his reward, and whether that tax is 1 mill or 100 per cent he is away beyond any effect of its operation.

If this tax were so framed that the man died leaving a bare subsistence for the immediate benefit of his family, and it would operate upon that which they would receive, there would be some danger. But that is not the case at all. In the first place, $25,000 is exempted, and even in these days $25,000 is a goodly sum, and thereafter the amount of the tax is exceedingly small. In fact, I had in mind offering an amendment to increase the amount of these taxes in the earlier sums up to about $300,000 or $400,000, but on reflection I made up my mind that they could remain as they stand, so far as I am concerned.

This tax is additional to the inheritance taxes, so called, which are imposed by most of the States of the Union, and some gentlemen are inclined to believe it is a particularly high tax. But it is not so at all. This tax is put forward, because we are in a great emergency, because we are in a great war, at a time when we are endeavoring to raise enormous sums of money by taxation; and in the same breath we say and imply that as soon as the emergency ceases, as soon as the war ends, this tax will likewise end.

I want to call your attention to the character of taxes of this kind paid in the countries of Europe in peace times. The highest inheritance tax required in this bill is a tax of 25 per cent. That is the tax which must be paid on estates over $15,000,000. That is less than the peace tax charged in Germany. That is less than the income tax that has been paid for many years by combining the Imperial German Government inheritance tax with the inheritance tax imposed by each of the State governments in Germany. It is about the same as they were paying in peace times in England. How much higher it is now in England I do not know. How much higher it is in Germany I do not know.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. In a moment. It is about the same as the peace tax on inheritances in France prior to the beginning of this war.

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from New York?

Mr. MILLER of Minnesota. I will yield for an inquiry.

Mr. PLATT. Does the gentleman think that inheritance taxes are distinctively peace taxes, and properly so, and not war taxes?

Mr. MILLER of Minnesota. No. The inheritance tax is for the purpose of raising revenue for the use of the Government that has given protection to the man when the property was amassed. The protection was given in peace times and in war times, and the mere fact that we may be in war time when the man dies is no reason for removing the tax.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?
Mr. MILLER of Minnesota. Yes.
Mr. MADDEN. Has the gentleman taken into consideration the fact that many of the States have inheritance taxes, too?
Mr. MILLER of Minnesota. Yes. I was going to speak of that. Even adding this to the taxes imposed by the respective States, you will not pay a higher tax than that which is customarily charged in other countries.
Mr. FESS. Mr. Chairman, will the gentleman yield?
Mr. MILLER of Minnesota. Yes.
Mr. FESS. I understood the gentleman said the highest tax in this bill would be 25 per cent. Twenty-five per cent on all estates up to $15,000,000, and over that 30 per cent. The maximum is $15,000,000, which, added to the maximum previously in force, of $15,000,000, is 30 per cent.
Mr. MILLER of Minnesota. I have a copy of the law here. It adds a tax of 10 per cent and then a tax of 15, making 25 per cent.
Mr. HELVERING. Mr. Chairman, will the gentleman yield?
Mr. MILLER of Minnesota. Yes.
Mr. HELVERING. It adds an additional 5 per cent.
Mr. MILLER of Minnesota. Yes. I admit that even adding the additional 5 per cent the amount is not greater than that paid in other countries at this time. As I began, so I want to close, by saying I think the proposed exemption of estates of soldiers who die in the war proceeds on a false basis.
The CHAIRMAN. The time of the gentleman from Minnesota has expired.
Mr. CURRY of California. Mr. Chairman, will the gentleman yield? I ask that the gentleman's time may be extended half a minute. I want to ask him a question.
The CHAIRMAN. Is there objection to the request of the gentleman from California?
There was no objection.
Mr. CURRY of California. The gentleman called attention to the inheritance taxes in Germany, Great Britain, and certain other foreign countries as a criterion of the tax that should be levied by this country. I would like to ask the gentleman if Germany levies more than one inheritance tax? The National Government levies the inheritance tax in Germany. In this country the Federal Government levies an inheritance tax, and also 38 States, and the greatest item of income of the States of New York, California, and Pennsylvania comes from this double tax. As the Democrats say, they are pyramiding it.
Mr. MILLER of Minnesota. That is what I endeavored to state. Not merely does the Government of Germany impose a tax on inheritances that goes into the imperial treasury, but in addition to that each of the component States of the German Empire, as for example, Bavaria, Baden, Wurtemburg, Saxony, imposes a like inheritance tax, so that the estate must pay the combined tax of the State in which it is situated and also the tax of the Imperial Government.
Mr. CURRY of California. Does it pay it to the Imperial Government?
Mr. MILLER of Minnesota. Yes. It pays it in two different places.
The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. GOOD].
The question was taken, and the amendment was rejected.
Mr. HILL. Mr. Chairman, I offer an amendment.
The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.
The Clerk read as follows:

Amendment offered by Mr. HILL: Page 47, at the end of line 12, after the word "act," insert "But neither the tax imposed by this bill nor the tax imposed by the law of September 8, 1916, amended by this act, shall be imposed upon the transfer of the same property more than once in five years."

Mr. HILL. Mr. Chairman, just a word. This is simply an act of justice. Let me suggest that the great bulk of the taxes that will come under this provision and that will come from the provision of the last law will come from old people who have accumulated estates.
It is reasonable to suppose that the time elapsing between the death of the husband and wife under such circumstances would not be very long, and to impose these taxes at the heavy rates at which they are now imposed by the State and by the Nation, five days after they have been imposed before, or a month after they have been imposed before, or as happened in several cases after the sinking of the *Lusitania*, where father and mother both died together, would strip the family of the property, the tax being imposed twice at the same time.
I listened to what the gentleman from Minnesota said in regard to the foreign tax. My impression is that the exemption in foreign countries provides that the tax shall not be imposed oftener than once in four years. I have no desire to make it five years or three years, or any other specific time; but I think the good judgment of the House will see that it is not the intention to confiscate property, and that there should be a reasonable time elapse after the first transfer tax was imposed before it would be imposed again on the same property. Understand, gentlemen, both these taxes are imposed on the estate before it is distributed. It is taken from the estate in bulk; and if 30 per cent is taken to-day, and the inheritor—the wife or child—should die a month hence, then 30 per cent more is taken in addition to the last tax. I say it is simply common justice that this tax on the same property should not be imposed oftener than once in five years. Therefore, I offer the amendment.
Mr. RAINEY. Mr. Chairman, one of the difficulties connected with the gentleman's amendment is this: It has happened recently in estates consisting largely of stocks and bonds that they have increased tremendously in value, sometimes in less than a year. An estate worth $4,000,000 or $5,000,000 might in five years be worth $8,000,000 or $10,000,000. If you provide that the tax shall not be assessed oftener than once in five years there will always be difficulty in identifying the estate, and there is no particular reason why the limit should be five years or four years, or why it should not be longer than five years. The amendment is the entering wedge which ultimately will tend to destroy this new estate tax in this country, so desirable for many reasons.
Mr. MADDEN. Will my colleague yield to me for a question?
Mr. RAINEY. Yes.
Mr. MADDEN. May it not be possible to word the amendment so that the amount of an estate left by a person to a son or daughter or wife could be exempted for a given period, if it was transferred again, without respect to whether you could identify the property or not?
Mr. RAINEY. Such an amendment might be drafted, but from my standpoint it would still be exceedingly objectionable and still the entering wedge which might destroy this estate tax.
Mr. HILL. I suppose the gentleman will concede that his argument that the estate might be increased and therefore the increment might be taxed, is just as strong against his proposition if the estate should decrease, and therefore he would be facing a loss.
Mr. RAINEY. Yes; but that seldom happens in reference to these large estates at the present time. They do not decrease in value. They keep on increasing in value. If the estate did decrease, of course it would operate the other way.
Mr. HILL. The gentleman concedes the justice of my amendment, but imagines it would be difficult to put it in operation. I think the justice of it ought to outweigh the difficulty of execution.
Mr. RAINEY. I do not concede the justice of it.
Mr. HILL. I say that as a matter of justice the amendment ought to be agreed to.
Mr. RAINEY. I do not concede the justice of the gentleman's amendment. In fact, I think it tends to destroy the entire value of this taxing principle.
The CHAIRMAN. The question is on the amendment of the gentleman from Connecticut [Mr. HILL].
The question was taken; and on a division (demanded by Mr. HILL) there were—ayes 62, noes 79.
Mr. HILL. Mr. Chairman, I ask for tellers.
Tellers were ordered; and the Chairman appointed Mr. HILL and Mr. RAINEY.
The committee again divided; and the tellers reported—ayes 75, noes 108.
Accordingly the amendment was rejected.
The CHAIRMAN. The question now is on the amendment of the gentleman from New York [Mr. PLATT] to strike out.
The amendment was rejected.
The Clerk read as follows:

Title X.—War customs duties.

Mr. KITCHIN. Mr. Chairman, I offer an amendment to the title.
The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.
The Clerk read as follows:

Committee amendment: Page 47, line 13, after the word "duties," insert "and war taxes on coffee and tea."

Mr. KITCHIN. This is to cover in the title another section which will be offered later.
The amendment was agreed to.

The Clerk read as follows:

SEC. 1000. That on and after the day following the passage of this act there shall be levied, collected, and paid upon all articles when imported from any foreign country into the United States, or into any of its possessions (except the Philippine Islands and the islands of Guam and Tutuila), if such articles are now dutiable by law, a duty of 10 per cent ad valorem in addition to the existing duty (whether ad valorem or specific); and if not now dutiable by law, a duty of 10 per cent ad valorem. The duties imposed by this section shall be levied, collected, and paid under the provisions of existing law.

Mr. KITCHIN. Mr. Chairman, the committee offers an amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment.

Mr. KITCHIN. Let it be pending after it is read.

The CHAIRMAN. The gentleman offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 47, line 24, after the period, insert the following:

"This section shall not apply to (a) gold or silver bullion; (b) coins of gold, silver, copper, or other metal; (c) printing paper admitted free of duty under paragraph 567 of section 1 of the act entitled 'An act to reduce tariff duties and provide revenue for the Government, and for other purposes,' approved October 3, 1913, as amended by the act of September 8, 1916; (d) ores of the platinum metals and platinum unmanufactured or in ingots, bars, plates or sheets, wire, sponge or scrap, and vases, retorts, and other apparatus, vessels and parts thereof composed of platinum for chemical uses; (e) nitrate of soda; and (f) mechanical ground wood pulp, chemical wood pulp, unbleached or bleached, and rags pulp."

Mr. HILL. Mr. Chairman, I desire to offer an amendment by way of a substitute.

Mr. MOORE of Pennsylvania. Will the gentleman yield for a minute to allow me to ask a question of the gentleman from North Carolina?

Mr. HILL. Yes.

Mr. MOORE of Pennsylvania. I observe that the amendment offered by the gentleman from North Carolina does not include crude phosphates.

Mr. KITCHIN. No.

Mr. MOORE of Pennsylvania. Nor does it include crude potash.

Mr. KITCHIN. No. It includes just the nitrate of soda, because that is mostly used now for the making of powder for munitions of war. The Government practically imports all of that now.

Mr. MOORE of Pennsylvania. Do not these phosphates and potash enter very largely into fertilizer?

Mr. KITCHIN. We do not get any potash now. Most of the potash came from Germany, and we do not get any of that.

Mr. MOORE of Pennsylvania. I understand.

Mr. KITCHIN. So it would not help or harm, one way or the other.

Mr. MOORE of Pennsylvania. The amendment offered by the gentleman would tend to relieve the farmer and, to a certain extent, the consumer——

Mr. KITCHIN. It is an amendment exempting gold and silver bullion and coin.

Mr. MOORE of Pennsylvania. That is for the purpose of enabling the exchanges between this country and foreign countries.

Mr. KITCHIN. Yes; also platinum, nitrate of soda, wood pulp, and print paper.

Mr. MOORE of Pennsylvania. Is it the intention of the committee to offer an amendment exempting phosphates, potash, and so forth?

Mr. KITCHIN. No; the committee did not authorize me to include those exemptions; I wish it had.

Mr. HILL. Mr. Chairman, I offer the following substitute for the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. HILL: On page 47, at the end of line 24, section 1000, Title X, of H. R. 4280, as follows:

"*Provided*, That the duty of 10 per cent prescribed by this section shall not apply to the articles named in the following designated paragraphs of the act entitled 'An act to reduce tariff duties and to provide revenues for the Government, and for other purposes,' approved October 3, 1913:

"Paragraph 436, relating to bullion, gold, or silver.

"Paragraph 451, relating to coal, anthracite, bituminous, culm, slack, and shale; coke; compositions used for fuel in which coal or coal dust is the component material of chief value, whether in briquets or other form.

"Paragraph 458, relating to coins of gold, silver, copper, or other metal.

"Paragraph 499, relating to guano, manures, and all substances used only for manure, including basic slag, ground or unground, and calcium cyanamid or lime nitrogen.

"Paragraph 605, relating to nitrate of soda.

"Paragraph 642, relating to personal effects of persons arriving in the United States.

"Paragraph 649, relating to mechanically ground wood pulp, chemical wood pulp, unbleached or bleached, and rag pulp.

"*And provided further*, That paragraphs 457 and 627, relating to coffee and tea, both paragraphs being part of the free list of the said act approved October 3, 1913, shall be exempted from the provisions of the 10 per cent duty herein prescribed; and in lieu thereof there shall be an import duty on coffee of 6 cents per pound and on tea 12 cents per pound."

Mr. SNELL. Mr. Chairman, this amendment is not offered in a spirit of criticism, but rather for the purpose of calling the attention of the committee to some of the provisions in this section that would not only hinder but absolutely prohibit certain regular and legitimate business activities, which I believe they did not intend to do at this time. And I am also sure that if they had been in position to give more consideration to the effect and actual workings of such a proposal as is carried in this part of section 10—namely, putting a flat tax of 10 per cent on all articles now on the free list—they never would have reported it in this form, even under the stress, "We need the money." And my only desire is that the Ways and Means Committee will sometime in the near future report this section back to the House containing all its revenue-raising features, but with none of the absurdities or indefensible provisions that it carries at the present time.

I will not undertake to discuss at present all the articles on the free list that it is absurd and ridiculous to think of putting a 10 per cent tax on, but I will call the attention of the committee to some of the most flagrant violations, or enough of them to show you that there is no question but what this part of section 10 covering the free list must have much more careful consideration before it becomes a part of the revenue law of the land. Section 397 under the free list, in tariff act of October 3, 1913, provides:

397. Any animal imported by a citizen of the United States, specially for breeding purposes, shall be admitted free, whether intended to be used by the importer himself or for sale for such purposes: *Provided*, That no such animal shall be admitted free unless pure bred of a recognized breed, and duly registered in a book of record recognized by the Secretary of Agriculture for that breed: *And provided further*, That the certificate of such record and pedigree of such animal shall be produced and submitted to the Department of Agriculture, duly authenticated by the proper custodian of such book of record, together with an affidavit of the owner, agent, or importer that the animal imported is the identical animal described in said certificate of record and pedigree. The Secretary of Agriculture may prescribe such regulations as may be required for determining the purity of breeding and the identity of such animal: *And provided further*, That the collectors of customs shall require a certificate from the Department of Agriculture stating that such animal is pure bred of a recognized breed and duly registered in a book of record recognized by the Secretary of Agriculture for that breed.

The Secretary of the Treasury may prescribe such additional regulations as may be required for the strict enforcement of this provision.

Horses, mules, and asses straying across the boundary line into any foreign country, or driven across such boundary line by the owner for temporary pasturage purposes only, together with their offspring, shall be dutiable unless brought back to the United States within six months, in which case they shall be free of duty, under regulations to be prescribed by the Secretary of the Treasury: *And provided further*, That the provisions of this act shall apply to all such animals as have been imported and are in quarantine or otherwise in the custody of customs or other officers of the United States at the date of the taking effect of this act.

A great many farmers living along the northern border either own or hire a pasture over in Canada and pasture dry stock and young cattle and horses in these back pastures during the summer months, and under the old law a provision or exemption is made for covering these cases; but under the law you are proposing now a farmer could not turn his own cattle in his own pasture if that pasture was across the Canadian border without paying 10 per cent on their value when he wanted to take them up in the fall. I know the Ways and Means Committee do not intend to do that.

Section 398 exempts as follows:

Animals brought into the United States temporarily for a period not exceeding six months, for the purpose of breeding, exhibition or competition for prizes offered by any agricultural, polo, or racing association; but a bond shall be given in accordance with regulations prescribed by the Secretary of the Treasury; also teams of animals, including their harness and tackle, and the wagons or other vehicles actually owned by persons emigrating from foreign countries to the United States with their families, and in actual use for the purpose of such emigration under such regulations as the Secretary of the Treasury may prescribe; and wild animals intended for exhibition in zoological collections for scientific and educational purposes, and not for sale or profit.

Under the bonding provision provided in this section a great many Canadians bring their animals over to the United States for exhibition purposes; but, of course, no man would bring his stock into this country for purposes of exhibition and pay a customs duty of 10 per cent for the simple purpose of doing that; and if you do not make the provision in this law that covers these cases, you have done a great injustice to the people living along the whole northern border and you have benefited no one or collected no revenue.

Then I want to call your special attention to the last part of this section 398. This provides for the free admission of teams, harness, wagons, implements, and household furniture, and so forth, actually owned by immigrants coming to this country, for their own use after they get here, and not for sale or profit. Now, is there any man who would contend that these same exemptions should not be made in the present tariff law?

Now I come to section 404. This affects the business activities of the whole country:

404. Articles the growth, produce, or manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means: steel boxes, casks, barrels, carboys, bags, and other containers or coverings of American manufacture exported filled with American products, or exported empty and returned filled with foreign products, including shooks and staves when returned as barrels or boxes; also quicksilver flasks or bottles, iron or steel drums of either domestic or foreign manufacture, used for the shipment of acids, or other chemicals, which shall have been actually exported from the United States; but proof of the identity of such articles shall be made, under general regulations to be prescribed by the Secretary of the Treasury, but the exemption of bags from duty shall apply only to such domestic bags as may be imported by the exporter thereof, and if any such articles are subject to internal-revenue tax at the time of exportation, such tax shall be proved to have been paid before exportation and not refunded; photographic dry plates or films of American manufacture (except moving-picture films), exposed abroad, whether developed or not, and films from moving-picture machines, light struck or otherwise damaged, or worn out, so as to be unsuitable for any other purpose than the recovery of the constituent materials, provided the basic films are of American manufacture, but proof of the identity of such articles shall be made under general regulations to be prescribed by the Secretary of the Treasury; articles exported from the United States for repairs may be returned upon payment of a duty upon the value of the repairs at the rate at which the article itself would be subject if imported under conditions and regulations to be prescribed by the Secretary of the Treasury: *Provided*, That this paragraph shall not apply to any article upon which an allowance of drawback has been made, the reimportation of which is hereby prohibited except upon payment of duties equal to the drawbacks allowed; or to any article manufactured in bonded warehouse and exported under any provision of law: *And provided further*, That when manufactured tobacco which has been exported without payment of internal-revenue tax shall be reimported it shall be retained in the custody of the collector of customs until internal-revenue stamps in payment of the legal duties shall be placed thereon: *And provided further*, That the provisions of this paragraph shall not apply to animals made dutiable under the provisions of paragraph 397.

I will not take the time of the committee to read all of this. It provides that articles manufactured in the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means, may be returned to the United States free of duty. I would say that during the last two or three years our manufacturers have shipped a great many carloads of war supplies of various kinds to Canada that have been refused for some reason or other and the owner has been obliged to have them shipped back to his factory. Does anyone think that those people should be obliged to pay 10 per cent duty to get their own goods back? And they certainly will have to do it unless you make some provision in this law covering these cases. I want to say in this connection that we are now shipping hundreds of carloads of products to Canada in connection with war munitions that we ship in boxes with expensive lead linings. As soon as these containers are emptied they are placed in the same car and returned to the original shipper in the United States. It is absolutely impossible to do this under the law we are now discussing. At all times there are innumerable articles exported in containers of American manufacture that are returned empty or with even foreign goods packed in them that should be exempted and continued on the free list.

Mr. MADDEN. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. MADDEN. If provision was not made for the return of the containers, the cost of the container would have to be added to the price of the commodity?

Mr. SNELL. It would, and that would prohibit us from any competition in the market.

Section 424 of the old law provides for free entry to the United States:

424. Books, engravings, photographs, etchings, bound or unbound, maps and charts imported by authority or for the use of the United States or for the use of the Library of Congress.

Now, it certainly can not be the intention or desire of this Congress to place a customs duty on articles imported under this section.

Section 428 of the old law exempts as follows:

428. Books, libraries, usual and reasonable furniture, and similar household effects of persons or families from foreign countries, all the foregoing if actually used abroad by them not less than one year, and not intended for any other person or persons, nor for sale.

Section 436 of the old law exempts gold or silver bullion. Gold bullion is never shipped back and forth only as a settlement of trade balances between nations. A short time ago a New York business house brought into this country through Rouses Point, in my district, $16,000,000 in gold bullion in settlement of debt from the Russian Government. Under this bill they would have been obliged to pay $1,600,000 for the privilege of collecting their obligation and bringing the money into this country.

Section 458 exempts coins of gold, silver, copper, and other metals. Under this proposed law if you went over to Canada and came back with $1,000 in gold in your pocket you would have to give up $100, or 10 per cent, because gold coin is not excepted. Now, every thinking man knows that such absurdities as these should never be written in a law. And, of course, it was only an oversight, or no one would ever have thought of doing such a thing.

I will call your attention to only a few more of the idiosyncrasies of this bill, and I am sure you will agree with me that this section, at least, needs to be rewritten before it becomes a law.

A great many people along the northern border of my State take a Montreal daily, as that is the only one they can get and have it delivered the day published. Are you going to collect a 10 per cent duty on a penny paper, or will you exempt them, as they are under section 556 of the old law free list?

556. Newspapers and periodicals; but the term "periodicals" as herein used shall be understood to embrace only unbound or paper-covered publications issued within six months of the time of entry, devoted to current literature of the day, or containing current literature as a predominant feature, and issued regularly at stated periods, as weekly, monthly, or quarterly, and bearing the date of issue.

Personal effects, not merchandise, of citizens of the United States dying in foreign countries could not be sent back home free unless you make an exemption. That means that the watch of the soldier who died in a foreign land fighting for his country could not be sent back to the bereaved wife or mother without paying a customs tax of 10 per cent. Why, Mr. Chairman and members of the committee, it would be the height of folly to adopt this section at this time.

582. Professional books, implements, instruments, and tools of trade, occupation, or employment in the actual possession of persons emigrating to the United States owned and used by them abroad; but this exemption shall not be construed to include machinery or other articles imported for use in any manufacturing establishment, or for any other person or persons, or for sale, nor shall it be construed to include theatrical scenery, properties, and apparel; but such articles brought by proprietors or managers of theatrical exhibitions arriving from abroad, for temporary use by them in such exhibitions, and not for any other person, and not for sale, and which have been used by them abroad, shall be admitted free of duty under such regulations as the Secretary of the Treasury may prescribe; but bonds shall be given for the payment to the United States of such duties as may be imposed by law upon any and all such articles as shall not be exported within six months after such importation: *Provided*, That the Secretary of the Treasury may, in his discretion, extend such period for a further term of six months in case application shall be made therefor.

Under section 582 of the old law professional books, implements, instruments, and tools of trade, occupation, or employment in actual possession of persons emigrating to the United States, owned and used by them abroad, are admitted to this country free, and certainly at this time when we are scouring the country for carpenters and men of all trades, do we want to do anything to discourage their coming here and bringing their instruments and tools of trade with them?

I just want to call your attention to section 642 and I am through:

642. Wearing apparel, articles of personal adornment, toilet articles, and similar personal effects of persons arriving in the United States; but this exemption shall include only such articles as were actually owned by them and in their possession abroad at the time of or prior to their departure from a foreign country, and as are necessary and appropriate for the wear and use of such persons and are intended for such wear and use, and shall not be held to apply to merchandise or articles intended for other persons or for sale: *Provided*, That in case of residents of the United States returning from abroad all wearing apparel, personal and household effects taken by them out of the United States to foreign countries shall be admitted free of duty, without regard to their value, upon their identity being established under appropriate rules and regulations to be prescribed by the Secretary of the Treasury. * * *

You will see that in the last part of this section in the old law that in the case of residents of the United States returning from abroad all wearing apparel, personal household effects, and other implements actually taken out of this country with them can not be brought back into this country under the law now proposed without the payment of a 10 per cent duty. A great many farmers have emigrated to the Canadian northwest, and have taken their teams, implements, and household utensils with them, and after being up there for a short time they find that the country is not gold and sunshine, as it was held out to be, and they want to come back to this country and bring their goods and effects with them, and that has been the law for all time, and I do not believe that the committee of this House intends to change it at this time.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Pennsylvania. The gentleman is referring to those Americans who have been induced to go to Canada with their goods and effects who were disappointed and who desire now to come back to the United States?

Mr. SNELL. Yes; and to bring the same things with them that they took to Canada.

Mr. MOORE of Pennsylvania. What is the gentleman's fear—that the 10 per cent tax will be levied upon their goods by reason of the passage of this title?

Mr. SNELL. Exactly; if they are not exempted.

Mr. MOORE of Pennsylvania. The gentleman lives near the Canadian border. I would like to know from him if he can tell about how large is this procession of people who desire to come back from Canada after they have been induced by advertisements to go over there?

Mr. SNELL. I could not tell you how large it is, but it applies to quite a number of people along the border.

Mr. MOORE of Pennsylvania. Is it not a fact that the Canadian Government levies a duty upon these American goods when they go to Canada?

Mr. SNELL. I am not sure.

Mr. MOORE of Pennsylvania. Canada takes from the American who seeks to go over there to establish a home or do business, and the United States, according to the gentleman's argument, would now charge the American coming back? Is that it?

Mr. SNELL. He would be caught coming and going, unless you make his exemption.

Mr. ANDERSON. Mr. Chairman, the gentleman does not mean to say that Canada imposes a tax upon immigrant goods coming into Canada from the United States?

Mr. SNELL. I do not know definitely what these regulations are.

Mr. ANDERSON. Not for the personal use of the immigrant.

Mr. SNELL. Unless they are exempted they can not get back into this country free of tax.

Mr. MOORE of Pennsylvania. Does Canada put a tariff tax upon stock and agricultural implements?

Mr. SNELL. I could not tell you about that, but unless you exempt them in this law you can not bring them back free of duty.

Mr. MOORE of Pennsylvania. Canada certainly puts a duty on lumber in some form or other.

Mr. SNELL. Yes.

Mr. JOHNSON of Washington. And Canada has greatly increased its tariff upon all articles upon which it can increase it, coming from the United States.

Mr. SNELL. Mr. Chairman, I have too much faith in the business sense of this House to believe that you are willing to place into law such absolute absurdities as I have called to your attention, and I trust it will meet the wisdom of the committee to entirely rewrite the section pertaining to the free list, or what would, in my judgment, be much better, entirely pass it for the present and later in the year give it the time and consideration a section of this importance is entitled to, and report it to the House drafted in such a manner that it will not only meet your own approval and deserve the support of the Members of the House but that it will command the respect and commendation of the business activities of the whole world.

Mr. Chairman, I want to support a revenue measure. I voted for all the appropriations asked for by the committees of this House in preparing for war. I know full well that we must have money to pay them. I do not want to exempt anyone from paying his share of taxes. I do not feel too badly because you have raised the income taxes and kept in all the excess-profits taxes, but I will feel ashamed and humiliated if we give to our people this revenue bill as it stands to-day as representing the best sense and judgment of this House, when every man on this floor, every man on the street—yes, every thinking man in the whole country—knows that it must be rewritten by the Senate before it becomes a workable law. If you can not write a revenue bill that is right in four weeks, then take eight, for anything that is worth doing at all is worth doing well. We have delegated to the Executive practically all the power we have except the ways and means of raising revenue. We should certainly take the time to do that right. When the men who wrote this bill come frankly before us and say that the bill "is indefensible, except that we need the money, and that they are going to shut their eyes and swallow their medicine," it is asking too much of the loyal men of this House to follow them. I will shut my eyes and take my medicine, but I reserve the right to keep them open when I am reaching into the closet to select that medicine. Now, let us all open our eyes and our minds and improve this bill before it is ever passed to the Senate.

Mr. GARLAND. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARLAND: Strike out, after line 10, all the rest of the paragraph and insert in lieu thereof the following: "The rates of duty established by the tariff act of August 5, 1909, known as the Payne Tariff Act."

Mr. LENROOT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LENROOT. I would like to ask if the pending amendment is not the amendment proposed by the gentleman from North Carolina, with the substitute proposed by the gentleman from Connecticut [Mr. HILL]?

The CHAIRMAN. As the Chair understands, the gentleman from North Carolina has offered a committee amendment.

Mr. HILL. And I offered a substitute.

The CHAIRMAN. And the gentleman from Connecticut [Mr. HILL] offers a substitute for the amendment of the gentleman from North Carolina [Mr. KITCHIN]. The Chair understands the gentleman from Pennsylvania [Mr. GARLAND] has offered an amendment to the original text.

Mr. LENROOT. I suggest the gentleman should withhold that until we dispose of this.

The CHAIRMAN. Which would make the amendment of the gentleman from Pennsylvania——

Mr. MANN. I suggest to the Chair that the amendment offered by the gentleman from North Carolina [Mr. KITCHIN] is an addition to the text, and not to strike out any part of the text.

The CHAIRMAN. The Chair stands corrected. Then the amendment of the gentleman from Pennsylvania [Mr. GARLAND] is not in order now.

Mr. GARLAND. But later it will be?

The CHAIRMAN. It will be.

Mr. LANGLEY. Mr. Chairman, I desire to present a parliamentary inquiry. I understood from the reading of the amendment offered by the gentleman from Connecticut that it included the tax on coffee and tea. Am I correct about that? If I am correct, if his amendment should be adopted, when the next paragraph is read relating to that subject an amendment to that would not be in order? I desire to offer an amendment to the next paragraph.

The CHAIRMAN. The Chair thinks if that is in the next paragraph it would be in order to strike it out.

Mr. MANN. The next paragraph is an excise tax.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto close in one hour.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this section and amendments thereto close in one hour. Is there objection?

Mr. GARLAND. I object.

Mr. KITCHIN. How much time does the gentleman want?

Mr. GARLAND. I want only about five minutes, but I want to have an opportunity to discuss my amendment.

Mr. KITCHIN. We will guarantee that you have that five minutes.

Mr. GRAHAM of Illinois. Mr. Chairman, a parliamentary inquiry. I have an amendment to the amendment of the gentleman from North Carolina. I want to ask whether it is in order or not.

The CHAIRMAN. Not now. It may be later.

Mr. KITCHIN. Mr. Chairman, I withdraw the request. We will not recess until the House passes the bill.

Mr. MANN. The committee?

Mr. KITCHIN. I want the House to pass the bill, too.

Mr. LINTHICUM. Mr. Chairman——

The CHAIRMAN. The gentleman from Maryland [Mr. LINTHICUM] is recognized.

Mr. LINTHICUM. Mr. Chairman, in the course of the debate yesterday a reference was made by the gentleman from Illinois [Mr. MANN] in connection with the offer of the yacht of Capt. Isaac E. Emerson, of Baltimore, to the National Government. I do not think the gentleman from Illinois meant to create any false impression, but one of the Baltimore papers so interpreted same. I quote the remark:

Mr. MANN described the offer sarcastically as one designed to keep the yacht and its crew out of danger, and declared that if the report was true Secretary McAdoo's son, who is to command the yacht, is to be given a "fat job to keep out of danger," while "men and women's children—their sons—are to be drafted into the Army as private soldiers."

While, as I say, I do not think the gentleman from Illinois [Mr. MANN] meant to create any false impression in this statement, it was carried in one of the Baltimore papers in such large headlines that Capt. Emerson, while trying to do a patri-

otic duty, feels very much aggrieved by the interpretation indicated by the heading in the paper. For instance, such headlines as these—

Emerson yacht offer derided—MANN tells House captain wants it out of danger—Fat job for McAdoo's son—Reported to command boat "behind lines."

In reply to the statement of the gentleman from Illinois [Mr. MANN] and thinking that some statement was necessary, I have procured from the counsel of Capt. Emerson a statement from the captain, which I want read by the Clerk in my time, explaining the whole situation and showing that Capt. Emerson's sole purpose and idea was a patriotic one which he felt he owed his Government and wanted to perform by offering this magnificent yacht for use during the war, which he refuses to sell.

Mr. MOORE of Pennsylvania. Will the gentleman yield for a question?

Mr. LINTHICUM. Let me have this read, and then I will yield.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BALTIMORE, MD., *May 22, 1917.*

Hon. J. CHARLES LINTHICUM,
House of Representatives, Washington, D. C.

DEAR MR. LINTHICUM: At the request of Capt. I. E. Emerson I write you with regard to the statement made by Mr. MANN yesterday on the floor of the House. Such statement is not justified by the facts, and Capt. Emerson therefore, I think, is entitled to have the facts stated on the floor of the House as publicly as the original statement; and as Mr. MANN suggested that he thought it was right and proper that some one should write a letter setting the matter straight, I feel that Mr. MANN himself will, as a matter of justice and right, present the facts hereinafter stated to the House that they may receive the same publicity as his original statement; otherwise I hope you will be able to find opportunity this afternoon or evening so to do.

The Government asked Capt. Emerson some time since whether he was willing to sell or charter his yacht to the United States, and this he was unwilling to do for any valuable consideration, but when the question came up of giving the Government free use of the yacht for the term of the war he expressed himself entirely willing to take that course, provided the yacht should be assigned to the fifth naval district. His purpose in requesting such assignment was that the Philadelphia, New York, and Boston districts seemed to be fully supplied with patrol boats of that character, and therefore it seemed to him well that as there were very few yachts adapted to the purpose within this district, that this yacht should be assigned thereto.

The suggestion of Mr. MANN that the tender was upon condition that the yacht should only be used in the Chesapeake Bay is entirely untrue, since the fifth district not only includes the Chesapeake Bay, but includes 200 miles, more or less, of the Atlantic coast, including the coast of Cape Hatteras and other dangerous points. In fact, such assignment might be considered as dangerous as any use to which a patrol boat could be put. The protection of the entrance of the Chesapeake Bay is certainly not a safety-first assignment.

The suggestion also that Francis H. McAdoo, the son of the Secretary of the Treasury, is in command of this boat, is without any foundation. The Navy Department has assigned to the command of this boat Lieut. Phillips, of the United States Navy, and as chief engineer Lieut. Goobe, of the Baltimore Polytechnic Institute, who is also a lieutenant in the Naval Militia. McAdoo is enrolled as a sailor.

Capt. Emerson also feels that it is only fair to state in regard to McAdoo that his enrollment was purely voluntary on his part, he being a married man with wife and child dependent upon him.

Yours, very truly,

HENRY W. WILLIAMS.

Mr. LINTHICUM. Now I will be glad to answer the gentleman.

Mr. MOORE of Pennsylvania. This yacht was supposed to be worth $500,000?

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. MOORE of Pennsylvania. Then I can not ask the questions I had in mind.

Mr. FORDNEY rose.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. LENROOT. Mr. Chairman, I do not desire time for debate, but I do want to offer a preferential amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Add to the Kitchin amendment: "(g) Articles enumerated in paragraph 177 of the act entitled 'An act to reduce tariff duties and to produce revenue for the Government, and for other purposes,' approved October 3, 1913."

Mr. FORDNEY. Mr. Chairman and gentlemen, if I am correct in reading the amendment offered by the gentleman from Connecticut [Mr. HILL] most of the items mentioned in that amendment are set forth in the amendment presented by the committee, covering gold coin and silver coin and gold ore, and all such matters.

The gentleman from Connecticut recommends that the duty on coal be excluded, but he seeks to have a duty imposed at the rate of 6 cents per pound on coffee and 12 cents per pound on tea. The amount of duty, as provided for in the bill on the 10 per cent ad valorem basis, is nine-tenths of a cent per pound on coffee, based on the value of imported coffee last year and 1.8 cents per pound on tea, as tea was imported last year at the value of 18 cents a pound. Therefore there would be a duty collected as per the present bill on coffee of $10,800,000. We consume about 1,200,000,000 pounds of coffee and about 100,000,000 pounds of tea each year, all of which is imported. The duty on tea as provided in this bill will yield $2,000,000, or a total of $12,800,000 on tea and coffee, based on the imports of tea and coffee last year. If the gentleman's amendment is adopted there will be collected in the next 12 months $84,000,000 on tea and coffee.

Now, I submit, gentlemen, that the price of foodstuffs in this country during this war is very high at the present time and is going higher. As long as the war lasts—mark what I say—prices are going to advance. Therefore to impose upon the people of this country a tax on such articles is calculated to still further increase prices. Everybody uses tea or coffee. I say we imported 1,200,000,000 pounds of coffee and 100,000,000 pounds of tea.

That is an excessive tax upon the poor people who must have tea and coffee. To begin with, gentlemen, there is more money provided for in this bill than we ought to impose upon the people now. [Applause.] If you adopt the amendment offered by the gentleman from Connecticut [Mr. HILL], you are going to have, as I have said, $84,000,000 more on tea and coffee that the people of this country use, and I am opposed to that kind of a tax; and especially so, gentlemen, since we are raising an abundance of money, and more money than we ought to raise in this bill.

Now, under ordinary conditions the tax on the household goods of the people going back and forth across the border from the United States into Canada ought to be excluded. But we are engaged in war, and "war is a dreadful thing." Nobody wants taxes imposed upon them, but everybody must come forward and contribute their mite during the period of this war. That will be but a very small sum of money imposed upon people on account of their household goods or personal effects going from this country abroad and then coming back. We ought not to complain of paying that small amount, whatever it may be. There are many other ways in which we can raise a very large sum of money, but I am opposed to adding any more taxes to the bill unless we strike from the bill some of the objectionable features that are in it and reduce in some manner the taxes that are now in the bill, taxes which this House has already declined to strike from the bill.

Coal and many other things can afford to pay tax when imported into this country to help along with this war. But the gentleman's amendment, while it strikes from the protective list some few articles, imposes a great hardship upon the people of the country. The bill as it is now contains a horizontal increase ad valorem on all articles such as have been recommended by the committee to be placed upon the free list, and that provision will raise a very large sum of money. This is the most unscientific tariff law ever enacted by Congress, but it will raise a large sum of money. This coming year, if this bill goes into effect as it is written here in reference to our import duties, we will collect $500,000,000 on imports. Under existing law we would collect about $200,000,000 on imports.

I submit, gentlemen, that to put a consumption tax upon foodstuffs and a consumption tax upon clothing that the poor people of this country must have is a wrong principal of raising taxes, and the amendment of the gentleman from Connecticut ought to fail. [Applause.]

Mr. HILL. Mr. Chairman, in the first place, there is no reference in the amendment I have offered with respect to clothing, as the gentleman might have discovered if he had examined it. It is now on the dutiable list. There is no provision in the free list for clothing except as a man brings in $100 worth of wearing apparel in his trunk or on his back when he comes from abroad, so that that has nothing to do with the case. In the second place, I have not very much sympathy for the argument of a man going over into Canada and being taxed on the things that he brings back, in view of the fact that Canada taxes him on the things that he takes over; and in the next place the first thing that Canada did in the beginning of this war was to put on 7½ per cent additional duty upon things coming from the United States. So we will dismiss that argument.

There are two amendments proposed, one by the gentleman from North Carolina [Mr. KITCHIN] and the other by myself as a substitute. There is not very much difference between them except in two or three points. I will call attention to them. Both recommend a very sensible proposition, that we should not tax the gold and silver sent here by foreign nations to pay debts to us. I do not believe anybody would want to collect customs duties on gold coming from foreign countries into this country. The gentleman from North Carolina [Mr. KITCHIN] and I both agree on that proposition. I then take up the ques-

tion of coal, and propose that this additional duty of 10 per cent shall not apply to coal coming into this country.

Mr. MOON. Will the gentleman kindly allow me to interrupt him for a moment?

Mr. HILL. Yes.

Mr. MOON. I want to understand the meaning of this amendment offered by the gentleman from North Carolina, concurred in by the gentleman from Connecticut, in reference to white print paper.

Mr. HILL. I am coming to that in just a moment.

Mr MOON. I suggested a few days ago that I would offer an amendment upon that question, but I do not want to do that if the language used in the amendment of the gentleman from North Carolina, concurred in by the gentleman from Connecticut, will cover it.

Mr. KITCHIN. My amendment covers that. The gentleman from Tennessee [Mr. MOON] suggested it to us the other day, and we took it up after he suggested it and included it in the amendment.

Mr. HILL. My purpose in offering this amendment is not to disturb the dutiable list in any respect whatever, so far as the 10 per cent addition is concerned. I do not believe this is the time or the place to make a tariff revision under present circumstances. I do not believe it could be wisely or successfully done, and my own personal judgment is that the operations of the war and the effect of the war would practically nullify any tariff, no matter what it was, in its actual operations, so long as the war lasted.

Mr. HAMILTON of Michigan. The gentleman referred to coal.

Mr. HILL. Yes.

Mr. HAMILTON of Michigan. Will he kindly state how much coal is being imported into the United States?

Mr. HILL. I can not tell the gentleman. I did not intend to go into a tariff discussion, and so did not fortify myself with the figures necessary to do so. Coal is now on the free list.

Mr. HAMILTON of Michigan. Yes; I understand that.

Mr. HILL. My proposition is that the 10 per cent additional duty shall not apply to it, and that it shall remain undisturbed on the free list as it is now. That provision is not included in the amendment of the gentleman from North Carolina [Mr. KITCHIN]. There is the first difference between us.

The third exception is "coins of gold, silver, and metal." I do not think it needs any argument to convince you that there should not be a 10 per cent duty added to coin which is sent from abroad to this country to pay debts due in the United States.

The next proposition, which the gentleman from North Carolina has not included and which I think he might wisely have included, is "guano, manures, and all substances used only for manure, including basic slag, ground or unground, calcium cyanamid, or lime nitrogen."

In the last session of Congress we appropriated several million dollars to manufacture the last-named article here. I do not know why we should now pay a duty on it to prevent it from coming here pending such manufacture. I have added it in the interest of the South. We do not use it to any extent in my section of the country, but it is of vital importance to the South that they should have lime nitrogen and nitrate of soda. The gentleman from North Carolina did include nitrate of soda, but did not include cyanamid or lime nitrogen. That is the second difference.

Paragraph 605, relating to nitrate of soda—if I am not mistaken, the gentleman from North Carolina includes nitrate of soda in his amendment, does he not?

Mr. KITCHIN. Yes.

Mr. HILL. So we agree on that.

Mr. KITCHIN. As I understand the gentleman from Connecticut, we agree on everything in my amendment.

Mr. HILL. Yes; except the duty.

Mr. KITCHIN. And you want to add something else.

Mr. HILL. No, not entirely; because the next item relates to personal effects of persons arriving in the United States. The law now provides that a person coming into the country does not pay a tariff on personal effects not exceeding $100 in value.

Mr. FORDNEY. In reply to a question by the gentleman from Michigan [Mr. HAMILTON], I will say to the gentleman that there were 1,040,000 tons of coal imported into this country last year.

Mr. HILL. It would not amount to much. The demand for coal is almost universal now.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. HILL. I would like an extension of time. I simply want to explain the difference in the two amendments.

Mr. HAMILTON of Michigan. I ask unanimous consent that the gentleman may proceed for five minutes.

Mr. HILL. I will just explain the amendments, and then quit.

The CHAIRMAN. Without objection, the gentleman will be granted five minutes additional time.

There was no objection.

Mr. HILL. I do not believe any of you want to repeal the free list in respect to personal effects brought in by a person coming into this country and make them dutiable.

On mechanically ground wood pulp the difference between the two amendments is this: The gentleman from North Carolina [Mr. KITCHIN] would include manufactured news-print paper. If he does that, he ought also to include wood pulp. He ought to take in paragraph 547 as well as paragraph 649.

Mr. KITCHIN. Wood pulp is included in my amendment.

Mr. HILL. I did not know that. There are two separate propositions in the free list. One is print paper valued at less than 2½ cents a pound, and the other is wood pulp in paragraph 649. I have included wood pulp. I have left the possibility of the 10 per cent duty going on to news-print paper in paragraph 547.

Now, those are the only differences in the amendments so far. I come to the final difference, and that is the difference of the duty on tea and coffee. In other words, so far I have included fertilizer and fertilizer materials, which are of vital interest to the cotton and tobacco growing States of this Union. All of them are not included in the gentleman's amendment. I think they should be.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HILL. Yes.

Mr. MOORE of Pennsylvania. Did the gentleman notice that it is proposed by the Department of Agriculture to ask for $10,000,000 to bring nitrates into the United States?

Mr. HILL. Certainly; and at the same time they are putting a duty on them when they are talking about appropriating millions of dollars to bring them here, and the absurdity is too manifest for argument.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. HILL. Yes.

Mr. HUDDLESTON. The gentleman's amendment includes manures and nitrates to aid in the production of foodstuffs.

Mr. HILL. Yes.

Mr. HUDDLESTON. Why does not the gentleman exempt foodstuffs?

Mr. HILL. I will show the gentleman frankly. Does the gentleman see the obliterated lines in this amendment? It includes the basic foodstuffs. I drew the amendment to include wheat, grain, meats, and other basic foodstuffs in the United States, in view of the fact that we are in war, but I found when I presented it in the committee that it was going to raise a tariff discussion at once, and I therefore crossed out every single one of them, and simply offered the amendment in such a way that it can provoke no controversy except on the question of tea and coffee, upon which I want to be heard. I do not think it is the time and place to raise a tariff discussion, but personally I would do what the gentleman from Alabama suggests.

Now, as to the question of tea and coffee. We had a duty on tea during the Spanish War. What was the result? We did not pay any more for it. After the war was over we repealed the duty, and what was the result? We did not buy tea for any less. Japan took the export duty off when we put a duty on, and she put it on when we took it off. That will be the case of coffee and tea.

One of the best arguments I ever heard in the House was from the gentleman from Ohio [Mr. LONGWORTH] when he made an exhaustive study on the question of a tariff on coffee, showing that prior to the war Germany charged 7 cents a pound duty on coffee and was selling coffee throughout Germany at retail for 4 cents less than it was sold here.

Mr. STEENERSON. And that was based on the testimony of the head of the Coffee Trust.

Mr. HILL. Now, another thing: We do not owe the coffee-producing countries anything, anyway. If I am correctly informed, Brazil got out of her valorization scheme about $200,000,000, a large portion of which we paid in this country. I am perfectly satisfied that the export duty in coffee-raising countries will all come off.

Now, is it an arbitrary and unjust proposition we are submitting? We have stricken out $80,000,000 of revenue from this bill since yesterday noon. My judgment is, as the bill now stands, that no money will practically be collected from automobiles. This will equal that; it will raise $84,000,000. It will do nobody any harm. I do not think that within three months after that tax is put on the American people will pay one single penny more for tea or coffee because of it, for we

are taking it now subject to export duties from the various countries which have a keen competition for the largest market in the world, and thus export duties, one after another, will be sliced off if we put the tax on, and we will get $84,000,000, which we need and greatly need in the prosecution of this war.

Mr. DENISON. Will the gentleman yield?

Mr. HILL. Yes.

Mr. DENISON. Would the gentleman be in favor of a tariff on tea and coffee as a part of our permanent policy?

Mr. HILL. I do not know whether I would in time of peace or not. I am in favor of it now, and I think I will have to be in favor of it in the future in view of the enormous addition that this war is going to make to our current expenses in the way of interest on the debt that we are in process of creating and the permanent enlargement of our Army and Navy. We are never going to get back to the old conditions, and I say to you that in my judgment a great many economic ideas on the tariff and revenue formed by us in the past are, in many cases, on both sides of the House, going to be revolutionized by conditions caused by this war into which we are now entering.

Now, is it an unjust tax? The Treasury suggested to the committee 5 cents on coffee and 15 cents per pound on tea. Great Britain is collecting 12 cents a pound on coffee while we propose a tax of 6 cents. While we propose a tax of 12 cents on tea they are collecting to-day 25 cents. In other words, we propose to the American people to put just one-half as much duty on tea and coffee as Great Britain has to-day. If we put the English duty on these two items, we could get a revenue of over one hundred and fifty millions annually.

Mr. HICKS. Will the gentleman yield?

Mr. HILL. Yes.

Mr. HICKS. What is the export duty on Brazilian coffee?

Mr. HILL. That is a hard question to figure out in view of the old valorization-scheme and the relation of the Federal Government to the coffee-producing States of that country.

Mr. HICKS. About what is it?

Mr. HILL. I can not tell, it is so complicated with the relations between the General Government and San Paolo and other States that it is difficult to state. But as a matter of fact under the valorizaion scheme coffee went from 8 or 9 cents up to 17 or 18 cents, and that difference was paid by the world. I am informed by the gentleman from Michigan [Mr. FORDNEY] that it is 3 cents a pound.

Mr. TOWNER. Will the gentleman yield?

Mr. HICKS. Yes.

Mr. TOWNER. As I understood, the gentleman said the average import price of coffee was 9 cents a pound. That was before the war.

Mr. HILL. That was before the war.

Mr. TOWNER. Under normal conditions.

Mr. HILL. That is my recollection; I think it is about 12 cents now, and it has been as high as 18.

Mr. TOWNER. And 18 cents a pound for tea. Can the gentleman give me the average wholesale price of coffee and tea before the war?

Mr. HILL. I think the gentleman from Ohio can answer that question better than I can.

Mr. LONGWORTH. I can not answer it during 2 years before the war, but for 10 years previous the average import price has been 8½ cents and the retail price 25 cents.

Mr. HILL. That is it exactly.

Mr. LONGWORTH. And the cost of preparing the coffee for the market—that is, the roasting and the cleaning, and so forth—was only about a cent and a half, so that the value of the coffee in condition for the consumer was not to exceed 10 cents, but he was forced to pay 25 cents for it. Somebody took off a profit of 150 per cent.

Mr. HILL. Absolutely.

Mr. TOWNER. And the statement was made that the average wholesale price was 18 cents, or almost twice the import cost.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. HILL. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HILL. The statement made by the gentleman from Ohio [Mr. LONGWORTH] in regard to the manner in which the tea and coffee business is conducted gives another reason why it will not cost the American consumer 1 cent more if this duty of 6 and 12 cents is put on, because the cost of tea and coffee practically bears no relation to the retail selling price, and I will ask the gentleman from Ohio if that statement is not correct? Is it not a fact that in the gentleman's study of this question he has determined that practically the cost of tea and coffee bears little or no relation to the retail selling price?

Mr. LONGWORTH. Absolutely; while in Germany, which is also a very large coffee-drinking country, they do. As the gentleman stated, there was a duty of 7 cents a pound on coffee there, and yet the average retail price for these same 10 years was a little less than 23 cents a pound.

Mr. TOWNER. Was it not also true that the price in Great Britain on both tea and coffee to the consumer was always lower than in the United States?

Mr. LONGWORTH. I think that is true, although they drink so little coffee in England that I did not go into that very carefully.

Mr. HILL. Mr. Chairman, I do not want to get into a tariff discussion, but I do want to say that since this war began Great Britain has a great deal more than doubled her receipts from customs, but I have prepared this amendment, with the exception of tea and coffee, simply to prevent the application of this 10 per cent duty to certain essential things, essential for the welfare of the South, the cotton-growing and tobacco States, essential for the comfort of the people with reference to coal. I do not think it will have very much effect, but it will help some in the extreme northeast, along the Maine coast, near Nova Scotia. I have included also the securing of $84,000,000 of revenue without harm to any living human being on earth, in my judgment, and substituting something to fill the hole which was punched into this bill yesterday by the taking off of the tax on automobiles. Whether that tax will be put back or not I do not know, but we need that money. There is no easier way to get it. Tea and coffee are not sold closely upon the basis of cost. They are sold upon brands, on package prices, and it would not affect the cost of them after the first readjustment, which will probably take two or three months. I submit the amendment, and I ask whether it is not a fair substitute. If you want to adopt Mr. KITCHIN'S amendment and put a duty on tea and coffee at 6 and 12 cents a pound, you will vote for my substitute. If you do not want to put a duty on tea and coffee, you will vote for Mr. KITCHIN'S amendment instead of my substitute. I submit that as a business proposition to meet the existing emergency, and I leave it to your judgment.

Mr. HUDDLESTON. Mr. Chairman, I offer the following amendment to the substitute, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HUDDLESTON to the substitute of Mr. HILL: At the end of the amendment insert "articles and substances intended for use as human food and in the composition thereof."

Mr. HUDDLESTON. Mr. Chairman, just a few words upon this subject. The gentleman from Connecticut [Mr. HILL] says that he would have included an exemption of human food except for his wish to avoid a tariff discussion. I am as anxious to avoid a tariff discussion as anyone, but if it be a choice between taxing the food of the people, and especially the food of the great masses of our people, and have a tariff discussion, it strikes me that it is time for a tariff discussion.

This is a war-revenue bill, and the emergency is great; but it seems to me that while all must expect to suffer, and every man to pay his fair share, we ought to exhaust other subjects of taxation before we proceed to the people's food. My belief is that we ought to lay taxes on luxuries and the nonnecessaries of life as high as they will stand before we go to taxing food that everyone must have.

A tax upon the food of the people is a frank and candid attempt to lay a tax per capita—to support the war out of a per capita tax—because the tax falls equally upon all of the people, the rich and the poor, the millionaire and the workingman, for all have to eat. They have to eat sugar, drink coffee and tea, and to use other common necessaries of life. The poor use just about as much of these things as the rich; when you levy a tax on coffee you take as much out of the pockets of the poorest man in all of the country as you take out of the pockets of the millionaire. When you levy a tax on sugar that goes into the laboring man's coffee, or into his tea, or into his daily food, you levy a per capita tax upon the poor man and the members of his family just about the same as you levy upon anyone else. This is wrong; it is unjust; it is violative of every sound principle of taxation.

When the time comes, if it should be absolutely necessary, I would vote for taxes upon the necessaries of life. I would vote to tax the poor man's food—his bread and meat, and the beverage he drinks at breakfast—but I would rather vote for a tax on doors and for a windowpane tax. I would rather lay a tax on anything that the human mind can conceive than to lay it on

bread and meat and things that the poorest man in the land has to have every day and every meal.

I have the highest regard for the opinion of the gentleman from Connecticut [Mr. HILL] upon matters of tariff taxation, but I must decline to believe that the foreigner will pay the tax when it comes to coffee and tea. I must decline to believe that the foreigner will pay the tax when it comes to sugar or other necessaries of life. I am willing to make some concessions along this line, but how can we vote for a measure that we know to a certainty is going to increase the cost of the poor man's food, and not merely his but the food of every man in the land? I do not see how we can justify such action. Of course, on this side of the aisle there will not be any Democrat who will attempt to justify it.

Ever since the Democratic Party has been a party it has opposed taxes upon the necessaries of life, and as long as the Democratic Party is worthy of the name it will stand for the same principle. I believe there are on the other side of the aisle—the Republican side—many who oppose taxes on necessaries, who think that the common man, the man who toils, should have some consideration. How can any of us who hold to these principles—how can any of us who believe that it is unjust that the Government should be supported by per capita taxes laid on the people—vote in favor of this tax upon the common necessaries of ordinary existence? [Applause.]

Mr. LENROOT. Mr. Chairman, I wish to address myself to the amendment which I have proposed, which seeks to exempt from this 10 per cent ad valorem tax the articles enumerated in paragraph 177 of the Underwood tariff law, which, frankly, is sugar. Now, there have been a great many whisperings about this House since this bill was introduced as to the part that sugar has played in the framing of this bill, and during the debate thus far no one has attempted to defend the action of the committee with reference to sugar.

Now, Mr. Chairman, I am a protectionist—a Republican. I want to see a tariff upon all articles sufficiently high to protect American industries, but, Mr. Chairman, I am not the kind of a protectionist that seeks to pile up protective duties upon an industry that needs no protection during this war time, and seek to give to the manufacturers additional profits when their profits already are exorbitant. [Applause.]

Mr. Chairman, the gentleman from Michigan [Mr. FORDNEY] stated a little while ago that he was opposed to consumption taxes. So am I, except where absolutely necessary. I have tried to get some consumption taxes out of this bill—namely, that relating to light and heat—but the gentleman from Michigan [Mr. FORDNEY] was not opposed to consumption taxes of that character then. He is opposed to consumption taxes, Mr. Chairman, but in the very next section of this bill you will find a consumption tax upon tea and upon coffee imported into this country after the 10th day of May; and, since there was no objection to consumption taxes upon tea and coffee, why did they not include sugar?

Now, I am not opposed to a consumption tax on sugar. It may be necessary. We can not do away with all consumption taxes, but what I am opposed to in this bill is to increasing the price of sugar to the American people, and under this bill that the gentleman now stands for for every $9 we collect from the American people by reason of this increased tax upon sugar only $5 goes into the United States Treasury and $4 of it goes into the treasury of the sugar manufacturers of the United States.

I hold in my hand a circular from the gentleman's State, issued by the Michigan Beet Growers' Association, in which they give some interesting figures. I want to say, in passing, that the manufacture of beet sugar is one of the most important industries of my own State of Wisconsin. I would be the last to do anything to injure that industry, but because sugar manufacturers of Wisconsin will receive an exorbitant profit from this action is no reason why I should support it.

This circular from the Michigan Beet Growers' Association shows that the net resources of the 15 beet-sugar factories of Michigan, under their own sworn report, including real estate, in 1915 amounted to $23,525,551. Their total assessed valuation of both real and personal property, however, was only $6,209,900. And as to the results of the operation of these factories in 1915, the total cost of operation, including the purchase of beets, the coal, the labor, and all the overhead expenses, was $7,853,581, and the net profits to those factories that year were $11,262,066, or nearly 50 per cent upon their entire resources under their own sworn affidavits.

Now, if this provision remains in the bill with the 10 per cent ad valorem duty upon sugar imported, you will make a present to these sugar factories of how much? Based upon the imports of 1915, the last Government statistics which I have, we will present to the sugar manufacturers of this country $14,000,000 and the Treasury will get only a little over $15,000,000.

Mr. BORLAND. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. BORLAND. Is not the difficulty with all protective-tariff taxes that they tax the American people a great deal more than goes into the Treasury?

Mr. LENROOT. Not at all.

Mr. LITTLE. This is not a protective-tariff tax.

Mr. LENROOT. That is not true. There is no protection with reference to this matter, as the gentleman from Missouri himself must concede. When an industry in the United States is making a profit of 50 per cent on its present investment and capitalization, any tariff that seeks to give them more than that is not a protective tariff.

Mr. BORLAND. The gentleman can not denounce it any too strongly for me.

Mr. LENROOT. I want to ask the gentleman, then, is he going to vote for this proposition?

Mr. BORLAND. Any tariff that affects an industry in this country has exactly that operation.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LENROOT. No. I ask for five minutes, Mr. Chairman. This is a very important subject.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. LENROOT. Now, Mr. Chairman, it is not the same in any respect. I am willing, whenever necessary, to support and maintain tariff duties for any industry in the United States to enable an American manufacturer to pay American labor American wages, so that they can live according to the American standard. I am willing to vote for such tariff as is necessary to do that, but I am not willing to stand here and vote for a tariff the only effect of which is to tax the American people, not for the benefit of the Treasury of the United States but for the benefit of some sugar manufacturers in the United States.

I have here, Mr. Chairman, some very interesting statistics. In 1915 we imported $157,000,000 worth of sugar. We collected a duty of $49,525,000. By this bill, if the imports were no greater—but they will be—we would get $15,700,000 for the Treasury, but there were 4,000,000,000 pounds manufactured in this country, and when this 10 per cent ad valorem tax is levied we will compel the purchasers of sugar in this country to pay $14,160,000, not one penny of which will go into the Treasury of the United States.

Now, if you want to be fair—if we must tax in this war time the people of this country for the sugar they use—we ought to levy an excise tax upon it, and tax them all alike, because the only excuse for a tariff tax under those circumstances is that of protection, and the gentleman from Michigan [Mr. FORDNEY] will not stand on this floor and say that a tariff tax upon sugar that to-day is quoted in New York at 7½ cents per pound wholesale, having nearly doubled in price in the last two years since this war began, is necessary for the protection of the American sugar manufacturer.

Mr. Chairman, I do not know whether this amendment of mine will be adopted or not, but unless some explanation shall be given for the treatment of sugar in this tariff bill, it will be a disgrace to the American Congress if it is permitted to remain in the bill in the form that it now is. [Applause.]

Mr. FORDNEY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. FORDNEY. Mr. Chairman, the gentleman from Wisconsin [Mr. LENROOT] loves to make a target of me, somehow or other, I do not know just why. It may be because my Republicanism is not as good as his, but I will leave that question to the House to determine.

If the gentleman's amendment is put into effect, he complies with the demands of Mr. Frank C. Lowery, of the Federal Sugar Refining Co., of New York, who has spread broadcast over this land misrepresentation and positive downright misstatements of facts about sugar. I refer to Mr. Lowery, not to my good friend from Wisconsin, who is excited and misinformed, that is all. [Laughter.]

Let me first say, gentlemen, that under the Payne tariff law the duty upon sugar coming from Cuba was 1.34 cents a pound. Cuba had then a preferential rate, as it has now, of 20 per cent below the full duty paying sugar or the duty paid on any other article of imports. Under the Underwood tariff law as it is

now written full duty-paying sugar pays, in round numbers, 1.26 cents a pound. Therefore the Cuba sugar is imported at 1 cent per pound. Mr. Frank C. Lowery, secretary and sales agent of the Federal Sugar Refining Co., of New York, has been very industriously circulating literature among Members of Congress for several years past, claiming that a duty on sugar is highway robbery.

Prior to the war in Europe free-trade England collected a duty on sugar of four-tenths cent per pound. The duty on imported sugar going into England to-day is 3 cents a pound. The price of sugar in this country when the beet sugar and the cane sugar produced by our domestic industry comes on the market is always lower than at any other time in the year, and that sugar is on the market less than one-half of the year. It is not on the market now; neither beet nor cane sugar produced in this country.

About one month ago, knowing that my beloved friend from Wisconsin [Mr. LENROOT] would have a conniption fit when anything in the shape of a tariff would be presented in this House, I went back over a period of 10 years prior to the European war and obtained an average margin between imported raw and refined sugar as sold by the sugar refining companies in New York and New Orleans and Boston and so on, the seaboard refineries; and the difference between the price paid by those refiners on raw sugar delivered in New York, duty paid, and the price for refined sugar was 84.6 cents per 100 pounds. From the beginning of the war in 1914 down to the 1st of January this year that margin has increased to an average of 95.7 cents per 100 pounds.

Since the 1st day of January of this year, a time when most of the domestic sugar had gone off the market, the margin increased until Mr. Frank C. Lowery's concern, the Federal Sugar Co., since the 6th day of April, has been holding a margin of 2¼ cents a pound between imported raw and refined sugar, and the average margin since the 1st day of January down to the 13th of April has been 2.17 cents per pound. The refiners of this country want to put out of business, as my beloved friend from Wisconsin [Mr. LENROOT] wants to put out of business, the domestic sugar industry of this country.

Mr. LENROOT. Will the gentleman yield for a question?

Mr. FORDNEY. Let me finish this statement and then I will yield to the gentleman. Prior to the war in Europe Germany made for export from a million and a half to two million tons of sugar and supplied England with her sugar. England came here at that time for a very small portion of her sugar. Immediately upon the declaration of war England could get no more sugar from Europe, France making none for export, and the price of sugar went up immediately in this country, because the second day after the war began Great Britain made contracts in Cuba for a year's supply of raw sugar. Sugar can be produced in Cuba at a cost of a cent and a half a pound. That is the testimony before the sugar investigating committee known as the Hardwick Committee, of which I had the honor to be a member. Cuba is getting to-day 5¼ cents a pounds for her raw sugar f. o. b. Habana, as shown here by Willett & Gray's Statistical Trade Journal, which I receive, the most reliable statistical trade journal, I think, in the world; and the Federal Sugar Refining Co., of which Mr. Lowery, about whom I have spoken, is secretary and sales agent, holds the margin or difference between 6¼ cents a pound and 8¼ cents a pound, or 2¼ cents a pound—highway robbery, if there ever was such a thing.

Mr. LENROOT. Now, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LENROOT. The gentleman stated that I desired to put these companies out of business. I would like to ask the gentleman whether he thinks a profit of 50 per cent on the entire capitalization for one year, as I read from the gentleman's own State, looks like being put out of business under the present tariff?

Mr. FORDNEY. I do not know about the correctness of that statement. I never knew of any such profit being made by any concern in that business in this country. If such profits have been made, I never heard of it before. I never owned a dollar's worth of sugar stock and never expect to, and have no interest in any way, shape, or manner except this: As I started to say to you, Germany has surprised the world in this war by her industrial preparedness.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HICKS. I ask unanimous consent that the gentleman have five minutes longer.

Mr. CANNON. How much time would the gentleman like?

Mr. FORDNEY. Oh, about 10 minutes.

Mr. CANNON. Make it 10 minutes.

Mr. HAMILTON of Michigan. I ask unanimous consent that the gentleman from Michigan be allowed to proceed for 10 minutes.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from Michigan be extended 10 minutes. Is there objection?

There was no objection.

Mr. FORDNEY. If Germany had not been so well industrially prepared as she is, how long would the war in Europe have lasted? We consume in the United States 4,000,000 tons of sugar annually, and we produce in this country 1,000,000 tons. Since the war broke out prices have been abnormally high both on sugar and on all other agricultural products, and the duty imposed upon all imports has no effect whatever. You could sweep the tariff away and not injure an institution in this country for the time being, because the abnormally high price caused by the war is a thing that prevails. But when the war is over, then we will need protection. There are 14 new plants now under construction in the United States, because of the stimulated values of sugar since the war began, 77 plants being in operation in 18 States in the Union; the 14 mentioned are new ones being built. We need about 400 such factories to supply us with all the sugar that we consume. We have the money, we have the soil, we have the desire to do business, and we need that employment for American people. Why not foster that industry and make all the sugar that all the people of the United States consume?

Mr. BLACK. Will the gentleman yield?

Mr. FORDNEY. Just in a minute. If we were in the situation that Germany is in to-day, and our ships were driven from the sea as the ships of Germany are driven from the sea, where would we go for our sugar supply, when our people produce only 25 per cent of our consumption? Oh, my friends, if it is just and equitable to strike from this bill any duty on sugar, it is just and equitable to strike out the duty on wheat, potatoes, corn, and every other article of food and clothing that the people of this country use. Why do you pick out sugar? I seem to be your target day in and day out, sir. I am called Sugar Beet JOE, the champion of the sugar industry of the country. It is a sweet name and I am proud of it. [Applause.] Ever since that industry was established in this country in 1898 I have been a champion of that industry, because I know its value to the American people. Every time you vote to reduce the duty on sugar you vote to destroy a great American industry. Sugar has always been an object of taxation in all times past, for a hundred years—yes, ever since the organization of the Government of the United States. Even in the Wilson Democratic tariff law of 1898 there was a duty upon sugar of eight-tenths of a cent a pound.

Mr. CAMPBELL of Kansas. Under the McKinley tariff law sugar was free.

Mr. FORDNEY. But the McKinley tariff law put a bounty on domestically produced sugar to offset the free sugar at that time. And there was a small tax upon imported sugar, owing to its grade, in the McKinley tariff law. But I am afraid I am getting away from the gentleman's question. I yield to the gentleman from Texas.

Mr. BLACK. I understood the gentleman that it mattered not what tariff was put upon it, there would not be anything added to the price. I just want to call attention to the fact that as soon as the question of an impost tax on sugar was agitated the sugar brokers sent out to the wholesale grocers of the country notice that any consumption taxes or impost taxes that were imposed by Congress would be added to the price of sugar.

Mr. FORDNEY. Oh, yes; Mr. Lowery telling the same darned old fibs. [Laughter.] The gentleman from Texas has evidently been reading the literature sent out by that gentleman.

Mr. BLACK. I did not refer to Mr. Lowery; I referred to Thomas S. Witherspoon, the New Orleans agent, one of the largest sugar brokers in the South. He is the broker for the American Sugar Refining Co.

Mr. FORDNEY. Yes; he belongs to the same Lowery gang from whom you have received your information on sugar.

Mr. BLACK. These circulars are addressed to the firm of which I am a member.

Mr. FORDNEY. Now, what does the American Sugar Refining Co. do? The sugar growers of Louisiana and Texas make no refined sugar; they sell their raw sugar to the American Sugar Refining Co., and that companys pays the Cuban price delivered in New York less 15 cents a hundred pounds—the freight from New Orleans to New York. They pay less for Louisiana sugar than Cuban sugar sells for in

New York, deducting the freight from New Orleans to New York. To-day the American Sugar Co. are producing 63 per cent of the sugar consumed in this country.

Now, the gentleman refers to the profits made. This gentleman, Mr. Lowery, testified before the Ways and Means Committee that when the Federal Sugar Co. was organized, with a capital of $10,000,000, the stockholders paid in $3,280,000 cash and issued $10,000,000 of stock. So that two-thirds of that stock was water. I have on my desk a circular sent out by that company about six weeks ago, showing that their profits this year are more than $3,000,000—more than 100 per cent on the capital invested.

Why, let me tell you, if the American people and the English people were to get together and fix a fair price under your proposed food-control law the people of the United States would be getting sugar to-day for 6½ cents a pound instead of 8 and 10 cents a pound. The profit is going to the Cuban planter and to the refiners of sugar.

Now, the Michigan Sugar Co., which is the largest sugar company in the United States, having six factories, have advanced the price of beets from $5.50 per ton to $8 per ton, and are paying the farmers in Michigan a sliding scale for beets based on the value of sugar. Did you ever hear of any such sliding scale of prices for refined sugar coming from the American Sugar Refinery or the Arbuckles or the Federal Sugar Refinery or any of the great sugar-refinery companies in the country? No. I say to you, gentlemen, that free trade on sugar means the destruction of our great domestic industry. It has been said by some men who are in favor of free sugar that we do not have the soil in this country to produce a sufficient amount of beets to furnish us with our consumption of sugar. The Secretary of Agriculture some years ago sent out experts to examine the soils in many States of the Union and make a report. I have a copy of that report in which these experts said they had examined the soil of 274,000,000 acres of land in the United States, and that if one crop of beets were raised on that number of acres and an equal amount of sugar be extracted from those beets based on the sugar contents of the beets that year in Michigan for the production of sugar, it would produce more sugar than all the people of all the world have consumed since the birth of our Savior. [Applause.]

And yet free traders say we have not got soil enough to raise sugar in this country to supply our consumption of sugar. Gentlemen, putting sugar on the free list in this bill is a direct slap at that domestic industry.

Mr. MADDEN. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MADDEN. Will the gentleman say what effect free trade has had on the price of sugar in normal times and what effect on the Sugar Trust?

Mr. FORDNEY. The profit of the refineries in the country would increase, the domestic industry would decrease, as it did just prior to the time when we repealed the free-sugar clause of the Underwood tariff law. Last year we collected, in round numbers, $56,000,000 on imported sugar. There was a rebate or drawback of 99 per cent of duty paid on all raw sugar refined exported, amounting to $19,801,000 last year. So the total receipts of the Government on sugar were about thirty-six and a half million dollars. This 10 per cent ad valorem proposed in the bill will add another half cent a pound to the duty on sugar when valued at 5 cents a pound, and would yield half the amount of the duty collected last year, or about $28,000,000 plus the amount of the drawback or export to Europe. We exported to England last year 703,000 tons of sugar.

Mr. HOWARD. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HOWARD. Does the gentleman think that the 10 per cent, plus additional duty on sugar, will have a tendency to decrease the very high price of sugar now to the consumer?

Mr. FORDNEY. No; not while the war lasts. When the refiners of this country are able to maintain a margin of 2½ cents, you accept it from me that they will rob the people to the full limit, as they always have done. And every time our domestic sugar comes on the market down goes the price of sugar to the consumer; and at all times let me say to you that the general price of domestic sugar ranges from 10 to 40 cents a hundred pounds below the refined sugar sold by the refineries.

Mr. HOWARD. I want to ask the gentleman whether he thinks that this additional tax would give the great body of sugar producers in this country, who do not seem to be any more patriotic than other sugar refiners, a very great advantage and greatly enhance the value of their stock while this law remains in force?

Mr. FORDNEY. Oh, do not say that.

Mr. HOWARD. They do not seem to be reducing the price of their sugar to the consumer.

Mr. FORDNEY. They have sold and do sell, if they have any now, at from 10 to 40 cents a hundred pounds always under the price of refined sugar sold by the seaboard refineries.

Mr. HOWARD. The ultimate consumer does not get the benefit of it.

Mr. FITZGERALD. Under the present tariff do the beet-sugar interests get adequate protection?

Mr. FORDNEY. They claim they can live under that in normal times.

Mr. FITZGERALD. I am not asking the gentleman what they claim; I am asking him what he thinks, who knows.

Mr. FORDNEY. I think 1 cent or about 1 cent a pound comes very near offsetting the difference in the cost of imported sugar and sugar made from beets in this country; but that will not give adequate protection to your Louisiana sugar.

Mr. FITZGERALD. I am not talking about that.

Mr. FORDNEY. Let me conclude, so that the House will understand. In normal times it costs 3½ cents per pound to make refined sugar from beets, while it costs 3¾ cents to produce raw sugar from cane in the State of Louisiana. Then that sugar must be refined at a cost of about three-eighths of a cent a pound. Therefore to produce a pound of refined sugar from cane costs a little more than 4 cents, while beet sugar can be produced for 3½ cents.

Mr. FITZGERALD. There is no difference in the sales price to the retailer, whether cane or beet.

Mr. FORDNEY. Oh, yes; there is. There is always a difference in the wholesale price. What it is to the retailer I do not know.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that it be extended for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield to me?

Mr. FORDNEY. I will be very glad to yield to the gentleman. I do not want to take up too much time upon this question, but it is a matter of importance.

Mr. GREEN of Iowa. When the present rates are raised by 10 per cent, if they are raised, will the gentleman state how they will compare with the rate under the Payne bill and the rate under the Dingley bill?

Mr. FORDNEY. I did state, but perhaps the gentleman did not understand me. Under the Payne tariff law the duty on Cuban sugar, which had a preferential rate of 20 per cent under other imported sugar, was 1.348 cents per pound. Under the Underwood law it is in round numbers 1.051 cents per pound. The gentleman will remember that an ad valorem duty is a higher duty when the price of the article is high and declines when the import price declines, but at 5-cent sugar 10 per cent ad valorem is a half cent a pound. Therefore the duty under this law, if this bill goes into effect, on Cuban sugar will be 1.40 cents per pound, or about that.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman.

Mr. LONGWORTH. I want to see if I understand the figures which the gentleman has given. The gentleman states that it costs to refine cane sugar three-eighths of a cent a pound.

Mr. FORDNEY. For instance, to refine imported raw sugar in this country, according to evidence furnished by the refiners of this country, costs about three-eighths of a cent a pound. It costs that to convert the raw sugar into refined sugar.

Mr. LONGWORTH. What is the margin they maintain that the refineries are able to get along with?

Mr. FORDNEY. For 10 years before the war the margin was 84 cents per 100 pounds.

Mr. LONGWORTH. What is it now?

Mr. FORDNEY. Two and a quarter cents a pound.

Mr. LONGWORTH. Therefore the difference between three-eighths of a cent a pound and 2¼ cents a pound is profit?

Mr. FORDNEY. Seven dollars a barrel on 45,000 barrels a day, which is about the output of the American Sugar Refining Co.

Mr. LONGWORTH. Then your friend Lowery is doing pretty well?

Mr. FORDNEY. Our friend Lowery turns out about 8 per cent of the sugar consumed.

Mr. LONGWORTH. And he is getting along very well?

Mr. FORDNEY. Oh, very well, indeed. He is very prosperous, I believe.

Mr. LONGWORTH. He is getting about 150 per cent profit.

Mr. FORDNEY. He shows in a circular which I have that their profits last year amounted to more than $3,000,000 on a capital of $3,280,000.

Mr. LONGWORTH. And he does not want to pay 10 per cent additional for his raw product? Is not that all there is to it?

Mr. FORDNEY. Oh, that fellow will kick about a duty on sugar after he is dead. [Laughter.]

Mr. OSBORNE. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. OSBORNE. I desire to ask the gentleman from Michigan, independent of the question of protection or free trade, if this 10 per cent customs tax will have a tendency to carry out the object of this bill, namely, to provide revenue to defray war expenses?

Mr. FORDNEY. Yes. Sugar is one of the great revenue producers of the country, one of the articles which has always been in every tariff bill, whether enacted by the Republican or the Democratic Parties.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CRAMTON. The gentleman referred to the increased price paid the beet growers in Michigan, the increase being from $5.50 a ton to $8 a ton I think he stated. Was not that practically entirely due to the fact that the farmers went on a strike and that the governor mediated and secured the increase?

Mr. FORDNEY. My good friend, last year the prices of beets were far above the price the year before. This year the farmers asked for more pay for their beets, and there was a difference between the sugar manufacturers and the farmer for some time on that matter and it looked as though they were not going to get together. I have been informed by one of the sugar factories of the State that they had all the acreage they wanted, but the governor got the farmers and the proprietors of the sugar factories together a month or two ago and got a compromise and fixed a sliding scale for the factory to pay to the farmer according to the price of sugar.

If the price of sugar goes up the price to the farmers for their beets goes up. If the price goes down for sugar, down goes the price to the farmer. That is the situation. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on the amendments pending be closed in 26 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on the pending amendments terminate at the expiration of 26 minutes. Is there objection?

Mr. MANN. Reserving the right to object, I wish to submit a parliamentary inquiry. The gentleman from North Carolina [Mr. KITCHIN] has offered an amendment to which the gentleman from Connecticut has offered a substitute, both providing that the provisions of the section shall not apply to certain named articles. If one of those amendments should be adopted, would it still be in order to add by the way of amendment additional named articles to be on the free list?

The CHAIRMAN. Will the gentleman state that so that we can get the facts?

Mr. MANN. The amendment of the gentleman from North Carolina [Mr. KITCHIN] proposes to exempt certain named articles from the 10 per cent duty levied. If that amendment should be agreed to under this limitation of debate, after debate is concluded, will it still be in order to offer an amendment adding additional articles to go on the free list under this exemption?

The CHAIRMAN. The Chair thinks it would be.

Mr. MANN. I have no objection to closing debate, then. I thought that was to be the case.

Mr. ALMON. I wish to submit an amendment to the amendment of the gentleman from North Carolina [Mr. KITCHIN] as amended by the amendment of the gentleman from Wisconsin [Mr. LENROOT].

The CHAIRMAN. There will have to be some voting done before the gentleman's amendment will be in order.

Is there objection to the unanimous-consent request of the gentleman from North Carolina [Mr. KITCHIN]? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I want to make a unanimous-consent request. I want to ask unanimous consent to add to my amendment, and be considered as one amendment, the following:

And (g) articles specified in paragraph 642 of such act of October 3, 1913.

That is a personal-effects paragraph, so that people can have a $100 personal exemption of personal effects, when coming into the United States.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to add to his amendment a provision read by him, so as to make it a part of, and to complete, the original amendments. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent in the amendment offered by the gentleman from Wisconsin [Mr. LENROOT] to strike out "(g)" and add "(h)."

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. KITCHIN]?

There was no objection.

Mr. HILL. Mr. Chairman, I ask unanimous consent that when a vote is taken on the substitute I offered, which covered two provisos, one relating to certain items to which the 10 per cent duty should not apply, and the second proviso, relating to tea and coffee on which increased duty should apply, the vote be taken separately on the two provisos.

Mr. MANN. It does not require unanimous consent. The amendment is subject to revision, anyhow, at the request of anybody.

Mr. GRAHAM of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GRAHAM of Illinois. I have sent to the desk an amendment intended to perfect the amendment of the gentleman from North Carolina [Mr. KITCHIN]. Do I understand there is to be a vote after 26 minutes' debate on the amendment of the gentleman from North Carolina to this bill?

The CHAIRMAN. The voting will begin, which will reach the Kitchin amendment.

Mr. GRAHAM of Illinois. I think my amendment should be presented before that is voted on.

Mr. MANN. Is the gentleman included in that time?

Mr. GRAHAM of Illinois. No, sir.

Mr. MANN. Then make it 31 minutes.

Mr. HOWARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. I would like to ask through the Chair the gentleman from North Carolina one question that I want some information on, because I want to offer an amendment if I can. I want to ask the gentleman if under this 10 per cent blanket clause gold bullion would be subject to taxation?

Mr. KITCHIN. No. I have offered an amendment to relieve that.

Mr. Chairman, I ask for 31 minutes, then, so that the gentleman from Illinois [Mr. GRAHAM] may offer an amendment and speak on it.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that at the expiration of 31 minutes debate on the pending amendments shall be concluded.

Mr. MANN. That is, there shall be 31 minutes of debate.

The CHAIRMAN. Yes; and the voting shall then begin. Is there objection? [After a pause.] The Chair hears none, and the gentleman from Wyoming [Mr. MONDELL] is recognized.

Mr. BATHRICK. Mr. Chairman, I want to reserve the right to object. I want to understand what the time is on—the amendment of the gentleman from Wisconsin [Mr. LENROOT] or all the amendments pending.

Mr. MANN. All the pending amendments.

Mr. BATHRICK. Does that mean that on an amendment proposed by any Member he does not have time to speak to it?

Mr. MANN. He can offer a further amendment after the Kitchin amendment is voted on.

Mr. MONDELL. Mr. Chairman, I was very much surprised at the amendment offered by the gentleman from Wisconsin [Mr. LENROOT] and the argument he made in support of it. I was surprised in the first place because from a Republican standpoint it is a pretty flabby argument. I was the more surprised because the gentleman from Wisconsin, who is generally very well informed, has evidently not kept informed on the sugar situation at all.

Now, this is true with regard to sugar in this country, as we all know. I am giving you no new information. I am just recalling the situation to your mind. Under normal conditions in this country sugar sells here, so far as the surgar-refining trust will allow it to sell under competition, at a price fixed by the cost of the crude or raw abroad plus the cost of importation and refining. Under such normal conditions, if we put a duty on sugar, the duty does raise the price of sugar by not the amount of the duty always but by something nearly approximating it. And, from a Republican standpoint, that is why we put a duty on sugar, in order to make the price high enough to encourage the production of sugar in America and thus make us independent of the outside world in times like these. But since the European war began the price of sugar in the United States has in no wise been effected by the tariff, and you would have

to lay a tariff duty as high as at least 2 or 2½ cents a pound in order to make it affect the price of sugar in the United States at all, as evidenced by the figures given by the gentleman from Michigan [Mr. FORDNEY].

Eighty-five hundredths of a cent a pound is about the average margin between the raw and refined sugar in normal times and 2½ cents now. There is a margin of at least a cent and a half, nearly 2 cents, above what the refiners could sell sugar for, based on the foreign price of the raw and what they are selling it for.

Now, it is true that the beet-sugar producers also benefit by that higher cost, but their relative benefit is small, because as the prices of all agricultural products have increased the farmers have demanded a higher price for their sugar beets than they asked under normal conditions, threatening to go out of the sugar-beet business if those higher prices were not given, and they have been given those higher prices, not because the sugar-beet manufacturers are philanthropists, but because it was possible to pay those higher prices and still make sugar at a profit under these conditions.

Now, there are many items of consumption that may possibly be increased slightly in price by this 10 per cent increase in the tariff duty, but sugar is not one of them, for there is that wide margin of profit to the refiner that we propose to take up to the extent of 10 per cent of the present importing cost.

My belief is, based on some knowledge of the situation, that the price of sugar will not be affected one iota by this increase in the tariff. On the other hand, we will get from it a very large and juicy sum of money for Uncle Sam in this his time of need. We have lost by the reduction of the duty on sugar under the Underwood bill, down to this time, about sixty million good dollars that might be now in the Treasury of the United States, and we all know that the levying of those duties during that war period would not have affected the price of sugar at all, for sugar has been sent and kept sky high by reason of the very large amount of sugar-beet territory in Europe that has been turned to other purposes, and the consequent decrease in the supply of sugar.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. GORDON. Mr. Chairman, will the gentleman permit me to ask him a question?

Mr. MONDELL. Yes.

Mr. GORDON. If there will be no effect from taking this tariff off or leaving it on the price of sugar, what are you and Mr. FORDNEY so wrought up about? [Laughter.]

Mr. MONDELL. I am not wrought up about it. I certainly do not desire to increase the price of sugar, but I do not believe that we should sit here and allow misstatements to be made about this subject or any other matter affected by this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. FITZGERALD. Mr. Chairman, I have been listening to these sugar tariff debates for a great many years. If there was not a war in the United States, there was a war in some other place, or some other visitation of Providence according to the advocates of a tariff on sugar that made the tariff ineffective on the price of sugar.

We consumed last year in the United States about 8,000,000,000 pounds of sugar. Over five billions and a half of it was imported sugar, and 3,229,000,000 pounds of it was domestic sugar. With a 10 per cent ad valorem increase of duty we will receive between $15,000,000 and $19,000,000 of additional revenue from sugar. The gentleman from Michigan [Mr. FORDNEY] admits that with the present tariff, even from his standpoint—that of the highest protectionist in the United Staets—that rate is adequate to compensate for the difference in the cost of production abroad and in the United States, and that duty of 10 per cent ad valorem adds one-half cent a pound to the price of sugar. If the sugar refiners pay a half cent additional for imported sugars, it adds half a cent additional on domestic sugars. Under this 10 per cent ad valorem provision the Government will obtain from $15,000,000 to $19,000,000. The beet sugar producers, producing 1,641,000,000 pounds annually, will receive a bonus of $8,000,000 on their output. If the present tariff is adequate and it is desired to raise additional revenue by the imposition of any kind of a tax upon sugar, the equitable and the fair and the just way would be to impose an excise tax upon all sugars. An excise tax of one-half cent a pound, which is the preferential which the beet sugar growers get out of the provisions of this bill, will result in a revenue of from $15,000,000 to $19,000,000 to the Treasury with a resulting benefit of $8,000,000 to the beet-sugar producers. An excise tax on sugar equivalent to the 10 per cent ad valorem tax would put $40,000,000 into the Treasury without adding a single penny to the cost of sugar to the American people, and at the same time would eliminate this unjustifiable and indefensible and exorbitant profit which to the beet sugar people are given under this provision.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. FORDNEY. The gentleman will concede that when the margin between the raw and refined sugar for 10 years before the war has been but 84 cents per 100 pounds and is now 2½ cents, this half cent a pound can be paid by the importer and he will still make a high and abnormal profit.

Mr. FITZGERALD. Mr. Chairman, I have listened to that misleading argument about the difference between the refined and raw sugar for many years. The refiner buys the raw sugar in the open market. The domestic producer obtains practically the price paid for imported sugar, or just a shade under it. This 10 per cent ad valorem adds half a cent to the cost of the imported sugar, and it enhances the price of domestic sugar to the same extent without any compensating benefit to the consumer.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. No. I have only five minutes, and the gentleman had lots of time.

Mr. FORDNEY. I want to correct an error that the gentleman has made.

The CHAIRMAN. The gentleman declines to yield.

Mr. FITZGERALD. Mr. Chairman, the domestic producer obtains the benefit of this additional price resulting from the increase of one-half cent a pound in the tariff, which amounts to a profit of $8,000,000 to the beet-sugar producer. If that half cent was levied as an excise tax upon all the sugars used in the United States, whether domestic or imported, it would produce a revenue of $40,000,000 instead of the proposed $15,000,000 to $19,000,000, and the additional profit paid as the result of legislation would not be had by the beet-sugar producers.

This bill is not a protective tariff bill. It is designed and intended, or supposed to be intended, for the purpose of getting revenue for the Government because of the exigencies of the war, not to enhance the profits of any particular group, not to afford protection for any particular group. I undertake to say that if any gentleman in this House is entitled to a halo, to flowery wreaths, or to highly decorative ornaments for his work on this revenue bill, it is the gentleman from Michigan [Mr. FORDNEY] for his effective work in behalf of the beet-sugar producers of the United States. [Applause.]

Mr. ALMON. Mr. Chairman and gentlemen, during the general debate on this bill I heard it said several times by members of the Ways and Means Committee that this bill was framed on the idea that about 5 per cent of the taxes to be raised by this measure would fall upon the poor class and about 95 per cent upon the rich or the quasi rich, or on luxuries and quasi luxuries. But it seems when it comes to the question of customs duties there was no regard for the poor in the increase of duties on the necessaries of life, and increased burdens were levied upon the poor as well as the rich.

The Underwood tariff law imposes tariff duties upon luxuries, and puts necessaries of life upon the free list. When it comes to the writing of this section of this bill, no distinction is made in the increase of the tax upon luxuries and upon the necessaries of life. So it seems to me that the contention that this measure is based upon 5 per cent increase upon the necessaries of life or upon the things to be consumed by the poor, and 95 per cent upon luxuries and quasi luxuries is not well taken so far as this article of the bill is concerned. The cry is coming up to us from every part of this Nation for relief from the high cost of living; but here to-day, instead of giving them relief from the high cost of living, and instead of making provisions to prohibit the control of the high cost of food stuffs, it is proposed to place an additional tax of 10 per cent upon some of the real necessaries of life of every poor man in this country.

Mr. HELVERING. If we hurry this bill through, I understand from the gentleman from South Carolina [Mr. LEVER] that the food-control bill is the very next bill to come before the House.

Mr. ALMON. It ought to have come before this. Mr. Chairman, I am opposed to the whole of Title XII, and when the proper time comes I intend to move to strike it out section by section. I believe that if any increase ought to be made in tariff duties, this bill ought to be referred back to the Committee on Ways and Means, and let them bring in a bill providing for an increase of customs duties upon certain articles, and not on the real necessities of the poor people at this time

who can scarcely pay their living expenses under present conditions. Title X seems so unfair and so unlike every other part of this bill that I believe it ought to be rewritten, and if you want to make an increase in the customs duties let it be on luxuries and not upon the necessaries of life. [Applause.]

Mr. GRAHAM of Illinois. Mr. Chairman, I have an amendment to the amendment of the gentleman from North Carolina that I would like to have the Clerk read.

The Clerk read as follows:

Amendment by Mr. GRAHAM of Illinois: Line 9, after the words "nitrate of soda," insert the words "guano, manures, and all substances used only for manure and for phosphates."

Mr. GRAHAM of Illinois. Mr. Chairman, the object of this amendment is to perfect the amendment offered by the gentleman from North Carolina in what I think to be an essential feature, namely, that substances used for fertilizers may be allowed to come into this country free of duty. If there is anything that we want to do, it is to encourage the productivity of our soil. If this is, as many believe, just a start or initiation of a long war, we want to encourage the production of the soil; for, after all, gentlemen, this war must be fought or won according to our ability to produce things to keep our armies and the armies of the allies in the field. I am advised that this amendment of the gentleman from North Carolina, while primarily intended to apply only to munitions of war, does much more than that. I have investigated the reports of the Department of Commerce and I find that last year there was imported into this country $32,129,397 worth of nitrate of soda. This all came from Chile. Under this act $3,212,939, approximately, of revenue would be derived from this source.

Now, the gentleman from North Carolina says that this is to be used largely for munitions. I had a conversation with a gentleman down in the Ordnance Department to-day on this subject, and I ascertained that during the past year and at the present time about one-twentieth of the nitrate of soda brought into this country is used for the making of munitions. It takes about two and a half pounds of nitrate of soda to make one pound of explosive used for ordnance. So that nineteen-twentieths of the nitrate of soda is to-day used by the people in the United States for fertilizing their soil. Fortunately I live in a part of the country where we do not need to fertilize our soil with this sort of substance—in the fertile valley of the Mississippi. But I am told by the gentlemen who live in the South and East that in the cotton country and east of the Allegheny Mountains nitrate of soda is largely used.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GRAHAM of Illinois. I will.

Mr. LONGWORTH. I wish the gentleman would give me the name of the man who said that only one-twentieth of the nitrate of soda is used for explosives.

Mr. GRAHAM of Illinois. He was a colonel or an officer in the office of the Chief of Ordnance.

Mr. LONGWORTH. I doubt whether one-twentieth is used for fertilizer.

Mr. GRAHAM of Illinois. That was the opinion expressed by two gentlemen on the subject.

Mr. STEVENSON. Did the gentleman inform you that one ton of nitrate of soda of the character that is used in making explosives is equal to six and four-tenths of that used in the fertilizer?

Mr. GRAHAM of Illinois. No.

Mr. STEVENSON. That is the fact.

Mr. GRAHAM of Illinois. I am told that a large proportion of the nitrate of soda is used in fertilizer.

Mr. LONGWORTH. I understand the gentleman is quoting some authority, but I dispute the authority.

Mr. GRAHAM of Illinois. I am not responsible for the authority. Now, I want to say if it is right to exempt from the operation of this act, and I think it is, nitrate of soda, it is also right to exempt from the operation of it all other fertilizing substances. I understand that there was imported into the country last year $6,327,000 worth of other fertilizers. They came from the Netherlands, from British India, and Canada, and other sources. Large quantities of bone meal and other substances came across the border—over $6,000,000 worth. It occurs to me that when we are working along these lines and trying to increase the productivity of the soil we ought to extend this exemption to all fertilizing substances. [Applause.]

Mr. KITCHIN. Mr. Chairman, I want to say a few words in regard to the Lenroot amendment. The committee in reporting the 10 per cent horizontal increase in the tariff makes no exception. The bill places an additional 10 per cent rate on three or four thousand different articles and sugar is included. As I said the other day, the 10-cent provision in this bill is neither scientific nor adjusted in accordance with the real equities of the matter, but it is inserted in this bill only to raise $200,000,000 of revenue. The 10 per cent increase on any one of the three or four thousand articles will not produce as much revenue as the 10 per cent increase on sugar. The 10 per cent increase on sugar will raise $20,000,000 to put into the Federal Treasury. It is not a question of free sugar or higher tariff on sugar, but simply a question of getting $20,000,000 revenue into the Treasury.

Neither the beet-sugar industry nor the cane-sugar industry need the 10 per cent increase. These industries need no protection; they do not need a cent of tariff on sugar so far as they are concerned. The war itself is a better protection than any tariff they have ever had. Not only do they not need a penny of protection, but the fact is that we are exporting for the first time in the history of the Government hundreds of millions of pounds of sugar. We exported last year 1,576,000,000 pounds of sugar in competition with all the world. I want the House to understand that the 10 per cent is not a protection to anybody except the Treasury of the United States.

Mr. HILL. Mr. Chairman, I wish to call attention to the fact that in the amendment the gentleman from North Carolina has introduced and my amendment the only difference between us is the first proviso, and the House has unanimously consented to allow them to be separated. I exempt coal, guano, nitrates, cyanamid, and all articles used, just as the gentleman does in the separate amendment; they are all included in my exceptions.

I do not except print paper, but I do except wood pulp, so that when the question comes on the question of my substitute for the amendment of the gentleman from North Carolina those who want to vote not to have the fertilizers increased and not to have the duties on coal will vote for my substitute instead of the amendment of the gentleman from North Carolina.

Mr. KITCHIN. In other words, as I understand the question, the gentleman's amendment includes everything in my amendment and adds coal, guano, lime, nitrogen, and cyanamid?

Mr. HILL. Yes.

Mr. REAVIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. REAVIS. Mr. Chairman, if sugar should be exempted from the 10 per cent tariff duty, and the revenue thereby lost sought to be regained by an excise tax or duty on sugar, would such an amendment be subject to the point of order that has been frequently made during the progress of this debate?

The CHAIRMAN. The gentleman would have to propound his parliamentary inquiry at the time the question arises.

Mr. REAVIS. There are a great many gentlemen who might feel inclined to vote against this tariff on sugar, but who would want to know that we were not decreasing the revenue derived from this bill by so doing.

The CHAIRMAN. The Chair can hardly anticipate, but still in the opinion of the Chair it would be out of order.

Mr. REAVIS. It would be subject to the point of order?

The CHAIRMAN. Yes.

Mr. FORDNEY. Mr. Chairman, I believe I understood the Chair to state that Mr. MANN had five minutes?

The CHAIRMAN. That is correct.

Mr. FORDNEY. Is it possible for anyone else to use that time? If so, I would like a minute or two. [Cries of "Vote!"]

The CHAIRMAN. The Chair will state the situation at the desk before putting the motions. The gentleman from North Carolina has offered an amendment to which the gentleman from Wisconsin [Mr. LENROOT] offered an amendment. To the amendment of the gentleman from North Carolina the gentleman from Connecticut [Mr. HILL] has offered a substitute, and to the substitute offered by the gentleman from Connecticut the gentleman from Alabama [Mr. HUDDLESTON] has offered an amendment. The amendment offered by the gentleman from North Carolina will be perfected, and the vote will first be had, therefore, on the Lenroot amendment. The substitute will then be perfected, and then the vote will be on the substitute to the amendment. The question now is on the amendment offered by the gentleman from Wisconsin [Mr. LENROOT] to the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

Mr. CALDWELL. Mr. Chairman, can we have the amendment again reported?

The CHAIRMAN. Without objection, the amendment will be again reported.

SEVERAL MEMBERS. I object.

The CHAIRMAN. Objection is heard. The question is on the amendment of the gentleman from Wisconsin to the amendment of the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. HOWARD and Mr. HUDDLESTON) there were—ayes 29, noes 130.

So the Lenroot amendment to the Kitchin amendment was rejected.

The CHAIRMAN. The gentleman from Illinois [Mr. GRAHAM] offers another amendment to the Kitchin amendment, which will be reported.

The Clerk read as follows:

In line 9 of the amendment, after the words "nitrate of soda," insert the words "guano, manures, and all substances used only for manure and crude phosphates."

The CHAIRMAN. The question is on the Graham amendment to the Kitchin amendment.

The question was taken; and on a division (demanded by Mr. GRAHAM of Illinois) there were—ayes 51, noes 76.

So the Graham amendment to the Kitchin amendment was rejected.

Mr. ALMON. Mr. Chairman, I desire to submit an amendment to the Kitchin amendment, which I send to the desk and ask to have reported.

The Clerk read as follows:

Amendment offered by Mr. ALMON: Page 47, add to the Kitchin amendment: "Articles enumerated in paragraphs 506 and 530 of the act entitled 'An act to reduce tariff duties and provide revenue for the Government and for other purposes' approved October 3, 1913."

Mr. ALMON. Mr. Chairman, that exempts hides, cattle, and leather.

The CHAIRMAN. All time for debate has been exhausted. The question is on the amendment offered by the gentleman from Alabama [Mr. ALMON] to the Kitchin amendment.

The question was taken, and the Almon amendment to the Kitchin amendment was rejected.

The CHAIRMAN. The vote now comes on the amendment to the substitute amendment offered by the gentleman from Alabama [Mr. HUDDLESTON] to the substitute of the gentleman from Connecticut [Mr. HILL].

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 10, noes 100.

So the Huddleston amendment to the Hill substitute was rejected.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Connecticut [Mr. HILL] for the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

Mr. HILL. With the unanimous consent that was granted that coffee and tea be voted on as separate propositions.

The CHAIRMAN. Yes; and the vote will be on the first provision. The gentleman from Connecticut demands a division, and the Clerk will report the first division.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent for half a minute, in order that I may ask the gentleman from Connecticut a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KITCHIN. As I understand it, the gentleman intends by his amendment to include all in my amendment and add coal, guano, lime, nitrogen, and cyanamid?

Mr. HILL. Yes.

Mr. KITCHIN. In your amendment you leave out print paper?

Mr. HILL. I do.

Mr. KITCHIN. You want print paper as it comes in under existing law?

Mr. HILL. It is a matter of a good deal of indifference to me. If the gentleman wants to amend my substitute, I shall not object.

Mr. KITCHIN. I will make this proposition, that if you will just add to my amendment here coal and fertilizers.

Mr. LONGWORTH. And personal belongings.

Mr. KITCHIN. That is already in mine. If you will just add to mine your proposition of coal and fertilizers and——

Mr. HILL. You have print paper in already?

Mr. KITCHIN. Yes.

Mr. HILL. You add your coal, lime nitrogen——

Mr. KITCHIN. Fix it, and I accept yours and you accept mine. That is the way to do it. [Laughter.]

Mr. HOWARD. The gentleman from North Carolina was tipsy, then, to make that trade.

Mr. KITCHIN. It gets all you want; all you are voting for.

Mr. HILL. Now, Mr. Chairman, I will ask unanimous consent to withdraw the first proviso, the other items being included now, all of them, in the amendment of the chairman of the committee.

Mr. POWERS. Reserving the right to object, I would like to ask what is covered?

Mr. HILL. It covers those things on the free list precisely the same as the amendment of the chairman of the committee, except it would not include manures, lime nitrogen, and so forth, which mine did, and also coal, which mine did. Now he has taken them into his and I withdraw the first proviso.

Mr. POWERS. And that will leave coal on the free list?

Mr. HILL. Yes.

Mr. LANGLEY. What part of your amendment does it leave?

Mr. HILL. It leaves coffee and tea.

Mr. POWERS. I will have to object.

The CHAIRMAN. The gentleman from Kentucky [Mr. POWERS] objects. The Chair will have——

Mr. HILL. Does the gentleman from Kentucky object to my withdrawing the first proviso?

Mr. POWERS. On the coal proposition.

Mr. HILL. I will withdraw all except the coal proposition, and take a separate vote on that.

The CHAIRMAN. The gentleman from Connecticut [Mr. HILL] asks unanimous consent to withdraw everything in the first proviso of his amendment except that which relates to coal. Is there objection? [After a pause.] The Chair hears none. The question is now on so much of the proviso as relates to coal as an amendment to the amendment of the gentleman from North Carolina [Mr. KITCHIN].

Mr. HILL. Which he has accepted.

Mr. KITCHIN. Yes.

The CHAIRMAN. The question is on the amendment to the amendment of the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. HILL. I would like for a great many reasons a vote on the second proviso, relating to tea and coffee.

Mr. KITCHIN. Wait until I get mine in now.

Now, I ask unanimous consent to withdraw my first amendment and offer in its stead the following.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent to withdraw his original amendment and submit in lieu thereof an amendment which he sends to the Clerk's desk, and which the Clerk will report. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

On page 47, line 24, after the period insert the following: "This section shall not apply to (a) gold or silver bullion; (b) coins of gold, silver, copper, or other metal; (c) printing paper admitted free of duty under paragraph 567 of section 1 of the act entitled 'An act to reduce tariff duties and to provide revenue for the Government, and for other purposes,' approved October 3, 1913, as amended by the act of September 8, 1916; (d) ores of the platinum metals, and platinum, unmanufactured or in ingots, bars, plates, or sheets, wire, sponge, or scrap, and vases, retorts, and other apparatus, vessels, and parts thereof, composed of platinum for chemical uses; (e) nitrate of soda; (f) mechanical ground wood, pulp, chemical wood pulp, unbleached or bleached, and rag pulp; (h) articles specified in paragraphs 451 and 499 of such act of October 3, 1913."

The CHAIRMAN. The gentleman from Connecticut now offers what has been described as the second proviso as an amendment to this amendment.

Mr. FORDNEY. Mr. Chairman, I would like to have the gentleman from North Carolina tell the committee what is in the paragraph referred to in the Underwood tariff bill.

Mr. KITCHIN. Fertilizers and coal, and platinum, and wood pulp, print paper, gold bullion and silver bullion, and coin.

Mr. FORDNEY. It does not include anything else? You refer in your amendment to the Underwood tariff law.

Mr. KITCHIN. As amended. These paragraphs were in the Underwood tariff law.

Mr. FORDNEY. You only include, without going through it, the articles that you have mentioned?

Mr. KITCHIN. It only includes the articles I have mentioned—gold and silver bullion, coin, and so forth, print paper admitted free of duty under paragraph 567 as amended——

Mr. FORDNEY. I will take the gentleman's word. All I wanted to know is that the paragraph referred to is the one mentioned by you.

Mr. PARKER of New Jersey. As to sections 451 and 499 and 642, what is included in (h) in that thing?

Mr. KITCHIN. Four hundred and fifty-one is coal, 499 is fertilizer, and 642 is personal effects.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Connecticut to the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment to the amendment was agreed to.

Mr. FESS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FESS. Have we just added 6 and 12 cents to tea and coffee?

The CHAIRMAN. No.

Mr. ALMON. Mr. Chairman, I submit an amendment to strike out the section.

The CHAIRMAN. The Chair is not advised, but has any other gentleman an amendment at the desk relating to the Kitchin amendment?

Mr. KITCHIN. What is the amendment of the gentleman from Connecticut [Mr. HILL]?

The CHAIRMAN. The Clerk will report it. It is what has been described by certain gentlemen as the second proviso.

Mr. HILL. Mr. Chairman, I do not wish to take any advantage of the House. The amendment of the gentleman from North Carolina was perfected by taking in the items which I had included and which he had not. I then withdrew that portion of the amendment. The gentleman from Kentucky [Mr. LANGLEY] objected to coal being withdrawn, and a separate vote was taken on coal, and the amendment of the gentleman from North Carolina was adopted, including coal. There then remained but one vote, and that was the vote on the second proviso, including tea and coffee.

Mr. CAMPBELL of Kansas. Mr. Chairman, there was no vote on the Kitchin amendment.

Mr. HILL. Mr. Chairman, I ask that the vote be taken over again. Of course, Mr. Chairman, there was no vote on the Kitchin amendment, because the amendment to the amendment had not been acted upon.

The CHAIRMAN. The Chair submitted it to the committee as what was described as the second proviso.

Mr. HILL. I ask unanimous consent, Mr. Chairman, that that vote be taken over again.

Mr. KITCHIN. As I understand it now, the vote is on the gentleman's amendment adding tea and coffee.

Mr. HILL. To levy a duty on them.

Mr. KITCHIN. How much?

Mr. HILL. Six cents on coffee, and 12 cents on tea. That is one-half of what it is in England to-day.

Mr. KITCHIN. So that whoever votes for the gentleman's amendment votes to increase the tax on tea and coffee.

Mr. LANGLEY. In other words, it is about six times that which is carried in the bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut to the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment to the amendment was rejected.

Mr. ALMON. Mr. Chairman, I have an amendment.

The CHAIRMAN. Is it to amend the Kitchin amendment?

Mr. ALMON. It is to strike out the section.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from North Carolina, as amended.

The amendment as amended was agreed to.

Mr. SNELL. Mr. Chairman, I offer an amendment to the section.

The CHAIRMAN. The gentleman from New York offers an amendment to the section, which the Clerk will read.

The Clerk read as follows:

Amendment offered by Mr. SNELL: Amend section 1000 by adding another paragraph thereto, as follows:

"And this section shall not apply to the following-named articles, to wit:

"1. Any animal imported by a citizen of the United States, specially for breeding purposes, whether intended to be used by the importer himself or for sale for such purposes;

"2. Horses, mules, and asses straying across the boundary line into any foreign country, or driven across such boundary line by the owner for temporary pasturage purposes only, together with their offspring;

"3. Animals brought into the United States temporarily for a period not exceeding six months, for the purpose of breeding, exhibition or competition for prizes offered by any agricultural, polo, or racing association; but a bond shall be given in accordance with regulations prescribed by the Secretary of the Treasury; also teams of animals, including their harness and tackle, and the wagons or other vehicles actually owned by persons emigrating from foreign countries to the United States with their families, and in actual use for the purpose of such emigration under such regulations as the Secretary of the Treasury may prescribe; and wild animals intended for exhibition in zoological collections for scientific and educational purposes, and not for sale or profit;

"4. Books, engravings, photographs, etchings, bound or unbound, maps and charts imported by authority or for the use of the United States or for the use of the Library of Congress;

"5. Books, libraries, usual and reasonable furniture, and similar household effects of persons or families from foreign countries, all the foregoing if actually used abroad by them not less than one year, and not intended for any other person or persons, nor for sale;

"6. Newspapers and periodicals; but the term 'periodicals' as herein used shall be understood to embrace only unbound or paper-covered publications issued within six months of the time of entry, devoted to current literature of the day, or containing current literature as a predominant feature, and issued regularly at stated periods, as weekly, monthly, or quarterly, and bearing the date of issue;

"7. Articles the growth, produce, or manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means; steel boxes, casks, barrels, carboys, bags, and other containers or coverings of American manufacture exported filled with American products, or exported empty and returned filled with foreign products, including shooks and staves when returned as barrels or boxes; also quicksilver flasks or bottles, iron or steel drums of either domestic or foreign manufacture, used for the shipment of acids, or other chemicals, which shall have been actually exported from the United States; but proof of the identity of such articles shall be made, under general regulations to be prescribed by the Secretary of the Treasury, but the exemption of bags from duty shall apply only to such domestic bags as may be imported by the exporter thereof, and if any such articles are subject to internal-revenue tax at the time of exportation, such tax shall be proved to have been paid before exportation and not refunded; photographic dry plates or films of American manufacture (except moving-picture films), exposed abroad, whether developed or not, and films from moving-picture machines, light struck or otherwise damaged, or worn out, so as to be unsuitable for any other purpose than the recovery of the constituent materials, provided the basic films are of American manufacture, but proof of the identity of such articles shall be made under general regulations to be prescribed by the Secretary of the Treasury; articles exported from the United States for repairs;

"8. Professional books, implements, instruments, and tools of trade, occupation, or employment in the actual possession of persons emigrating to the United States owned and used by them abroad; but this exemption shall not be construed to include machinery or other articles imported for use in any manufacturing establishment, or for any other person or persons, or for sale, nor shall it be construed to include theatrical scenery, properties, and apparel; but such articles brought by proprietors or managers of theatrical exhibitions arriving from abroad, for temporary use by them in such exhibitions, and not for any other person, and not for sale, and which have been used by them abroad, shall be admitted free of duty under such regulations as the Secretary of the Treasury may prescribe; but bonds shall be given for the payment to the United States of such duties as may be imposed by law upon any and all such articles as shall not be exported within six months after such importation: *Provided*, That the Secretary of the Treasury may, in his discretion, extend such period for a further term of six months in case application shall be made therefor;

"9. Wearing apparel, articles of personal adornment, toilet articles, and similar personal effects of persons arriving in the United States; but this exemption shall include only such articles as were actually owned by them and in their possession abroad at the time of or prior to their departure from a foreign country, and as are necessary and appropriate for the wear and use of such persons and are intended for such wear and use, and shall not be held to apply to merchandise or articles intended for other persons or for sale."

Mr. SNELL. Mr. Chairman, that last article is already covered in the former amendment of the gentleman from North Carolina [Mr. KITCHIN]. I desire to withdraw that last section.

The CHAIRMAN. Without objection, that will be done.

There was no objection.

Mr. SNELL. These are practically the articles I covered in the statement I made a little time ago of things that were simply overlooked by the committee, and it would simply be absurd and ridiculous to put them into the tariff law at the present time.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from New York yield to the gentleman from Illinois?

Mr. SNELL. Yes.

Mr. MANN. Is it the language of the existing tariff law, putting these articles on the free list?

Mr. SNELL. Yes; it was cut out of the law bodily.

Mr. GREEN of Iowa. Mr. Chairman, it was not the intention of the committee that these articles should have any tariff placed upon them.

Mr. FITZGERALD. Why not? How could it be otherwise, in view of the language put in the bill? How could the committee have any other intention in view?

Mr. GREEN of Iowa. Did the gentleman ever make any amendment to any bill that he ever brought in here?

Mr. FITZGERALD. That is not the question. The gentleman said the committee did not intend to put a tax on the articles enumerated.

Mr. GREEN of Iowa. Well, the gentleman will kindly be seated until he is recognized. [Laughter.]

Mr. FITZGERALD. I understood the gentleman had yielded. I was in order.

Mr. GREEN of Iowa. Mr. Chairman, as I stated, the committee did not intend to place any tariff on these articles. They were among the things the committee did not have any controversy about, and for that reason we failed to put them in the bill. The gentleman from New York [Mr. SNELL] stated that the language used is the same as that used in the present law. It is the same, with the exception of the proviso in the present law. Having exempted these articles, and having repealed the proviso, it is not necessary that the proviso should be inserted in this amendment.

Mr. MILLER of Minnesota. Mr. Chairman, I move to amend the amendment by striking out the words "except moving-picture films," and I would like to ask the gentleman from New York, or any other gentleman who can answer the question, this: As I understand the purpose of this, it is to admit free into the United States the articles enumerated, and moving-picture films are excluded from that free admission.

Mr. GREEN of Iowa. No. These are moving-picture films that have been collected in the United States and sent abroad for some reason or other and then permitted to come back again.

Mr. MILLER of Minnesota. That is just where the gentleman makes the big mistake of his life. That is just exactly what it does not do, and I want to tell you what it does do, because I have found out. If this is the old law as it stood, it enacts a great injustice.

Mr. GREEN of Iowa. It is the old law.

Mr. MILLER of Minnesota. I can buy from the Eastman Kodak Co., as I have done, 5,000 feet of moving-picture film, or 10,000 feet if I can borrow enough money, and I can go to Panama or Porto Rico or to China or Japan or France with a moving-picture machine of my own, take the pictures myself, have nobody else touch them, bring them back to be developed in the United States, to use them myself, and I have got to pay a duty on that film. That is exactly what I have had to do, and it is wrong.

Mr. GREEN of Iowa. No; the gentleman is mistaken.

Mr. MILLER of Minnesota. The gentleman can not advise me on that, because I have been up against it. Therefore I make the motion to strike out those words. As I understand it, if we strike out these words, picture plates made in the United States sent abroad and brought back will come in free. I admit that I may not have the language exactly correct, but that is my understanding.

Mr. GREEN of Iowa. It says:

Films for moving-picture machines, light struck or otherwise damaged or worn out, so as to be unsuitable for any other purpose than the recovery of the constituent materials, provided the basic films are of American manufacture.

Mr. MILLER of Minnesota. That is not the part to which I refer.

Mr. LENROOT. I have it here.

Mr. MILLER of Minnesota. I shall be glad to have it read.

Mr. LENROOT. The gentleman undoubtedly refers to that part of paragraph 404 admitting free of duty dry plates and films of American manufacture, except moving-picture films.

Mr. MILLER of Minnesota. Yes. Why can we not take a film manufactured in America to Panama, expose it and bring it back, and have it come in free? If anybody has a reason to give why it should not, I should like to hear it, and I will yield time for that purpose. But the law to-day is that that can not be done, and it works a very great hardship upon a great many people who are not in the commercial moving-picture business at all.

Mr. MANN. To wipe this out would not help the situation any, would it? If you strike out this exemption it will simply make that provision apply to a lot of other things.

Mr. MILLER of Minnesota. My opinion is that if we strike out the exception, dry films would be construed to include moving-picture films, and therefore they would come in free.

Mr. LENROOT. They would not be free. They would be subject to the additional tax; that is all.

Mr. HILL. If you do not strike it out, you will have 10 per cent more duty to pay.

Mr. MANN. You will add 10 per cent if you do strike it out.

Mr. LENROOT. No; if you do not strike it out, it will be subject to the 10 per cent. If you do strike it out, it will be exempt.

Mr. MANN. These items are to pay the 10 per cent additional, and if you strike these words out of the amendment, it leaves them to pay the 10 per cent duty, because this is the exemption.

Mr. LENROOT. No; if the gentleman will yield, if the words "except moving-picture films" are included, they will not then come in with the exemption of the 10 per cent. If they are stricken out, they will.

Mr. MILLER of Minnesota. In other words, if they are stricken out, they will be free from this additional tax of 10 per cent.

Mr. LENROOT. That is as I understand it.

Mr. MILLER of Minnesota. If those words are stricken out, then moving-picture films made in the United States, taken abroad and exposed, can be brought back into this country to be developed and used without incurring this additional tax imposed by the bill. I sincerely trust that will be done.

The CHAIRMAN. The gentleman from Minnesota [Mr. MILLER] offers an amendment to the amendment offered by the gentleman from New York [Mr. SNELL], striking out the words "except moving-picture films." The question is on the amendment.

The question being taken, the Chair announced that he was in doubt and ordered a division.

The committee divided; and there were—ayes 68, noes 75.

Accordingly the amendment was rejected.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois: Amend the amendment offered by Mr. SNELL by adding the following:

"Books and music, in raised print, used exclusively by the blind, and all text books used in schools and other educational institutions.

"Lifeboats and life-saving apparatus specially imported by societies and institutions incorporated or established to encourage the saving of human life.

"Miners' rescue appliances, designed for emergency use in mines where artificial breathing is necessary in the presence of poisonous gases, to aid in the saving of human life, and miners' safety lamps and parts, accessories, and appliances for cleaning, repairing, and operating all the foregoing.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Illinois [Mr. GRAHAM].

The amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from New York——

Mr. KITCHIN. Is this the Snell amendment?

The CHAIRMAN. This is the amendment of the gentleman from New York [Mr. SNELL].

The question being taken, on a division there were—ayes 125, noes none.

Accordingly the amendment of Mr. SNELL was agreed to.

The CHAIRMAN. The gentleman from Alabama [Mr. ALMON] asked for recognition a moment ago to move to strike out.

Mr. ALMON. First I have an amendment to the Kitchin amendment.

The CHAIRMAN. Is it a motion to strike out or an amendment to perfect?

Mr. ALMON. To perfect the amendment, to add to the Kitchin amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 47, add, in line 24 after the period, the following:

"*Provided*, that there shall not be levied, collected, and paid any duty or tax under the provisions of this section upon articles imported from foreign countries into the United States which are on the free list under the provisions of an act to reduce tariff duties and to provide revenue for the Government, and for other purposes, approved October 3, 1913."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. CROSSER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On pages 47 and 48 strike out Title X and substitute the following:

"That a direct tax of $500,000,000 be, and is hereby, annually laid upon the United States and the same shall be, and is hereby, apportioned to the States and Territories and the District of Columbia, respectively, in proportion to population, as ascertained by the census enumeration of 1910. The said direct tax laid by this act shall be assessed and laid on the value of all land, exclusive and irrespective of the improvements thereon: *Provided*, That all lands belonging to the United States or to any State shall be exempted from assessment and taxation under this act: *And provided further*, That all land subject to taxation under this act shall be valued and assessed for the purpose of taxation at its full market value on the first Monday in March of each year: *And provided further*, That for purposes of taxation under this act every mortgage on real estate shall be treated and assessed as an interest in the land therein described; and the tax in the proportion of land value, represented by the amount due on the mortgage, shall in all cases be a primary charge against the mortgagee."

Mr. KITCHIN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. RAINEY. I reserve a point of order.

Mr. GREENE of Massachusetts. Mr. Chairman, I make the point of order.

Mr. CROSSER. Will the gentleman withhold it?

Mr. GREENE of Massachusetts. I will withhold it for one minute.

Mr. CROSSER. I wish the gentleman would withhold it for three minutes.

Mr. GREENE of Massachusetts. I will make the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is sustained.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in 10 minutes. Is there objection?

There was no objection.

Mr. GARLAND. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Strike out, after line 18, on page 47, all the rest of the paragraph and insert, "The rates of duty established in the tariff act of August 5, 1909, known as the Payne-Aldrich Tariff Act."

Mr. GARLAND. Mr. Chairman, I offer that amendment to strike out of this bill for war revenue the flat 10 per cent on all imports and insert the provisions of the Payne Tariff Act of 1909, for the reason that every one of the committee, on both sides of the House, has been all day on this particular title explaining that it is not right, telling us that it is an abortion, telling us, in the language of the committee:

Your committee realizes that this tax is not scientifically nor equitably adjusted and recommends the same only as a war tax. It is estimated that the additional revenue during a 12-month period from the tax imposed on this title will amount to $200,000,000.

Now, under the amendment that I have offered the Secretary of the Treasury shows that last year under the present tariff law there was collected $213,000,000. The statement was made on this floor, and it is correct, that the tariff law of last year on articles imported into the country was an average only of 9 per cent ad valorem. It was also shown that that was just half of the amount of the revenue derived from the tariff of 1909, which was an average of 18 per cent ad valorem on articles brought into this country last year. In other words, if this law was in effect now you would collect, taking last year as a basis, $213,000,000 more than you did last year, or a total for the year, in round numbers, of $426,000,000.

The report of the committee is that 10 per cent all around will collect $200,000,000 only. Some of the members of the committee state it will collect $500,000,000. There have been no hearings in the making up of this schedule whatever. The people who must pay this tax were not permitted to testify. It is a hit-and-miss proposition, and everyone says that it is only for the purpose of getting revenue and it is not equitable in any sense, but is offered "because we need the money." Here is a plan of getting money by substituting the other tariff law, of 1909, that hearings were held upon, that the committee reported upon, that was argued out here and shown to be an intelligent plan of collecting money, and that was in operation for four years and proved its value. For that reason I believe that this amendment should be adopted. This will bring the revenue desired and it will not put the burden on the poor man, which we are all trying to avoid; it will not put the burden on the necessities of life, and it will give the revenue, because you have the evidence that it did do so. [Applause.]

I know it is a protective measure and that is the reason, and the only reason, why the majority of the committee, being Democrats, will not permit this amendment to prevail, as it would be acknowledging the efficacy of a Republican principle. Even with the drums of war beating the call to arms and with the extremity of the necessity of raising funds to support the war staring us in the face the amendment, because only of its being a Republican measure in principle, will not be permitted to prevail. This bill is replete with inequalities, and I understand the Senate has been giving hearings to those whose business will be destroyed or crippled by the inadequacy of this bill, and yet this branch of Congress is the initiatory body on legislation pertaining to revenue, yet the cry of the distressed by this bill have been ignored and Members of Congress asked to vote for it "just because we need the money." [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. HASTINGS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. HASTINGS: At the end of section 1,000 page 47, strike out the period and insert a semicolon and add: "*Provided*, That this section shall not be effective longer than two years after June 30, after the conclusion of the war with Germany."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

Mr. KINCHELOE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. KINCHELOE: Page 47, line 21, after the word "specific," strike out the balance of said line and all of line 22, down to and including the words "ad valorem."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was rejected.

Mr. ALMON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 47, line 14, strike out section 1000.

Mr. ALMON. Mr. Chairman, just one word in addition to what I said a few moments ago. I remember that the chairman of the Committee on Ways and Means said in his remarks in general debate upon this bill that he and the gentleman from Michigan [Mr. FORDNEY], ranking Republican member of the committee, were of the opinion that this title should not be incorporated in this bill, but had agreed to it in order that a unanimous report might be had; and I believe time will demonstrate that they were right at that time. We know not, and we have no means of knowing, what the expenses of this war are going to be. We know not, except approximately, what revenue will be raised by this bill; but I candidly believe that the provisions of the bill, with the exception of Title X, war customs duties, is as much as should be collected from the people of the United States at this time; and while I am satisfied that it will go through this House, I doubt very much whether Title X, war customs duties, will be a part of the law when it is approved by the President of the United States.

Mr. SLOAN. Mr. Chairman, I desire to oppose the amendment offered by the gentleman from Alabama [Mr. ALMON]. In doing so permit me to say that we should not forsake the time-honored system of raising revenue to support this Government in time of war. I am not of those who believe that whatever we have done in the glorious history of this country is wrong. I am not of those who would turn their backs on that system of revenue which has proved efficacious in every crisis of the country. I desire to call attention of the House to a few figures. In 1793, when our Treasury was empty, we collected $4,255,306.56 at our ports, and in internal revenue only $337,705.70. That was under Washington. The system was inaugurated and carried to success by the matchless Hamilton, who divides honor with the Father of his Country in the successful beginning our Republic made. Under Jefferson, in 1801, our total revenue was $12,945,455.95, of which there was collected at the ports $10,750,778.93 and only $1,048,033.43 in internal revenue. Eighty-three per cent under Jefferson was collected at the ports and 8 per cent in internal revenue.

The War of 1812 was fought under Madison, a Democratic President. The total amount of revenue collected was $14,340,709.95, of which $13,224,000 were customs dues and only $4,755 internal-revenue taxes, 92 per cent customs, 8 per cent all others, internal revenue being only three one-hundredths of 1 per cent.

In 1831, under President Jackson, the customs revenue was $21,922,000 and the internal revenue $12,160.62—88 per cent customs and only five one-hundredths of 1 per cent internal revenue.

In 1847, Polk's administration, during the Mexican War, total ordinary revenue $26,467,703.16. Of that sum $23,747,864.66, or 89 per cent, came from customs while only $375, or one fifteen-hundredth of 1 per cent, came from internal revenue.

In 1863, Lincoln's administration, Civil War period, total ordinary revenue $112,094,945.57. Customs, $69,059,642.40, or 61 per cent; internal revenue, $37,640,787.95, or 33 per cent. It was thus apportioned in the turning point of the great war for national existence.

In 1872, Grant's administration, total ordinary revenue, $374,106,867.56; customs, $216,370,286.77, or 57 per cent of total; and internal revenue, $130,642,177.72, or 34 per cent of total. This was good enough under the soldier-President administration.

In 1886, Cleveland's administration, total ordinary revenue, $336,439,727.06; customs, $192,905,023.44, or 57 per cent of total; internal revenue, $116,805,936.48, or 34 per cent of total. So it was under a constitutional Democratic President.

In 1898, McKinley's administration, Spanish-American War, total ordinary revenue, $405,321,335.20; customs, $149,575,062.35, or 36 per cent of total; internal revenue, $170,900,641.49, or 42 per cent of total. So we fought and won that glorious war.

In 1910, Taft's administration, total ordinary revenue, $675,511,715.02; customs, $333,683,445.03, or 49 per cent of total; internal revenue, $289,933,519.45, or 44 per cent of total.

In 1915, Wilson's administration, total ordinary revenue, $697,910,827.58; customs, $209,786,672.21, or 30 per cent of total; internal revenue, $415,669,646, or 59 per cent of total. Alas, the degeneracy of these recent years when "equal rights are accorded to some and special privileges to foreigners."

Estimated revenue, 1918—United States.

Total ordinary revenue	$1,235,550,000
This bill	1,800,000,000
Total	3,035,550,000
Estimated customs	230,000,000
This bill—customs	200,000,000
Total (or 14 per cent)	430,000,000

Should the amendment of the gentleman from Alabama prevail, the customs collections would amount to only 7 per cent of the total revenues for 1918.

Revenue receipts of United States, 1791 to 1916, both inclusive.

Customs	$12,854,895,422.24
Internal revenue	10,630,905,611.75
Total ordinary receipts	25,819,422,222.52

Customs, 49 per cent of total ordinary receipts.

Internal revenue, 41 per cent of total ordinary receipts.

Receipts of United States, 1791 to 1913, both inclusive.

Customs	$12,039,620,889.89
Internal	9,322,492,929.67
Total ordinary	23,607,173,675.74

Customs, 55 per cent of total ordinary receipts.

Internal revenue, 39 per cent of total ordinary receipts.

The foregoing was before it became fashionable for those in power to condemn as wrong the policies under which we won wars and triumphed in peace.

Receipts, 1914, 1915, and 1916.

Customs	$715,292,532.35
Internal	1,308,412,682.08
Total ordinary	2,212,248,546.78

Customs, 32 per cent of total ordinary receipts.

Internal revenue, 59 per cent of total ordinary receipts.

This bill of $1,800,000,000 total will produce in customs $200,000,000, or 11 per cent.

Great Britain—War finances.

Total revenue	$2,570,525,000
Customs (or 13 per cent)	352,895,000

Canada—War finances.

Total revenue	$232,000,000
Cutoms (or 58 per cent)	134,000,000

I refer to the revenue laws of England with less reverence than do some people. I tell what Britain is doing largely to meet the taste of those who like that kind of argument. I do not urge you to follow Britain. I call attention to the fact that Britain in her belated extremity is following what we have done, both in times of prosperity and stress.

It might be worth while to say that if we finance this war we must do it in the American way. We should not take all of our advice about filling our Treasury from those whose outstretched hands are so effective in emptying it. If this war is won, it will have to be won in an American way. As we now see it, it must be won by American means, men, munitions, and money. If the submarine menace is met, let us depend upon American genius and skill. Not upon the advice of those who seem to have failed.

If the American diplomats, headed by the superb Elihu Root, would bring Russia back into the war to do her part, let there not be too great dependence on the advice of those whose diplomacy let her out of the war. The old saw of "Let George do it" has failed, and allied Europe now says, "Let Sam do it."

On the day that we severed diplomatic relations with Germany Lord Northcliffe's London Times said that we could do our most effective service to the allied cause by financing Russia and Italy. To this has been added Britain, France, and Belgium. Joffre and Balfour no sooner touch our soil than they implore, between checks, the sending of troops to the continental trenches. We hear too much about military advice from across the waters about whether our armies should come from appeal or draft. The same advice is quoted when the question of sending a legion of volunteers led by the world's leading character now in private life, whose footsteps on the soil of France were worth 10,000 men. The objection to mature men on the Continent and the insistence that only those in the first decade of manhood shall offer themselves should not be commended.

So in financing our war let us do it in the American way. That the war may be fought in the American way and terminated in American victory after the manner of Americans.

It is needless for me to repeat that this tariff section does not meet my own protection-revenue views. But it is the best that the committee could agree upon. The sorely beset Christian on the soil of Syria who snatched the Saracen sword from his assailant did not wait to have it purged or blessed before he wielded it with terrible effect in defense of his comrades.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the motion of the gentleman from Alabama to strike out the section.

The amendment was rejected.

The Clerk read as follows:

SEC. 1001. That upon all coffee or tea heretofore imported into the United States, which was held on May 10, 1917, or any day between such date and the day succeeding the day this act is passed by any person, corporation, partnership or association (except a retailer who does not sell coffee or tea at wholesale), and intended for sale, there shall be levied, assessed, collected, and paid a tax of 1 cent per pound in the case of coffee and of 2 cents per pound in the case of tea.

Mr. KITCHIN. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Committee amendment: On page 48, strike out lines 1 to 9, inclusive, and insert in lieu thereof the following:

"SEC. 1001. That upon all coffee or tea which on the day this act is passed is held by a retailer (who does not sell coffee or tea at wholesale) in a quantity in excess of 50 pounds in the case of tea and 200 pounds in the case of coffee, or by any other person, corporation, partnership or association in any quantity, and which is intended for sale, there shall be levied, assessed, collected, and paid a tax of 1 cent per pound in the case of coffee and of 2 cents per pound in the case of tea."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

Mr. KITCHIN. This amendment makes it clear that the tax will apply to all tea and coffee held when this act takes effect, except that the retailer is exempted to the extent of 50 pounds of tea and 200 pounds of coffee——

Mr. LONGWORTH. Held and intended for sale.

Mr. KITCHIN. Yes. And everybody pays a tax on all coffee and tea he has on hand and intended for sale at the time of the passage of this act, except the retailer is exempted from the payment of the tax on 50 pounds on tea and 200 pounds on coffee.

Mr. FARR. It affects the retailer who is a large importer?

Mr. KITCHIN. All coffees and teas held and intended for sale on the day this act passes will pay a tax of 1 cent per pound on coffee and 2 cents per pound on tea, except the retailer has an exemption of 50 pounds of tea and 200 pounds of coffee.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. BYRNS of Tennessee. What about those wholesalers who have made contracts for the delivery of coffee to retail dealers for resale and have not yet been able to make delivery?

Mr. KITCHIN. We have an amendment that we will propose later on providing that on all contracts for the sale of articles taxed in this bill, made before April 6, 1917, before the date of the declaration of war, the tax shall be paid by the purchaser instead of by the seller.

Mr. BYRNS of Tennessee. Now, that will partially relieve the situation, but this bill that proposes this tax was introduced on May 10, so I am informed, and a number of wholesale coffee roasters have made their contracts for delivery, at least in the neighborhood of May 10. These contracts were made on a certain basis. You undertake to put a tax on their coffee, and they will not only lose their profits but will sustain a considerable loss.

Mr. KITCHIN. Of all the tax laws we have ever had since the foundation of the Government this is the only one that has proposed to take care of existing contracts in this way so far as I have been able to inform myself. So that if we did exactly like the Congress has done in all other revenue legislation, including tariff legislation, we would not give any protection at all.

Mr. BYRNS of Tennessee. The only point of my objection is this, that we will take care of them until April 6, but it does not take care of these coffee roasters who have these contracts that were made after April 6.

Mr. KITCHIN. I am very sorry the gentleman was not in here yesterday. We discussed this April 6 provision. I am aware, however, that the gentleman was engaged in work with the Committee on Appropriations and did not hear my explanation with reference to this provision.

Mr. BYRNS of Tennessee. I have been in attendance at my subcommittee, and have not been able to attend as I would like to have done.

Mr. SNYDER. How far do they expect to carry these contracts that were made prior to April 6?

Mr. KITCHIN. The purchaser would have to pay it under the proposed amendment. They have never paid it before.

Mr. SNYDER. It seems to me a year——

Mr. KITCHIN. If you were selling any of these articles that are being——

Mr. SNYDER. I happen to be on the other side of it.

Mr. KITCHIN. I do not think it ought to run more than a year.

Mr. FORDNEY. The object is to protect the coffee that is in the country now. It is estimated there are 5,000,000 pounds of coffee in this country in the hands of the wholesaler, a very large amount, as collateral of a loan to the Government of Brazil, and it is intended to catch that coffee.

Mr. KITCHIN. I may further state to the gentleman that he is correct; that we were informed that at least a year's supply in the last few months have been imported into this country in order to escape any possible import tax on coffee or tea.

Mr. LOBECK. The idea of this amendment was to protect the bill?

Mr. KITCHIN. Yes.

Mr. LANGLEY. Mr. Chairman, I have offered an amendment to strike out this paragraph. I desire to be heard now in support of that amendment, and also in opposition to the committee amendment offered by the gentleman from North Carolina [Mr. KITCHIN]. I am opposed to the whole proposition of any tax or tariff duty upon coffee and tea, because they are necessaries of life in practically every household in the land, rich and poor alike, and since there are so many more of the poor than there are of the rich it will result in imposing an added burden upon the vast majority of the people, who are now bearing too much. If this paragraph is stricken out it would result in deferring for a time, I hope, the rise in the price of these two necessaries of life which is certain to follow the enactment of this bill. There are other items of taxation in this bill too numerous to mention which will in one way and another be passed along to the consumer, and that means the poorer classes as a rule.

Mr. HASTINGS. Will the gentleman yield?

Mr. LANGLEY. Yes.

Mr. HASTINGS. Do you hold, then, that the tariff on any article will result in raising the price of that article?

Mr. LANGLEY. Undoubtedly, if it is a noncompeting article. If it is something that is not produced in this country and something that our people must have, of course it will raise the price to the consumer.

Mr. HASTINGS. I did not know that any gentleman on that side of the Chamber ever held that.

Mr. LANGLEY. The gentleman ought to know better than that, at least I think he ought. That is one of the cardinal doctrines of our protective theory.

Mr. Chairman, of course I realize that it is practically a waste of time to discuss these matters here, for everybody knows that regardless of the shape in which the bill passes the House it will be torn all to pieces in the Senate, so that it will be an entirely new bill when it comes back to us. But at the risk of being called a demagogue again I am going to say a few words now, while I have the opportunity, in behalf of the poorer classes of the people of this country.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. LANGLEY. No; I will not. I am sorry, but my time is too limited. I would rather be called a demagogue because I plead for them than to be called a statesman, as some gentlemen are, and think too lightly of the burden that taxation imposes upon the poor and of the suffering that poverty brings to their homes. [Applause.]

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Kentucky yield to his colleague?

Mr. LANGLEY. I can not yield unless I can get additional time.

Mr. KINCHELOE. Just for one question?

The CHAIRMAN. Does the gentleman yield?

Mr. LANGLEY. No; I can not. My friend will please excuse me. I have too much to say in the short time allotted me to spare him any of the time.

The CHAIRMAN. The gentleman declines to yield.

Mr. LANGLEY. Mr. Chairman, so far as I am concerned, I have very little patience with the man who, when he needs votes, calls upon the boys to come to his rescue, and then when he gets here to Washington climbs up on a pedestal and draws the cloak of his imaginary superiority about him and forgets the fellows who made him what he is. [Applause.] And, Mr. Chairman, I have still less use for that other class that we sometimes find in legislative bodies who denounce their colleagues as demagogues and accuse them of talking only for home consumption and who prate about sacrificing their own political futures for the sake of their country, and immediately thereafter rush out into the park and hastily put their ears to the ground and listen intently for the echo of the applause which they, too, expect to elicit from an admiring constituency. [Applause.]

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield now?

Mr. LANGLEY. No; I really can not. The gentleman knows that I have but little time. Mr. Chairman, all that these self-styled martyrs deserve—and all that they usually get in these days—is a scientific and undramatic bow from the White House. [Laughter and applause.] There has been a good deal of discussion here and elsewhere of the backwardness of the people in buying our war bonds, and some have contended that it is due to the doubt that business men feel about what is going to be done to them in the way of taxation. Of course, that is one of the reasons, but it is not the only one. Gentlemen, let us not deceive ourselves about the situation. I do not claim to possess any special knowledge of human nature and public opinion that other gentlemen do not possess, but, unless I am very much mistaken, there are many of you who do not correctly interpret the present temper of millions of our people and their lack of enthusiasm over this war. They think commercial greed helped to get us into it; that our merchant ships and our people should have been warned by our Government to keep out of the danger zone, and that if this had been done the war might have been avoided. Moreover, you have made conscripts of their boys and some one else is making nondescripts of their Congressmen, and I really do not think they relish this very much. [Applause.] But there is still another reason, and since no one else seems to want to do so, I am going to say what it is: You are preparing to send their boys to European battle fields without their consent, and they do not like that. [Applause.] This is not due to any lack of patriotism, for you know and I know that if any foreign enemy, however powerful, should dare to come to our shores for the avowed purpose of invading our country and our homes, 20,000,000 American men, loyal, brave, and true, would rise up and crush them. [Applause.] I think also that our President missed a great opportunity to help popularize this war when he refused to let Roosevelt take his volunteers to France. But all these things are behind us now.

Mr. Chairman, I see that my time has about expired, and I shall have to avail myself later of the privilege granted of extending my remarks in the RECORD in order to state more fully and in greater detail my position upon this bill and my objections to many of its inequitable provisions and erroneous principles that even an emergency war-tax measure should not embody. I want to say in a few words that I am unalterably opposed to putting such a heavy tax on the people now, when the productive power of the Nation is impaired, and necessarily becoming more so, and when the burden of living expenses is so great. To do so would necessarily result in further curtailment of production and correspondingly weaken our power to prosecute the war. I am opposed, as a general proposition, to imitating the methods of our enemies, and sometimes I fear that we have already gone too far in that direction. But in one respect, at least, I think we should imitate them, and that is by making future generations share the bulk of the money burden of this war. We ought not to bleed the present generation too much industrially while it is contributing its blood for the liberty and happiness of posterity. If we were justified in going into this war upon the far-reaching plans now proposed, it was upon grounds that mean as much, if not more, to future generations than to us, and I know they will be glad to share the larger part of the financial burden of it when they see, if they do, that the war meant as much to them as is now contended. Moreover, the country will be much greater and richer 50 years hence, and its people will be enjoying to the fullest the fruits of the sacrifices of to-day, and the burden of taxation will not fall so heavily upon them as it would upon our people now. It has not been shown to my satisfaction that we need immediately anything like all of the staggering sums that you are proposing to raise, but even if we do, I am utterly opposed to this pay-as-you-go policy for which some gentlemen are contending, with the added hardships that it will impose, in the face of the fact that our credit is the highest of any nation on earth and our borrowing capacity almost unlimited. I am in favor of stringing it out over a period of not less than 50 years. I think that 25 per cent to be raised by taxation now is the maximum limit to which we should go, and that the other 75 per cent should be raised by long-time bonds. I believe also that the 25 per cent to be raised by taxation should be levied chiefly upon those with large incomes, who get the greatest benefits from government, who are so well able to pay the tax, and who can do so without being deprived in the slightest of the comforts and even the luxuries of life, and that only a nominal part of it should be levied upon those who are really not able to bear any of it, for it has been our unbroken experience that in the end—and in spite of legislative efforts to prevent it—much of taxation is ultimately passed along to the poor.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. LANGLEY. Mr. Chairman, I ask one minute more in order to read an original poem for the edification of some gentlemen.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for one minute longer.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent that the gentleman may have a minute and a half.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent——

Mr. HOWARD. Reserving the right to object, Mr. Chairman——

Mr. LANGLEY. It is in emulation of the example set by the gentleman from Pennsylvania [Mr. MOORE] yesterday.

Mr. KINCHELOE. I am interested in the gentleman's amendment. Will the gentleman submit to a question?

Mr. LANGLEY. In a moment. The poem is entitled "Pass It Along to the Poor," sung to the tune of "The Moneyless Man."

Mr. VARE. Mr. Chairman, we can not hear the gentleman.

The CHAIRMAN. The committee will be in order.

Mr. LANGLEY. I read:

PASS IT ALONG TO THE POOR.

(Sung to the tune of "The Moneyless Man.")

If we put a tax on most anything,
They'll pass it along to the poor,
Who don't seem to have their white alley show
That they had in the days of yore.

A penny a pound on coffee, you say,
Or two on a pound of tea,
Is not so much for a fellow to pay
Into Uncle Sam's Treasury.

[Laughter.]

But you seem to forget that nothing is left
When all he has earned is gone;
For the pawnbroker's shop is no place to go
When a fellow has nothing to pawn.

If he fails to purchase a liberty bond,
He's put in the "Slacker's Brigade";
But how can he buy when shorn of his cash,
With no one to render first aid?

[Applause.]

If he shoulders a gun and lays down his life,
He's put on the hero's roll;
But he hasn't a gambler's chance to get
On the Chesapeake Patrol.

[Laughter.]

If a fellow who knows what poverty is,
For him dares to lift a hand,
He's twitted and jeered by those in control,
And stamped with a demagogue's brand.

But, like Roosevelt, the brave, we will still suggest
What's best for the country's relief;
And if 'tis denied by the powers that be,
We'll salute the Commander in Chief.

[Applause and cries of "Vote!"]

Mr. HEFLIN. Mr. Chairman, I want to ask the gentleman from Kentucky [Mr. LANGLEY] if Representative MOORE did not write that poem?

Mr. LANGLEY. No; I wrote his. [Laughter and applause.]

Mr. POWERS. Mr. Chairman——

The CHAIRMAN. The gentleman from Kentucky [Mr. POWERS] is recognized.

Mr. POWERS. Mr. Chairman, I did not vote for the declaration of war between the United States and Germany. Possibly I do not therefore feel under quite the same obligation to vote for enormously large and manifestly unfair appropriations to carry on the war as others do who helped to get us into it.

WAR OUGHT TO HAVE BEEN AVOIDED.

I have believed all along and still believe that this war could have been and should have been avoided. In the last presidential campaign, when the Democrats, with trumpet tongues, were proclaiming that President Wilson ought to be reelected because he had "kept us out of war" and would continue to do so if permitted to remain in power, I said in public speeches at that time that if President Wilson should be reelected and should continue his weak, vacillating, unfair, and unneutral attitude and policy toward the nations engaged in war that it would be only a question of time when we would be involved in it. The time is now here. I believe that the attitude of this country should have been one of absolute neutrality. For years I have watched carefully the drift of affairs and have never let an opportunity pass to lend my mite toward avoiding a conflict. I believed it could honorably be done.

On March 7, 1916, I voted for the so-called McLemore resolution, which called upon the President of the United States to warn American citizens not to travel on the armed merchant ships of the nations engaged in war and to advise them that it was at their own risk should they do so. Technically our citizens had the right to travel upon armed merchant ships of the countries at war, but proper regard for the peace and welfare of this country ought to have restrained them from that course; and if they had no regard for the welfare of our country, I did not believe, and do not now believe, that this country should be plunged into war by reason of their reckless and foolhardy acts. I believe that our citizens, in so far as they could, should have remained at home until this world-weary war in Europe was over, and that if necessity or imperative duty demanded that they sail the seas, I believe that they ought to go, if at all possible, on American ships flying the American flag. In that event they would not likely have been molested.

I said in a speech on this floor some time ago:

We have the undoubted right to sail the high seas on unarmed belligerent merchant ships. Nobody denies it. We have the right to travel at will the public streets, roads, and thoroughfares of our land. Nobody disputes it. But if two families living on either side of some public highway become engaged in a deadly conflict, would it be the part of wisdom and good common sense to undertake to exercise the right of traveling along that particular highway at a time when the bullets were flying across it thick enough and fast enough to darken the sun? I do not think so. And while we have the right to sail at all times all parts of the high seas, there are times when we should not insist upon exercising every iota of every right we possess.

But a majority of the Members of this House apparently did not feel that way, for they refused by a vote of 276 to 142 to even consider the McLemore resolution. President Wilson indorsed that course. I do not believe that it is always best to exact the "pound of flesh." When the world is crazy and mad, and when there is no doubt about the recognition of our rights; when once it sobers up and comes to its senses, I believe, as I have said, that we ought to count the cost before insisting upon every technical right that may be ours.

ARMING AMERICAN SHIPS.

On March 1, 1917, when a bill was before the House authorizing the President of the United States not only to supply merchant ships with defensive arms so as to enable them to defend themselves against unlawful attack when engaged in peaceful pursuits upon the high seas but to also arm ships carrying munitions of war to the belligerents, I made a speech in behalf of, and voted for, the Cooper amendment to the bill, which was in these words:

Provided, That no ship of American registry, while armed in the manner aforesaid, shall carry a cargo consisting in whole or in part of arms or ammunition consigned to a belligerent country or to any citizen thereof.

I did not believe that the United States ought to be shipping arms and ammunition to the allies, or any other belligerent country, and I did what I could to keep Congress and the Government from committing that folly, but the Cooper amendment was voted down by a vote of 293 to 125. So the course was persisted in that carried us nearer and nearer to the brink of open hostilities. President Wilson urged upon Congress the passage of the law that gave him the authority to arm the ships, although many believed that he already had ample authority. Mr. KITCHIN, the Democratic leader of the House, in speaking of the bill before its passage, said:

If he (the President) wants to get this country into the European war and make the world one vast cataclysm of blood and slaughter, he can do so with or without the enactment of this bill. If he wants to keep this country out of the European war and make its blessings to shine out to mankind through the coming ages an example of the divine reward of peace, he can do so with or without the enactment of this bill. Clothed with the powers given by the Constitution, a President of the United States can, at his will, without let or hindrance of Congress, create such a situation which makes war the only alternative of the Nation.

If the President did not already possess such power and authority, as many believed he did, to create such a situation as would make war "the only alternative of this Nation," I did not want to clothe him with it. I believed and still believe that war should not be declared except upon the most impelling reasons; and that it was the bounden duty of the representatives of the people to count carefully the gains and costs to them before saddling on the people the fearful hardships and awful costs of war.

GEORGE WASHINGTON SAID WE SHOULD COUNT THE COST.

George Washington, our first and greatest President, adhered to the doctrine that it was the duty of our country to choose peace or war as our interests, guided by justice, might counsel.

WE HAVE HERETOFORE HAD PROVOCATION FOR WAR.

If it had been the purpose of our Government to go to war every time some of our well-known and well-recognized rights had been violated, ample provocations have been thrust upon us heretofore. In Mexico, for example, and within the last few years, our property has been destroyed, our men have been murdered, our women have been outraged, our flag spat upon and trampled in the dust, and yet our Government took no positive action, except to warn Americans living and staying in Mexico to leave their property and flee to this country for their lives.

On November 2, 1914, in flagrant and open violation of our well-known and well-recognized rights as a neutral nation to trade with other neutral nations, like Norway, Holland, Sweden, and so forth, Great Britain gave notice to us and the world

"that the whole of the North Sea must be considered a military area," and that "within this area merchant shipping of all kinds, traders of all countries, fishing craft, and other vessels will be exposed to the gravest dangers from mines it has been necessary to lay." The idea of England largely was to keep our food supplies, ammunition, and so forth from reaching Germany. Following this, on February 4, 1915, and as a retaliatory measure, so she claimed, the Imperial German Government declared a war zone around the British Isles and warned the world that those who enter the war zone would do it at their peril. The North Sea which Great Britain blockaded and the waters around England which Germany blockaded—I realize the word "blockaded" is not quite the proper one—are all parts of the high seas upon which all countries have the right to freely go unmolested and unafraid. The United States, in the main, respected Great Britain's blockade of the North Sea, although a few of our ships entered it, and two of them—the *Carib* and the *Evelyn*—were blown up by English mines and sunk with the loss of human life. The United States failed to respect the war zone declared by Germany around Great Britain. Our ships and people have continued to enter it, and Germany has without warning sunk our ships right and left and murdered our people by the wholesale. England, in the meantime, cut off our trade with the neutral world, seized our ships, pressed them into her own service, and rifled our mails at will.

THE CAUSE OF THE WAR.

Since the United States, at England's behest, had foregone her right to sail the North Sea and trade with neutral nations, I had believed that the real cause of war on our part, should we enter it, would be to enforce our right to enter the ports of Great Britain and her allies. Our purpose evidently in so doing would be to carry them food, clothing, arms, ammunitions, and to trade with them at our pleasure. Judging from the position taken by our Government, and especially that taken by President Wilson, I thought Germany's interference with that right constituted our real grievance. I believed our loss of life and property in trying to enforce this right would be the immediate and real cause of war, if war should come. But when Congress was called together in extraordinary session on April 2 to deal with the question of war or peace, apparently the reasons and motives of the United States, and especially those of President Wilson, in entering the war had been much enlarged, if not altogether changed; for President Wilson, in his message to Congress on April 2, after reviewing the many wrongs on the part of the German Government, said:

> Our motive will not be revenge or the victorious assertion of the physical might of the Nation, but only the vindication of right, of human right, of which we are only a single champion. * * * Our object is to vindicate the principles of peace and justice in the life of the world as against selfish and autocratic power and to set up amongst the really free and self-governed peoples of the world such a concert of purpose and of action as will henceforth insure the observance of those principles. * * * We are glad, now that we see the facts with no veil of false pretense about them to fight thus for the ultimate peace of the world and for the liberation of its peoples, the German peoples included, for the rights of nations great and small, and the privilege of men everywhere to choose their way of life and of obedience. The world must be made safe for democracy. Its peace must be planted upon the tested foundations of political liberty. We have no selfish ends to serve. We desire no conquest, no dominion. We seek no indemnities for ourselves, no material compensation for the sacrifices we shall freely make. We are but one of the champions of the rights of mankind. We shall be satisfied when those rights have been made as secure as the faith and the freedom of nations can make them.

Later, on May 13, 1917, President Wilson, speaking on the occasion of the dedication of the Red Cross Building here in Washington, said:

> We have gone in with no special grievance of our own, because we have always said that we were the friends and servants of mankind. We look for no profit. We look for no advantage. We shall accept no advantage out of this war.

It is due the President to say that he later said he did not mean to apply that we had no grievance. That we do have a grievance nobody denies. In the President's appeal to the Nation he said that we had entered the grim and terrible war "for democracy and human rights."

If the President's message to Congress stated our real grievance, and truly set forth the cause of war, we have entered it largely to vindicate and make possible the democracy of the world; to overturn plutocracy and set up democracy among the nations across the seas. I do not believe that we should have entered this world conflict for the accomplishment of that end. We should leave free the various governments of the world to work out their own problems and live under whatever form of Government they may desire. But a majority of the Members of Congress shared the views entertained by the President, and at 3 o'clock at night, on April 5, by a vote of 373 to 50, the House declared that a state of war existed between the United States and the Imperial Government of Germany, and "all of the resources of the country" were pledged to bring the conflict to a successful termination.

THE $1,800,000,000 REVENUE BILL.

It is proposed to raise this year by direct taxation nearly $2,000,000,000 to meet the first year's expenses of the war. Since war has been declared and since we are now into it, I feel that it is my duty to support every reasonable measure for its successful prosecution, and I am sorry I can not see my way clear to support this bill.

I could not and did not vote for the selective draft or conscription bill, and I can not vote for this one. I did vote, though, to increase the pay of the soldiers, who had to go to war, to $30 per month, and that is not near enough. This revenue bill proceeds upon the wrong principle. It undertakes to make the present generation bear the costs of the war. That is not right. If this war benefits anybody much in this country except munition makers, money lenders, the purchasers of foreign bonds, and a few others—and I do not object to them paying—it will be the people of future generations and not those living in the present one; and the people of future generations and not those of the present one should be made to pay most of the money cost of this war.

Is it not enough for the present generation to do the fighting and suffer the pangs, heartaches, and hardships incident to this war? Is it not enough for the present generation to have its great industrial life disarranged, disorganized, and upset without taxing it to death to meet the expenses of the war as they are incurred? You can not kill the cow and still get the milk. You can not tax industries and people out of business and still expect incomes from them. Is it not enough for the present generation to fight the battles and bear the high cost of living? It can not do that and still have money to meet these exorbitant taxes. If a long time ago this Democratic administration had stopped the shipment of foodstuffs, arms, and ammunition to the allies, war might have been avoided, and certain it is that the food problem in this country would not be so grave and serious as it is to-day. People from my district write me that these are the hardest times they have ever experienced. Corn, for example, is selling there for $2.25 per bushel; flour, $16 to $18 per barrel; bacon, 30 cents to 40 cents per pound; and other things in proportion. I paid 60 cents this morning for a pound of butter. People in my district, many of them, are suffering as the result of the exorbitant prices they have to pay for the necessaries of life; yet you propose to unduly tax and burden them in this revenue bill.

As an example, Mr. Chairman, tea and coffee are set aside, and there is imposed upon those two articles a special tax over and above the articles taxed in section 1000. In other words, section 1000 imposed a duty of 10 per cent on articles imported into this country after this act becomes a law. On shoes, clothing, tea, coffee, and everything else that may be imported into this country after this act becomes a law there is a duty of 10 per cent imposed. But in the case of tea and coffee, the poor man's drink, you undertake to impose a duty upon the tea and coffee in this country on the 10th day of May and between the 10th of May and the time this act becomes a law. In other words, you are setting those two articles aside for special taxation over and above the 10 per cent duty imposed on the tea and coffee that comes to this country after this act becomes a law.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. POWERS. I yield.

Mr. GREEN of Iowa. The committee did that for the reason that they thought that if this last amendment was not imposed the importer or jobber who had this stock on hand would simply add the tax to his price because he could get it.

Mr. POWERS. For the same reason you ought to have put a tax on every other article now in this country and touched by this bill, because if your argument applies and is sound as to tea and coffee it is also sound as to everything else.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. POWERS. Yes.

Mr. MOORE of Pennsylvania. I will say to the gentleman that there is a very wide margin between the price the importer pays for tea and coffee and the price the consumer pays.

Mr. POWERS. I realize that; and it is not only true of tea and coffee but of other things, besides what is to hinder the importer from adding the 1 cent per pound on coffee and the 2 cents per pound on the tea now on hand and making the consumer pay it?

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. POWERS. Yes.

Mr. JOHNSON of Washington. What does the gentleman think of the plan of putting a tax on tea and coffee and following it up with a law regulating food prices? Would it not be the proper thing to make them a monopoly right off and take possession of them by the Government?

Mr. POWERS. The question you present is a big one, and I am sorry my time will not permit me to go into it. There are so many unfair provisions in this law that I expect to cast my vote against it. Long-time bonds ought to be issued and a protective tariff laid to get the money to carry on this war and meet most of its expenses. The future generations—those most likely to be benefited—could pay off the bonds without material hardships. The tariff is the time-honored way of the Republican Party for raising revenue. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The amendment was agreed to.

Mr. LANGLEY. Mr. Chairman, I offer an amendment to strike out the paragraph.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky [Mr. LANGLEY].

The Clerk read as follows:

Amendment offered by Mr. LANGLEY: Page 48, strike out lines 1 to 9, inclusive.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. LANGLEY] to strike out the paragraph or section.

The amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 48, line 1, after the word "tea," insert "or Postum, or any imitation of or substitute for coffee or tea"; and on line 8, after the word "coffee," insert "or any imitation of or substitute for coffee"; and on line 9, after the word "tea," insert "or any imitation of or substitute for tea"; "and there shall be levied, assessed, collected, and paid a tax of 1 cent per pound in the case of Postum or any imitation of or any substitute for coffee or tea by whatever name known, designated, or sold, which is manufactured, prepared, or made in the United States."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Has all time expired?

The CHAIRMAN. No; the gentleman from New York is entitled to five minutes.

Mr. KITCHIN. I ask unanimous consent that all debate on this close in six minutes.

Mr. LAGUARDIA. I will be through in three minutes.

Mr. KITCHIN. In five minutes, then.

Mr. MOORE of Pennsylvania. I reserve a point of order on the amendment.

Mr. HUDDLESTON. I want five minutes on the title.

Mr. EMERSON. I would like one minute.

Mr. KITCHIN. Then I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. MOORE of Pennsylvania. Reserving the right to object——

Mr. HUDDLESTON. Reserving the right to object, I have an amendment to strike out the entire paragraph. I should like to know whether this agreement would prevent that.

The CHAIRMAN. Is that to strike out section 101?

Mr. HUDDLESTON. No; the whole of Title X.

The CHAIRMAN. The gentleman's motion will be in order after the perfecting amendments have been voted on.

Mr. KIESS of Pennsylvania. Will the agreement preclude debate on amendments?

Mr. KITCHIN. No; the gentleman will be included.

Mr. LAGUARDIA. Mr. Chairman——

The CHAIRMAN. Just a moment. What is the request of the gentleman from North Carolina?

Mr. KITCHIN. I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate on this section and amendments thereto shall terminate in 10 minutes. Is there objection?

There was no objection.

The CHAIRMAN. Will the gentleman from North Carolina arrange the division of the 10 minutes?

Mr. KITCHIN. The gentleman from New York [Mr. LAGUARDIA] wants three minutes.

The CHAIRMAN. The gentleman from New York [Mr. LAGUARDIA] is recognized for three minutes.

Mr. LAGUARDIA. Mr. Chairman, my amendment covers all imitations or substitutes for coffee or tea. The bill provides for a tax on coffee and tea, which will increase the price and which will encourage the marketing of spurious imitations and dangerous substitutes. If you have these imitations on the market, you will not collect the revenue that you expect to collect under this bill. Moreover, we want to discourage some of the substitutes and imitations that are now on the market that contain drugs that are injurious to health. We do not want to have a Nation of chronic dyspeptics or drug addicts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The amendment was rejected.

Mr. EMERSON. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Ohio come under the agreement as to time?

Mr. KITCHIN. One minute.

The CHAIRMAN. The gentleman from Ohio [Mr. EMERSON] is recognized for one minute.

Mr. EMERSON. I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. EMERSON: Page 48, line 13, after the word "paid," insert as a new section:

"The song 'The Star-Spangled Banner' is hereby declared to be the national anthem of the United States of America."

Mr. EMERSON. Mr. Chairman, strange as it may seem——

Mr. HUDDLESTON. Mr. Chairman, I make a point of order against the amendment.

Mr. EMERSON. On the point of order I want to say that I take my hat off to the nerve of the man who will stand up against my amendment and make a point of order against it.

The CHAIRMAN. The point of order is sustained.

Mr. HUDDLESTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Strike out all of Title X.

Mr. HUDDLESTON. Mr. Chairman, I take it as axiomatic that the burdens of government should be borne in the same proportions as its benefits are shared. We start out with that principle. The principle is tempered by the qualification that the burdens of government must never exceed the citizen's ability to bear them, and by the further qualification that government must never cost the citizen more than it is worth to him. If a government costs more than it is worth, then it is not fit to exist. Of course, I do not refer wholly to financial and material benefits, but include all the benefits of government which may come to the citizen.

I have criticized this title in the bill as levying a per capita tax on the people of the United States. If the committee had sought to levy an equal tax upon every man in the United States, whether rich or poor, it could not have devised a more effective method to do so.

It seems to me that this title ought to be stricken out. Every member of the committee who has spoken on the question has admitted that this title in the bill is vicious and defective. It is the most unscientific title in the whole bill or any bill that has ever been presented to Congress touching the subject of taxation.

Mr. KIESS of Pennsylvania. Mr. Chairman, I have no desire to occupy the time of the House in an extended discussion of the subject under consideration. I do want, in behalf of the constituency I have the honor to represent, to protest against the method that has been pursued in framing this important legislation and against its passage in the form it was reported to the House. Personally I have no sympathy with the contention that we should accept this bill as it came from the committee and expect the Senate to rewrite it in proper form. There is every reason why the House should prepare and pass a proper revenue bill, and the Constitution particularly delegates that power to us when it provides that all revenue measures must originate in the House. We are therefore shirking our duty if we shift the responsibility for framing revenue legislation upon the Senate. Never before in the Nation's history have we been confronted with such tremendous and far-reaching problems; never before has the world faced such a struggle. With millions of my fellow citizens I had earnestly hoped that the tragedy of our entrance in this holocaust might be averted. [Applause.] With unparalleled patience this Nation sought to find a way of maintaining an honorable neutrality and preserving the rights of her citizenship. History shows no more zealous advocate for world peace than this Nation has exemplified. Tolerant of injured rights to the last degree, nothing remained for us but to express in formal declaration that, war

having been made upon us, we must defend our national honor against the aggression of those who would destroy our property and sacrifice the lives of our citizens on war's red altar. The first steps have been taken. We can not now retrace. The Nation has spoken; while the conflict lasts its word will not be recalled. Engaged as we are, we can not do otherwise than adequately prepare for every phase of future conflict or defense. The best political and social economy recognizes the importance of a preparation for peace as well as for war. Adequate military and naval protection is not necessarily a tendency toward militarism. In civil life we protect our homes and firesides against marauders. Shall we not, then, provide that protection for the country that symbolizes our common home? Pacifism that is supine, indifferent to assault, negligent, and colorless leads to national decadence.

The history of civilization is in nothing more clear than that the downfall of nations has been due to one of two causes, either through the overwrought ambition to dominate by force or power or else by the insidious sapping of the vital elements through luxury and overindulgence. A half century of peace has put into the background the qualities that find expression in the stir of war. Except for the brief event of the Spanish-American War which stirred our patriotic fervor, we have had no occasion to be aroused. Our isolation has been our defense. But to-day the Nation has a realization that the world little dreamed of a decade ago. Whatever may be the issues of the war, new adjustments must be made. New conditions must be met. New and perplexing problems will come up for solution. So long as we were isolated and our existence merely individual it was of little immediate consequence what our status of preparedness for war might be; but the moment we became a part of the concert of nations a new obligation forced itself upon us. And that obligation was a clarion call, a trumpet sound that calls in no uncertain tones for a preparation that in the near or remote future makes for permanent peace. [Applause.] Much as we deplore the necessity that has determined for us a prominent part in the world war, we have no alternative but to prosecute with vigor the tremendous task we have undertaken. Our lines of defense must be established. Men and munitions must be supplied. Our preparation shall be for ultimate peace as well as for the immediate war. A common country is awake to the issues. It will not count the cost, realizing, as it does, that the interests of democracy and humanity are at stake.

During the period leading to our declaration of war and since that time I have tried consistently to support the administration in its policies. I voted for all preparedness legislation in the Sixty-third and Sixty-fourth Congresses. I supported the armed-neutrality bill, the war declaration, the bond issue, the espionage bill, and the new Army bill just passed. I realize that we must raise a large sum of money to carry on the war, and am willing to vote for any reasonable revenue measure. I am not willing, however, at this time to inflict the additional taxes proposed in this bill upon our people. I am not convinced that it is necessary to do so at the present time, and believe that the bill should be amended so that instead of raising the proposed $1,800,000,000 by direct taxation a part of this money should be raised, if needed, by the sale of short-term bonds. We claim that this is a war for humanity; then, why should this generation bear more than its share of the expenses and burdens? Why should the business of to-day be required to bear the burdens of the war to the point of confiscation or destruction? If, as has been indicated, it will be necessary to raise more money within the next year, the time between this and the convening of Congress next December could be used to good advantage by the Ways and Means Committee in drafting a bill that will be more equitable and scientific than the measure now before the House. The most enthusiastic supporter of the present bill justifies it only on the ground that we need the money. I fully agree with the plan of increasing the tax on incomes and excess profits; but I am opposed at this time to levying taxes upon the necessities of life, which must be paid by the people of moderate means. With the present high cost of living the average wage earner has all he can do to earn a living without paying increased taxes.

I also favor prompt legislation to prevent food speculators from manipulating the price of food, and believe that drastic measures should be enacted to prevent same. [Applause.]

Speaking more specifically for my constituency, I wish to say that though many are bound by ties of kinship to the powers with which we are at war, yet they do not hesitate to declare their full-hearted allegiance to the land that has become their permanent home. They will not fail or falter in their loyalty, devotion, and support of every measure that stands for humanity. Few, if any, communities in any States have, regardless of State or National aid, inaugurated such extensive movements looking toward the conservation of every type of industry and activity so that we may be fully prepared for every emergency. The farmers are intensifying their activities to meet one of the most fundamental needs. Everywhere in my district there is enthusiastic response to the call of farm service. In the mining sections and in all lines of industrial achievement my people are eagerly making the best possible adjustments to render the most effective service. Financial institutions and agencies have given ungrudging support to every kind of endeavor. Having thus committed themselves to broad and liberal policies, they have every right to expect that this Congress will use its great powers in organizing the resources of men and material efficiently and economically; that partisanship shall play no part in the distribution of duties or honors; that the taxes necessary to support our cause shall be reasonably assessed and economically administered and that no narrow or selfish motives shall determine our votes in the difficult and exacting problems we shall be called upon to solve. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HUDDLESTON].

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 9, noes 91.

So the amendment was rejected.

The Clerk read as follows:

SEC. 1102. That where additional taxes are imposed by this act upon articles or commodities upon which the tax imposed by existing law has been paid, the person, corporation, partnership, or association required by this act to pay the tax shall make return under oath in such form and under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe. The tax shown to be due by such return shall be collected by assessment, or paid by stamp, as the Commissioner of Internal Revenue may determine.

Mr. KITCHIN. Mr. Chairman, I have an amendment which I desire to offer.

The Clerk read as follows:

On page 49, strike out the words in lines 23 and 24, as follows: "Or paid by stamp, as the Commissioner of Internal Revenue may determine," and insert the following: "and paid on or before November 1, 1917."

Mr. KITCHIN. That simply extends the time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 1104. That whoever fails to make any return required by this act or the regulations made under authority thereof within the time prescribed or who makes any false or fraudulent return, and whoever evades or attempts to evade any tax imposed by this act or fails to collect or truly to account for and pay over any such tax, shall be subject to a penalty of not more than $1,000, or to imprisonment for not more than one year, or both, at the discretion of the court, and in addition thereto a penalty of double the tax evaded, or not collected, or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected, in any case in which the punishment is not otherwise specifically provided.

Mr. FRENCH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amend, page 50, line 22, by adding, after the period in said line, the following:

"The Secretary of the Treasury, at a date to be fixed by him, shall cause a list of the individuals, citizens, or residents from whom has been collected an income tax under the provisions of this act to be posted in a public place in a post office in the county or other municipality designated by him, in which may be the home of such persons, the names of all those persons, residents thereof, coming under the income-tax provisions of this act: *Provided*, That a list of all those persons coming under the provisions of this act whose domicile may be beyond the boundaries of the United States shall be available for public inspection at the office of the Secretary of the Treasury."

Mr. LONGWORTH. Mr. Chairman, I reserve a point of order on that.

Mr. FRENCH. Mr. Chairman, the object of the amendment must be apparent. A few days ago an amendment was proposed requiring the publicity of the income-tax returns made by individuals under this act. I thought that amendment was wise and voted for it. However, an overwhelming majority of the Members who voted upon the proposition were against the amendment, and it failed of adoption. I can see no good reason why that amendment should not have prevailed. It is exactly in line with the policy we apply throughout the country in our methods of taxation. Why should there be secrecy with regard to the property that any citizen of the country possesses, and why should we not follow the policy that is now followed of making the tax records of the various States available for public scrutiny? Indeed, this very publicity makes for honesty and prevents favoritism in the administration of the tax laws of the various States. I can see no valid reason why the same principle should not be applied to the income tax. However, the House has decreed otherwise.

The amendment that I propose falls far short of that which the House voted down last Friday. The amendment that I

propose, if enacted into law, will require that there shall be published in each county of the United States in some post office of the county a list of those residents of the county whose income is so large that they are required to come within the provisions of the law. It is not required that any publicity shall be made of the returns set forth by each individual. All that is required is that the name of each individual paying an income tax shall be posted. It seems to me that all the objections that were urged against the amendment offered a few days ago can not apply to this proposition, because there is disclosed nothing of the business of the individual, nothing of his sources of income that Members thought objectionable, nothing other than the fact that he has an income large enough to come within the provisions of the law.

It is impossible for this Government to maintain a spy system that will be adequate to check up on the consciences, much less the conduct of the citizens of our country. We abhor a spy system anyway. Most of the people of this country are loyal and desire to bear their part of the burden of the responsibility of the Government. All of such people will gladly welcome whatever publicity may come from the fact that their names may be published for a few days as those paying income taxes in order that the dishonest or indifferent citizens may, through the absence of the publication of their names, be singled out by citizens of the respective communities and be required to pay the same taxes which their honest neighbors have already been asked to pay.

I do not believe in a law that puts a premium upon the rogue. I do not believe in a law that encourages the evasion of taxes. I do not believe in a law that is enforced largely by the conscience of the honest man and that fails of enforcement when applied to the dishonest, because there is no conscience there to direct a compliance with the law. For this reason I hope that my amendment may prevail.

Not many days ago you passed a law providing for the policy of the selective draft. You provided in that law that all male persons between the ages of 21 and 30 present themselves for and submit to registration under the provisions of the act. The law gave to the President the power to direct the persons before whom such appearance should be made, and the law further imposed a heavy penalty of punishment by imprisonment up to one year for any person who failed, of his own volition, to present himself for registration.

Gentlemen, we did not leave this matter to the conscience of the citizens generally of the country, and yet here is a matter that involves the life, maybe, of our people; that involves, at least, the possibility of military service. We saw at once that it would be impossible to have a host of secret service agents and spies go through the country and report an eligible list of men between the ages of 21 and 30. We saw at once that the only reasonable and practicable way by which this list could be prepared within a short time would be by requiring every male citizen between the ages indicated not to wait until he was called, but to go forward and to register that the country might know his age and his residence. And then, gentlemen, we left the element of notoriety in the community and the community conscience, as well as the conscience of the individual, to see to it that full registration is made. Aye, indeed, we have gone beyond this, and we have provided a penalty that means imprisonment upon the person who fails to respond.

Shall we say that as applied to the selective draft the provision is reasonable, but that as applied to the question of raising revenue the same measure of publicity is unreasonable? Gentlemen, I think not. If it is reasonable in the one instance it is reasonable in the other. Indeed, I am not sure that we should not go beyond what I have suggested in the amendment and provide not merely for the publication of the names of those who come under the provisions of the income-tax law, but that we should require, as we do in the selective-draft law, the citizens of the country to voluntarily come forward within certain dates and report to proper officers their income if it shall be in excess of the amount provided in the law. It will be seen that the amendment that I have introduced falls far short of being as extreme as that which you have already applied to the tax that you are making upon the manhood of the country.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. MOORE of Pennsylvania. Does the gentleman know the probable cost of the publication of the names of the individuals and the number of people that would be employed in order to post this information?

Mr. FRENCH. I have not made any estimate on that. I have not any figures on it, but the proposition is very analogous to the system we follow in all cities and counties of having our tax lists, our tax rolls, made up so that we can know something of what the individuals throughout the different counties are doing.

Mr. O'SHAUNESSY. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. O'SHAUNESSY. I desire to ask the gentleman how he would provide for that where there is a great number of income-tax payers. I like the idea, but would the gentleman have a book published and placed in a public building or post office?

Mr. FRENCH. I have no doubt that that would be the arrangement that the Secretary of the Treasury would provide. The language of the amendment is intended to be very liberal and to give a great deal of administrative discretion.

Mr. O'SHAUNESSY. I am thinking of the large cities, and I would favor the amendment if it was practical, because I believe the financial slackers of the Nation should be conscripted.

Mr. FRENCH. I have no doubt that the financial slackers would more than pay the expense of this added institution. I would say this, that some days ago the House voted out a proposition to require publicity of incomes and the sources of incomes. It seemed in the judgment of the House that that was going too far. Here is a proposition that does not contemplate that at all, but merely contemplates that there shall be in each county a list of those who are amenable to the law, and then we will let public opinion assist the conscience of those who would otherwise be slackers in impelling them to come under the provisions of the law.

Mr. RAGSDALE. Would it not give it sufficient notoriety to put it in the Official Bulletin?

Mr. RAINEY. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. RAINEY. Does the gentleman know how much this would cost?

Mr. FRENCH. I have not an estimate of that.

Mr. RAINEY. It would cost $500,000; and how would the gentleman reach those income-tax payers by this method whose income is paid at the source entirely?

Mr. FRENCH. I have not attempted especially to reach them, and their taxes will be paid at the source.

Mr. O'SHAUNESSY. I wish to say to the gentleman from Illinois that the Commissioner of Internal Revenue said to me, and I presume to other Members of this body, that for every million dollars given to him he could collect, I think, ten or fifteen million dollars from those who were evading their honest taxes.

Mr. RAINEY. The administrative features are the difficult features connected with it.

Mr. FRENCH. Gentlemen, I am not much given to criticism of our country and our people. On the other hand, I believe in our country and I believe in the loyalty and devotion of most of the people who make up our country. In the public speaking that I do in my home State and in many of the States of this Union I preach the doctrine that our country is the best country on earth, that our people for the most part are governed by pure motives, and that our public officials have in their hearts for the most part the purpose of contributing their mite to making our country a still better place in which to live and making better the conditions of the average man and the average woman within our land. Mr. Chairman, this is a sort of hobby of mine and I believe that it is necessary that we preach this doctrine in order that we counteract honest mistakes and opinions of sincere men and the malicious falsehoods that are being circulated by irresponsible and erratic creatures who make their living by preying upon the credulity and passions of those who have confidence in them. But, Mr. Chairman, loyal as we may be to our country, and loyal as we may be to the rank and file of those who make up our citizenship, we can not be blind to the fact that here and there in small ways and in big ways there are some who fall below the standard of honor and loyalty and patriotism that is measured up to by the masses of our people. Indeed, were it not for such people government would be quite simple. It is to meet just such persons as these that we should pass the amendment that I have proposed.

Mr. Chairman, it seems incredible that there should be in our land any who look upon the misfortune of the world at this hour not as a misfortune, not as a calamity, but as a glorious opportunity. I have here a book entitled "The Book of Daniel Drew." You remember that Daniel Drew was one of that coterie of New York men engaged in high finance 50 years ago. He was one of the Tweed gang; he was one of the men that made fortunes out of the sorrows of our country in the days of the Civil War. He prepared and outlined a confession or statement of his life, which has been edited by Mr. B. W. White and published under the title that I have mentioned. On pages 160

to 162 we find remarkable statements Daniel Drew is quoted as having said:

What won't make butter must go into cheese. If the war must come, I decided to make it help my fortunes. And I must say that I soon began to wonder how I had been of two minds as to the advantage or disadvantage of a war. For I saw very quickly that the War of the Rebellion was going to be a money-maker for me. * * *

I found myelf getting really interested in the movements of armies and such-like things. * * *

In fact, we financial men organized a way for getting early news from the seat of war. A silver key will open any kind of a lock. We had on our pay roll sutlers, reporters, private soldiers, and officers even up to generals. Also, there were politicians in Washington, even a Congressman or two, whom we used to pay. * * *

We didn't dare make offers of this kind to Abe himself. Lincoln was an unpractical man, so far as making money went. All he thought about was to save the Union. * * *

I got to taking a great interest in the boys in blue. I came to look upon them as heroes. * * *

They were beating the waters, so to speak, and we in Wall Street were getting the fish. * * *

When Richmond was finally taken, I for one was sorry to have the war come to an end, so great had been my change of view toward the whole affair.

Gentlemen, listen again to those final words:

When Richmond was finally taken, I for one was sorry to have the war come to an end.

My God! Can it be possible that a human being can so debase himself by any process of reasoning or logic that he will regret to see the end come to so horrible a national affliction as the Civil War because he will have to look to new avenues of industry to make his profits? Gentlemen, I am glad to say that, for my part, I believe that Daniel Drews were few in those days. I believe that Daniel Drews are few in our land to-day, but I believe that it is the duty of this Congress to see to it that dishonest men shall pay the same tax that is required of the man who is honest in his private affairs and who is honest toward his government. There was a Judas among the 12, we are told, and here and there is the rascal who seeks to evade his responsibility, and to make him bear the duty that is imposed upon citizens generally is a part of the duty that this Congress must perform. I shall not take the time of the House to refer at length to the incomes that are being made by numerous concerns and individuals throughout the United States as a result of the havoc that has been going on during the last three years. In a statement that appears in the CONGRESSIONAL RECORD of May 18, prepared by the American committee on war finance, there is set forth the amazing profits, staggering almost in their immensity, that have been made by concerns within our own land at the expense of the blood and sorrows of Europe. I have been in favor of taxing the profits of these concerns for the maintenance of our Government. I have been in favor of taxing the large incomes of these men engaged especially in this line of business for the support of the administration at the present time; and, gentlemen, I believe that we should so enact this law as to leave no avenue open whereby any may escape through his lack of conscience the same responsibility that is imposed upon the honest citizen who will come forward and say, "Here is my income and here is my contribution to the Government under the laws that you have passed." Gentlemen, publicity will be the great stimulant to the conscience of some of these men, and discovery through the publicity will be the agency for reaching those who can not even be touched by publicity, but will be compelled to share the responsibility of the hour.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. LONGWORTH. No.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

Mr. HUDDLESTON. Mr. Chairman, let us have the amendment again reported.

Mr. MANN. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was rejected.

Mr. FRENCH. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. FRENCH: Page 50, line 22, amend by adding, after the period in said line, the following:

"A list of all those names coming under the provisions of this act shall be available for public inspection at the office of the Secretary of the Treasury."

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. MANN. When?

Mr. FRENCH. I would be very glad to carry into that the provision that was in the other amendment.

Mr. MANN. I am not asking about the other amendment; I am asking about this.

Mr. FRENCH. I should suppose that it would be at all times. They would be open to inspection at all times.

Mr. MANN. You make your return at present before the 1st of March. I suppose the gentleman has just received in the last few days his notice of his income tax from the local office. They have not got his name in the office of the Commissioner of Internal Revenue here, and they will not have until they audit those accounts, and then it will take a large number of clerks quite a length of time to put the names in the volume where they belong. I do not care how many are made public, but it seems to me it would be just adding a very considerable expense with no possible benefit. It is a good deal like that provision of the Constitution that requires detailed statements of all expenses to be published. In the course of time the expenditures of the Government are so great that there is not a man, woman, or child in America who pretends to read even what is published upon the subject, and they do not publish what the Constitution requires, because we have set it aside in that respect, as in some other respects.

Mr. FRENCH. And I have no doubt that the publicity given in the counties of the United States to those who come under the tax laws stimulates immensely the collection of revenues throughout the country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was rejected.

The Clerk read as follows:

SEC. 1106. That where the rate of tax imposed by this act, payable by stamps, is an increase over previously existing rates, stamps on hand in the collectors' offices and in the Bureau of Internal Revenue may continue to be used until the supply on hand is exhausted, but shall be sold and accounted for at the rates provided by this act, and assessment shall be made against manufacturers and other taxpayers having such stamps on hand on the day this act takes effect for the difference between the amount paid for such stamps and the tax due at the rates provided by this act.

Mr. KITCHIN. I have a committee amendment that I would like to offer.

The CHAIRMAN. The gentleman from North Carolina offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 51, after line 12, insert the following:

"SEC. 1107. That (a) if any person, corporation, partnership, or association has prior to April 6, 1917, (1) made a bona fide contract with a dealer for the sale, after the tax takes effect, of any article (or, in the case of moving-picture films, such a contract with a dealer, exchange, or exhibitor for the sale or lease thereof) upon which a tax is imposed under Titles III, IV, VI, or X, or under subdivision 13 of Schedule A of Title VIII, or under this section, or (2) made a bona fide contract for the furnishing of advertising or advertising space, after the tax provided under section 504 or under this section takes effect, and (b) if such contract does not permit the adding of the whole of such tax to the amount to be paid under such contract, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such tax as is not so permitted to be added to the contract price.

"The taxes payable by the vendee or lessee under this section shall be paid to the vendor or lessor at the time the sale or lease is consummated, and collected, returned, and paid to the United States by such vendor or lessor in the same manner as provided in section 503.

"The term 'dealer' as used in this section includes a vendee who purchases any article with intent to use it in the manufacture or production of another article intended for sale."

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. Does the amendment propose to pass a tax on to the purchaser where the contract was made prior to the declaration of war and delivery occurs after the passage of this act?

Mr. KITCHIN. Yes, sir.

Mr. MOORE of Pennsylvania. That is, if the contract had been made prior to the declaration of war?

Mr. KITCHIN. Prior to April 6.

Mr. MOORE of Pennsylvania. If a contract for goods purchased in Canada or somewhere in Europe comes up against the new 10 per cent tariff, for instance, and delivery is not made until after the passage of this act, then the purchaser to whom the goods are delivered would pay that tax?

Mr. KITCHIN. He would pay the tax in cases of that kind.

Mr. JOHNSON of Washington. Will that apply also to those who were shipping by freight, and were unable to get cars, and had made contracts for freight delivery?

Mr. KITCHIN. Yes; for articles mentioned in Title III, beverages; Title IV, tobacco; Title VI, tax on manufactures.

Mr. JOHNSON of Washington. What I meant to ask now was in reference to the section which provides a 3 per cent tax on railroad freight rates. That will not pass?

Mr. KITCHIN. No.

Mr. MANN. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Illinois.

Mr. MANN. The gentleman from Pennsylvania [Mr. MOORE] said if a contract was made prior to the declaration of war. That amendment has no more to do with the declaration of war than the man in the moon. It is April 6, 1917.

Mr. MOORE of Pennsylvania. That is the date of the American declaration of war.

Mr. MANN. Why do you not fix the time when this bill was introduced?

Mr. LEHLBACH. It was reported on May 9.

Mr. MANN. You did not expect people to stop doing business because there was a declaration of war?

Mr. KITCHIN. I really have no objection to that.

Mr. MANN. It would seem to me, under the circumstances, as no one can tell even yet, not even when the House passes the bill, what will be the rate, if the rate should be lowered on the final passage it would hardly be proper for the seller to now add that amount to his selling price. Why do you not put it the date of the passage of the bill?

Mr. KITCHIN. That would be the very thing we would want to avoid.

Mr. MANN. Why do you care? You get it from one or the other.

Mr. KITCHIN. I think it ought to be either the time of the declaration of war or the time of the introduction of the bill.

Mr. MANN. It is perfectly patent, it seems to me, if you fix it at the present date, the seller will now add that amount to the selling price, whereas the final rate may be less. Take the carbonic-acid gas case. A manufacturer now producing carbonic-acid gas will sell it for 4 or 5 cents a pound. If he has to pay 8 cents a pound on that from this date, or thinks he has, he will add that to his present contract price, whereas the final law may provide for 6 cents a pound.

Mr. KITCHIN. But if you have the law as you say, then every man before the law passes will begin to make his contracts, because generally the seller is more keen to the law and what is apt to be the law, and he will make his contracts, and then the purchaser will have to pay this tax.

Mr. MANN. The gentleman expects to have the purchaser pay it, anyhow.

Mr. KITCHIN. And then the purchaser will have to pay the tax, too. He will have to pay twice.

Mr. MANN. I hope the purchaser will not be as simple as that.

Mr. KITCHIN. I think the gentleman's suggestion to make it the date the bill was introduced is all right, because that gave notice that we were going to levy taxes.

Mr. SNYDER. Here is a letter from a lumberman, written to me, in which he says:

I should say not over one-third, probably not over 25 per cent of that, which will come over has been sold before we were acquainted with the fact that probably a 10 per cent ad valorem would be put on, so the Government would get this on a very large part of the lumber coming over.

Mr. KITCHIN. There is nobody injured, except I can imagine one class of people that will possibly be injured; but nobody can be injured substantially, for the reason that it puts it on the purchaser to pay the tax, so that he can recoup when he finally sells to the ultimate consumer.

Mr. BYRNS of Tennessee. I agree that nobody can be injured if the gentleman will make it May 10 or the date the bill was introduced.

Mr. GALLIVAN. Make it May the 9th.

Mr. KITCHIN. I move that we substitute for April 6, 1917, May 9, 1917.

Mr. LEHLBACH. Will the gentleman from North Carolina yield?

Mr. KITCHIN. Yes. But let us finish this, and then I want you to make your statement.

Mr. LEHLBACH. I want to make some more suggestions to you with reference to this.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment.

Mr. KITCHIN. We make it May 9, 1917, instead of April 6. May 9 is the date when we introduced the bill.

Mr. SNYDER. I do not see why it would not be just as proper to make it April 6, the day the war started. This evidence right here shows that these men evidently had notice that 10 per cent was going to be put on practically all of the lumber.

Mr. KITCHIN. There was not a man on the committee who knew we were going to put this into the tariff bill until that afternoon. It was a surprise and real shock to me. I make that motion, Mr. Chairman.

The CHAIRMAN. The motion has been made,

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LEHLBACH. Has the gentleman from North Carolina any objection to placing after the word "article" the words "or commodity"? It is a question whether the term "article" is broad enough.

Mr. KITCHIN. That covers everything.

Mr. LEHLBACH. Is a quantity of gas an article?

Mr. KITCHIN. Yes. It is covered. I guarantee that it covers that proposition.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. FESS. Suppose a wholesaler has a contract already existing and the price has been fixed. Does this amendment permit him to put the addition upon the vendee instead of the vendor?

Mr. KITCHIN. Upon the vendee, provided he is a retailer or dealer, so that he can put it on the final purchaser. Mr. Chairman, I ask for a vote.

Mr. LEHLBACH. Mr. Chairman, I have some amendments to offer. Is this a vote on the committee amendment?

The CHAIRMAN. It is.

Mr. KITCHIN. I ask for a vote on the committee amendment.

Mr. LEHLBACH. If a vote is going to be called for I will not offer my amendment.

Mr. KITCHIN. The gentleman can offer it afterwards.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH to the committee amendment: Page —, after the word "article," in line —, insert the following: "or commodity."

Mr. LEHLBACH. Mr. Chairman, I will withdraw that amendment and offer another.

The CHAIRMAN. The gentleman withdraws his amendment and offers another. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH to the committee amendment: After the word "delivery," in line —, strike out the comma and the words "after the tax takes effect."

Mr. KITCHIN. What line is this?

Mr. LEHLBACH. That is where the word "delivery" occurs the first time. I do not have the copy with me. It will read "sale and delivery after the tax takes effect."

Mr. KITCHIN. That is the very object, to protect them.

Mr. LEHLBACH. If the sale and delivery does not take place after the tax takes effect this entire bill does not affect it at all. If the sale or delivery is subject to the provisions of this law, it does not make the slightest bit of difference whether the contract itself in express terms provides for the sale and delivery after the act takes effect, or whether the practical exigencies of the case make the delivery take place after the act takes effect. In other words, here is a contract to furnish a man with a year's supply of something within a year. The contract does not specify that this sale or delivery must necessarily take place after the act takes effect. It can be called for now, although in the ordinary course of business it would not be called for until August or September. The way it is drawn now you make an express contract for sale and delivery after the act takes place. In other words, the sale and delivery in accordance with the terms of a contract must take place after the act takes place. It excludes contracts as to which the time is not specified.

Mr. KITCHIN. Mr. Chairman, let us have a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New Jersey.

The question was taken, and the amendment was rejected.

Mr. LEHLBACH. Mr. Chairman, I withdrew the other amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to section 602. The gentleman from Pennsylvania [Mr. GRAHAM] called my attention to it. I wish to offer an amendment there.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to return to section 602, on page 29, for the purpose of offering an amendment. Is there objection?

There was no objection.

Mr. KITCHIN. Yesterday we struck out section 602 and section 603 and inserted a new section 602, as appears in the RECORD, at page 2868. I want to add, after that new section, these words: "Nothing in this section shall be construed to impose a tax upon articles sold or delivered prior to April 6, 1917, where the title is reserved in the vendor as security for the

payment of the purchase money." I will change the date to May 9.

We should have added this provision to the section yesterday. It covers cases of this kind: Articles which are sold and already delivered and the title retained in the vendor for the balance of the purchase money. We do not want a man in such a case to pay any tax if the sale was really made before May 9. For instance, here is a piano manufacturer. He may have millions of dollars' worth of pianos out on the installment plan. A purchaser has it in his house and perhaps there remains due on his piano only $15, as the last installment. We did not intend to impose a tax on that purchaser. That is the reason for suggesting this amendment.

Mr. MANN. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. MANN. Does the gentleman really think we ought to fix that date—May 9?

Mr. KITCHIN. I rather think so.

Mr. MANN. The business will not cease between May 9 and, say, August 1, when this bill becomes a law. [Laughter.] I am not facetious. If this 5 per cent tax should go out in the course of the movement of this legislation through Congress, and from this date on the seller should add 5 per cent to the selling price, the purchaser would be mulct to that extent, and the Government would not get a cent out of it. If the seller does not add the 5 per cent, but takes his chances on it, he may be bankrupted if he has a large and thriving business and not much capital. Of course, that does not necessarily follow. But to pick out May 9, when nobody could, of course, contemplate that that would be the date selected, from May 9 up to the present time it would be a tax on the seller, but from the time this goes into effect, when word goes out to the manufacturers and sellers, if they add this to the price—and I suppose most pianos are sold on the installment plan—this tax would be added to the price which the purchaser paid, although the tax may not finally remain in the bill.

Mr. KITCHIN. I do not think we ought to strike out May 9, 1917, and specify that this tax shall not apply to sales of the kind specified and made prior to the time this tax goes into effect. I think nineteen out of twenty of the vendors, as soon as this bill was reported, added this tax to their selling price and to all contracts for the future, because they said, "Why, Congress is going to impose that tax." They ought to pay the tax in such cases.

Mr. MANN. Yes; but why should they do it up to the present time? Nobody has had to pay the tax up to the present time. There is nothing in this bill that would require them to pay it unless this provision goes in.

Mr. KITCHIN. If you leave this provision out, then hundreds of people will have stocked up in anticipation of the passage of the law and we could not catch them at all.

Mr. MANN. Oh, no; not hundreds of persons. These instalment sales, if that is what the gentleman refers to, only apply to small purchasers, individual purchasers. It seems to me you ought not to go back of the present date at least, and I think the result will be that a whole lot of purchasers will pay to the seller this extra 5 per cent, and there is more than an even chance that the 5 per cent will be cut down before this bill becomes a law, or will be stricken out entirely.

Mr. KITCHIN. If you put it at the time the act takes effect every one who sells one of these articles from now on, or who has sold it from the time when this bill was reported, will have added the amount of the tax to his sales. I believe it is best to let it stay at May 9.

I ask unanimous consent that, in the substitute which was adopted for sections 602 and 603, and which appears at page 2868 of yesterday's CONGRESSIONAL RECORD, the Clerk be authorized to change the date April 6 to May 9.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify that amendment as stated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will again report the amendment of the gentleman from North Carolina.

The Clerk read as follows:

After the new section 602, agreed to yesterday, and which appears in the CONGRESSIONAL RECORD of May 21, 1917, at page 2868, insert a new paragraph, as follows:

"Nothing in this section shall be construed to impose a tax upon articles sold and delivered prior to May 9, 1917, where the title is reserved in the vendor as security for the payment of the purchase money."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The Clerk read as follows:

TITLE XII—POSTAL RATES.

SEC. 1200. That the rate of postage on all mail matter of the first class, except postal cards, shall hereafter be, in addition to the existing rate, 1 cent for each ounce or fraction thereof. Postal cards, and private mailing or post cards when complying with the requirements of existing law, shall be transmitted through the mails at 1 cent each in addition to the existing rate.

Mr. KITCHIN. I ask unanimous consent that all debate on this section and amendments thereto close in 30 minutes.

Mr. JOHNSON of Washington. Amendments to section 1200?

Mr. KITCHIN. Yes.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all debate on this section and amendments thereto close in 30 minutes. Is there objection?

Mr. MOORE of Pennsylvania. That section applies only to first-class matter.

Mr. KITCHIN. This applies only to first-class matter.

Mr. LARSEN. Reserving the right to object, I should like to know how you expect to divide that time? I should like to have a little time on this section myself.

Mr. KITCHIN. On the first section?

Mr. LARSEN. Yes.

Mr. KITCHIN. Does the gentleman want five minutes?

Mr. LARSEN. Yes; I would like five minutes.

Mr. SEARS. I would like seven minutes. I have two amendments.

Mr. KITCHIN. Let us make it 35 minutes, then.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this paragraph, section 1200, and all amendments thereto close in 35 minutes. Is there objection?

There was no objection.

The CHAIRMAN. Does the Chair understand the gentleman from North Carolina to specify who is to have the time?

Mr. KITCHIN. The gentlemen who desire to speak will give their names to the Chair.

The CHAIRMAN. The Chair would like to know, so as not to get them confused.

Mr. KITCHIN. The gentleman from California, Mr. RANDALL, desires 5 minutes; the gentleman from Florida, Mr. SEARS, 7 minutes; the gentleman from Georgia, Mr. LARSEN, 5 minutes; the gentleman from Illinois, Mr. KING, 3 minutes; the gentleman from New York, Mr. PLATT, 5 minutes; the gentleman from New York, Mr. CHANDLER, 5 minutes; and I want 5 minutes.

Mr. COX. Reserving the right to object——

The CHAIRMAN. It is too late to object. The agreement has been made.

Mr. KITCHIN. I will leave the Chair to work it out, because several gentlemen who had not asked me for time when the request was made are asking for it now.

Mr. LARSEN. Mr. Chairman and gentlemen of the House, the chairman of the Ways and Means Committee assures us that the proposed measure is not entirely satisfactory to any member of his committee, and I doubt whether it meets the approval of any Member of the House. As for myself, it is in many respects very unsatisfactory, and at this time I feel sure it will not be so re-formed or amended as to meet my entire approval. But we should all realize that the bill is a war measure, drawn under war conditions, to meet an extraordinary demand imposed upon the American people as a result of our Nation being drawn into such an enormous conflict. Upon this principle, and perhaps this alone, can we justify such action.

It is certainly gratifying to be assured by the committee that the bill is not a political measure and that no political dissension crept into its consideration before the committee.

We all appreciate the liberality with which the Ways and Means Committee has received proposed amendments. I have voted for many and shall continue to vote for all others which will, in my opinion, tend to lift the financial burden of this war from the shoulders of the producer and the laboring classes, but I realize we can not relieve it all. In doing so, I am actuated by no unkind feeling toward capital or the wealthy classes. I wish we had more of both. But I feel that capital and especially accumulated fortunes should bear the financial burdens of this great struggle upon the principle of simple justice—that the strong should bear the burdens of the weak, and especially in times of national disaster and distress.

While the measure is not a political one, still we can not consent to pass without challenge certain statements of a sectional character made by the venerable and distinguished gentleman from Illinois [Mr. CANNON], and others for whom we entertain a very high regard. They, at least, seem to make the boasted claim that their section will contribute more to

the war than other sections, especially the South. May I remind them that the willing sacrifice of blood can not be compared with paltry dollars? May I also suggest that many of their richest citizens gather toll from the South and other sections than their own, frequently reaping where they have not sown, and that, therefore, they should not attempt too strenuously to localize or boast of their financial contribution?

Georgia stands seventh in population and fourth in volunteering for Army service to date. There are only 120 persons in the United States who pay an income tax upon more than $1,000,000, and one of these is from Georgia. The per capita wealth of the State in 1916 was only $8.83, yet she paid the Government $556,838.41 income tax, so we must admit that she is doing her part.

The paragraph of this bill which provides for a 3-cent rate of postage on the first-class mail matter seems to me very unjust, and I trust it will be so amended as not to increase the present rates. This class of mail now nets to the Government something like $90,000,000 per year, and if the present rate should be increased to 3 cents the senders of first-class mail will be taxed about $160,000,000 more than is necessary. Yet by the terms of the bill the second-class mail, including magazines and newspapers, that have done so much to bring on this war will be taxed about $50,000,000 less than is necessary to pay expense of carriage.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. LARSEN. My time is short.

Mr. HAMILTON of Michigan. I am only asking for information. How much is being received under the present law? I think the gentleman stated at the outset about $90,000,000.

Mr. LARSEN. Yes; about $90,000,000, and the proposed section increasing it about $70,000,000 will make in all about $160,000,000, more than is necessary.

Mr. HAMILTON of Michigan. The increase will be about $70,000,000?

Mr. LARSEN. Yes.

The press has often said since Congress has been in session, that every man is expected to do his part. I for one am willing to do it, but I want to see the press of this country, for one time, do its part also. [Applause.]

I am in favor of a much higher rate on second-class mail than the bill now provides, and will support the proposed rate only upon the theory that it is the highest that can be fixed at this time.

The Curtis Publishing Co., with its various publications—the Saturday Evening Post, the Ladies' Home Journal, the Country Gentleman, and others—costs this Government a loss of about $4,700,000 annually. The advertising in the May issue of the Ladies' Home Journal was worth to the company about $450,000, yet it was distributed by the Government at a loss of many thousands of dollars. The editor of this magazine, as well as the editor of the Saturday Evening Post, receives a salary of $100,000 per year. I do not know what the editor of the Country Gentleman gets but suppose it is enough, and I submit that it is an outrage on the American people that the Government must lose annually more than $4,000,000 for the accommodation of those millionaire grafters. An attempt to increase the rate of first-class postage is equally as unjust.

We can not justify a loss of $83,000,000 per year on second-class mail upon the theory that it is for the "dissemination of knowledge." Of course, that may be its intention, but the common people who pay the tax never reap the benefit. They pay the tax and then the press for all they get. If we propose to "disseminate" $83,000,000 worth of "knowledge" annually throughout this country, then let us give it to the common-school system. It will mean about $7 for each child within the school age, and the pro rata for such a State as Georgia would be at least $2,000,000 per year. [Applause.]

I can not conclude my remarks without reference to the proposed amendment offered by the gentleman from Pennsylvania [Mr. MOORE], which would levy a tax of $2.50 per bale on cotton.

I gave him credit for more fairness and impartiality than his attitude in the House during the past few days has shown. During this crucial period, when party lines have been obliterated and Members of all parties are working hand in hand with one thought and purpose, is no time for the introduction of discriminating legislation. No well-informed, fair-minded man will sanction such narrow and prejudiced statesmanship. He should not pride himself upon the introduction of such indefensible class legislation, for it can only serve as unimpeachable evidence of his shortsighted vision and lack of appreciation of the conditions and environments of the southern farmer and the needs of the Nation. It is a reflection upon his ability as a statesman, and does even less credit to his sense of right and justice. This is no time for the peanut politician to wave the red flag of sectional dissension, and his own constituents will not approve of his unworthy efforts.

The people have not forgotten the attitude of the gentleman in 1914 when the farmers, especially of the South, were being bound and gagged, as it were, by unconscionable speculators. Cotton was then selling for less than 6 cents per pound, and the farmers of the South lost on the one crop alone more than $400,000,000. If he were unwilling to help the farmers when these nefarious pirates of speculation were robbing them, why should we wonder that he would seek to saddle this unjust burden upon the humble producer now? I was not a Member of the House then, but I am here now, and can be depended upon to defend their interests to the best of my ability.

May the country excuse his indiscretion as a youthful folly, knowing that his kind is rapidly diminishing and will soon wither and fade from the earth. His amendment will rest only in the archives of oblivion.

Few of us, I dare say, can comprehend the importance of the cotton industry as applied to the business conditions of this country. Not many people are aware that the ebb and flow of the financial conditions of the entire world can be attributed, either in periods of prosperity or in adverse conditions, to the production of a large or small crop of the fleecy staple. Especially is this true of to-day, when the major portion of the world is engaged in a fearful slaughter of human beings. This state of affairs has naturally tended to place a greater stress upon the worth of cotton and it is to-day utilized in more different ways than any other known commodity. The clothing and feeding of our own Army and Nation, as well as the duty we owe our allies to feed and clothe them, depends largely upon the production of cotton. It means, besides shelter for the vast armies of the universe, clothing for all humanity, sails for our ships, tires for automobiles, food for our live stock and for our own table; it means medicated cotton and millions of bandages for the wounded; it also means the fiber for powder and glycerin for the high explosives. Without it our munition plants would be useless assets. It is, Mr. Speaker, the one plant to which the entire world, whether at peace or at war, can depend for almost everything; the lone plant upon which the Government must look for the solution of our food problem and for bringing this war to a successful conclusion. To prove this, I respectfully refer you to any newspaper of consequence or magazine in this country. Its pages are filled up with appeals to the farmer, appeals to the patriotism to double all former records of production of farm products. Never in the history of the world have the nations been more dependent upon the humble farmer. Untold activities for intensified farming are everywhere apparent, and broad-thinking men of the country are trying to encourage it rather than to stifle and oppress it. [Applause.]

Mr. SEARS. Mr. Chairman, I send to the Clerk's desk two amendments, which I ask to have read.

The Clerk read as follows:

Page 51, line 14, after the figures "1,200," strike out all of lines 14, 15, 16, and 17, down to the word "postal."

Second amendment: Page 51, line 17, after the word "thereof," insert: "provided the rate of postage on letters of the first class shall be 2 cents an ounce or fraction thereof."

Mr. MADDEN. Mr. Chairman, I have an amendment I wish to offer.

The CHAIRMAN. The debate upon this first paragraph and all amendments thereto is limited to 35 minutes, and that time has been apportioned to certain Members who asked for it.

Mr. HAMILTON of Michigan. I understood that the gentleman was allowed seven minutes to introduce his amendments and seven minutes assigned to him, and he proposes to discuss his amendments.

The CHAIRMAN. That is correct, and the gentleman from Illinois will be permitted to offer his amendment later.

Mr. SEARS. Mr. Chairman, the first amendment I have offered, if passed by this House, will leave the postage exactly as it is now on first-class mail matter. In other words, first-class mail matter will be carried at 2 cents an ounce or fraction thereof. I have introduced the amendment because I believe it should be adopted, and I trust this House will agree to it. There is to my mind no excuse for placing upon the people an additional burden of 1 cent an ounce or fractional part thereof when the first-class mail has for past years been paying to this Government $80,000,000 more than it costs the Government to transport it. In talking to a gentleman the other day, he said that this was the most equitable tax in the bill, that everybody paid it, and that he and I were once poor, but that now we could pay it. I want to say that I remember the days when I was poor, and that is why I do not care to place an additional tax on the people, when already they are paying $80,000,000 more than it costs the service they are receiving.

But there can be no defense to the proposition for placing this extra stamp on the first-class mail. I will not take up any more of your time on that proposition, because in my endeavor to keep the freight rates lowered so the cost of food will not be increased to the poor people of this country this House by a small vote voted it down by a small majority, evidently desiring to tax everybody to the limit.

It does not amount to much, my friends, but to my mind when you pay 1 cent extra on first-class mail that is now paying this enormous profit to the Government you are taking from the poor laboring man and the washwomen and the poorer class of people throughout the country who are not able to buy periodicals the widow's mite to place upon the letter that they may write to their relatives and thus place an extra burden on them, even though that burden may be small. [Applause.]

Mr. McKENZIE. Is it not a fact that this provision hits the large mail-order houses harder than anyone else?

Mr. SEARS. It does not; because the mail-order houses send out their catalogues under the third-class postage, 2 ounces for 1 cent. Their business is carried to the people, and the people in writing back to the mail-order houses will have to place 3 cents on the letters, and the people pay the freight and the mail-order houses, as usual, escape.

I want to say, briefly, that it looks as though it is useless to appeal to this House unless a lobby is back of a proposition. No one has raised his voice, no one has talked for keeping the first-class mail at the present rate, and not a single Member of this House has received a telegram to keep it at that rate; but I believe, if the past is any criterion, when we reach the next section in this bill, where telegrams have been numerous from our friends back home, we will hear loud talking and much proclaiming that the rate should not be increased; but the poor people in your district, my colleagues, who can not reach you in that way, who know nothing of this tax, and therefore have not wired you, will have raised no sentiment for my amendment. But I want to tell you it is not necessary for them to wire me, and I do not believe it is necessary to wire you. By this no criticism is intended for anyone who writes or wires me. On the contrary, I invite and welcome information.

As to the second amendment, it provides that in cities where there are city carriers the rate shall be 2 cents on first-class matter for each ounce or fractional part thereof. I want to say to the Ways and Means Committee that if you do not adopt that amendment you will lose in revenue. The merchant in your home town, where there is a city carrier, can go out and get a boy, where he has two or three thousand letters to deliver, and deliver those letters at a price less than 2 cents each, and therefore the merchant will not use the mail and will not pay 3 cents on those letters. They are going to use the cheapest way to deliver the mail; and you will find that in these small cities they will employ carriers to deliver their mail once a month instead of delivering same through the post office. If they do use the mails, however, as I stated, that tax will go upon the people that patronize the local grocery or the dry-goods man in your district, and I trust, at least, that the House will remember the people back home that sent them to Congress and not compel them to place a 3-cent stamp on first-class mail matter where it is a drop letter. Again I say to you, you can not defend the placing of 3-cent postage upon first-class mail where it does not go out of your home town and only place a postage of 3 cents on mail that goes from New York to California. I believe that instead of raising the $70,000,000, as estimated by the Committee on Ways and Means, if you do not adopt the second amendment I have offered, the Ways and Means Committee will reduce the postage on drop letters by ten fo fifteen million dollars throughout the country. I sincerely trust this amendment will also pass.

The CHAIRMAN. The time of the gentleman from Florida has expired. The question is on the first amendment offered by the gentleman from Florida.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on the second amendment offered by the gentleman from Florida.

Mr. SEARS. Mr. Chairman, I ask unanimous consent that that amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Page 51, line 17, after the word "thereof" insert:
"*Provided*, That the rate of postage on drop letters of the first class shall be 2 cents an ounce or fraction thereof."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida, which the Clerk has just reported.

The question was taken; and on a division (demanded by Mr. SEARS) there were—ayes 47, noes 21.

Mr. RAINEY. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed Mr. RAINEY and Mr. SEARS to act as tellers.

The committee again divided; and the tellers reported—ayes 80, noes 45.

So the amendment was agreed to.

Mr. RANDALL. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 51, strike out section 1200 as amended.

Mr. RANDALL. Mr. Chairman, I might favor this section in the bill if it would do what the Committee on Ways and Means estimates that it will do. The fact of the matter is that it defeats itself, not by what the section contains but what it fails to tell. I hold in my hand a postal card which pays the Government the highest revenue of any mail matter which goes through the mail—$1.68 a pound, as it requires 168 postal cards to weigh a pound.

Mr. LARSEN. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. Yes.

Mr. LARSEN. Has the gentleman ever had any practical experience in postal matters in connection with the post office?

Mr. RANDALL. Mr. Chairman, I do not like to refer to personal experience, but I will say that I had 15 years of employment in the Postal Service, the major portion of that time being on the greatest railway mail train in the United States—the New York and San Francisco fast mail. A postal card weighs 168 cards to the pound, and it pays a revenue of $1.68 a pound to the Government, and if the section proposed by the committee is adopted the postal card will disappear from the mail service entirely, with the exception of a few souvenir post cards. The reason for that is that postal cards in this day are used almost exclusively for advertising purposes. No one writes a letter on a postal card.

Mr. HAMILTON of Michigan. Oh, yes.

Mr. RANDALL. Nobody in my district. There may be a few in the gentleman's district. When the rate becomes 2 cents on postal cards and the rate on third-class matter remains at 1 cent for each 2 ounces, the third-class matter will take all of the business that the postal card is doing. The third-class mail matter technically pays the Government 8 cents a pound, or 1 cent for each 2 ounces, but in practice the third-class matter pays the Government about 12 cents a pound.

So that when you transfer the business from the postal card at $1.68 a pound the Government will get 12 cents a pound in third-class matter instead of in postal cards.

Mr. MANN. Will the gentleman yield?

Mr. RANDALL. I will.

Mr. MANN. Does it take 168 postal cards?

Mr. RANDALL. It takes 156 to 168, according to the weight of stock they use. Sometimes they use a lighter stock, and until recently they printed a small-size postal card.

Mr. SWITZER. Does it cost the Government anything for the card?

Mr. RANDALL. Very little. In comparison with the revenue, $1.68 a pound, the original cost of the postal card is insignificant.

Mr. RAKER. What does it cost the Government to carry the unsealed letters?

Mr. RANDALL. They can not determine it any more exactly than you can determine the cost of first class.

Mr. RAKER. You have already stated the Government gets so much for handling these postal cards. About what is the rate on the mail matter that is not sealed?

Mr. RANDALL. One cent for each 2 ounces, or 8 cents a pound.

Mr. SMITH of Michigan. Does the law require a postal card to be of any particular size? I have seen them two or three times as large as the one the gentleman has. Probably 50 of them would make a pound.

Mr. RANDALL. Where the card is used for a written message it must correspond in size with the regular postal card issued by the Government. When it is used for printed matter it can be of any size.

Mr. BATHRICK. The gentleman figures that the postal card pays $1.68, and that if we pay 2 cents on a postal card as the rate for carrying it, the postal cards would entirely disappear in preference to the third-class matter of an unsealed envelope?

Mr. RANDALL. Yes.

Mr. BATHRICK. Has the gentleman taken into account the actual cost of the envelope, the cost of sealing it and getting it ready?

Mr. RANDALL. It is not sealed.

Mr. BATHRICK. Or the cost of putting the contents in it?

Mr. RANDALL. Yes. It will cost very much less than $10 a thousand, which would be the extra cost of the 2-cent postal cards.

Mr. BATHRICK. It will cost $3 a thousand for the envelope, whatever the printed matter is on the inside. If he goes out into the market to-day with the high price of printing it will cost him $3 a thousand for the envelopes.

Mr. MANN. It depends on the quality of the envelopes.

Mr. BATHRICK. I have been in the printing business a good many years, and I know what I am talking about.

The CHAIRMAN. The time of the gentleman from California [Mr. RANDALL] has expired.

Mr. KING. Mr. Chairman, I ask unanimous consent that the gentleman may have the time allotted to me.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from California may have the time allotted to him. Is there objection?

There was no objection.

Mr. BATHRICK. Has the gentleman figured on the cost of a circular that will be put inside?

Mr. RANDALL. The cost of a circular of the size I have here, including the envelope, would probably be $3 a thousand for both, and the extra cost on the postal card alone is $10. The argument in favor of the circular is that you can use 2 ounces at the same rate.

I want to say a word in regard to the first-class matter. I have found it my experience, and I think it is the experience of every man who has been in the mail service, that one-half of all the letters in the mail service which are carried under a 2-cent stamp are advertising letters. The reason for that is that business houses prefer to pay 100 per cent difference in cost over the cost of a circular in order to send a sealed advertising letter. Now, when you add another 1 cent to the cost of sending a sealed advertisement, 50 or 75 per cent of your advertisers will go back to the third-class matter under the 1-cent cover, and mail 3,000 pieces where they will mail only 1,000 at the 3-cent rate proposed.

Mr. MEEKER. Will the gentleman state to the committee in his experience, both in the service and in the investigation of the Committee on the Post Office and Post Roads, if this will work actually against the revenue of the Government?

Mr. RANDALL. It will actually work against the revenue of the Government. I understand the Post Office Department is against this whole section.

Mr. DOWELL. It is true the Government is now making a profit on the first-class mail, is it not?

Mr. RANDALL. Undoubtedly.

Mr. DOWELL. Does the gentleman know what amount the Government is providing by the first-class mail?

Mr. RANDALL. The Government sells about $170,000,000 worth of 2-cent stamps and 2-cent stamped envelopes and $10,000,000 worth of postal cards. Of course, four times as many postal cards go through the mail that are manufactured by private concerns—that is, with the stamp placed upon them—as are manufactured by the Government.

Mr. DOWELL. Can the gentleman state the profits the Government makes on this mail?

Mr. RANDALL. The first-class matter pays practically all the expense; that is, the first-class and third-class matter pay the cost of running the department.

Mr. LUNN. I want to understand whether the postal authorities are against this action.

Mr. RANDALL. I understand the Postmaster General is against this section.

Mr. RAINEY. Mr. Chairman, this section is drawn to yield $70,000,000 a year, and the Post Office Department does not deny that proposition.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. In a moment. First-class mail, of course, pays its way and yields a large surplus, and the position taken by the Post Office Department is that it ought not to be the subject of revenue for this Government. But this clause will yield the revenue we claim it will yield.

In Canada they recently advanced their first-class postal rate 50 per cent. Not long ago a communication was received from Canada to the effect that that change had resulted in a diminution of mail, but I understand that the latest communication from the post-office department of Canada shows that their increase of 50 per cent in the charge for carrying the first-class mail has resulted in an increase of revenue of 40 per cent.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. Will the gentleman yield?

Mr. RAINEY. Yes; in just one moment. Now, the gentleman's argument with reference to driving post cards out of the mails does not seem to me to be tenable, because on these circulars which appear in unsealed envelopes it is not possible or permissible, as I understand under the postal laws, to write messages. Souvenir postal cards and other postal cards that are not souvenir postal cards are used to a very considerable degree for the purpose of conveying private messages, and it is not at all reasonable to suppose that the use of postal cards for this purpose will end with the adoption of this rate, because, as I have said, you can not write your messages on circulars and send them in unsealed envelopes under the law as it stands now, as I understand it, and under the law as it will be if this amendment is adopted.

Mr. RANDALL. I will state to the gentleman that in a telegram received by me from the Postmaster General of Canada, he says that the volume of mail in Canada is not affected to any extent by the increase of rate. Does the gentleman say it has been increased?

Mr. RAINEY. My statement was that the volume of mail was, in the first instance, decreased on account of the imposition by Canada of these increased rates; but the latest information received from the Postmaster General of Canada is to the effect that the increase of 50 per cent in the rate there has resulted in a 40 per cent increase in the income produced from that class of mail. That is the statement I made. The telegram just read by the gentleman from California shows that now there is no diminution in the volume of mail.

Mr. RANDALL. Does the gentleman know that there is a third-class rate in effect in Canada?

Mr. RAINEY. I am not informed as to that.

Mr. RANDALL. Does not the gentleman believe that a third-class rate would affect the first-class rate if they had one?

The CHAIRMAN. The Chair will state that the amendment of the gentleman from California was to strike out the paragraph.

Mr. GORDON. Can we not have that reported?

Mr. RAINEY. Mr. Chairman, a great many Members have gone home to their dinners with the understanding that there would be no vote on these amendments until 35 minutes. Is the 35 minutes up now?

The CHAIRMAN. The 35 minutes' time is not up yet. There are 10 minutes remaining.

Mr. MANN. Mr. Chairman, I would like to ask my colleague in charge of the bill about one matter. This bill provides that hereafter the rate of postage shall be increased?

Mr. RAINEY. Yes.

Mr. MANN. That would mean immediately after the bill is signed by the President and becomes a law.

Mr. RAINEY. Yes.

Mr. MANN. That would mean the next morning?

Mr. RAINEY. I think that is true; yes, sir.

Mr. MANN. It seems to me we ought to say "10 days after the passage of this act."

Mr. RAINEY. I have no objection to that amendment.

Mr. MANN. Because it will be impossible the next morning, and nobody can take advantage of the prospective passage of the act.

Mr. RAINEY. I think my colleague is right about that.

Mr. MANN. Then I will offer an amendment, Mr. Chairman, on page 51, line 15, to strike out the word "hereafter" and insert in lieu thereof the words "10 days after the passage of this act."

Mr. RAINEY. I accept the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN: Page 51, line 15, strike out the word "hereafter" and insert in lieu thereof the words "10 days after the passage of this act."

Mr. RAINEY. I accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The gentleman from New York [Mr. PLATT] is recognized for five minutes.

Mr. PLATT. I do not care to use it on this section, Mr. Chairman.

The CHAIRMAN. This is an amendment to strike out.

Mr. CARAWAY. Mr. Chairman, is there any time yet remaining?

The CHAIRMAN. There is no time unallotted.

Mr. CARAWAY. I thought this gentleman had time.

The CHAIRMAN. It was allotted to the gentleman from New York [Mr. PLATT].

Mr. CARAWAY. He yielded it back.

Mr. ROWE. Mr. Chairman, I offer an amendment. I would like to speak to it.

The CHAIRMAN. The gentleman can have no time, but he can offer an amendment. The Clerk will report the amendment offered by the gentleman from New York [Mr. ROWE].

The Clerk read as follows:

Amendment offered by Mr. ROWE: At the end of the amendment adopted, which was offered by Mr. SEARS, add: "to be delivered within the area of any city" so that as amended the matter will read: Page 51, line 17, after the word "thereof," insert "*Provided*, The rate of postage on drop letters of the first class shall be 2 cents an ounce or fraction thereof, to be delivered within the area of any city."

Mr. ROWE. Mr. Chairman——

The CHAIRMAN. The gentleman has no time. The Chair thinks the time can not be transferred without unanimous consent. The Chair understands that the time was allotted to individuals.

Mr. MANN. Oh, no. A memorandum was made of individuals, but the time was not allotted. The time was only fixed to close debate.

The CHAIRMAN. The Chair will recognize the gentleman from New York, Mr. ROWE, in the time of the gentleman from New York, Mr. PLATT.

Mr. ROWE. Mr. Chairman, there is only one city among the larger cities that I know of in this country that has a large number of postal districts, postal areas, and that city happens to be the city of New York. I think there are something like 20 postal areas within the limits of the city of New York, while Chicago and Boston and Philadelphia and the other large cities have each only a single area.

Mr. MANN. They have different post offices in the city of New York.

Mr. ROWE. We have different post offices and different postmasters. So that in all the large cities except New York a drop letter would go anywhere within the limits of the city; but in New York City it would only go within the limits of the district where it was mailed, unless we adopt an amendment of this kind.

Mr. HAMILTON of Michigan. Would the gentleman's amendment exclude letters intended for delivery on free rural mail routes out of these towns?

Mr. ROWE. I do not know about that.

Mr. HAMILTON of Michigan. The gentleman's amendment clearly would exclude drop letters from being carried over the rural mail routes leading out of the town where the drop letter was mailed.

Mr. ROWE. They could not be anyway.

Mr. HAMILTON of Michigan. I do not know about that.

Mr. ROWE. Mr. Chairman, in the city of New York we shall be working at a very great disadvantage, and will be the only city in the Union limited in this way, while all the other cities having very large areas will be able to have their drop letters delivered within their city limits. The postal area of Boston, for instance, is more than twice the area of the city of Boston. All that we ask is that within the limits of the city of New York a drop letter shall be delivered for the 2-cent postage.

Mr. GORDON. Will the gentleman from New York yield for a question?

Mr. ROWE. I yield to the gentleman from Ohio.

Mr. GORDON. Would your amendment exclude a city which has adjacent cities that are a part of its postal district?

Mr. ROWE. It would not.

Mr. HAMILTON of Michigan. Yes; it would.

Mr. GORDON. I think it would.

Mr. HAMILTON of Michigan. They would only go within the limits of the city.

Mr. ROWE. There are 20 different postmasters and post offices in the city of New York.

Mr. GORDON. Adjoining the city of Cleveland is the city of East Cleveland, which is a separate municipality, and on the west is the city of Lakewood; but East Cleveland and Lakewood are both within the postal jurisdiction of the Cleveland Post Office.

Mr. HAMILTON of Michigan. But they are not within the corporate limits of the city of Cleveland.

Mr. ROWE. Does the gentleman want to have drop letters delivered within the postal-district area?

Mr. GORDON. Within the postal-district area, so that a drop letter mailed in Cleveland can be delivered in East Cleveland or Lakewood, which is under the jurisdiction of the Cleveland post office.

Mr. BENJAMIN L. FAIRCHILD. The situation which the gentleman describes is equally true of Boston.

Mr. PLATT. Under the present law a drop letter, so called, can only be mailed in a city where there are no letter carriers.

Mr. GALLIVAN. Mr. Chairman, I should like to have the gentleman repeat what he said about Boston. The Boston Representatives sitting over here have seen some New York Representatives talking together over there, and we heard the name of Boston mentioned, but we do not know just what was said about our city. We would like to have it repeated.

Mr. ROWE. I shall be glad to repeat it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CARAWAY. Mr. Chairman and gentlemen of the committee, I intend to take only a minute. In the time allotted to me I wish to have a telegram read. It comes from the board of trade of the most prosperous and largest city in the eastern section of my State. Some of these men are of large means; others are poor, but all are patriotic.

The CHAIRMAN. The telegram will be read in the time of the gentleman from Arkansas.

The Clerk read as follows:

HELENA, ARK., *May 7, 1917.*

Hon. T. H. CARAWAY,
House of Representatives, Washington, D. C.:

The full directorate of the Helena Board of Trade has unanimously instructed me as president to request you to lend your unqualified support to the proposed increase in postal rates as a means of securing revenue needed by our country in the gigantic struggle in which we are now involved, and we trust there will be nothing to prevent you doing so.

JOS. L. SOLOMON, *President.*
S. A. MCGUIRE, *Secretary.*

[Applause.]

Mr. CARAWAY. I can not quite appreciate the attitude of gentlemen who insist that postal rates within city limits shall be 2 cents an ounce, but are entirely willing that the cost of communication between other parts of the country shall be 3 cents. It is a peculiar viewpoint, as it appeals to me, that gentlemen, simply because they live in cities, think they are entitled to some special consideration from this Government that is not accorded to other people. You do comparatively little business by mail with each other in your own city. The mail matter that is transmitted from the country to the cities is very largely the source of the business done in the cities. It strikes me it is dangerously near unpatriotic to insist that because you live in a city you should be granted this special privilege as demanded in the amendment now pending, and that the burdens of this war which should be borne by the entire country are to be shifted according to your vote to the people who live in the country and the smaller towns. I had this telegram from the city of Helena read because I think it displays a commendable spirit upon the part of those people, who are willing that their country shall raise revenue to carry on this war and they are willing to pay their part of it. I want to place it in the RECORD as a tribute to their patriotism. [Applause.] Some one must pay while others fight, and I am glad my people are willing to do their full part of both. The amendment should be defeated.

I also wish to present the following letters which I have received. They show that business men of that section all recognize their obligation and do not wish to shirk this burden:

BANK OF COMMERCE,
Earle, Ark., May 12, 1917.

Hon. T. H. CARAWAY, M. C.,
Washington, D. C.

DEAR MR. CARAWAY: I feel so much interested in our national affairs that I am prompted to write you as to the feeling of our people and your friends in this district.

While we have not felt the effects of war, except for the high prices, I know that conditions will be bad and we will have to suffer many hardships if this war continues for any length of time, more interest is being taken to raise something to sustain ourselves and try to live at home and not be dependent on the other sections of the United States for food, but some steps should be taken by the Government to regulate the price of food and commodities that affect the people so much.

We will be willing to accept a maximum price on our cotton and cotton seed if the Government will make a maximum price on what we must buy. If the Government must have the war tax, we stand ready to pay our part and will not flinch, and if incomes are to be taxed on lower schedules we are ready to pay our assessments. What we are required to do we are ready and willing to do it now.

* * * * * * *

Of course these matters may cover a larger scope than we at home are able to comprehend, and I am merely conveying to you our local feeling in these matters.

With best wishes, I remain,
Yours, very truly,

H. A. MORRISON.

PARAGOULD, ARK., *May 10, 1917.*

Hon. T. H. CARAWAY,
House of Representatives, Washington, D. C.

DEAR FRIEND: Your favor of the 14th instant to hand.

I must compliment you on your promptness in answering letters. It is really wonderful how you manage to answer the letters you receive. I understand that you can not do everything, and you know if a "fellow goes to a dance he must pay the fidler," and I know also that if there is war we have to pay the expense of war. Certainly every institution will try to shirk some of the taxes, but as far as I am concerned I do not begrudge anything I pay out if we come out victorious.

If you can use me in any way at all, will be too willing to do anything in my power. If I was a few years younger, I assure you I would

try and enter active service, but as I am 64 years of age I am willing to do anything to help the cause all I can, and please do not hesitate to give me any kind of work you think I can do.

Yours, truly, A. BERTIG.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ROWE].

Mr. ROWE. Mr. Chairman, may I substitute another amendment for that? I think this new amendment will obviate the difficulty of the gentlemen from Boston.

The CHAIRMAN. The gentleman from New York asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified amendment offered by Mr. ROWE: After the word "thereof" in the Sears amendment insert:

"*Provided*, That where there are several postal areas within any city it shall include the area of the city."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ROWE].

The question was taken; and on a division (demanded by Mr. ROWE) there were—ayes 36, noes 99.

Accordingly the amendment was rejected.

The CHAIRMAN. The question is on the amendment of the gentleman from California to strike out the paragraph.

The question was taken; and on a division (demanded by Mr. RANDALL) there were—ayes 52, noes 86.

So the amendment was rejected.

Mr. KELLY of Pennsylvania. Mr. Chairman, I offer the following as a new section.

The Clerk read as follows:

Page 51, line 20, after section 1200, insert a new section as follows:

"SEC. 1201. On and after June 1, 1917, all publications devoted exclusively to mail-order advertising shall be classified as third-class mail matter."

Mr. MANN. I reserve a point of order on that.

Mr. KELLY of Pennsylvania. Mr. Chairman, many persons have the opinion held by the gentleman from Florida who stated a moment ago that mail-order catalogues are in the third-class mail classification. The fact is that they are not third-class mail, but are classified in parcel post. Within three years there has been a change of classification involving a decrease of millions of dollars in the postal receipts of this country. Mr. Chairman, there is a conflict between the retail selling of goods by local merchants and the control of selling by a few great out-of-town corporations, which grows more bitter every year. Mail-order houses in a few great cities are growing by leaps and bounds at the expense of the local dealers. Huge fortunes are being piled up by the members of the few concerns, while the merchants in the towns see their business lessened year by year. Naturally, a conflict follows such a situation and it is a conflict between the country at large and certain big cities, which are centers of the mail-order business. It has become a conflict between local bread and butter and extra dividends for Chicago millionaires.

The mail-order business is a plant of comparatively recent growth in American business life. The first one was established by A. Montgomery Ward in 1872 in Minneapolis. He started out as buying agent for a number of local organizations of the Patrons of Husbandry, but the buying proved unsatisfactory in a few years to the farmers concerned. Then Ward began to carry a stock from which orders were filled, establishing his business in Chicago.

In 1913, testifying before the parcel post committee of the Senate Committee on Post Offices and Post Roads, C. Thorne, vice president and general manager, stated that the capital stock of the company amounted to $500,000, par value $100, with book value of $2,500. The company had then an accumulated surplus of $9,000,000.

A new branch has been opened in New York City, with an initial investment of $5,000,000.

It is declared that the business this year will amount to more than $75,000,000.

The largest concern of the kind is that of Sears, Roebuck & Co., of Chicago. It was incorporated in Illinois in 1895 and reorganized and incorporated in New York in 1906. It has a capital stock of $60,000,000, half of which has been issued as stock dividends since 1911.

The New York American of February 28 of this year contains a report from this company, stating that sales for the year 1916 amounted to $146,838,000, a gain of 30 per cent over the preceding year. It continues:

Sales for 1917 are certain to exceed $200,000,000. Net earnings on this volume of business will probably be in excess of $20,000,000.

It is estimated that the total amount of business done by mail-order houses will amount in a single year to half a billion dollars.

Now, the question arises as to the reason for this immense increase in the business done by these companies. It is without doubt due to the fact that they have spread broadcast the idea that they can sell cheaper than the local merchant.

The fact is that the destruction of local established business is due in large measure to the special privileges enjoyed by the mail-order houses.

They are exempt from taxation almost entirely, since no State or municipality can tax a business which uses the mails exclusively. The town may tax agents and peddlers who do a transient business, and they do so on the principle that the local merchants with whom they compete pays taxes for local purposes and are entitled to some protection. But the mail-order houses can not be reached in that manner.

Many lines of business are taxed in this revenue measure. They will be burdened to a great degree and the excuse given with uniform reiteration is that the Government needs the money. Then, why exempt these mail-order houses, which are making more net profit in proportion to investment than almost any other business in America?

But exemption from taxation is but one privilege enjoyed by these mail-order houses. The Government, through its Post Office Department, gives them a princely subsidy.

These concerns depend upon huge catalogues, which are sent out twice each year. The average weight is 4 pounds. Formerly these catalogues were classified as third-class matter and required 32 cents in postage each. But some time ago the Department changed the classification so that these advertising catalogues could be sent as books, at a charge of 8 cents each for the first zone. The result was that the mail-order houses promptly arranged it so that every catalogue could be sent out at first-zone rates. This was done by shipping the catalogues to central points by freight and mailing them through the surrounding country.

Mr. MONDELL. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. MONDELL. How much difference is there between the rate in the gentleman's amendment and the present rate?

Mr. KELLY of Pennsylvania. These standard-size catalogues would pay 32 cents, where now they pay 8 cents. That is a difference of 24 cents on a catalogue. The manager of Sears, Roebuck & Co. says that they send out 7,000,000 catalogues in the spring and 7,000,000 in the fall. The first year that the classification went into effect it was stated that the Chicago post office lost $3,000,000 in postal receipts.

Mr. MANN. That is not so.

Mr. KELLY of Pennsylvania. I can not vouch for its accuracy, but I have seen it so stated.

When it is realized that one concern alone claims to send out 7,000,000 catalogues at a single time the amount of this subsidy can be better understood. It means a clear gain of a million and a half dollars on a single issue.

But there is still another angle to this matter, which works against the local merchant directly. The minimum weight entitled to be mailed as books shuts out 99 per cent of the catalogues of local firms who might desire to compete on that basis with the mail-order houses. The average dealer can not prepare or use a catalogue of such a size and, as a result, is compelled to pay the full rate of third-class matter.

Every consideration of justice demands the adoption of this amendment I have offered. It should be made a part of this bill, because the Government needs revenue from such sources as will work least harm and derangement. The mail-order houses would suffer not at all in vital way and, in fact, would be but paying a slight return for valuable privileges accorded them by the Government.

It should be adopted also because it will in some degree equalize competition between these great houses and the local dealer. No one denies that any citizen has a right to spend his money where he pleases, but it is fair to demand that a foreign firm shall not be permitted to handicap the home dealer unjustly in the race for patronage.

Here is a chance to get revenue and equalize, in some degree at least, the competition between the home dealer and the owners of the centralized mail-order houses in Chicago and New York. That is the idea of this amendment, and I submit that whether it is technically in order or not it should be adopted and written into this bill, which is changing postal rates in order to secure increased revenues. It means a square deal to all concerned without injury or injustice to any concern. [Applause.]

Mr. MANN. Mr. Chairman, third-class mail matter is not included in parcel-post rates under the law. That is, when the parcel-post law was passed, third-class mail matter was expressly excluded. That was partly for the purpose of preventing mail-order houses sending their catalogues at the low rates fixed by parcel post. I do not know the reason which actuated the present Postmaster General under the general authority included in the parcel-post law—which, by the way, no one in Congress suspected existed until it was put into effect—I do not know the reason which actuated the Postmaster General under that general authority to change the rating of third-class matter, including mail-order catalogues and putting them in the parcel-post rates, but I assume that he had some reason for it. Before that was done on a number of occasions the matter was brought before the House on a proposition to change the third-class matter to parcel post. I was roundly denounced in many parts of the country because I objected to unanimous consent to consideration of a proposition of that character. Subsequently the Postmaster General, without any act of Congress, by virtue of the authority which he claimed to have, covered the third-class matter into the parcel post. I am not willing, without the House knowing anything about it, to change the ruling of the Postmaster General, when that ruling has been in effect for several years and the Post Office Committee has recommended no legislation to change it. I suspect that one reason was that if the mail-order catalogues were not given the parcel-post privilege they would be sent by express by much cheaper rates than the old third-class rate was.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MANN. But I do not know what the reason was. I know that if anyone here knows, he has not disclosed his information. I yield to the gentleman from Washington.

Mr. JOHNSON of Washington. Mr. Chairman, I wanted to say that great quantities of catalogues are sent from Chicago to Seattle by freight and then distributed in the first and second zones from that center.

Mr. MANN. I think that is the habit. I do not approve of it.

Mr. SIEGEL. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. SIEGEL. On May 15 Assistant Postmaster General Koons wrote to me that the change in the classification of books, which includes catalogues, from third-class matter to parcel post has enabled the department to handle this class of mail with a profit, which before was handled at a loss. I made particular inquiry at the time on account of certain statements being made here by the gentleman from Minnesota [Mr. STEENERSON] regarding Sears, Roebuck & Co., and the answer was that the department is now making the profit instead of a loss, as when it was handled in the other way.

Mr. MANN. I thought when we passed the parcel-post law that mail-order catalogues ought to remain in the third class and pay third-class rates. I saw to it that that provision stood in the bill—at least, I did my share, and it was considerable—and I do not think we ought to change now. I make the point of order.

The CHAIRMAN. The gentleman from Illinois makes the point of order that this is not germane to the bill. The Chair sustains the point of order.

Mr. RAINEY. Mr. Chairman, we have a committee substitute for section 1201, which we have now reached, and I ask that the substitute be read instead of the section.

Mr. MADDEN. Mr. Chairman, I desire to offer an amendment to perfect the original text.

Mr. STEENERSON. I have an amendment that I desire to offer.

Mr. MANN. Mr. Chairman, will the gentleman yield to me?

Mr. RAINEY. Yes.

Mr. MANN. It will only take a moment to read the section. I suggest that we read the section, and then have the committee amendment reported in full—that covers a number of sections—and have the right to offer amendments to the original text and to the committee substitute.

Mr. RAINEY. That will be satisfactory.

The CHAIRMAN. Without objection the Clerk will read the original text.

The Clerk read as follows:

SEC. 1201. That on and after June 1, 1917, the zone system applicable to parcel post shall apply to mail matter of the second class, and the rates of postage shall be as follows: Two cents a pound or fraction thereof when for delivery within the first or second zone, 3 cents a pound or fraction thereof when for delivery within the third zone, 4 cents a pound or fraction thereof when for the delivery within the fourth or fifth zone, 5 cents a pound or fraction thereof when for delivery within the sixth or seventh zone 6 cents a pound or fraction thereof when for delivery within the eighth zone: *Provided*, That the rate of postage on daily newspapers, when the same are deposited in a letter-carrier office for delivery by its carriers, shall be the same as now provided by law: *Provided further*, That nothing herein shall affect existing law as to free circulation and existing rates on second-class mail matter within the county of publication: *Provided further*, That the Postmaster General may hereafter require publishers to separate or make up to zones in such a manner as he may direct all mail matter of the second class when offered for mailing: *Provided further*, That second-class mail matter mailed to subscribers from an office other than that of publication shall pay the same rate as if mailed from the office at the place of publication: *And provided further*, That in the case of newspapers and periodicals entitled to be entered as second-class matter and maintained by and in the interests of religious, educational, philanthropic, agricultural, labor, or fraternal organizations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, the second-class postage rate shall be 1½ cents a pound or fraction thereof, irrespective of the zone in which delivered, except when the same are deposited in a letter-carrier office for delivery by its carriers, in which case the rate shall be the same as now provided by law. The publisher of such newspapers or periodicals before being entitled to the foregoing rates shall furnish to the Postmaster General, at such times and under such conditions as he may prescribe, satisfactory evidence that none of the net income of such organization inures to the benefit of any private stockholder or individual: *And provided further*, That the Postmaster General, on or before the 10th day of each month, shall pay into the general fund of the Treasury an amount equal to the difference between the estimated amount received during the preceding month for the transportation of first and second class matter through the mails under this title and the estimated amount which would have been received under the provisions of the law in force at the time of the passage of this act.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the committee substitute, a copy of which is on the gentleman's desk, be considered in lieu of section 1201.

Mr. MANN. Why does not the gentleman now send up the committee substitute and offer it?

Mr. KITCHIN. Yes.

Mr. MANN. It is in order. Some gentlemen wish to offer amendments to the original text.

Mr. MADDEN. Mr. Chairman, I desire to offer an amendment to perfect the original text. I think I would have preference in that.

Mr. KITCHIN. I offer the following as a substitute for the original text.

Mr. MANN. The gentleman's motion is to strike out section 1201 and insert?

Mr. KITCHIN. Yes; I make that motion.

The CHAIRMAN. The Clerk will report the substitute.

The Clerk read as follows:

On pages 51, 52, and 53 strike out all of section 1201 and insert in lieu thereof the following:

"SEC. 1201. That on and after July 1, 1917, the zone system applicable to parcel post shall apply to mail matter of the second class, and (a) from that date until November 1, 1917, the rate of postage shall be as follows, except as hereinafter provided: One and one-sixth cents a pound or fraction thereof when for delivery within the first zone, 1⅓ cents a pound or fraction thereof when for delivery within the second or third zone, 1⅔ cents a pound or fraction thereof when for delivery within the fourth or fifth zone, 2 cents a pound or fraction thereof when for delivery within the sixth zone, 2⅓ cents a pound or fraction thereof when for delivery within the seventh zone, and 2⅔ cents a pound or fraction thereof when for delivery within the eighth zone, and (b) from November 1, 1917, until March 1, 1918, the rate of postage shall be as follows, except as hereinafter provided: One and one-third cents a pound or fraction thereof when for delivery within the first zone, 1⅔ cents a pound or fraction thereof when for delivery within the second or third zone, 2⅓ cents a pound or fraction thereof when for delivery within the fourth or fifth zone, 3 cents a pound or fraction thereof when for delivery within the sixth zone, 3⅔ cents a pound or fraction thereof when for delivery within the seventh zone, and 4⅓ cents a pound or fraction thereof when for delivery within the eighth zone, and (c) after March 1, 1918, the rate of postage shall be as follows, except as hereinafter provided: One and one-half cents a pound or fraction thereof when for delivery within the first zone, 2 cents a pound or fraction thereof when for delivery within the second or third zone, 3 cents a pound or fraction thereof when for delivery within the fourth or fifth zone, 4 cents a pound or fraction thereof when for delivery within the sixth zone, 5 cents a pound or fraction thereof when for delivery within the seventh zone, and 6 cents a pound or fraction thereof when for delivery within the eighth zone.

"SEC. 1202. That the rate of postage on daily newspapers, when the same are deposited in a letter-carrier office for delivery by its carriers, shall be the same as now provided by law; and nothing in this title shall affect existing law as to free circulation and existing rates on second-class mail matter within the county of publication: *Provided*, That the Postmaster General may hereafter require publishers to separate or makeup to zones in such a manner as he may direct all mail matter of the second class when offered for mailing.

"SEC. 1203. That in the case of newspapers and periodicals entitled to be entered as second-class matter and maintained by and in the interest of religious, educational, philanthropic, agricultural, labor, or fraternal organizations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, the second-class postage rate shall be, irrespective of the zone in which delivered (except when the same are deposited in a letter-carrier office for delivery by its carriers, in which case the rates shall be the same as now provided by law), 1½ cents a pound or fraction thereof from July 1, 1917, until March 1, 1918, and thereafter 1½ cents a pound or fraction thereof. The publishers of such newspapers or periodicals before being entitled to the foregoing rates shall furnish to the Postmaster General, at such times and under such conditions as he may prescribe, satisfactory evidence that none of the net income of such organization inures to the benefit of any private stockholders or individual.

"SEC. 1204. That where the total weight of any one edition or issue of any publication mailed to any one zone does not exceed 1 pound, the rate of postage shall be 1 cent for each 8 ounces or fraction thereof.

"SEC. 1205. The rates provided by this title shall relate to the entire bulk mailed to any one zone and not to individually addressed packages.

"SEC. 1206. That where a newspaper or periodical is mailed by other than the publisher or his agent or a news agent or dealer, the rate shall be the same as now provided by law.

"SEC. 1207. That the Postmaster General, on or before the 10th day of each month, shall pay into the general fund of the Treasury an amount equal to the difference between the estimated amount received during the preceding month for the transportation of first and second class matter through the mails and the estimated amount which would have been received under the provisions of the law in force at the time of the passage of this act.

"SEC. 1208. That the salaries of postmasters at offices of the first, second, and third classes shall not be increased after July 1, 1917, during the existence of the present war. The compensation of postmasters at offices of the fourth class shall continue to be computed on the basis of the present rates of postage, but in no case shall such compensation be less than that received during the fiscal year ending June 30, 1917."

Mr. MADDEN. Mr. Chairman, I desire to offer the following amendment, which I send to the desk.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto be closed in one hour.

Mr. MANN. Make it four hours, two hours on a side.

Mr. KITCHIN. Let us make it two hours and a half.

Mr. MANN. On a side?

Mr. KITCHIN. Oh, no.

Mr. MANN. As far as I am personally concerned, I am willing to forego all talk and vote on this amendment, but gentlemen have amendments they desire to present. How much time can we get along with on this side?

Mr. KITCHIN. I will make it two hours, one hour to be controlled by the gentleman from Illinois, Mr. MADDEN——

Mr. MANN. Oh, well, we are not in favor of the gentleman's amendment.

Mr. MOORE of Pennsylvania. Mr. Chairman, I desire to ask the gentleman from North Carolina a question. Being a member of the committee and having reserved the right to offer an amendment on the floor, ought I not to have an opportunity to do so. I am in favor of a flat 2-cent rate.

Mr. KITCHIN. The gentleman certainly will have that opportunity.

Mr. MANN. I am in favor of striking the whole thing out of the bill.

Mr. STEENERSON. Mr. Chairman, I have an amendment to the committee amendment which I would like to discuss for 15 minutes.

Mr. GALLIVAN. Mr. Chairman, I desire to offer the amendment suggested by the gentleman from Illinois [Mr. MANN].

Mr. KITCHIN. If there is any objection to it, I do not want to make the request to put it at two hours.

Mr. MOORE of Pennsylvania. We may get along better without it.

Mr. KITCHIN. We will be here until 3 or 4 o'clock in the morning. Very well, I withdraw my request. Go ahead and pitch in.

Mr. MANN. Suppose we agree on an hour and a half on a side.

Mr. KITCHIN. I am willing to come to some agreement to limit the debate. Yes; I will ask unanimous consent to make it an hour and a half on a side; three hours altogether.

Mr. STEENERSON. Reserving the right to object, I would like to know if I can have some time. This is the only thing in the whole revenue bill that I have studied.

Mr. MANN. Let us understand that a gentleman can offer an amendment, and after it is offered and discussed, we will vote on it. Otherwise, it is impossible for the Members to have their amendments presented to the House. If, on the first amendment we use all the time discussing the general subject, the gentlemen will not have a chance. I think every gentleman should have a chance to offer his amendment and present his case and let us vote on it without running on forever with the debate.

Mr. KITCHIN. Mr. Chairman, I will renew my request, that all debate on this section and all amendments thereto be closed in three hours, an hour and a half for and an hour and a half against.

Mr. TILSON. Does the gentleman mean section or title?

Mr. KITCHIN. There is only one section.

I ask that I control half of the time and the gentleman from Illinois half the time.

Mr. STEENERSON. Which gentleman from Illinois?

Mr. KITCHIN. The older one here.

Mr. MANN. Let the Chair control the time.

Mr. MOORE of Pennsylvania. Reserving the right to object, the lines are very distinctly drawn here between those who favor the zone system and those who favor the flat rate or no change in the law at all. I am the only member of the Committee on Ways and Means who is not in favor of the committee substitute, and I have some rights in the premises. I should like to have something to say about the time in opposition.

Mr. STEENERSON. I have no objection to the gentleman's controlling the time.

Mr. KITCHIN. Let the gentleman from Pennsylvania [Mr. MOORE] control the time.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that debate upon this section and all amendments thereto——

Mr. KITCHIN. Close in three hours; one-half to be controlled by myself and one-half by the gentleman from Pennsylvania [Mr. MOORE].

The CHAIRMAN. One-half to be controlled by himself and one-half by the gentleman from Pennsylvania [Mr. MOORE]. Is there objection?

Mr. SIMS. Reserving the right to object, I would like to know what it means. Does it mean that we pass this bill to-night or talk all night?

Mr. KITCHIN. It means we are going to do our best to pass it to-night.

Mr. SIMS. Why do you want debate on this thing?

Mr. KITCHIN. Because we can not get unanimous consent in any other way.

The CHAIRMAN. Is there objection?

Mr. JOHNSON of Washington. I object.

The CHAIRMAN. The gentleman from Washington objects.

Mr. JOHNSON of Washington. I withdraw the objection.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] a while ago offered an amendment.

Mr. MADDEN. My amendment has not been reported yet. I wish to have it reported.

The CHAIRMAN. The amendment has not yet been reported, but the committee has agreed upon time.

Mr. MANN. He can not talk without getting time.

Mr. MADDEN. I expect to get my time, Mr. Chairman. I understand I am to get it from the gentleman from Pennsylvania [Mr. MOORE].

Mr. MONDELL. Will the opportunity be given before the debate begins to offer amendments, so that they can be pending?

Mr. MANN. No; not at all.

Mr. MONDELL. I desire to offer an amendment to strike out the entire section.

Mr. JOHNSON of Washington. If you do that, you will cut the three hours' debate out.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois [Mr. MADDEN].

The Clerk read as follows:

On page 51, line 21, beginning with the word "That," strike out all down to and including the word "zone," on page 52, line 6, and insert in lieu thereof the following:

"That the rates of postage on publications entered as second-class matter, including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year, when sent by the publisher thereof from the office of publication or when sent by a news agent to actual subscribers thereto, or to other news agents for the purpose of sale, shall be 1 cent a pound or fraction thereof for the portion of the publication devoted to reading matter other than advertising, and 3 cents a pound or fraction thereof for the portion devoted to advertising."

On page 52, line 12, beginning with the word "*Provided*," strike out all down to and including the word "publication," on page 52, line 19.

On page 53, line 2, strike out the words "irrespective of the zone in which delivered."

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry. Is it in order now to offer a substitute for the amendment?

The CHAIRMAN. The Chair thinks so.

Mr. MOORE of Pennsylvania. I offer the following as a substitute.

Mr. STEENERSON. Mr. Chairman, a parliamentary inquiry.

Mr. MOORE of Pennsylvania. I offer the following substitute for the committee amendment.

The CHAIRMAN. The Clerk will report it.

Mr. MOORE of Pennsylvania. As a substitute for the committee amendment.

The CHAIRMAN. The Chair understands.

The Clerk read as follows:

Substitute for the committee amendment, offered by Mr. MOORE of Pennsylvania: Insert in lieu of the amendment the following:

"SEC. 1201. That on and after July 1, 1917, the rate of postage on all mail matter of the second class shall be 2 cents a pound or fraction thereof."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. Does the gentleman from North Carolina intend to use some time?

Mr. KITCHIN. Not now.

Mr. MOORE of Pennsylvania. Then I yield 10 minutes to the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] is recognized for 10 minutes.

Mr. KITCHIN. Mr. Chairman, pending that, I wish to yield to the gentleman from Alabama [Mr. HEFLIN] three minutes.

The CHAIRMAN. The gentleman from Alabama will be recognized for three minutes.

Mr. STEENERSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. It is not in order to entertain a parliamentary inquiry when a gentleman has the floor.

Mr. HEFLIN. Mr. Chairman, I am sending to the Clerk's desk a letter written to me by the President of the United States. I ask to have it read, in order to remove an impression that seems to obtain among some people in our country with regard to a speech that the President made recently to the Red Cross Association in the city of Washington.

The CHAIRMAN. The Clerk will read it.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, May 22, 1917.

Hon. J. THOMAS HEFLIN,
House of Representatives.

MY DEAR MR. HEFLIN: It is incomprehensible to me how any frank or honest person could doubt or question my position with regard to the war and its objects. I have again and again stated the very serious and long-continued wrongs which the Imperial German Government has perpetrated against the rights, the commerce, and the citizens of the United States. The list is long and overwhelming. No nation that respected itself or the rights of humanity could have borne those wrongs any longer.

Our objects in going into the war have been stated with equal clearness. The whole of the conception, which I take to be the conception of our fellow countrymen, with regard to the outcome of the war and the terms of its settlement, I set forth with the utmost explicitness in an address to the Senate of the United States on the 22d of January last. Again, in my message to Congress on the 2d of April last those objects were stated in unmistakable terms. I can conceive no purpose in seeking to becloud this matter except the purpose of weakening the hands of the Government and making the part which the United States is to play in this great struggle for human liberty an inefficient and hesitating part. We have entered the war for our own reasons, and with our own objects clearly stated, and shall forget neither the reasons nor the objects. There is no hate in our hearts for the German people, but there is a resolve which can not be shaken even by misrepresentation to overcome the pretensions of the autocratic Government which acts upon purposes to which the German people have never consented.

Cordially and sincerely, yours,

WOODROW WILSON.

[Applause.]

Mr. STEENERSON. Mr. Chairman, I have an amendment to the committee amendment that I wanted to offer. This is an amendment to the bill.

The CHAIRMAN. The Chair will look the matter up. The Chair does not think it is in order now. The gentleman from Illinois [Mr. MADDEN] is recognized for 10 minutes.

Mr. MADDEN. Mr. Chairman, the Committee on Ways and Means have offered an amendment to the postal laws which fixes a zone system of charges, the result of which, in my judgment, would be to prevent the distribution of literature to many sections of the Nation. My own judgment is, and it is the judgment of all men who have given consideration to the question, that we ought under no circumstances to divide the country into sections; that we need the thought of the East to intermingle with the thought of the West; that we need the thought of the West to intermingle with the thought of the South and of the North and of the East; that what we want to do is to have our thought national in its character, not sectional; and I believe that if we adopt the zone system we will do more to retard the progress of the American people than anything else we could do. [Applause.] Sectionalism in thought among the American people from the foundation of the Government to the present day would have kept many parts of this Nation unheard of, but nationalism in thought, due to the fact that we have been liberal in the distribution of literature, the work of the minds of our greatest men, has made America great and the thoughts of her people one. [Applause.]

It is said that we lose a lot of money by the transportation and handling of the second-class mail, and if we consider this question solely upon the money basis the statement is true. But I believe there is a higher reason than money for the action of the Government in the development of the intelligence of the American people. Patriotism needs a single line of thought among the people of the Nation, and if we expect to maintain our prestige among the nations of the world we must have a Nation composed of people with national ideas; and national ideas can not be inculcated in the hearts of the American people if we establish the zone system of distributing the literature of America to the people of America. [Applause.]

In lieu of the amendment offered by the Committee on Ways and Means, I have proposed an amendment which provides that all publications shall pay for their handling and transportation by the Post Office Department 1 cent a pound for the reading matter and 3 cents a pound for all advertising matter contained in the publications. To-day only 1 cent a pound is paid, and if my amendment shall be adopted, 3 cents a pound for every pound of advertising matter sent in any publication will be added to the present charge, and will yield to the Treasury of the United States more than double the amount of money we now receive. I believe that this amendment should be adopted, first, because it recognizes the importance of education, recognizes the right of literature to circulate among the American people, recognizes the right of national in lieu of sectional thought from ocean to ocean and from Lakes to Gulf, recognizes the necessity of maintaining our prestige as a people, recognizes the importance of affording every opportunity to every man, to every woman, and every child under the Government for cheap education. So I come to you to-night offering to increase the revenues of the Government and at the same time maintaining the line of national thought among the American people, whereas the amendment offered for your consideration by the Committee on Ways and Means will destroy every fabric of educational facility which this Government has worked for years to maintain and upbuild.

Mr. GORDON. Will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Ohio.

Mr. GORDON. Do you favor the zone system for the parcel post?

Mr. MADDEN. I am in favor of the zone system for nothing. I believe we ought to have a straight, flat price for the movement of the commodities that educate and furnish information to the American people. [Applause.]

Mr. GORDON. Then, for the transporting of a ham to California, you would charge the same as you would to transport it to Baltimore?

Mr. MADDEN. That is not education. That is feeding the appetite. That is not catering to the intelligence and patriotism of the American people, and I do not put a ham in the same class that I put an opportunity to build up brains and patriotism.

Mr. GORDON. Do your advertisements consist of brains and patriotism?

Mr. MADDEN. Under the amendment I propose we will charge all the advertisement costs to handle.

Mr. GORDON. Oh, no.

Mr. MADDEN. Oh, yes; and I speak advisedly. I speak as the result of long and careful investigation, and the gentleman speaks without having thought at all. [Applause.]

Mr. HASTINGS. Does it cost any more to carry advertising matter, say, from Washington to Baltimore than it would from Washington to San Francisco?

Mr. MADDEN. Of course it does not cost as much to carry it to Baltimore.

Mr. HASTINGS. But you do not propose any difference in the rate.

Mr. MADDEN. We are making no difference, because what we would lose in one direction we would gain in the other. It will not cost the Government one-quarter of what we charge nor one-tenth of what we charge to carry these publications to Baltimore, and the charge made in the amendment which I propose, equalized all over the United States, will pay the cost and pay a profit.

Mr. GORDON. Will the gentleman yield there?

Mr. MADDEN. Yes.

Mr. GORDON. The gentleman has been for many years a member of the Post Office Committee?

Mr. MADDEN. Yes.

Mr. GORDON. How much does it cost to carry second-class mail per pound, and how much does the Government receive?

Mr. MADDEN. It depends altogether on how far you carry it.

Mr. GORDON. I mean all of it—the average.

Mr. MADDEN. We have never been able to do this on the basis which I now propose, for we have always been handicapped by the fact that the magazines have taken advantage of the express rates for short hauls, and the Post Office Department has been compelled to carry the publications on the long hauls; but if we compel them as we will do now by the charge of 10 per cent additional for express rates to send their publications through the post office, we will not only not lose money by the adoption of the amendment which I propose, but the cost of handling and transportation when the long and short hauls are equalized will yield a profit to the Treasury of the United States every year. What more do you want?

Mr. GORDON. What does it cost now?

Mr. MADDEN. It costs now at the highest cost about 8 cents.

Mr. GORDON. And you want to allow them to be carried for 1 cent.

Mr. MADDEN. It costs less than 1 cent on some of the short hauls, and if the amendment that I have proposed is adopted and the differences are equalized the transportation charges will also be equalized, and the Treasury of the United States will have an annual balance from this source. [Applause.]

Mr. COX. Mr. Chairman and gentlemen of the committee, I believe I can say without any exaltation of myself that I know something of this question. For eight years I have been a member of the Committee on the Post Office and Post Roads, and almost continuously during that period of time the question of second-class mail rates has been a burning issue. That committee has sat for days, for weeks, and months at a time, giving exhaustive hearings to every man, to every concern, to every publisher in the United States.

I am here this evening to say to you gentlemen that it is not longer a mooted question as to what it actually costs the Government of the United States to transport and deliver the second-class mail. I would have every Member of this House this evening draw a plain distinction between the transportation of the mail and the transportation of the mails accompanied with delivery of them on the other. The transportation of mail relates exclusively to the haul by the railroads. The transportation and delivery of second-class mail relates not only to the haul of the mail on the railroad trans, in the screened-wagon service, in the motor-wagon service, but it means the actual delivery of that piece of mail to the final and ultimate reader of it.

Now, you can not get very far away from the Hughes Commission. You are almost anchored there so far as the minimum amount that it costs to handle and transport second-class mail matter. I will pin my faith on Judge Hughes when it comes to rendering a decision on a question of law. Judge Hughes in 1912, with two other men, for nearly three months, sat in the city of New York to determine that question. Judge Hughes arrived at the opinion that it costs 5.5 cents a pound to transport and deliver second-class mail, and that that did not include the handling of mail in the post office. That did not include the cost of handling mail in the screened-wagon service; that did not include the cost of transporting and handling mail in the automobile service. In that estimate Judge Hughes when he arrived at the conclusion that it cost 5½ cents a pound to transport the mail there was left out of that equation between $85,000,000 and $88,000,000 already arrived at as to what it cost to transport and deliver the second-class mail.

Now, I have the greatest confidence in my friend, the gentleman from Illinois [Mr. MADDEN], but I can not agree with him on this question. I think he is wrong. Now, gentlemen, the figures I am going to give you are not mine, they are the figures of the Post Office Department. In the first place, I desire to say that I do not believe that the amendment offered by the gentleman from Illinois [Mr. MADDEN] is workable. I think it is too cumbersome. The Post Office Department last week wrote me a letter in which it said that there was transported last year through the mails approximately 400,000,000 pounds of advertising matter. Now, that 400,000,000 pounds of advertising matter at 3 cents a pound, according to the gentleman's amendment, would bring a revenue of $12,000,000. I have not had the committee's amendment figured out for me, but the Ways and Means Committee tell me that under the proposed amendment it will bring in the way of revenue between $16,000,000 and $18,000,000.

Mr. MADDEN. Will the gentleman yield?

Mr. COX. For a question.

Mr. MADDEN. The gentleman does not contend that there would be any difficulty in the administration of the weight proposition by the Post Office Department?

Mr. COX. No. So if you put it on a revenue basis, the gentleman's figures fall between $4,000,000 and $5,000,000 below the amount estimated in the way of revenue to be raised by the Committee on Ways and Means. Now, I know that every Member of this House is just as honest as I am. I am not going to impugn the motives of any man, for the reason that our viewpoint sometimes changes the whole current of our lives, but for the life of me I can not understand how any man is willing to stand on the floor of this House and vote to strike out this proposed change in rates in second-class mail matter. [Applause.] To me it is unthinkable, it is unbelievable, that the American Congress will ever undertake to do it. I hold in my hand, gentlemen, what is called the Motor Age. It weighs 2 pounds and 10 ounces. It has 391 pages, and there are not 25 pages of reading matter in it. Men take it who buy automobiles, and the automobile manufacturers buy it, and yet that piece of literature—if you call it such—is going through the mails at the rate of 1 cent a pound and it has been since 1885, and here we propose to increase by 100 per cent the postage on first-class mail matter to make up that deficit.

I hold in my hand a publication called the Iron Trade Review. It weighs 44 ounces. It has 401 pages and there are not 20 pages of reading matter in it.

I hold in my hand the Iron Age, which has 460 pages, weighs upward of 3 pounds, and there is not 10 pages of reading matter in this magazine. It has 450 pages devoted to advertising purposes.

Mr. DOWELL. Will the gentleman yield?

Mr. COX. I can not. These books with many others belong to a great string of advertising journals in this country, and all these concerns are incorporated. These concerns are in a holding company known as the United States Publishing Association. The Iron Age netted 110 per cent on its capitalization in 1913, and in 1912 it sold for more than $1,000,000. I have heard men in this House say that they were in favor of striking out all of this increase in the second-class postage. Now, I have not picked out any exceptional pieces, large or small. But it is absurd, when you go through the list of them. I put a telegram in my speech the other day which explained some things. Our committee was having hearings in February, 1914, and Mr. MOON received a telegram from one of these publishers, these newspaper men, in which he said, in effect, "We defeated Taft for President in 1912 because he undertook to put his hands on this proposition, and if you undertake to do the same thing you will hear Rome howl from north to south in your own party."

Mr. CHANDLER of New York. Mr. Chairman, will the gentleman yield?

Mr. COX. No. The Congress has been held up until to-day to scandal, contempt, ridicule, and the scorn of the countless number of men and women in this country who are being overcharged on their first-class postage.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. COX. I will ask the gentleman to yield me three minutes more.

Mr. HELVERING. I yield three minutes more to the gentleman.

Mr. COX. The only way to solve this question is exactly as the Ways and Means Committee has figured it out, and that is by the zone system. Why was the parcel post put in the zone system? The Central West, the part of the country which I come from, needs the goods of the East, and the eastern part of the country needs the goods of the Central West, and the only fair way to arrive at the parcel post was through the zone system, so that we could get their goods and they could get ours. And the only proper way, when you come to diffusing knowledge and literature and information is upon the zone system, exactly as the Parcel Post System has worked.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield for a question.

Mr. MADDEN. My colleague knows, does he not, that under the Parcel Post System they haul carloads of coal and iron ore?

Mr. COX. Oh, we barred that out. I can not agree with the gentleman on that. I will agree that the proof before our committee showed that they were doing that to some extent, but as soon as the department found it out it was stopped, and it has not been practiced any more.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. COX. For a question.

Mr. MONDELL. Does the gentleman really think that we ought to treat the dissemination of news and ideas and information as we treat the transportation of beans?

Mr. COX. If the gentleman will read the postal laws he will see that it is against a provision of the postal laws to tax the American people for advertising. When you come to the newspapers, we have not affected them. I was in hopes that the Ways and Means Committee would put some extra charge upon them. The average rate of haul for newspapers out of the city of Chicago is only 376 miles. The average rate of haul out of St. Louis upon newspapers is less than 300 miles.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. COX. No. The average rate of haul in my own State is 92 miles. The average rate of haul in the State of my friend from Washington [Mr. JOHNSON] can not possibly be over 100 miles.

Mr. RANDALL. How about New York?

Mr. COX. About 500 miles; and if my friend from the State of Washington [Mr. JOHNSON], who has been so very much wrought up over this matter, feels that he is going to be ruined, or that the publishers of that country are going to be ruined, then I have some figures that I would like to show him, and

they are figures not prepared by me, but prepared by the Post Office Department. Oh, it makes all of the difference in the world as to whose ox is gored. That is the one thing in this whole matter. As Mr. FORDNEY said the other day, this bill is wrong because it taxes somebody. That is what is the matter with it. It is wrong because there is a little, weak, puny, feeble attempt to compel the second-class mail people in this country to pay a part of what they ought to have paid for lo these many years.

Mr. KITCHIN. Mr. Chairman, I yield three minutes to the gentleman from Minnesota [Mr. STEENERSON].

Mr. STEENERSON. Mr. Chairman, I have an amendment here which I desire to present.

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. Is it a part of the agreement that these amendments shall be voted on at any particular time or at the end of the three hours' discussion?

The CHAIRMAN. The Chair understands that these amendments are to be voted on just as soon as they stop debate upon the particular amendments before the committee.

Mr. MOORE of Pennsylvania. One speech upon either side?

The CHAIRMAN. The Chair will not rule under these circumstances that they have to do that, for the reason that the Chair does not control the time.

Mr. MOORE of Pennsylvania. The gentleman from Minnesota is now about to speak upon another amendment.

Mr. STEENERSON. Mr. Chairman, during the general debate I discussed the proposed zone rates for second-class mail matter, and suggested an amendment to the clause which provides that such matter shall pay postage from the office of publication, wherever mailed, so as to include advertising catalogues. I pointed out that the order placing catalogues in parcel post and mailable anywhere at local zone rates had resulted in a loss of millions to the postal revenue. Formerly they paid a rate of 1 cent for every 2 ounces or fraction thereof, which brought in a little over 8 cents per pound, while now a large publisher of catalogues, like Sears, Roebuck & Co., who issues six or seven millions of them every year, can ship by freight to distributing points, thence by parcel post at local zone rates of less than 2 cents per pound. I showed that catalogues weighing 5 pounds formerly paid 40 cents each postage, while now they are shipped by freight to central points and mailed to the two first zones at 5 cents for the first pound and 1 cent for each additional pound, making 9 cents postage and freight not over 5 or 6 cents, or 15 cents in all, a saving of 25 cents on each catalogue, which on the 6,000,000 shipped by Sears, Roebuck & Co. amounts to $1,500,000 per year. On the face of it this would seem to be a loss to the postal revenue and a gain by the publisher. This must be true unless the publisher can ship so much cheaper from place of publication to place of mailing than the Government can as to wipe out the difference.

The gentleman from Illinois [Mr. SABATH], on Tuesday last, undertook to refute my argument on the authority of the Post Office Department. He said:

> Through the courtesy of the gentleman from New York I have received from the Post Office Department a statement which I will take the liberty of read'ng and which will clearly demonstrate that the statements made by the gentleman from Minnesota [Mr. STEENERSON] are not founded on facts.

The statement looks suspicious. It is not signed. He does not say who "the gentleman from New York" was that gave it to him. The statement shows on its face that it must have been prepared by Sears, Roebuck & Co., for no one else has the statistics given. The Post Office Department has no record of the number of catalogues mailed at the different offices separately from other parcels. All they have is a count of other parcels. For two weeks in April and two weeks in October in each year from which they estimate size and number of all parcels mailed. Here it is:

> (1) I find upon examination of our records that Sears, Roebuck & Co., of Chicago, mailed approximately 7,000,000 of their large catalogues during the past year, of which number about 1,000,000 were mailed at Chicago and the others were shipped to their distributing points. (2) The rates on parcel post are so adjusted that the net revenue per pound is practically the same, no matter to which zone shipped, and while the gross revenue would be less when shipped by freight to distributing points and then placed in the mails, the net revenue would be more. In addition to these large catalogues this firm also distributes millions of smaller catalogues twice a year, which are distributed from the Chicago plant. (3) This company does not ship any of its merchandise to distributing points for the purpose of mailing. The postage on the parcels mailed by Sears, Roebuck & Co. at Chicago alone amounts to about $2,500,000 per annum. Notwithstanding the very large amount of postage paid by this concern, it is not given any preference over any other firm, corporation, or individual. Many others distribute their catalogues and some ship their merchandise in the same manner as the company mentioned. (4) The flat rate of 1 cent for each 2 ounces or fraction thereof which prevailed for catalogues before books were placed in the parcel post did not meet the cost of handling and transportation, and they were handled at a loss. The change in the classification of books, which includes catalogues, from third-class matter to parcel post has enabled the department to handle this class of mail at a profit, which before was handled at a loss. (5) The shipment to certain distributing points by freight and then placing the matter in the mail has not been made possible by order of the Postmaster General, but by the law authorizing the parcel post, which was enacted by Congress and which established a zone system. (6) The Government does not have a monopoly on the transportation of fourth-class matter, and any person has a right under the law to ship it a part of the distance either by freight or express and then place it in the mail if he so desires. No discrimination has been shown by the department in favor of any individual, firm, or corporation in handling their mail, and a single parcel mailed by the individual receives the same consideration as the parcels mailed by the largest concerns.

I have divided the statement into six parts and will refer to them in order.

No. 1. Says "Sears, Roebuck & Co. shipped 7,000,000 catalogues last year." I said from five to six millions. Mine was an understatement of the facts.

No. 2. "The rates on parcel post are so adjusted that the net revenue per pound is practically the same, no matter to which zone shipped," and so forth. That does not prove that it is more profitable for the Government to transport and handle catalogues in the first two zones for less than 2 cents per pound (1.8) than to charge at the rate of 8 cents a pound, or 40 cents for each catalogue.

No. 3. "The company does not ship any of its merchandise to distributing points by freight for the purpose of mailing." The reason is that the shipments being scattered over a whole year are too small to afford any saving by bulk shipments, and besides when shipped by mail the customer pays the postage. Big catalogues for a whole year can be shipped in large lots at one time, but merchandise is shipped gradually as ordered. While it is true all shippers are treated alike, the rule in question in practice operates in favor of the concern that has so large a business that it can ship catalogues by freight for remailing as against the smaller one.

No. 4. "The flat rate of 1 cent for each 2 ounces or fraction thereof, which prevailed for catalogues before books were placed in parcel post, did not meet the cost of handling and transportation, and they were handled at a loss." This is simply not true. It was proven in my argument on the cost of the mail that parcels can be carried on an average at 3¼ cents. Five-pound catalogues can certainly be carried at a profit at a flat rate of 8 cents per pound, when the department says there is a profit in all parcel post at an average rate of 3¼ cents. The average length of haul of catalogues must be approximately the same as the length of haul of the merchandise advertised in them, and Sears, Roebuck & Co. ship all that direct to customer, which they say is a profitable business to the Government.

No. 5. "The shipment to certain distributing points by freight and then placing the matter in the mail has not been made possible by the order of the Postmaster General, but by the law authorizing parcel post." This is a quibble. It was not possible to carry on this catalogue graft under the parcel-post law until the Postmaster General issued the order classifying books as parcel post. Had Congress dreamed he would use this power to change the classification of mail matter to the advantage of large mail-order houses, the power would never have been conferred.

No. 6. "The Government does not have a monopoly on the transportation of fourth-class matter, and any person has the right under the law to ship it a part of the distance by either freight or express and then place it in the mail if he so desires." The cost of handling third-class matter, especially large books, is less than the average for other parcels, and therefore there would be a profit of from 4 to 5 cents a pound at the old rate. Under the act of July 28, 1916, the department has authority to ship mail by freight,

> at not exceeding the usual and just freight rates, in accordance with the classifications and tariffs approved by the Interstate Commerce Commission.

Further the act reads, to wit:

> The Postmaster General shall, from time to time, request information from the Interstate Commerce Commission as to the revenue received by railroad companies from express companies for services rendered in the transportation of express matter, and may, in his discretion, arrange for the transportation of mail matter other than of the first class at rates not exceeding those so ascertained and reported to him, and it shall be the duty of the railroad companies to carry such mail matter at such rates fixed by the Postmaster General.

Again:

> The Postmaster General is authorized, in his discretion, to petition the Interstate Commerce Commission for the determination of a postal carload or less-than-carload rate for transportation of mail matter of the fourth class and periodicals, and may provide for and authorize such transportation, when practicable, at such rates, and it shall be

the duty of the railroad companies to provide and perform such service at such rates and on the conditions prescribed by the Postmaster General.

And again:

The Postmaster General may, in his discretion, distinguish between the several classes of mail matter and provide for less frequent dispatches of mail matter of the third and fourth classes and periodicals when lower rates for transportation or other economies may be secured thereby without material detriment to the service.

It will be seen from these provisions that not only can the Post Office Department obtain freight rates as low as can any individual shipper, but it can obtain the same rate from the railroads as the express company pays, which is usually one-half what the individual pays. Express rates on newspapers from New York to Buffalo are 41.3 cents per hundred pounds, and the distance is 438 miles. From New York to Cincinnati, 757 miles, the rate is 68.6 cents per hundred pounds. From New York to Chicago, 982 miles, the rate is 78.8 cents per hundred pounds. From New York to St. Louis, 1,065 miles, the rate is 92.2 cents per hundred pounds. From Philadelphia to Pittsburgh, 350 miles, the rate is 25 cents per hundred pounds. When the Post Office Department gets the same rate as the express company, they can carry as cheaply. With properly adjusted postage rates, they can make a profit, while successfully competing with the rival service. The facilities the Post Office Department has for delivering packages are superior to any organization in existence, for no express company or delivery concern can reach the farmer at his home like the Rural Delivery Service. The assertion, therefore, that it is of advantage to the Postal Service to have mail-order houses ship their catalogues to distributing points by freight, there to be mailed on local zone rates, is absurd.

The gentleman from Illinois [Mr. SABATH] takes me to task for having attacked the character of Mr. Rosenwald. He says:

Now, I wish to state to the gentleman from Minnesota that if he knew Mr. Rosenwald and knew of his standing, character, and reputation in Chicago, he would not have made these offensive statements about him. It is apparent that the gentleman from Minnesota has but a vague knowledge of Mr. Rosenwald, as, in the first place, he is not a Democrat. I regret it exceedingly [laughter], as the only mistake that I ever knew him to make was when he joined and assisted the Republican Party in the last two campaigns.

I deny that to call a man a Democrat is defamatory. Evidently the House did not think it serious, for they greeted the announcement with laughter.

Mr. SABATH. Will the gentleman yield?

Mr. STEENERSON. No; I will not yield. The gentleman will not deny that in the last Democratic campaign in Chicago for mayor he and his friend supported the Democratic nominee, Mr. Sweitzer. I have seen that in the newspapers printed in Chicago.

Mr. SABATH. The gentleman goes by what he reads in the newspapers?

Mr. STEENERSON. Do you deny it?

Mr. SABATH. I deny that I have supported, together with Mr. Rosenwald, any candidate.

Mr. STEENERSON. I decline to yield further. If the gentleman thinks it is defamatory to say that a man is a Democrat, well and good. [Applause.] I did not suppose it was.

I deprecate as much as anyone the introduction of personalities in debate, but my references to individuals were necessary in order to elucidate the point I was discussing. In the debate that preceded my remarks repeated allusions were made to individual publishers and publications, such as the Curtis Publishing Co., Mr. Curtis, its president, the Iron Age, and even the gentleman from Washington [Mr. JOHNSON], a Member of this House, was referred to in his individual capacity as a publisher. No one thought of rebuking the speakers who made those references to individuals, because it was an incident to the discussion, and proper. My allusion to Sears, Roebuck & Co. and Mr. Rosenwald was necessary to illustrate the point I was making.

There are a large number of mail-order houses in the United States, and the total number of large catalogues annually issued, if estimated at 30,000,000, would, under the old rate, bring in $12,000,000 postal revenue, instead of $2,700,000 under the new. Sears, Roebuck & Co. is the largest, and sent out over 7,000,000 last year. One year after the order putting catalogues into parcel post went into effect, February 24, 1915, they increased their capital stock by $20,000,000, and, according to Financial Press, declared a stock dividend of 50 per cent April 1, 1915. This is the year that the Post Office Department incurred a deficit of $11,000,000, instead of a surplus as the year before.

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. FORDNEY].

Mr. FORDNEY. Mr. Chairman and gentlemen, there is nobody here to defend the postal card. There is nobody here to defend the 2-cent letter that the masses of the people send. There is nobody here to defend the parcel post, because it is not attacked, but under existing law to-day post cards pay $1.70 a pound for being carried through the mail. This bill will increase this postage to $3.40 a pound. Nobody here to complain. A letter sent at 2 cents' postage averages from 45 to 50 letters to the pound—90 cents to $1 a pound. Nobody here to complain; nobody here to defend a 2-cent letter. There is no great interest bearing down upon the Members of this House. Parcel post pays from 5 to 12 cents a pound, owing to the distance it is carried. Nobody complaining. Second-class mail matter 1 cent a pound, and many representatives of that interest complaining because it is proposed to make that class of mail pay 2 cents a pound. Let me tell you something. I have no quarrel with the Curtis Publishing Co. any more than I have with any other publishing company.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Illinois?

Mr. FORDNEY. No; I will not. The gentleman had plenty of time. I just want to show the difference between the gentleman's patriotism and mine, and I have but five minutes in which to do it.

Mr. MADDEN. I just want to correct a statement that the gentleman made.

Mr. FORDNEY. You can not correct anything I have said here. [Laughter.] I want to be courteous to the gentleman, but I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. FORDNEY. Here is the Curtis Publishing Co. I went over to the Library of Congress and I saw the reports which I was directed to consult by the Postmaster General as the sources where I could get information concerning the great magazines and newspapers, their circulation, and the number of pounds distributed, and the postage paid. And what do I find? Every Postmaster General has reported as to the loss of revenue to the Government on second-class mail matter, stating that it is 8 cents a pound. The Government gets 1 cent per pound for handling second-class mail matter and it costs 9 cents to do the work. The Curtis Publishing Co., among their other publications, publishes the Ladies' Home Journal. The loss to this Government last year for handling that publication, calculated upon a loss of 8 cents a pound for its circulation, based on their issue of last week, was $1,275,590.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield for a moment?

Mr. FORDNEY. No; I beg the gentleman's pardon. I will yield, if I have time, but I can not yield just now.

The Saturday Evening Post, another of their publications, distributed 38,335,670 pounds through the United States Post Office at a loss of 8 cents a pound to the Government, or a loss of $3,066,825. The Country Gentleman, another of their publications, distributed 5,900,000 pounds through the mails at a loss of 8 cents a pound, or a loss of $400,490; or a total loss on those three publications of $4,742,933.

I do not pick out those big publications because I have any particular quarrel with them, but the Curtis Publishing Co. is one of the great publishers and distributors of second-class mail matter in the country, and the loss to this Government at 8 cents a pound on those three magazines—only about one-half of their total publications went through the mails; the balance went by freight or express—but the loss to the Government last year on those three publications was, as I have said, $4,472,933. That money, gentlemen, would pay 3,900 men a hundred dollars a month for a year. That loss to the Government for handling those three publications last year would meet the annual pay roll of 26 of the largest sawmills in the United States. Ah, a subsidy to the Curtis Publishing Co.! And yet men will stand here and defend that rate for carrying second-class mail matter through the mails. [Applause.]

As I said, gentlemen, you propose to put a rate of $3.40 a pound on postal cards. You propose to put $1.42 a pound on 2-cent letters, and you propose to put 2 cents a pound on second-class mail matter. There was a loss last year to the United States Government, as reported by the Post Office Department, of $89,000,000 on the handling of second-class mail matter.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Will the gentleman from North Carolina yield about three minutes more to me?

Mr. KITCHIN. I yield two minutes to the gentleman.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. FORDNEY. There was a loss, I say, of $89,000,000 to the Post Office Department on second-class mail matter, at the

rate of 1 cent a pound on second-class mail matter, $1.70 on postal cards, an average of 90 cents on 2-cent letters, and from 5 to 12 cents a pound on parcels post. Where do you believe the loss came from? And yet there are men here defending the great metropolitan papers and the magazines in the enjoyment of that subsidy. It is not particularly the newspapers that are going to meet this pay roll if this bill passes as recommended by the committee. That loss is going to be largely paid by the magazines. Oh, I know that the wrath of the magazines will come down on my head like a hawk on a chicken, but by the good Lord that is above me, gentlemen, if I can impose upon second-class mail matter only a small portion of their just dues, to be paid during this great war, I think I shall have done some good to the constituency that I have the honor to represent. [Applause.]

There is nothing sent by mail or railroad or steamboat freight in this country that does not pay its way, except second-class mail matter. [Applause.] And gentlemen stand here and defend that rate. It is unjustifiable, gentlemen. In this great crisis, for God's sake where is there a publisher in the land whose patriotism does not go beyond skin deep but will come here and pay without whimpering his fair share in the gathering of this money to carry on this great war to protect your sons and my sons in the trenches? [Applause.] Oh, shame on the fellow that would not do his fair share. I am not one of that kind. [Applause and cries of "Vote!"]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. MADDEN. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 61, noes 146.

So the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, the substitute which I offered a little while ago for the committee amendment provides for a 2-cent per pound flat rate on second-class mail. The present rate for second-class mail matter is 1 cent a pound, and the complaint generally is that the Government suffers a heavy loss by reason of that rate.

The gentleman from Michigan [Mr. FORDNEY] has just explained some of the reasons why, in his judgment, there should be an increase in the postal rate on second-class matter. He has reflected upon the Curtis Publishing Co., which is one of the largest publishing concerns in the world, and which sends forth over this country and into every State the three publications that he has mentioned. I have watched the growth of those publications and have had a pride in that growth, since their headquarters happen to be in the city that I have the honor, in part, to represent. And since they have done much to spread the fame of that city, I take pride, as I think every other American does, in the splendid development of these publications and in the influence they have attained throughout this land.

I can not quite agree with the gentleman from Michigan as to the figures he has presented. I am told that if the rates suggested by the committee were to go into effect it would cost these three particular publications about five times as much for their postal distribution as they are obliged to pay to-day, which is something over $650,000 per annum.

Now, the trouble seems to be, and it was so far as the committee was concerned, in ascertaining the real facts with regard to loss on second-class matter. Not desiring to differ altogether from the conclusions of the majority of the committee, I am frank to say that there was not before the committee the kind of information that one would want to have in order to determine a question of this magnitude. It was conceded by the postal authorities, at least those from whom we were able to obtain information, that the entire revenue derived from second-class matter at this 1-cent per pound rate was $11,000,000 per annum. It was said that there was a great loss to the Government above that. Well, I assume that even if you were to abolish the second-class rate altogether, the Government would still be at the expense it now is for transportation, and the charge overhead, which would continue substantially the same. So it seems to me that what we want to determine to-night is the amount of revenue we can get fairly out of this second-class business. Surely we do not want to destroy what we have. If we get $11,000,000 out of a 1-cent per pound rate, we will get twice $11,000,000, or $22,000,000, out of a 2-cent per pound rate, and that is my proposition. It is purely a revenue proposition.

The best the committee has to offer is a zone system, which is uncertain, and which has met much opposition in this House already, which proposes to raise only $27,000,000, or only $5,000,000 more than the 2-cent flat rate would yield. The publishers say that the zone system will put many of them out of business. The fact seems to be well established that some of the smaller papers and many of the smaller magazines must quit business if the zone system is carried into effect. Now, mark that the difference as between $22,000,000 which the publishers say they might be able to stand on a 2-cent-per-pound basis and the zone system which proposes to produce $27,000,000, is only $5,000,000. Shall we risk putting so many establishments out of business for this amount?

It has been said time and again that while this tax bill is going to be a severe burden upon the people and a severe tax upon industry generally, it is not intended to punish business. If, therefore, you want to preserve the publishing business and give those engaged in it a fair chance, adopt the 2-cent-per-pound flat rate, which is double the rate now paid, making $11,000,000 more revenue than we now receive. The zone system threatens the very existence of many of these publication establishments.

I think I am safe in saying that the committee had no alternative for raising revenue from second-class mail except the zone system, and that the best it could find in the way of revenue was this $27,000,000, a gain of only $5,000,000 over the 2-cent rate, which will not disturb business. The original bill would have produced $19,000,000; but the amendment modified that and brings the total estimated revenue from this source up to $27,000,000. The committee does not stand by its original report. To-night it brings in a substitute which proposes to raise $16,000,000 only, whereas the original bill proposed to raise $19,000,000. The committee in effect corrected the original plan, but that does not alter the fact that it threatens the existence of many legitimate and worthy business enterprises.

Mr. VARE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to my colleague.

Mr. VARE. Would not this amendment of yours simplify the postal work of the department?

Mr. MOORE of Pennsylvania. It would save a great expense in a rearrangement of the system. It would save a considerable expense in overhead, because the machinery of the Government would run just as it does now. Information and light through these publications would be disseminated just as they are now. Publishing establishments would be encouraged to go on just as they do now, except that they would pay twice as much as they have been paying heretofore. In other words, for the purpose of raising more revenue we would be doubling the expense to the publications without adopting the troublesome and dangerous zone system.

Mr. FOCHT. Mr. Chairman, as I understand, the gentleman believes that this substitute offers no more relief for the publishers than the original bill.

Mr. MOORE of Pennsylvania. No; it does not. In the opinion of many publishers, they would have to go out of business.

Mr. FOCHT. That is my information also.

Mr. MOORE of Pennsylvania. How much time have I used?

The CHAIRMAN. Seven minutes.

Mr. MOORE of Pennsylvania. I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, I do not expect or hope to cast any particular light upon this proposition which has been discussed for days in the five minutes which I shall consume, but my point of view of this matter is so different from that which I have heard spoken so often on the floor of the House that I desire very briefly to give my views.

We spend every year in the United States hundreds of millions of dollars in primary education and a very large amount in college education for the youths. But the great educational force of the country is in the newspapers and magazines. [Applause.] The great mass of the people of the country get most of their education, outside of their daily experience, from the reading of the news and other articles, including advertisements, in the newspapers and magazines. I am not sure but that the advertisements are fully as educational as the literary news articles in these publications. Now, no one would suggest that we close our schools in order to take the money raised by taxation for this purpose and spend it in the war. No one would suggest that we stop the primary education of the land, and I know of nothing which will be more valuable to the people of the country than to have these educational facilities in their highest degree during the war. [Applause.] I think it will be a mistake to lay a burden upon them. We all know that the inception of the second-class mail privilege was for educational purposes. It has continued for educational purposes. I think it ought to continue for educational purposes, and I hope the House will strike the whole provision out of the bill. [Applause.]

Another thing, there never has been in the history of the world such a growth of business in the country as has taken place in this country since the second-class mail privilege was first granted. Before that the growth of business was slow, and the development of the country was slow. I desire to say that the circulation of the newspapers and magazines throughout the country with their advertisements has contributed more to the growth of business in this country, unparalleled in the world, than any other one single factor. [Applause.]

But in coolness we can raise sufficient money in other ways without endeavoring to lay the heavy hand of taxation upon these influences which have worked from the start for the best interests of the country. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

Mr. HASTINGS. Let it be reported again.

The Clerk read as follows:

Strike out section 1201.

Mr. MOORE of Pennsylvania. Mr. Chairman, may I intervene another speaker before this amendment is passed upon?

The CHAIRMAN. The gentleman has control of an hour and a half of the time.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Chairman and gentlemen of the committee, it seems to me that this is one of the most important questions that we have considered in this entire bill. I would like to suggest that the subject matter of this question ought to be considered in some other place than in this bill. It is a post-office regulation and is not a revenue question, and the effort to correct inequalities in the Postal Service by attempting to do so through the revenue tax is not good legislation. On that score I think the question is objectionable.

Mr. NORTON. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. For a brief question.

Mr. NORTON. Does the gentleman understand that any part of this tax is to be used for defraying expenses of the Post Office Department?

Mr. GRAHAM of Pennsylvania. Yes; the substitute provides that some of it shall be paid out in salaries.

Mr. NORTON. It is not so provided in the bill.

Mr. GRAHAM of Pennsylvania. I would like to give the gentleman time to answer his questions, but I want to say a few things myself.

Mr. KITCHIN. The gentleman from Pennsylvania means that it prohibits paying salaries.

Mr. GRAHAM of Pennsylvania. No; it goes further, I think. It provides also that the salaries of certain postmasters will not fall below a certain sum, guaranteeing it, looking to a possible diminution of mail carried in certain districts in consequence of this legislation.

The question presented to us is one which affects a number of interests. There is no doubt, in my mind at least, but what the enforcement of this tax is going to drive out of business 40, 50, or 60 publishing houses of which I have some personal knowledge in this country. I will not take the time to quote the figures as they were given to me on a periodical that is one of the important educational publications—the Review of Reviews—but the statement of their account shows that their net earnings for the year past were $17,000, and this bill, as reported from the committee, will impose a tax upon them equal to $38,000; in other words, the entire net income would be absorbed and they would have to pay the balance out of their capital. The manager of this concern, an entire stranger to me, speaking about it, said, "I am a patriot; I am willing to contribute my share to the expenses of the war. If Congress will tax me for every dollar of my net income I will pay it willingly; but for God's sake leave me my business when the war closes, so that I may go on and make a living." [Applause.]

Mr. Gompers has given his opinion of this zone system in a quotation which I will take the time to read, illustrating another interest that is greatly affected by this proposed tax. Mr. Gompers, who is recognized as the labor leader, says:

> To place a double and triple tax upon the public press is without warrant and excuse, and simply means that many publications will be forced out of existence. Such a condition will seriously menace the conditions of life and work of the men and women employed in the printing and closely related and kindred trades by throwing thousands of them out of employment. Shall we sit idly by while the very livelihood of thousands of our fellow workers is placed in jeopardy and while the labor and sympathetic public press is seriously menaced?

Now, first, the publisher is affected by being driven out of business; second, the working man and woman is affected by being deprived of employment through the regulating of a practice which is said to be improper in the Postal Service of this country, but which has existed for several decades unchallenged.

Surely, my friends, we can afford to preserve these business interests, these sources of employment and wage earning, and maintain a tax similar to that which was proposed by my colleague from Pennsylvania. I had intended to offer an amendment reducing it to one and a half, a flat rate, and wipe this pernicious zone system out of the bill, but I am willing to follow the amendment of the gentleman from Pennsylvania [Mr. MOORE] and vote for a rate of 2 cents a pound, which will produce nearly as much as the committee contemplated should be produced by this tax.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, in order to show that all Pennsylvania statesmen are not as one upon this subject, I send to the Clerk's desk and ask to have read in my time a letter received this morning from a very distinguished Pennsylvania statesman, and an editorial published in a newspaper owned by him.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

PITTSBURGH, PA., *May 19, 1917.*

Hon. NICHOLAS LONGWORTH,
House of Representatives, Washington, D. C.

MY DEAR MR. LONGWORTH: I inclose editorial published this morning in my newspaper, the Pittsburgh Gazette Times. I wrote this editorial myself. It seemed to me that the stand taken by most publishers against any increase in second-class rates was so selfish and narrow that it was up to me to disclaim any sympathy with them, and to show that all newspaper publishers are not anxious to shift the burden of taxation onto other shoulders.

Very sincerely, yours, GEORGE T. OLIVER.

Mr. LONGWORTH. Mr. Chairman, I will now ask that the Clerk read the portion of the editorial which I have not marked out, so as not to make it too long.

The Clerk read as follows:

PUBLISHERS SHOULD PAY THEIR SHARE.

Among the many items in the war revenue measure now pending in Congress none has been the subject of greater controversy than the proposed increase on second-class mail matter, which includes magazines and newspapers. Representatives of these publications have appeared before the committees of both House and Senate protesting vigorously against any increase, and they have gone to the limit in enlarging upon the damage that will ensue to them and to their industries if it is insisted upon. It must be acknowledged that this damage is by no means imaginary. The increase in postage will bear hard on all newspapers and it may possibly drive some of the smaller magazines out of business. The Gazette Times will, of course, suffer along with the others, but, notwithstanding all that has been said, it is of opinion that opposition to any increase in these rates is both unwise and unpatriotic. It may be that the rates proposed are too high and that some modification ought to be made, but any revenue measure which proposes to continue unaltered the present rates on second-class matter and at the same time levy enormous increases on every other conceivable class of taxable subjects would be nothing less than an evidence of contemptible cowardice on the part of the Congress.

It must be borne in mind that these publications are now carried through the mail at an annual loss to the Government of something like $90,000,000. If the increases proposed in the bill are effected, it will add only $19,000,000 to the revenue, so that even with these increases the service will still be performed at a loss of more than $70,000,000 a year. It is not fair, it is not right that the publishers of the country should ask such a favor from the Government at a time when its necessities compel it to lay hands on every dollar that is obtainable.

* * * * * * *

The Gazette Times has repeatedly said that the proposed revenue bill is unwise in that it endeavors to raise too much money by direct taxation, and that it would be far better to limit the amount to be raised to $1,000,000,000 a year, leaving the rest to be provided for by bonds. But even if this were done some part of the money ought to be raised by an increase in postage. The publishers can not expect to escape when all other industries must suffer. * * *

Mr. GRAY of New Jersey. Mr. Chairman, will the gentleman from Ohio yield?

Mr. LONGWORTH. Mr. Chairman, I simply want to say this: Everyone knows who the gentleman is who wrote that editorial. He is a former Senator from the State of Pennsylvania, a very patriotic man, and a man largely interested in publishing newspapers. I merely want to say that that is my speech upon this occasion. I can not better it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from North Carolina [Mr. SMALL].

Mr. SMALL. Mr. Chairman, appreciating the burden which confronted the committee in drafting this bill, my inclination has been, wherever possible, to vote with the recommendations of the committee, but there is one vital objection embodied in their recommendations as to postal rates on newspapers which, it seems to me, is dangerous. We ought not to have the zone system of rates upon periodicals and magazines. However justifiable it may be in the parcel-post system, it is not applicable in the dissemination of newspapers and periodicals,

One great difficulty in our country is the lack of knowledge and information upon the part of some sections of the country with other sections.

If a citizen from the eastern coast goes to the Pacific coast and scans the newspapers in San Francisco, the paucity of information which he gets of events on the Atlantic seaboard States is such as to make him lonely and homesick. There ought to be a more generous dissemination of news and information and a wider discussion of questions which concern particular sections of the country in order to create a common interest. I think the zone system as applied to second-class postal rates is an innovation which ought to be discouraged. I believe that in so far as it is attempted to be made applicable here, it will prove so injurious to the country that it ought to be eliminated. As to the rates, Mr. Chairman, I admit that the present rate of 1 cent per pound is too low. I take it that everyone must recognize that, but at the same time a great business has been built up by substantially every newspaper, either of large or small circulation, upon that system; and if we are going to increase the rate it ought not to be made in a drastic manner, but by degrees. I think an increase of 100 per cent in the present rate of second-class postage is sufficient, even if it does not go too far, and because the amendment of the gentleman from Pennsylvania simply increases the present rate 100 per cent upon a flat basis, and because it discards the dangerous and un-American zone system, I shall favor the amendment. I oppose either in time of war or in time of peace a zone system in the distribution of newspapers and periodicals.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. SMALL. Yes.

Mr. COX. Does not the gentleman know that from 1789 to 1832 we operated the Post Office Department under the zone system?

Mr. SMALL. That does not affect the merits of the proposition. It ought to be the purpose of Congress and the purpose of the department to bring different sections of the country closer together by a common information, by a common interest, by the common educational processes of the newspapers and of periodicals. I hope that the amendment will be adopted. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. COOPER of Wisconsin. Mr. Chairman, there has been much said about the Hughes Commission and its report. That commission consisted of Mr. Justice Hughes, the distinguished jurist; President Lowell, of Harvard University; and Mr. Wheeler, president of the Chicago Association of Commerce, one of the great business associations of the United States. They made an exhaustive examination of the second-class mail-matter question, and here is one thing that they said:

> The question of raising the rate on second-class matter mailed by publishers and news agents from 1 cent to 2 cents a pound is a more serious one. But we are of opinion that the change is reasonable and should be made.

The distinguished gentleman from Michigan [Mr. FORDNEY] said that one Postmaster General after another had reported that the cost of carrying second-class mail was 9 cents; that for carrying it we received only 1 cent; and that therefore the net loss was 8 cents. But the Hughes Commission say, speaking of these very reports of the different Postmasters General:

> Our attention has been directed to the fact that the Postmasters General in their annual reports have repeatedly commented upon the increase in the volume of second-class matter, and upon the disparity between the supposed cost of transporting and handling it in the mails and the amount received as postage. Their estimates evidently reflected the opinion of the officers of the department, but they were based upon general experience in the service and not upon a scientific ascertainment of cost.

The commission reported, it appears, that these statements of the Postmasters General were not based upon a scientific ascertainment of cost.

After weeks of thorough investigation, the commission reported:

> First. That the evidence submitted does not justify a finding of the total cost of transporting and handling the different classes of second-class mail matter.
>
> * * * * * * *
>
> Fifth. That upon the basis of the apportionment for the fiscal year 1908, as modified by subsequent reductions in the expense of railroad transportation, the cost of paid-at-the-pound-rate matter for the services above mentioned is approximately 5½ cents a pound.

Instead of the cost of second-class matter being 9 cents, the commission reported it to be then only 5½ cents, and that this cost would be still further reduced. The report says:

> That by the extension throughout the country of the method recently introduced of transporting certain periodicals by freight instead of the usual mail trains, the cost of paid-at-the-pound-rate matter will be further reduced.

Gentlemen, you call this robbery. But are you aware of the fact that in Canada, where they are now sending hundreds of thousands of their young men to the trenches of Europe to fight and die, they carry second-class mail matter from Nova Scotia to Vancouver, clear across this continent, for only one-half a cent a pound, and that Canada has not increased postal rates on second-class matter since the war began?

Upon grounds of the very highest public policy we ought to consider the transportation——

Mr. COX. Will the gentleman yield?

Mr. COOPER of Wisconsin. I can not. We ought to consider the tranportation of newspapers and magazines as a thing entirely different from the transportation of lumber, or sugar, or any similar commodity. Some of these magazines are wonderful affairs. For example, one of them has during the last year or more, at the small subscription price of $1.50 a year, been carrying once a month through the mail all over the Nation—I have seen the magazine in humble homes in the West—very beautiful copies of some of the great paintings of the world. One dealer in pictures has declared that to get elsewhere only one copy as fine as some of these in this magazine would cost from six to eight dollars. This magazine educates people. These superb pictures have brought immeasurable pleasure to thousands of homes everywhere throughout the country.

Canada carries newspapers and magazines for only one-half cent a pound from ocean to ocean. Why? Because Canada knows that newspapers and magazines are utterly separate and apart in character from lumber and ham and bacon.

There is no more reason why you should have the zone rate in carrying newspapers than the zone rate in carrying letters.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. I wish I could have one minute more.

Mr. MOORE of Pennsylvania. I yield to the gentleman one minute.

Mr. COOPER of Wisconsin. The gentleman from Illinois [Mr. RAINEY] the other day read some ludicrous excerpts from a story published in a magazine, and therefore, he said, we ought not to carry second-class mail at a cent a pound. But undoubtedly there are thousands of letters carried in the mails in the United States every year that contain expressions as oversentimental as were those contained in the article which the gentleman read. And would that fact justify the gentleman in demanding the establishment of the zone system for the carrying of letters? No; far from it. That sort of attempt at argument does not touch the merits of the proposition at all—not at all. The question is greater—far greater—than that. It is not a question of mere money making. As a matter of the very highest public policy, as a matter of principle, we ought to permit the sending through the mail of every kind of respectable publication at the lowest practicable rate. The Post Office Department is practically self-sustaining now, and would be entirely so but for the rural free delivery. In 1902 the Postmaster General in his report says:

> It will be seen that had it not been for the large expenditure on account of rural free delivery the receipts would have exceeded the expenditures by upward of $1,000,000.

But will any of you gentlemen who want the zone system vote to do away with the rural free delivery because it does not pay cash dividends? [Applause.]

As to the proposition for a zone system, the Hughes Commission said in its report:

> The policy of zone rates was pursued in the earlier history of our Post Office, and has been given up in favor of a uniform rate in view of the larger interests of the Nation as a whole.
>
> It would seem to the commission to be entirely impracticable to attempt to establish a system of zone rates for second-class matter.

The only other joint commission of Congress on second-class matter held voluminous hearings in 1906. On page 28 of the report of this commission the zone-rate system is considered, as follows:

> Neither, for reasons almost equally obvious, is a solution to be found in a zone system of charges * * * which would artificially restrict the diffusion of the periodical agencies of intelligence. * * * Would it not be politically and socially unwise to create arbitrary barriers against the processes of national unification and solidarity?
>
> Apart from the social and political considerations, which to our minds are conclusive, there are serious administrative difficulties in the way of a zone system of charges.

Thus the two distinguished commissions on second-class mail of recent years, the only two, both reported squarely against the zone system.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask that my amendment, as accepted and agreed to by the gentleman from North Carolina, be now read.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to modify his amendment as suggested. Is there objection?

Mr. LONDON. I object.

Mr. MOORE of Pennsylvania. I offer the amendment which is at the Clerk's desk in its present form. I offer to amend the substitute in the manner in which the Clerk now has it before him.

The CHAIRMAN. The gentleman from Pennsylvania, the Chair thinks, can not offer another amendment.

Mr. MANN. The gentleman has a substitute pending, and it is open to amendment.

The CHAIRMAN. Yes; but there is one amendment pending to the substitute now.

Mr. MANN. Who has offered that?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE].

Mr. MANN. No; but his is a substitute for the committee amendment.

The CHAIRMAN. No; the gentleman from Illinois, the Chair thinks, is under the wrong impression. The gentleman from Pennsylvania offered an amendment to the committee substitute for section 1201——

Mr. MANN. I think the Chair is under a misapprehension. The gentleman from North Carolina offered an amendment by way of a substitute for the section. The gentleman from Illinois, my colleague [Mr. MADDEN], offered an amendment to the original text, and then while both those were pending the gentleman from Pennsylvania offered a substitute for the committee amendment. That substitute was subject to amendment.

The CHAIRMAN. The Chair begs to state the parliamentary situation as he understands it from the beginning. First the gentleman from North Carolina [Mr. KITCHIN] offered a substitute for section 1201 and other sections. Then, the gentleman from Illinois [Mr. MADDEN] offered an amendment to the original text, which was voted on.

Mr. MANN. It had not been voted on when the amendment of the gentleman from Pennsylvania was offered.

The CHAIRMAN. That is correct. The gentleman from Pennsylvania then offered an amendment striking out section 1201. I think the gentleman from Illinois gets confused with the idea——

Mr. MANN. No.

The CHAIRMAN. That the gentleman from Illinois offered one section as 1201.

Mr. MANN. No; I am not confused.

The CHAIRMAN. Let the Chair finish his statement. Then, if he is incorrect the Chair will be glad to be corrected. There were in the motion of the gentleman from North Carolina several sections, but only one amendment. Now, the gentleman from Pennsylvania moved to amend that by offering an amendment striking out section 1201 as it is in the substitute and inserting what there is here.

Mr. MANN. But the gentleman from North Carolina was contending a moment ago that that was not the case. The amendment of the gentleman from Pennsylvania was to strike out the original section in the bill. If it is held that the amendment of the gentleman from Pennsylvania was simply to amend section 1201 in the committee amendment, he does not want to offer any amendment. I understood that he offered a substitute for the motion of the gentleman from North Carolina.

The CHAIRMAN. The Chair thinks he can clear this up by reading the amendment offered by the gentleman from Pennsylvania in his own handwriting:

Mr. MOORE of Pennsylvania moves to strike out section 1201 of the committee substitute and insert the following.

Mr. MANN. That is all right, but when the gentleman from North Carolina read it to the House he read it to strike out section 1201 of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. MOORE of Pennsylvania) there were—ayes 80, noes 160.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from North Carolina.

Mr. STEENERSON. Mr. Chairman, I have an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. STEENERSON offers the following amendment: Amend the committee amendment by striking out sections 1201, 1202, and 1203, and insert in lieu thereof the following:

"That on and after June 1, 1917, the rates of postage on second-class matter shall be as follows: On newspapers and periodicals that have a mail circulation of not exceeding 5,000 copies, 1 cent per pound; those having a mail circulation of more than 5,000 but not exceeding 50,000 copies, 1½ cents per pound; those having a mail circulation of more than 50,000 but not exceeding 100,000 copies, 2 cents per pound; those having a mail circulation of more than 100,000 but not exceeding 200,000 copies, 3 cents per pound; those having a mail circulation of more than 200,000 but not exceeding 300,000 copies, 4 cents per pound; those having a mail circulation of more than 300,000 but not exceeding 400,000 copies, 5 cents per pound; those having a mail circulation of more than 400,000 copies, 6 cents per pound: *Provided*, That the rate of postage on daily newspapers, when the same are deposited in a letter carrier office for delivery by its carriers, shall be the same as now provided by law: *Provided further*, That nothing herein shall affect existing law as to free circulation and existing rates on second-class mail matter within the county of publication."

Mr. STEENERSON. Mr. Chairman, I ask unanimous consent to explain this amendment. I ask for two minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. STEENERSON. Mr. Chairman, the difference between this and the committee amendment is that this is not a zone plan, but is based on the amount of mail circulation which each paper has, and the result is very nearly the same, because the paper with a circulation of 1,000,000 copies must have subscribers in every county in the United States, and if published on the Atlantic coast the average distance carried amounts to fifteen hundred miles, and that is the same class of paper that would be in the largest zone as proposed in the zone plan. Besides, the charge for advertising is in proportion to the amount of the circulation. The paper with 1,000,000 circulation charges three or four thousand dollars a page. That circulation is through the mail. Under this plan those who can afford to pay this rate per pound will be required to pay it, but the small paper, the one that circulates 5,000 copies, will pay 1 cent a pound; and when you simmer it down you will find that it affects the papers that are carried the farthest, because the circulation by mail indicates the distance to which they are carried every time. I have submitted this to the First Assistant Postmaster General, and he tells me that he thinks it will bring in $36,000,000 and make the circulation self-sustaining. This will bring in more money than the committee bill, and it will place the burden where it belongs—on the most prosperous papers and periodicals like those mentioned in Philadelphia. The average rate under this bill will be 3 cents per pound, but as there are 1,200,000,000 pounds of second-class mail, it will mean $36,000,000 instead of $1,000,000, as we get now.

It is the most just and fair proposition that has been submitted so far.

Mr. MONDELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MONDELL. I desire to offer an amendment to strike out section 1201, a substitute for the committee amendment. Can that be offered at this time? I desire to offer it before the committee substitute is voted upon.

The CHAIRMAN. There is an amendment already pending, and the Chair understands that the gentleman from Minnesota also offers an amendment of that kind.

Mr. MONDELL. The gentleman offers a substitute, and I move to strike out all increases of second-class postal rates.

Mr. KITCHIN. I suggest that the first vote should come on the amendment offered by the gentleman from Minnesota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

Mr. DOWELL. Mr. Chairman, can not we have the amendment reported again. There was so much confusion we could not hear it.

The CHAIRMAN. Without objection, the amendment will be again reported.

Mr. COX. I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. GILLETT]. I understand that if any Member has any amendment to offer he must offer it in his own time.

Mr. KITCHIN. Mr. Chairman, what amendment is now pending?

Mr. GILLETT. The amendment of the gentleman from North Carolina.

Mr. MOORE of Pennsylvania. I am yielding to gentlemen to speak to the amendment of the gentleman from North Carolina unless they have amendments of their own.

The CHAIRMAN. The Chair thinks that in order to offer an amendment before debate is exhausted gentlemen should get time from the gentleman from North Carolina or the gentleman from Pennsylvania.

Mr. LONGWORTH. After the debate is exhausted under the agreement anyone may offer an amendment which will be voted on without debate?

The CHAIRMAN. The Chair thinks so.

Mr. GILLETT. Mr. Chairman, the principle underlying this question has been so exhaustively discussed that I will not take the time to further debate it. I will merely give an illustration of the injurious results of this legislation. I am disposed to agree that the newspaper business, like the rest of the business of the United States, ought to pay its way approximately, but I do not think that a vital and expensive change should be suddenly thrust upon them without time for preparation, when for years they have built up their business under a different system. The newspaper business, more than almost any other business, depends upon the good will which it has built up painfully and slowly, and it is not fair to suddenly destroy it.

There is published in my home city a group of farm papers which exactly illustrates the danger of this legislation. They are distributed to the farmers throughout the country. There is a Northeast edition, a Southern edition, and a Western edition of publications, all differing according to the needs of the differing sections. That group of newspapers carries information out to a class of our people who can not afford an increase in the rates. That group of papers in the last year made only $51,000 profit. In the coming year the difference in the cost of paper alone will cost them $141,000 more, so this year they face a deficit of $90,000 as it is. The additional tax under this bill will cost them $18,000, and there is $108,000 of deficit that they have in some way to meet. What does this bill do? This bill comes to an industry like that, which has been built up under the regulations and laws of the countr., and which finds itself facing a tremendous deficit, and the legislation says to them in the next year you have got to lose $221,000 more. Of course, that is wrong, but yet that is the result of this law—that is the effect of it—and it seems to me that it is unfair in the extreme. If you are going to put these newspapers on such a footing, you should do it gradually—slowly—so that they can adapt themselves to it, instead of by one sudden sweep, threatening them with absolute ruin. This zone system favors the paper which is so poor and insignificant that no one wants it outside of its locality, and it penalizes the paper which is so excellent and popular that it has a wide circulation. It encourages provincialism and sectionalism and prevents nationalism.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

Mr. MONDELL. Mr. Chairman, I desire to offer an amendment to strike out section 1201.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, my amendment strikes out of the bill section 1201.

The CHAIRMAN. The gentleman has not yet offered his amendment.

Mr. MONDELL. Mr. Chairman, I move to strike out section 1201 of the original bill. My motion, if adopted, will strike out all those provisions relating to an increase in the rates upon second-class mail matter. The gentleman from North Carolina [Mr. KITCHIN] a moment ago appealed successfully, I regret to say, to the spirit of sectionalism, to the spirit of provincialism, to the spirit of Buncombe County. [Applause.] I appeal from that narrow and sectional spirit to the spirit of a broad and intelligent nationalism. [Applause.] I appeal in the name of the hope we entertain that there shall not be again developed in our land that narrow sectionalism and provincialism; that prejudice and misunderstanding; that intolerant local sentiment that brought upon us the most awful civil war of all history. If there is any one thing which we as a people must fight against, and fight against with all our might, and with all our power, it is against the growth of sectionalism, of provincialism. On the contrary, we must at all times and under all circumstances aid and promote the growth and spread of the spirit of unity and nationalism.

We have here established a rule common to all English-speaking people the world over, common to democracies the world over, of treating the dissemination of news, of ideas, of literature differently from the manner in which we treat the transportation of cotton and bacon and ham. This zone system that you gentlemen would fasten upon the country would do more than anything that can be thought or dreamed of to set up and establish, constantly intensifying, miserable little local circles of news, information, and ideas. We would have the North Carolina idea emphasized and intensified by the North Carolina newspaper and magazine and the California idea emphasized and strengthened by the California newspaper and magazine, and we would have the Nebraska idea emphasized by the Nebraska newspaper and magazine. None of them could become national in circulation, in idea, in influence on account of the prohibitive rates you provide under your zone system. If there is any one thing that we need to fight against in America, it is that sort of thing, and I appeal to you to stand by that policy which we have followed for half a century, under which, through the widest, the most untrammeled, and freest possible opportunity for the dissemination of news and ideas throughout the Nation, we have remained a homogeneous people; and by being a homogeneous people we shall remain a free people. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, I listened to the speech of the gentleman from North Carolina [Mr. KITCHIN] with strict attention and with great interest. He denounced that policy which permits this Government to carry the publications of one Philadelphia publishing house all over this country at a loss each year of $4,730,000; and the gentleman from Wyoming [Mr. MONDELL] says that is buncombe, that is provincialism, that is the North Carolina idea; but the Wyoming idea, as the gentleman expressed it here, is to permit this graft to continue indefinitely in the future and to permit these newspapers and these magazines to continue their policy of robbing the people of the United States to the extent of over $80,000,000 every year, because that is what they are doing. [Applause.] If that is the Wyoming idea, then I stand, and every honest man must stand, for the North Carolina idea. Thank God for the North Carolina theory, as applied to this situation. The gentleman continues by saying that he is standing for that policy of carrying magazines and newspapers which has prevailed from the very beginning until now, and the gentleman demonstrates that he does not know what he is talking about, because we have had the zone system in carrying newspapers and magazines from the very beginning until 1852, and then a graduated rate equivalent to the zone system from 1852 to 1885, and then this outrageous system to this date. Why, away back in 1791 the question was discussed in this House of Representatives.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. I can not. Mr. Bourne, a Member of Congress from the State of Massachusetts, advocated the idea that newspapers and magazines should be carried all over the country at a uniform rate, exactly the same argument advanced this evening by the gentleman from Illinois [Mr. MADDEN]. His argument was that there should be a distribution of intelligence and information all over the country at the same rate.

The answer to it was made by Mr. Boudinot, of the State of New Jersey, the president of the congress, when the treaty of peace was signed with England. He answered that proposition; and with a vision wonderful to contemplate as we look back at it, he said the adoption of that uniform system would mean that it would give to magazines and newspapers and publishing houses in the seat of government and in the North an undue advantage over the South. In those days there was no West. And that argument prevailed, and we had the zone system—first, with a common rate applying to the territory within 100 miles from the point of publication, and a still larger rate for greater distances; and then a larger zone, and a still larger rate for greater distances. There have been 15 changes in this zone system from 1791 to the present time, and 6 changes from 1845 to 1872, having reference to the free-in-the-county privilege, every one of them recognizing the zone system proposition, until the newspapers got so strong that in 1885 they demanded a 1-cent a pound rate.

I know that the gentleman from Wyoming does not know, and the other gentlemen, who take the other side of this question, evidently do not know, that the argument advanced in this House by Mr. TOWNSEND of Illinois in behalf of the Appropriations Committee, in favor of the 1-cent-a-pound rate, was that a reduction of the zone rate in force at that time to 1 cent per pound would mean larger revenues for this Government. For the reason that Mr. TOWNSEND convinced the Congress that this rate would yield larger revenues for this Government we went to the 1-cent-a-pound rate. He called attention to the fact that the reduction in first-class postage rates a short time prior to 1885 had yielded more revenue. The Post Office bill of that year carried a total of $56,000,000. After the reduction was made it did yield more revenue for one year. The next year these cheap magazines commenced to make their appearance. Then commenced the days of magazine literature in this country, which has driven out the book-publishing business, which has driven out the bookstores until their number has been reduced from 4,000 to 1,500. It has reduced this coun-

try to the level only occupied by Spain, with its bull fights, in the matter of book production. Referring again to these magazines of the Curtis Publishing Co., which are carried at such tremendous loss across this continent, the editor of the Ladies' Home Journal gets $100,000 a year and the editor of the Saturday Evening Post $100,000 a year. There is no one else in the literature or art of the country who gets the salaries these men get. Charlie Chaplin and Mary Pickford get salaries about as large, and they are doing about as much to drive out the art of the stage as the great modern magazines are doing in suppressing the book production of the country.

Mr. MONDELL. Will the gentleman yield?

Mr. RAINEY. No; not now.

Then we commenced to increase our magazine and newspaper publications. We increased them in volume and amount, and the amount carried in our mails increased from 60,000,000 pounds in 1885 to 204,000,000 pounds five years later, to 873,000,000 in 1910, to 1,202,000,000 and over in 1916. We carried them in 1885 without any loss; we carried them in 1916 at a loss of over $80,000,000. Ten years from now we will be carrying, if they increase in anything like their present ratio of increase, over 2,000,000,000 pounds every year, at a loss of $160,000,000; and 18 years from now the loss in carrying the second-class mail matter will amount to as much as the entire cost of conducting the Post Office Department itself to-day.

Now, why can not we come to some sort of an honest basis? Are you brave enough to declare war against Germany? Are you courageous enough to vote for conscription? And have you not the courage to vote against the demands of the magazine lobby here in this city; against those newspapers which misrepresent every statement made here in this House on this subject; which misrepresent the situation itself; none of them telling the truth about the graft they enjoy? [Applause.] Have you the courage to do these warlike things and not the courage to protect the Treasury of the United States? [Applause.] If we have not that much courage, for God's sake whom do we represent here and what business have we in this body? [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CHANDLER].

Mr. CHANDLER of New York. Mr. Chairman, I can not support this bill. It is almost wholly bad. It has few, if any, redeeming traits. Its authors and framers have declared it to be bad and still ask us to accept it. I will not. My love of country, my pride of statesmanship, and my intellectual self-respect will not permit me to support it.

This House should vote down the measure and inform the members of the Ways and Means Committee that they must bring in another measure that will be worthy of the support of the Members of this House and of the confidence and respect of the country at large.

I am well aware that destructive statesmanship is not the thing desired in this time of great national peril, and that the House demands constructive suggestions by him who seeks to repudiate and reject. I therefore suggest another war-revenue bill, with five or six chief sources of revenue that will be universal, or approximately universal, in their application to the taxpayers of the land.

As one of the great purposes of the war is to "make democracy safe upon the earth" and to vindicate the rights of freedom and humanity throughout the world, posterity will have as much interest in and will be benefited as greatly by the achievements of this age along the lines suggested as the people who now live upon the earth, and it is nothing but just and right that posterity should bear a part of the burden. I would recommend, therefore, including in the new bill a provision for bond issues to cover one-half the expense and would leave the remainder to be borne by the present generation.

As additional sources of revenue, I would recommend the assessment of higher incomes taxes all along the line from $1,000 up, and would levy a hundred per cent income tax during the pendency of the war upon all incomes above $1,000,000. I would include the blanket 10 per cent tariff tax upon all imported articles, as provided by the present bill. I would retain the present provision of raising first-class postage rates from 2 to 3 cents. I would impose a tax upon bank checks. I would incorporate into the new bill other forms and sources of revenue that could be applied generally to all the property holders and money makers of the country.

I am violently opposed to that section of the present bill which imposes additional tax rates upon periodicals and magazines. I hold no brief from any American paper, periodical, or magazine. No one has besought my special help in this regard in any other way than is usual for particular interests by circular matter to present their claims to the Congress for consideration and relief. I am not in favor of excusing the papers, periodicals, and magazines of the country from their legitimate burden of helping defend the country. I want the income tax, the excess profits tax, and the postal tax to apply to them just to the extent that they are capable of bearing them as good and patriotic citizens of the Republic. But I will not consent that they be taxed to death and forced out of business. I am well aware that thousands of them could stand the strain of this bill and still live, and many of them would still make money handsomely and in large amounts. I am furthermore convinced that thousands of wholesome and valuable American periodicals and magazines would be destroyed by this measure, and it is for these that I plead. It is rather for the American people that I plead. [Applause.]

We should not forget that in dealing with the literature of a nation, we are not dealing with editors and publishers. We are dealing with the intellectual food of a great people, and it is, in the last analysis, for the people that I plead when I ask that no part of their wholesome intellectual food be destroyed.

Napoleon once said that a reading people would become a thinking people, and that a thinking people would become a great people. Nothing ever said by the Corsican contained more truth or more sound political philosophy.

Literature is the breath of life of a free people, and is the main support of free institutions among men. To the individual it is a matter of intellectual delight, and of mental illumination and adornment, finding its highest classical expression in the latin adage, "Vita sine litteris mors est." To the people at large it is an indespensable requisite to intellectual progress and to the safeguarding of fundamental legal and political rights and privileges. The student of history knows this to be true. The poems of Homer were the foundation of all the glory and the grandeur of Grecian life. The French Revolution, with all its horror and all its blessings and benefits, was directly traceable to the writings of Voltaire, Rousseau, and Montesquieu. The greatest social reform of England was effected through the writings of Addison, Steele, and Swift. The Crisis of Thomas Paine, published at Valley Forge, sustained the drooping spirits of Washington's Continentals and helped to give freedom's flag to freedom's skies. It is needless to multiply examples. History is luminous with illustrations, and the House is familiar with them.

Suffice it to say that when we seriously propose a measure of taxation whose inevitable result will be to destroy many thousands of wholesome and very valuable American periodicals and magazines, we propose a foolish and unpatriotic thing.

During the course of this debate it has been frequently asked, Why discriminate in favor of periodicals and magazines more than in favor of pork and flour? as if literature was not as much higher than pork as the head is higher than the stomach and as gray matter is higher than pancreatic juice. It is hard to deal with men who are so little imaginative that they insist that the two must be confounded and used indiscriminately.

If any form of subsidy is justifiable and earnestly desired by all the people it is that form of postal subsidy which carries good, wholesome, pure, and elevating periodicals and magazines into the homes and to the firesides of the plain people of America. I will support no measure that runs the risk or has a tendency to destroy reasonable opportunities to secure good reading matter by the poorest and humblest citizens of our Republic. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CHANDLER of New York. I ask for three minutes more.

Mr. AUSTIN. I yield it to you. [Laughter.]

Mr. CHANDLER of New York. The gentleman from Tennessee yields it to me. [Laughter.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I regret I can not yield time to the gentleman.

Mr. RAKER. Mr. Chairman, the gentleman agreed to yield me three minutes. I give it to the gentleman from New York. [Applause.]

Mr. CHANDLER of New York. I thank the gentleman, but I will ask unanimous consent to extend my remarks in the RECORD.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. GALLIVAN. Mr. Chairman, after what occurred to the last Democratic speaker who had the temerity to stand upon this hallowed spot and oppose the same section of this bill, I suppose that with fear and trembling I should walk to the Speaker's stand and announce to my leader, for whom I have

the most profound respect and whom I have defended during the past session against attacks of men on that side of the aisle, that notwithstanding the partition of North Carolina, as it happened here a little while ago when one Democrat assailed another from that State, and notwithstanding the lecture from the gentleman from Illinois [Mr. RAINEY], I am opposed to this section and shall vote to wipe it all out. [Applause.]

The gentleman from Illinois [Mr. RAINEY] wanted to know, "Where do you come from, and whom do you represent?" asking his question of those opposing this section. I have the honor to represent in part the cultured city of Boston, the Hub of the Universe, if you please. [Laughter and applause.] And I represent the strongest Democratic district in this country. [Cries of "No, you don't!"] Oh, yes, I do; a district where all classes of people who have the voting age and qualifications are allowed to vote. [Applause on the Republican side.] I was reelected to this Congress without the expenditure of a 5-cent piece by a majority of almost 11,000. I did not spend two days in my district, not a minute for myself, but I was in the Western and Eastern States trying to help my party candidate, and I think did my bit as well as any other man on this side of the aisle.

A MEMBER. Hooray!

Mr. GALLIVAN. My friend has been out, I am afraid. [Laughter.]

Now, I do not represent any publisher, but there is another side of this question—and I hope I have the attention of the chairman of the committee—and it is that side of the House that I am going to address myself to. I suppose because I once worked on a magazine and have worked on newspapers that a fellow feeling makes us wondrous kind, and I am here to speak for the workers on the magazines, for the men in the editorial departments and in the mechanical departments. If I had the time I could read here to you of publications in my own city where the owners and the wageworkers have written to me saying, "If this section of this bill goes through unquestionably we will be put out of business, and these men will be thrown on the street. What are we going to do with them?"

You and I voted to conscript them, and I suppose that is what will happen to the men within the conscripting age, but I say to the gentleman that his committee has made some mistakes, although with some parts of your bill I am in hearty accord.

But, serious as is the publishers' side of the question, there is this other factor to be considered. I am thinking of the thousands of specially trained and well-paid employees whose livelihood depends upon the newspaper and magazine publishing business. I refer not alone to those employed directly by the publisher themselves but to the numberless printers, pressmen, stereotypers, electrotypers, engravers, mailers, and miscellaneous clerical help employed by the allied printing trades.

Cessation or curtailment of business on the part of publishers will throw thousands of these men out of employment and bring their families face to face with the hardships of poverty.

Such is the practical and material aspect of the case. Now let me call your attention for a moment to a less tangible but no less important view of the question.

The mass of the people must depend upon newspapers and magazines, not only for information as to current events, but for their educational reading as well.

Never was there a time in the history of this country when it was more important to have our citizens and their families thoroughly informed as to what is going on in the world. Never was there a time when it was so necessary to educate the mass of the people along lines of economy and conservation of resources.

In this work the periodical press of the country is the Government's most valuable ally. Witness the recent appeal of the Agricultural Department to the publishers of women's magazines, and their instant and whole-hearted response to that appeal, which placed at the department's disposal space in no less than 50 publications; thus providing a channel through which Government experts are assured direct and continual connection with millions of American homes.

Newspaper and magazine publishers are already burdened with an increased paper cost amounting to not less than 70 per cent of what they were paying but a few short months ago. And this is only one item of increased expenses in the publishing business, from which there seems to be no escape.

Gentlemen, newspaper and magazine publishers are not seeking to evade taxation. Rather are they earnestly desirous of an opportunity to earn profits that will enable them to pay their full and proper share, as well as to provide employment for thousands of individuals to whom we look for a part of the war revenue that must be raised.

I am convinced that this proposed second-class postage increase as a war measure is ill advised. I am convinced that there is some other and better way to tax the publishing interests. I am convinced that we need to-day as never before the whole-hearted support and good will of all branches of the American press.

But what doth it profit us if in order—to use the language of the streets—to get a crack at the Saturday Evening Post and the Curtis Publishing Co. and Munsey and the rest of them, with which I am in hearty accord, we put thousands of American men and women out of employment at one fell swoop, when, if your committee had given this section a little more consideration, I believe you could have perfected it? [Applause.]

I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. MOORE of Pennsylvania. How much time is remaining altogether?

The CHAIRMAN (Mr. FERRIS). The gentleman from Pennsylvania has 28 minutes.

Mr. MOORE of Pennsylvania. And how much is remaining on the other side?

The CHAIRMAN. The gentleman from North Carolina has 33 minutes.

Mr. MOORE of Pennsylvania. Will the gentleman from North Carolina use some of his time?

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. LENROOT].

Mr. LENROOT. Mr. Chairman, I merely desire to have the Clerk read in my time a telegram I have received from the publishers of the Evening Telegram of my city of Superior, Wis., one of the leading newspapers of my State.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SUPERIOR, WIS., *May 17, 1917.*

HON. IRVINE L. LENROOT,
Washington, D. C.:

Thanks for your letter. Not surprised that large metropolitan publishers there would agree to flat 2-cent rate. This puts one over on about 90 per cent all newspapers in country and favors city newspapers and magazines at expense of United States Government. Same old story. Very large majority of publishers would prefer proposed bill to this compromise. More reasonable and fair. Compromise would be old rate inside first and second zones or increase of quarter or half cent, then 2 cents outside second zone, and for greater distances 4 cents. Perhaps only reason any such flat rate would be acceptable is that medium and small papers, which are larger in majority, both in circulation and influence—"if there is any such thing as influence"—have not been heard from. As before, we are simply giving information. Am not attempting to influence your personal action.

J. T. MURPHY.

Mr. LENROOT. Mr. Chairman, in this connection I desire to insert in the RECORD a letter to this newspaper from the Federal Reserve Bank of Minneapolis asking this newspaper to donate certain advertising for the liberty loan. I wish to insert all the correspondence with reference to that, showing the patriotic attitude of this newspaper in that connection.

The letters are as follows:

FEDERAL RESERVE BANK OF MINNEAPOLIS,
May 11, 1917.

The EVENING TELEGRAM, *Superior, Wis.*

GENTLEMEN: The Secretary of the Treasury of the United States has placed the entire responsibility for the sale of the liberty loan in the States of Minnesota, Wisconsin, the Dakotas, and Montana in the hands of the chairman and Federal reserve agent of the Federal Reserve Bank of Minneapolis. A large committee of citizens here and throughout these States have donated all of their time to the Government that these bonds may be sold in the shortest possible period. Many of the metropolitan newspapers, farm papers, and foreign-language papers have offered to donate to the Government whatever size is deemed a sufficient amount of advertising space.

All donations of space will be reduced to definite dollars and cents basis. Those who care to give the amount of space required are to send receipted bills to the Federal Reserve Bank. These bills are to be at the regular card rates. Records will be kept of all such donations and the formal thanks of the Government extended to the donors. The committee will report the exact amount of space, in money, used in the campaign and through this method give the United States Government a demonstration of the selling power of advertising, so that in the future the Government may determine whether or not it cares to ask for donations or whether it prefers to pay for such publicity at regular card rates.

All of this advertising will be sent out as plate matter, and all advertisements in the daily newspapers will be four columns wide, measuring full length of column. The committee feels that eight such advertisements in your paper, the Telegram, will be the maximum needed. Plates for the first four advertisements will be sent out at the same time and the remaining space not used unless the committee feels it is needed.

If you care to make such a donation to your Government at this time and under these conditions, will you please fill out the accompanying card and mail it at once?

Yours, very truly,

MAC MARTIN, *Chairman.*

Advertising committee: Mac Martin, Mac Martin Advertising Agency; B. S. Bull, Washburn-Crosby Co.; Walter J. Driscoll, Cushing & Driscoll.

THE SUPERIOR TELEGRAM,
Superior, Wis., May 15, 1917.

FEDERAL RESERVE BANK,
Minneapolis, Minn.

GENTLEMEN: Your favor of the 11th instant asking the Superior Telegram for a donation of approximately 10,000 lines of advertising space to be used for the purpose of urging the purchase of Government bonds is received. In reply will say that we accept your suggestion and will cheerfully donate these 10,000 lines to the Government. Whether you send plates or otherwise is immaterial, but would prefer matrices.

We would go further, however, and while recognizing and congratulating you on your nerve, desire to make a few respectful but pertinent suggestions. The daily expense of publishing the Evening Telegram is about $350 to $400, and of course this expense has grown materially since the war started, without extra income as an offset. Still, the paper is prosperous and growing constantly in circulation, and, we trust, in influence, so there is no reason in war times why we should not donate part of our only assets to the Government.

But may we not hope that, through some agency like your own, the Secretary of the Treasury or otherwise will ask the munitions makers to donate a large part of their product free to the country; will you not use your influence to see that the Government urge shoe manufacturers, lumber merchants, and rubber, coal and oil dealers that they each separate themselves from a part of their capital or receipts in the common cause; perhaps you may be able to persuade farmers, commission men, and others to donate wheat, corn, potatoes, and other products free of cost or expense; and, more important than all, you should have sufficient influence with the banks doing business in the Northwest in connection with the Federal Reserve Bank to convince them that they ought to use a part of their surplus and part of their profits toward the purchase of United States bonds and then, as soon as the transaction be completed, return these bonds to the Government marked paid and canceled.

If the present taxation bill becomes a law not only will newspapers, small and large, pay the same proportion of income tax on their profits that every other corporation or partnership will pay, but besides they will pay a large increase in postal charges. This increase itself as now suggested will mean to the Evening Telegram office a sum not less than $5,000 per year net in excess of former cost. Advertising space is the only thing the newspapers have to sell for money with which to provide white paper, pay telegraph bills, and support a large number of men and families connected with them—75 to 100 people in our own case. You will readily see that if newspapers contribute this, their only salable product, free, then there is no reason why other business organizations should not be equally generous.

Pursuing the subject just a little further, we want to say to you that anything we have we will gladly give the Government at this time and welcome, if the Government needs it—we will give our office and our machinery, our money, our right arm, or even our lives to Uncle Sam, but please see to it, so far as you have influence, that every other business and every other industry shall do likewise, and especially see that the banks with which you are associated shall buy the Government bonds and then return them canceled.

In closing, would say that we have been donating, and shall continue to donate without any suggestion from anyone, all the free space in the way of news and editorial that could possibly help in advertising the bond sale. We have gone so far as to agree to give 10,000 lines gratis to our local council of defense to advertise potato raising, corn raising, wheat raising, and other subjects to the farmers, for the reason that the local council of defense has no money. But we say to you frankly that it was not our original intention to give the free display advertising space to the Government. We have spent our time as you have, and will do that much further; we have given free local and editorial and every other kind of space except the display; we have subscribed for bonds ourselves, as everyone should do; and now, as you say so, will give also the free display space for the bond sale.

But, again, let us congratulate you on your nerve and permit us to convey to you and your advertising committee the assurance of our most distinguished consideration.

Yours, very truly,

J. T. MURPHY, *President.*

FEDERAL RESERVE BANK OF MINNEAPOLIS,
May 16, 1917.

Mr. J. T. MURPHY,
President Superior Telegram, Superior, Wis.

DEAR SIR: I have read your good letter of the 15th and have turned it over to the governors of this bank that they may clearly understand the position of the newspaper publishers at this time of crisis.

I thoroughly agree with your view in everything that you have said. The National Advertising Advisory Board, of which I am a member, submitted a plan for paid advertising to the Secretary of the Treasury, and while the advisory board was to furnish its services without compensation, the Government was to pay for all advertising space used, just as it pays for munitions, foods, and other materials. The proposition was receiving favorable consideration when Senator HITCHCOCK, owner of the World-Herald, of Omaha, introduced a discussion in Congress which resulted in a bill giving all departments of the Government the privilege to accept donations of advertising space. I, personally, had something over 20 telegrams sent to Congressmen in an effort to kill the bill. At the same time so many of the publishers offered to donate space that a campaign of paid publicity would have been nothing more than embarrassing under the circumstances.

Something over a week ago this bank asked me to take charge of the advertising committee, gave me no appropriation, but placed upon me the responsibility of an advertising campaign sufficient to sell $80,000,000 worth of bonds in this district. I told the governors I would accept the appointment and work day and night without compensation provided (1) that no space was formally asked for; (2) that no publisher was allowed to give more than any other publisher; (3) that all donations of space be reduced to a monetary basis, so that this bank and this committee would submit an actual report to the Government of the amount of money actually donated by the publishers. In this way we will have a record which we can submit to the Government, and I trust this will influence the Government in the floating of the $3,000,000,000 loan which it is understood will follow.

This I trust will express the position in which the committee finds itself. I am glad you have written as you have. Your voice will have weight.

I will not do you the injustice not to furnish you with the mats for this campaign, but I trust you will use your own judgment, in the face of these conditions, as to the action you take.

With very best personal wishes, I am, yours, very truly,

MAC MARTIN,
Chairman Advertising Committee.

THE SUPERIOR TELEGRAM,
Superior, Wis., May 17, 1917.

Mr. MAC MARTIN,
Federal Reserve Bank, Minneapolis, Minn.

MY DEAR MR. MARTIN: Your very nice letter of May 16 is received. I shall not be at all surprised if it develops that newspaper men themselves may be responsible for the trivial value which the public at Washington and elsewhere has placed on newspaper advertising space.

I assure you that your statement of the situation is quite illuminating, and I thank you for your correct interpretation of my letter.

When your copy is ready please send it along and I will try to have your original suggestion complied with so far as possible.

With assurance of highest respect and regard,

Very truly, yours,

J. T. MURPHY.

Mr. GREEN of Iowa. The rates proposed in that telegram are very close to the rates of the committee substitute.

Mr. LENROOT. Very close to the rates proposed in the committee substitute.

I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. MOORE of Pennsylvania. I yield three minutes to the gentleman from North Carolina [Mr. SMALL].

Mr. SMALL. Mr. Chairman, I ventured a moment ago to suggest that the recommendation of the committee was, in my opinion, unjust to newspapers and periodicals in that the rate was too high and in that it recommended the zone system. My colleague from North Carolina [Mr. KITCHIN], with whom I entertain most pleasant relations, differed very sharply with me in several respects, and in these three minutes I wish to draw the line of differentiation between us. He said that I and those who agreed with me were ignorant, did not know that for which we were voting, and that if we voted for the amendment of the gentleman from Pennsylvania [Mr. MOORE] we would vote to eliminate free delivery of newspapers within their own counties. Afterwards the amendment was read by the chairman, and as read it was shown to be simply a substitute for section 1201 of the committee substitute, and the gentleman was wrong. [Applause.] Gentlemen ought not to charge their colleagues with ignorance except upon evidence which is conclusive. I disagree with the gentleman as to rates, because newspapers in my State, among which I may mention the Progressive Farmer, one of the most enterprising agricultural publications in the whole South, said that if the rates as originally recommended by the committee prevailed it would amount to three times their average profit for the last few years as to the newspaper mentioned.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. Will the gentleman yield for one moment?

Mr. SMALL. Will my colleague yield to me a few minutes more?

Mr. KITCHIN. I will yield to the gentleman two minutes more.

Mr. RAINEY. Will the gentleman yield?

Mr. SMALL. Yes.

Mr. RAINEY. The gentleman has stated that certain papers will be crushed if this goes into effect. I want to call his attention to the fact that the Farm Journal, which sells for 20 cents a year and has a distribution of 1,000,000 for every issue, if that Farm Journal increases its subscription 4½ cents—makes it less than 25 cents a year—it could meet the extra charge of this bill, in the old bill, which is higher than this. Everybody's Magazine could meet the extra charge in this bill by increasing its subscription price 6 cents. The Delineator could meet this extra charge by increasing its subscription price 5 cents. The American Magazine could meet this extra charge by increasing its subscription price 7 cents, and so on all the way down, by making these trifling raises in subscription price and making a small increase on the advertisements. Does the gentleman think that they are going to be ruined by this proposed rate?

Mr. SMALL. Will the Chairman state how much time I have left? [Laughter.]

Mr. KITCHIN. I yield to the gentleman two minutes more.

Mr. SMALL. I am obliged to my colleague. It shows we are on good terms.

Mr. KITCHIN. Oh, yes. I did not accuse the gentleman of anything wrong, except ignorance. [Laughter.]

Mr. SMALL. The gentleman has been convicted of being guilty in that respect himself.

Mr. KITCHIN. I want to ask the gentleman a question, and I yield him one minute more. Does he know that he voted in favor of an amendment by which the New York World would pay 2 cents for sending its paper 50 miles, and at the same time

the Saturday Evening Post, with eighteen times more advertising matter in dollars and cents, could be sent 3,000 miles for a charge of 2 cents? Does the gentleman know that he voted for that kind of a proposition? [Laughter.]

Mr. SMALL. I will answer it.

Mr. KITCHIN. Did the gentleman know what he was doing; and if he did not know it, does he think he voted right?

Mr. SMALL. Now, may I have three minutes from now? I will come to that question in a moment.

Mr. BURNETT. Do it now.

Mr. SMALL. Then I will do it now. I will say that the question here involves the better acquaintance of different States and sections, and therefore a better understanding with each other. The wide distribution of newspapers and periodicals makes for a homogeneous people, a great country, and I am opposed to the zone system. [Applause.] I believe that we ought to send the newspapers from New York to San Francisco just as cheaply as we do from New York to Philadelphia. [Applause.] I am willing to stand upon that proposition before the intelligence of the country.

Now, coming back to where I was a moment ago. I said that in my State representations have been made to me that the profits of the newspapers would be destroyed and their capital would be impaired if the rates as originally recommended by the committee were put into effect. These rates have been reduced only in a slight degree by the later substitute offered by the committee, and if these rates are put into effect it will deprive the newspapers in my State and in every other State of their profits and drive them into insolvency.

I said I was willing to admit that the present rates were too low, but I contend that they should be raised in a proper and reasonable degree, and that the time for putting such increases into effect should be projected into the future.

Now, upon these questions I am willing to submit to the House and to my constituency whether I was ignorant as to what I was voting upon in voting for the amendment offered by the gentleman from Pennsylvania [Mr. MOORE]. I am willing to submit the integrity and the virtue of the two propositions I have attempted to lay down to my constituency, that these rates are too high for the average newspaper, and that the zone system is vicious and makes against the welfare of the country. [Applause.]

Mr. MOORE of Pennsylvania. I yield three minutes to the gentleman from New York [Mr. PLATT].

Mr. PLATT. Mr. Chairman, it is the greatest bunk in the world to talk about any publisher robbing the people. The Saturday Evening Post sells for 5 cents, and there is 10 cents' worth of white paper in it. Who is getting robbed when the paper is given away to the people? Of course we know how it is done; it is advertising. The advertising is based on the circulation, and the circulation is based on the postal rates to a considerable extent.

Talk about the zone system as having been in existence once before. It was way back in 1792. You could have carried a paper from New York to San Francisco, if there had been any San Francisco, for a cent and a half. That is less than you propose to have it done in this bill. That continued until 1845 at a cent and a half for any distance. One zone was 100 miles for a cent, and the other zone was any distance for a cent and a half. I hold in my hand the report of the Hughes Commission, and I was surprised myself to find how far back it went. This is supposed to be a revenue bill, and it is no place to work off old grudges. It is said that it is fair to raise the rates on newspapers 50 per cent, or even to 2 cents, but the Interstate Commerce Commission is haggling over allowing the railroads to raise their rates 15 per cent, and here you are putting on 100 to 200 per cent on the newspapers. I think there should be some increase, but it should be for the purpose of revenue and not to work off old grudges. We can easily see the motives back of a good deal of this.

Mr. RAINEY. Will the gentleman yield?

Mr. PLATT. Yes.

Mr. RAINEY. These rates proposed by the bill, graduated as they are, go into effect at three different times at periods remote from now, and will only recoup the Government $22,000,000 out of $80,000,000 lost by carrying this mail. Under these circumstances does the gentleman think it is any attempt to get revenue out of them?

Mr. PLATT. You claim that the Government has lost a lot of money, and that you are going to try and get some of that which is lost in the past back. It is not based strictly on the revenue; you have not made a study of what it will yield.

Mr. RAINEY. We will never get it all back.

Mr. PLATT. No; you can not get it back in this way.

Mr. RAINEY. We can get some of it back.

Mr. PLATT. You may get some of it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, I would like to have the attention of the chairman of the committee. In section 1203 of the substitute certain publications are exempted, and I find that there are a good many newspapers or publications that are conducted in the interest of associations which are not run directly by the denomination as a denomination, but rather by a voluntary association in the interest of the denomination. I do not think that your exemption covers all of them. For instance, the Baptist Church and the Presbyterian Church, both North and South, and some other churches, conduct their religious organs through agencies, and I have wondered whether the gentleman would accept an amendment to insert after the word "organizations," in line 13, page 3, of the substitute, the words "or associations."

Mr. KITCHIN. Mr. Chairman, I would say to the gentleman that I believe the language of the bill would exempt the class of papers to which he refers; but in order to make it certain and specific, I would be willing, and I think the committee would also, to accept such an amendment.

Mr. FESS. Then, Mr. Chairman, I offer to amend, on page 3, line 13 of the substitute, by inserting after the word "organizations" the words "or associations."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FESS: Page 3 of the committee substitute, after the word "organizations," in line 13, insert the words "or associations."

Mr. KITCHIN. Mr. Chairman, we accept that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. FESS. Mr. Chairman, I would like to ask the gentleman also whether he is going to insert the word "scientific"?

Mr. KITCHIN. Mr. Chairman, the gentleman from Ohio, Mr. LONGWORTH, has an amendment that I think will satisfy the gentleman on that proposition.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from Iowa [Mr. SWEET].

Mr. SWEET. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. SWEET offers an amendment to the committee substitute to section 1201: Strike out all on page 1 after the word "and," in line 6 thereof, and all on page 2 down to the word "after," in line 15 thereof.

Mr. SWEET. Mr. Chairman, the proposed amendment will give the daily and weekly newspapers, farm journals, and periodicals an opportunity to adjust themselves to the changed conditions, provided this bill becomes a law.

The enormous expenses which the war will entail upon the people of this country must not be paid out of capital, but out of profits. The business of the country should not be taxed, but the profits of business. When you tax business the consumer will ultimately pay the tax. The cost of living instead of being lowered will constantly mount higher.

Those who are being enriched daily by this war should be made to bear a large part of the financial load, instead of imposing it upon the ordinary man—those who really bear upon their weary shoulders the burdens of the world in war and peace.

For one, I would be in favor of going through this bill and eliminating all items where the taxes will materially interfere with the business or the business interests of the country.

This particular section of the bill at present claims the undivided attention of the newspaper world. This part of the bill is fearfully and wonderfully made. It is truly a war measure. It is filled with war at home and war abroad.

I am opposed to the postal rates imposed upon the daily and weekly newspapers, farm journals, and labor periodicals by this section, and in a few brief sentences I shall endeavor to tell you why I have taken that position.

In the first place it is a direct tax upon the business of the newspapers of this country and not on the profits of their business.

Because it will go into operation on June 1, right in the middle of a business year, and the newspapers must pay the postal rates each month.

Because the bill does not allow the daily newspapers, farm journals, and labor periodicals to adjust themselves to the heavy burdens it will impose; in other words, during the first six months or year of its operation daily newspapers and farm journals and periodicals will be penalized, because the most of their contracts and obligations with their patrons, subscribers, ad-

vertisers, and readers were made at the beginning of the year and must be carried out regardless of the tax.

Because if this burden is imposed immediately it will drive some of them out of business or into bankruptcy.

How do we know this will be the result? Because every Member of Congress has letters, telegrams, or communications from newspaper men of integrity and ability who state that such will be the case in many instances.

Because we should not "kill the goose that lays the golden egg."

Because legislation of this character will have a tendency to interfere with the freedom of the press.

Because the newspapers of this country have already absorbed a large increase in the price of white paper.

Because there will be a large falling off in the circulation of the newspapers and farm journals.

Because during this critical period in our country's history the editors of our papers should be giving their thought and attention to the welfare of this Government and the promulgation of patriotism, and their time should not be spent nor their energies wasted in an endeavor to weather the financial storm that would be raging about them.

Because an effort should not be made at this critical period in our country's history to readjust our whole Postal System.

Because the zone system is wrong and tends to provincialism and not nationalism.

In a republic we must be a homogeneous people. One part of the country must be brought in close contact with every other part. We, as a people, must be one in thought, action, sentiments, aspirations, purposes, and ideals. Anything which tends to segregate or separate us is harmful to our civilization. Everything which brings us closer together and in more friendly relations is beneficial.

Some one has said that if the railroads had run north and south instead of east and west before 1860 the Civil War would not have occurred. There would have been a dissemination of literature, of periodicals, from the North to the South and from the South to the North. There would have been a community of interest between these two great sections of the country. Instead of hatreds and misunderstandings there would have been harmony and peace.

And I will hazard the opinion, if it were not for the railroads, the telegraph, the telephone, the express companies, and the development and influence of the press we would not exist to-day as a great Republic extending across a continent for 3,000 miles and more, with 110,000,000 people speaking one language, moving forward in unity and harmony, and standing for the highest ideals of mankind everywhere.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

Mr. MONDELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MONDELL. The amendment that I offered is still pending?

The CHAIRMAN. Yes.

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, when this matter came before the Committee on Ways and Means I opposed its consideration for the reason given by the gentleman from Pennsylvania [Mr. GRAHAM]. The jurisdiction for fixing the postal rates lies primarily with the Committee on the Post Office and Post Roads and not with the Committee on Ways and Means. The Committee on Ways and Means had before it the distinguished Chairman of the Committee on the Post Office and Post Roads. That committee had a meeting and an opportunity was given it to exercise its jurisdiction in regulating these rates. That was waived. There is not a man on the Post Office Committee who will stand by the second-class rates as they are now upon the statute books. In fact, several of the members of that committee are favoring this proposition. So that as a matter of jurisdiction settled we take it now as a matter of duty to amend the law, with the purpose of making it as fair and equitable as possible. I have perhaps spent more time, with perhaps not as good effect, as any other member of our committee on this proposition. I believe the rates that we have here are fairly equitable and just as between the Government and publishers who desire to pay for service rendered. The rates have been materially modified, as you will notice from reading the original bill and comparing it with the amendment under consideration. In the original bill it was 2 cents for the first parcel-post zone of 50 miles and also for the next zone of 100 miles beyond. The rates are now 1½ cents for the first zone. The third zone, which runs to 300 miles from the point of publication, is combined with the second zone on a 2-cent basis. That makes it fairly equitable. The only people who are making serious complaint are the magazines and great metropolitan papers, which are carried halfway and sometimes clear across the continent. They are the ones invoked here as entitled to special treatment. It is a fact that the average daily newspaper is carried 255 miles, or well within the second zone of this bill, or third parcel-post zone.

And therefore the average daily newspaper throughout the United States will be carried and located within the 2-cent zone. The others, which had a right to complain of the arrangement first presented in the bill, were the farm newspapers not of national circulation. They are placed now in not a greater than the 3-cent zone. Their average distance of carriage is 450 miles.

I want to call your attention to this. The Post Office Department has said that the parcel post is a paying proposition. In the first, second, and third zones the rates that are given to the newspapers and the farm papers and the smaller trade journals are greater than the parcel-post rates, while if you go out into the magazine zone the parcel-post rates are much greater. So if there is any injustice done in this bill it is not to the magazines, which are carried across the continent on an average of 920 miles, but the injustice is, if any there be, to the ordinary daily newspaper and the farm papers. And the daily newspapers which have average circulations are not complaining of these new zones and this new arrangement.

I am surprised that men will stand here and denounce the zone system. The zone system is based upon the relation that should exist between the Government and every one of its patrons—value received for service rendered. [Applause.] And, as a matter of fair value for service rendered, your proposed 2-cent flat rate for the continent can not be defended. Your present 1-cent rate can not be defended. It apparently has no friend on this floor. The leader of the minority eloquently said——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. I yield five more minutes to the gentleman.

Mr. SLOAN. He said that this is an educational epoch, and one of the greatest means of education is through the newspapers and magazines of the country. Well, education is important, but education can become altogether too expensive. According to the figures presented by the gentleman from Pennsylvania [Mr. MOORE], if the Curtis Publishing Co. paid what it owes this Government for postage from year to year we would receive at least $2,500,000 more a year than we now receive. And, as a matter of economy and education, I think the services of Prof. Curtis, of Philadelphia, now paid for at about $2,500,000 per year, could be dispensed with and the country survive. [Applause.]

Gentleman arraign this bill on the basis that it is provincial. It is not provincial. It is anything but provincial. The system that we have now tends toward provincialism. It is proved in the fact that with one or two exceptions, of the great daily newspapers in Chicago and one or two magazines in the middle part of this country, every far-conveyed magazine and every great metropolitan newspaper is in the northeast sixteenth part of the United States. [Applause.]

How does that work? I say it with no disrespect to the provincialism or the provincial, but if there is a provincial district in the United States it is not in the South, in the great Middle West, or out on the Pacific, but in the Northeast of the United States. [Applause.]

A bill was presented in this House some time ago to establish what was called a society of immortals, an academy of arts and letters. There was but 1 Member of all the 50 who lived west of the State of Pennsylvania. That man was on his deathbed over in Indiana. There is not a representative in fifteen-sixteenths of the United States in that academy of arts and letters at this time. Yet men say they are opposed to provincialism. This system that allows the magazines and the great metropolitan dailies to have for their place of operation the extreme northeastern part of the United States and are to be carried 2,500 to 3,000 miles practically free, serves to stimulate provincialism in its worst form. More than that, it has established it. [Applause.]

This bill, if fairness be lacking, is more unfair to the newspapers and the farm papers than it is to the magazines. Yet I have heard of no daily newspaper without transcontinental ambitions or farm paper complaining about the provisions of this bill as at present proposed, because it comes very near being one demanding a just price for a fair service.

Let me tell you what the figures reveal. In all these zones it is undisputed that it costs just 1 cent to carry a pound 200 miles. In the first zone of 50 miles the carriage, which is the

fixed factor, will be paid, and 1¾ cents will be allowed for overhead charges. In the second and third zones, or what might be called the 2-cent zone of this bill, the carriage will be paid and 1¼ cents a pound will be applied on the overhead expenses. In the next two zones, as you go out farther, the carriage would not be fully paid and there would be one-fourth of a cent loss, nothing to apply on the overhead charges. When you go out farther in the magazine and great metropolitan paper zones, the first zone out there, or the sixth parcel-post zone, shows a 2-cent loss on every pound, not on the expense of carrying and distributing but upon carriage alone. When you get out to the last two zones it is a 3 to 6 cent loss. I submit, gentlemen, the bill as now prepared is fair to the great newspapers and magazines of this country. [Applause.] [Cries of "Vote!" "Vote!"]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from Oklahoma [Mr. FERRIS].

Mr. AUSTIN. A parliamentary inquiry, Mr. Chairman. How much time is there left of this endless debate?

The CHAIRMAN. Seventeen minutes.

Mr. FERRIS. Mr. Chairman, if this was a trial of the Saturday Evening Post, the Curtis Publishing Co., and a few more of the money-making advertising magazines of the country, the Ways and Means Committee have won their case. But inasmuch as this reaches a great deal more than that and strikes at farm papers, read by 6,500,000 farmers, strikes at labor papers, read by 20,000,000 toilers of the country, it amounts to a little more.

Mr. KITCHIN. The gentleman is mistaken. He is misrepresenting the bill.

Mr. FERRIS. I am not misrepresenting the bill. And the chairman of the Ways and Means Committee, who has unlimited time, ought not to interrupt me in my three minutes. The exact rate that prevails to-day has prevailed for 32 years. There has been no change in it in that time. This bill proposes to increase it 100 per cent on some papers and goes on up to even more than that.

Last year 800 papers died on account of the increase in the price of wood-pulp paper. I am not in favor of killing 800 more by a tax that they can not stand. [Applause.]

Education never pays a daily balance in dollars and cents, neither in colleges nor elsewhere. It does not pay here in dollars and cents, and the Committee on Ways and Means does not make out their case when they show it does not pay. But in the broad prairies of the West, in the undeveloped land of the South, where education is needed, where development is needed, this amendment goes much further than to scorn and cast words of derision over the Curtis Publishing Co. and a few other publishing companies of that sort. [Applause.]

I do not need to defend myself and say that I do not represent the publishing companies. We do not have any such animal out there. I speak a word for the people who read. I speak for the West, which desires to develop. I speak a word for the South that needs development. [Applause.] And it is much more than to assault a few big newspapers that are making money and can afford to pay more. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. LONGWORTH. Mr. Chairman, I offer an amendment as follows: Page 3 of the committee amendment, after the word "educational" insert the words "scientific" and a comma.

Mr. KITCHIN. I think the committee would be willing to accept that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. LONGWORTH].

The amendment was agreed to.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from California [Mr. OSBORNE].

The CHAIRMAN. The gentleman from California is recognized for three minutes.

Mr. OSBORNE. Mr. Chairman, the subject of the zone system has been so fully covered that I will just ask permission to print in the RECORD what I have prepared in that regard.

Mr. Chairman, I am in favor of an increase in second-class mail rates, but I believe it should be a flat increase applicable to the entire country. Our Postal System was built up upon the theory—and it is a correct theory—that information and intelligence should be widespread throughout the Nation; that all portions of the Nation should be upon an equal footing as to its mail facilities and the cost thereof. A contrary system could not fail to encourage and produce provincialism and a tendency to denationalization.

The difference between the parcel post and letter and newspaper mail rates is the difference between carrying freight and carrying thought and intelligence. A zone system applied to freight is proper and reasonable; a zone system applied to national thought and intelligence is inappropriate and stupid.

A flat rate, whereby all sections of a country are bound together by a common mail rate, has been recognized by statesmen as an important element of national strength and unity. Great Britain has profited by a liberal flat mail rate for a period greater than that of our national life; it has been applied to British colonies all over the world; and it is not inconceivable that if a zone system had been applied by that country as a national system, the affection of the colonies might have been weakened by nonintercourse and restricted exchange of national thought; that at the present time the magnificent armies of Australia, New Zealand, Canada, and the other colonies of Great Britain might not be fighting on the battle fields of Europe for the mother country. It is quite possible that the fate of Great Britain may have been vitally affected by the intelligent policy of more than a hundred years of a flat and impartial mail rate.

The enormous additional expense that is put on publishers is absolutely unjust, and in the case of hundreds of publications will be destructive.

Mr. Chairman, there is one overwhelming difficulty with this entire bill, and that is that in our anxiety to pay for the war as we go we are throwing upon the country a greater burden of taxation than we are justified in attempting. We are loading the manufacturing and the commercial interests of the country, as well as the common people, with too great a burden. At the same time we are not making provision for the entire amount asked for by the Secretary of the Treasury within about $446,000,000. I believe with the distinguished and well-informed gentleman from Connecticut [Mr. HILL] that the House of Representatives should provide in this bill for the full amount asked by the Secretary of the Treasury, namely, $2,246,000,000, instead of $1,800,000,000. I believe we should make one job of it, and not come back with a second bill to raise the additional amount mentioned by the Secretary of the Treasury in his estimate of May 15, 1917.

I also believe with the distingushed gentleman from Michigan, the ranking minority member of the Committee on Ways and Means [Mr. FORDNEY], that we are attempting to raise too much in this bill by taxation. I am so firmly convinced of the truth of this position that I will, at the proper time, offer the following motion, unless it or some similar motion shall be offered by some other Member of the House:

Mr. Chairman, later on I shall move that the bill (H. R. 4280) be recommitted to the Committee on Ways and Means with instructions to amend the bill by providing the full amount embraced in the latest estimate of the Secretary of the Treasury, dated May 15, 1917, as being necessary for the requirements of the Government for the fiscal year 1918, namely, $2,246,000,000, and providing that one-half of said amount ($1,123,000,000) be provided by a loan, either by the issue of bonds, time certificates, or otherwise, and that the bill be rewritten so that the amount of the remaining one-half, namely, $1,123,000,000, shall be raised by a war-revenue tax fairly and equitably distributed.

If this motion shall be adopted the twofold purpose will be served: First, of supplying the Treasury with the full amount estimated by the Secretary of the Treasury and necessary for the finances of the coming year, and, second, the reduction of the war-revenue tax from $1,800,000,000 to $1,123,000,000. This would ease the situation so that some of these unjust and destructive taxes could be avoided.

I am finding no fault with the Committee on Ways and Means. They have a fearful duty to perform, and I am by no means sure that it could have been better performed by any portion of the membership of this House. I doubt if it could; but the solution which I have suggested is feasible, and I believe it ought to be adopted. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield one minute to the gentleman from Iowa [Mr. GOOD].

The CHAIRMAN. The gentleman from Iowa is recognized for one minute.

Mr. GOOD. Mr. Chairman, I send to the Clerk's desk an amendment, which I offer.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Mr. GOOD offers the following amendment: Page 1, lines 10, 11, and 12 of the substitute, strike out the word "zone," in line 10, all of line 11, and the word "the" in line 12, and insert a comma. Page 2, lines 7, 8, and 9, strike out the words "and one-third cents," in line 7, and insert the word "cent." Strike out all in line 8 after the word "first" and the words "when for delivery within the," in line 9, and insert a comma after the word "first," in line 8. Page 2, lines 17,

19, and 20, strike out the words "and half cents," in line 17, and insert the word "cent." Strike out all of line 19 and the words "within the" in line 20, and insert a comma after the word "first" in line 19.

Mr. GOOD. Mr. Chairman, the effect of this amendment would be to consolidate the three zones in one zone and provide a rate of 1 cent on all second-class matter within a radius of 300 miles. I believe this would pay the cost of carrying these publications for that distance.

Mr. Chairman, if appeals to the Democratic side of this House for fairness to the publication is of no avail, may I not appeal to you for fairness to the country on this question? We are to-day raising an army of a million men.

Mr. HELVERING. Will the gentleman yield? The gentleman makes a mistake——

Mr. GOOD. No; I can not yield. We must have publicity to raise that army. We are floating a bonded indebtedness of $5,000,000,000. We must have publicity to sell those bonds. We are trying to conserve and increase the food supply of the Nation. We must have publicity to do that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. I yield one minute to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, already this evening we have agreed to an amendment changing the bill so that papers from abroad would be admitted free of duty. They would be under our postal treaty. The result of the proposition now pending before the House will be that Canadian papers and Canadian magazines will be admitted to the mails of the United States for probably about one-fourth the amount that will be paid by American publishers. You can send a Canadian magazine from anywhere in eastern Canada clear out to the Pacific without any increase in the rate, but if you want to send it from New York you must pay a very great increase in the rate. Since when have we commenced to legislate purely in the interest of Canada? We are spending large sums of money in the interest of the allies. We are issuing bonds to loan money to the allies. Now we propose to put the finishing touch on the thing by endeavoring to drive our newspapers and our magazines into Canada, or require our people to read Canadian publications. [Applause.]

Mr. MOORE of Pennsylvania. I yield one minute to the gentleman from Massachusetts [Mr. OLNEY].

Mr. OLNEY. Mr. Chairman, I am in accord with nearly all the provisions in this bill, but I am not in sympathy with the section providing for the zone rate as to newspapers, periodicals, and magazines, because I think it will be confiscatory, and I would welcome an opportunity to vote for an amendment which would tax advertising receipts 1, 2, 3, or 4 per cent, which would not be burdensome, and which would be a sensible, businesslike proposition. Only two or three days ago the editor and publisher of the Youth's Companion, with a circulation of 457,000 all over the United States, and with a larger circulation in California, Oregon, and Washington in proportion to the population than in Massachusetts, told me that he preferred to turn over all the profit of his concern to the Government rather than to operate under this section, which is confiscatory.

This bill will raise more than $1,800,000,000, as is proposed, for from personal observation I know of skilled mechanics earnings as high as $90 a week in Massachusetts, and there are thousands of men in Massachusetts to-day employed in industry earning from $6 to $12 a day, all of whom will be liable to taxation under this bill.

To show the House the patriotism of and the sense of duty of one of Massachusetts' finest citizens, and one of its ablest business men, I read the following telegram:

FRAMINGHAM, MASS., *April 8, 1917.*

RICHARD OLNEY, M. C.,
Washington, D. C.:

As an income-tax payer and an investor in corporations paying income taxes I hope that the privilege of paying the expenses of the war will be allotted largely to those persons and companies paying income taxes. The great burdens of the war in this country will fall largely on the rank and file of Americans, but the financial burden should be carried principally by those that can afford to pay. For those having substantial or larger incomes a tax of 50 per cent would be no great hardship. It is estimated that a tax running from 10 to 30 per cent of incomes will bring more than a billion dollars additional annual revenue and make a foundation for the greatest war fund and credit ever established. I hope that Congress will tax incomes not less than 10 to 30 per cent during the war, and more if needed.

Respectfully,

RICHARD H. LONG.

Mr. RAINEY. Mr. Chairman, in reply to the gentleman from Illinois [Mr. MANN], I desire to say that our substitute does not change existing law nor alter any treaties we have with Great Britain with reference to Canadian mails. I do not know what particular kind of Canadian magazines or daily newspapers my colleague expects will come over here and flood this country to the detriment of the newspapers and magazines in this country, but they have no greater rights under this substitute than they now have under the law and under the international agreements between this country and Great Britain. We do not change that in the least.

Mr. MANN. Will my colleague yield for a question?

Mr. RAINEY. Yes.

Mr. MANN. My colleague does not claim that this committee substitute would increase the postal rate on Canadian magazines or papers?

Mr. RAINEY. It does not change it in the least.

Mr. MANN. While we increase it on our newspapers we do not increase it on Canadian newspapers.

Mr. RAINEY. Whatever rates they have now they will still have under the international agreement.

Mr. MANN. That was my contention.

Mr. GREEN of Iowa. My understanding is that Canadian postage into the United States is the same as from the United States into Canada. If that is so, the gentleman from Illinois is entirely incorrect as to his statement. We heard only a part of it.

Mr. HARDY. Will the gentleman yield? Is it not a fact that if this law will produce inequality, diplomatic negotiations will regulate it in the end?

Mr. RAINEY. Mr. Chairman, the convention between this country and Great Britain fixes it that magazines and newspapers going from the United States to Canada shall have the same rights over there that Canadian magazines have here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GOOD].

The amendment was rejected.

Mr. BLAND. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLAND: Page 5, line 4, strike out the words "but in no case shall such" and insert in lieu thereof the word "unless."

Line 6, strike out the period at the end of line 6 and insert a comma, and also insert the following:

"In which case such compensation shall be computed upon the basis of the rates of postage provided for in this act, but in no case shall the compensation so computed be greater than that received during such fiscal year."

Mr. KITCHIN. Do I understand that that amendment proposes to strike out in line 4 the words "but in no case shall such," and to insert in its place the word "unless"?

Mr. BLAND. Yes.

Mr. KITCHIN. I see no objection to that. I think that amendment is fair.

Mr. BLAND. This is merely for the purpose of saying by these three lines that we will not make it so that a post office that is on the decline, that has really no earning capacity, shall still give the postmaster quite a large salary. It is intended to correct the last three lines of that section.

Mr. KITCHIN. For instance, where that had been a big lumber camp, the postmaster in 1917 might receive a thousand dollars, and the camp might be removed and the receipts not be over $25.

Mr. BLAND. Exactly. The earning capacity of the post office might not be $25, and yet the Government might have to pay a thousand dollars salary.

Mr. KITCHIN. Yes.

The CHAIRMAN. The question is on the amendment of the gentleman from Indiana [Mr. BLAND].

The amendment was agreed to.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield two minutes to the gentleman from California [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 25, of committee substitute, after the word "zone," insert "*Provided*, That the Postmaster General shall grant entry of a publication as matter of the second class at one or more post offices, except that such publication shall maintain a known public office for transaction of its business in each town or city where such entry is granted."

Mr. RANDALL. Mr. Chairman, this is an amendment that I understand the chairman is willing to accept. I so understood him the other day. It gives the papers an opportunity to establish a branch to which they can ship their publications and then send them through the mail under the regular postal rates.

Mr. KITCHIN. That can be done without this amendment.

Mr. RANDALL. No; it can not be admitted to second-class mail matter, except at one post office. I know, for I have been in the publishing business for 15 years or more.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. MOORE of Pennsylvania. Will the gentleman from North Carolina yield me two minutes?

Mr. KITCHIN. I yield the gentleman two minutes.

Mr. MOORE of Pennsylvania. I yield two minutes to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. Mr. Chairman, a few days ago this Congress voted for a free press and has sent word back to the White House and to the administration that we intended to have a free press during this war.

Mr. GORDON. But we do not want to subsidize it.

Mr. MEEKER. We are having a question to-night whether we shall have a national press. A vote for localization of the papers through any zone system means to defeat the very thing that we insisted upon when we voted that there should be no restrictions on the freedom of the press of this Nation.

The last gentleman on that side who spoke for the committee fumbled the ball as to the Canadian papers competing with the American papers. It shows that perhaps the Committee on Ways and Means does not know everything as to postal affairs.

Mr. GREEN of Iowa. Does anybody know or can they tell what the rate is on Canadian newspapers?

Mr. MEEKER. That makes no difference. It seems that when some gentleman interferes with the Committee on Ways and Means he is called an ignoramus.

This section should be knocked out for two chief reasons: First, a section like this has no business in a revenue bill, and should have come from the Post Office Committee; second, we should not enter on a policy of localization of our magazines and newspapers at the time when above all other times we should have the widest possible circulation.

Mr. MOORE of Pennsylvania. I yield all the time remaining on this side to the eloquent gentleman from California [Mr. RAKER].

The CHAIRMAN. The gentleman from California is recognized for three minutes.

Mr. RAKER. Mr. Chairman, this is a matter worthy of the consideration of this Congress. There has not been an amendment that has come before this Congress in the last six years that is of as much importance as this amendment. We are turning back 150 years in trying to advance this country. [Applause.] We have been working for the purpose of making one in the West, like that in the East and the North and the South, that our literature might go from the Southern States from the brainy and brilliant men which might be read in the West as well as the literature of the East.

They go to the cities of Chicago, New York, and the other large cities where there are great publications, because those cities bring together the brains of the country; and 75 per cent of the publishers of magazines, the editors, and the writers are country boys gathered from all over the country. They come there that they may get their ideas published; and I believe, notwithstanding the leader on this side of the House, that the committee has sternly stood for the zone system, and there could not be word uttered in behalf of Americanism, and that is what we are voting on to-day. [Applause.] It is not a question of money, it is a question of intelligence and it is a question of Americanism. [Applause.] Now, we are entitled to a respectful consideration, and I want to say to you gentlemen to-night who are so willing to agree to the zone system that you do not know anything about that. You remember when you are meeting your constituents at home that they are in favor of the literature of this country being scattered broadcast from one end of the country to the other. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming to strike out the paragraph.

Mr. FERRIS. Mr. Chairman, is not the motion of the gentleman from North Carolina which seeks to perfect the text entitled to be first voted upon?

The CHAIRMAN. The Chair thinks not.

The question was taken; and on a division (demanded by Mr. MONDELL) there were—ayes 116, noes 162.

Mr. MANN. I ask for tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. MONDELL and Mr. RAINEY.

The committee again divided; and the tellers reported that there were—ayes 136, noes 174.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment of the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. MANN) there were—ayes 198, noes 71.

So the amendment was agreed to.

The Clerk concluded the reading of the bill.

The CHAIRMAN. The Chair would call the attention of the chairman of the committee to the fact that one or two matters were left unfinished, with the idea of returning to them.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise. To-morrow I intend to ask unanimous consent to go back to several little matters.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4280, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted to Mr. HULL of Iowa for 10 days on account of the death of his wife.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below.

S. J. Res. 66. Joint resolution making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917; to the Committee on the Post Office and Post Roads.

ADJOURNMENT.

Mr. KITCHIN. Mr. Chairman, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 1 minute a. m., Wednesday, May 23, 1917) the House adjourned until 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting tentative draft of a bill to promote the efficiency of the United States Navy (H. Doc. No. 146); to the Committee on Naval Affairs and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication of the Postmaster General submitting additional estimates of appropriations for the Postal Service, payable from the postal revenues for the service of the fiscal year ending June 30, 1917 (H. Doc. No. 147); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on reexamination of Calcasieu River and Pass, La. (H. Doc. No. 148); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred, as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 4626) authorizing a preliminary examination and survey of the Columbia River between Carrolls, Wash., and Stella, Wash., and the Cowlitz River below Ostrander, Wash; to the Committee on Rivers and Harbors.

By Mr. PADGETT: A bill (H. R. 4627) to promote the efficiency of the United States Navy; to the Committee on Naval Affairs.

By Mr. BARKLEY: A bill (H. R. 4628) to conserve the man power and resources of the Nation, to increase the efficiency and safety of the Army, the Navy, and the people of the United States, to conserve the agricultural food products, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS: A bill (H. R. 4629) defining section two of the act approved March 2, 1907 (34 Stat. L., p. 1228); to the Committee on Immigration and Naturalization.

By Mr. LEVER: A bill (H. R. 4630) to provide further for the national security and defense by encouraging agriculture and regulating the marketing and distribution of foods and other necessaries of life; to the Committee on Agriculture.

By Mr. EMERSON: Resolution (H. Res. 86) to make the song The Star-Spangled Banner the national anthem; to the Committee on the Judiciary.

By Mr. SULZER: Joint resolution (H. J. Res. 93) to create a joint committee from the Senate and House of Representatives to investigate Alaskan legislative requirements and report thereon; to the Committee on Rules.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, favoring woman suffrage for the Territory of Hawaii; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Territory of Hawaii, requesting Congress of the United States to provide ways and means for the dredging of Kalihi Channel of Honolulu, between Honolulu and Kapalama Basin; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the Territory of Hawaii, favoring the election of governor and secretary of the Territory of Hawaii by a vote of the people; to the Committee on the Territories.

By Mr. SULZER: Memorial of the Alaska Legislature, praying for the development by the United States Government of Alaska's vast deposits of chrome iron ore; to the Committee on the Territories.

By Mr. HULBERT: Memorial of the General Assembly of the State of New York, requesting the State Department to enter upon negotiations with the allies of the United States to make clear the status of foreign-born citizens who have declared their intention to become citizens of this country in order to serve in its Army and Navy; to the Committee on Foreign Affairs.

By Mr. RAKER: Memorial of the Legislature of the State of California, requesting Congress to provide as expeditiously as possible a fairer and more adequate compensation for those engaged in active service in the Army and Navy of the United States; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of California, requesting the Federal Government to provide for the sale of white pine in national forests in California, the proceeds to be used in constructing dams and reservoirs, and for collecting, impounding, and conserving the waters of the State, and for protecting the land from flood waters; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLAYPOOL: A bill (H. R. 4631) granting an increase of pension to William H. Harris; to the Committee on Invalid Pensions.

By Mr. DOREMUS: A bill (H. R. 4632) authorizing the President to recommission in the Regular Army as an additional number Brice P. Disque; to the Committee on Military Affairs.

By Mr. GRAY of New Jersey: A bill (H. R. 4633) granting an increase of pension to Ellen Kivlon; to the Committee on Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 4634) granting an increase of pension to Lawrence W. Shultz; to the Committee on Invalid Pensions.

By Mr. LITTLEPAGE: A bill (H. R. 4635) granting an increase of pension to Wilson Abbott; to the Committee on Invalid Pensions.

By Mr. MADDEN: A bill (H. R. 4636) for the relief of the United Breweries Co., of Chicago, Ill.; to the Committee on Claims.

By Mr. REED: A bill (H. R. 4637) granting an increase of pension to William B. B. Knight; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 4638) granting an increase of pension to William R. Smith; to the Committee on Invalid Pensions.

By Mr. SCOTT of Iowa: A bill (H. R. 4639) granting an increase of pension to William R. Waddell; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 4640) for the relief of John T. Walsh; to the Committee on War Claims.

Also, a bill (H. R. 4641) granting an increase of pension to Anne M. Luman; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BACHARACH: Petition of sundry members of Trinity Methodist Church, of Bridgeton, N. J., favoring prohibition as a food and health conservation measure; to the Committee on the Judiciary.

Also, petition of sundry citizens of Absecon, N. J., favoring prohibition as a food and health conservation measure; to the Committee on the Judiciary.

By Mr. BROWNING: Petitions of citizens of Camden, Wenonah, and Camden County, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, memorial of Independent Progress Lodge of Camden, N. J., pledging support to the United States of America; to the Committee on Military Affairs.

By Mr. CARY: Petition of Journeymen Barbers' International Union of America, Local No. 10, of Milwaukee, Wis., protesting against the zone system of postal rates; to the Committee on Ways and Means.

Also, petition of the Rudolph Wurlitzer Co., Milwaukee, Wis., favoring a 1 per cent tax on gross sales of all manufactures except food products; to the Committee on Ways and Means.

By Mr. CURRY of California: Petition of the Grand Lodge, Independent Order of Odd Fellows, of California, pledging the loyal support of the membership of said order to the President of the United States in his efforts for the successful prosecution of the war with Germany; to the Committee on Military Affairs.

By Mr. DALE of New York: Petition of the Interstate Cotton Seed Crushers' Association, tendering resources and services to the country; to the Committee on Military Affairs.

Also, petition of Edwin P. Gleason's Son, of New York, against advance in letter postage; to the Committee on Ways and Means.

By Mr. DALLINGER: Petition of Barry Class of members of the First Baptist Church, of Melrose, Mass., favoring national prohibition and the creation of 5-mile zones around the military camps; to the Committee on the Judiciary.

Also, petition of citizens of Melrose, Mass., asking relief from high prices of necessities; to the Committee on Agriculture.

By Mr. ESCH: Memorial of Market Committee of American National Live Stock Association, relative to problems of production and marketing; to the Committee on Agriculture.

By Mr. FREAR: Resolution of St. Croix County (Wis.) Council of Defense, organized to assist and cooperate with the Government of the United States and the State of Wisconsin; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petition of the United Brotherhood of Carpenters and Joiners of America, protesting against increase of second-class postage; to the Committee on Ways and Means.

Also, petition of the Harvey (Ill.) Motor Truck Works, protesting against a tax on commercial motor vehicles; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of Westchester County (N. Y.) Commission of General Safety, relative to problem of production; to the Committee on Agriculture.

By Mr. HAMILTON of New York: Petition of sundry citizens of Brocton, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HASTINGS: Petition of the Methodist Forum, Duncan, Okla., requesting prohibition of use of grain and other foodstuff for the manufacture of liquors during the war; to the Committee on Agriculture.

Also, petition of the Methodist Forum, Duncan, Okla., requesting prohibition of manufacture and sale of intoxicating liquors during war with Germany; to the Committee on Agriculture.

Also, petition of citizens of Richardville, Okla., requesting food legislation; to the Committee on Agriculture.

By Mr. HOLLINGSWORTH: Memorial of Rev. Joseph R. Jacobs and 73 other citizens of Wellsville, Ohio, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HULBERT: Petition of Inter-Ocean Film Corporation, opposing tax on moving-picture film; to the Committee on Ways and Means.

Also, petition of Vaughn Class, Calvary Baptist Sunday-school, Washington, D. C., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of sundry citizens and publishing companies opposing any increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of L. Schepp Co., of New York, against 10 per cent duty on goods on the free list; to the Committee on Ways and Means.

Also, petition of New York Association for Protection of Game, relative to treaty for protection of migratory birds; to the Committee on Foreign Affairs.

By Mr. KELLY of Pennsylvania: Petition of citizens of the thirtieth district of Pennsylvania, for war-time prohibition; to the Committee of the Judiciary.

By Mr. LESHER: Petitions of sundry citizens of the State of Pennsylvania favoring national prohibition; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petitions of sundry citizens of Baltimore, Md., protesting against increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of the Interstate Cottonseed Crushers' Association, tendering their resources and services to the country; to the Committee on Military Affairs.

Also, memorials of the Brown Memorial Presbyterian Church and sundry citizens of Baltimore, Md., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of Mardel Mobile Co. and Packard Motor Car Co., of Baltimore, Md., against 5 per cent tax on all automobiles at the factory; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Baltimore, Md., favoring passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. McFADDEN: Petition of residents of Gouldsboro, Pa., favoring the enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. MAGEE (by request): Petition of citizens of Syracuse, N. Y., favoring national prohibition; to the Committee on the Judiciary.

Also (by request), petition of citizens of Cortland, N. Y., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MORIN: Petition of Three Brothers' Lodge, No. 235, Brotherhood of Locomotive Firemen and Enginemen of Pittsburgh, Pa., J. H. Duxbury, representative, urging the conscription of all incomes in excess of $5,000, and all incomes of corporations above 6 per cent profit, in order to properly finance the war; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of Newport Medical Society, signed by M. E. Baldwin, M. D., secretary, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Ernest L. Winston, assistant treasurer, Charles E. Hancock Co., manufacturers of jewelry, favoring a daylight-saving plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of Rhode Island Anti-Saloon League, favoring national prohibition during the war; to the Committee on the Judiciary.

Also, petition of sundry citizens of Newport, R. I., favoring prohibition as a food and health conservation measure; to the Committee on the Judiciary.

Also, petition of the Providence Epworth League Union, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Robert L. Brunet, public-service engineer of Providence, R. I., favoring daylight-saving legislation; to the Committee on Interstate and Foreign Commerce.

By Mr. PAIGE: Memorials of pastor and 20 members of First Methodist Episcopal Church, Fitchburg; Worcester Central Association of Congregational Churches; First Congregational Church, Oxford; Mayor Frank H. Foss, Fitchburg; First Congregational Church, Clinton; Men's Club, Calvinistic Congregational Church, Fitchburg; and Beth Eden Baptist Church, Fitchburg, all in the State of Massachusetts, in favor of national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRATT: Petition of Oak Leaf Grange No. 1402, Patrons of Husbandry, by U. M. Bennett, master, and G. F. Beloud, secretary, of Smithboro, N. Y.; opposing the use of grains for distilling purposes and favoring national prohibition; to the Committee on the Judiciary.

Also, petition of George S. Snyder, Francis Hager, R. M. Smith, W. S. Hager, and Floyd Barrett, representing the Sunday school and congregation of the Burdett (N. Y.) Presbyterian Church, favoring the Gronna-Randall bill "to conserve the foodstuffs used in making intoxicating beverages and limit liquors on hand to nonbeverage uses"; to the Committee on the Judiciary.

By Mr. RAKER: Petition of L. H. Linderman, of Norfolk, Nebr., asking that every automobile owner have a certificate of ownership; to the Committee on Ways and Means.

Also, petition of Edwin R. Graham, New York City, relative to increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petition of Blanche Winans, of Piedmont, Cal., favoring tax on profits of publishers, disapproving of tax on postal rates; to the Committee on Ways and Means.

Also, petition of California Redwood Association, San Francisco, Cal., against 15 per cent rate advance on lumber; to the Committee on Ways and Means.

Also, petition of Eldorado Chamber of Commerce, of Placerville, Cal., against removing of Morgan line of steamships from their present service; to the Committee on the Merchant Marine and Fisheries.

Also, petition of John P. White, president executive board, United Mine Workers of America, Indianapolis, Ind., protesting against the increase upon second-class postage; to the Committee on Ways and Means.

Also, petition of S. Hazard Halstead, Pasadena, Cal., relative to bill pending providing for revision of postal rates; to the Committee on Ways and Means.

Also, petition of Charles G. Johnson, of Sacramento, Cal., relative to bill providing for the approving of types and serialization by the National Bureau of Standards; to the Committee on Coinage, Weights, and Measures.

Also, petition of C. A. Bromch, of Cornelian Bay, Lake Tahoe, Cal., against any attempt to amend the Chinese exclusion law; to the Committee on Immigration and Naturalization.

Also, petition of Paul Rieger & Co., of San Francisco, Cal., relative to increased tax on perfumes; to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of San Francisco, Cal., protesting against proposed retroactive tax to be imposed on incomes and profits; to the Committee on Ways and Means.

Also, petition of Cigar Makers Union and San Francisco Labor Council, against increase in the revenue tax on cigars; to the Committee on Ways and Means.

Also, petition of C. F. Hamsher, cashier of First National Bank of Los Gatos, Cal., favoring prohibition of liquor traffic for the present; to the Committee on the Judiciary.

Also, petition of California Christian Endeavor Association, of San Francisco, Cal., favoring Nation-wide prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Board of Trade of San Francisco, Cal., opposing amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of Jewelers' Vigilance Co., of New York, N. Y., favoring the amendment to the section taxing jewelry; to the Committee on Ways and Means.

By Mr. REED: Memorial of Wesleyan Bible Class of the First Methodist Episcopal Church of Charleston, W. Va., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROWE: Petition of Helen R. Jones, Brooklyn, N. Y., favoring Calder-Borland daylight-saving bills; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Patent Cereals Co., Geneva, N. Y., protesting against national prohibition; to the Committee on the Judiciary.

Also, petition of Austin Nichols & Co., New York, N. Y., favoring amendment of House bill 4125 and House joint resolution 75, in regard to the standard of purity and quality of food products; to the Committee on Agriculture.

Also, petition of S. L. Parsons & Co., New York, N. Y.; the Kalkhoff Co., New York, N. Y.; and Brett Lithographing Co., Long Island City, N. Y., all protesting against increased rate on second-class postage rate; to the Committee on Ways and Means.

Also, petition of the Pineoleum Co., New York, N. Y.; Bristol-Myers Co., New York, N. Y.; and Wallace & Co., Brooklyn, N. Y., all protesting against increased first-class postal rate; to the Committee on Ways and Means.

Also, petition of the Frank Meany Co., of New York, N. Y., protesting against the increased rate on second-class postage rate; to the Committee on Ways and Means.

Also, petition of Joseph Wild & Co., of New York, N. Y., protesting against the increased duty on raw material yarn and fiber; to the Committee on Ways and Means.

Also, petition of Merchants' Association of New York, N. Y., protesting against the zone system of postal rates; to the Committee on Ways and Means.

By Mr. SNOOK: Memorials of Methodist Episcopal Sunday School of McClure, and George B. Wiltsie and 112 other citizens of Leipsic, both in the State of Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the Woman's Christian Temperance Union of Defiance County, Ohio, favoring establishment of a 5-mile zone around all training camps, Army posts, etc., to be free from alcoholic liquors and camp followers; to the Committee on Military Affairs.

By Mr. SNYDER: Petition of retail druggists of Rome, N. Y., against tax on proprietary and other articles; to the Committee on Ways and Means.

Also, memorial of D. L. Bronk and others, of Rome, N. Y., for purity in camp life of soldiers and for national prohibition during the war; to the Committee on the Judiciary.

By Mr. TAGUE: Petition of New England Label Conference, against prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TILSON: Petition of the members of the First Methodist Episcopal Church of Meriden, Conn., urging that the sale of liquor be prohibited during the continuance of the war; to the Committee on the Judiciary.

By Mr. WALDOW: Petition of the Central Labor Council of Buffalo and vicinity, demanding investigation of labor troubles, etc.; to the Committee on Labor.

Also, petition of the Hamburg Business Men's Club, of Hamburg, N. Y., relative to the establishment of an aviation station at Hamburg, N. Y.; to the Committee on Military Affairs.

Also, memorial of the Buffalo Chamber of Commerce, indorsing the establishment of a naval training station for Buffalo, N. Y.; to the Committee on Naval Affairs.

By Mr. WALSH: Petition of John E. Stanton and 97 other citizens of New Bedford, Mass., urging the prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for immediate prohibition of sale of liquors for beverage purposes, to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. WARD: Memorial of Breakabeen (N. Y.) Grange, No. 767, favoring prohibition of manufacture of intoxicants; to the Committee on the Judiciary.

By Mr. WASON: Petition of congregation of Main Street Methodist Episcopal Church and other citizens of Nashua, N. H., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of New Hampshire Federation of Women's Clubs, an organization of over 9,000 women, to establish a 5-mile zone free from alcoholic liquors and camp followers around every training camp, Army post, and naval training station; to the Committee on the Judiciary.

Also, petition of Herbert J. Davis and 19 other citizens of Meredith, N. H., favoring immediate national prohibition as a war measure in the interest of national preparedness, efficiency, and public morals; to the Committee on the Judiciary.

By Mr. ZIHLMAN: Memorial of mass meeting in Brown Memorial Presbyterian Church, Baltimore, Md., urging prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *May 23, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, the revelation of Thy will to us has set our standards of honor very high, demanding the expenditure of all our powers of manhood and the development of all the manly virtues. We pray that under the inspiration of Thy Holy Spirit we may measure up to the standards of honor that Thou hast revealed to us, that all we do shall be for the glory of Thy name and the advancement in this country of all that Thou hast committed to our hands. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PETITIONS AND MEMORIALS.

Mr. THOMPSON. I present resolutions adopted by Shawnee County Pomona Grange, Patrons of Husbandry, of Kansas, which I ask to have printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

SHAWNEE COUNTY POMONA GRANGE,
PATRONS OF HUSBANDRY,
Topeka, Kans., May 17, 1917.

Hon. W. H. THOMPSON,
Washington, D. C.

MY DEAR SIR: The following resolutions were unanimously indorsed at a meeting of the Shawnee County Pomona Grange at a meeting held at Oak Grange Hall May 16, 1917, and the secretary was instructed to forward copies to the President and our Representatives:

I.

"Whereas the present shortage of food has enabled certain parties to control the supply and cause prices which are prohibitive to the average wage earner: Therefore be it

"Resolved by the Patrons of Husbandry of Shawnee County, That we urge the administration to establish a maximum price at which the standard food products shall me sold, thereby protecting the people from the inhuman and oppressive acts of the food speculators.

II.

"Whereas the American farmer is expected to raise the maximum amount of food which the land is capable of producing; and
"Whereas the cost of the products of the farm never have been so high as it is at the present time: Therefore be it

"Resolved, That we, the representative farmers, ask that we be assured remunerative prices for all of our staple crops and have a minimum price at which we may sell and a maximum price established at which food products may be sold.

III.

"Whereas there is a world shortage of food and food products and the farmers of our country have been appealed to to use their greatest efforts to produce the maximum amount of food products; and
"Whereas the grain used for the manufacture of alcoholic beverages is worse than wasted: Therefore be it

"Resolved by the Shawnee County Pomona Grange in regular session, That we urge our Representatives in Washington to use their influence and votes to restrict the manufacture of alcoholic products to the actual need of medicine, science, and manufacturing industries."

Respectfully,

MABEL BUCKMAN, *Secretary.*

Mr. THOMPSON presented a petition of sundry citizens of Anthony, Kans., praying for the enactment of legislation to prohibit the consumption of food products in the manufacture of intoxicating liquors, which was referred to the Committee on Agriculture and Forestry.

Mr. McKELLAR. I present several letters and telegrams from citizens of my State, which I ask to have inserted in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

THE CHATTANOOGA TIMES,
May 16, 1917.

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Referring again to my letter of the 9th instant, in relation to the tax proposed to be put upon newspapers by the new revenue bill, of course it goes without saying that it would be unjust and unfair to tax publications of any kind with 5 per cent of their advertising receipts, and this feature of the bill should be stricken out by all means. It would likewise be a most unjust tax on the newspapers to put a tariff of 10 per cent on paper imports. I may tell you that the increased price of paper paid by the Chattanooga Times for 1917 over 1916 will entail an additional charge this year of between $35,000 and $40,000 more than was paid for the blank paper last year. Add 10 per cent to this and it would involve an additional $8,000 for 1917, and so that tariff should not be placed upon print paper, for it would break our backs if it were.

Now, with reference to the postal rate. Papers which act straight with the Government should have the present rate, namely, 1 cent a pound. Papers which do not should have their rates increased. What I consider as being papers acting straight with the Government are those which charge the same price or more for the papers which go by mail as is charged by the publication in the cities where the paper is published. A number of papers have the very bad habit, in order to increase their circulations, of charging very much less for papers going by mail than they charge the citizens of their own community. If the second-class mail is carried at a loss by the Government, this is an injustice to the Government, and the papers guilty of this practice should be made to pay for it by a discrimination in the mail rate. For instance, I have before me the price of three papers, whose subscription charges are as follows:

	Per year.
No. 1:	
City subscribers	$4.00
By mail	2.40
No. 2:	
City subscribers	5.00
By mail	3.00
No. 3:	
City subscribers	7.50
By mail	4.20

You will observe by this how manifestly unfair it is to the Government to permit newspapers of this kind to enjoy the benefit of the 1-cent-a-pound rate as against newspapers which charge as much or more for their outside circulation than they do for their city circulation, and this added to the further fact that it costs very much more to get the outside circulation than it does the city circulation, shows that unless a fair price is charged all of the outside circulation by such newspapers it is carried at a loss. The only reason for this cut is to increase the circulation and make the advertiser make up the loss by the added price of advertising space.

When this matter gets before the Senate Finance Committee you might, if you want, use this as a pointer to amend the bill, and make the granting of the 1-cent-a-pound rate only to publishers whose charge for mail circulation is equal to the charge for city circulation.

I have written to Senator SHIELDS along the same line as this one to you, and it might be worth your while to confer together on this subject.

With assurances of my kindest regards and best wishes, I remain,

Very sincerely, yours,

H. C. ADLER.

MEMPHIS, TENN., *May 17, 1917.*

Hon. K. D. MCKELLAR,
United States Senate, Washington, D. C.:

The following telegram was sent to-day to the Chamber of Commerce of the United States:

"At a public meeting of our industrial division to which all Memphis shippers were invited the following resolution was unanimously adopted:

"'Whereas the volume of business of the United States has now reached such vast proportions that the equipment and instrumentalities of the railroads are inadequate to care for the same. Every class of business is suffering by reason of the inefficient delivery service by the railroads. The failure to furnish cars and undue delays in transit through lack of motive power not only costs shippers and receivers of freight thousands of dollars in loss of profits, but creates a higher level of prices than the commodity situation would warrant under normal delivery conditions.

"'Whereas the Government is now placed in a preferential position for buying materials—lumber, steel, and other raw materials—entering into the construction of this equipment, it can build cars at a lower price than private interests, which for this reason is looked upon as an entirely feasible suggestion by this body: Therefore be it

"'*Resolved*, That a united petition be made to the proper department of the United States Government to consider at once the feasibility of building or purchasing freight cars and locomotives in the volume shown necessary by reports on file with the Interstate Commerce Commission, which was approximated on April 1 as being 143,000 cars short on orders placed with the carriers by shippers for loading. The funds to be taken from the appropriation made for public defense, and the cars to be allotted to the various lines where needed, rental to be charged upon the per diem basis, or other unit to be determined upon as fair and equitable to both the carriers and the Government and high enough to bring the Government ample interest on the investment and to pay the necessary expenses of administration in their use.'

"We ask that this resolution be made the policy of the Chamber of Commerce of the United States, and that the proper legislative action to put it into effect be urged upon Congress as the only effective means of securing relief."

W. C. JOHNSON,
President Memphis Chamber of Commerce.

THE JOURNAL AND TRIBUNE,
Knoxville, Tenn., May 14, 1917.

Senator KENNETH D. MCKELLAR,
Washington, D. C.

DEAR SIR: Our present increased expense for 1917, due to increased cost of paper, labor, and other materials necessary to produce a newspaper, will run approximately $35,000 per year. The additional tax as proposed of 5 per cent on advertising receipts would amount to another $7,500 per year. Proposed doubling of postage rates for first zone and tripling in second zone would cost us $8,000 per year. The proposed flat 10 per cent tariff, which would apply to paper which we are buying in Canada and which we will have to buy in Canada the remainder of this year on account of our contract, and probably next year also, will cost us another $7,000 per year.

If these taxes go through, newspapers will be put out of business. We fail to understand why the newspapers should be picked out for slaughter. We are willing to pay the same income tax on profits and excess profits, if we are permitted to make any at all, that other lines of business pay, and trust you will see the justice in opposing any class legislation of this kind.

The bulk of receipts of newspapers is received from advertising. Advertising is not a necessity, and merchants can drop it and are dropping it. It ceases to pay a merchant after he pays a certain amount per thousand readers which are reached, and it is impossible for us to increase rates to take care of this extra burden as is the case of merchants who are dealing in necessities. We can not increase subscription prices enough to take care of this expense either, as this will mean reduction in circulation and less reading of newspapers by the general public, which would be an injury to the country and force lower advertising rates instead of higher ones.

The enormous increased cost of paper has hurt the newspaper more than any other line, and if there is any line in the country which should be freed from further burdens it is certainly the newspaper publishers. We can not pass this tax along to our customers for reasons above explained. Mail subscriptions are already paid for in advance by the subscribers, most of them for a year on the basis of the old postage rates.

The present increased expense and proposed increased expense by these various forms of taxation total up an amount far in excess of our total possible profit. We think the only fair way is to let the newspaper pay the same percentage income tax or excess profit which they might make just as any other line of business does.

In addition to the above, it is proposed to tax freight shipments of paper, papers sent by express, telephone and telegraph bills, all of which will affect newspapers very heavily in comparison with other lines of business.

We hope the above will appear to you to be a fair statement of the situation, which looks terribly alarming to us at the present time.

Very truly, yours,

THE JOURNAL AND TRIBUNE,
A. F. SANFORD, *President.*

THE INTERSTATE COTTONSEED CRUSHERS' ASSOCIATION,
Dallas, Tex., May 16, 1917.

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.:

Whereas our country is now allied with those people who are fighting the causes of humanity and democracy; and

Whereas our President has appealed to the people of these United States to conserve their supplies, eliminate wastes and increase efficiency, so that the great resources of this country may be marshaled and thrown on the side of right and justice against autocracy and militarism; and

Whereas the cottonseed crushers are guardians of one of the world's greatest sources of foods and feeds and basis for munitions, all of which are of vital importance at this time; and

Whereas there annually is yielded from the cotton seed an edible oil, equal in quantity and excellence to the total production of butter; and

Whereas while cottonseed meal is recognized as a valuable feed for animals its value as a human food and uses for bread, by the Federal Department of Agriculture, is not generally known or appreciated; and

Whereas the meal alone, if utilized for human food, would supply the equal of 2,000,000 tons of wheat flour, exceeding in value one-eighth of the total production of wheat flour in the United States, and which by reason of its highly concentrated form could be transported to the armies of our allies with less effort than an equal value of wheat flour; and

Whereas such cottonseed flour is so rich in protein that it could well be substituted for a portion of the meat and fats and could be used with efficiency and with beneficial results under the direction of the commissary departments of the different armies.

MEMPHIS, TENN., *May 15, 1917.*

Hon. KENNETH MCKELLAR,
Senate Chamber, Washington, D. C.:

On behalf of the building and loan associations of Memphis, one of which I represent, I want to protest against the imposition or requirement of any documentary stamp tax upon certificates of stock issued by them. The act of October 22, 1914, section 15, specifically exempted building and loan association stock. Building and loan associations should not be taxed on the certificates representing capital stock. They are unlike all other corporations in this respect. The certificates can not be sold in the open market and are paid for in installments. When shares of running stock are taken out and the member commences to make his payments there has been no money paid in on the same, and the stock is accumulative in small weekly or monthly payments, while the capital stock of an ordinary corporation when issued is fully paid for or the subscriber is obligated to make full payment therefor. I take the liberty of again urging upon you that the building and loan associations should be exempt from the stamp tax. These associations have been an untold blessing to the poor man and the means of building more homes in Memphis than any other medium, and the burden of a stamp tax will fall upon that class which is least able to bear it.

ELI GATES.

Mr. HUSTING presented a petition of Local Branch, American Society of Equity of Colby, Wis., praying for the enactment of legislation to prohibit gambling and speculating in food products, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Weyauwega, Wis., praying for the prohibition of the use of foodstuffs in the manufacture of intoxicating liquors during the war, which was referred to the Committee on the Judiciary.

Mr. TRAMMELL. I present a telegram from a large number of wholesale grocers, residents of Tampa, Fla., which I ask to have inserted in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TAMPA, FLA., *May 18, 1917.*

Hon. PARK TRAMMELL,
United States Senate, Washington, D. C.:

We, being wholesale grocers, resident of Tampa, doing business throughout south Florida, having suffered disastrous effects of so-called car shortage, due rather to ineffectual control of equipment of owning roads, having acquainted ourselves with terms of the Esch bill, H. R. 328, amending commerce act in respect of car service, since passed the House and now lodged with the Senate Committee on Interstate Commerce, believing it provides quickest and surest relief now and for the future, do hereby respectfully petition the exercise of your good offices in having the committee promptly report said Esch bill favorably and thereafter to urge its speedy enactment into law.

Perkins & Sharpe, Baker & Holmes Co., Bonacker Bros., Consolidated Grocery Co., Cumberland & Liberty Mills Co., Ennis & Hudgings, E. E. Freeman, Harman & Hulse, Henerson Bushnell Co., W. W. Jones, Lucas Bros. Co., Markey Harmon Co., Miller Jackson Grain Co., Chas. H. Moorehouse, Oberry & Hall Co., Peninsular Grocery Co., Pittman Grocery Co., Snow & Bryan, Spencer Bros., Tampa Broker Co., Williams & Co., C. B. Witt Co.

Mr. TRAMMELL presented a petition of sundry citizens of Mount Dora, Fla., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. GRONNA. Mr. President, I simply wish to state that I am in receipt of a great number of telegrams and letters from automobile concerns in my State protesting against the proposed tax on automobiles. I do not feel like asking to have them all printed in the RECORD, nor do I feel like selecting a certain number. I therefore make the statement that these people feel that a tax of 5 per cent upon their industry will be excessive.

I am also in receipt of a great number of letters from newspaper publishers protesting against the proposed change in the rate of postage on second-class mail matter.

Mr. SMITH of Michigan. I have a number of petitions from citizens of Michigan bearing upon the question of prohibition in the manufacture of alcoholic liquors as a measure of food conservation. I send the petitions to the Secretary's desk and ask that they be properly referred.

The VICE PRESIDENT. The petitions will be referred to the Committee on the Judiciary.

Mr. FLETCHER presented a petition of sundry citizens of Mount Dora, Fla., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. SMITH of Maryland presented petitions of sundry citizens of Roanoke City and Baltimore, in the State of Maryland, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES.

Mr. GORE. I am directed by the Committee on Agriculture and Forestry, to which was referred the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, to report it with amendments, and I submit a report (No. 44) thereon.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. SMITH of Maryland, from the Committee on the District of Columbia, to which was referred the bill (S. 2123) to regulate the practice of podiatry in the District of Columbia, reported it without amendment and submitted a report (No. 45) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. UNDERWOOD:

A bill (S. 2350) to amend section 2237 of the Revised Statutes, fixing the salaries of registers and receivers of United States land offices; to the Committee on Public Lands.

By Mr. RANSDELL:

A bill (S. 2351) in reference to a national military park on the Plains of Chalmette, below the city of New Orleans; to the Committee on Military Affairs.

By Mr. STERLING:

A bill (S. 2352) to provide for the abandonment of parts of Thirty-eighth Street and Bellevue Terrace NW. and the public alley between said streets, in block 1812, in the District of Columbia; to the Committee on the District of Columbia.

By Mr. KENYON:

A bill (S. 2353) to reinstate Fred H. Gallup to the rank of captain of Field Artillery in the United States Army; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

A bill (S. 2355) for the relief of the Milwaukee Bridge Co.; to the Committee on Claims.

By Mr. SWANSON:

A joint resolution (S. J. Res. 69) authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian Grounds; to the Committee on Public Buildings and Grounds.

PRICE OF RAILWAY SUPPLIES.

Mr. CUMMINS. Mr. President, those who have had the pleasure of hearing the statement of the Senator from Georgia [Mr. SMITH] with regard to the proposed increase in railway rates will understand what the consequences of the proposed increases are. It is understood that if they are allowed it will aggregate something like $300,000,000 per year. This demand is based upon the statement—and I think it is true to a degree—that railway supplies of all kind have very greatly increased in price.

I am about to introduce a bill to fix the price of railway supplies in the hope that we may in that way avert the burden which would be placed upon the American people if the rates were increased as proposed.

I ask that the bill be read the first and second time and referred to the Committee on Interstate Commerce.

The bill (S. 2354) to amend the act to regulate commerce, as amended, and for other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

NATIONAL DEFENSE.

Mr. UNDERWOOD submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 1, 1916, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

WAR REVENUE.

Mr. HARDWICK submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

CADETS AT MILITARY ACADEMY.

Mr. JONES of Washington submitted the following resolution (S. Res. 67), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of War be directed to furnish to the Senate as soon as possible the following information:

First. The total number of cadets in the Military Academy at West Point, and number from each State.

Second. The total number of cadets that were to have been appointed under the examination held March 19, 1917, and the States from which they were to be appointed.

Third. The number of cadets to be appointed as the result of the examination of March 19, 1917, and the number of vacancies remaining by reason of the failures in said examination and the States in which such vacancies occur.

Fourth. The time within which such vacancies must be filled.

Fifth. If such vacancies are not to be filled until next year, why not?

Sixth. Have examinations at the time of annual entrance into the Academy been discontinued? If so, why and when were they discontinued.

Seventh. Why are not entrance examinations provided this year for filling the vacancies caused by failures in the March 19 examinations?

Eighth. What is the full capacity of the Military Academy?

ORDER OF BUSINESS.

The VICE PRESIDENT. Is there further morning business of any kind?

Mr. POMERENE. I ask unanimous consent that the Senate take up for consideration the bill (S. 634) to promote export trade, and for other purposes.

Mr. SMOOT. I have no objection to the consideration of the bill, but I was going to suggest that perhaps it would be just as well at this time to ask unanimous consent to take up the calendar under Rule VIII. The bill the Senator now asks to be considered is the first one on the calendar. It would not take long to go through the calendar under Rule VIII and consider bills to which there is no objection.

Mr. POMERENE. I do not quite understand the force of the Senator's suggestion that it is the first bill on the calendar. Why may it not be taken up now?

Mr. SMOOT. The only point is, if we are going on with the calendar we ought to take up the bills in regular order.

Mr. GRONNA. Mr. President, I hope we will not go on with the calendar this morning. The chairman of the Committee on Agriculture and Forestry has just reported a bill which I believe ought to be considered.

Mr. SMOOT. Of course, having just been reported from the committee, it will have to go over for a day, unless it is considered by unanimous consent.

Mr. GRONNA. I was in hopes that we could, by unanimous consent, take that bill up to-day and dispose of it.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Oklahoma?

Mr. POMERENE. I yield.

Mr. GORE. I wish to state that I had risen to ask unanimous consent for the present consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products. The bill ought to be given immediate consideration. It vests the Secretary of Agriculture with certain powers that ought to be brought into play if any influence is to be had on the crops for the current year. It is not the measure that was before the Senate the other day, but is entirely different.

Mr. POMERENE. May I ask the Senator to state the substance or subject matter of the bill?

Mr. GORE. It provides for a survey of the food supply. That section is similar to one in the bill which was before us a few days ago. The other provisions relate to seeds and the extermination of hog cholera and other diseases among animals. I think the bill will encounter very little opposition; I hope not, at any rate. I ask the Senator from Ohio if he will not yield to me for that purpose, because this measure has to be passed soon if it is to be of any service this year, as the season is passing.

Mr. POMERENE. I realize that anything which relates to the food products of the country is of primary importance, and if I can have at least a tacit understanding that I may get the export bill up in the very near future I shall not insist upon my motion now. I am more than anxious to help along any legislation that may aid in conserving our food products.

Mr. SMOOT. Will the Senator from Ohio yield?

The VICE PRESIDENT. The Chair thinks the Senator from Ohio has the floor, although it appears to be pretty well occupied at the present time.

Mr. SMOOT. May I ask a question of the Senator from Oklahoma?

Mr. GORE. Yes, sir.

Mr. SMOOT. The bill which the Senator asks unanimous consent to consider has just been reported to the Senate.

Mr. GORE. Yes, sir; but it is printed and on Senators' desks, or will be soon, with a written report.

Mr. SMOOT. I wish to ask the Senator whether it is a unanimous report from the committee?

Mr. GORE. It is.

Mr. SMOOT. Then I do not see any objection to taking it up for consideration.

Mr. LEWIS. Mr. President, a parliamentary inquiry. Has the morning business been concluded?

The VICE PRESIDENT. No; there were some so anxious to move to take up bills that the Chair was not able to close it.

Mr. LEWIS. I am anxious that I be not foreclosed before morning business is concluded.

The VICE PRESIDENT. The Senator from Ohio has withdrawn his request?

Mr. POMERENE. If there is a general desire among Senators to take up the food bill, I certainly withdraw my request now and will attempt to call up the bill later.

Mr. REED. Mr. President, I do not want——

The VICE PRESIDENT. The Chair has recognized the Senator from Illinois.

Mr. LEWIS. I yield to the Senator to make an observation for a moment.

The VICE PRESIDENT. The Chair would like to close the morning business.

Mr. REED. I wish to be indulged for a moment to make a statement. I do not want to object to the consideration of a bill that is urged in this way, but I can not give my consent to take up an important bill that has not been read until I have had an opportunity at least to read it.

The VICE PRESIDENT. The Senator from Illinois has the floor.

WAR WITH GERMANY.

Mr. LEWIS. Mr. President, I have been requested by certain of my constituents to present to the Senate a communication, and in connection with the communication I should like to make some observations, possibly for a minute. I will release the Senate from any attention beyond the length of time required by the statement.

I wish to ask if in presenting a petition or memorial at this time I may address myself to it, or must I wait until after the presentation of petitions, letters, or whatever morning business shall have been concluded?

The VICE PRESIDENT. Unless there is some objection, the Senator from Illinois may proceed now, without waiting for the conclusion of morning business.

Mr. LEWIS. Mr. President, there is a matter here, a petition, which awakens my very serious interest.

I call attention that I have been requested to tender to the Senate a communication sent me from a gathering of people from Illinois referring to the visit of Secretary McAdoo in my State, wherein the eminent Secretary seeks to invite the patriotic cooperation of people of the West to the support of the war bonds. This communication says, after omitting unessentials:

> Why should we give our money and our boys, when the President says "We have no grievance"? Why fight for Britain and die and be bankrupt? Why give Britain our money, our men, and then our Navy to satisfy their grievances?
>
> The circular sent us shows that the President's speech in full stated to the women of the Red Cross that we have no cause for fight or war or to pay our money out for bonds for fight or war, that America is not involved.

Mr. President, this, to my thinking, is a reflection of a sentiment that prevails now in the West too generally. I regret, sir, that there has been a complete misapprehension; surely there must be wholly a misapprehension as to what the President of the United States said. If the West, for which in part I speak, really believes that we have no grievance and believes that the President said we have no grievance, there will be a great difficulty on the part of the Secretary of the Treasury or of any official of this Government to either obtain the funds from out of the West or the sons of the West to fight the war.

Mr. President, it seems to me—and I trust this observation that I am making will not be indelicate—that the President of the United States is rather unfortunate in each event when he speaks without his manuscript. He is in each occasion seized by the "critic" for misrepresentation or misinterpretation. He seems to have been misrepresented or wholly misunderstood as to his extempore speech at Indianapolis. His speech concerning the cooperation of the Senate in what he referred to as "teamwork" was held up before the country as an assertion by the President of a direct dictatorship of Congress—an assertion that Congress should have obeyed the direction of a director without regard to the merits of the question or the virtues of the measure. This misunderstanding of the President's address, which was delivered at Indianapolis, called forth many explanations from many sources. It was a long time before a correct interpretation of it was accepted by the country, so persistent were his unjust critics.

Second, when the President spoke at Philadelphia to an assemblage of new citizens he used the expression, "a Nation too proud to fight." We, his friends, were for a long time confronted with the accusation that the President had told the world that America was too proud to resent a grievance or to redress a wrong. Surely, no such thing was ever intended. I made brave and bold upon this floor to set forth that the expression was an adaptation of a very ancient classic that had been used by Chatham in the English Parliament and by Charles Sumner on this floor in his defense of Lincoln, touching the Geneva award, and that this misapprehension and misinterpretation of President Wilson's speech had caused the President to be misrepresented and the country to be misunderstood.

Mr. President, in the West, if these circulars referred to by this communication have been generally distributed, setting forth the President's speech as a declaration from the Commander in Chief of the American Army and Navy proclaiming that we have no grievance, then the interrogation will blaze before the eyes of the people, Why sacrifice the children? Why give the money? Why bankrupt the future? Why have this food control and alleged dictatorship upon the events and conduct of mankind in America? All forms of interrogatory will spring forth with great confusion.

Mr. President, addressing myself to those who circulate this petition, as well as to this distinguished body, let me say that there has been a misapprehension. The President has never said that America had no grievance. What the President said in the speech to which I invite the attention of the distinguished Senator from New Mexico [Mr. FALL]—whose eminent ability has often been characterized by very drastic utterances here in condemnation of that which he felt to be wrong—the Senator from New Mexico made some adversion a few days past to this quotation supposedly coming from the President. I replied to the accusation at that time. Mr. President, what I wish to make clear is that the President of the United States in his address said America or we have no special grievance—not that America did not have a grievance. To the contrary, all know that America had a grievance that could not be recounted in words, as has been frequently disclosed here in the President's addresses, as well as in the events that have transpired all about us. The expression of the President was that America—we—had no special grievance, meaning that the grievance which America had was not special from that which was had by the other countries which were fighting for the same causes as America was now at war—that is, that the grievance of France, the grievance of Britain, the grievance of democracies was the general grievance which America had; that America's grievance was not special from the grievance of mankind; and that the conflict conducted by America now was not only for America in her general grievance but for mankind, because of the general grievance. Therefore, the President, in view of this peculiar conviction which seems to have settled upon the most respectable portion of the community which my distinguished colleague [Mr. SHERMAN] and myself represent, and which seems to have been distributed in the form of circulars, and echoed with a direct purpose, I desire at this time, sir, to make clear what the assertion of the President really was and what its meaning must clearly be, and, as I conclude, to repeat the observation of Disraeli upon a famous occasion when he said, "Let us trust that hereafter criticism may be made with discrimination and condemnation with justice."

INTERSTATE COMMERCE COMMISSION.

Mr. JONES of Washington. Mr. President, on yesterday, when the amendment of the Senator from Georgia [Mr. SMITH], with reference to increase of freight rates, came up, I was necessarily absent in connection with departmental work. I simply wish to say that if I had been present I would have voted for that amendment. My views are so strong with reference to the question that I thought I ought to put this statement in the RECORD.

AGRICULTURAL PRODUCTS.

The VICE PRESIDENT. Morning business is closed.

Mr. GORE. I now desire to renew my request for unanimous consent that the Senate proceed to the consideration of Senate bill 2344.

The VICE PRESIDENT. Is there any objection?

Mr. REED. Mr. President, I wish that the Senator would make that request a little later in the day so as to let us have an opportunity to read the report.

Mr. GORE. I will say, in response to that suggestion, that if the Senator will permit the bill to be made the unfinished business in this way, I will consent to laying it aside in order that the Senator from Ohio [Mr. POMERENE] may proceed with the bill in which he is interested, until the Senator from Missouri has an opportunity to examine Senate bill 2344.

Mr. REED. That is perfectly agreeable to me.

Mr. KING. Mr. President, I should like to ask the Senator from Oklahoma if he will insist upon a vote upon this bill to-day?

Mr. GORE. I do not imagine it will reach a vote to-day, probably.

Mr. KING. If the Senator intends to press this bill to a vote to-day, I shall object to its present consideration.

Mr. SMITH of Georgia. Mr. President, I am sure that none of us will insist upon a vote to-day over the objection of any Senator. I believe it is desirable that the Senate should comprehend what is in this bill and get a first impression with reference to it. So far as I am concerned, if any Senator insists upon its being laid aside temporarily, I will join in supporting him in that course. That is my inclination, and I understand the chairman of the committee feels in the same way about it.

Mr. KING. With the understanding as stated by the Senator from Georgia, I shall not object; otherwise I should object.

The VICE PRESIDENT. There must not be any misapprehension as to the parliamentary situation. Taking up this bill now by unanimous consent in the morning hour does not make it the unfinished business. The Chair will inquire if there is objection to the request of the Senator from Oklahoma?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. GORE. I ask that the pending bill be temporarily laid aside.

The VICE PRESIDENT. Well, we have just taken it up, and it now goes back to the calendar.

PROMOTION OF EXPORT TRADE.

Mr. POMERENE. I now ask unanimous consent that the Senate proceed to the consideration of Senate bill 634.

The VICE PRESIDENT. Is there any objection?

Mr. NORRIS. Mr. President, I was unable to hear the request of the Senator from Oklahoma. Did he withdraw the request for unanimous consent for the consideration of Senate bill 2344?

The VICE PRESIDENT. He asked that it be temporarily laid aside; and in the morning hour that sends it back to the calendar. The Senator from Ohio asks unanimous consent to proceed to the consideration of Senate bill 634. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 634) to promote export trade, and for other purposes.

The Secretary read the bill, as follows:

Be it enacted, etc., That the words "export trade" wherever used in this act mean solely trade or commerce in goods, wares, or merchandise exported, or in the course of being exported from the United States or any Territory thereof to any foreign nation; but the words "export trade" shall not be deemed to include the production, manufacture, or selling for consumption within the United States or any Territory thereof of such goods, wares, or merchandise, or any act in the course of such production or manufacture.

That the words "trade within the United States" wherever used in this act mean trade or commerce among the several States or in any Territory of the United States, or of the District of Columbia, or between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or between the District of Columbia and any State or States.

That the word "association" wherever used in this act means any corporation or combination, by contract or otherwise, of two or more persons, partnerships, or corporations.

SEC. 2. That nothing contained in the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies," approved July 2, 1890, shall be construed as declaring to be illegal an association entered into for the sole purpose of engaging in export trade and actually engaged solely in such export trade, or an agreement made or act done in the course of export trade by such association, provided such association, agreement, or act is not in restraint of trade within the United States, and is not in restraint of the export trade of any domestic competitor of such association: *Provided*, That such association does not, either in the United States or elsewhere, enter into any agreement, understanding, or conspiracy, or do any act which artificially or intentionally and unduly enhances prices within the United States of commodities of the class exported by such association.

SEC. 3. That nothing contained in section 7 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, shall be construed to forbid the acquisition or ownership by any corporation of the whole or any part of the stock or other capital of any corporation organized solely for the purposes of engaging in export trade, and actually engaged solely in such export trade, unless the effect of such acquisition or ownership may be to restrain trade or substantially lessen competition within the United States.

SEC. 4. That the prohibition against "unfair methods of competition" and the remedies provided for enforcing said prohibition contained in the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, shall be construed as extending to unfair methods of competition used in export trade against competitors engaged in export trade, even though the acts constituting such unfair methods are done without the territorial jurisdiction of the United States.

SEC. 5. That every association now engaged solely in export trade, within 60 days after the passage of this act, and every association entered into hereafter which engages solely in export trade, within 30 days after its creation, shall file with the Federal Trade Commission a verified written statement setting forth the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members, and if a corporation, a copy of its certificate or articles of incorporation and by-laws, and if unincorporated, a copy of its articles of contract or association, and on the 1st day of January of each year thereafter it shall make a like statement of the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members and of all amendments to and changes in its articles or certificates of incorporation or in its articles or contracts of association. It shall also furnish to the commission such information as the commission may require as to the organization, business, conduct, practices, management, and relation of other associations, corporations, partnerships, and individuals. Any association which shall fail so to do shall not have the benefit of the provisions of section 2 and section 3 of this act, and it shall also forfeit to the United States the sum of $100 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States brought in the district where the association has its principal office or in any district in which it shall do business. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of the forfeiture. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States.

Whenever the Federal Trade Commission shall have reason to believe that an association or any agreement made or act done by such association is in restraint of trade within the United States or in restraint of the export trade of any domestic competitor of such association, or that an association either in the United States or elsewhere has entered into any agreement, understanding, or conspiracy, or done any act which artificially or intentionally and unduly enhances prices within the United States of commodities of the class exported by such association, it shall summon such association, its officers, and agents to appear before it, and thereafter conduct an investigation into the alleged violations of law. Upon investigation, if it shall conclude that the law has been violated, it may make to such association recommendations for the readjustment of its business, in order that it may thereafter maintain its organization and management and conduct its business in accordance with law. If such association fail to comply with the recommendations of the Federal Trade Commission, said commission shall refer its findings and recommendations to the Attorney General of the United States for such action thereon as he may deem proper.

For the purpose of enforcing these provisions the Federal Trade Commission shall have all the powers, so far as applicable, given it in "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes."

Mr. POMERENE. Mr. President, for the purpose of perfecting the language I have three minor amendments which I wish to offer.

Mr. SMITH of Michigan. Mr. President, let me ask the Senator from Ohio, were there any hearings on this bill before the committee?

Mr. POMERENE. Oh, yes; there were very full hearings both in the House and in the Senate.

Mr. SMITH of Michigan. Did they disclose that there were firms and corporations doing an exclusively export business in the United States?

Mr. POMERENE. Does the Senator mean American firms doing exclusively an export business?

Mr. SMITH of Michigan. Yes.

Mr. POMERENE. I do not recall as to that.

Mr. SMITH of Michigan. The bill seems to relate to such firms and corporations as are engaged exclusively in the export trade. That sounds very strange to me. I do not know of any such firms.

Mr. POMERENE. This bill is for the purpose of authorizing the organization of associations to engage in the export business alone.

Mr. SMITH of Michigan. The language of the bill is "now engaged." I read from section 5:

That every association now engaged solely in export trade—

I do not know of any such concerns. If there are any, of course they ought to be supervised.

Mr. POMERENE. Will the Senator refer me, please, to the language he has before him?

Mr. SMITH of Michigan. Section 5, at the top of page 4—

Every association now engaged solely in export trade, within 30 days after the passage of this act——

Mr. POMERENE. I suspect that a slight amendment would meet the objection which the Senator has in mind.

Mr. SMITH of Michigan. I understand that it operates for the benefit of every association hereafter organized, but I wondered what the meaning of that language at the top of page 4 was.

Mr. POMERENE. I suggest that that could be changed so as to make it "now or hereafter." That would meet the objection which the Senator has in mind.

Mr. SMITH of Michigan. If it is to apply hereafter to corporations and firms organized for the purpose of engaging in the export trade, and that is the purpose of the act—to supervise and regulate and authorize corporations or firms to engage in export trade—that changes the aspect of the bill very materially from my point of view.

Mr. TOWNSEND. Mr. President, will my colleague yield?

Mr. SMITH of Michigan. Certainly.

Mr. TOWNSEND. The language, I think, if my colleague will read it carefully, does provide for exactly that thing. As I recall, there were in existence some small concerns that were doing practically entirely an export business, but not very extensively; and the law was so framed as to cover not only any that might be in existence now but any that might be hereafter organized.

Mr. SMITH of Michigan. I have another point in my mind, if the Senator from Ohio will permit this observation: Is this an attempt to relieve any corporation or association now engaged in export trade from the restrictions and liabilities of the Sherman antitrust law?

Mr. POMERENE. Mr. President, there has been a serious dispute, and I think the Senator so understands, as to whether or not the Sherman antitrust law applied to contracts with relation to foreign business. One class of lawyers contend that it does not so apply, another that it does; and in any event there has been some doubt about it. One of the purposes of this act was to permit the formation of associations to deal exclusively in the foreign trade, and to relieve them, so far as the foreign trade was concerned, from the penalties of the Sherman law.

Mr. SMITH of Michigan. The Senator makes that very plain. If that is the purpose, of course you are attempting to provide an easier and an unrestrained opportunity to extend our export trade.

Mr. POMERENE. That is the purpose of it.

Mr. SMITH of Michigan. I am unable to see why men engaged in the export trade should have any advantage over people engaged in our domestic commerce, which is vastly more important and extensive and vital to our country than the overseas trade which is to be favored by this act.

Mr. POMERENE. Do I understand from the Senator's statement that he is opposed to the principle of the Sherman law?

Mr. SMITH of Michigan. I am opposed to offering American corporations, associations, or companies extra inducements to extend our foreign trade which do not apply to American associations and companies engaged in our domestic commerce; and I am very strongly of the opinion that it would be most unwise, in the present situation of our affairs, to discriminate against the business man who employs American labor and conducts his commerce here, and favor one who merely seeks to utilize this as a base and some foreign country as the source of his trade.

Mr. POMERENE. Mr. President, in part explanation of the views entertained by those who favor this legislation, I may say that I am unqualifiedly in favor of the principles of the Sherman law. I am opposed to these unlawful combinations and monopolies. But this situation presented itself to the American trader abroad: In nearly all of the countries of the Old World combinations and associations have been authorized and encouraged for the purpose of cultivating their foreign trade. For instance, in Germany, as it appeared before the committee, there were at the time of these hearings about 600 cartels or associations formed for the purpose, among other things perhaps, of securing trade among the other nations of the world. Necessarily with combinations of that character they could reduce their expenses of advertising and of cultivating this trade. In this country we refuse, certainly domestically, to permit these associations or combinations—and I think it will appear to Senators that if we were to try to prevent any and all association among our manufacturers and merchants, so far as it related to our foreign trade—they would not be able to meet the foreign cartels or associations upon an equal footing.

Mr. SMITH of Michigan rose.

Mr. POMERENE. Let me add another thought. It also developed that the plan of association had extended so far among some of the European nations that even the governments themselves were entering the field of foreign trade for the purpose of buying and selling to their subjects or citizens; so that our manufacturers and merchants were obliged to go out into the market and meet not only the cartels or combinations among the various business concerns of the Old World but also the all-powerful governments of the Old World.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I do.

Mr. REED. If it will not interrupt the Senator's line of thought, let me suggest that he is now making a general statement. I should like to know to what extent governments have engaged in business, what governments have so engaged, and in what lines of business.

Mr. POMERENE. Mr. President, I do not think I can give the Senator very exact information with regard to that, but since the war began the British Government has been buying food and other military supplies, the French Government has been doing the same thing, and the Italian Government, as I understand, the same thing.

Mr. REED. But, Mr. President, surely that is not the kind of interference with business, or entering into business, that the Senator was discussing a moment ago. That is simply a case of the government buying things that the government needs, which it has always done; but, of course, the amounts that are being purchased now are enormously increased. That, however, is very far from an interference by the government with legitimate business enterprises by entering the field of competition as a business partner with individuals.

Mr. POMERENE. Mr. President, in speaking of the action of the governments I was simply referring to the extent to which these combinations and associations had advanced. Of course, these governments have been buying largely, not only for their own military forces but for their civilians as well. The Government of Germany, it is said, is largely interested in the dyestuffs industry, and we are all aware of the very large combinations that have existed in that industry. Now, one of the difficulties that has confronted the committee was to have this bill so framed as that it would apply only to the foreign trade, and at the same time not affect the domestic trade, or at least affect it in the least degree that it was possible to affect it and at the same time give relief to our business men engaged in foreign trade.

Mr. REED. If the Senator will pardon a further observation, the Senator states that it is said that the German Government is interested in the dye trade. I have read that statement made in about that same way, and then I have read similar statements with reference to other industries and the interference or participation of the government therein, but I have not yet been able to put my finger on any concrete statement. The fact that the German Government might be interested is interesting, but it does not mean anything unless we know the extent of that interest; and I was curious to know whether the committee having charge of the bill had had any hearings and had developed these facts in detail.

Mr. POMERENE. Oh, yes; there were hearings. Several years ago the question with regard to the lumber trade was discussed, and it appeared that those lumber manufacturers and mill owners along the western coast were constantly having difficulty in meeting the competition abroad. I think it was probably four or five years ago when the matter first came before our committee, and they sought to have an amendment made to one of the pending bills which would permit their combining together for the purpose of cultivating this foreign trade. The same condition prevailed in the copper industry. Our producers of copper were not permitted to combine either for the domestic trade—and rightly so—nor, as they thought, for the foreign trade; and the result of it was that those consumers of copper abroad were combining together for the purpose of getting the best possible price for copper, and our copper producers were in a situation where they, as individuals, had to meet the combined consumers of the Old World. That is simply one concrete case.

Mr. REED. I was simply curious to know whether there had been any real hearings on the subject. I judge, from what the Senator states, that there have not been.

Mr. POMERENE. I have before me a statement which is of interest. I read from a report on this bill by Congressman WEBB, in which he says:

> We were cited to a large electrical contract in Chile about two years ago. The German firm or combination during a period of three or four years spent, it is estimated, $60,000 in drawing plans and specifications which were submitted to the Chilean people, while three of our concerns submitted three different plans. The exact amount which each of our concerns spent is not given, but it is three times the amount they should have spent in such close competition.

Now, I realize the importance of this legislation, and the necessity of having it properly hemmed in on all sides so as to interfere as little as possible with the operation of the Sherman antitrust law here in the United States——

Mr. KING. Mr. President——

Mr. POMERENE. And I think that by the amendments which were accepted by the majority of the committee at the last session of Congress we have prevented any evil that might arise in that respect.

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Utah?

Mr. POMERENE. I yield to the Senator from Utah.

Mr. KING. Perhaps the amendments to which the Senator refers may obviate the difficulty to which I was about to refer; and I will pretermit the question I was about to ask until those amendments are submitted.

Mr. POMERENE. The Senator has misunderstood me, or else I have not made myself clear. We reported at the last session of Congress a bill which had passed the House favorably, with these amendments to which I have just referred; and at the beginning of the present session I introduced in the Senate the House bill with those amendments incorporated in it, so that it appears here as an original bill.

Mr. KING. Then, if the Senator will permit me, I will state that I have received a number of communications in which an apprehension was expressed in regard to this bill. The intimation is made in these communications that a number of domestic manufacturers desiring export trade might form a corporation, and by means of that corporation affect, if not directly, certainly indirectly, the domestic trade, the domestic prices, and domestic commerce, and to that extent might create a monopoly and enhance the prices of the domestic article to the local consumer. I shall be very glad if the Senator will make it clear that this bill will not in any way permit the corporation that may be formed for export trade to effectuate the object to which I have referred.

Mr. POMERENE. Mr. President, that was just one of the difficulties with which the Senate committee had to deal, and we feel that we have met it; and if Senators will give me just a few minutes, I think I can explain how we have met it.

In the first section of the bill we define "export trade" in this language:

> That the words "export trade" wherever used in this act mean solely trade or commerce in goods, wares, or merchandise exported, or in the course of being exported from the United States or any Territory thereof to any foreign nation.

Then, we seek by words of exclusion to further define and limit it. In the bill which passed the House at the last session, this language is used:

> But the words "export trade" shall not be deemed to include the production, manufacture, trading in, or marketing within the United States.

The Senate committee struck out the words "trading in, or marketing" and substituted for them the phrase "or selling for consumption within the United States," so that these export trade associations can buy in the United States for the purpose of selling abroad. But we wanted to prevent them from in any way absorbing the domestic trade, so we changed the language so as to prevent them from "selling for consumption within the United States."

Now, if with that explanation I may go on to the second section, I have before me now a copy of the bill which was reported at the last session of the Senate with the amendments the committee proposed. Section 2 then read as it passed the House:

> That nothing contained in the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies," approved July 2, 1890, shall be construed as declaring to be illegal an association entered into for the sole purpose of engaging in export trade and actually engaged solely in such export trade, or an agreement made or act done in the course of export trade by such association, provided such association, agreement, or act is not in restraint of trade within the United States and does not restrain the export trade of the United States.

In other words, the language of the House bill first authorized these associations to organize for the purpose of restraining in some sense the export trade, but at the same time adopted an amendment on the floor of the House which read:

> And does not restrain the export trade of the United States.

The committee recommended the striking out of that last clause and substituting the following:

> And is not in restraint of the export trade of any domestic competitor of such association: *Provided*, That such association does not, either in the United States or elsewhere, enter into any agreement, understanding, or conspiracy, or do any act which artificially or intentionally and unduly enhances prices within the United States of commodities of the class exported by such association.

Of course, we all recognize that under the law of supply and demand the sale of any products abroad will to some extent affect the supply and therefore the prices of goods domestically; but we sought——

Mr. NORRIS. Mr. President——

Mr. POMERENE. Pardon me just a minute. But we sought to avoid, or at least minimize, this result by forbidding these associations from doing anything which would artificially enhance these prices or which would intentionally and unduly enhance them, and we used that phrase because we had in mind the fact that under the natural laws of trade there would be some effect upon prices. I yield to the Senator from Nebraska.

Mr. NORRIS. I wish to ask the Senator several questions in regard to the bill. First, will not the effect of the passage of the bill be that what would be illegal, even a crime, if committed with regard to domestic commerce and against our own people at home, would not be illegal if the same thing were done in foreign commerce against foreigners?

Mr. POMERENE. Mr. President, I think that point has been covered by our Supreme Court. I do not have before me now the case, but it was in a case involving a contract with respect to bananas, as I remember it, in which it was held that the criminal provisions of the Sherman law did not apply to a contract made with respect to the sale of bananas in foreign countries.

In further explanation of what the Senator evidently has in mind I refer him to section 4 and the latter part of section 5. I call his attention especially to the last two paragraphs of section 5, which confer upon the Federal Trade Commission full power over any agreements, transactions, or acts of any of these associations in the foreign trade; and if the commission should find that their agreements, acts, or transactions are violative of the provisions of this bill or, for that matter, of any of our antitrust laws, it can make recommendations for the readjustment of their business, and if they fail to comply with them to make report of their findings and recommendations to the Department of Justice for their action thereon.

Mr. NORRIS. I understand the Federal Trade Commission has a general supervision over these contracts, but at the same time the Federal Trade Commission would not have authority, as I understand it, thus to take any action contrary to the law itself. Does not the law permit the doing of things in the foreign trade which if done in the domestic trade would be contrary to law, and is not that one of the objects of the legislation?

Mr. POMERENE. I think perhaps I explained that a moment ago.

Mr. NORRIS. The Senator did, as far as criminal acts are concerned.

Mr. POMERENE. The purpose is simply to legalize associations in developing the foreign trade, about which there was considerable doubt in the minds of many able lawyers without this legislation.

Mr. NORRIS. But would those same associations be illegal under our law if they engaged in our domestic trade?

Mr. POMERENE. They would be if they were engaged in domestic trade. The Senator is right.

Mr. NORRIS. That is the point I want to get at. I want to ask the Senator another question. I am seeking to get light on the object of the legislation. He spoke of the handicap that American manufacturers and exporters had in competition in foreign countries with foreign companies and associations. I understand the object of this combination in the foreign trade is to enable those who combine to sell in foreign trade cheaper than they would be able to sell if they were not allowed to combine; otherwise there could not be any object I can see in permitting the combination.

Mr. POMERENE. Yes.

Mr. NORRIS. Now, the very same combination we permit by this law to reduce the price of the product to the consumer we prohibit in our domestic commerce for the reason that we go on the theory at least that it increased the cost of the product to the consumer. Is not that true?

Mr. POMERENE. No; I think the Senator is not correct in that statement. When it comes to our domestic trade, of course, by combination they can reduce expense and at the same time they can and do increase the price to the consumer.

Mr. NORRIS. That is the danger of combination.

Mr. POMERENE. I beg pardon.

Mr. NORRIS. I think that is one of the dangers of combination, and it is one of the objects of our law in making it illegal.

Mr. POMERENE. I realize that very well, but it was because of that fact we passed the Sherman antitrust law of 1890. It was intended to meet a very grievous evil in our domestic commerce. But now, when it comes to our dealing with our competitors abroad, we are not concerned about giving to the foreign consumer a minimum price.

Mr. NORRIS. No; but——

Mr. POMERENE. Pardon me just a minute. But we are interested in putting our domestic business men upon a footing as nearly equal to the foreign competitor as we can.

Mr. NORRIS. I agree to that. But the Senator, I think, must see this point—he argued it himself—that our exporters were handicapped from the fact that they could not compete in foreign countries with the foreign associations, and I take it that that means that the foreigner underbid us—that is, he sold cheaper to the consumer than we were able to do. So the object of the combination abroad is to sell cheaper to the consumer.

Mr. POMERENE. In the foreign trade.

Mr. NORRIS. Yes. If that is true, while there may be sufficient reason for it—I am not saying there is—it seems to me we are square up against this proposition, that we are going to permit combination in foreign trade to reduce the price of articles to the consumer, but we are going to prohibit it in domestic trade, because it increases the price to the consumer.

Mr. POMERENE. If the Senator will note the first definition of the phrase "export trade" in section 1, and then note the limitation in section 2——

Mr. NORRIS. Yes; I have done that.

Mr. POMERENE. Section 2 gives them the right to make these agreements and do all these acts, but these acts, in the first place, shall not be in restraint of trade within the United States, and they shall not be in restraint of the export trade of any domestic competitior. That means one of our own citizens in the foreign trade.

Mr. NORRIS. Yes; I understand that.

Mr. POMERENE. Then the last proviso is—

That such association does not, either in the United States or elsewhere, enter into any agreement, understanding, or conspiracy, or do any act which artificially or intentionally and unduly enhances prices within the United States of commodities of the class exported by such association.

Mr. NORRIS. I think it is perfectly plain that the object is there that they shall not enter into any conspiracy in regard to the articles here in the United States; but is it not the very opposite that they are permitted to do in the foreign trade?

Mr. POMERENE. So far as the foreign trade is concerned, we are giving them the right to enter into these associations for the purpose of seizing the foreign trade, if possible, whether in the land of our competitors or in the land of some third nation. We believe that as long as these practices exist in the foreign country among their citizens and business men we ought not to deny those privileges to our own business people in seeking the foreign trade. To refuse our people the right to form these associations is to handicap them in selling abroad.

Mr. NORRIS. There is a question in my mind whether we ought to require one rule of conduct in dealing with our own people and permit a different and more liberal one when dealing with some one else. After all, the object of it is to reduce the overhead expenses by the combination, and in theory every combination can do that. We know, as the Senator said, in practice that is not the result, as a rule, and that is the reason why we prohibit it; but it does not seem to me quite right that we should permit a combination to deal in foreign trade that we prohibit in dealing in domestic trade.

Mr. POMERENE. Mr. President, from the standpoint of world ethics there is great force in what the Senator from Nebraska says, but we have not reached that high plane of business morals which will permit us to extend the same privileges to the peoples of the earth outside of the United States that we extend to those within the United States.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER (Mr. SHAFROTH in the chair). Does the Senator from Ohio yield to the Senator from Mississippi?

Mr. POMERENE. I yield.

Mr. WILLIAMS. Mr. President, I can understand very well how this language on the top of page 3 applies to exporters, associations or companies, formed to export their own products; but it seems to me the language as it is puts producers who are not exporters in some cases at the mercy of exporters' associations. For example, all exporters of cotton are buyers of cotton and not producers of it. Their main business is to buy the cotton just as cheaply as they possibly can. The bill absolutely permits them to form an association for the purpose of controlling as far as they can the exportation of cotton, and with their interest and their wish, which is to buy as cheaply as possible, they are left to bear down the price of cotton. The same thing applies to tobacco.

Now, then, you have this language: You forbid a conspiracy to "do any act which artificially or intentionally and unduly enhances prices within the United States." That ought to be left, but you ought also to put something more in there so that it would forbid a conspiracy to do any act which artificially or intentionally and unduly enhances or decreases prices in the United States, so that one of these exporters' associations may not rob the tobacco farmer of Kentucky and North Carolina and the cotton farmer of Mississippi and Alabama by using this immense power for the purpose of bearing down the price within the United States, because if there is that immense power given them they can decrease the price in the export market of cotton, for example, where two-thirds of the product is exported, and if so, they necessarily decrease its price in the home market at the same time. So I suggest to the Senator to consider at any rate the suggestion of putting the words "or decreases" after the word "enhances," in line 2, page 3.

Mr. POMERENE. The suggestion is a valuable one. I am not prepared to say whether I would be quite willing to accept it at the present time. But would not this be the natural thing for these exporters to do? Are they not interested in getting just as high a price for their cotton abroad as they can get?

Mr. WILLIAMS. No.

Mr. POMERENE. Why?

Mr. WILLIAMS. Because they are interested in buying the cotton as cheaply as possible, so that they can sell it abroad as cheaply as possible against the cotton of India and Egypt, while they secure the same profit or a higher profit. There is no use of talking about that. All cotton exporters who are cotton buyers buy the cotton as cheaply as they can, while the man who produces the cotton sells it as high as he knows how, and we put in competition with one another the Liverpool man who buys cotton and the American man who buys it for the manufacturers in each country.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New Mexico?

Mr. POMERENE. I yield.

Mr. JONES of New Mexico. I had intended to suggest the very point that has just been suggested by the Senator from Mississippi. It seems to me that it should be carried a little further. The Senator from Mississippi suggests what might happen to cotton and tobacco. The same thing might also happen with regard to wheat and corn or any other agricultural product.

While, of course, I am not prepared to suggest the remedy, might not the scope of this bill be limited to manufactured products, so that the foreign buyer may not have to look to one exporting concern as fixing the price of any given agricultural commodity?

Mr. POMERENE. I do not think that would be likely to happen. We, of course, raise a large surplus of wheat and of cotton in this country, and I think that, while it is possible that some of these organizations might enter into some agreement for the purpose of reducing the prices which they were to get from their vendees, yet at the same time I can not understand what would be the motive back of it.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio further yield to the Senator from New Mexico?

Mr. POMERENE. I yield.

Mr. JONES of New Mexico. I do not pretend to be an expert in regard to the tobacco market, but I have often heard the observation that there are certain classes of tobacco in the United States which are used principally by one foreign nation, and the purchasers of that tobacco have combined so as to absolutely control the price of that commodity in this country. If the organization permitted by this bill is to combine in such a way that it might control the supply of the commodity in this country—that is, the supply which would go into the export trade—it would really furnish but one vendor of the commodity and would enable that vendor to so arrange the foreign market as to practically provide only one purchaser, and at a price fixed by the exporter, and in that way absolutely control the price of the commodity in the United States and depress that price.

Mr. POMERENE. If there were an attempt to enter into any association for the purpose of reducing prices abroad, and as a consequence thereby to reduce the prices to our producers here at home, it would not be what was intended. I should seriously doubt, however, whether there was any real probability of such a thing occurring. However, I wish to suggest to Senators this amendment.

Mr. WEEKS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Massachusetts?

Mr. POMERENE. I shall do so in just a moment. The substitution of the word "affect" for the word "enhance" would, it seems to me, meet the situation which the Senator from New

Mexico [Mr. JONES] and the Senator from Mississippi have in mind. I now yield to the Senator from Massachusetts.

Mr. WEEKS. I am in favor of the principle which underlies this bill; I think legislation of this kind should be enacted; but I am a good deal disturbed by the language which is being now discussed. I do not see how any man is going to determine what will artificially enhance prices, however honest he may be, and I do not see how any body of men can say what "unduly enhances prices." What is the standard which is going to govern them in determining an undue enhancement of a price or an artificial enhancement of a price? Of course, if the language of the bill were limited to "enter into any conspiracy which intentionally enhances prices," that would be perfectly plain and frank, and there would be no objection to it, but the other qualifying words, it seems to me, are going to build up trouble for the very men who are going to engage in this business, and are going to retard the effect which otherwise it might have.

Mr. POMERENE. Mr. President, I desire to say, in answer to the Senator from Massachusetts——

Mr. KELLOGG rose.

Mr. POMERENE. One moment, please, and then I will yield to the Senator from Minnesota—that I think if the Senator from Massachusetts had given some thought to the formulation of a rule which would permit the advocates of this measure to do what it is sought to do, and at the same time make it perfectly clear so as to meet all contingencies, he would realize the task which confronted the committee. It must be borne in mind that all these agreements, all these acts, all these associations, are under the supervision of the Federal Trade Commission, and that they will be acting as an advisory board in the same capacity they now act in our domestic commerce with reference to the evil of unfair competition.

I dare say that we can cite concrete cases which the Senator and I would at once agree were unfair competition; but it would be utterly impossible for us, and it has been impossible for any lawyer or any court, to give a comprehensive definition of "unfair competition" which is going to meet every contingency that may arise. Our thought was that, if we could frame this bill in such a way as to show the real purpose, the general purpose, with respect to foreign trade, the Federal Trade Commission could be trusted to apply it to cases arising in practice.

Mr. WEEKS. Mr. President, assuming that we are willing to do that and that the conclusion of the commission might be altogether wise, what assurance has the commission that the Department of Justice may not take a different view and proceed against these combinations under the provisions of the Sherman Antitrust Act?

Mr. POMERENE. It might do that.

Mr. KELLOGG. Mr. President——

Mr. POMERENE. But, if the Senator from Minnesota will permit me, if it related to the foreign trade—and that is the purpose of this bill—I think it is pretty clear, at least it is clear to my own mind, that the criminal penalties under the Sherman antitrust law would not apply to these foreign contracts or associations.

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. POMERENE. I now yield to the Senator from Minnesota.

Mr. KELLOGG. I should like to make a suggestion to the junior Senator from Massachusetts [Mr. WEEKS] of a case to which this proviso might apply. Suppose a large number of manufacturers, for the very purpose of increasing their exports—not for profit in the exports, but for enhancing prices in this country—or, on the other hand, suppose for the purpose of depressing prices in this country they should increase those exports temporarily, if that is done with that intention, this proviso would reach them; but the possible or slight increase of prices which would go by stimulation of trade would not be affected by this proviso.

Mr. POMERENE. Mr. President, there are several minor amendments which I wish now to submit.

The PRESIDING OFFICER. The Senator from Ohio has already sent to the desk one amendment, which the Secretary will now state.

The SECRETARY. In section 1, page 2, line 4, after the word "or" where it first occurs, it is proposed to strike out the word "of" and to insert the word "in," so as to read:

Or in the District of Columbia.

The amendment was agreed to.

Mr. POMERENE. I now send to the desk a second amendment, to come in on page 4.

The PRESIDING OFFICER. The amendment proposed by the Senator from Ohio will be stated.

The SECRETARY. In section 5, page 4, line 11, before the word "contract," it is proposed to strike out the word "of" and insert "or"; in the same line, before the word "association" to strike out the word "or" and to insert the word "of"; in line 18, before the word "organization," to strike out the word "the" and to insert the word "its"; and in line 20, to strike out the word "of," the first word in the line, and insert "to," so as to read:

SEC. 5. That every association now engaged solely in export trade, within 60 days after the passage of this act, and every association entered into hereafter which engages solely in export trade, within 30 days after its creation, shall file with the Federal Trade Commission a verified written statement setting forth the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members, and if a corporation, a copy of its certificate or articles of incorporation and by-laws, and if unincorporated, a copy of its articles or contract of association, and on the 1st day of January of each year thereafter it shall make a like statement of the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members and of all amendments to and changes in its articles or certificates of incorporation or in its articles or contracts of association. It shall also furnish to the commission such information as the commission may require as to its organization, business, conduct, practices, management and relation to other associations, corporations, partnerships, and individuals.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. McCUMBER. Mr. President, before voting on this bill I think we might have some terse and direct information from the Senator in charge as to exactly what it will do and what it will not do. If I understand the purpose and intent of this bill, it is to allow an act to be legitimate if done in connection with the export trade which would be illegitimate if done in relation to our general internal trade. I understand that that is agreed to by the Senator having the bill in charge.

Mr. POMERENE. When it comes to the matter of the organization of associations or entering into contracts for the performance of any act in the foreign trade.

Mr. McCUMBER. On the face of it——

Mr. POMERENE. Let me qualify that further by saying, in the foreign trade, as defined in section 1 of this bill.

Mr. McCUMBER. Upon the face of the bill to one who has not made a special study of it, as have the Senator and the members of his committee, it would appear that the purpose is to make that which is illegitimate relating to the people of the United States perfectly legitimate when relating to foreign peoples. I desire to ask the Senator if, under this bill, as he would amend it, it would be perfectly legitimate for manufacturers in this country to combine to fix the prices of their products exported to a foreign country?

Mr. POMERENE. They could combine for the purpose of offering bids, for the purpose of entering into contracts, and for the purpose of fixing the price which they would offer to a foreign consumer.

Mr. McCUMBER. Then, while we are at war, with half the world on our side and the other half against us, exporters in this country could buy up food products and combine to fix the prices of those products in selling them to our allies. So, too, the manufacturers and exporters of munitions of war, under the provisions of this bill as it will be when amended, can legitimately enter into contracts with each other to "hold up" our allies in the matter of munitions of war, and they can do many things along the same line in reference to clothing and in reference to anything else that is necessary in order to conduct the war.

Mr. POMERENE. They could not do it so as to affect the price to our own people.

Mr. McCUMBER. But that is not the question. Could they do it to affect the prices to those with whom we are engaged in prosecuting war?

Mr. POMERENE. I think perhaps that could be done, if they were to go to that extreme.

Mr. McCUMBER. Well, Mr. President, I know of no moral code that is not as applicable to a foreign citizen as to our own citizen. I can not conceive that it is any less immoral for me to cheat or impose upon a foreign citizen than it is for me to cheat or impose upon an American citizen; and, especially at a time when we are engaged in this titanic struggle, I would think it almost criminal to allow people in this country, against whom we have placed a prohibition to guard our own citizens, to be perfectly free to commit the same acts against other people with whom we are associated in the conduct of a great war. I can not but believe, Mr. President, that we ought not to allow them to make any combinations to fix prices even for the export trade.

Mr. SMITH of Michigan. I was going to say to the Senator that, if I read this bill correctly, we are not only to have a code of law which will apply to the European doing business here as an exporter, which does not apply to the American doing business in this country, we are to say to any foreigner or Amer-

ican trader who seeks to monopolize any product in the American market for the export trade, that he may come here and associate himself with others for that purpose, solely without the restrictions or the restraints which the American business man is obliged to meet.

I assert, without any hesitation whatever, that a company organized to control the wheat product of the United States, if such a thing were possible in the present crisis, would have warrant for so doing under the law of the United States if his purpose was to sell it for export. I say that there is not a refiner of sugar in America who could not create an organization, with headquarters anywhere in the United States, for the purpose of buying and refining sugar for export, and thus buy every ounce of sugar that comes to this country from Cuba without the restraints and the restrictions of the law which are imposed upon the American dealer; such an organization could deplete the American supply of this or any other product, and under the protection of the law do incalculable harm to the domestic consumer.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. I yield to the Senator from Minnesota.

Mr. KELLOGG. I should like to ask the Senator from North Dakota if foreign countries in relation to their manufacturers and shippers make any restrictions at all?

Mr. McCUMBER. I do not know that they do.

Mr. KELLOGG. England and France, who are engaged in this war, permit their manufacturers to combine in selling to foreign countries, and also——

Mr. McCUMBER. And also to their own, do they not?

Mr. KELLOGG. Yes; and also to their own.

Mr. McCUMBER. They have not made any different law applicable to their own people and the rest of the world, so far as I know, unless by their tariff laws, with bounty provisions, and so forth, but we seek here to make an act a crime that is committed against an American citizen which is to be perfectly legitimate if committed against the citizen of any other country.

I understand that the Senator from Ohio admits that that is true. In other words, he admits that our exporters of foodstuffs may combine to fix the prices of food products, and in that way they may cripple the very countries with which we have joined in prosecuting a great war. I do not believe it is good policy, whether we are in war or out of war, to declare that a certain act is a crime if committed against an American citizen, but that it is perfectly permissible if committed against a citizen of any other country.

Mr. SMITH of Michigan. Mr. President, if the Senator will allow me——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. McCUMBER. I yield the floor.

Mr. SMITH of Michigan. Then I will make my observations in my own time.

The producers of print paper in the United States who are now under investigation for an attempted violation of the Sherman antitrust law could, under this act, do exactly what they are prosecuted for doing if they confined their operations to the export trade either with European countries, Canada, Central or South America.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from New Mexico?

Mr. SMITH of Michigan. I do.

Mr. JONES of New Mexico. I should like to ask the Senator if he does not think his point could be met by making changes in the language on the second line of page 3 and line 18 of page 5 by changing the word "enhances" to the word "affects"?

Mr. SMITH of Michigan. No, Mr. President, but I think the suggestion of the Senator from New Mexico would safeguard one aspect; but you can not meet my entire objection by that kind of an amendment.

Let me say again that the producers of print paper in the United States—and it is only one of a hundred illustrations that I can give—are now being prosecuted by the Government of the United States because of a supposed violation of the Sherman law. While they are so arraigned in the courts, it is possible for those same companies and individuals to associate together to send every ounce of print paper abroad, at any price that they might impose, and escape the Sherman antitrust law entirely.

Mr. President, there is not a granary in America that could not escape the responsibility of a combination in restraint of trade by getting together with other granaries and forming an association under the privileges of this law to export every bushel of wheat abroad, and are we to encourage this by a modification of our wholesome laws? If we propose to encourage our domestic commerce and stimulate wholesome competition, we ought at least not to make it easier for combinations of capital to direct our necessaries of life into foreign channels rather than to trade among ourselves. I am a firm believer in the importance of the domestic market place. It is of so much more importance to the country than our foreign trade that I marvel that people think so much and speak so often of the small excess which we send abroad. Why, our foreign trade is nothing compared with our domestic commerce; and yet men engaged in our domestic commerce are to be limited and restricted and restrained in the exercise of their enterprise and initiative, while the widest possible latitude is afforded to other associations in foreign commerce.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from North Dakota?

Mr. SMITH of Michigan. Certainly.

Mr. McCUMBER. I just want to suggest to the Senator that as I understand this amendment, it would so leave our antitrust laws that all the exporters of grain, say, could select a single agent who would have control of the selling of all of their exports and leave in the hands of one man the right to fix their prices.

Mr. KENYON. Mr. President, I should like to ask the Senator from North Dakota what would be the result of that kind of an arrangement as to prices? Prices would go up, would they not?

Mr. McCUMBER. Yes; but it might not affect the prices much in the United States.

Mr. KENYON. No.

Mr. McCUMBER. But it would make them go up excessively to a foreign country.

Mr. KENYON. Yes; to the people abroad who are now borrowing money from us in order to live.

Mr. McCUMBER. Yes; we would loan them the money, and the money would be in the shape of a credit on this side, and then they could buy back our wheat and war munitions at four times their cost.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Washington?

Mr. SMITH of Michigan. Certainly.

Mr. POINDEXTER. As I understand the objection being made by the Senator from Michigan, it is rather the opposite end of the transaction from that just referred to by the Senator from Iowa. It is very true that the establishment of a common selling agency abroad would be for the purpose of holding up the price and getting as much as possible, under the old law maxim that the seller sells for as much as he can.

Mr. SMITH of Michigan. Yes.

Mr. POINDEXTER. But under the authority to combine, the same identical motive would permit combinations maintained in the United States to put down the prices in the United States. The agent that was engaged in buying wheat, for instance, in the United States, to sell in Germany or France, would want to buy it at as low a price as he possibly could in the United States, and this would enable him to do it; and the tendency would be to put the price down in the United States.

Mr. MYERS. Mr. President, will the Senator from Michigan yield to me for a minute?

Mr. SMITH of Michigan. Yes, Mr. President; but I wanted to answer the Senator from Washington.

Mr. MYERS. Certainly. I will not interrupt the Senator at this time.

Mr. SMITH of Michigan. If the Senator desires to say something to the Senator from Washington, I shall be very glad to yield.

Mr. MYERS. No; if the Senator wants to reply to the question I will not interrupt him now.

Mr. SMITH of Michigan. Take the case of sugar, which I cited just a moment ago. It is a well-known fact that we do not produce the sugar we need; that we are seriously bothered at times in getting enough to supply our domestic consumption. We rely upon foreign sugar. When we were at peace and the world was at peace, the European Governments made it absolutely impossible for any bountyized sugar to find its way into any of those countries; but now, when the production has fallen off, and their domestic product does not meet their requirements, they are in the world's market. Our relations with Cuba are such that we give them a preferential at our customhouses, and the sugar of Cuba comes here; but this raw sugar is different from the beet sugar, in that the beet sugar is refined at the factory, while the raw sugar goes through the sugar-refining company's plant. I assert without any hesita-

tion whatever that it is possible for the refiner of sugar, under this proposed law, to relieve himself from the penalties of the Sherman law and of the Clayton Act, and carry on an export business in Cuban sugar to be refined in this country without any limitations whatever upon his right to operate in restraint of trade and with dual associations, now prevented by the Clayton law, with no reference whatever to price or as to the sources from which he might gather his capital.

Now, if we are ready to make such an innovation upon well-established laws with reference to trade and commerce to which the people of the country have accustomed themselves, all right; but I do not like to see it done in this way. This is a repeal of the Sherman antitrust law, and it is a repeal of the Clayton Act, in that it permits one corporation to own stock in another corporation, contrary to that wholesome law. If corporations or associations may do this, they may direct their activities to any article of American necessity; and if they address themselves to an article of American necessity and corner it for purposes of export, they have done incalculable damage to the American people, and they have done it with our consent.

For instance, take the coast, represented so ably by my friends from Washington, who are both doing me the honor to listen to what I have to say. If Capt. Dollar and the Weyerhausers and the Booth-Kellys can step out from under our domestic law and organize a gigantic company to engage in the export of lumber, they may make more money in that field than in this; but are we doing the appropriate thing to encourage them to sell an article of necessity abroad under the stimulus of a gigantic organization, lessening the home supply, and fixing prices at an arbitrary standard? And suppose they have left one or two operators in the same field outside of their organization; what is to be the effect then?

I think great harm could work out of this statute. I think it is most inopportune. At a time when the temptation exists to get large profits even on the part of those who are restrained by our corporate laws, Mr. President, it seems to me that we are showing very great lack of consideration for our countrymen when we deliberately open the way to the organization of a gigantic monopoly in foodstuffs, in munitions, and in other products, which will be absolutely unrestrained in their broad quest for gain.

As a protectionist I have always believed that we should offer inducements for Europeans to come here and establish their factories and employ our labor and manufacture their products here; but as a protectionist I am far from convinced that we can wisely create favorite zones for the conduct of our export trade and give them advantages over the people engaged in our domestic commerce.

I have always favored a policy that would stimulate competition in this market place in order that our people might get the necessities of life at the lowest possible cost. I have rejoiced when I have seen people abandon their foreign homes and come over here and engage in our commerce, and by so doing they have lessened the cost of production manyfold. But here is a case where, for the sole purpose of getting into a larger export trade, we pass out favors that would not be tolerated in our domestic industry. I see great danger in it, I am frank to say. I know that the Senator from Ohio and his associates are animated by a high purpose. No one questions their motives, but they are overzealous and the plan immature and, in my opinion, ill advised.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Washington?

Mr. SMITH of Michigan. Certainly.

Mr. POINDEXTER. I have a great regard for the Senator's opinion upon this or any other question, and it is for the purpose of ascertaining his opinion that I am interrupting him.

I readily agree with the Senator in opposition to anything in this bill, if there is anything in it—and I am not sure but that there is—which would tend toward weakening the antitrust laws as they apply to our domestic trade; but I should like to make this inquiry of the Senator: Assuming that we can exclude from the operation of the bill effects upon domestic trade, and effects upon domestic supply and demand, and exclude the effect which the Senator fears of the prices of necessities of life being enhanced to our own people by some combination in restraint of trade, does the Senator object to an arrangement by which those of our people who are engaged in selling goods in foreign countries can be put upon an equal footing with the people in competition with whom they are doing business in those foreign countries?

Mr. SMITH of Michigan. I think that is a fair question.

Mr. POINDEXTER. Would the Senator object to permitting them to make such business arrangements as would enable them to get a better price in a foreign country for the products of this country?

Of course, the Senator can not listen to me and listen to the Senator from Wisconsin at the same time——

Mr. SMITH of Michigan. I am listening to the Senator.

Mr. POINDEXTER (continuing). Unless he is mentally ambidextrous, like some of these Japanese performers whom you see writing four different ways at once.

Mr. SMITH of Michigan. I do not plead guilty to being "ambidextrous." I shall be glad to hear the Senator.

Mr. POINDEXTER. Would the Senator object to their being able to sell their goods for a better price abroad?

Mr. SMITH of Michigan. Now, I will answer the Senator.

In the first place, the only thing they can sell abroad is the thing that the people abroad want. You can not give them anything they do not want. They would not pay the freight on it. Now, if they want what we want at the same time, then the Senator can readily understand that any authority of law which enables a combintion to monopolize the domestic supply for the purpose of export will have a tendency to raise the price of what is needed for our domestic consumption. What do we gain by that?

Take the case of sugar, to which I referred a moment ago, where our domestic supply is inadequate to meet our demands. For the purpose of enabling these favored associations to engage in the export of sugar, are we to give them extraordinary favors and take them out from under the wholesome restraints of our laws?

I think that would be strange; are we conspiring against ourselves? We need this sugar at home. If they can combine without the restraints of the Sherman law and fix the price at 20 cents a pound for sugar, on the theory of this bill, they would be justified in doing so, regardless of the necessities of our own people.

Mr. POINDEXTER. They are not able to do that when sugar is low. How could they do it if sugar is high? If they can not sell sugar at the present prices, how could they sell it at increased prices?

Mr. SMITH of Michigan. They can not sell it abroad at certain periods because the sugar-producing countries of the Old World will not allow them to sell it abroad. For years not a ton of Cuban sugar has been sold in a European market place because we were extending them special favors and by reason of such favors they were not permitted to vend their sugar in Europe.

Mr. POINDEXTER. I do not think that this question would have any effect on the sugar market at all.

Mr. SMITH of Michigan. Only by creating a scarcity of the product at home, which this bill enables combinations to do, without legal responsibility to the American people.

Mr. POINDEXTER. We would be exporters of sugar. The remark of the Senator that foreign countries did not permit sugar to be imported under such prohibitive tariff regulations as to build up the domestic sugar industry furnishes also an answer to some extent to the objection advanced by the Senator from North Dakota, which has a great deal of merit to it. It answers this, that when we come to dealing in foreign countries with great independent sovereignties we can leave it to them to protect themselves. They control the trade in their domain. We need not be uneasy about our foreign exporters working any injustice upon the people in Great Britain or France, because they have great intelligent governments that know how to enact laws for the protection of themselves from any trade injustice.

Mr. SMITH of Michigan. Necessity knows no bounds. These combinations would take advantage of the world's necessities, and we would be included in such a raid.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. SMITH of Michigan. I do. I was about to yield the floor.

Mr. KELLOGG. I do not wish to make any extended statement at this time, but I should like to suggest to the Senator from Michigan whether or not, when the war closes, this country is not going to engage in very keen competition with foreign countries for foreign trade. I am not talking of the conditions that exist during the war; I doubt if this bill would have any effect during the war; but after the war is over, is it not a fact that we are going to be engaged in a very keen competition for foreign commerce, which will be of the most vital importance to all classes of manufacturers and producers in

this country, and whether we should put our manufacturers and producers on the same basis in foreign commerce as those manufacturers in foreign countries is a question that I think we should very seriously consider in this bill. I do not think anyone will accuse me of wanting to do away with the Sherman Act——

Mr. SMITH of Michigan. Oh, no, Mr. President.

Mr. KELLOGG. After all the years I struggled to enforce it. I am not going to make any speech on this bill at the present time, but I wish to call the attention of the Senator from Michigan to the fact

Mr. SMITH of Michigan. The Senator's inquiry is, of course, like all his inquiries—worthy of very careful thought. I have no doubt the world situation will be such at the close of the war that we may be called upon to meet a trying situation calling for our best thought; but now when products are so necessary to human life as well here as abroad, now when our people are apprehensive and other peoples are anxious to secure some hold upon our output, it seems to me to be a most inappropriate time to suggest to aliens and others that they can come here and organize combinations under our laws which, without restriction or restraint, can gather the output of our factories or of our farms, hold and sell it abroad only at any price they are willing to exact, and thus deprive our people of their normal supply of the necessities of life.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Oklahoma?

Mr. SMITH of Michigan. I yield.

Mr. GORE. I should like to ask the Senator from Michigan, the hour of 2 o'clock having arrived, if it would be convenient for him to yield to me to move to take up Senate bill 2344 and make it the unfinished business?

Mr. SMITH of Michigan. I am very glad to yield for that purpose.

Mr. McCUMBER. Before the pending bill goes over I should like to say one word with reference to the suggestion of the Senator from Minnesota [Mr. KELLOGG], that after the close of this war there will be a great world struggle for supremacy in commerce. Let us stop a moment and analyze that. In our contest with the rest of the world in the commercial field we can only hope to sell to foreign people as against our competitors when we sell for less than they do. If we can not sell as cheaply or sell for less they will get the trade.

Now, how are we going to meet that with a bill of this kind? I will tell you how. It will allow the great manufacturers in the United States to combine and fix a price that will compete with the foreign manufacturer in the foreign trade, and much lower than he fixes the price to the American people. Therefore he will have one price for the foreigner, if he is allowed to make such a combination, and he will have another price for the American, for under our present law he can not combine for the one purpose, but he can combine to lower it.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. McCUMBER. In just a moment. He can combine to lower it to the foreigner. I have a conviction that if anybody is entitled to the lower price it is the American people first, and we should not attempt to assist those people to sell more cheaply abroad than they do at home.

Mr. WALSH. May I say a word?

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. GORE] has the floor. Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. GORE. I yield.

Mr. WALSH. Before the Senator from North Dakota takes his seat I wish to advert to the fact that the domestic merchant will not be able to combine with his fellows to fix the price to the domestic consumer, and that is the theory of the bill. Of course, if producers were permitted to combine and fix the price in the foreign market, and were likewise permitted to combine and fix the price in the domestic market, the criticism of the Senator from North Dakota would be quite sound. But the bill presupposes that he will be subject to the penalties of the Sherman law if he undertakes to combine and fix the price in the domestic market.

Mr. McCUMBER. Certainly; that is what I said.

Mr. WALSH. But it is the assumption of the Senator that the price abroad will be higher than the price at home, because a high price will be fixed abroad and a low price fixed at home. The price at home will be fixed by open competition at home.

Mr. McCUMBER. Certainly.

Mr. WALSH. Therefore presumably the price at home——

Mr. McCUMBER. The price will be fixed by the demand, we will say, at home or the ability of the people, we will say, to pay the charges made by the manufacturers and the merchants; but they can combine to fix a lower price than the American price. By doing that they practically leave the domestic price unchanged; but if they can combine to fix the price of the export they can combine to fix it lower, thereby depleting the American market of a product to such an extent that they will hold that which they sell at home on a much higher plane.

Mr. WALSH. I rose simply to call attention to the fact that the Senator supposed they had combined to fix the foreign price.

Mr. McCUMBER. Oh, no; I did not intend that.

Mr. WALSH. And then they would combine to fix the domestic price.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. GORE. I ask unanimous consent to proceed with the consideration of Senate bill 2344.

The PRESIDING OFFICER. Does the Senator from Oklahoma move to proceed to the consideration of the bill or does he make a request for unanimous consent?

Mr. GORE. I will put it first in the form of a request for unanimous consent.

The PRESIDING OFFICER. Is there objection to proceeding to the consideration of Senate bill 2344?

Mr. JONES of Washington. I wish to ask the Senator to withhold that request for a moment. I do not want to object to his request and I do not want to discuss the other bill except to suggest what I think is a minor amendment to the Senator in charge of the bill.

Mr. GORE. I will withhold the request for that purpose.

Mr. JONES of Washington. Before the bill is laid aside I will state that in line 22, on page 2, this language is used:

> And is not in restraint of the export trade of any domestic competitor of such association.

I think the word "domestic" is proper there, but in line 23, on page 3, it occurs to me that the word "domestic" should be inserted before the word "competitors," so as to read:

> Used in export trade against domestic competitors engaged in export trade.

Mr. POMERENE. I think that suggestion is a good one.

Mr. JONES of Washington. I present that amendment, then.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In line 23, page 3, after the word "against" insert the word "domestic."

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. JONES of Washington. I should like to have the amendment acted on.

The PRESIDING OFFICER. The amendment will be agreed to without objection.

Mr. THOMAS. Mr. President, I think that amendment is very important.

Mr. McCUMBER. It is very important, and if we are going to take up the bill for amendment——

Mr. THOMAS. I want to consider that amendment before it is accepted. I think it is a very serious amendment. It may change very materially the entire purpose of the section.

Mr. JONES of Washington. I ask that the amendment may be considered as pending. I will not ask for the action of the Senate upon it at this time.

Mr. POMERENE. I ask that the bill be laid aside.

The PRESIDING OFFICER. The Senator from Ohio asks unanimous consent that the bill be temporarily laid aside. Is there objection? The Chair hears none.

Mr. JONES of New Mexico. It seems to me that a little amendment could be made which would relieve the minds of some of us, and that is to change the word "enhances," on line 2, page 3, and on line 18, page 5, to the word "affects." I offer that amendment. I understand the chairman of the committee is willing to accept it, and I think there will be no objection to it.

Mr. WALSH. I think that ought to be deferred also. There is much to be said on the subject.

Mr. JONES of New Mexico. I will offer the amendment and let it lie on the table.

AGRICULTURAL PRODUCTS.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oklahoma [Mr. GORE] that the Senate proceed to the consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. REED. Mr. President, I hope this bill will not be forced on us this afternoon.

Mr. GORE. There is a tacit understanding, at least, that it will not be forced to a vote to-day.

Mr. REED. Why must it come on at this particular moment? Why can it not go over and take its ordinary course and be called up after it is laid over? I am not going to be stubborn about the matter. There seems to be a spirit just now very active that the House and Senate are not doing anything unless they are doing it on the double quick. I want to read the bill with some care. I confess that I have a good deal of fear of every bill that is brought in of this character. I find that it is boldly proposed to turn over the control of the prices of food of 100,000,000 people to one man.

Mr. SMITH of South Carolina. That is not this bill.

Mr. REED. Oh, no; but when I find a bill comes here from the same source, O. K'd with other bills that propose to control the prices of everything in the land, I assume that the bill originated with the Agricultural Department.

Mr. HARDWICK. If the Senator will permit me, while I am not on the committee, I think if the Senator will examine the bill he will not think it originated with the Department of Agriculture.

Mr. REED. Perhaps not, but I have not had a chance to examine it, and all I am asking is a chance to read it over once.

Mr. HARDWICK. If the Senator will pardon me again, if he will read it over once he will see that it is not a very dangerous bill.

Mr. REED. I say that I have not had a chance to read it over once.

Mr. THOMAS. I have had a chance to read it over once, and I find it contains the usual appropriations of millions.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from North Dakota?

Mr. REED. I am just asking the Senator from Oklahoma if he will not let the bill go over. I am not going to object to taking it up, but I say to him——

Mr. GORE. As I suggested a moment ago, it is virtually the understanding with the Senator from Utah [Mr. KING] that the bill will not be brought to a vote to-day. I think there are some amendments to which the Senator from Missouri will have no objection, even if he should object to the bill as a whole. So we would probably save time. It is in the interest of economy of time that I ask the Senate to proceed at least to consider the amendments. The bill will not reach a final vote to-day.

Mr. ROBINSON. Will the Senator from Oklahoma yield for a question?

Mr. GORE. I yield.

Mr. ROBINSON. Is it the purpose of the Senator from Oklahoma to make a statement analyzing the provisions of the bill?

Mr. GORE. I will say that has been done in a very brief way in a report which accompanies the bill and is probably on the Senator's desk. It has not been my intention to do it for reasons the Senator will understand, but such analysis will undoubtedly develop in the course of the discussion.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. GORE. I yield.

Mr. McCUMBER. I wish to ask the Senator a question and see if I am correct. If I am, I do not think it will take long to consider the bill. If I understand it correctly, there are three objects of the bill. It first provides that the Secretary of Agriculture shall do exactly what he is already doing, and to do that it provides for some assistance. Second, it allows the Secretary of Agriculture to buy seeds and to sell them again; and third and last, in addition to these two authorizations, there is a provision in the bill making an appropriation of $4,500,000 for exterminating cattle ticks and hog cholera. I understand that is practically all there is in the bill. Is not that correct?

Mr. GORE. I think the Senator has made a pretty luminous digest of the bill.

Mr. REED. I challenge the understanding of both my distinguished friends. There is something in the bill that is a complete revolution of the law as it stood ever since we have had a Government, and which I think affects the fundamental right of the people. Let me read it.

That the Secretary of Agriculture—

A nonjudicial officer—

That the Secretary of Agriculture is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food—

That is pretty broad, is it not?

It shall be the duty of any person, when requested by the Secretary of Agriculture, or any agent acting under his instructions to answer correctly, to the best of his knowledge, all question necessary to carry into effect the provisions of this section. Any person who shall refuse or willfully neglect to answer any such question, or who shall willfully give answers that are false, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

Now, Mr. President, that is the creation of a power in an individual who is not a judicial officer to enforce the attendance of witnesses and to compel disclosures, not indeed when there is a case in controversy but when he desires to know something. It is the delegation to him of an authority which it is doubtful that it exists in the Senate of the United States or in the House of Representatives upon an investigation duly begun. It proposes to give to a deputy, some subordinate appointed by the Secretary of Agriculture, the right to walk into any man's place of business and make any inquiry he desires with reference to that business, and to send that man to prison for one year if he does not instantly answer this inquiry—this impudent and unlawful inquiry. Does the Senator say there is nothing in this bill to look at?

Mr. GORE. I will say, if the Senator will pardon me——

Mr. REED. Certainly.

Mr. GORE. The question as to whether or not this is wise or unwise legislation is, of course, an open question. The question as to whether it is a safe or unsafe power to vest in the Secretary of Agriculture is, of course, an open question. But that it is revolutionary is entirely a mistake. The language which the Senator read and upon which he is commenting is a readaptation of sections 23 and 24 of the Thirteenth Census act. It is the fruit of 120 years' experience. I am advised by the Census Office that it has worked with perfect satisfaction and has occasioned no friction and no annoyance on the part of the public. It has answered every purpose.

This is a food census, and we are pursuing the ordinary course and adopting the ordinary means and observing the ordinary precedents. It is, in fact, a reenactment of the census law with reference to food statistics. It certainly is not revolutionary, but it has become a settled practice or policy on the part of the Government.

Mr. SMOOT. Mr. President, a parliamentary inquiry. Has the Senate voted to take this bill up for consideration?

Mr. GORE. No, sir; it has not. I asked unanimous consent to take it up.

Mr. SMOOT. Evidently there is a desire on the part of some Senators that the bill shall go over until to-morrow.

Mr. GORE. It was taken up once and was laid aside. No objection was interposed at that time. Of course, anybody can object who sees fit. I am not certain as to the status of the bill on the calendar. I have preferred a request for unanimous consent to proceed to its consideration.

Mr. SMOOT. That request is pending now?

Mr. GORE. Yes, sir.

Mr. SMOOT. I understood as I came into the Chamber, having been called out for a few moments, that the Senator had moved to take up the bill.

Mr. GORE. I think the Chair possibly put it in the form of a motion, although the request was for unanimous consent.

Mr. SMOOT. I do not want to interfere now with the Senator from Missouri.

Mr. REED. I simply want to say that when Senators stated the bill did not contain anything but two or three little trifling matters; they were in error. It is no trifling matter to give any man, I do not care who he is, the right to appoint a flock of deputies to go out and call on every man in the United States for information, and if he does not give it to send that man to the penitentiary. That is not a trifling matter. Whatever power may have been vested in a census board, and it may have been pretty broad and may never have been tested, I am not in favor of extending these arbitrary powers where it is not absolutely necessary to extend them.

I do not intend to discuss the merits of this matter now. I say to my friend the Senator from Oklahoma that I think it would be very much better to let the bill go over until to-morrow morning and let us have an opportunity to read it and become acquainted with its phraseology. There is no occasion for unseemly haste about this matter. There is a lot of language in it that I think needs some scrutinizing.

Mr. GORE. I hope the Senator will not object to the request which I preferred. He has the assurance that the bill will go

over until to-morrow and he will have ample opportunity to read it before it passes. We have no assurance that it will pass to-morrow.

Mr. REED. I am not going to make an objection if the Senator insists, but——

Mr. GORE. I would be glad to proceed with the bill to-day.

Mr. REED. I do not think any Senator ought to be put in the position of being compelled to object to the immediate consideration of these measures.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent that the Senate proceed to the consideration of Senate bill 2344. Is there objection?

Mr. SMOOT. I have no objection at all to taking up the bill—it is after 2 o'clock now—if the Senator will simply have the bill read and have it laid aside. Then the bill becomes the unfinished business and it will come up automatically to-morrow.

Mr. GORE. I do not understand the Senator's request.

Mr. SMOOT. I suggest to the Senator to allow the bill to be taken up by unanimous consent and presented to the Senate, and if the Senator desires to have the bill read let it be read, and then lay it aside. The bill becomes the unfinished business, and to-morrow it will come up automatically at 2 o'clock.

Mr. KENYON. Mr. President, a parliamentary inquiry. Would that be true if the bill which the Senator from Ohio [Mr. POMERENE] is pressing should be taken up and be before the Senate at the time of adjournment?

Mr. GORE. This bill would lose its status as the unfinished business unless it is pending when we adjourn.

Mr. SMOOT. If the Senator will ask that it be temporarily laid aside and not be displaced by a motion to take up another bill, it will not be displaced.

Mr. LA FOLLETTE. Mr. President, I ask for the regular order.

Mr. GORE. One bill has already been laid aside, and unless this bill is pending when we adjourn it will lose its status.

Mr. LA FOLLETTE. The Chair is submitting a request for unanimous consent, and I ask for the regular order, Mr. President. I am getting a little bit weary of this debate.

Mr. SMOOT. Then I shall object.

Mr. LA FOLLETTE. That is all right. The Senator is at liberty to do that.

Mr. GORE. I believe under the new status I can move to take up the bill, and I therefore move that Senate bill 2344 be taken up. It was taken up once by unanimous consent and laid aside. That sent it to the calendar, and I think it now has the same privilege as any other bill. I therefore move that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. The Senator from Oklahoma moves that the Senate proceed to the consideration of Senate bill 2344.

Mr. SMOOT. I call the attention of the Chair to Rule 26, paragraph 2.

Mr. KENYON. Mr. President, if the Senator from Utah will yield to me, I merely want to appeal to him to withdraw his objection. The Senator from Oklahoma has said that he desires to take the bill up for the consideration of committee amendments. They are all amendments to strike out parts of the bill; and I do not believe the Senator from Utah will have any objection to that procedure.

Mr. SMOOT. Mr. President, I do not have any objection to that, and if I had been allowed to state——

Mr. LA FOLLETTE. I ask for the regular order, if there is any regular order that can be had.

Mr. SMITH of South Carolina. I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Carolina will state his parliamentary inquiry.

Mr. SMITH of South Carolina. This bill is known as Senate bill 2344. So far as its status is concerned, it is exactly the bill that we had under discussion a day of two ago. The bill that the Senator from Oklahoma now desires considered is the bill, as I understand, offered by that Senator which was recommitted to the committee.

Mr. SMOOT. No.

Mr. KENYON. This is not that bill.

Mr. NORRIS. The Senator is in error about that.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. SMITH of South Carolina. I do.

Mr. NORRIS. The Senator is in error. It is an entirely different bill. I should like to suggest——

Mr. SMITH of South Carolina. I know the text of the bill is different; but so far——

Mr. NORRIS. The number is different.

Mr. SMITH of South Carolina. Is the whole bill different?

Mr. NORRIS. Oh, yes.

Mr. SMITH of South Carolina. If the whole bill is different, then, of course, I am wrong.

Mr. NORRIS. I should like to make a suggestion to the Senator from Oklahoma. There will not be any trouble about getting the bill up to-morrow under the rule. If the bill is going to be taken up with the view of making it the unfinished business and then laying it aside, to be taken up to-morrow, the bill will not be advanced, because under the rules any Senator has the right to object to it to-day, it seems to me; and we will make no headway if we simply undertake to make it the unfinished business. The bill can be taken up to-morrow whether it is the unfinished business or not.

I should like to say in regard to the suggestion of the Senator from Iowa [Mr. KENYON] that these amendments are not going to take any time that I think they will take time. I expect to devote some time to one or two of those amendments, but I have no objection to taking the bill up now. It seems to me, however, that any Senator has a right to object to taking it up to-day under the rule, and it will not cause much delay, if any, if it is allowed to go over.

Mr. GORE. Mr. President, I do not think the Senator is correct about that. I do not know whether or not the Senator was present, but I obtained unanimous consent to take up the bill this morning. It has been before the Senate once to-day by unanimous consent, and that waives the objection and gives the bill the status of any other bill on the calendar, in my judgment.

Mr. NORRIS. Even though the Senator is right in that contention, if he is going simply to try to take up the bill and then lay it aside, it will not be of any advantage to him, because there is no disposition to prevent the Senate from considering the bill to-morrow, as I understand.

Mr. GORE. I will say to the Senator that is not my intention.

Mr. NORRIS. If any Senator wants time to consider the bill, it seems to me that it is not an unfair request to ask that it go over.

Mr. GORE. I will say to the Senator from Nebraska that it is not my purpose, if the bill is taken up, to lay it aside.

Mr. NORRIS. I understood it was.

Mr. GORE. No, sir. That was the request of the Senator from Utah; and that would be largely a perfunctory proceeding, in which I do not care to participate. Of course, if the Chair holds my motion out of order that ends it; but if the Chair holds the motion in order, the Senate can take the responsibility of considering the bill or of passing it over. As chairman of the committee, appreciating the importance of this legislation, I am not willing to take the responsibility for delaying it.

The PRESIDING OFFICER. The Chair is ready to rule.

Mr. SMOOT. I desire to call the attention of the Chair to paragraph 2 of Rule XXVI, which provides:

> All reports of committees and motions to discharge a committee from the consideration of the subject, and all subjects from which a committee shall be discharged, shall lie over one day for consideration unless, by unanimous consent, the Senate shall otherwise direct.

This bill was reported this morning, Mr. President. It has not been one day since it was reported, and therefore I hold that the motion of the Senator from Oklahoma is out of order.

Mr. GORE. Mr. President, there is no controversy about the rule. The point is that the Senate has otherwise ordered, which the rule permits. The Senate did authorize the consideration of this bill this morning by unanimous consent. That waives the objection; and now the bill has the status that it would have had if it had lain over one day. I think the motion is clearly in order.

The PRESIDING OFFICER. The Chair believes that paragraph 2 of Rule XXVI is applicable to this case, and therefore the Chair sustains the point of order made by the Senator from Utah.

EXECUTIVE SESSION.

Mr. MYERS obtained the floor.

Mr. MARTIN. Mr. President——

Mr. MYERS obtained the floor.

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Virginia?

Mr. MYERS. No; not until I can make an explanation. I apprehend the Senator from Virginia may want to move an adjournment.

Mr. MARTIN. I will say frankly to the Senator that so many Senators desire an opportunity to investigate this food bill that I propose to make that motion to give them that opportunity.

I do not wish, however, to take the Senator from Montana off the floor.

Mr. MYERS. Before that motion is made I want to explain that I wish to move an executive session for a few moments, and then an adjournment can be had if the Senate so desires. I move that the Senate proceed to the consideration of executive business.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana that the Senate proceed to the consideration of executive business. [Putting the question.] By the sound, the noes appear to have it.

Mr. MYERS. I ask for a division.

On a division, the motion was agreed to; and the Senate proceded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

ARMOR-PLATE PLANT AT CHARLESTON, W. VA.

Mr. SUTHERLAND. Mr. President, I desire to send to the desk to be read a telegram from the former governor of Alaska, Hon. W. E. Clark, now owner and editor of the Charleston Mail, relating to a letter which was read into the RECORD on Monday last by the junior Senator from New York [Mr. CALDER], and which contained an intimation that undue speculation in lands at Charleston, W. Va., and vicinity might operate to the disadvantage of the employees of the armor-plate plant recently located there.

Mr. Clark is peculiarly qualified to speak with authority and disinterestedly on this matter. I commend his telegram to the attention of the Senate, and give to his statement my unqualified indorsement.

The PRESIDING OFFICER. The Secretary will read the telegram.

The Secretary read the telegram, as follows:

CHARLESTON, W. VA., *May 22, 1917.*

Hon. HOWARD SUTHERLAND,
United States Senate, Washington, D. C.:

The solicitude of the resolutions committee of the National City planning conference over the housing of workers in the proposed Government factories at Charleston is entirely unwarranted. There has been no more speculation in land values than is natural and usual in such cases, and no very serious effect of the present real estate activity is expected. The housing question has been taken up by an association of substantial local citizens, and the Government may feel well assured that a comprehensive and wholly satisfactory plan will be carried out.

WALTER E. CLARK.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Thursday, May 24, 1917, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 23, 1917.

UNITED STATES ATTORNEY.

Fred Robertson, of Kansas, to be United States attorney, district of Kansas. (Reappointment.)

UNITED STATES MARSHALS.

Lewis T. Erwin, of Alaska, to be United States marshal, district of Alaska, division No. 4. (Reappointment.)

Andrew H. Hudspeth, of New Mexico, to be United States marshal, district of New Mexico. (Reappointment.)

PROVISIONAL APPOINTMENTS IN THE ARMY.

FIELD ARTILLERY ARM.

Second Lieut. Frank Langham, Philippine Scouts, to be second lieutenant of Field Artillery with rank from date of appointment.

CAVALRY ARM.

Ion Carl Holm, of New York, to be second lieutenant of Cavalry with rank from November 30, 1916.

Carl Clifton Krueger, of Texas, to be second lieutenant of Cavalry with rank from November 30, 1916.

Arthur E. Pickard, of California, to be second lieutenant of Cavalry with rank from November 30, 1916.

Capt. Robert McClean Carswell, First Infantry, Delaware National Guard, to be second lieutenant of Cavalry with rank from March 21, 1917.

Arthur Vollmer, of Iowa, to be second lieutenant of Cavalry with rank from March 22, 1917.

Otto Blaine Trigg, of California, to be second lieutenant of Cavalry with rank from March 22, 1917.

George William Lyman Prettyman, of New York, to be second lieutenant of Cavalry with rank from March 22, 1917.

FIELD ARTILLERY ARM.

William Brooke Dunwoody, of Pennsylvania, to be second lieutenant of Field Artillery with rank from November 30, 1916.

COAST ARTILLERY CORPS.

Otis Alexander Wallace, of New York, to be second lieutenant in the Coast Artillery Corps with rank from November 30, 1916.

INFANTRY ARM.

Second Lieut. Carl Joshua Lambeth, Infantry Section, Officers' Reserve Corps, with rank from November 27, 1916.

Second Lieut. William F. Donnelly, Infantry Section, Officers' Reserve Corps, with rank from November 27, 1916.

George Lignori Pepin, of Michigan, to be second lieutenant of Infantry with rank from November 30, 1916.

Lloyd Neff Keesling, of Virginia, to be second lieutenant of Infantry with rank from November 30, 1916.

Lawrence Burdette Glasgow, of Ohio, to be second lieutenant of Infantry with rank from November 30, 1916.

Aaron Joseph Becker, of South Carolina, to be second lieutenant of Infantry with rank from November 30, 1916.

Second Lieut. Lindsay P. Johns, Infantry Section, Officers' Reserve Corps, with rank from March 20, 1917.

Second Lieut. Charles Arthur Shamotulski, Infantry Section, Officers' Reserve Corps, with rank from March 20, 1917.

Second Lieut. Frederick R. Baker, Coast Artillery, North Carolina National Guard, to be second lieutenant of Infantry with rank from March 21, 1917.

First Lieut. William Powell Scobey, First Infantry, Tennessee National Guard, to be second lieutenant of Infantry with rank from March 21, 1917.

Robert Donald Horton, of New York, to be second lieutenant of Infantry with rank from March 22, 1917.

PROVISIONAL APPOINTMENT, BY PROMOTION, IN THE ARMY.

COAST ARTILLERY CORPS.

Second Lieut. Kenneth S. Purdie, Coast Artillery Corps, to be first lieutenant from November 30, 1916, vice Crissy, promoted.

The above-named officer was nominated to the Senate on April 19, 1917, for said promotion, under the name Kenneth Purdy. This is submitted for the purpose of correcting errors in the name of the nominee.

CORPS OF ENGINEERS.

To be first lieutenants with rank from May 15, 1917, to fill original vacancies.

Second Lieut. Harold W. Sibert.
Second Lieut. Howard G. Borden.
Second Lieut. Thomas F. Farrell.
Second Lieut. Kenneth S. Jones.

PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

Second Lieut. George R. Barker, Fourteenth Cavalry, to be second lieutenant of Infantry, with rank from March 22, 1917.

Second Lieut. George Sawtelle, Twentieth Infantry, to be second lieutenant of Cavalry, with rank from March 22, 1917.

PROVISIONAL APPOINTMENTS AS SECOND LIEUTENANTS IN THE ARMY.

CORPS OF ENGINEERS.

Second Lieut. Walter Pierron Burn, Engineer Section, Officers' Reserve Corps.

Second Lieut. David Leonard Neuman, Engineer Section, Officers' Reserve Corps.

Second Lieut. Lenox Riley Lohr, Coast Artillery Corps.

Truman Minor Curry, jr., of New York.
Frank Melvin S. Johnson, of California.
Simes Thurston Hoyt, of Hawaii.
Clarence Malcolm Fuller, of Illinois.
Harry Allen Skerry, of Colorado.
John Francis McSweeney, of New York.
Giovanni Battista LaGuardia, of New York.
Fred Craig Albert, of Nebraska.
Don Russell Cather, of Colorado.
Sylvester Emery Nortner, of Minnesota.
John Riley Donaldson, of Illinois.
Julian George Guiteras, of California.
Pvt. Marion Den Herder Kolyn, Company A, Engineers, Illinois National Guard.

CAVALRY ARM.

Second Lieut. Richard Whitney Carter, Cavalry Section, Officers' Reserve Corps.

Second Lieut. Kenneth Rowntree, Infantry Section, Officers' Reserve Corps.

George Archibald King, honor graduate, of South Carolina.
James Booth Lockwood, of Virginia.
First Lieut. Lionel Leopold Meyer, First Infantry, Louisiana National Guard.
Frederick Harold Leroy Ryder, of Massachusetts.
Myron Winston Hackney, of Kansas.
Wallace William Crawford, of Washington.
Theodore Besson Apgar, of New Jersey.
Jefferson Bartow Osborn, of Georgia.
Mortimer Heth Christian, of Virginia.
Marcus Roger Monsarratt, of Hawaii.
Fabius Bushbee Shipp, of North Carolina.
James Jay Cecil, of Tennessee.
James Madison Shelton, of Illinois.
Albert Russell Kuschke, of Pennsylvania.
George Albert Moore, of Illinois.
George William Gay, of Missouri.
Forsyth Bacon, of Washington.
Ralph Leslie Joyner, at large.
Roscoe Stewart Parker, of Illinois.
Heywood Shailus Dodd, of Maryland.
Kent Craig Lambert, of Indiana.
Pvt. George Edward Huthsteiner, Headquarters Company, Second Field Artillery.
Edward Bennett Lloyd, of the District of Columbia.
Maurice Morgan, of Kansas.
Gilbert Edwin Bixby, of the District of Columbia.
Eugene Burnet, of Mississippi.
Second Lieut. Charles Frederick Houghton, second company, Coast Artillery Corps, Maine National Guard.
First Lieut. Guy Hudson Dosher, First Field Artillery, Illinois National Guard.
Capt. Cecil Rutherford Neal, Second Squadron, Cavalry, Georgia National Guard.
Pvt. (First Class) Myer Samuel Silven, Troop E, Second Cavalry.
Pvt. William Harris Symington, Troop C, Squadron A, Cavalry, New York National Guard.
Corpl. Philip B. Fryer, Troop A, Second Cavalry.
Band Sergt. Donald Coe Hawley, Headquarters Troop, Second Cavalry.
Pvt. Vernon Lhrean Padgett, Troop A, Cavalry, South Carolina National Guard.
Regimental Sergt. Maj. Jay Ward MacKelvie, Army Reserve.
Corpl. Francis Truman Bonsteel, Troop H, Eleventh Cavalry.
Sergt. William Edwin Barott, Troop H, Fourth Cavalry.
Corpl. Wallace Francis Hamilton, Troop B, First Cavalry.
Sergt. Frank Nelson, Troop F, Eighth Cavalry.
Saddler William E. McMinn, Troop A, Second Cavalry.
Bugler Edmund Michaux Crump, Troop B, First Squadron, Cavalry, Virginia National Guard.
First Sergt. Herman Frederick Rathjen, Troop E, Seventh Cavalry.
Pvt. Daniel Joseph Keane, Troop A, Fifth Cavalry, Connecticut National Guard.
Sergt. Milo Joseph Warner, Troop B, First Cavalry, Ohio National Guard.
First Sergt. Le Roy Davis, Troop F, Eleventh Cavalry.
Sergt. Anthony John Tittinger, Machine Gun Troop, Fifth Cavalry.
Pvt. Max Donald Holmes, Company B, Second Infantry, Massachusetts National Guard.
Corpl. Charles Allen Ellis, Troop A, Eleventh Cavalry.
Pvt. Demas Lindley Sears, Headquarters Company, Eighth Infantry, Ohio National Guard.
Mess Sergt. Bankston E. Mattox, jr., Troop C, Fifteenth Cavalry.
Corpl. Frank Henry Barnhart, Machine Gun Troop, Fourteenth Cavalry.
Sergt. John August Moschner, Troop I, Fourteenth Cavalry.
Corpl. George Edward Harrison, Troop A, Second Cavalry.
Sergt. Wesley J. White, Troop K, Seventeenth Cavalry.
Mess Sergt. Alton Wright Howard, Troop H, Seventh Cavalry.
Musician (Third Class) Nolan Ferguson, Headquarters Troop, Seventh Cavalry.

FIELD ARTILLERY ARM.

Second Lieut. William Benjamin Wright, jr., Field Artillery Section, Officers' Reserve Corps.
Capt. Victor Horace Bridgman, jr., Quartermaster Section, Officers' Reserve Corps.
First Lieut. Wendell Lowell Bevan, Infantry Section, Officers' Reserve Corps.
Second Lieut. Henry Joseph Macpeake, Philippine Scouts.
Frank Warren Lykes, of South Carolina.
Capt. Richard Terrell Guthrie, Nebraska National Guard Reserve.
Ittai Albert Luke, of Kansas.
Roger Griswold, of Massachusetts.
Henry Lockwood, jr., of Texas.
Alan Lockhart Campbell, of Maryland.
Oscar Blount Ralls, jr., of Alabama.
John Herman Larkin, of Washington.
Douglas Rubison Coleman, of New Jersey.
George Peterson Winton, of Tennessee.
Robert Nelson Getty, jr., of Colorado.
George Jackson Downing, of Idaho.
Christiancy Pickett, of the District of Columbia.
Rush Hawkins Rogers, of New Jersey.
John Cooper Adams, of Alabama.
Arthur Carroll Waters, of Louisiana.
Ernest Terrill Barco, of Florida.
First Lieut. Lester Amiel Daugherty, Coast Artillery Corps, California National Guard.
Sergt. Walter Gordon Wilt, Medical Department.
Joseph Earle Takken, of Michigan.
Raymond Jerome Watrous, of Connecticut.
Jerome Jackson Waters, jr., of Texas.
Thomas Grafton Hanson, jr., of California.
Bertram Neumann Rock, of New York.
Alexander Shepherd Quintard, of Virginia.
Second Lieut. William F. Maher, Philippine Scouts.
Second Lieut. Walter Franklin Wright, Machine Gun Company, Second Infantry, Kentucky National Guard.
Second Lieut. Sidney Feagin Dunn, Battery B, Fifth Field Artillery, Georgia National Guard.
Maj. Louis Whorley Hasslock, First Infantry, Tennessee National Guard.
Pvt. (First Class) Breckinridge Atwater Day, Company K, Seventh Infantry, New York National Guard.
Sergt. Paul Church Harper, Troop A, Cavalry, Illinois National Guard.
First Sergt. Joseph Kennedy, Battery D, First Field Artillery.
Corpl. George D. Shea, Company B, First Engineers.
Supply Sergt. John Van Derlip Hume, Company D, Second Engineers.
Pvt. Woodrow Wilson Woodbridge, Battery B, First Field Artillery, Colorado National Guard.
Pvt. Gervas Storrs Taylor, Troop B, First Squadron, Cavalry, Virginia National Guard.
Pvt. John Griffen Pennypacker, Troop B, First Cavalry, Virginia National Guard.
Sergt. Richard Henry Schubert, Quartermaster Corps.
Pvt. (First Class) Edward John Fox Marx, Battery B, First Field Artillery, New York National Guard.
Regimental Sergt. Maj. John Waring Weeks, First Infantry, North Carolina National Guard.
Battalion Sergt. Maj. Wilbur Clynton Carlan, Headquarters Company, Third Field Artillery.
Pvt. George Ross Rede, Battery A, Field Artillery, Maryland National Guard.
Sergt. Gilbert Paul Kearns, Battery C, Ninth Field Artillery.
Sergt. Van Rensselaer Vestal, Company D, Fifth Infantry, California National Guard.
Corpl. John Homer Carriker, First Company, Coast Artillery Corps.
Sergt. Peter P. Michalek, Wire Company B, Third Field Battalion, Signal Corps.
Corpl. William Griswold Gough, Company F, Third Engineers.
Sergt. Joseph Aloysius Mulherrin, First Company, Coast Artillery Corps.
Corpl. Azel Wingert McNeal, Battery B, Seventh Field Artillery.

COAST ARTILLERY CORPS.

Benjamin Bowering, honor graduate, of Virginia.
Henry Fred Grimm, jr., of New York.
Henry Linsert, of Pennsylvania.
Herman Augustine Brandt, of New York.
Donald Langley Dutton, of the District of Columbia.
Leland Adrian Miller, of California.
Arthur Nolan Harrigan, of Pennsylvania.
Percy Clayton Hamilton, of Pennsylvania.
Robert Alexander Laird, of Georgia.
Porter Prescott Lowry, of South Dakota.
Stuart W. Griffin, of Michigan.
Joseph William Hazell, of Maryland.
John Briggs Day, of California.
Pvt. James Louis Keane, Company B, Second Infantry, Connecticut National Guard.

Corpl. John Albert Messerschmidt, First Company, Coast Artillery Corps.

INFANTRY ARM.

Second Lieut. Augustus Brown O'Connell, Infantry Section, Officers' Reserve Corps.
Capt. Charles Carroll Fitzhugh, Infantry Section, Officers' Reserve Corps.
Capt. Thomas Leroy McMurray, Infantry Section, Officers' Reserve Corps.
Second Lieut. Hiram Gilbert Fry, Infantry Section, Officers' Reserve Corps.
Paul Edward Jackson, honor graduate, of Kansas.
Second Lieut. Richard Wilmer Cooksey, Philippine Scouts.
Homer Smith Youngs, of Illinois.
Edwin Wolsey Grimmer, of Michigan.
William Harold Clark, of New York.
Frank Eugene Haskell, of Massachusetts.
Lloyd Davidson Brown, of Georgia.
Roy Carter Hilton, of South Carolina.
Raymond Edward O'Neill, of Washington.
Pvt. Justin Stanley Hemenway, United States Marine Corps.
William Almond Shely, of Texas.
Corwin Crittenden Smith, of California.
John Eliot McKenney, of the District of Columbia.
John Urban Ayotte, of Wisconsin.
Charles Heyward Barnwell, jr., of Alabama.
Second Lieut. Henry Alfred Schwarz, Company H, Fourth Infantry, Maryland National Guard.
Corpl. Edward George Herlihy, Fifth Recruit Company, General Service Infantry.
Arnold John Funk, of Oregon.
George Marvin Ferris, of Tennessee.
Edwin Lockwood MacLean, of Washington.
Norman Minus, of South Carolina.
Ernest Newman Stanton, of Michigan.
Thomas Gerald O'Malley, of Pennsylvania.
Newell Rodney Fiske, of New Jersey.
Philip Braham Harrigan, of New York.
John Downing Hill, of Alabama.
Frank Wiltshire Gano, of Iowa.
John Leonard Pierce, of Texas.
Donald Kent Mason, of New York.
Lowell Warde Rooks, of Washington.
Claude Jacques Hayden, of North Carolina.
Samuel Davies Bedinger, of Virginia.
Alpheus Evans Willson Harrison, of Virginia.
Malcolm Vaughn Fortier, of Washington.
Outram Willett Sherman, of New York.
Ivan Neal Waldron, of Maine.
John Joseph Atkinson, of Texas.
Edward Christopher Allworth, of Oregon.
Roland Winfred Wittman, of New Mexico.
Julian Rockwood Orton, of Illinois.
Reginald Nichols Hamilton, of Wisconsin.
John Walter Nicholson, of Georgia.
Thomas Allan Young, of Washington.
Charles Haines Lee, of Washington.
Ray Bradford Conner, of Washington.
James Stanley Moore, jr., of Georgia.
Franklyn Hayes Woody, of Montana.
Herbert Louis Landolt, of Iowa.
Samuel Walter Sowerbutts, of the District of Columbia.
Will Van Sycle Parks, of Washington.
Charles Bernard Kelly, of Illinois.
Malcolm McGregor Maner, of Georgia.
John Lloyd McKee, of Virginia.
Glenn Luman Allen, of Arkansas.
Charles Rouse Jones, of Maryland.
Willard Stewart Paul, of Colorado.
Moritz Augustus Rust Loth, of Virginia.
Robert Henry Chance, of Ohio.
Claude Wallace Shelton, of Texas.
Harry Grant Hodgkins, jr., of the District of Columbia.
Samuel Rufus Ward, of Florida.
Vincent Paul Rosseau, of Vermont.
March Hugo Houser, of Alaska.
Lamont Davis, of Washington.
James Brown Golden, of Ohio.
Edwin Blair Banister, of Nebraska.
Willfred Rowell Higgins, of Minnesota.
Eldon Paul King, of Oregon.
First Lieut. Frederick Stone Matthews, Company A, Fourth Infantry, Maryland National Guard.
Arthur Pleasant Sibold, of Virginia.
Francis Maynard Lasseigne, at large.
Walter Hellmers, of New York.
Jesse Plez Green, of Texas.
Howard Winthrop Turner, of California.
William Audley Taber, of Alabama.
Philip Barbour Peyton, jr., of Virginia.
Henry Garner Sebastian, of Oklahoma.
Wesley Crowell Brigham, of Rhode Island.
William Major Goldston, of Texas.
Cyrus Higginson Searcy, of Texas.
Sergt. Theodore Kelly, Motor Truck Company 15, Quartermaster Corps.
Leon Edward Norris, of Nebraska.
David McAllister Hunter, of California.
J. Harold Fleischhauer, of Washington.
Tasso Wadsworth Swartz, of Washington.
Edward William McCaskey, jr., of New York.
Second Lieut. John M. Boon, Philippine Scouts.
First Lieut. Roger Hilsman, Second Infantry, Texas National Guard.
Second Lieut. Holmes Ely Dager, First Infantry, New Jersey National Guard.
First Lieut. James Everett Allison, Fifth Infantry, Nebraska National Guard.
Second Lieut. Harry Elmer Fischer, First Infantry, Minnesota National Guard.
First Lieut. Thomas Loryea Alexander, Second Infantry, South Carolina National Guard.
First Lieut. Charles Erwin Rayens, Sixty-ninth Infantry, New York National Guard.
First Lieut. Charles Hudson Jones, Fourth Infantry, South Dakota National Guard.
Second Lieut. Roger Williams, jr., First Infantry, Kentucky National Guard.
Second Lieut. Harry Brandley Hildebrand, First Infantry, Oklahoma National Guard.
Second Lieut. William Hones, jr., First Infantry, New York National Guard.
Second Lieut. John Jacob Bethurum, Second Infantry, Kentucky National Guard.
Capt. John Lawrence Cootey, First Infantry, Vermont National Guard.
First Lieut. Albert Charles Anderson, Infantry, Washington National Guard Reserve.
Corpl. William H. Joiner, Company F, Twenty-seventh Infantry.
Corpl. Hugh Pitcairn Schively, Aviation Section, Signal Corps.
Sergt. John Demetre Joanidy, Twenty-fifth Recruit Company, General Service Infantry.
Corpl. Gilmer Meriwether Bell, Company A, Thirty-fifth Infantry.
Pvt. (First Class) Manley Lawton, Third Company, Coast Artillery Corps,
Sergt. Roy Sloan, Company M, Fourteenth Infantry.
Sergt. Bryce Farren Martin, Company M, First Infantry.
Corpl. Harold Clinton Hoopes, Company G, Thirty-sixth Infantry.
Corpl. Henley Schuck, Company I, Seventeenth Infantry.
Pvt. Glenn Dewitt Hufford, Company A, Thirty-second Infantry.
Corpl. Paul Revere Hudson, First Company, Coast Artillery Corps.
Pvt. (First Class) William Richard Dwyer, Third Company, Coast Artillery Corps.
Sergt. Hanon Fields Combs, Company A, Seventeenth Infantry.
Corpl. William S. Fentress, Company L, Eighth Infantry.
Pvt. (First Class) Ralph Hall, Ordnance Department.
Battalion Sergt. Maj. Mahlon Gerhard Frost, Fourth Infantry.
Sergt. Benjamin Harrison Hensley, Third Company, Coast Artillery Corps.
Sergt. (First Class) Hawthorne C. Gray, Quartermaster Corps.
Pvt. Donald James Neumüller, First Aero Squadron, Signal Corps.
Pvt. (First Class) Orland Sylvester O'Neal, Company C, Thirty-second Infantry.
Sergt. Otto Kramer, Medical Department, United States Army.
Pvt. (First Class) George D. Ramsey, Company C, Thirty-first Infantry.
Sergt. Jerome Pickett, Company C, Thirty-second Infantry.
Sergt. Lebbeus Morrison Cornish, First Company, Coast Artillery Corps.

Corpl. Leon F. Stevens, Company B, Fourth Infantry.
Sergt. William Samuel Rumbough, Company I, Fifth Infantry, Maryland National Guard.
Sergt. George Alexander Murray, Company E, First Engineers.
Pvt. (First Class) Joseph E. Young, Company B, First Engineers.
Corpl. Henry Theophil John Weishaar, Company A, First Engineers.
Pvt. (First Class) Charles S. Lawrence, Company A, Second Battalion, Signal Corps.
Corpl. Cyrus Alaric Hay, Company I, First Infantry, Indiana National Guard.
Corpl. Benjamin Joseph Holt, jr., Company F, Seventeenth Infantry.
Pvt. (First Class) Newton Dousman Hathaway, Troop A, First Cavalry, Wisconsin National Guard.
Corpl. Byron W. Fuller, Company K, Fourteenth Infantry.
Sergt. John Erwin Stullken, Company E, Second Infantry, Texas National Guard.
Corpl. Herman Henry Meyer, Company D, Second Engineers.
Pvt. Carleton More, Troop B, First Cavalry, Washington National Guard.
Corpl. Edward P. Sheppard, Machine Gun Company, Twenty-sixth Infantry.
Sergt. Clyde McClain Strosnider, Machine Gun Company, Twenty-sixth Infantry.
First Sergt. Henry Jeffrey Matchett, Battery A, First Field Artillery, Minnesota National Guard.
Corpl. John Henry Strickland, Company L, Seventeenth Infantry.
Corpl. Vincent Staub Burton, Company B, Third Engineers.
Pvt. Griffith Wight, Troop A, Squadron A, Cavalry, New York National Guard.
Corpl. Curtis P. Miller, Depot Company L, Signal Corps.
Pvt. William Ernst, Troop C, First Cavalry, Ohio National Guard.
Corpl. John William Bulger, Company A, Thirty-sixth Infantry.
Pvt. Roy Wright Voege, Field Artillery, School of Fire.
Pvt. Taylor Milton Uhler, First Company, Coast Artillery Corps.
Battalion Sergt. Maj. Roy George Gordon, Headquarters Company, Eleventh Infantry.
Master Signal Electrician Vernon Lee Burge, First Aero Squadron, Signal Corps.
Sergt. Simon Fostiak, Quartermaster Corps.
Corpl. Edwin Louis Dittmar, Company B, Thirty-fifth Infantry.
Corpl. Crosby N. Elliott, Sixth Company, Coast Artillery Corps.
Pvt. (First Class) Ernest Ray Marvel, Company H, Third Infantry, Indiana National Guard.
Sergt. Frank Moore Child, Troop A, First Squadron, Cavalry, New Jersey National Guard.
Corpl. Raymond Lester Price, Battery F, First Field Artillery, Illinois National Guard.
Pvt. Frederic Montgomery Lee, Headquarters Company, First Field Artillery, Massachusetts National Guard.
Pvt. Hurley Edward Fuller, Company E, Second Infantry, Texas National Guard.
Corpl. Larry McHale, First Company, Coast Artillery Corps.
First Sergt. Arthur Maxwell O'Connor, Machine Gun Company, Ninth Infantry, Massachusetts National Guard.
Sergt. John Paul Horan, Company A, Engineers, Texas National Guard.
Corpl. James Hadden Sloan Wells, Company B, First Infantry, North Carolina National Guard.

PORTO RICO REGIMENT OF INFANTRY.

Luis Felipe Cianchini, of Porto Rico.
Victor Emanuel Domenech, of Porto Rico.
Antonio Andrés Vasquez, of Porto Rico.
Juan Eugenio Guzman, of Porto Rico.

PROMOTIONS IN THE ARMY.

JUDGE ADVOCATE GENERAL'S DEPARTMENT.

To be judge advocates with the rank of colonel from May 15, 1917.

Lieut. Col. Frank L. Dodds, judge advocate, to fill an original vacancy.
Lieut. Col. Lewis E. Goodier, judge advocate, subject to examination required by law, to fill an original vacancy.

To be judge advocates with the rank of lieutenant colonel from May 15, 1917.

Maj. Blanton Winship, judge advocate, to fill an original vacancy.
Maj. Beverly A. Read, judge advocate, subject to examination required by law, to fill an original vacancy.
Maj. Edward A. Kreger, judge advocate, to fill an original vacancy.
Maj. Samuel T. Ansell, judge advocate, vice Lieut. Col. Frank L. Dodds, promoted.
Maj. Herbert A. White, judge advocate, subject to examination required by law, vice Lieut. Col. Lewis E. Goodier, promoted.

QUARTERMASTER CORPS.

Lieut. Col. William H. Hart, to be colonel from May 2, 1917, subject to examination required by law, vice Col. Frank F. Eastman, retired from active service May 1, 1917.
Maj. Frank H. Lawton to be lieutenant colonel from May 2, 1917, subject to examination required by law, vice Lieut. Col. William H. Hart, promoted.

To be colonels with rank from May 15, 1917.

Lieut. Col. Chauncey B. Baker, subject to examination required by law, to fill an original vacancy.
Lieut. Col. George McK. Williamson, subject to an examination required by law, to fill an original vacancy.
Lieut. Col. Thomas H. Slavens, subject to examination required by law, to fill an original vacancy.
Lieut. Col. David S. Stanley, subject to examination required by law, to fill an original vacancy.
Lieut. Col. Thomas C. Goodman, subject to examination required by law, to fill an original vacancy.
Lieut. Col. James B. Houston, subject to examination required by law, to fill an original vacancy.

CORPS OF ENGINEERS.

To be colonels with rank from May 15, 1917.

Lieut. Col. Henry Jervey, to fill an original vacancy.
Lieut. Col. Charles H. McKinstry, subject to examination required by law, to fill an original vacancy.
Lieut. Col. William V. Judson, subject to examination required by law, to fill an original vacancy.
Lieut. Col. E. Eveleth Winslow, subject to examination required by law, to fill an original vacancy.
Lieut. Col. Clement A. F. Flagler, subject to examination required by law, to fill an original vacancy.
Lieut. Col. Chester Harding, subject to examination required by law, to fill an original vacancy.

To be lieutenant colonels with rank from May 15, 1917.

Maj. William D. Connor, to fill an original vacancy.
Maj. John C. Oakes, subject to examination required by law, to fill an original vacancy.
Maj. Sherwood A. Cheney, to fill an original vacancy.
Maj. Frederick W. Altstaetter, subject to examination required by law, to fill an original vacancy.
Maj. Harley B. Ferguson, subject to examination required by law, to fill an original vacancy.
Maj. Frank C. Boggs, subject to examination required by law, to fill an original vacancy.
Maj. Carke S. Smith, subject to examination required by law, vice Lieut. Col. Henry Jervey, promoted.
Maj. William P. Wooten, subject to examination required by law, vice Lieut. Col. Charles H. McKinstry, promoted.
Maj. Lytle Brown, subject to examination required by law, vice Lieut. Col. William V. Judson, promoted.
Maj. Earl I. Brown, subject to examination required by law, vice Lieut. Col. E. Eveleth Winslow, promoted.
Maj. Amos A. Fries, subject to examination required by law, vice Lieut. Col. Clement A. F. Flagler, promoted.
Maj. James A. Woodruff, subject to examination required by law, vice Lieut. Col. Chester Harding, promoted.

To be majors with rank from May 15, 1917.

Capt. Roger D. Black, to fill an original vacancy.
Capt. Theodore H. Dillon, to fill an original vacancy.
Capt. De Witt C. Jones, to fill an original vacancy.
Capt. Ernest Graves, to fill an original vacancy.
Capt. Francis B. Wilby, to fill an original vacancy.
Capt. Clarence S. Ridley, subject to examination required by law, to fill an original vacancy.
Capt. Alvin B. Barber, subject to examination required by law, to fill an original vacancy.
Capt. Jarvis J. Bain, subject to examination required by law, to fill an original vacancy.

Capt. Thomas H. Emerson, subject to examination required by law, to fill an original vacancy.
Capt. Robert S. Thomas, subject to examination required by law, to fill an original vacancy.
Capt. Roger G. Powell, subject to examination required by law, to fill an original vacancy.
Capt. John N. Hodges, subject to examination required by law, to fill an original vacancy.
Capt. Arthur R. Ehrnbeck, subject to examination required by law, to fill an original vacancy.
Capt. Harold S. Hetrick, subject to examination required by law, to fill an original vacancy.
Capt. William A. Johnson, subject to examination required by law, to fill an original vacancy.
Capt. James J. Loving, subject to examination required by law, to fill an original vacancy.
Capt. Frederick B. Downing, subject to examination required by law, to fill an original vacancy.
Capt. Edmund L. Daley, subject to examination required by law, vice Maj. William D. Connor, promoted.
Capt. Henry A. Finch, subject to examination required by law, vice Maj. John C. Oakes, promoted.
Capt. Edward D. Ardery, subject to examination required by law, vice Maj. Sherwood A. Cheney, promoted.
Capt. James G. Steese, subject to examination required by law, vice Maj. Frederick W. Altstaetter, promoted.
Capt. Roger G. Alexander, subject to examination required by law, vice Harley B. Ferguson, promoted.
Capt. James A. O'Connor, subject to examination required by law, vice Maj. Frank C. Boggs, promoted.
Capt. Lewis H. Watkins, subject to examination required by law, vice Maj. Clarke S. Smith, promoted.
Capt. Gilbert E. Humphrey, subject to examination required by law, vice Maj. William P. Wooten, promoted.
Capt. Richard Park, subject to examination required by law, vice Maj. Lytle Brown, promoted.
Capt. Daniel I. Sultan, subject to examination required by law, vice Maj. Earl I. Brown, promoted.
Capt. Glen E. Edgerton, subject to examination required by law, vice Maj. Amos A. Fries, promoted.
Capt. Charles L. Hall, subject to examination required by law, vice Maj. James A. Woodruff, promoted.

To be captains with rank from May 15, 1917, to fill original vacancies.

First Lieut. Richard U. Nicholas.
First Lieut. Myron Bertman.
First Lieut. Leo J. Dillow, subject to examination required by law.
First Lieut. James A. Dorst.
First Lieut. Rufus W. Putnam.
First Lieut. Lunsford E. Oliver.
First Lieut. William H. Holcombe, subject to examination required by law.
First Lieut. James B. Cress.
First Lieut. Charles P. Gross.
First Lieut. Bernard A. Miller.
First Lieut. Peter C. Bullard.
First Lieut. Brehon B. Somervell, subject to examination required by law.
First Lieut. Xenophon H. Price.
First Lieut. Robert W. Crawford.
First Lieut. Frederick S. Skinner.
First Lieut. Dabney O. Elliott, subject to examination required by law.
First Lieut. Allen P. Cowgill.
First Lieut. George F. Lewis, subject to examination required by law.
First Lieut. Harrison Brand, jr., subject to examination required by law.
First Lieut. Frederick W. Herman.
First Lieut. John H. Carruth.
First Lieut Oscar O. Kuentz, subject to examination required by law.
First Lieut. William E. R. Covell, subject to examination required by law.
First Lieut. Edwin R. Kimble, subject to examination required by law.
First Lieut. Joseph D. Arthur, jr.
First Lieut. Ernest F. Miller, subject to examination required by law.
First Lieut. John S. Bragdon, subject to examination required by law.
First Lieut. George J. Richards, subject to examination required by law.
First Lieut. Alexander P. Cronkhite, subject to examination required by law.
First Lieut. John S. Smylie, subject to examination required by law.
First Lieut. Lehman W. Miller, subject to examination required by law.
First Lieut. Douglas L. Weart, subject to examination required by law.
First Lieut. Earl E. Gesler, subject to examination required by law.
First Lieut. Edwin A. Bethel, subject to examination required by law.
First Lieut. John F. Conklin, subject to examination required by law.
First Lieut. Alrfed L. Ganahl, subject to examination required by law.
First Lieut. John E. Harris, subject to examination required by law.
First Lieut. William F. Tompkins, subject to examination required by law.
First Lieut. Douglas H. Gillette, subject to examination required by law.
First Lieut. Paul A. Hodgson, subject to examination required by law.
First Lieut. Donald A. Davison, subject to examination required by law.
First Lieut. Thomas B. Larkin, subject to examination required by law.
First Lieut. Edwin C. Kelton, subject to examination required by law.
First Lieut. Mason J. Young, subject to examination required by law.
First Lieut. Layson E. Atkins, subject to examination required by law.

INFANTRY ARM.

Capt. G. Maury Crallé, Infantry (detailed in the Quartermasters Corps), to be major from May 11, 1917, vice Maj. Thomas F. Schley, Twenty-fifth Infantry, who died May 10, 1917.
Capt. Joseph F. Gohn, Infantry (detailed in the Quartermaster Corps), to be major from May 11, 1917, vice Maj. G. Maury Crallé, retained in the Quartermaster Corps.
First Lieut. Carl C. Oakes, Twenty-seventh Infantry, to be captain from May 1, 1917, vice Capt. Nolan V. Ellis, Nineteenth Infantry, retired from active service April 30, 1917.

ORDNANCE DEPARTMENT.

To be colonels with rank from May 15, 1917, to fill original vacancies.

Lieut. Col. Colden L'H. Ruggles, subject to examination required by law.
Lieut. Col. George Montgomery, subject to examination required by law.
Lieut. Col. John W. Joyes, subject to examination required by law.

To be lieutenant colonels with rank from May 15, 1917, to fill original vacancies.

Maj. Thales L. Ames, subject to examination required by law.
Maj. Edward P. O'Hern, subject to examination required by law.
Maj. Edwin D. Bricker, subject to examination required by law.

SIGNAL CORPS.

To be colonel with rank from May 15, 1917.

Lieut. Col. Charles McK. Saltzman, subject to examination required by law, to fill an original vacancy.

To be lieutenant colonels with rank from May 15, 1917.

Maj. Leonard D. Wildman, to fill an original vacancy.
Maj. Walter L. Clarke, to fill an original vacancy.
Maj. Basil O. Lenoir, subject to examination required by law, to fill an original vacancy.
Maj. William Mitchell, Aviation Section, subject to examination required by law, to fill an original vacancy.
Maj. Charles S. Wallace, subject to examination required by law, vice Lieut. Col. William Mitchell, whose detail in the Aviation Section is continued.
Maj. George S. Gibbs, subject to examination required by law, to fill an original vacancy.

Maj. Charles de F. Chandler, subject to examination required by law, vice Lieut. Col. Charles McK. Saltzman, promoted.

To be major with rank from May 15, 1917.

Capt. Arthur S. Cowan, to fill an original vacancy.

PORTO RICO REGIMENT OF INFANTRY.

First Lieut. Leopoldo Mercader, Porto Rico Regiment of Infantry, to be captain from January 17, 1917, vice Capt. William H. Armstrong, dismissed January 16, 1917.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named lieutenant commanders to be commanders in the Navy from the 29th day of August, 1916:

Amon Bronson, jr., and
Louis C. Richardson.

Lieut. John H. Newton to be a lieutenant commander in the Navy from the 29th day of August, 1916.

Lieut. Andrew F. Carter to be a lieutenant commander in the Navy from the 30th day of September, 1916.

Midshipman Benjamin F. Staud to be an ensign in the Navy from the 30th day of March, 1917, to correct his rank as previously confirmed.

James E. Slack, a citizen of Minnesota, to be a second lieutenant in the Marine Corps, for a probationary period of two years, from the 11th day of May, 1917.

Leonard G. Hoffman, a citizen of Maryland, to be an assistant paymaster in the Navy, from the 8th day of May, 1917.

The following-named citizens to be dental surgeons in the Navy, for a probationary period of two years, from the 8th day of May, 1917:

Lloyd C. McDonald, a citizen of Kansas,
Albert Knox, a citizen of Rhode Island,
Irvin G. Kohlmeier, a citizen of Indiana,
Weeden E. Osborne, a citizen of Illinois,
Everett K. Patton, a citizen of Georgia,
Cedric T. Lynes, a citizen of Massachusetts, and
Richard C. Green, a citizen of Utah.

The following-named citizens to be assistant dental surgeons in the Dental Reserve Corps of the Navy from the 8th day of May, 1917:

William J. Rogers, a citizen of Massachusetts,
Edward D. Ralph, a citizen of New York, and
Charles O. Sandstrom, a citizen of Wisconsin.

The following-named second lieutenants to be first lieutenants in the Marine Corps, from the 29th day of August, 1916:

Vincent E. Stack,
Henry P. Torrey,
Bryan C. Murchison, and
Allen H. Turnage.

The following-named first lieutenants to be captains in the Marine Corps from the 29th day of August, 1916:

Thomas E. Thrasher, jr.,
Ernest C. Williams, and
John L. Doxey.

The following-named second lieutenants to be first lieutenants in the Marine Corps from the 29th day of August, 1916:

Robert O. B. Burwell,
Rupert M. Burstan, and
Owen E. O'Neill.

First Lieut. Paul C. Marmion to be a first lieutenant in the Marine Corps from the 12th day of June, 1916, to correct the date from which he takes rank as previously confirmed.

Arthur H. Turner, a citizen of Pennsylvania, to be a second lieutenant in the Marine Corps from the 30th day of April, 1917.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 23, 1917.

UNITED STATES ATTORNEY.

Francis G. Caffey to be United States attorney, southern district of New York.

PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) Robert F. Gross to be a lieutenant.

Ensign John L. Riheldaffer to be a lieutenant (junior grade).

First Lieut. Theodore A. Secor to be a captain in the Marine Corps.

The following-named second lieutenants to be first lieutenants in the Marine Corps:

Norman C. Bates,
Arthur Kingston, and
John A. Minnis.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 23, 1917.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Take us, O God our Heavenly Father, into Thy nearer presence, and help us to fix our thoughts for the moment on the eternal verities, that we may be the better prepared to take up the arduous duties of the hour and thus satisfy the longings of our souls and do full justice to the people here represented. In the name of the Father and of the Son and of the Holy Ghost. Amen.

The Journal of the proceedings of Tuesday, May 22, was read and approved.

EXTENSION OF REMARKS.

Mr. STEENERSON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Minnesota rise?

Mr. STEENERSON. To ask unanimous consent to extend my remarks in the RECORD on the Army bill.

The SPEAKER. The gentleman from Minnesota [Mr. STEENERSON] asks unanimous consent to extend his remarks on the Army bill. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendment the bill (H. R. 328) to amend an act entitled "An act to regulate commerce" as amended in respect of car service, and for other purposes, had insisted upon its amendment, had requested a conference with the House on the bill and amendment, and had appointed Mr. NEWLANDS, Mr. POMERENE, and Mr. CUMMINS as the conferees on the part of the Senate.

The message also announced that the Senate had passed the bill (S. 1816) to amend the act to regulate commerce as amended, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2133. An act to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

Mr. KITCHIN. Pending that, Mr. Speaker, I ask unanimous consent that the business on Calendar Wednesday's calendar for to-day be dispensed with until we complete the consideration of the revenue bill.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the business on Calendar Wednesday be dispensed with until we finish the revenue bill.

Mr. MANN. Why not dispense with it for the day? It would still have the right of way.

Mr. KITCHIN. Then I will make the request to dispense with it altogether for to-day.

Mr. ADAMSON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. ADAMSON. Touching the remark just made, I think the bill that was up on Calendar Wednesday was made privileged. That took it out of Calendar Wednesday.

Mr. MANN. It was not privileged.

The SPEAKER. What is it the gentleman from Georgia wants to know?

Mr. ADAMSON. I want to know whether the agricultural bill that the gentleman from South Carolina [Mr. LEVER] had up on last Calendar Wednesday would still hold its place on Calendar Wednesday, or is it removed from Calendar Wednesday by the order unanimously given making it privileged?

Mr. MANN. There was no order making it privileged.

The SPEAKER. The Chair does not think that order affects its status so far as Calendar Wednesday is concerned. It changes it so far as other days are concerned.

The question is on the House resolving itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4280.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4280.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

Mr. FITZGERALD. I desire to say that this amendment does not affect anyone unless he pays a surtax.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to page——

Mr. MANN. Section 504 has not been acted upon by the committee.

Mr. KITCHIN. We are going to come to that in order and return to the Fitzgerald amendment that we considered the other day.

Mr. FITZGERALD. I shall offer it.

Mr. MANN. Section 504 has not been acted on at all.

Mr. KITCHIN. We thought we would get up to that as we go along.

Mr. Chairman, I ask unanimous consent to return to section 5, page 6, to consider the Fitzgerald amendment.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent——

Mr. KITCHIN. Mr. FITZGERALD offered an amendment the other day to section 5, on page 6.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FITZGERALD. Mr. Chairman, the amendment was offered at the end of section 2, but the understanding was that when we recurred to it it could be offered where it would be considered the more appropriate place.

Mr. MANN. That consent has already been given, has it not?

The CHAIRMAN. The Chair begs to call the attention of the gentleman from New York [Mr. FITZGERALD] that this amendment here is to section 3.

Mr. KITCHIN. It was understood that we would put it in the proper place.

Mr. MANN. Nobody will object if we ask unanimous consent to return to section 6 for the purpose of offering a new section.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent to withdraw the pending amendment and to offer an amendment as a new section.

Mr. MANN. As section 6.

Mr. FITZGERALD. As sections 6 and 7, the following——

The CHAIRMAN. The gentleman from New York [Mr. FITZGERALD] asks unanimous consent to offer an amendment as a new section, to be called "sections 6 and 7." Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

After section 5, page 6, add the following:

"SEC. 6. That on and after January 1, 1918, individuals, partnerships, withholding agents, corporations, joint-stock companies or associations, and insurance companies, liable for the payment of income, munitions, or excess-profits taxes under existing law or under this act shall pay without levy, assessment, or notice, simultaneously with the submission of their return of tax, the amount of tax for the payment of which they are shown by such return to be liable. If any tax is not paid at the time when it is due under the provisions of this section, there shall be added (except in the case of an error made in good faith in computing the amount of the tax) the sum of 5 per cent to the amount of tax unpaid and interest at the rate of 1 per cent per month upon the amount of such unpaid tax from the time it becomes due. This section shall not apply in the case of any income tax (payable otherwise than by a withholding agent) imposed upon an individual upon whose net income no tax is imposed under subdivision (b) of section 1 of such act of September 8, 1916, or under section 2 of this act.

"SEC. 7. That collectors of internal revenue are authorized to receive uncertified checks in payment of income, munitions, and excess-profits taxes, during such time and under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe; but if a check so received is not paid by the bank on which it is drawn the person by whom such check has been tendered shall remain liable for the payment of the tax and for all legal penalties and additions the same as if such check had not been tendered."

Mr. KITCHIN. Mr. Chairman, I desire to say the committee will accept that amendment.

Mr. FITZGERALD. Mr. Chairman, the committee examined the amendment which I have submitted and is willing to accept it in this form. It differs from the amendment as originally presented in two respects. It does not apply to incomes where a tax is not paid on incomes in excess of $5,000, and it excepts from the penalty those who in good faith make an error in computing the amount due upon their return.

Mr. MADDEN. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. MADDEN. I was going to ask the gentleman a question in that connection. Suppose a man in computing the amount due computes an amount greater than ought to be paid. Is there any chance for him to get his money back if he sends the check?

Mr. MANN. That is now provided for by law.

Mr. KITCHIN. Yes; by the act of September 8, 1916.

Mr. MADDEN. How does he get it back?

Mr. MANN. By making a claim.

Mr. MADDEN. He has to make it through Congress, has he not?

Mr. MANN. No.

Mr. MADDEN. It will take a long while.

Mr. MANN. Oh, no.

Mr. MADDEN. I have had experience in adjusting claims.

Mr. FITZGERALD. Not for paying more than you should.

Mr. MADDEN. Yes; for paying more than I should. I do not think the department ought to be in a position where they can accept more. They ought to compute the tax over and if they ascertain that a mistake has been made in favor of the Government they ought to correct the amount and send the check back. If that computation shows a less amount than the Government has coming to it, they will promptly send the check back; you may be sure of that. They ought to be compelled to send it back in the other case. Why should the individual have all the burden placed on him?

Mr. FITZGERALD. The law provides a simple method, as I understand, whereby anyone who pays more than he should can have a return made of the excess. That is not a difficult matter to arrange. Personally I believe this system should be applied to all incomes, but the committee is of the opinion that it is advisable to except incomes of persons where they will not be in excess of $5,000.

Mr. MADDEN. That is the easiest income in the world to compute.

Mr. FITZGERALD. Yes; and the people who receive only $5,000 or less are probably the more intelligent on the average.

Mr. MADDEN. I think that is true.

Mr. FITZGERALD. I am anxious to have this amendment adopted and the proposed change of payment started, because I believe it will result beneficially.

Mr. MADDEN. I think it will be a great hardship to the people of the country to be compelled to make out their statement of income and inclose with the statement a check; a hardship greater than the gentleman or anybody here supposes.

Mr. FITZGERALD. Well, that is a matter of opinion. I do not agree with the gentleman. I think our present system is so absurd that it could not exist in any place except under the Government of the United States.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. SNYDER. I want to ask the gentleman this question: Under the present law the date for the return of the income-tax return is March 1. The date for the payment of the amount is in the latter part of the month of June; I think June 15. If this amendment is adopted, at which period would the payment be made; when the return is made in March or on June 15?

Mr. FITZGERALD. Under the proposed amendment the return must be made by the 1st of March. That is not changed. The check would be mailed at the same time. In that respect it makes a difference which, in my opinion, ought not to exist between the time when the income would be paid by different classes of persons. Those who are paying on an income below $5,000 would have the same period in which to make payment that they have now, while those who would be paying upon incomes in excess of $5,000 would have the income-paying period advanced.

Mr. SNYDER. I think that is a mistake. I think the period of payment should be put further ahead—somewhere between the time of the return and the time of the payment as fixed at present.

Mr. FITZGERALD. I believe the earlier the payment, the better it would be for the Government.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. BORLAND. Does this require a certified check or an ordinary check?

Mr. FITZGERALD. No. The section provides that uncertified checks may be accepted, and in the event they are not honored they would be treated as if they were not sent, and the penalty would run as if no attempt had been made to pay.

Mr. BORLAND. It is the ordinary business check?

Mr. FITZGERALD. Yes; the ordinary business check. I am so hopeful that something will be done. I believe that if this amendment is adopted it should be so amended or modified as to make all the taxes payable under the same circumstances and within the same period. A very slight amendment would do so. Not knowing just the particular time the committee desired to have the income paid I did not attempt to fix it.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

Mr. FITZGERALD. Yes.

Mr. MANN. As I understand the gentleman's statement, the payment at the time the return is made will not apply to those persons who for the first time are included under the income-tax provision.

Mr. FITZGERALD. It would not apply to any person who does not pay upon incomes in excess of $5,000.

Mr. MANN. Yes. Now, the great mass of persons in number who will pay the income tax will be in that class. If I understand the purpose of this amendment, it is largely to do away with the supernumerary work of red tape and the great useless clerical work now being performed. Yet the first thing the amendment does is to say that eight-tenths of those who pay the income tax shall not be affected by this amendment to save labor, and those in the main are the ones who will pay $10 or $20 of income tax.

Mr. FITZGERALD. I stated that I believed it was a mistake to exempt them from the operation of this provision, but the committee was rather inclined to believe that persons who pay on less than $5,000 will make a great many mistakes. I think they will make fewer mistakes than anybody else. In my anxiety to have the reform instituted, however, I was in hope that if it was adopted in this form it would, either before the bill was perfected or that in a short time after the enactment, result in the same provision being extended to all who pay the income taxes.

Mr. MANN. Mr. Chairman, I would like to get the attention of the gentleman from North Carolina [Mr. KITCHIN].

Does not the gentleman from North Carolina believe that it would be at least worthy of consideration that if the checks for the payment of the income tax were to be sent with the return, the return might be delayed at least 30 or 60 days' time? The return now has to be made before March 1. The tax has to be paid June 30. Now, if we are going to make the payment come March 1 instead of June 30, that is quite a change. It may be that everybody who pays the income tax, including corporations, has saved up the money during the preceding year, and the sooner they get rid of it the better they are satisfied, but I have some doubts about that. It seems to me there ought to be a little further time given.

Mr. KITCHIN. What would be the gentleman's suggestion—about May 1? There is something in what the gentleman says, that it looks as if we ought to extend the time a little.

Mr. MANN. I should think April 1 or May 1.

Mr. KITCHIN. Say May 1.

Mr. MANN. Now, on the other point, you have exempted from the provisions of this section most of those who will pay the tax and make the returns. I suspect that a very large portion of the people who make the small returns would prefer to pay the tax when they make their returns, rather than to be annoyed with wondering when they are going to get a notice, and then have to make a second communication to the Collector of Internal Revenue. I think that even if you do not require it you certainly ought, as long as lists will be kept anyhow in the collector's office, to permit any of these people to make the payment, even if they are not required to make it at the time they make the returns.

Mr. HASTINGS. Many of us have not been able to hear the section read. Will the gentleman kindly explain who are exempt under the provisions of the section?

Mr. MANN. All those with incomes of less than $5,000, but that will be the great mass in numbers, because that will cover those who do not now pay an income tax. Now, if you take the number who are single and receive salaries of $1,000, or if married $2,000, the number will be very vastly increased.

I would always pay my income tax when I made my return if I could. The gentleman from Texas [Mr. GARNER] stated the other day that he did so. Well, he has a personal friend in the office of the collector who lays aside his check and takes the responsibility of it. But the collectors usually will not do that, because they might be held personally responsible if the check was lost, and they can not put it on their books.

Mr. BORLAND. Mr. Chairman, I move to strike out the last word. This proposal in the Fitzgerald amendment is so good that it does seem to me that part of its value to the Government and to the taxpayer will be lost if we limit it to incomes of over $5,000. In fact, it seems to me as I look at it that it is of more value to those having incomes under $5,000 than to those whose incomes are over that amount. One reason is that there are a larger number of the incomes under $5,000, and therefore the saving of clerical labor will be that much greater if the check is sent in at the time the return is made.

Another reason is that the amount of the tax on incomes under $5,000 is relatively very small, and it is a very small burden upon that particular taxpayer to send in a check promptly when he sends in his return. In fact, in many cases he would rather do it than wait until he gets a bill from the collector, and then run the risk of sending it at the proper time or being liable to a penalty. I think nearly every man here who has had that experience would be glad to send in his check, which is relatively small, when he sends in his return, and to know then that unless he hears from the collector and some objection is made to the amount or the form of the return, his income-tax business for that year is finished. It does seem to me we ought not to limit this. The only objection I have to the amendment is that it limits it to incomes above $5,000. On that particular point, I want to oppose extending the time for making the return. The time now for the making of a return for the calendar year closing December 31 is set for March 1. That is sufficient time to give a man opportunity to go over his books and adjust his accounts and to find out the necessary facts to make his return. If the time is extended until the 1st of May to make a return, we are not benefiting him to any extent except the possible interest on his money. In the vast number of cases the interest on his money is not sufficient to warrant the difficulty in making the return later instead of on the 1st of March. To the Government it would make a vast deal of difference. The more promptly these taxes come in the more beneficial they are to the Government, the better the Government can use the money, and the more certain it is of the extent of its income within its hands for that particular fiscal period.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. BORLAND. Yes.

Mr. MADDEN. I understood the purpose of the introduction of this amendment to be originally that it would save $500,000 a year in auditing the accounts.

Mr. BORLAND. I think so.

Mr. MADDEN. It will not save anything. It will just continue to maintain the same expense that is being maintained now.

Mr. BORLAND. No; I do not agree with the gentleman about that. I think it will save a great deal of clerical labor, and I think with the addition of the large number of taxpayers to the income-tax roll we must find a way of saving the additional labor. I do not think there is going to be enough help in the offices of the collectors of internal revenue in the various districts to do all of this work. The collector sends out now to the taxpayer a slip, practically a bill, and that requires a letter, asking him at the right time, before June 30, to send back his check, and then the collector must send a receipt for it. Now, that is all a duplication of labor. If the taxpayer sends in his check at the time he sends in his return, and it is found accurate, as it would be in 99 per cent of the cases, it would simply be necessary to send a receipted certificate, and that would close the matter for that year. It would decrease at least 60 per cent, perhaps 75 per cent, the amount of clerical labor in the office of the collectors of internal revenue for the various districts. I think the amendment is a good one. I do not agree with the gentleman from Illinois that there are going to be any evil consequences from it. It is going to be a convenience to the taxpayer and also to the Government, a saving in expense to the Government, and, in my judgment, that would be all the more true if we made it apply to all incomes, especially small incomes.

Mr. MADDEN. Then the gentleman thinks it is a convenience to the taxpayer to send a check when he has not the money?

Mr. BORLAND. That is the only point; and if the gentleman is like me he is no more apt to have the money on the 1st of May than he is on the 1st of March.

Mr. MADDEN. I have to borrow it.

Mr. BORLAND. I have never found it any easier on the 1st of May to get the money than on the 1st of March.

Mr. MADDEN. It would be a very great convenience to the gentleman, then, to pay it.

Mr. BORLAND. I would just as soon do it on the 1st of March, and then I would know I had that bill paid. I do not know about the other. I do hope the amendment will be modified to include all incomes which pay any tax.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. FITZGERALD].

Mr. MADDEN. Mr. Chairman, I want to offer an amendment to the amendment, unless somebody else offers one.

Mr. SNYDER. Mr. Chairman, I would like to have the amendment again read to see whether there are any changes in it or not.

Mr. MANN. I want to offer an amendment to strike out that exception.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment to be inserted after the word "liable" in line 8 of the amendment offered by the gentleman from New York.

The Clerk read as follows:

After the word "liable," in line 8 of the amendment, insert the following:

"*Provided*, That such individuals, partnerships, corporations, joint-stock companies, associations, and insurance companies shall have until April 15 in each year to make such return and pay such tax."

Mr. FORDNEY. Does the gentleman mean to change the date of payment of the income tax?

Mr. KITCHIN. Yes; those liable under this provision, and that means all corporations and individuals whose income is over $5,000.

Mr. FORDNEY. And you extend the time for making the returns, but shorten the time for making the payments.

Mr. KITCHIN. Yes.

Mr. FORDNEY. That is a very serious matter. The existing law permits them to make payments any time before June 1, and under the rules and regulations prescribed by the department 10 days have been added, and now if you shorten the time you will find that it is a serious matter to the average institution making returns.

Mr. STAFFORD. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Does the gentleman make provision for those corporations which make returns based on their fiscal year?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Is that in the gentleman's amendment?

Mr. FITZGERALD. They make the return at the end of the fiscal year.

Mr. STAFFORD. I am asking whether the amendment of the gentleman from North Carolina would in any way controvert the purpose of those returns?

Mr. KITCHIN. I think it does.

Mr. STAFFORD. I think some limitation should be incorporated in the gentleman's amendment to cover that case.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina to the amendment of the gentleman from New York.

Mr. STAFFORD. Mr. Chairman, I understand from the gentleman from North Carolina that his amendment would set aside the arrangement under existing law whereby corporations are permitted to make returns based on their fiscal year, and compel them to make a payment on April 15. If that is the case, as I understand the gentleman from North Carolina admits, the amendment to the amendment should not be adopted. Let the original Fitzgerald amendment stand on its merits, and have the payments made at the time when the returns are made under existing law.

Mr. MANN. I doubt whether the amendment would have that effect. This amendment extends the time to April 15, and that will not cut off the present arrangement about corporations using their own fiscal year.

Mr. STAFFORD. The gentleman from North Carolina says it would.

Mr. KITCHIN. I said that I feared that it would.

Mr. STAFFORD. Mr. Chairman, I ask that the amendment be again reported so that we may know the full purport of it.

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk again read the amendment.

Mr. STAFFORD. Mr. Chairman, that bears out the contention that I made originally. If corporations make a return following April 15 based on their fiscal year, I assume that they will be granted until April 15 of the following year to make the payment. Under existing law corporations are privileged to make returns, with the consent of the Secretary of the Treasury, based on their fiscal year. Assuming they are making returns based on the fiscal year ending June 30, they are obliged, under existing law, to make payment in 105 days after that date. Under this amendment the corporation would have the privilege to defer payment until the following April 15. Of course, that is not the purpose of the mover of the amendment. If that is the case, I think the amendment of the gentleman from North Carolina should be defeated.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment to the amendment was rejected.

Mr. FITZGERALD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Add, at the end of section 6, the following:

"*Provided, however*, That it shall be lawful to pay any income, munitions, and excess profits tax simultaneously with the filing of the return."

Mr. STAFFORD. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. STAFFORD. Do I understand the limitation applies to a corporation tax based on the capital of a corporation known as the capital-stock tax? I do not think it would be included in the description of the return, as stated in the gentleman's amendment.

Mr. FITZGERALD. It applies to the income tax, munitions tax, and excess profits tax.

Mr. STAFFORD. But the capital-stock tax is not an income tax, as I understand it.

Mr. FITZGERALD. This is to make it permissible for anyone to pay the tax.

Mr. STAFFORD. Why does not the gentleman make it apply to the capital-stock tax as well as to the other three described in the amendment?

Mr. FITZGERALD. It is not easy to work out an amendment on the floor in the way it should be. If the amendment is adopted I have no doubt the department will take up the question, and by the time the managers on the part of the two Houses get together it will be possible for them so to frame the amendment as to work no injustice to anyone affected, and yet accomplish a great reform.

Mr. STAFFORD. What is the purpose of the new amendment?

Mr. FITZGERALD. Under the amendment offered, when these people pay the income tax in excess of $5,000 they are required to pay the tax when they make the return. This makes it permissible for anyone to do it.

Mr. MANN. I did not hear the amendment read.

Mr. FITZGERALD. It provides that it shall be lawful to pay any income tax when the return is filed to cover the situation described by the gentleman from Illinois. The benefit that will result from the adoption of this amendment is great, and I hope the amendment will be adopted and perfected later, so as to work no injustice to those who are required to pay the tax at a time other than now fixed by law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FITZGERALD] to his original amendment.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. FITZGERALD) there were—ayes 121, noes 27.

So the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer the following as a new section to that title.

The Clerk read as follows:

On page 6, after the new section 7, insert a new section, as follows:

"SEC. 8. That the provisions of this title shall not extend to the Philippine Islands, and the Philippine Legislature shall have power by due enactment to amend, alter, modify, or repeal the income-tax laws in force in the Philippine Islands."

Mr. MADDEN. Mr. Chairman, on that I make the point of order. I do not see why we should give them privileges that we do not ourselves enjoy.

Mr. KITCHIN. Mr. Chairman, I will tell the gentleman why this is. The Philippine act of August 5 passed after we had passed the income tax of September 8. We did not intend the act of September 8 to apply to the people in the Philippine Islands. After it had passed the House, the act of August 5 came back, giving the Philippine Islands full power to levy an income tax, and it so happens that the income tax of September 8 applies, when it is not the intention to make it apply.

Mr. MADDEN. The gentleman means there was no intention to apply the income tax to the people of the Philippine Islands?

Mr. KITCHIN. No; because under the legislative act of August 5 they have the power to do that. This is to correct that.

Mr. AUSTIN. Does not the income tax apply to the Hawaiian Islands and Porto Rico?

Mr. KITCHIN. I do not know about Hawaii or Porto Rico; but this is in conformity with the act of August 5, 1916.

Mr. MADDEN. They are not subject to the income tax which we passed?

Mr. KITCHIN. They were subjected to the income tax of September 8, but not intentionally so. This relieves them, and is in conformity with the Philippine act of August 5, 1916.

Mr. MADDEN. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to page 20 for the purpose of offering an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Committee amendment: On page 20, line 9, before the word "within" insert "or regular stagecoach or automobile line," and a comma.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to return to page 20 for the purpose of offering the amendment which has just been reported. Is there——

Mr. NOLAN. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The gentleman does not have to make the point of order. He can object to returning.

Mr. NOLAN. I object.

The CHAIRMAN. Objection is heard.

Mr. AUSTIN. Mr. Chairman, I ask unanimous consent to address the committee for 10 minutes upon this bill. I have not had any time as yet.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to address the committee for 10 minutes. Is there objection?

Mr. HELVERING. Mr. Chairman, I object.

Mr. AUSTIN. Mr. Chairman, I have not had any time upon this bill, and before we reach a vote I want to say something about it. I am utterly surprised that the gentleman from Kansas [Mr. HELVERING] should object, because the members of the Committee on Ways and Means have been making speeches upon this bill for two weeks.

Mr. HELVERING. The gentleman from Kansas has not had any more time than the gentleman from Tennessee.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to return to page 20 for the purpose of offering the amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 20, line 9, after the word "water," strike out the words "within the United States," and after the word "paid," in line 8, insert the same language.

Mr. MANN. Mr. Chairman, on that I reserve the point of order.

Mr. KITCHIN. Mr. Chairman, I will ask the gentleman from Michigan whether that would not now apply to a ticket purchased in the United States to go to Europe?

Mr. CRAMTON. No.

Mr. MADDEN. Mr. Chairman, I object to returning.

The CHAIRMAN. The gentleman from Illinois objects.

Mr. KITCHIN. Mr. Chairman, we passed section 504 with the right to recur, with amendments pending.

The CHAIRMAN. Section 504 was passed over with the right to recur, with amendments pending. The Clerk will report the amendments in their order.

Mr. MANN. Mr. Chairman, I ask that the Clerk read the section first.

The CHAIRMAN. The Clerk will report the section.

The Clerk read as follows:

SEC. 504. That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 5 per cent of the amount paid by any person, corporation, partnership, or association to any other person, corporation, partnership, or association for advertising or advertising space other than in newspapers and periodicals.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. FITZGERALD: Strike out, on page 23, in line 9, the word "five" and insert in lieu thereof the word "one," and in lines 12 and 13, on page 23, strike out the words "or advertising space other than in newspapers and periodicals" and insert in lieu thereof the words "other than in newspapers whose circulation does not exceed 5,000 copies: *Provided*, That the gross receipts for advertisements to the amount of $1,000 by any person, persons, firm, or corporation shall be exempt from the tax," so that the section will read:

"That from and after the 1st day of June, 1917, there shall be levied, assessed, collected, and paid a tax equivalent to 1 per cent of the amount paid by any person, corporation, partnership, or association to any other person, corporation, partnership, or association for advertising other than in newspapers whose circulation does not exceed 5,000 copies: *Provided*, That the gross receipts for advertisements to the amount of $1,000 by any person, persons, firm, or corporation shall be exempt from the tax."

Mr. KITCHIN. Mr. Chairman, I move to substitute for that amendment of the gentleman from New York [Mr. FITZGERALD] an amendment striking out section 504.

The CHAIRMAN. The gentleman from North Carolina moves to strike out the section. The question is, first——

Mr. AUSTIN. I wish to be heard on that motion.

Mr. MANN. Mr. Chairman, I understand now that the gentleman from North Carolina [Mr. KITCHIN] proposes to support the proposition to strike out section 504, which he has just offered?

Mr. KITCHIN. Yes, sir; to strike that out.

Mr. MANN. Of course, technically, the section is first subject to amendment, and there have been a lot of amendments suggested. But I am inclined to think, owing to the history of the past few days, that the gentleman from North Carolina having made the motion to strike out section 504, and is going to vote for it, it would be an idle and useless ceremony to spend any time in perfecting it.

Mr. SABATH. I think the gentleman from Illinois [Mr. MANN] is right.

Mr. FITZGERALD. I desire to ask the gentleman from North Carolina [Mr. KITCHIN] a question.

Mr. KITCHIN. I refuse to permit the gentleman to do it. [Laughter.]

Mr. FITZGERALD. I will ask it, anyway. I wish to inquire of the gentleman from North Carolina [Mr. KITCHIN] why, when it is necessary to raise such a large sum of money for the war, it is now proposed to eliminate from a fair contribution street-car advertising, bill-poster advertising, sign advertising, and advertising in magazines and newspapers? If increased taxes are to be placed on foodstuffs, why let these business enterprises escape?

Mr. KITCHIN. Is the gentleman serious?

Mr. FITZGERALD. I am absolutely serious. I have a number of persons in my own community anxious to contribute to the Government under these circumstances.

Mr. KITCHIN. I will make a very modest answer to the gentleman, and say that after we have increased the postage rates on newspapers and magazines it does not look as if we ought to tax now the advertisements, and if we do not tax them on that assumption it does not look right to tax the other fellow that comes in competition with the newspapers.

Mr. LONGWORTH. In the opinion of the gentleman, how much do you think we will lose?

Mr. KITCHIN. It is estimated that we will receive seven and a half million dollars from these advertisements other than newspapers and magazines, and now we do not think it will raise more than $1,200,000—$1,500,000 at the outside. Another reason that I want to strike it out is along the line that I said $1,500,000 was contemptible in the House a little while ago.

Mr. FITZGERALD. I am not in that classification.

Mr. DILL. What amount of revenue would be raised from newspapers as well as bill posters?

Mr. KITCHIN. About $40,000,000.

Mr. DILL. It would raise over $40,000,000?

Mr. KITCHIN. Yes.

Mr. DILL. Mr. Chairman, I have an amendment to perfect the section.

The CHAIRMAN. It is not in order now. There is already an amendment pending.

Mr. KITCHIN. There are two amendments pending.

The CHAIRMAN. The Chair is trying to take them up in order, because there can not be but one amendment considered at a time.

Mr. DILL. Would not an amendment to perfect the section be preferable to an amendment to strike out?

The CHAIRMAN. The gentleman is correct; but an amendment is pending now. The gentleman will be recognized to offer his amendment.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent that the vote be taken upon the amendment of the gentleman from North Carolina [Mr. KITCHIN] to strike out the section; but if that amendment does not prevail, it shall be in order to offer amendments to perfect the section.

The CHAIRMAN. The gentleman from New York [Mr. FITZGERALD] asks unanimous consent that the vote first be taken on the amendment to strike out the section. Is there objection?

Mr. HILL. Reserving the right to object, Mr. Chairman, will there be time to debate the amendment to strike out?

Mr. KITCHIN. If the vote is taken on this amendment and the amendment is stricken out.

Mr. DILL. Will there be allowed time for debate before? I would like to have five minutes. [Cries of "Vote!" "Vote!"]

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes and after that that the vote shall be taken on my amendment. If it does not prevail, then that the paragraph be subject to amendment.

The CHAIRMAN. Let the Chair ask if he will not include the gentleman from Tennessee [Mr. AUSTIN], who is trying to get time?

Mr. FORDNEY. Mr. Chairman, it is not a proper time to discuss that question so long as there is a motion pending to strike the section out of the bill. If that question fails, the gentleman will have plenty of time to discuss that amendment.

The CHAIRMAN. Is there objection to voting on the striking out first? [After a pause.] The Chair hears none.

Now, the gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent——

Mr. DILL. That was a part of the request.

The CHAIRMAN. The Chair did not so understand it.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the gentleman from Washington [Mr. DILL] may have five minutes and the gentleman from Tennessee [Mr. AUSTIN] five minutes.

Mr. FORDNEY. If you are going to have a vote on this before striking it out, I object.

Mr. DILL. I move to strike out the last word.

Mr. SABATH. Regular order, Mr. Chairman.

Mr. DILL. I have a right, Mr. Chairman, to oppose the amendment, certainly?

Mr. SABATH. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The regular order is——

Mr. FORDNEY. Mr. Chairman, I withdraw the objection.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto be closed in 15 minutes.

Mr. MANN. I would like to have five minutes myself.

Mr. KITCHIN. Then make it 25 minutes.

Mr. GILLETT. Can you give me two minutes?

Mr. DILLON. I would like to have one minute.

Mr. KITCHIN. I will perhaps move to close debate. I withdraw my request.

Mr. DILL. Mr. Chairman, I ask to have read in my time an amendment which I desire to offer if this amendment fails.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. DILL: Page 23, line 12, after the word "or" where it occurs the second time in the line, insert the word "for," and in line 13, after the word "space," strike out the words "other than."

Mr. MADDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MADDEN. I would like to know what time for debate is fixed on this.

The CHAIRMAN. There is none except that provided under the rule.

Mr. DILL. Mr. Chairman, this is the greatest taxation bill ever proposed in the American Congress. It proposes to tax the people to the amount of nearly $2,000,000,000 the coming year. The amendment I have proposed will add more than $37,000,000 and at the same time do simple justice to the other kinds of advertising business taxed by this bill.

My principal reason for wanting to discuss this proposition is to call the attention of the House to the fact that this section of the bill as it now reads proposes to penalize every man who wants to advertise in any way except in a newspaper. I believe that newspaper advertising ought to be compelled to pay the same rate of taxation as any other kind of advertising. The newspapers of this country have done more to agitate and bring about the war in which we are now engaged than any other force in America, and I can not understand how the Committee on Ways and Means could bring into this House a proposition to impose a penalty upon every man who proposes to advertise in any way except in the great newspapers of the country.

The chairman of the committee referred to the amount to be raised by this section as an insignificant sum. Certainly it is not an insignificant sum when we remember that if we apply this 5 per cent tax to newspaper advertising we shall raise more than $40,000,000. I think that is a very considerable sum, a sum that is worth being kept in mind in the framing of this bill for the purpose of producing revenue. One thing is certain: Either we should strike out all of this section or else we should make the advertising tax bear the same on newspaper advertising as on other advertising.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. DILL. Yes.

Mr. SABATH. Does the gentleman understand that the motion that has been made is to strike out the section?

Mr. DILL. Yes; I do understand that quite thoroughly; and I am opposed to striking out the section, too, because I believe if you are to tax food in this country, if you are to tax tea and coffee, if you are to tax heat and electricity, if you are to tax musical instruments and everything else imaginable, and let me say now I am opposed to all such taxes, but if you are to lay such taxes, you certainly should tax advertising, and should fix the same rate of taxation on newspaper advertising as you fix on other advertising. I think it is a most serious injustice to undertake to raise revenue by taxing these small advertising concerns and then let the great newspaper organizations of the country go ahead and make their ordinary profits and in addition sufficient money out of the advertising to pay any increase in the postage rates which may be provided.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. DILL. Yes.

Mr. ROSE. Is it the gentleman's idea to have the newspapers pay the increased postage rate and also the tax provided in section 504?

Mr. DILL. The newspapers will probably not pay it out of their ordinary receipts. They will simply add the necessary amount to their advertising rates and not pay any tax on the advertising either. What I object to is taxing billboard advertising and advertising in street cars and advertising everywhere else except in the newspapers.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. DILL. Yes.

Mr. PLATT. How could you possibly impose this tax on the thousands of little newspapers who do not keep accounts?

Mr. DILL. You could enforce it just as easily as you can enforce an income tax on the fellow who gets only a little over $1,000 a year. They could keep accounts.

Mr. PLATT. It would be impossible.

Mr. DILL. There is nothing so marvelous about having a small newspaper keep accounts. In the country newspaper offices it probably could not be done without some inconvenience, but in the larger newspaper offices there is no doubt but that it could readily be done.

Now, Mr. Chairman, I desire to take this opportunity to discuss this revenue bill briefly. For several days Members of the House have been fighting over the various provisions of this bill by which everybody in America will be taxed and the poorer classes of people taxed several times.

RAISE MONEY BY TAXES ON WEALTH.

I think the theory of this measure is entirely wrong. We are at war. This is a war-revenue bill. Taxes are irksome at best, and they will bear especially heavily on the millions of common people of this Republic at this time. For this reason I would raise this $2,000,000,000, or more if necessary, by a tax on the great aggregations of wealth in this country. In short, I would raise it by a high rate of tax on incomes, on excess profits, and on big inheritances. Why, sir, a tax of 25 per cent on all incomes over $10,000 would bring more than $2,500,000,000 into the Treasury. If the rates were increased proportionately up to 50 per cent or 60 per cent on all incomes over $100,000, we could raise far more than it is designed to raise by this bill. If we raised the income-tax rates to those figures we would still not be burdening incomes as heavily as England is doing in this war. Besides, England does not allow as large an exemption as we propose.

Then, there is the excess profits tax. We propose a tax of 16 per cent on excess profits, while in England it runs up to 60 per cent, and they are now proposing to raise it to 80 per cent. Why should not we tax excess profits to a similar extent? When we allow 8 per cent profit and $5,000 surplus before beginning to levy on profits, surely the tax burden will not impoverish the big business concerns affected.

Why, Mr. Chairman, last year England raised $1,700,000,000 from incomes and excess profits alone to finance the war. The total estimated incomes of England amount to $15,000,000,000, while the total estimated incomes of the people of the United States is $45,000,000,000. In other words, if we were to tax the incomes and excess profits of the American people at the same rate being paid by the English people we could raise more than $5,000,000,000 annually from those two sources alone.

But the Secretary of the Treasury has only asked for $2,000,000,000, and surely when we have so many people making enormous incomes it is not yet necessary to burden the poor people with every imaginable kind of a tax, including even their tea and coffee and sugar. I desire to insert in the RECORD the report of the income-tax returns, which is especially interesting in this connection.

Incomes reported in 1915.

Classification of incomes.	Number of returns.	Mean gross aggregate taxable incomes.
$3,000 to $5,000	127,994	$506,928,100
$5,000 to $10,000	120,402	903,015,000
$10,000 to $15,000	34,102	426,275,000
$15,000 to $20,000	16,475	288,312,500
$20,000 to $25,000	9,707	218,407,500
$25,000 to $30,000	6,196	190,190,000
$30,000 to $40,000	7,005	245,175,000
$40,000 to $50,000	4,100	184,500,000
$50,000 to $75,000	4,791	299,337,500
$75,000 to $100,000	2,056	179,900,000
Total over $100,000	332,828 3,824	

Net taxable income all over $100,000.

From 1914 to 1916 the number of persons who reported receiving a net taxable income of over $1,000,000 increased from 60 to 120, those reporting from $500,000 to $1,000,000 from 114 to 209, while the number reporting net taxable over $100,000 increased from 2,348 to 3,824.

Now let us look for a moment at the tremendous profits of the great corporations which an excess profits tax would reach. I desire to insert also the report of the net profits of 44 American industrial corporations.

Net profits of 44 American industrial corporations.

[Figures shown are net profits earned for the stockholders after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporations.	1914	1916	Amount of increase.
American Can Co	$2,916,339	$7,962,982	$5,046,643
American Smelting & Refining Co	9,271,565	23,252,248	13,980,483
American Hide & Leather Co	107,205	1,643,266	1,536,061
American Beet Sugar Co	452,074	2,445,189	1,993,115
American Locomotive Co	2,076,127	10,769,429	8,693,302
American Steel Foundries Co	[1] 231,481	3,418,057	3,649,538
American Woolen Co	2,788,602	5,863,819	3,075,217
American Writing Paper Co	[1] 108,310	2,524,378	2,632,688
Armour & Co	7,509,908	20,100,000	12,590,092
Atlas Powder Co	294,153	2,939,790	2,645,640
Baldwin Locomotive Co	350,230	5,982,517	5,632,287
Bethlehem Steel Corporation	5,590,020	43,593,968	38,003,948
Barrett Co. (American Coal Products Co.)	1,280,476	4,247,858	2,967,382
Brown Shoe Co	495,890	1,467,757	971,867
Central Leather Co	4,876,924	15,489,201	10,612,277
Colorado Fuel & Iron Co	[1] 905,968	2,210,171	3,107,139
Crucible Steel Co	1,015,039	13,223,655	12,208,616
Cuban-American Sugar Co	2,705,723	8,235,113	5,539,320
E. I. du Pont de Nemours Powder Co	4,831,793	82,107,693	77,275,900
General Chemical Co	2,857,808	12,286,825	9,428,928
Hercules Powder Co	1,247,255	16,658,873	15,411,618
International Agricultural Corporation	[1] 160,022	1,279,832	1,194,924
International Nickel Co	4,792,665	11,748,279	6,955,614
Lackawanna Steel Co	[1] 1,652,444	12,218,234	13,870,678
Morris & Co. (packers)	2,205,672	3,832,213	1,626,541
National Enameling & Stamping Co	548,756	2,417,803	1,869,047
New York Air Brake Co	641,046	8,214,962	7,573,916
Phelps-Dodge Corporation	6,664,839	21,974,263	15,309,424
Pittsburgh Steel Co	416,551	4,564,068	4,147,517
Railway Steel Spring Co	374,454	3,710,805	3,336,351
Republic Iron & Steel Co	1,028,748	14,789,163	13,760,415
Sloss-Sheffield Iron & Steel Co	490,139	1,912,624	1,422,485
Swift & Co	9,450,000	20,465,000	11,015,000
Texas (Oil) Co	6,185,974	13,898,861	7,712,887
United States Steel Corporation	23,495,768	271,531,730	248,034,962
United States Cast Iron Pipe Co	[1] 59,808	1,308,641	1,368,509
United Fruit Co	2,264,911	11,943,151	9,678,240
United States Industrial Alcohol Co	653,264	4,884,587	4,231,323
United States Smelting, Refining & Mining Co	2,265,641	8,898,464	6,632,823
Westinghouse Air-Brake Co	3,482,994	8,396,103	5,913,109
Westinghouse Electric & Manufacturing Co	4,058,809	9,666,789	5,607,980
Wilson & Co. (packers)	[2] 1,511,528	4,913,873	3,402,345

[1] Deficit. [2] 15 months.

I have not time to analyze these reports, but will call attention to just a few of the startling increases in profits here shown since the European war began as compared with previous to the war.

The American Smelting & Refining Co. in 1914 earned a net profit of $9,271,565. In 1916 the amount was $23,252,248, an increase in net profits of $13,980,483.

The Armour Packing Co. in 1914 earned a net profit of $7,509,908. In 1916 the amount was $20,1000,000, a net increase of $12,590,092.

The Du Pont Powder Co. in 1914 earned a net profit of $4,831,793. In 1916 the amount was $82,107,693, a net increase of $77,275,900.

The United States Steel Corporation in 1914 earned a net profit of $23,496,768. In 1916 the amount was $248,034,962.

The 44 companies named above made an aggregate in net profits in 1916 over 1914 of $591,666,151. The increase in net profits is simply the extra profits which these 44 companies have made out of the war.

If you take 24 of the principal companies listed above and compare their earnings in 1914 and 1916, you will find in these two years an increase of 500 per cent, and these increases may be expected to continue. For instance, the Steel Corporation's last quarter's earnings, just published, would indicate that; because if the same percentage is maintained for the whole year the net sum applicable to dividends for 1917 will be about $450,000,000.

Now, let us compare the increased earnings and the increased stock values of two of these corporations in order to get a still more concrete idea of the increased wealth which offers the country a ready source of war taxation.

United States Steel Corporation.

Net earnings, 1914	$23,496,768
Net earnings, 1916	271,531,730
Increase	248,034,962
Average market value of outstanding stock in 1914	682,648,282
Average market value of outstanding stock in 1916	961,181,378
Increase	278,533,096

Bethlehem Steel Corporation.

Net earnings, 1914	$5,590,020
Net earnings, 1916	43,593,968
Increase	38,003,948
Average market value of outstanding stock in 1914	17,536,690
Average market value of outstanding stock in 1916	106,112,130
Increase	88,575,440

CONSIDER ALSO THE PROFITS OF THE RAILROADS.

In 1913 the net operating revenue ran, approximately, from $275 a mile in January to $300 a mile in December. In 1916 the net operating revenue ran, approximately, from $337 a mile in January to $550 in October.

The net revenue for railroads earning over a million dollars annually for the six months ending January 1, 1917, was practically $700,000,000, which is the largest profit in the history of American railroading, and yet the railroads are insisting on a 15 per cent increase in rates.

In the light of such figures nobody can for one moment seriously contend that these corporations can not far more easily bear the burden of this war taxation than the poorer classes of our people.

TAX INHERITANCES MORE HEAVILY.

But in addition to these sources of taxation, which will not seriously burden those who will be taxed, are the great inheritances which are now taxed only a comparatively small amount. At present no inheritance is taxed by the Federal Government unless it is more than $50,000. This bill proposes to lower the exemption to $25,000. I think it could well be lowered to $10,000 or even $5,000, and all inheritances over $25,000 should be taxed as heavily as necessary to raise desired revenue rather than to tax food and other necessities of life.

COULD ABOLISH INCREASE IN POSTAGE.

Would it not be far better to tax inheritances, which will not burden anyone, than to raise the same amount by a 50 per cent increase in postage—to the amount of 50 per cent on letters and 100 per cent on post cards?

Even the rates on second-class mail, which at present are so low that the Government loses large sums on the transportation of such mail every year, could be raised more gradually, if wealth were made to bear most, if not all, of this burden.

COULD STRIKE OUT ALL TAXES ON CONSUMPTION.

Thus, Mr. Chairman, we could raise not only the $2,000,000,000 asked for but even the $4,000,000,000 needed for financing this war the coming year, and we could do it, too, without adding anything to the tax burdens of the great masses of the people. We could strike out the taxes on tea, on coffee, on sugar, on electric light and heat, on gas light and heat, on telephoning and telegraphing, on freight and express bills, on letters and post cards, on notes and transfers of property, on automobile factories, on musical instruments, on drugs, on picture shows—in fact, we could eliminate every kind of a tax which the consuming public must pay by such taxes on these great aggregations of wealth.

Why, sir, we could strike out the increased tax on intoxicating liquors, in fact we could establish prohibition, and meet the resultant loss in revenue by increasing these taxes on wealth. If we increase the tax on booze, we make new rivets of gold by which the liquor traffic binds itself to the Nation. Let us free the Treasury from the need of this revenue, free the people

from the curse of the traffic, and free the soldiers who must fight the battles of this war from the danger of drunkenness. Now is the time, this is the opportunity, and here the method by which to settle this liquor question forever, by settling it right.

MONEY POWER WANTS BONDS ISSUED.

What is the difficulty? Why, the great money power of America is opposed to these taxes on wealth. In short, capital is fighting against bearing the burden of the war which it did so much to promote.

Big business men all over the country say we are proposing to raise too much of this war's expense by taxation. They say we should issue more bonds. Think of it. Not content with a law that takes the young men of the country, by force if necessary, and sends them across the ocean to fight and die, while they stay at home and continue to get rich, they want to saddle still more bonds on the country instead of contributing their part to winning the war. I believe we should not only raise the $2,000,000,000 requested by the Secretary of the Treasury but we should raise every dollar needed for the actual expenses of the first year of this war by taxation. The President recommended that we pay as we go. He was right. Why not? It would still be necessary to bond the country for the $3,000,000,000 we are loaning the allies. That should be enough bonds for one year. *The country was never so rich in all its history as it is to-day, and therefore never so able to pay. I am opposed to making the young men do the fighting and the dying and then when they come back from the war—that is, those that do come back alive—compelling them and their children to pay most of the bills of the war which they will have already fought.*

INCREASED PRICES OF FOODSTUFFS BURDENSOME.

Another reason why the wealth of the country should bear this burden is that the increased price of foodstuffs to-day is already taxing the average family of this country almost to the point of actual want. The food pirates and price manipulations are levying a far heavier tax on food products than it would be necessary to levy on big incomes and excess profits to raise this war revenue. Let me call attention to the extent to which they have taxed and are taxing the food of this country, not for the Nation's need, but for their own private gain. The Old Dutch Market of the city of Washington recently issued a price list showing a comparison of actual prices for food in April, 1914, and April, 1916.

During that three years sugar went from 4 cents to 9 cents per pound, or an increase of 125 per cent.

The price of flour jumped from $7.25 to $14 per barrel, or 93 per cent. Corn meal from 2½ cents to 5 cent a pound, or 100 per cent. Navy beans from 7½ cents to 18 cents a pound, or 140 per cent. Lima beans from 7 cents to 20 cents a pound, or 185 per cent. Lard from 12½ cents to 25 cents a pound, or 100 per cent. Butter from 30 cents to 55 cents a pound, or 83 per cent. Eggs from 21 to 38 cents a dozen, or 80 per cent. Potatoes from 23 cents to 90 cents a peck, or 291 per cent. Onions from 4 cents to 13 cents a pound, or 250 per cent. Cabbage from 3 cents to 15 cents a pound, or 400 per cent.

These 11 articles, consisting of the most common kinds of food, show an increase of 167 per cent in three years, and if you take the whole list of 60 articles the average increase is 85 per cent for all of them.

IF WE CONSCRIPT LIVES OF SOME, WHY NOT MONEY OF OTHERS?

These are facts, Mr. Chairman, that should not be overlooked in the framing of taxation legislation. We are conscripting the men of this country to fight the war. I am in favor of conscripting the money to finance the war. We have adopted what is termed the selective draft of men so each can serve the country best. Now, let us conscript the money by a selective system which will take it from those who need it least. If we compel some men to give life itself in order to win this war, shall we hesitate to compel some other men to give such part of their wealth as will not even seriously interfere with the enjoyment of the life they are permitted to live in almost the same freedom and comfort as though there were no war? This is the thought in the minds of millions of Americans now and it will be the expression from the lips of millions more before this war has gone on many months.

MUST WIN WAR AS SOON AS POSSIBLE.

Gentlemen, I opposed this war. I spoke, voted, and did everything else I could against it. Likewise, I fought conscription. But war was declared and conscription was adopted, and I am for my country—hand, heart, and soul. I did not help start it, but I am willing and anxious to help finish it. We are going to win, and let us take such steps as will enable us to win as quickly as possible.

We must provide men and ships and money and we must provide them now, and while I should like to strike out many of the taxes to be levied by this bill and substitute taxes on wealth instead, yet if that can not be done I intend to vote for the bill anyhow. It will raise money, and money is what we must have. Then, too, it places a bigger part of the whole taxation burden on big incomes, excess profits, and inheritances than any other revenue bill which was ever passed by an American Congress. So, anyhow, we are making progress and some day we shall reach the goal of placing the burden of war taxes upon these great aggregations of wealth first, and leaving the raising of taxes by burdening the poor people as the last source of revenue.

SHOULD VOTE FOR ALL WAR MEASURES.

Another reason why I shall vote for this bill is that it is a war measure, and I have voted for every war measure which has come before this House with the exception of the conscript Army bill. I voted against that because I believed it would do more to hinder and delay than it would to help in winning the war. Without that bill the President could still have raised a million men, and that was more than could be equipped before August, 1917. Now that the bill is a law, I hope my fears were groundless and that it will enable us to raise a great and powerful Army. We may have our differences here as to the best methods to be used to win the war, but once the majority has spoken the time for differences is past. Let us go forward in the work that is to be done in the hope that peace may soon once more be reestablished throughout the great nations of the earth.

Mr. MANN rose.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. AUSTIN. Mr. Chairman, if the gentleman from Illinois wishes to speak now I am willing to wait, if that is satisfactory to the Chair.

The CHAIRMAN. Very well.

Mr. MANN. Mr. Chairman, we have about concluded the consideration of this bill in Committee of the Whole. I regret very much that I will not be able to vote for the bill on its final passage. [Applause.]

We are engaged in war. We have to have very large sums of money. We have to maintain the credit of the country in order that it may float its bonds. We have to raise large sums of money by additional taxation at the seaboard. But during the continuance of this war, owing to peculiar conditions and the fact that this country must furnish great amounts of supplies, both of foods and clothing and munitions, prices will be very high and will remain high in this country until after the close of the war.

That of itself is a great burden upon the large mass of the people of the country. The enormous prices which they will have to pay for foods and clothing will bear down heavily upon them at the very best. I think it is a mistake to add to that the effort to raise one-half of the money necessary to carry on the war by additional burdensome taxation. It is far better, in my judgment, to levy a small tax upon the people now, and to continue that tax during a series of years after the war is closed and prices of ordinary things have resumed the normal, than to add enormous taxes now to the great prices of all articles which the people need and consume.

If it should become necessary later during the continuance of the war to raise additional money by taxes in order to maintain the credit of the country, that can be done properly when new bills are brought forward providing for the issuance of new bonds.

There was once a man, it is said, who killed the goose who laid the golden eggs. I am not in favor of killing the goose that lays the golden eggs. I think this bill goes far in that direction, and for that reason I shall vote against the bill. [Applause.]

Mr. AUSTIN. Mr. Chairman, I regret I can not bring myself to the point of giving this measure my support. I voted for the declaration of war. I voted for armed neutrality. I supported the military bill. I am ready and anxious to support a fair, just, and equitable revenue bill. But I do not believe in my conscience that I would be doing the best thing for my country by giving my support to the pending revenue bill.

No man in this House entertains greater respect for the membership of the Committee on Ways and Means than myself. I am not here to censure them, to blame them, or to criticize them. I have no doubt they did the very best they possibly could under the circumstances. If we were considering a protective tariff bill, drawn by the distinguished gentleman from Michigan [Mr. FORDNEY], the great champion of protection, I would vote for it with my eyes shut, knowing I was serving the best interests of the American people.

Now, as for the gentleman from North Carolina [Mr. KITCHIN], the great Democratic leader and the chairman of the committee which reported this bill, outside of his politics I esteem and honor him. He is honest, able, conscientious, and a patriot through and through, and the same can be truthfully said of every member of the great Ways and Means Committee.

However, nobody is really at heart for this bill, and yet a great majority are going to vote for it, and vote for it believing the great body at the other end of the Capitol is going to radically change, amend, and modify it so that when it comes back here it will be a safe and sane measure we can finally vote for. That hope and trust is uppermost in the minds of the Members of this House.

But that is not the fair and square way to meet our responsibility, to place it upon the Senate, because the Constitution gives to this House the power to originate legislation of this kind. We have had no hearings on this bill. There are 23 members on the committee, of whom 21, I believe, are lawyers and 2 are business men. Not a banker, manufacturer, farmer, laboring, or business man was summoned before the committee to give his views touching revenue legislation as it would vitally affect the welfare and prosperity of this great Nation in the pending crisis.

Now, Mr. Chairman, I ask the Clerk to read an editorial which expresses my sentiments and states my position far better than I can state it myself, published in the Washington Post this morning.

The Clerk read as follows:

KILL THE TAX BILL.

The tax bill framed by the House is an unnecessary load upon the people who are suffering from extortionate food prices and the shock of disorganized business resulting from the entry of the United States into the war.

It is unnecessary to raise $1,800,000,000 by taxes during this year. It is unnecessary to violate the Constitution by trying to pass an ex post facto law. It is unnecessary to frighten industry by the prospect of crushing taxes, just at the time when industry must gather strength for the greatest expansion in its history if it is to help with the war.

It is utterly unnecessary to tax foodstuffs that are already overtaxed by unregulated and unhung food pirates.

If the United States were hard pressed by its creditors and its credit were in danger there would be a necessity for heavy taxes. But the creditors of the United States are not asking for the small amount that may be due them. On the contrary, they are willing to buy more of the Government's bonds. The credit of the United States is higher than that of any other nation in the world. Its own people are ready to lend it billions of money on long time and at lower interest than is paid by any other government.

Instead of taxing the people unnecessarily at this time Congress should raise money by long-time bonds. With this threat of ruinous taxation out of the way the liberty bonds would go like hot cakes. A big blunder was made when the taxation bill was rushed into the House before the bonds were sold. Individuals and industries are frightened out of their wits. They will not buy bonds when they fear they may have to pay excessive taxes. They are wondering whether they will be able to remain in business. That is not the spirit that Congress should cultivate among the people. It should reassure them that the Government's financial burden will be distributed over a series of years; that no discriminating taxes will be levied; and that no section or industry is to be penalized or favored for any reason whatever.

The taxation bill in the House is a wet blanket upon Secretary McAdoo's campaign for the sale of the liberty bonds. As soon as possible the Senate should make known to the country that this bill will never pass. Then the people will take heart again. Wheels will begin to turn and plans will be made to expand industry to meet the needs of the Government for fighting the war. Then the bonds will be bought up by rich and poor.

Let the Senate give the country to understand that the war is to be fought for all time the end being the triumph of our democracy against the strongest assault that could be made against it. Let the people know that the immense cost of the war will be borne by those receiving the benefit of victory, as well as by those who endure the burden and shed the blood needful for victory. As the benefit will run to posterity, let posterity pay part of the cost. It can not pay in blood, but it can pay part of the money cost. And since the greater and more populous and richer United States will be better able to pay its share, posterity will still be under a deep debt to the patriots of this day who pay more than money for victory.

This Nation can not fight this war out of current revenues increased by taxation. It must go into debt. The sooner this fact is understood the better. The debt should be apportioned to the taxpayers over at least 30 years. Fifty years would be better, since the taxpayers 50 years hence will be enjoying far greater benefits than those of the immediate future, who will inherit the blood tax as well as the money tax.

[Applause.]

Mr. CANNON. Mr. Chairman, I have been situated most of the time so that I could not be present during consideration of this bill in the Committee of the Whole House on the state of the Union, consisting when we are all here of 435 Members.

I am not an expert touching the raising of revenue. My congressional life has been most largely spent in recommending the expenditure of money rather than in the getting of money. I have been connected with the Committee on Appropriations. Now, when this bill is almost complete I want to say that I have an impression, according to my best judgment, that within the inhibition, if that is the proper word, against idolatory, thou shalt not worship any graven image, nor anything—I can not give you the quotation exactly, but I know the sense of it—it would not be any harm to worship this bill, because I think it is unlike anything in the heavens above, or the earth beneath, or the waters under the earth. [Applause and laughter.]

But we have got to be practical. Under the Constitution of the United States revenue legislation originates in the House of Representatives. This bill has been originated and reported by the Commitee on Ways and Means and considered in the Committee of the Whole. If I had the power I would draft a different bill, even with my imperfect knowledge touching taxation, but I have not the power. What is the situation? This is about the end of May. Preparing this bill with a hop, skip, and jump, it has taken us from the commencement of the special session, which I believe was about the 1st of April, if I recollect aright——

Mr. BROWNING. April 2.

Mr. CANNON. April 2. It has taken us a little over seven weeks to progress to the condition in which we now find ourselves. Suppose we should recommit this bill and send it back to the Committee on Ways and Means. How long it would take that committee to prepare another bill, God knows. I do not think anybody else knows. And yet it is perfectly patent that whether the bill be perfect to raise revenue, or just to the people of the United States, we have got to raise revenue. We Republicans think we have, and you Democrats think we have. So that from the practical standpoint I have made up my mind for many reasons that we had better pass this bill and let the coordinate branch, the Senate of the United States, which I understand has been holding hearings ever since the bill was reported to the House, amend the bill or pass it as we send it to them; but evidently they will amend it and send it back to the House and let it be settled in conference.

But gentlemen say, "Oh, are you not afraid to vote for this bill and then go home?" No; I am not afraid to go home after voting for this bill. I have a constituency that for many, many years have given me their confidence from time to time, believing that I act according to my best judgment upon matters of legislation. [Applause.] At times I have been attacked, but I have gotten on, and I am too old now, under these conditions, to refuse to follow my best judgment in voting for the bill. Why, think of it. If I had the power, I would raise one-quarter to one-third of the money to carry on this war and support the Government during the continuation of the war by taxation. I would raise at least a quarter and not to exceed a third of the money in that way. This is an effort to raise, I believe, for the coming fiscal year, half of the expenditures by taxation. But we can not back out. We can not say, "If this thing or that thing or the other thing had not been done, or something else had been done, we would not be in our present condition." We are in a condition where we can not back out, but we have got to go on to the bitter, bloody end, whatever the cost, and we have got to win with our allies. [Applause.]

So that while the bill does not please me, while I think it raises more money than we ought to raise, yet, as I must choose between this bill and perhaps one that is worse than this bill, I can see no hope of its being better prepared by this House, and I think from my standpoint it is patriotic to vote for it. [Applause.]

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry. What is before the House?

The CHAIRMAN. The question before the committee is the motion of the gentleman from North Carolina [Mr. KITCHIN] to strike out the section, which, by unanimous consent, the committee will first vote upon.

Mr. HASTINGS. I want to inquire whether it is now in order for us to spend some three or four more days in general discussion of this bill, or whether this discussion ought not to be confined to the amendments?

The CHAIRMAN. The Chair can not answer that as a parliamentary inquiry.

Mr. MADDEN. Mr. Chairman, nobody realizes better than I do that we must have money to conduct the war, and no one is more anxious to furnish every facility to the President of the United States to enable him to conduct the war successfully. But I am not convinced that this bill is justified. I believe it levies a greater tax upon the industries of the country than ought to be imposed at this time. I believe the imposition of the tax proposed in this bill will retard the progress of the country and embarrass the financing of the war. If this was a court of last resort, and there was nothing else to do except to vote for this bill, I would vote for it, notwithstanding the many unjust provisions which it contains. But there being another court to which this bill must be referred for further consideration, I hope it will come back greatly improved, that the American people will be given to understand after the bill

leaves this House that there is a disposition somewhere in the legislative branch of the Government to treat the business of the country and the people of the country along lines of justice. I do not believe this bill extends such treatment to the people of the country, and therefore I do not think my conscience will allow me to vote to approve it. So I shall vote against the bill, with the hope that when it comes back in modified form I shall be able to give my hearty approval to it, and that it will provide the means by which we can do justice to the people who pay the bills and at the same time enable the President of the United States successfully to conduct the war. [Applause.]

Mr. KITCHIN. Mr. Chairman, we have still other amendments here to be disposed of after the one pending, and I hope that we may get to them as soon as possible.

Mr. GILLETT. Mr. Chairman, I am very sorry to delay the House at this time, but I am going to cast a peculiar vote, and I wish to give my reasons for it. I have been very much troubled and concerned as to how to vote on this bill. There is no need of criticizing the bill; it has been criticized sufficiently by its friends. Perhaps I should say by its supporters, for apparently it has no friends. It is full of injustices and inequities as it seems to me. I can not bring myself to vote for it, yet at the same time I recognize the force of the argument made by the chairman that the country must have the money, that we are in a great crisis, and that huge sums must be provided, and therefore I hate to vote against the only proposition before us to provide the money.

I might do as the gentleman from North Carolina says he is going to do, shut my eyes and vote for it, but I remember that when the blind leads the blind, both are likely to fall into the ditch. Therefore I have come to the conclusion that I will simply vote "Present." I will not vote for the bill, and I do not wish to try to obstruct it by voting against it, and so I shall allow the bill to take its course and vote "Present." I appreciate that I have often voted for revenue bills in which I did not agree to all the provisions. No revenue bill ever meets the views of any one man, but in previous revenue bills the party which was in power has always, either by caucus or by rule, or in some way made itself responsible. That leads a man to subject his own individual views to the views of his party, recognizing party responsibility and that only so can there be legislation. In this case there has been no such course. My party does not hold me responsible, and the responsibility is not on it but on the Democratic Party. Consequently, it seems to me that the way in which my own judgment will be best satisfied is simply to vote "Present." On the motion to recommit I shall vote no, as I do not think if recommitted the committee would bring out a bill which would be any better.

Mr. BLACKMON. Mr. Chairman, is the committee proceeding by unanimous consent?

The CHAIRMAN. It is.

Mr. BLACKMON. Mr. Chairman, we were kept up until 1 o'clock this morning in order that we might get the benefit of the oratory of gentlemen who wanted to talk. Now, I am going to suggest that this procedure is standing in the way of the food-control legislation. The people are concerned a great deal more about this than they are about speech making, and I am going to serve notice that if this course is pursued I will object.

The CHAIRMAN. The Chair begs to state to the gentleman that there are some amendments pending under the five-minute rule. Of course, the committee can close debate at any time it wishes.

Mr. DOWELL. Mr. Chairman, what is before the House.

The CHAIRMAN. The amendment of the gentleman from New York [Mr. FITZGERALD], and also the amendment of the gentleman from North Carolina [Mr. KITCHIN].

Mr. DOWELL. Has debate been exhausted on the amendment?

The CHAIRMAN. It has.

Mr. DOWELL. I demand the regular order.

The CHAIRMAN. The regular order is the amendment offered by the gentleman from North Carolina to strike out the section.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, in view of the striking out of section 504, that makes necessary five amendments. I ask unanimous consent that they may be offered and voted upon en bloc.

Mr. MANN. I understand that the gentleman from North Carolina asks unanimous consent that he may offer all of these amendments.

The CHAIRMAN. In gross.

Mr. MANN. It would not be in order to offer them at all, except by unanimous consent.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to offer these amendments and have them voted on in gross. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

On page 23, line 14, change the section number of the new life insurance section from "505" to "504."

On page 25, line 6, strike out the figure "506" and insert the figure "505."

On page 25, lines 7, 8, and 9, strike out the following: "receiving any payment for advertising or advertising space upon which a tax is imposed by section 504, or"

On page 25, line 11, strike out the word "five" and insert the word "four."

On page 51, after line 12, strike out the new section 1107 agreed to yesterday and insert in lieu thereof the following:

"SEC. 1107. That (a) if any person, corporation, partnership, or association has, prior to May 9, 1917, made a bona fide contract with a dealer for the sale, after the tax takes effect, of any article (or, in the case of moving picture films, such a contract with a dealer, exchange, or exhibitor, for the sale or lease thereof) upon which a tax is imposed under Title III, IV, VI, or X, or under subdivision 13 of Schedule A of Title VIII, or under this section, and (b) if such contract does not permit the adding of the whole of such tax to the amount to be paid under such contract, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such tax as is not so permitted to be added to the contract price.

"The taxes payable by the vendee or lessee under this section shall be paid to the vendor or lessor at the time the sale or least is consummated, and collected, returned, and paid to the United States by such vendor or lessor in the same manner as provided in section 503.

"The term 'dealer,' as used in this section, includes a vendee who purchases any article with intent to use it in the manufacture or production of another article intended for sale."

Mr. MOORE of Pennsylvania. Mr. Chairman, in view of some things that have been said this morning with respect to the Ways and Means Committee and the presentation of this bill, I desire to have some matters of record. The gentleman from Tennessee has indicated that the committee is made up of 2 business men and 21 lawyers, which is an error—the other 21 are not all lawyers. I presume the gentleman desired to be lenient with the committee that brought in this great bill, seeing it had a very difficult task to perform. I sympathize with the Committee on Ways and Means, of which I happen to be a member, and realize that it is subject to criticism, although I can not personally find fault with it. I simply regret that in all things I could not agree with the majority of the committee. I purposely reserved my rights as a member of the committee to offer amendments and to say a few things with respect to this bill. Like most Members of the House, and I am sure like many members of the committee, I am not satisfied with the provisions of this bill. Personally, I do not believe it is an equitable bill. I do not believe the distribution of the burden of taxation as herein provided is fair. That is the principal reason I have hesitated to fully support the measure, although I have done everything I could to hasten its passage as a war measure. For the benefit of my friends on this side of the House, as well as to have it known to my friends on the Democratic side, I shall state briefly why a Representative coming from a great industrial center may have reason to hesitate to support a bill of this kind. It is not a question of loyalty; it is a question of the square deal to American citizens who have to sustain the war.

Assuming from the beginning that it was necessary to raise $1,800,000,000, I have been ready to support a measure for that sum that might fairly distribute the burden amongst the people. Such a measure is due by Congress to the people and to the President of the United States, because of our declaration of war, and because of our other crucial vote directing a conscription of the life and blood of the country for war purposes. Coming from an industrial section, however, and I hope I am not to be charged with sectionalism for using that term, I may be excused for having some doubt about the propriety of voting for this measure, and for entertaining the hope that it may be improved upon, even if it shall go to another body. What are the facts as to the present internal taxes of the United States?

The aggregate of all internal revenue collected up to June 30, 1916, was $517,723,000. Bear those figures in mind. Of that amount substantially one-half, or $236,000,000, was paid not by the 48 States of the Union but by just 4 States of the Union. New York paid $104,000,000; Illinois paid $65,000,000; Pennsylvania paid $44,000,000; and Ohio $33,000,000, or a total of $236,000,000—4 States out of a total of 48 States.

As to the income tax alone, what was the amount collected for the year ending June 30, 1916? A total of $67,943,000. What States paid that tax? Illinois paid over $5,000,000, Massachusetts paid over $4,000,000, New Jersey paid nearly $3,000,000—and let me say that that little State along the Atlantic seaboard, being a great industrial State, paid as much as 15 other States whose special products have been exempted from taxation by this bill, New York paid $30,000,000, Ohio more than $2,000,000,

and Pennsylvania over $6,000,000—a total of $51,000,000, paid by 6 States, as against a total of $67,000,000 paid by 48 States. As taxes will be doubled and in some instances trebled by the new rates imposed by this bill, the inequality of the burden as to a few of the States is apparent.

Now, Mr. Chairman, if some one should ask whether I am loyal to the committee of which I am a member in bringing these facts to the attention of the House, I might say that while I have sat patiently with the committee, doing what I could to further a bill to raise $1,800,000,000, to keep the faith as the Congress, suggestions made by me looking to a more equitable distribution of the tax burden have not been heeded. The majority of the committee decided to close its recommendation with the bill it presented; it did what, in the light of the information before it, was thought by the majority to be reasonable and just.

These facts I venture to present to the House. They may have weight with Members who come from industrial sections, whose constituents will be heavily taxed, and they may also be considered by those who, in determining whether this bill shall stand, may be willing to adjust these seeming inequalities in taxation.

Mr. MONDELL. Mr. Chairman, I voted for the declaration of war with sincere regret, for I voted for that declaration of war realizing what it meant—perhaps not fully realizing what it meant, for possibly we do not any of us yet fully recognize the extent and duration of the struggle in which we are engaged. But I knew it meant vast expenditures, I knew it meant that there must be great and vexatious burdens placed upon the people of the country. When I voted for the declaration of war I assumed the responsibility of voting for the legislation that would become necessary in the laying of that burden. To-day the easy thing to do would be to vote against the bill. The comfortable thing to-day would be to vote against the bill. I could go then home and say to those of my constituents who are objecting to one feature or another of this bill, I could say to them, I voted against the bill, and that would be the comfortable thing to do. But I could not do that and square my act with what I believe to be my duty. I do not like the bill. If this were a time of peace, I would not as a Republican think for a moment of voting for a bill like this. It violates the principles of taxation as I understand those principles as a Republican, but these are not times of peace; these are times of stress and times of war. The committee has done its best. I do not think its work reflects as much credit as I wish it did on its members, but they have worked faithfully. The House day after day has discussed amendments and voted upon them. My opinion is that the House has not greatly improved the bill. In some respects I think it is not as good a bill as it was when the committee reported it. I had hoped to see the bill improved in the House. Unfortunately it has not been improved in some respects at least; but whatever it is and whatever it contains, it is the product of the committee of this House charged with responsibiliy in these matters, and it is the product of this House, whether it be good or bad. Believing the bill can be greatly improved and that the committee can, if given the opportunity, greatly improve it, I shall vote to recommit the bill to the committee, and if that vote shall fail I propose as an earnest of my intention to support this war to vote for the bill. [Applause.]

Mr. DILLON. Mr. Chairman, I am in receipt of a communication from Mr. John C. Kelly, manager of the Sioux City Tribune, of Sioux City, Iowa, voicing a protest against the levying of additional taxes upon the newspapers. His protest is clear, concise, and logical, and I incorporate it herewith as a part of my remarks:

THE SIOUX CITY TRIBUNE,
Sioux City, Iowa, May 14, 1917.

Hon. CHARLES H. DILLON, M. C.,
Washington, D. C.

MY DEAR SIR: I realize that the Government of the United States must be supported by taxation, and that it is now engaged in a vitally important enterprise which calls for extraordinary levies. I am one of those willing to pay my share. I have never fought a tax levy or sought to evade a tax laid on me or anything with which I am connected. But the newspaper business is very hard hit in this pending revenue bill; I might better say the provincial newspapers. The metropolitan papers are, comparatively, uninterested. You may have heard in the last few months of the distress of newspapers over the increase in the cost of the paper they use. I want to state my own case pointedly and exactly to you to illustrate this.

I bought paper for my 1916 supply—2,000 tons, at $38 a ton, making $76,000 my investment for the raw material in my business for that year. My business was adjusted to that ratio of cost. The price had been about $38 a ton for years. At the expiration of my contract I had to pay $110 a ton for paper, an increase on my annual paper cost from $76,000 to $220,000—a net increase of $144,000. I wrote to every mill in this western country and Canada for a supply, but they all replied that they had none to sell, and in spite of the high price we have been hard put to it to get a supply.

Some newspapers are still receiving paper on contract and are doing better than the open market enables me to do, but all except those owning their own mill are harrassed. The mills will not make new contracts.

The Federal Trade Commission decided that 2½ cents a pound, $50 a ton, was a reasonable price for the manufacturers to charge, but no manufacturer is selling paper at that price, except, possibly, on some unexpired contracts. The best price on the market now is 4 cents a pound—$80 a ton. At this rate the cost of paper to operate the Sioux City Tribune is $84,000 a year more than it was last year when I bought paper at $38 a ton. It seems impossible to meet an additional burden such as this revenue bill proposes.

The Sioux City Tribune paid the Post Office Department last year more than $23,000 for its second-class mail service. This bill proposes to make the charge for the same service $46,000 and to add 5 per cent tax to the advertising income of the paper.

The increased cost of paper and this post-office charge together will destroy the outside circulation of newspapers, destroy the service now made to the villagers and farmers of the Middle West in particular, and therefore it will not produce the additional revenue hoped for.

I think the Postmaster General clearly in error if he expects to raise a considerable amount of revenue from the daily newspapers by this doubling of the charge upon them. The metropolitan dailies with their large circulations are mostly city affairs. Newspapers like the Philadelphia Bulletin, the Chicago News, the Washington Star, and most other daily newspapers of large circulation in large cities send comparatively few papers by post direct to subscribers. Nearly three-quarters of the circulation of Sioux City newspapers goes to the farmers and villagers of this section, affording them prompt market information and close connection with governmental and world affairs. It is important to them and to the Government that they should have such connection. This is the kind of service that the Government sought to obtain originally by an encouraging mail rate.

These farmers and villagers subscribe for their papers and pay for them a year in advance, and we can not shift the proposed increased burden upon them, if we wished to, inside of a year.

It is different with the metropolitan newspapers. They sell their output daily for cash to agents and distribute to them in bundles, mostly delivered by private conveyance. They use the post office but little except for "single wrappers," which may be sent to absent citizens or old subscribers who have moved away, or something of that kind. When they send to suburbs they also send in bundles to their agents, and if they use the post office for this transportation, presumably they will not use it as soon as the rate shall be doubled, because the express companies now take these bundles where they can give equal service at a lower rate than the Post Office Department rate. What is true of Sioux City daily newspapers is relatively true of the small daily newspapers all through the West.

The American Newspaper Publishers' Association, representing the daily newspapers of the country, have accepted in an official way the zone system as a principle upon which to charge for post-office distribution on second-class mail. This system, if applied, will enable the Post Office Department to collect an adequate price for the larger service it renders to national weeklies and magazines and to determine from experience the effect upon its revenues and the magazine publishing business. Magazines may be combined and reduced in number possibly to the advantage of publishers and public. Not so with daily newspapers in smaller centers.

I am perfectly willing to pay a profit tax or an income tax, but I do protest earnestly against the imposition of this additional postage charge upon daily newspapers at the present time. The zone system ought to be tried before the ruin of daily newspapers shall be decreed.

Newspaper publishers insist that the service rendered them in the combined first and second parcel-post zones is adequately paid for by the present rate of 1 cent a pound. Publishers wanting a service outside this zone may justly be asked to pay for it before the first-zone charge is increased to those using only the smaller service.

I know you will give this matter your earnest consideration, and I will be very glad, if you desire any further information, to furnish any that I can command. Thanking you, I am,

Very truly, yours,

JOHN C. KELLY, *Editor.*

Mr. GRAHAM of Pennsylvania. Mr. Chairman and gentlemen of the committee, I realize that to many of us the question of what our action shall be with reference to this bill is a matter of very serious thought and grave concern. I have made up my mind as to my personal course of action.

I realize fully the demands which a foreign war makes upon the country. At the same time I feel that there is no occasion for hysterical haste in traversing the ordinary paths of legislation in raising revenue. I feel that while the House has the right to originate matters of revenue, but it does not rest with the House to finally determine what those revenue matters shall be, that it is an act of joint legislative power. And I think therefore that the question of final decision for each one of us as to whether one shall cast his vote for or against this bill does not press upon us until the bill is here, after senatorial action, for final action on our part.

You may vote to-day to recommit this bill, you may vote to-day in opposition to this bill, without putting yourself in opposition to war or any war measures whatsoever. When the bill goes to the Senate and that coordinate branch of the Government shall have acted, it will come back again to this House, and then the question of our final action will press itself with greater earnestness upon our attention. But in this intermediate stage I have no hesitation whatever in voicing my protest against the bill by a vote in the negative when the question of its passage comes up. [Applause.]

And I do that on three grounds. First, because I do not agree with the general policy that is behind this bill. I do not believe in a 50 per cent basis for financing this war. I do not think the American people, who must shed the blood of this

generation, are called upon to pay 50 per cent of the cost of the war out of taxes and at the same time bear all the other burdens of the war. I think 25 per cent or 30 per cent would be equitable enough, and the balance can easily be financed, for this is a war for humanity and liberty, and it reaches in its effects down to the remotest generations to come. And they, at least, can bear a part of the financial burden which this war imposes.

I am opposed to the principle of retroactive taxation that is in this bill. When a man has settled with the Government and received his receipt of payment in full, it is a species of dishonesty to go back and say, "You must pay 33⅓ per cent of what you paid last year as your income tax to the Government."

I am opposed, in the third place, to this bill because of its inequities and inequalities, which may yet be tempered and corrected, in which case I will then face the paramount question on final action of "What shall I do with this measure? Shall I then vote for or against it?" But to-day, my friends, your position, if you do not approve of this bill, is to stand manfully in your place and vote against it. Do not be betrayed by the argument that this is a war measure and war has been declared, and that therefore you must vote immediately for the payment of the expenses of the war. You will have ample opportunity and ample time to do this in the days that are to come.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Regular order, Mr. Chairman.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman may have an extension of time of one minute for me to ask him a question.

Mr. RUCKER. Make it two minutes, that I may ask him one. [Cries of "Regular order!"]

Mr. GRAHAM of Pennsylvania. I understand this is two minutes for cross-examination.

Mr. CANNON. Has the gentleman from Pennsylvania any hope that if this bill is defeated in the House or recommitted with or without instructions to the Committee on Ways and Means that we will get a better one? And as we only can originate revenue bills, is it not wiser to send it to the Senate and let it be settled in conference?

Mr. GRAHAM of Pennsylvania. Of course we can get a better one. The Committee on Ways and Means is wiser to-day than they were when they framed this measure.

Mr. RUCKER. If a majority of this House votes as the gentleman recommends they vote, how will the bill ever get to the Senate? [Applause.]

Mr. GRAHAM of Pennsylvania. The committee will report it back to the House with proper amendment, correcting some of these evils, and taking time enough to make corrections of inequalities that are in the measure as it stands.

Mr. RUCKER. I understood the gentleman to say that he will vote against it.

Mr. GRAHAM of Pennsylvania. At this stage I certainly will.

Mr. SIMS. Mr. Chairman, a point of order. The pending amendments are not being discussed. All that has been said is in the nature of general debate, and we have had exceedingly liberal general debate. And I shall make the point of order that gentlemen must discuss the amendments from this time on, after the gentleman from Missouri [Mr. DICKINSON] has been heard. Gentlemen must confine themselves to the amendments. If they want to abuse this bill, they have had plenty of time and a good opportunity in which to do it.

Mr. KITCHIN. If I can stand abuse of the bill, and the other members of the Ways and Means Committee can do so, my friend from Tennessee ought to stand it.

Mr. SIMS. The talking Members of this House have had all the time they need. [Applause.]

Mr. DICKINSON rose.

The CHAIRMAN. The gentleman from Missouri [Mr. DICKINSON] is recognized.

Mr. DICKINSON. Mr. Chairman, I will not take up much of the time of the House. It is my desire to speak but briefly. There seems to be a concerted effort to discredit this bill just prior to the time when the vote is to be taken, in order to induce a large per cent of the membership of this House to vote against it. There seems to be some influence behind this movement to discredit it for some particular purpose.

I have been reading for the last day or two editorials from a prominent Washington paper denouncing the bill, saying it ought to be defeated and that revenue ought to be raised by a bond issue. I am opposed to the entire revenues for the purposes of this war being raised by levying the burden upon future generations. [Applause.] A fair per cent ought to be borne by the present generation. I have heard it repeatedly said that this bill will disturb business, and that some business concerns will not be able to live if it becomes a law.

I have heard that within a given length of time 75 per cent or more of merchants fail. It is possible that if this great measure is passed there may be now and then some business concern that will go down. The same argument might be urged against the war, that we should not carry on the war because some boy or man may go to his death. [Applause.] But the war is on. Conscription has been ordered. Preparation is under way throughout the country. By a unanimous vote this House has declared in favor of a tremendous bond issue, as large, perhaps, as the country can absorb at this time.

I have no patience with the concerted effort to discredit this, in my judgment, great measure, worthy of approbation as a whole rather than of criticism simply because here and there there may be some objectionable items in it. I have no patience with a man like my distinguished personal friend from Pennsylvania [Mr. MOORE], a member of the Committee on Ways and Means, who continually appeals to sectional prejudices, with the idea that where wealth is, it will bear a large proportion of tax, and seeks to direct the attention of this House to the fact that concentrated wealth in certain localities will bear a larger share of the burdens than some large sections of the country. I know in one section of Missouri, one county in a district, represented by one of my colleagues, where it is said that in one year $30,000,000 is taken out and earned by men living beyond the borders of the State of Missouri.

I know of and have heard it said that there is one citizen in New York—an ex-Senator of the United States—who has built a mansion at a cost of $7,000,000, a man in wealth equal almost to Rockefeller himself, who has earned almost all he has in Montana and other States than New York, but receives his income in the city of New York, of which he is now a citizen. So with other great wealthy men who reap their wealth from all sections of the country, but have their residences in the cities of their selection. My friend from Pennsylvania will point to the fact that the revenues are paid there, although they are collected from every section of the country.

This is a great bill. We have conscripted the young men to go to Europe to fight the battles of this country, for this Government, and we are conscripting in a reasonable degree a fair share of the incomes and not the principal from the wealth of the country to help bear the burdens of this war. [Applause.]

Mr. BUTLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BUTLER. What is the regular order?

Mr. NORTON. Mr. Chairman, I move to strike out the last word.

Mr. LENROOT. Mr. Chairman, I move to strike out the last word.

Mr. BUTLER. What is the regular order?

The CHAIRMAN. The debate has been exhausted, of course, on this motion to insert these amendments offered by the gentleman from North Carolina.

Mr. BUTLER. Is not the regular order to vote upon the motion made by the gentleman from North Carolina?

The CHAIRMAN. Yes; unless another amendment is offered to the amendments.

Mr. LENROOT. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from North Dakota is recognized, having moved to strike out the last word.

Mr. NORTON. Mr. Chairman, I shall vote for this bill. [Applause.] I shall vote for it for some of the very same reasons that, as they have stated, impel the gentleman from Illinois [Mr. MANN] and the other gentleman from Illinois [Mr. MADDEN] and the gentleman from Tennessee [Mr. AUSTIN] to vote against the bill. [Applause.]

Mr. SIMS. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment.

The CHAIRMAN. The Chair hopes that the gentleman will not insist on his point of order.

Mr. SIMS. This thing has no end to it, except simply by tolerance, and any other motion will be open to it.

Mr. NORTON. Mr. Chairman, I regret very much that the amendment has been offered by the gentleman from North Carolina [Mr. KITCHIN] or that it has been necessary to offer the amendment.

Mr. SIMS. Does the Chair refuse to rule on the point of order?

The CHAIRMAN. The Chair does not refuse. Trusting in the well-known charity and good nature of the gentleman from Tennessee, the Chair hopes the gentleman will not insist on

his point of order. The gentleman from North Dakota is discussing a motion to strike out the last word.

Mr. SIMS. But he is not confining himself to that.

The CHAIRMAN. The Chair will request the gentleman from North Dakota to stick to his motion to strike out the last word.

Mr. NORTON. I regret very much that the gentleman from North Carolina [Mr. KITCHIN] offered the amendment to strike out section 504 of this bill, and the adoption of which necessitates the amendments he has now submitted. The striking out of section 504 takes from the bill a source of revenue which I believe should have been left in the bill.

Mr. SIMS. What objection has the gentleman to the last word remaining in this act? [Laughter.]

Mr. NORTON. If the gentleman will take his seat, I will tell him.

Mr. SIMS. Then confine yourself to the amendment.

Mr. NORTON. The underlying principle of this bill is, as I understand it, that at least 50 per cent of the revenue needed to carry on this war shall be raised by taxes levied upon the property of this country. I believe such to be a sound and wise policy. We are now engaged in a tremendous and terrible war. From the very nature of war as it continues our people will be obliged to endure many hardships and overcome many difficulties. We should now at this time face squarely the problems before us and begin to do our just share of carrying the heavy burdens of this war.

I firmly believe that if we adopt a policy of paying out of revenues collected 50 per cent or more of the actual expenses of this war it will be the best policy for all our people and will be a policy that will tend to shorten the period of the war. It is a policy that will bring to this Nation the day of peace much sooner than will the adoption of the policy of letting future generations in the country pay the greater share of the expenses of the war.

A great many gentlemen here are desirous of issuing bonds to cover practically all the expenses of the war. I believe that to be an unwise and bad policy for this country to adopt. It would result in dangerous inflation of the finances of the country. It would result in disastrous inflation of business. While under such a policy we might have seemingly joyous and prosperous times for a year or two, it would unquestionably leave the country in a most disastrous financial condition after the war. The brave and patriotic men who established this Nation in the days of the Revolutionary War proposed no such pusillanimous proposition as to leave 75 or 80 per cent of the cost of that war to be paid by future generations. They were strong, courageous men. They were men willing to make the sacrifices that were at the time necessary to be made. They were not asking generations then unborn to carry their burdens. We here would do well to take a lesson from them in this matter. The people of this Nation who are well able to do so should pay the expenses of this war as they are incurred.

Mr. HELVERING. Mr. Chairman, will the gentleman yield?

Mr. NORTON. Yes.

Mr. HELVERING. The policy of selling many bonds was tried in the Civil War, and it was found to be a failure, was it not?

Mr. NORTON. Yes. It proved to be a bad policy then, and unless very much restricted will prove a bad policy in this war. It is simply this kind of policy: A willingness to leave as many burdens and difficulties for future generations as possible and a cringing from meeting our own problems as we ought to meet them. It is regrettable, but the fact is that there are thousands of men in this country to-day whose only desires are to accumulate great riches as the result of this war. I believe, gentlemen, that we have resources enough in this country to pay every dollar of the expenses of this war as they are incurred if we conduct the business of the country properly and wisely. We have property in this country of the value of more than $200,000,000,000. If during this war all our citizens are employed as they should be only a small part of the profits of our invested capital and labor will be needed to meet all the expenses of this war.

Mr. CHANDLER of New York. Will the gentleman yield?

Mr. NORTON. Certainly.

Mr. CHANDLER of New York. What part of this $250,000,000,000 resources of the United States does the gentleman think we ought to expend in this war?

Mr. NORTON. As I have stated, it would be necessary to expend but a small part of the annual net income of the Nation to meet our war expenses. As shown by this statement, which I shall insert in the RECORD, the annual income of this Nation is $33,600,000,000.

Per capita debt, wealth, and income of the warring nations.

	Population.	National wealth.	Debt before war.	Debt now.	External debt.
United States	101,577,000	$1,967.00	$11.00	[1]79.00	.....
Great Britain	47,000,000	1,896.00	76.00	191.00	$24.00
France	40,000,000	1,575.00	160.00	750.00	30.00
Russia	175,000,000	238.00	27.00	66.00	17.00
Italy	37,000,000	571.00	70.00	127.00	7.00
Germany	68,000,000	1,176.00	75.00	246.00	.80

[1] Includes authorized $7,903,000,000.

National income and the ratio of estimated interest on the external debt and on the total debt to national income follows:

	National income.	Per capita.	External debt per cent to income.	Total debt per cent to income.
United States	$33,600,000,000	$332	.....	6.78
Great Britain	10,800,000,000	236	0.64	7.66
France	6,000,000,000	151	1.21	13.80
Russia	7,200,000,000	42	2.04	9.64
Italy	3,750,000,000	101	.73	6.35
Germany	10,080,000,000	152	.69	8.15

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

Mr. SIMS. On the amendment to strike out the last word?

Mr. FORDNEY. The gentleman from Wisconsin [Mr. LENROOT] wants a little time, and the gentleman from North Carolina [Mr. KITCHIN] ought to have a little time.

Mr. KITCHIN. I do not want any time now.

The CHAIRMAN. The gentleman from Missouri wants time.

Mr. MANN. A great many men want time.

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] asks unanimous consent that all debate upon this amendment and amendments thereto close in 10 minutes. Is there objection?

Mr. BUTLER. I object.

Mr. FORDNEY. The gentleman from Wisconsin ought to have five minutes.

Mr. MANN. Objection has been made.

Mr. BUTLER. I object to this request. I have waited here four or five days for a chance to speak.

Mr. MANN. I move that all debate on the pending amendment be now closed.

The CHAIRMAN. The gentleman from Illinois moves that all debate on the pending amendment be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, yesterday when we had under consideration the amendment offered by the committee with respect to the tariff provision section, there were added several amendments, one by the gentleman from Connecticut [Mr. HILL] and one by the gentleman from New York [Mr. SNELL].

Mr. MANN. I suggest to the gentleman that he send up his amendment and have it reported, and then explain it.

Mr. KITCHIN. I wanted to see if we could get unanimous consent——

Mr. MANN. Let us have it read.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 47, line 24, after the period, insert the following as a substitute for the section agreed to yesterday:

This section shall not apply——

Mr. MANN. Is that a new section?

Mr. KITCHIN. It refers to the war-tariff provision section.

Mr. MANN. It is reported as a section in place of a section agreed to yesterday. I know what it is, but is it intended as a new section?

Mr. KITCHIN. It is a——

Mr. MANN. I know what the gentleman is offering, but the Clerk has read it as a substitute for a section agreed to yesterday. That would cover the whole section.

Mr. KITCHIN. I say as a substitute for the amendments to that section.

Mr. MANN. Well, let it be reported and see what it says.

The Clerk read as follows:

On page 47, line 24, after the period, insert the following:

"This section shall not apply to (a) gold or silver bullion; (b) coins of gold, silver, copper, or other metals; (c) printing paper admitted free of duty under paragraph 567 of section 1 of the act en-

titled 'An act to reduce tariff duties and to provide revenue for the Government, and for other purposes,' approved October 3, 1913, as amended; (d) ores of the platinum metals, and platinum, unmanufactured or in ingots, bars, plates, sheets, wire, sponge, or scrap, and vases, retorts, and other apparatus, vessels and parts thereof composed of platinum for chemical uses; (e) nitrate of soda; (f) mechanical ground wood pulp, chemical wood pulp, unbleached or bleached, and rag pulp; or (g) articles specificed in paragraphs 397, 398, 404, 424, 428, 451, 499, 556, 582, and 642 of section 1 of such act of October 3, 1913."

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to consider this amendment in lieu of the amendment adopted yesterday.

Mr. MANN. To offer this.

Mr. KITCHIN. To offer this.

The CHAIRMAN. As a substitute for the amendment agreed to yesterday.

Mr. MANN. Reserving the right to object, if the gentleman will say that this does not change the substance——

Mr. KITCHIN. Not at all.

Mr. MANN. But only changes the form, so as to make it euphonious, there being several amendments to it——

Mr. KITCHIN. That is all.

Mr. MANN. I shall not object, if we can have an agreement that debate on the amendment shall not exceed 10 minutes.

Mr. KITCHIN. I ask unanimous consent, Mr. Chairman, that all debate on this amendment shall not exceed 10 minutes.

The CHAIRMAN. The gentleman couples with his request the further request that debate on this amendment shall not exceed 10 minutes. Is there objection?

There was no objection.

Mr. LENROOT. Mr. Chairman, I am in favor of the adoption of these amendments, but I shall vote for a motion to recommit this bill to the Committee on Ways and Means in the hope and belief that further exceptions will be made to this tariff clause. I shall vote to recommit it for another reason. I have more confidence in the Committee on Ways and Means than they seem to have in themselves, for I believe that if this bill is recommitted to the committee they will not have serious difficulty in bringing to the House a very much better bill than we are now called upon to vote upon.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LENROOT. Just for a question.

Mr. GREEN of Iowa. I do not think these statements that are made here are entirely fair. There has been no evidence that any member of the Ways and Means Committee has changed his opinion as to any of the provisions in this bill.

Mr. LENROOT. Oh, no. What I meant by that statement was that the Committee on Ways and Means when they reported this bill evidently believed it was the best bill they could report, while now I believe they could improve the bill.

But, Mr. Chairman, it must be remembered that the House, under the rule that our Democratic friends have adopted, have not had the opportunity of really perfecting this bill. It has not had the opportunity of adding any new sources of taxation, which I believe ought to be done.

But if this motion to recommit shall fail, I shall then vote for the bill for the reason suggested by the gentleman from Illinois [Mr. CANNON]. In voting upon this bill and upon every bill I believe that every Member in deciding his vote should test it by this proposition: How would I vote if my vote defeated the bill or was necessary to pass it. [Applause.]

Mr. Chairman, I can not take the responsibility of perchance my vote, if the House refuses to recommit the bill—of having my vote say that this bill shall not go out from this House, and by that vote say that the House of Representatives is refusing to vote money to carry on this war. [Applause.] I am not willing, so far as my vote is concerned, to have the enemies of this country across the sea regard that vote as an expression that the United States is not going to use all its resources as it has pledged to do in its declaration to win this war.

It has been said that we will have another opportunity later on to vote for a better bill; but if this bill should be defeated, how will the House ever get that opportunity? If the House refuses to recommit the bill and it is killed, that is the end of it. The country would be justified, and the world would be justified in assuming that the House of Representatives does not propose to raise one dollar in addition to that which is now provided to carry on the greatest war in our history. For that reason, Mr. Chairman, I shall vote for the bill, but I do hope that the motion to recommit may prevail, because I am satisfied that without great loss of time we would have before us a very much better bill than is now embodied in the one we are called upon to vote upon. [Applause.]

Mr. HENSLEY. Mr. Chairman, I desire to submit some few observations upon this measure. I do not enthuse upon the bill any more perhaps than some other Members of the House, but I am going to vote for it. I was one of the Members who voted against the declaration of war. I had hoped and prayed that this glorious Nation of ours would escape this terrible conflict into which we have been drawn, but, gentlemen, we have passed that point. We are at war with a great military country. There are no "ifs" and "ands" about that; and, being at war, it occurs to me that every American citizen worthy the name ought to be willing to make any and every sacrifice necessary to bring this war to a speedy and successful conclusion. [Applause.]

Mr. Chairman, the gentleman from Pennsylvania [Mr. MOORE] a few moments ago said that this bill was constructed upon sectional lines; that it was not equitably and evenly balanced; that the burdens were not justly apportioned. Let me say to you that you can hope for little equity and fairness and justice to flow from a condition of war. We can not therefore hold up proceedings of this character and fail to make the necessary preparations to prosecute this war until everybody is content with reference to the tax burdens. [Applause.]

Through my section of the country there are corporations, mining corporations as well as others, the stockholders of which, in the main, reside in the East. These corporations within the last few years, especially since this war has been in progress, have made great profits. Now, will the gentleman from Pennsylvania contend that merely because these stockholders and officers reside in the East, notwithstanding the wealth is produced in my State, that legislation is sectional which requires them to contribute a fair portion of their profits for a cause of this character in this great crisis in our country's history? Many of you gentlemen voted for the declaration of war, and you voted to conscript the boys of the country and send them to the trenches of Europe; and now when you are asked to conscript the wealth, the dollar, you balk and refuse to do it, declaring that you will not vote for this bill merely because it takes a small percentage more of the wealth of those who possess the wealth than you think it should. Do you contend that money is more sacred than the lives of our boys? And did you not know when you voted the declaration of war that it meant not only the sacrifice of thousands of lives upon the altar of our country but that it would require wealth to prosecute it? Think for a moment, gentlemen, of our boys on the battle line when they are ordered to go forward in the face of shot and shell, where it means that great numbers of them will be mowed down and their lives sniffed out for their country, leaving their loved ones at home to grieve their untimely deaths. They can not argue the difference between a 10 per cent risk and a 100 per cent risk of their lives; they must be willing to make the supreme sacrifice, yet you argue percentages and the effect this bill may have upon the rich of the land. We recently passed the conscription bill which means that the boys between the ages of 21 and 30 years are to be conscripted and sent to the trenches of Europe, and now for Members of this House to stand here and advocate that the wealth of the country escape the burdens of the war is to me the most ridiculous and unfortunate attitude they can assume. [Applause.]

Mr. Chairman, the gentleman from Pennsylvania [Mr. GRAHAM] on yesterday related a conversation which he had had with some publisher. This publisher plead with the gentleman from Pennsylvania to vote against the increased tax upon second-class mail matter, declaring that he was willing that the Government take all of his profits, but "for God's sake leave him his capital." The men who are fighting this battle and who will be required to fight it can not conserve their capital. They are exposing their breasts to all the dangers of war. The further thought came to me on yesterday, as it occurs to me now, that throughout this broad land of ours, when the boys affected by the conscript law are taken from their homes and their loved ones, that the fathers and the mothers no doubt would gladly say to the officers, if they were given that option, "Take my profits—not only my profits, but take all of my capital—but for God's sake leave me my boy and do not send him to the trenches of Europe." [Applause.] But we can not do that. We must send the boys, for there is no turning back now since we are in this war; and I say shame on the man who is so wedded to the interests and those who are getting big profits out of their businesses that he now will hesitate not only to contribute his profits but his very capital to sustain the flag of our country and to preserve the liberties and the glories of our Nation.

Mr. Chairman, I want the shortest possible time to elapse between now and the termination of this horrible affair. I want just as few of the boys of the country sacrificed as is possible. Let us, therefore, have the patriotism, the courage, and the manhood to do the true and noble thing. Let us not require the poor boys of the land to do the fighting and then

also require them to do the paying if they escape the supreme sacrifice for their country. [Applause.]

Mr. LITTLE rose.

The CHAIRMAN. For what purpose does the gentleman from Kansas rise?

Mr. LITTLE. Mr. Chairman, I rise to discuss the amendment.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Page 51, add a new section after the new section 1107, as follows: "SEC. 1108. That in the payment of any tax under this act the fractional part of a cent shall be disregarded, unless it amounts to one-half a cent or more, in which case it shall be increased to 1 cent."

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to offer the amendment just reported.

Mr. MANN. Reserving the right to object, how many more amendments has the gentleman from North Carolina to offer perfecting the bill?

Mr. KITCHIN. One more after this.

Mr. MANN. If the gentleman will couple with that a request that the amendment shall be voted on without debate, as it speaks for itself, I shall not object.

Mr. KITCHIN. I ask unanimous consent that the amendment be voted on without debate.

The CHAIRMAN. The gentleman couples with his former request the request that it shall be voted on without debate. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Now, Mr. Chairman, I ask unanimous consent to offer a further amendment.

The CHAIRMAN. The gentleman asks unanimous consent to offer a further amendment, which the Clerk will report.

The Clerk read as follows:

Page 19, line 24, strike out the word "advertising."

Mr. KITCHIN. Mr. Chairman, I ask that all debate on this amendment close in 10 minutes.

Mr. MANN. I shall object to the request unless the debate is closed before it begins. [Laughter.]

Mr. KITCHIN. Very well, Mr. Chairman, I ask unanimous consent that it be voted on without debate.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to offer the amendment and that it be voted on without debate. Is there objection?

There was no objection.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I did want about five minutes myself, but under the circumstances I will not make the request. I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. FOSTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, and had directed him to report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

Mr. KITCHIN rose.

The SPEAKER. The gentleman from North Carolina is recognized.

Mr. CRISP. Mr. Speaker, before the gentleman begins will he yield to me for a moment?

Mr. KITCHIN. Certainly.

Mr. CRISP. Mr. Speaker, my attention has been called to an article appearing in the Greensboro News, of Greensboro, N. C., dated May 22, 1917, accredited by the paper to its Washington correspondent. The headlines read:

President Wilson is against revenue bill as drafted by House—Quoted as saying it is a vicious piece of legislation—Devolves upon Senator SIMMONS to redraft the revenue bill in the Senate.

The article goes on and states:

It is said upon high authority that word has gone out from the White House that President Wilson will veto the revenue bill should it be passed by Congress as drafted by the House. In fact, the President is quoted as saying to three Republican Senators who conferred with him a few days ago that the House bill was the most vicious piece of legislation ever attempted by Congress.

I desire to call the attention of the gentleman from North Carolina to the statement and to ask if he knows the views of the administration, and whether the administration is correctly quoted?

Mr. KITCHIN. I wish to say to the gentleman that my attention was called to that article yesterday, and I at once called it to the attention of the President. There is not a shadow of foundation for that statement which the gentleman has quoted, and I am authorized by the President to say that it is absolutely false. [Applause.]

Mr. Speaker, I have been struck with profound surprise and amazement to see gentlemen one after another rise here today, just before the vote is to be taken upon this important measure, knowing that the Government is in urgent need of money with which to prosecute the war against the greatest military power on earth, and declare to the country and to the world that they will not support the bill which proposes to raise that money. Some give one excuse and some another. They say they can not vote for it because the bill is against their principles; because it has in it inequalities, inequities; because it taxes some industries in some States and does not tax certain industries in other States. Mr. Speaker, there never was a war-tax bill enacted in this country or in any other country that did not apparently have inequalities, that did not have in it some inequities, that did not tax some industries in some States or sections while certain industries in other sections or States were not taxed. In the nature of things this must be. If we tax incomes, the States having more and larger incomes will pay more than the States with fewer and smaller incomes. If we tax luxuries and not the necessities of life, the industries producing the luxuries are taxed while the industries producing the necessities of life are not. If whisky distilling is taxed and whisky is distilled in Illinois and not in Virginia, then an Illinois industry is taxed and a Virginia industry is not. If tobacco is taxed and North Carolina manufactures tobacco and Wisconsin does not, then a North Carolina industry is taxed and a Wisconsin industry is not. It is impossible to write a bill that will produce $1,800,000,000, or even much less, as a war measure and not have such results. Two internal-revenue bills were passed by Congress during the Civil War. I commend their reading to the gentlemen who propose to vote against this bill and their comparison with this bill. They taxed every single article that is taxed in this bill except automobiles. There were no automobiles in those days, but there were carriages, and they taxed the carriages. They taxed hundreds of articles that are not taxed in this bill. They taxed railroad bonds and railroad irons and compelled the railroads to pay 3 per cent of their gross receipts from passenger fares, and in 1864 taxed them on the gross receipts for transportation of both passengers and property. They taxed express and telegraph companies on their receipts. They taxed hotels and boarding houses. They taxed the slaughtering of hogs and of cattle. They taxed all boots, shoes, and other articles of leather. They taxed the manufacture of wool and cotton and silk, of iron and lead, and almost everything in the category of taxation. Men came here then, as they do now, and protested against those measures. They claimed there were inequalities and inequities in the bills; that their industries were taxed and other industries were not; that one section or State was taxed and another section or State was not. They prophesied ruin and disaster to their industries, as they do now, and there were Representatives in this House then who made the same arguments, the same protests, the same prophecies as we have heard in this debate. But, Mr. Speaker, as I have said before in this debate, there were men patriotic enough, courageous enough, men with statesmanship enough in those days to feel in their hearts and souls that their first duty and their best loyalty was to their country and their Government in that hour of her trial and danger. [Applause.] And in spite of opposition and protests and prophecies inside and outside of Congress those measures were passed, and the Government was thereby enabled to raise and maintain an army that destroyed the Confederacy.

Gentlemen contend that we ought to issue more bonds; that we ought not to tax the people. The gentleman from Pennsylvania [Mr. GRAHAM], as well as others, have said that not more than 20 or 25 or certainly not more than 30 per cent of the expenses of the war should be raised by taxes, and the balance should be raised by bonds. Have gentlemen forgotten that on April 14 last we passed the largest bond bill ever authorized at one time by any nation? We then authorized a bond

issue of $5,000,000,000 and the issue of $2,000,000,000 additional of certificates of indebtedness—four times more money than this revenue bill proposes to levy, and the $5,000,000,000 of bonds, outside of the certificates of indebtedness, are nearly three times the amount that we propose to raise in this measure. My friends, why can you not have the same patriotic and sacrificial spirit to-day when we are about to vote upon a measure that is going to tax ourselves, a measure that is going to impose a burden upon us, as you exhibited on April 14, when you put a burden of over $5,000,000,000 upon your children and upon your children's children without a single dissenting vote—unanimously? Why were you so generous in imposing burdens on future generations and now so selfish as to refuse to impose any burden on yourselves and your generation? Can you feel good over that? Will your conscience let you rest in the quiet of after life when you reflect that you voted with a cheer to put $5,000,000,000 of burden upon children yet unborn and then when you are asked by your Government to-day to tax yourselves one-third of that amount you stand here before this House, before your country, and before the world and protest against it? It will humiliate and mortify your children after you when they read that you, amid great hurrahs, voted that this Nation should enter the European war, and that the first step taken afterwards you voted, amid great cheers, for a debt of $5,000,000,000 for your children to pay to carry on the war, and the very first time your country asked you to do something yourselves, to make some sacrifice, to take something out of your own pockets, you got up on this floor, in the presence of your country and the world, and protested against making a single sacrifice or paying a single dollar or allowing an industry in your State or district to pay a single dollar. [Applause.]

It is not patriotism, it is not statesmanship; ah, my friends, it is not manliness. I would feel a miserable coward were I willing to impose a burden upon my children and upon my children's children to carry on a war with which they had nothing to do and in which they had no voice, and then refuse to pay out of my income or property a dollar of tax to prosecute that war which I helped to bring on. [Applause.]

I was in hopes that the world would look upon this splendid body of American statesmen on this day and witness, when the vote is taken on this measure imposing a burden upon us, the same unanimity as it did upon April 14, when every man answered "aye" to the roll call on a measure imposing a burden on others. I trust now that the gentlemen who have heretofore made up their minds to vote against this measure will reconsider, and that not a vote will be cast against it.

My friends, there was divided opinion among us as to whether or not the United States should enter the European war. Some of us opposed it. Most of us favored it. But since the Nation, through the Congress, has spoken war, let us show to the world that among us there is no divided loyalty. [Applause.] Let us to-day send the message throughout the earth that, in the execution of the country's command and the country's need, the most stupendous war-tax measure ever presented to a legislative body, as on April 14 the most stupendous bond issue ever proposed at one time in all history, received every single vote of the representatives of the American people. [Applause.]

It becomes us, my countrymen, my colleagues, to let the world know that all our thought, all our wisdom, all our patriotism, all our courage, all our efforts are dedicated in common to the one cause of our country. [Applause.] The impulse, the resolve, in every true American heart, inside and outside this Capitol, should be to make every sacrifice, undergo every suffering, endure every hardship, exert every effort to make sure the quick and complete triumph of his country and thus hasten the day of peace to us and to all mankind. [Prolonged applause.]

The SPEAKER. The gentleman moves the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. MANN. Mr. Speaker, I demand a separate vote upon the amendments commencing with section 1201, and in that connection I would like to make a parliamentary inquiry.

Mr. OLDFIELD. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Arkansas rise?

Mr. OLDFIELD. I demand a separate vote on the automobile amendment.

Mr. MANN. Mr. Speaker, I wish to submit a parliamentary inquiry with my request.

The SPEAKER. The gentleman will state it.

Mr. MANN. The amendment was a committee amendment covering eight sections, I believe. I do not know whether any others were inserted or not. I take it, and I wish to ask now, if it will be in order for me to ask for a division of the question? I wish to ask for a division of the question so as to have a separate vote upon all of the amendments except section 1208, relating to postmasters.

Mr. CRISP. Mr. Speaker, I do not believe, if I may express my opinion to the Chair, that that amendment is divisible, and I think the present occupant of the chair ruled expressly on this proposition when the Post Office bill was up, and the Reed amendment was being considered, and ruled that when an amendment was reported from the committee it should be treated as one amendment, even if it contained several propositions, and was not divisible.

Mr. MANN. I would not be worried any about that.

I know that is not correct. This was a motion to strike out and insert, which the rules say is not divisible. Unless I can have a division on it I shall ask for a separate vote on every amendment. I ask unanimous consent——

Mr. HELVERING. You desire simply to strike out section 1208, relative to the pay of postmasters, and vote on the balance?

Mr. MANN. I want a separate vote. I do not want to vote against section 1208 in connection with the postmasters, which has nothing to do with the zone system. I want to vote on the zone system by itself. I ask unanimous consent that in voting upon this amendment there may be a vote upon the combined sections 1201 to 1207, inclusive, on one vote.

Mr. CRISP. I object, Mr. Speaker.

Mr. MANN. I ask for a separate vote upon every amendment.

The SPEAKER. The gentleman from Illinois demands a separate vote on every amendment.

Mr. MANN. If you have a fair chance to vote, I will have it.

Mr. CRISP. The gentleman can proceed if he sees fit, and I will do so.

The SPEAKER. Both gentlemen are out of order. There is no debate about it.

The Clerk will report the first amendment.

The Clerk read as follows:

First amendment: Page 3 of the bill, line 4, strike out the word "eight" and insert the word "ten."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next one.

The Clerk read as follows:

Page 3 of the bill, line 7, strike out the word "eleven" and insert "13.75."

Mr. GREEN of Iowa. Mr. Speaker——

Mr. MANN. The amendment has not been completed yet.

The SPEAKER. Is that all of it?

Mr. MANN. No. That is part of one amendment.

The SPEAKER. The Clerk will report the next part.

Mr. GREEN of Iowa rose.

The SPEAKER. For what purpose does the gentleman from Iowa rise?

Mr. GREEN of Iowa. To state that in my judgment there is a misunderstanding between the gentleman from Illinois [Mr. MANN] and the gentleman from Georgia [Mr. CRISP]. I do not think the gentleman from Georgia understood the request of the gentleman from Illinois. I think it would be agreed to if it was understood.

Mr. KITCHIN. I ask unanimous consent, Mr. Speaker, that the House permit a vote separately on the amendment to section 1201, with the exception of——

Mr. MANN. It is only down to section 1206.

Mr. KITCHIN. I understood the gentleman in the excitement of the moment did not want to vote separately on just 1201.

Mr. MANN. No; on 1201 to 1206, inclusive.

Mr. KITCHIN. I asked Judge CRISP to take charge of the matter then, as I had something else on my mind at the time.

The SPEAKER. Does the gentleman from Illinois withdraw his demand for a separate vote on every amendment?

Mr. MANN. I do until this matter is adjusted.

Mr. CRISP. Mr. Speaker, I made the objection. I shall not object to the request of the gentleman from North Carolina.

Mr. MANN. I suppose the gentleman draws an exception to the person making the request?

Mr. CRISP. Not at all.

The SPEAKER. The gentleman from Illinois [Mr. MANN] wants a separate vote, and the gentleman from North Carolina [Mr. KITCHIN] agrees to it, on section 1201 and the succeeding sections down to section 1208.

Mr. MANN. Down to and including section 1206.

The SPEAKER. Down to and including section 1206.

Mr. KITCHIN. That will be just one vote on that proposition?

Mr. MANN. Yes.

The SPEAKER. The question is on agreeing to that amendment.

Mr. MANN. I want a roll call on that, Mr. Speaker, when we reach it.

Mr. IGOE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. IGOE. I would like to ask the Speaker the effect of the adoption of these sections of the substitute. If these sections are voted out, do the sections as in the bill when reported by the committee remain?

The SPEAKER. Yes; that is, if they are not voted out by some substitute.

Mr. MANN. If the gentleman from Missouri is through, let me submit another parliamentary inquiry. If this amendment should be agreed to by a vote of the House, would it not then, as I understand, be in order to make a motion to recommit with directions to the committee to strike it out, it having just been agreed to?

The SPEAKER. No.

Mr. MANN. But if the motion to amend is defeated, it would then be in order on a motion to recommit to instruct the committee to strike out the original language in the bill?

The SPEAKER. The Chair does not like to cross bridges until he comes to them.

Mr. MANN. That is not a very difficult bridge.

The SPEAKER. The Chair thinks it would be; but it would expedite matters to have it cleared up.

Mr. MANN. That has never been settled.

The SPEAKER. You can vote it in. You can not vote it out by a motion to recommit.

Mr. IGOE. Mr. Speaker, I am opposed to this second-class mail business that is in here, but if in voting to eliminate this Kitchin amendment I am voting to retain in the bill something that is in there that is more objectionable to me, I do not want to be put in that position.

Mr. MANN. If we vote this down, you can strike the other out.

The SPEAKER. The question is on agreeing to section 1201.

Mr. MANN. I suggest, Mr. Speaker, that the vote might come later. Let us dispose of the things on which we will not have a roll call first.

The SPEAKER. As the Chair understands it, there has only been a separate vote demanded on two amendments.

Mr. MANN. I intend to demand a separate vote on one other amendment.

The SPEAKER. You had better do it now.

Mr. MANN. Has this request been agreed to?

The SPEAKER. No. That has not been put. Is there objection to the request of the gentleman from North Carolina [Mr. KITCHIN]?

There was no objection.

Mr. MANN. Now, I want a separate vote on the Lenroot amendment, making a number of changes in the income-tax feature of the bill.

The SPEAKER. The gentleman from Illinois demands a separate vote on sections 1201 to 1206, inclusive, and also on the Lenroot amendment, and the gentleman from Arkansas [Mr. OLDFIELD] demands a separate vote on the automobile amendment. The question is on agreeing to the other amendments. Those in favor of the other amendments will say "aye," those opposed "no."

The question was taken, and the amendments referred to were agreed to.

The SPEAKER. The other amendments except these three are agreed to.

Mr. MANN. Mr. Speaker, in connection with the Lenroot amendment, there were several Lenroot amendments, and I ask unanimous consent that we have a vote in the House on all those amendments to the income tax en bloc.

The SPEAKER. The gentleman from Illinois [Mr. MANN] asks unanimous consent that the various amendments on the income-tax proposition be voted on together. Is there objection to that?

There was no objection.

The SPEAKER. The vote now is on section 1201, substituted, down to and including section 1206.

Mr. OLDFIELD. That is the last one, Mr. Speaker, in the bill.

Mr. KITCHIN. Let us vote on these now.

The SPEAKER. Those in favor will say "aye"; those opposed "no."

Mr. MANN. What is this on?

Mr. OLDFIELD. That is the last amendment, Mr. Speaker, in the bill.

The SPEAKER. It makes practically little difference about that.

Mr. MANN. What is the vote being taken on?

The SPEAKER. The one that the Chair declared the vote on——

Mr. MANN. The zone system?

Mr. CRISP. Yes.

The SPEAKER. Twelve hundred and one to twelve hundred and six, both inclusive.

Mr. MANN. On that I ask for the yeas and nays.

Mr. KELLEY of Michigan. I ask that these amendments be voted on in the order in which they were put in the bill.

The SPEAKER. The Clerk will report the first one.

The CLERK. The income-tax amendment, pages 3 and 4 of the bill.

Page 3, line 4, strike out the word "eight" and insert "ten."
Page 3, line 7, strike out "11" and insert "13.75."
Page 3, line 10, strike out "14" and insert "17.50."
Page 3, line 13, strike out "17" and insert "21.25."
Page 3, line 16, strike out "20" and insert "25."
Line 19, strike out "24" and insert "30."
Line 22, strike out "27" and insert "33.75."
Page 4, line 1, strike out "30" and insert "37.50."
Page 4, line 3, strike out the word "and."
Page 4, line 4, strike out "33" and insert "41.25."
Add, at the end of line 5, the following: "and does not exceed $1,000,000, and."
Add a new paragraph to read as follows:
"Forty-five per cent upon the amount by which the total net income exceeds $1,000,000."

The SPEAKER. The question is on the income-tax amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

Mr. MANN. On that I demand the yeas and nays.

The SPEAKER. On these amendments the gentleman from Illinois [Mr. MANN] demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 344, nays 61, not voting 24, as follows:

YEAS—344.

Adamson	Davidson	Graham, Ill.	LaGuardia
Alexander	Davis	Gray, Ala.	Langley
Almon	Decker	Green, Iowa	Larsen
Anderson	Denison	Gregg	Lazaro
Anthony	Dent	Griffin	Lea, Cal.
Ashbrook	Denton	Hadley	Lee, Ga.
Aswell	Dewalt	Hamill	Lehlbach
Ayres	Dickinson	Hamilton, Mich.	Lenroot
Bacharach	Dies	Hamilton, N. Y.	Lesher
Bankhead	Dill	Hamlin	Lever
Barkley	Dillon	Hardy	Linthicum
Barnhart	Dixon	Harrison, Miss.	Little
Bathrick	Dominick	Haskell	Littlepage
Bell	Dooling	Hastings	Lobeck
Black	Doolittle	Haugen	London
Blackmon	Doremus	Hawley	Lonergan
Bland	Doughton	Hayden	Lundeen
Blanton	Dowell	Heaton	Lunn
Booher	Drane	Heflin	McAndrews
Borland	Drukker	Heintz	McArthur
Bowers	Dupré	Helm	McClintic
Brand	Eagan	Helvering	McCormick
Brodbeck	Edmonds	Hensley	McCulloch
Browne	Ellsworth	Hersey	McFadden
Bruckner	Elston	Hilliard	McKeown
Buchanan	Emerson	Hollingsworth	McKinley
Burnett	Esch	Hood	McLaughlin, Mich.
Byrnes, S. C.	Estopinal	Houston	McLemore
Byrns, Tenn.	Evans	Huddleston	Maher
Caldwell	Fairchild, B. L.	Hulbert	Mansfield
Campbell, Kans.	Fairchild, G. W.	Humphreys	Mapes
Campbell, Pa.	Fairfield	Hutchinson	Mays
Caraway	Farr	Igoe	Meeker
Carew	Ferris	Ireland	Miller, Minn.
Carlin	Fess	Jacoway	Miller, Wash.
Carter, Okla.	Fields	James	Moon
Cary	Fisher	Johnson, Ky.	Moores, Ind.
Church	Fitzgerald	Johnson, S. Dak.	Morgan
Clark, Fla.	Focht	Johnson, Wash.	Morin
Clark, Pa.	Foster	Jones, Tex.	Mott
Classon	Francis	Jones, Va.	Mudd
Claypool	Frear	Juul	Neely
Condy	Freeman	Kearns	Nelson
Collier	French	Keating	Nicholls, S. C.
Connally, Tex.	Fuller, Ill.	Kehoe	Nichols, Mich.
Connelly, Kans.	Fuller, Mass.	Kelley, Mich.	Nolan
Cooper, Ohio.	Gallagher	Kelly, Pa.	Norton
Cooper, Wis.	Gallivan	Kennedy, Iowa	Oldfield
Copley	Gandy	Kennedy, R. I.	Oliver, Ala.
Cox	Gard	Kettner	Oliver, N. Y.
Crago	Garland	Kless, Pa.	Olney
Cramton	Garrett, Tenn.	Kincheloe	Osborne
Crisp	Garrett, Tex.	King	Overmyer
Crosser	Glass	Kinkaid	Overstreet
Currie, Mich.	Glynn	Knutson	Padgett
Curry, Cal.	Godwin, N. C.	Kraus	Paige
Dale, N. Y.	Good	Kreider	Park
Dallinger	Gordon	La Follette	

Parker, N. Y.	Rucker	Stafford	Vestal
Peters	Russell	Steagall	Vinson
Phelan	Sabath	Stedman	Voigt
Polk	Sanders, Ind.	Steele	Volstead
Porter	Sanders, La.	Steenerson	Waldow
Pou	Sanders, N. Y.	Stephens, Miss.	Walker
Pratt	Sanford	Stephens, Nebr.	Walsh
Price	Saunders, Va.	Sterling, Pa.	Walton
Purnell	Schall	Stevenson	Watkins
Quin	Scott, Iowa	Stiness	Weaver
Ragsdale	Scott, Mich.	Strong	Webb
Rainey	Scully	Sullivan	Welling
Raker	Sears	Sumners	Welty
Ramsey	Shackleford	Sweet	Whaley
Ramseyer	Shallenberger	Switzer	Wheeler
Randall	Sherwood	Tague	White, Me.
Rankin	Shouse	Talbott	White, Ohio
Rayburn	Siegel	Taylor, Ark.	Wilson, Ill.
Reavis	Sims	Temple	Wilson, La.
Reed	Sinnott	Templeton	Wingo
Robbins	Sisson	Thomas	Wise
Roberts	Slayden	Thompson	Woods, Iowa
Robinson	Slemp	Tillman	Woodyard
Rodenberg	Smith, Idaho	Timberlake	Young, N. Dak.
Rogers	Smith, Mich.	Tinkham	Young, Tex.
Romjue	Smith, C. B.	Towner	Zihlman
Rose	Smith, T. F.	Treadway	
Rouse	Snell	Van Dyke	
Rubey	Snook	Venable	

NAYS—61.

Austin	Fordney	Husted	Scott, Pa.
Bacon	Foss	Kitchin	Sells
Britten	Gillett	Longworth	Sloan
Browning	Goodall	McKenzie	Small
Butler	Gould	McLaughlin, Pa.	Snyder
Cannon	Graham, Pa.	Madden	Sterling, Ill.
Carter, Mass.	Gray, N. J.	Magee	Swift
Chandler, N. Y.	Greene, Mass.	Mann	Tilson
Chandler, Okla.	Greene, Vt.	Martin, La.	Vare
Cooper, W. Va.	Griest	Mondell	Ward
Costello	Harrison, Va.	Moore, Pa.	Wason
Dale, Vt.	Hicks	O'Shaunessy	Watson, Va.
Darrow	Hill	Parker, N. J.	Winslow
Dempsey	Holland	Platt	
Dunn	Howard	Powers	
Flood	Hull, Tenn.	Rowe	

NOT VOTING—24.

Brumbaugh	Flynn	Key, Ohio	Sherley
Candler, Miss.	Garner	Martin, Ill.	Taylor, Colo.
Cantrill	Goodwin, Ark.	Mason	Watson, Pa.
Capstick	Hayes	Montague	Williams
Dyer	Hull, Iowa	Riordan	Wilson, Tex.
Eagle	Kahn	Rowland	Wood, Ind.

So the amendments were agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. BRUMBAUGH with Mr. HAYES.

Mr. CANDLER of Mississippi with Mr. WILLIAMS.

Mr. CANTRILL with Mr. ROWLAND.

Mr. EAGLE with Mr. KAHN.

Mr. GARNER with Mr. MASON.

Mr. KEY of Ohio with Mr. WATSON of Pennsylvania.

Mr. SHERLEY with Mr. WOOD of Indiana.

Mr. MONTAGUE with Mr. DYER.

Mr. GOODWIN of Arkansas with Mr. HULL of Iowa.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the Doremus amendment.

The Clerk read as follows:

Strike out the word "and," in line 6, on page 26, and insert in lieu thereof the following:

"*Provided*, That the tax of 5 per cent shall not be collected until the manufacturers of the articles herein enumerated shall have earned a profit of 8 per cent upon the actual capital invested. For the purpose of this paragraph the actual capital invested means, first, actual cash paid in; second, the actual cash value at the time of payment of assets other than cash paid in; and, third, paid in or earned surplus and undivided profits used or employed in the business."

Mr. OLDFIELD. On that, Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Arkansas demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 173, nays 235, not voting 21, as follows:

YEAS—173.

Anderson	Cannon	Crago	Dillon
Austin	Carter, Mass.	Cramton	Doremus
Bacon	Cary	Crosser	Drukker
Barnhart	Chandler, Okla.	Currie, Mich.	Dunn
Bland	Clark, Pa.	Curry, Cal.	Eagan
Britten	Classon	Darrow	Edmonds
Brodbeck	Cooper, Ohio	Davidson	Ellsworth
Browne	Cooper, W. Va.	Davis	Emerson
Browning	Cooper, Wis.	Dempsey	Esch
Butler	Copley	Denton	Fairchild, B. L.
Campbell, Pa.	Costello	Dill	Fairfield
Farr	Juul	Morgan	Smith, C. B.
Fess	Kearns	Mott	Snell
Focht	Keating	Mudd	Snook
Fordney	Kelley, Mich.	Nelson	Snyder
Foss	Knutson	Nichols, Mich.	Stafford
Frear	Kraus	Olney	Stephens, Miss.
French	Kreider	Osborne	Sterling, Pa.
Fuller, Ill.	La Follette	Paige	Strong
Garland	Lea, Cal.	Parker, N. Y.	Sweet
Gillett	Lehlbach	Phelan	Swift
Glynn	Lenroot	Porter	Switzer
Good	Lesher	Purnell	Temple
Goodall	Little	Raker	Templeton
Gould	Lonergan	Ramsey	Tilson
Graham, Ill.	Lundeen	Randall	Timberlake
Graham, Pa.	Lunn	Rankin	Towner
Gray, N. J.	McArthur	Reed	Treadway
Hadley	McCormick	Rodenberg	Van Dyke
Hamilton, Mich.	McCulloch	Rose	Vare
Hamilton, N. Y.	McFadden	Rowe	Venable
Hardy	McKenzie	Sanders, Ind.	Vestal
Harrison, Miss.	McKinley	Sanders, N. Y.	Voigt
Haugen	McLaughlin, Mich.	Sanford	Waldow
Heintz	McLaughlin, Pa.	Schall	Wason
Hicks	Madden	Scott, Iowa	Wheeler
Hollingsworth	Magee	Scott, Mich.	Wilson, Ill.
Hulbert	Mann	Scott, Pa.	Winslow
Humphreys	Mapes	Sells	Woods, Iowa
Husted	Meeker	Sherwood	Woodyard
Hutchinson	Miller, Minn.	Sisson	Zihlman
Ireland	Miller, Wash.	Slemp	
James	Mondell	Smith, Idaho	
Johnson, Wash.	Moores, Ind.	Smith, Mich.	

NAYS—235.

Adamson	Evans	Kettner	Rouse
Alexander	Fairchild, G. W.	Kiess, Pa.	Rubey
Almon	Ferris	Kincheloe	Rucker
Anthony	Fields	King	Russell
Ashbrook	Fisher	Kinkaid	Sabath
Aswell	Fitzgerald	Kitchin	Sanders, La.
Ayres	Flood	LaGuardia	Saunders, Va.
Bacharach	Foster	Langley	Scully
Bankhead	Francis	Larsen	Sears
Barkley	Freeman	Lazaro	Shackleford
Bathrick	Fuller, Mass.	Lee, Ga.	Shallenberger
Bell	Gallagher	Lever	Sherley
Black	Gallivan	Linthicum	Shouse
Blackmon	Gandy	Littlepage	Siegel
Blanton	Gard	Lobeck	Sims
Booher	Garrett, Tenn.	London	Sinnott
Borland	Garrett, Tex.	Longworth	Slayden
Bowers	Glass	McAndrews	Sloan
Brand	Godwin, N. C.	McClintic	Small
Bruckner	Goodwin, Ark.	McKeown	Smith, T. F.
Brumbaugh	Gordon	McLemore	Steagall
Buchanan	Gray, Ala.	Maher	Stedman
Burnett	Green, Iowa	Mansfield	Steele
Byrnes, S. C.	Greene, Mass.	Martin, La.	Steenerson
Byrns, Tenn.	Greene, Vt.	Mays	Stephens, Nebr.
Caldwell	Gregg	Moon	Sterling, Ill.
Campbell, Kans.	Griest	Moore, Pa.	Stiness
Caraway	Griffin	Morin	Sullivan
Carew	Hamill	Neely	Sumners
Carlin	Hamlin	Nicholls, S. C.	Tague
Carter, Okla.	Harrison, Va.	Nolan	Talbott
Chandler, N. Y.	Haskell	Norton	Taylor, Ark.
Clark, Fla.	Hastings	Oldfield	Taylor, Colo.
Claypool	Hawley	Oliver, Ala.	Thomas
Coady	Hayden	Oliver, N. Y.	Thompson
Collier	Heaton	O'Shaunessy	Tillman
Connally, Tex.	Heflin	Overmyer	Tinkham
Connelly, Kans.	Helm	Overstreet	Vinson
Cox	Helvering	Padgett	Volstead
Crisp	Hensley	Park	Walker
Dale, N. Y.	Hersey	Parker, N. J.	Walsh
Dale, Vt.	Hill	Peters	Walton
Dallinger	Hilliard	Platt	Ward
Decker	Holland	Polk	Watkins
Denison	Hood	Pou	Watson, Va.
Dent	Houston	Powers	Weaver
Dewalt	Howard	Pratt	Webb
Dickinson	Huddleston	Price	Welling
Dies	Hull, Tenn.	Quin	Welty
Dixon	Igoe	Ragsdale	Whaley
Dominick	Jacoway	Rainey	White, Me.
Dooling	Johnson, Ky.	Ramseyer	White, Ohio
Doolittle	Johnson, S. Dak.	Rayburn	Wilson, La.
Doughton	Jones, Tex.	Reavis	Wilson, Tex.
Dowell	Jones, Va.	Robbins	Wingo
Drane	Kehoe	Roberts	Wise
Dupré	Kelly, Pa.	Robinson	Young, N. Dak.
Elston	Kennedy, Iowa	Rogers	Young, Tex.
Estopinal	Kennedy, R. I.	Romjue	

NOT VOTING—21.

Candler, Miss.	Flynn	Martin, Ill.	Watson, Pa.
Cantrill	Garner	Mason	Williams
Capstick	Hayes	Montague	Wood, Ind.
Church	Hull, Iowa	Riordan	
Dyer	Kahn	Rowland	
Eagle	Key, Ohio	Stevenson	

So the amendment was rejected.

The following additional pairs were announced:

Until further notice:

Mr. FLYNN with Mr. HULL of Iowa.

Mr. MARTIN of Illinois with Mr. HAYES.

Mr. RIORDAN with Mr. WOOD of Indiana.

The result of the vote was then announced as above recorded.

The SPEAKER. The next question is on the amendment comprising sections 1201 down to and including section 1206.

Mr. MANN. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN. Under the rule of recognition which the Speaker has heretofore announced, no member of the Ways and Means Committee having announced that he would vote against the bill, will I be entitled to recognition to move to recommit the bill at the proper stage?

The SPEAKER. With one additional qualification, if the gentleman is opposed to the bill.

Mr. MANN. I am.

The SPEAKER. The Chair will recognize the gentleman if no member of the Ways and Means Committee moves to recommit.

Mr. MANN. No member of the Ways and Means Committee can qualify.

The SPEAKER. If he can not qualify, he can not make the motion.

Mr. RAINEY. On this amendment I demand the yeas and nays.

The yeas and nays were ordered.

Mr. RAINEY. Mr. Speaker, there has been so much confusion in the House that I ask unanimous consent that the amendment be again reported.

The SPEAKER. Without objection the amendment will be again reported.

There was no objection, and the Clerk again reported the Kitchin amendment.

Mr. HULBERT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HULBERT. If this amendment be defeated, then the position in which the House will be is precisely the same as though the bill were reported with the original provisions as they were first contained in the bill?

The SPEAKER. That is correct.

Mr. HULBERT. And in order to strike out those provisions, which this amendment now seeks, in part, to amend, it would be necessary to move to recommit.

Mr. MANN. Mr. Speaker, I will state to the gentleman that that motion will be made.

Mr. HULBERT. Very well.

The SPEAKER. The Clerk will call the roll.

The Clerk called the roll; and there were—yeas 257, nays 150, not voting 22, as follows:

YEAS—257.

Adamson	Copley	Gray, Ala.	Lee, Ga.
Alexander	Cox	Green, Iowa	Lenroot
Almon	Crago	Greene, Mass.	Lesher
Anthony	Crisp	Gregg	Lever
Ashbrook	Crosser	Hamlin	Linthicum
Aswell	Currie, Mich.	Hardy	Little
Ayres	Curry, Cal.	Harrison, Miss.	Littlepage
Bacharach	Davidson	Harrison, Va.	Lobeck
Bankhead	Davis	Hastings	London
Barkley	Decker	Haugen	Lonergan
Barnhart	Denison	Hawley	Longworth
Bathrick	Dent	Hayden	Lundeen
Bell	Denton	Heflin	McAndrews
Black	Dewalt	Heintz	McClintic
Blackmon	Dickinson	Helm	McKeown
Blanton	Dies	Helvering	McLaughlin, Mich.
Booher	Dill	Hensley	McLemore
Borland	Dixon	Hersey	Mansfield
Bowers	Dominick	Hilliard	Martin, La.
Brand	Doolittle	Holland	Mays
Brodbeck	Doremus	Hood	Moon
Browne	Doughton	Houston	Moores, Ind.
Browning	Drane	Howard	Morin
Brumbaugh	Drukker	Huddleston	Neely
Buchanan	Dupré	Hull, Tenn.	Nelson
Burnett	Eagle	Humphreys	Nicholls, S. C.
Brynes, S. C.	Elston	Hutchinson	Nolan
Byrns, Tenn.	Estopinal	Jacoway	Norton
Caldwell	Evans	Johnson, Ky.	Oldfield
Campbell, Kans.	Ferris	Johnson, S. Dak.	Oliver, Ala.
Campbell, Pa.	Fields	Jones, Tex.	O'Shaunessy
Cannon	Fisher	Jones, Va.	Overmyer
Caraway	Flood	Kearns	Overstreet
Carew	Fordney	Keating	Padgett
Carlin	Foss	Kehoe	Park
Carter, Mass.	Foster	Kennedy, Iowa	Parker, N. J.
Cary	Frear	Kettner	Peters
Church	Fuller, Mass.	Kincheloe	Polk
Clark, Fla.	Gandy	King	Porter
Classon	Gard	Kinkaid	Pou
Claypool	Garrett, Tenn.	Kitchin	Price
Coady	Garrett, Tex.	Kraus	Purnell
Collier	Glass	Kreider	Quin
Connally, Tex.	Godwin, N. C.	La Follette	Ragsdale
Connelly, Kans.	Goodall	Larsen	Rainey
Cooper, Ohio	Goodwin, Ark.	Lazaro	Ramseyer
Cooper, W. Va.	Gordon	Lea, Cal.	Randall
Rayburn	Sherwood	Stevenson	Walton
Reavis	Shouse	Sumners	Wason
Robinson	Sims	Switzer	Watkins
Rodenberg	Sisson	Talbott	Watson, Va.
Romjue	Slayden	Taylor, Ark.	Webb
Rouse	Sloan	Taylor, Colo.	Welling
Rubey	Small	Temple	Welty
Rucker	Smith, Mich.	Thomas	Whaley
Russell	Snell	Thompson	White, Ohio
Sabath	Snook	Tillman	Wilson, La.
Sanders, Ind.	Snyder	Tinkham	Wilson, Tex.
Sanders, La.	Steagall	Treadway	Wingo
Saunders, Va.	Stedman	Van Dyke	Wise
Scott, Iowa	Steele	Venable	Woods, Iowa
Sears	Stephens, Miss.	Vestal	Young, Tex.
Shackleford	Stephens, Nebr.	Vinson	
Shallenberger	Sterling, Ill.	Voigt	
Sherley	Sterling, Pa.	Walker	

NAYS—150.

Anderson	Gallivan	McCormick	Sanders, N. Y.
Austin	Garland	McCulloch	Sanford
Bacon	Gillett	McFadden	Schall
Bland	Glynn	McKenzie	Scott, Mich.
Britten	Good	McKinley	Scott, Pa.
Bruckner	Gould	McLaughlin, Pa.	Scully
Butler	Graham, Ill.	Madden	Sells
Chandler, N. Y.	Graham, Pa.	Magee	Siegel
Chandler, Okla.	Gray, N. J.	Maher	Sinnott
Clark, Pa.	Greene, Vt.	Mann	Slemp
Cooper, Wis.	Griest	Mapes	Smith, Idaho
Costello	Griffin	Meeker	Smith, T. F.
Cramton	Hadley	Miller, Minn.	Stafford
Dale, N. Y.	Hamill	Miller, Wash.	Steenerson
Dale, Vt.	Hamilton, Mich.	Mondell	Stiness
Dallinger	Hamilton, N. Y.	Moore, Pa.	Strong
Darrow	Haskell	Morgan	Sullivan
Dempsey	Heaton	Mott	Sweet
Dillon	Hicks	Mudd	Swift
Dooling	Hill	Nichols, Mich.	Tague
Dowell	Hollingsworth	Oliver, N. Y.	Templeton
Dunn	Hulbert	Olney	Tilson
Eagan	Husted	Osborne	Timberlake
Edmonds	Igoe	Paige	Towner
Ellsworth	Ireland	Parker, N. Y.	Vare
Esch	James	Phelan	Volstead
Fairchild, B. L.	Johnson, Wash.	Platt	Waldow
Fairchild, G. W.	Juul	Powers	Walsh
Fairfield	Kelley, Mich.	Pratt	Ward
Farr	Kelly, Pa.	Raker	Wheeler
Fess	Kennedy, R. I.	Ramsey	White, Me.
Fitzgerald	Kiess, Pa.	Rankin	Wilson, Ill.
Focht	Knutson	Reed	Winslow
Francis	LaGuardia	Robbins	Woodyard
Freeman	Langley	Roberts	Young, N. Dak.
French	Lehlbach	Rogers	Zihlman
Fuller, Ill.	Lunn	Rose	
Gallagher	McArthur	Rowe	

NOT VOTING—22.

Candler, Miss.	Flynn	Martin, Ill.	Watson, Pa.
Cantrill	Garner	Mason	Weaver
Capstick	Hayes	Montague	Williams
Carter, Okla.	Hull, Iowa	Riordan	Wood, Ind.
Dyer	Kahn	Rowland	
Emerson	Key, Ohio	Smith, C. B.	

So the Kitchin amendment was agreed to.

The Clerk announced the following additional pair:

Until further notice:

Mr. CARTER of Oklahoma with Mr. EMERSON.

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. MANN. Mr. Speaker, I move to recommit the bill to the Committee on Ways and Means.

The SPEAKER. The gentleman stated this morning that he was opposed to the bill.

Mr. MANN. Yes; a good many times.

The SPEAKER. The gentleman from Illinois moves to recommit this bill to the Committee on Ways and Means.

Mr. MANN. And on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 161, nays 247, not voting 21, as follows:

YEAS—161.

Anderson	Cooper, Wis.	Elston	Good
Anthony	Costello	Emerson	Goodall
Austin	Crago	Fairchild, B. L.	Gould
Bacon	Curry, Cal.	Fairfield	Graham, Ill.
Bland	Dallinger	Farr	Graham, Pa.
Bowers	Darrow	Fess	Gray, N. J.
Britten	Davidson	Focht	Greene, Mass.
Butler	Davis	Francis	Greene, Vt.
Campbell, Kans.	Dempsey	Frear	Griest
Carter, Mass.	Denison	French	Hamilton, Mich.
Cary	Doremus	Fuller, Ill.	Hamilton, N. Y.
Chandler, N. Y.	Dowell	Gallagher	Haskell
Chandler, Okla.	Dunn	Gallivan	Hawley
Clark, Pa.	Edmonds	Garland	Heaton
Cooper, W. Va.	Ellsworth	Glynn	Heintz

Hersey	McFadden	Reavis	Swift
Hicks	McKenzie	Reed	Switzer
Hollingsworth	McKinley	Robbins	Temple
Hulbert	McLaughlin, Pa.	Roberts	Templeton
Husted	Madden	Rodenberg	Tilson
Hutchinson	Magee	Rogers	Timberlake
Ireland	Mann	Rose	Tinkham
Johnson, Wash.	Meeker	Rowe	Towner
Juul	Miller, Minn.	Sanders, Ind.	Treadway
Kearns	Mondell	Sanders, N. Y.	Vare
Kelley, Mich.	Moores, Ind.	Sanford	Vestal
Kelly, Pa.	Morgan	Schall	Waldow
Kiess, Pa.	Morin	Scott, Iowa	Walsh
Kinkaid	Mott	Scott, Mich.	Ward
Knutson	Mudd	Scott, Pa.	Wason
Kraus	Nichols, Mich.	Sells	Wheeler
Kreider	Osborne	Siegel	White, Me.
La Follette	Paige	Sinnott	Wilson, Ill.
LaGuardia	Parker, N. Y.	Slemp	Winslow
Langley	Powers	Smith, Idaho	Woods, Iowa
Lehlbach	Pratt	Snell	Woodyard
Lenroot	Purnell	Stafford	Young, N. Dak.
Lundeen	Ramsey	Steenerson	Zihlman
McArthur	Ramseyer	Stiness	
McCormick	Randall	Strong	
McCulloch	Rankin	Sweet	

NAYS—247.

Adamson	Doolittle	Kehoe	Romjue
Alexander	Doughton	Kennedy, Iowa	Rouse
Almon	Drane	Kennedy, R. I.	Rubey
Ashbrook	Drukker	Kettner	Rucker
Aswell	Dupré	Kincheloe	Russell
Ayres	Eagan	King	Sabath
Bacharach	Esch	Kitchin	Sanders, La.
Bankhead	Estopinal	Larsen	Saunders, Va.
Barkley	Evans	Lazaro	Scully
Barnhart	Fairchild, G. W.	Lea, Cal.	Sears
Bathrick	Ferris	Lee, Ga.	Shackleford
Bell	Fields	Lesher	Shallenberger
Black	Fisher	Lever	Sherley
Blackmon	Fitzgerald	Linthicum	Sherwood
Blanton	Flood	Little	Shouse
Booher	Fordney	Littlepage	Sims
Borland	Foss	Lobeck	Sisson
Brand	Foster	London	Slayden
Brodbeck	Fuller, Mass.	Lonergan	Sloan
Browne	Gandy	Longworth	Small
Browning	Gard	Lunn	Smith, Mich.
Bruckner	Garrett, Tenn.	McAndrews	Smith, C. B.
Brumbaugh	Garrett, Tex.	McClintic	Smith, T. F.
Buchanan	Gillett	McKeown	Snook
Burnett	Glass	McLaughlin, Mich.	Snyder
Byrnes, S. C.	Godwin, N. C.	McLemore	Steagall
Byrns, Tenn.	Goodwin, Ark.	Maher	Stedman
Caldwell	Gordon	Mansfield	Steele
Campbell, Pa.	Gray, Ala.	Mapes	Stephens, Miss.
Cannon	Green, Iowa	Martin, La.	Stephens, Nebr.
Caraway	Gregg	Mays	Sterling, Ill.
Carew	Griffin	Miller, Wash.	Sterling, Pa.
Carlin	Hadley	Moon	Stevenson
Carter, Okla.	Hamill	Moore, Pa.	Sullivan
Church	Hamlin	Neely	Sumners
Clark, Fla.	Hardy	Nelson	Tague
Classon	Harrison, Miss.	Nicholls, S. C.	Talbott
Claypool	Harrison, Va.	Nolan	Taylor, Ark.
Coady	Hastings	Norton	Taylor, Colo.
Collier	Haugen	Oldfield	Thomas
Connally, Tex.	Hayden	Oliver, Ala.	Thompson
Connelly, Kans.	Heflin	Oliver, N. Y.	Tillman
Cooper, Ohio	Helm	Olney	Van Dyke
Copley	Helvering	O'Shaunessy	Venable
Cox	Hensley	Overmyer	Vinson
Cramton	Hill	Overstreet	Voigt
Crisp	Hilliard	Padgett	Volstead
Crosser	Holland	Park	Walker
Currie, Mich.	Hood	Parker, N. J.	Walton
Dale, N. Y.	Houston	Peters	Watkins
Dale, Vt.	Howard	Phelan	Watson, Va.
Decker	Huddleston	Platt	Weaver
Dent	Hull, Tenn.	Polk	Webb
Denton	Humphreys	Porter	Welling
Dewalt	Igoe	Pou	Welty
Dickinson	Jacoway	Price	Whaley
Dies	James	Quin	Wilson, La.
Dill	Johnson, Ky.	Ragsdale	Wilson, Tex.
Dillon	Johnson, S. Dak.	Rainey	Wingo
Dixon	Jones, Tex.	Raker	Wise
Dominick	Jones, Va.	Rayburn	Young, Tex.
Dooling	Keating	Robinson	

NOT VOTING—21.

Candler, Miss.	Freeman	Martin, Ill.	White, Ohio
Cantrill	Garner	Mason	Williams
Capstick	Hayes	Montague	Wood, Ind.
Dyer	Hull, Iowa	Riordan	
Eagle	Kahn	Rowland	
Flynn	Key, Ohio	Watson, Pa.	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. DYER (for motion to recommit) with Mr. MONTAGUE (against).

Mr. ROWLAND (for motion to recommit) with Mr. CANTRILL (against).

Until further notice:

Mr. SMALL with Mr. FREEMAN.

Mr. WHITE of Ohio with Mr. KAHN.

The result of the vote was announced as above recorded.

LEAVE OF ABSENCE.

Mr. GARNER, by unanimous consent, was granted leave of absence for two weeks on account of sickness.

WAR REVENUE.

The SPEAKER. The question is on the passage of the bill.

Mr. MANN. On that I ask for the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on the passage of the bill. The Clerk will call the roll. Those in favor of passing the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 329, nays 76, answered "present" 4, not voting 21, as follows:

YEAS—329.

Adamson	Eagle	King	Russell
Alexander	Ellsworth	Kinkaid	Sabath
Almon	Elston	Kitchin	Sanders, Ind.
Anderson	Emerson	Knutson	Sanders, La.
Ashbrook	Esch	Kraus	Saunders, Va.
Aswell	Estopinal	La Follette	Schall
Ayres	Evans	Larsen	Scott, Iowa
Bacharach	Fairchild, G. W.	Lazaro	Scott, Mich.
Bankhead	Fairfield	Lea, Cal.	Scott, Pa.
Barkley	Farr	Lee, Ga.	Scully
Barnhart	Ferris	Lehlbach	Sears
Bathrick	Fess	Lenroot	Shackleford
Bell	Fields	Lesher	Shallenberger
Black	Fisher	Lever	Sherley
Blackmon	Fitzgerald	Linthicum	Sherwood
Bland	Flood	Little	Shouse
Blanton	Fordney	Littlepage	Sims
Booher	Foss	Lobeck	Sinnott
Borland	Foster	Lonergan	Sisson
Bowers	Francis	Longworth	Slayden
Brand	Freer	Lundeen	Sloan
Brodbeck	French	Lunn	Small
Browne	Fuller, Mass.	McAndrews	Smith, Idaho
Browning	Gallagher	McClintic	Smith, Mich.
Bruckner	Gallivan	McCulloch	Smith, C. B.
Brumbaugh	Gandy	McKeown	Smith, T. F.
Buchanan	Gard	McLaughlin, Mich	Snook
Burnett	Garrett, Tenn.	McLemore	Snyder
Butler	Garrett, Tex.	Maher	Stafford
Byrnes, S. C.	Glass	Mansfield	Steagall
Byrns, Tenn.	Glynn	Mapes	Stedman
Caldwell	Godwin, N. C.	Martin, La.	Steele
Campbell, Kans.	Goodwin, Ark.	Mays	Stephens, Miss.
Campbell, Pa.	Gordon	Miller, Minn.	Stephens, Nebr.
Cannon	Gray, Ala.	Miller, Wash.	Sterling, Ill.
Caraway	Green, Iowa	Mondell	Sterling, Pa.
Carew	Greene, Vt.	Moon	Stevenson
Carlin	Gregg	Moores, Ind.	Stiness
Carter, Okla.	Griest	Morgan	Sullivan
Cary	Griffin	Morin	Sumners
Church	Hadley	Mott	Switzer
Clark, Fla.	Hamill	Neely	Tague
Classon	Hamilton, Mich.	Nelson	Talbott
Claypool.	Hamlin	Nicholls, S. C.	Taylor, Ark.
Coady	Hardy	Nichols, Mich.	Taylor, Colo.
Collier	Harrison, Miss.	Nolan	Temple
Connally, Tex.	Harrison, Va.	Norton	Thomas
Connelly, Kans.	Haskell	Oldfield	Thompson
Cooper, Ohio	Hastings	Oliver, Ala.	Tillman
Cooper, W. Va.	Haugen	Oliver, N. Y.	Tilson
Cooper, Wis.	Hawley	Olney	Timberlake
Copley	Hayden	Osborne	Tinkham
Costello	Heflin	O'Shaunessy	Towner
Cox	Helm	Overmyer	Treadway
Crago	Helvering	Overstreet	Van Dyke
Cramton	Hensley	Padgett	Vare
Crisp	Hill	Paige	Venable
Crosser	Hilliard	Park	Vinson
Currie, Mich.	Holland	Parker, N. J.	Voigt
Curry, Cal.	Hood	Peters	Volstead
Dale, N. Y.	Houston	Phelan	Walker
Dale, Vt.	Howard	Polk	Walton
Dallinger	Huddleston	Porter	Wason
Davidson	Hulbert	Pou	Watkins
Davis	Hull, Tenn.	Price	Watson, Va.
Decker	Humphreys	Quin	Weaver
Dent	Igoe	Ragsdale	Webb
Denton	Jacoway	Rainey	Welling
Dewalt	James	Raker	Welty
Dickinson	Johnson, Ky.	Ramsey	Whaley
Dies	Johnson, S. Dak.	Ramseyer	White, Me.
Dill	Johnson, Wash.	Randall	White, Ohio
Dillon	Jones, Tex.	Rankin	Wilson, La.
Dixon	Jones, Va.	Rayburn	Wilson, Tex.
Dominick	Kearns	Reavis	Wingo
Dooling	Keating	Reed	Wise
Doolittle	Kehoe	Robinson	Woods, Iowa
Doremus	Kelley, Mich.	Rogers	Young, N. Dak.
Doughton	Kelly, Pa.	Romjue	Young, Tex.
Drane	Kennedy, Iowa	Rouse	The Speaker
Drukker	Kennedy, R. I.	Rowe	
Dupré	Kettner	Rubey	
Eagan	Kincheloe	Rucker	

NAYS—76.

Anthony	Carter, Mass.	Darrow	Dunn
Austin	Chandler, N. Y.	Dempsey	Edmonds
Bacon	Chandler, Okla.	Denison	Fairchild, B. L.
Britten	Clark, Pa.	Dowell	Focht

Fuller, Ill.	Husted	Magee	Slemp
Garland	Hutchinson	Mann	Snell
Good	Ireland	Meeker	Strong
Goodall	Juul	Parker, N. Y.	Sweet
Gould	Kiess, Pa.	Platt	Swift
Graham, Ill.	Kreider	Powers	Templeton
Graham, Pa.	LaGuardia	Pratt	Vestal
Gray, N. J.	Langley	Purnell	Waldow
Greene, Mass.	McArthur	Robbins	Walsh
Hamilton, N. Y.	McCormick	Roberts	Ward
Heaton	McFadden	Rodenberg	Wheeler
Heintz	McKenzie	Rose	Wilson, Ill.
Hersey	McKinley	Sanders, N. Y.	Winslow
Hicks	McLaughlin, Pa.	Sanford,	Woodyard
Hollingsworth	Madden	Sells	Zihlman

ANSWERED "PRESENT"—4.

Gillett	London	Moore, Pa.	Siegel

NOT VOTING—21.

Candler, Miss.	Garner	Mason	Watson, Pa.
Cantrill	Hayes	Montague	Williams
Capstick	Hull, Iowa	Mudd	Wood, Ind.
Dyer	Kahn	Riordan	
Flynn	Key, Ohio	Rowland	
Freeman	Martin, Ill.	Steenerson	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he answered "Yea."

So the bill was passed.

The Clerk announced the following additional pairs:

On the vote:

Mr. CANTRILL (for) with Mr. ROWLAND (against).

Mr. MONTAGUE (for) with Mr. DYER (against).

Mr. MUDD (for) with Mr. WATSON of Pennsylvania (against).

Until further notice:

Mr. KEY of Ohio with Mr. STEENERSON.

Mr. MARTIN of Illinois with Mr. WILLIAMS.

Mr. CANDLER of Mississippi with Mr. FREEMAN.

Mr. FLYNN with Mr. HAYES.

Mr. RIORDAN with Mr. WOOD of Indiana.

Mr. GARNER with Mr. KAHN.

The result of the vote was announced as above recorded.

On motion of Mr. KITCHIN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE OF ABSENCE.

Mr. MARTIN of Louisiana, by unanimous consent, at the request of Mr. DUPRÉ, was granted leave of absence indefinitely, on account of illness.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until to-morrow, Thursday, May 24, 1917, at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FRENCH: A bill (H. R. 4642) to punish the speculation by any person or body of persons for the purpose of cornering the market, and for other purposes, and providing a penalty therefor; to the Committee on Agriculture.

By Mr. NEELY: A bill (H. R. 4643) providing for the canalization of the Ohio River; to the Committee on Rivers and Harbors.

By Mr. CARLIN: A bill (H. R. 4644) to promote the earlier use of daylight in certain months yearly; to provide additional hours daily in which business men and others may devote themselves to military and other pursuits calculated to benefit the Nation in time of war; to establish a standard time in the United States, and for other purposes relating thereto; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Florida: Joint resolution (H. J. Res. 94) authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian Grounds; to the Committee on the Library.

By Mr. EMERSON: Joint resolution (H. J. Res. 95) authorizing the President to call together medical experts to discover a cure for consumption or the white plague; to the Committee on Interstate and Foreign Commerce.

By Mr. KETTNER: Memorial of the State Legislature of the State of California, favoring the sale of ripe pine in national-forest reserves and the application of funds derived therefrom to the building of dams and reservoirs for conserving the waters of the State and protecting lands from floods; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of California, recommending that Congress provide as expeditiously as possible a fairer and more adequate compensation for those engaged in active service in the Army and Navy of the United States; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRODBECK: A bill (H. R. 4645) to correct the military record of John D. Richter; to the Committee on Military Affairs.

By Mr. DEMPSEY: A bill (H. R. 4646) granting an increase of pension to John J. Callahan; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 4647) granting an increase of pension to Abraham Gindlesparger; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 4648) granting an increase of pension to George C. Gardner; to the Committee on Invalid Pensions.

By Mr. HAYDEN: A bill (H. R. 4649) granting an increase of pension to George R. Watt; to the Committee on Invalid Pensions.

By Mr. LITTLE: A bill (H. R. 4650) granting an increase of pension to Richard Limbird; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4651) granting an increase of pension to Mary E. Foster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4652) granting an increase of pension to Thomas H. Summers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4653) to correct the military record of Levi Mott; to the Committee on Military Affairs.

Also, a bill (H. R. 4654) to correct the military record of Riley Phillips; to the Committee on Military Affairs.

By Mr. McKINLEY: A bill (H. R. 4655) granting a pension to Edward F. O'Toole; to the Committee on Invalid Pensions.

By Mr. NEELY: A bill (H. R. 4656) granting a pension to Earl W. Newlon; to the Committee on Pensions.

By Mr. STEENERSON: A bill (H. R. 4657) granting a pension to John W. Strauser; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 4658) granting a pension to Lydia J. Striker; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 4659) placing Henry E. Rhoades, assistant engineer, United States Navy, on the retired list with advance of one grade; to the Committee on Naval Affairs.

By Mr. WELTY: A bill (H. R. 4660) granting an increase of pension to Johnston B. Gelsinger; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of women of Franklin County, Mo., favoring suffrage for women; to the Committee on the Judiciary.

Also (by request), memorial of city council of Chicago, asking Congress of the United States to take a stand in behalf of the formation of an Irish republic; to the Committee on Foreign Affairs.

Also (by request), petition of sundry citizens of College Hill, Beaver Falls, Pa., favoring prohibition as a war measure; to the Committee on Military Affairs.

Also (by request), petition of sundry citizens of Rochester, N. Y., favoring the repeal of the conscription law; to the Committee on Military Affairs.

Also (by request), petition of the Interstate Cotton Seed Crushers' Association of Dallas, Tex., tendering resources and services to the country; to the Committee on Military Affairs.

Also (by request), memorial of Florida Woman's Party, favoring woman suffrage; to the Committee on the Judiciary.

By Mr. BACHARACH: Petition of sundry citizens of Beverly, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. BARNHART: Petition of sundry citizens of Knox, Ind., favoring national prohibition; to the Committee on the Judiciary.

By Mr. BROWNING: Memorials of First Baptist Church of Collingswood and sundry citizens of Woodbury, N. J., favoring national prohibition; to the Committee on the Judiciary.

By Mr. DALE of New York: Petitions of sundry citizens of New York, opposing increase in letter postage and increase in postal rates for second-class matter; to the Committee on Ways and Means.

Also, petition of the National Wholesale Dry Goods Association, against passage of the Hardwick amendment to Federal reserve act; to the Committee on Banking and Currency.

Also, petition of National Builders' Supply Association, relative to the construction interests of the country; to the Committee on Interstate and Foreign Commerce.

Also, petition of Packard Motor Car Co., against 5 per cent tax on motor trucks; to the Committee on Ways and Means.

Also, memorial of National Consumers' League of New York City, favoring national prohibition; to the Committee on the Judiciary.

By Mr. DRUKKER: Petition of Rev. W. C. Brewer and others, of Paterson, N. J., favoring national prohibition; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of Carson, Pirie, Scott & Co. and Chicago Association of Credit Men, against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of Motor Age, of Chicago, Ill., against increase of second-class postage and the zone system; to the Committee on Ways and Means.

By Mr. GALLIVAN: Petition of executive committee of the American Cotton Waste Exchange, against 10 per cent tax on all goods on free list; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Petitions of sundry citizens of North Henderson and Milan, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petitions of the Screw Machine Products Corporation, Westcott, Slade & Balcolm Co., and Charles E. Hancock Co., of Providence, R. I., protesting against any increase in first-class postage; to the Committee on the Post Office and Post Roads.

Also, petitions of Woonsocket (R. I.) Typographical Union, No. 245, opposing increased tax on publishing industry; Mrs. F. A. Jackson, of Woonsocket, R. I.; Frederick Otis Clapp, Bessie M. Houghton, Warren C. Evans, Mrs. A. Duncan Chapin, Mrs. Mary E. Hayward, Gilbert C. Carpenter, Dr. John H. Stearns, J. C. Field, Edward C. Brown, Mrs. Charlotte C. Hull, Matthew S. Dwyer, A. W. Harris Oil Co., and J. W. Aldred, all of Providence, R. I.; and George W. Mason, George B. Austin, William H. Innes, and F. W. Putnam, of Newport, R. I., opposing zone legislation for second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petitions of Union Motor Car Co., Foss, Hughes Co., Howard Rice, Charles F. Thatcher, Walter Richards, Whitten Motor Vehicle Co., Paige Motor Car Co., Wallace L. Wilcox, Nelson Davis, Foster Smith Co., William Hughes, Packard Motor Car Co., William Fuller, Vim Sales Co., L. B. Lorimer, Chevrolet Motor Sales Co., A. J. Howard, B. F. and A. W. Hopkins, R. S. Longley, Pugh Bros. Co., Harold C. Crane, John O'Donnell, and Robert W. Powers, all of Providence, in the State of Rhode Island, opposing 5 per cent tax on new automobiles; to the Committee on Ways and Means.

Also, petitions of Old Colony Advertising Co.; Dodge, Camfield & Co.; J. J. McGuire Co.; Hanley-Hoye Co.; Eddy Fisher Co. (Inc.); R. L. Rose Co.; McKenna Bros.; Jacob Wirth & Co.; George L. Claflin Co.; Livermore & Knight Co.; Rhode Island Wholesale Liquor Dealers' Association; Brownell & Field Co.; the Providence Lithograph Co.; Providence Retail Druggist Association; Pawtuxet Valley Druggists; W. S. Williams; Pattern Makers' Association; Emery Theater; Amusement Theater; and Strand Theater, all of Providence; Smith's Theater; Park Theater; and R. F. Linton, of Woonsocket; Home Dye & Bleach Works, Pawtucket; Newport Daily News, Newport, all in the State of Rhode Island; and the Murray Co., Boston Mass., protesting various features of revenue bill; to the Committee on Ways and Means.

Also, petition of Rhode Island Branch of National League for Woman's Service, favoring prohibition in 5-mile zone of military training camps; to the Committee on the Judiciary.

Also, petitions of Farmers' Feed Co., New York, N. Y.; Central Federated Union of New York, N. Y.; and New England Label Conference, Boston, Mass., against prohibition; to the Committee on the Judiciary.

Also, petitions of Rev. William J. Smith and others of Bridgeton; Providence (R. I.) Epworth League Union; C. A. Follett, of Lonsdale; Newport (R. I.) Medical Society; Union Grange of North Smithfield; Rhode Island Work Committee; George F. Berkander, of Providence; H. L. Madison, of Providence; Collyer Machine Co., of Pawtucket; Frank Wood, of Valley Falls; Collyer Insulated Wire Co., of Pawtucket; Providence (R. I.) Baptist Ministers' Conference; Rhode Island Baptist Institute; Calvary Baptist Church, of Providence; Washington Park Methodist Episcopal Church, of Providence; board of directors Providence Young Men's Christian Association; and E. R. Bullock, of Pawtucket, all in the State of Rhode Island, in favor of prohibition; to the Committee on the Judiciary.

By Mr. KIESS of Pennsylvania: Petition of sundry citizens of Ulysses, Hughesville, and Williamsport, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of sundry citizens of Kensington, Conn., and vicinity, favoring national prohibition; to the Committee on the Judiciary.

Also, petitions of Hartford Poster Advertising Co. and Hartford Times, Hartford, Conn., against increase in postal rates for second-class matter; to the Committee on Ways and Means.

By Mr. LUNDEEN: Resolution of Retail Grocers' Association of Minneapolis, J. S. Taylor, secretary, protesting against the proposed tax on coffee and tea, which excludes all retailers from tax on said articles, and favoring only the exclusion of retailers carrying less than 2,000 pounds of coffee and 1,000 pounds of tea; to the Committee on Ways and Means.

Also, petition of Hon. A. G. Johnson, publisher of Svenska Folkets Tidning, in favor of income taxes upon those best able to bear the burden; to the Committee on Ways and Means.

Also, petition of Minnesota Retail Jewelers' Association, R. H. Winters, president; Minnesota Wholesale Jewelers' Association, C. M. Thomsen, secretary; J. B. Hudson & Sons; White & MacNaught; Munns & Pomerleau; R. G. Winter Jewelry Co.; S. Jacobs & Co.; Charles Olson; and F. L. Bosworth Co., all of Minneapolis, Minn., urging consideration of brief and suggested amendments to revenue bill presented by representatives of jewelry industry to Finance Committee of the Senate; to the Committee on Ways and Means.

Also, petition of Glenwood, Inglewood Co., Minneapolis Bottling Co., John Dureson, Quaker Bottling Co., J. B. Bottling Co., J. Elgin Bottling Co., Sanitary Bottling Co., National Beverage Co., Hennepin Bottling Co., Holmes Bottling Co., Manhattan Bottling Co., Standard Bottling Co., Union Bottling Works, Chippewa Springs Corporation, and Massolt Bottling Co., all members of the Minneapolis Soda Water Bottlers' Association, protesting against a stamp tax on bottle soda water and favoring tax on carbonic gas; to the Committee on Ways and Means.

Also, petition of Northern Display Advertising Co., Minneapolis, Minn., protesting against proposed 5 per cent excess-profits tax; to the Committee on Ways and Means.

Also, petition of Minneapolis Dry Goods Co., protesting against proposed retroactive tax and tariff tax and making certain propositions with respect to the excess profits corporation tax and supertaxes; to the Committee on Ways and Means.

Also, petition of W. L. Harris, chairman taxation committee Minneapolis Retailers' Association, protesting against the levying of the proposed excess profits tax on 1916 business and petitioning that the tax apply only from January 31, 1917; to the Committee on Ways and Means.

Also, petition of Minnesota Retail Druggists' Association, H. Rauch, secretary, George Williams, president, protesting against imposition of a stamp tax; to the Committee on Ways and Means.

Also, petition of Minnesota State Pharmaceutical Association, E. L. Newcomb, secretary, protesting against proposed stamp tax on medicinal preparations; to the Committee on Ways and Means.

By Mr. MAGEE (by request): Petition of citizens of Cincinnatus and Onondaga Valley, N. Y., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MOTT: Petitions of citizens of Central Square, Theresa, Constantia, Cleveland, Earlville, and Hamilton, N. Y., favoring national prohibition; to the Committee on the Judiciary.

By Mr. NELSON: Petition of sundry citizens of Rewey, Wis., favoring prohibition; to the Committee on the Judiciary.

Also, petition of sundry citizens of Platteville, Wis., favoring prohibition; to the Committee on the Judiciary.

By Mr. O'SHAUNESSY: Memorial of Independent Odd Fellows of Providence, R. I., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRICE: Memorial of citizens of Galena and Denton, Md., and Brown Memorial Presbyterian Church against liquor manufacturing, etc.; to the Committee on the Judiciary.

Also, memorial of Automobile Club of Kent County, Md., pledging loyalty and support in the war; to the Committee on Military Affairs.

By Mr. RAINEY: Petition of Rev. Royal W. Ennis and 86 other citizens of Mason City, Ill., favoring national prohibition; to the Committee on the Judiciary.

By Mr. ROWLAND: Petition of sundry citizens of Port Allegany, Pa., and vicinity, favoring prohibition as a war measure; to the Committee on Agriculture.

By Mr. SCHALL: Petition of Rev. Joseph Heard and sundry citizens of Howard Lake, Minn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCULLY: Petition of Rev. J. B. J. Rhodes, pastor of Simpson Methodist Episcopal Church, and 22 others, of Long Branch, N. J., favoring prohibition as a food and health conservation measure during the war; to the Committee on the Judiciary.

Also, petition of Charles Lehman, T. J. Carroll, H. E. Johnson, H. Pusey, C. Bogue, L. Guilfoyle, John O'Brien, J. Moberg, Mary Connors, and S. Kolskowski, all of Sayreville, N. J., favoring prohibition as a war measure, etc.; to the Committee on the Judiciary.

Also, memorial of the Interstate Cottonseed Crushers' Association, tendering services and resources to use of the country; to the Committee on Agriculture.

Also, petition of Edgar R. Craig and 92 other residents of Point Pleasant, N. J., favoring prohibition as a measure for the conservation of food and health during the war; to the Committee on the Judiciary.

Also, petition of Anna Reid Fisher and C. W. Fisher, of Sayreville, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNYDER: Petition of sundry citizens of Camden, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. STEENERSON: Memorial of women of the Jefferson School Club, of Fergus Falls, Minn., urging legislation ridding the Army of the saloon and the prostitute; to the Committee on Military Affairs.

Also, memorial of Ladies of the Maccabees of Detroit, Minn., favoring suffrage for women; to the Committee on the Judiciary.

By Mr. STRONG: Petition of the First Methodist Episcopal Church of Indiana, residents of New Bethlehem and vicinity, residents of Clymer and vicinity, and residents of Emerickville and vicinity, all of Pennsylvania, favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation, and for the immediate prohibition of the sale of liquors for beverage purposes; to the Committee on the Judiciary.

By Mr. TINKHAM: Petition of citizens of Boston, Mass., and vicinity, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WALSH: Petition of Daniel H. Cleaveland and 20 other residents of Woods Hole, Mass., protesting against destruction of grain by distilling and brewing liquor and asking legislation closing every distillery and brewery as a war measure to conserve the food supply; to the Committee on the Judiciary.

Also, petition of Rev. W. S. MacIntire, pastor of the Pleasant Street Methodist Church, of New Bedford, Mass., and 183 other residents of New Bedford and Fairhaven, Mass., protesting against the destruction of grain in distilling and brewing intoxicating liquors and petitioning Congress to enact a law to close the distilleries and breweries as a war measure to conserve the food supply; to the Committee on the Judiciary.

Also, petition of Mr. Francis P. Luce and 57 other residents of Tisbury, Mass., protesting against destruction of grain in distilling and brewing liquors and asking legislation closing breweries and distilleries to conserve food supply as a war measure; to the Committee on the Judiciary.

Also, petition of Arthur A. Norcross and 30 other residents of Nantucket, Mass., protesting against destroying grain to manufacture liquors and asking for legislation to conserve grain as a war measure; to the Committee on the Judiciary.

Also, petition of Stephen S. Keyes and 66 other residents of Wareham, Mass., asking Congress to enact legislation closing every distillery and brewery as a war measure to conserve the food supply; to the Committee on the Judiciary.

Also, petition of James E. Chadwick and 41 other residents of Edgartown, Mass., praying for conservation of grain by legislation closing breweries and distilleries; to the Committee on the Judiciary.

Also, petition of Edith L. Pennick and 50 other residents of Bridgewater, Mass., urging legislation to conserve the food supply by closing distilleries and breweries; to the Committee on the Judiciary.

Also, petition of G. Walter Williams and 11 others and H. H. Paine and 3 others, residents of New Bedford, Mass., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Rev. W. T. Johnson, pastor, Methodist Episcopal Church of Provincetown, Mass., and others, protesting against destruction of grain by distilleries and breweries; to the Committee on the Judiciary.

Also, petition of Franklin N. Woodward and 30 other residents of Middleboro, Mass., urging that distilleries and breweries be closed by legislative enactment as a war measure; to the Committee on the Judiciary.

Also, petition of Rev. Clifton E. Chase, of New Bedford, Mass., together with 22 others, resident in Long Plain, Mass., and Amshuet, Mass., protesting against the destruction of grain by distilling and brewing intoxicating liquors; to the Committee on the Judiciary.

By Mr. WARD: Petition of Rev. H. D. Chace and others, of Jefferson, N. Y., favoring national prohibition; to the Committee on the Judiciary.

By Mr. WOODYARD: Petitions of sundry citizens of Williamstown and Middlebourne, W. Va., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. Young of North Dakota: Memorial of sundry citizens of Litchville, N. Dak., indorsing the movement to eliminate the manufacture and sale of intoxicating beverages; to the Committee on the Judiciary.

Also, memorial of sundry citizens of Hillsboro, N. Dak., pledging their loyalty and support to the President and Congress in the present national crisis; to the Committee on Military Affairs.

By Mr. ZIHLMAN: Memorials of Mary E. Armstrong, for the Woman's Home Missionary Society of Frostburg, and 36 persons in the vicinity of Doubs, Jefferson, and Middletown, Md., favoring prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

THURSDAY, *May 24, 1917.*

Rev. Edward King Hardin, of the city of Washington, offered the following prayer:

O Lord God, our Heavenly Father, we come to Thee because we realize our need of Thee. We are continually facing tasks and opportunities with which we are utterly unable to cope unless we have power from beyond and above us. But we thank Thee, O Lord, that Thou art ever ready to help, and our hearts are filled with gratitude that we have the privilege of serving a God who is a worker, and whose sympathy is with those who give themselves to the tasks that He has set for men whose hearts are perfect toward Him. And so we pray Thee that we may ever face our work. In the sentiment of that prayer, O Lord, "Establish Thou the work of our hands upon us; yea, the work of our hands establish Thou it."

We meet together this morning, our Father, in the shadow of death; and we humbly pray that as a comrade and fellow worker falls at our side we may be very conscious of Thee, for we realize that it is then that we are brought face to face with the eternal realities of life. We pray that the comforting presence of God may be realized by his sorrowing loved ones, and that in this hour of their deep sorrow and bereavement the consolations of God may be very large with them.

Hear us in this prayer because we ask it in Christ's name. Amen.

The Vice President being absent, the President pro tempore (Mr. SAULSBURY) assumed the chair.

The Journal of yesterday's proceedings was read and approved.

DEATH OF SENATOR HARRY LANE.

Mr. CHAMBERLAIN. Mr. President, it becomes my painful duty to announce the death of my colleague, Senator LANE, which occurred in San Francisco last night while on his way to his home. There was no man in Oregon more loved than he, Mr. President, and while his sturdy, rugged honesty, combined with a fearlessness that ignored consequences to himself, brought him in antagonism with some, yet his enemies were few, indeed, as compared with the host of friends he made during his lifelong residence in his native State. He brought to the discharge of every public duty the best that was in him, and no man, however much we might differ from his views on public questions, ever attributed to him other than the most patriotic purposes.

At some later date I shall ask that the ordinary business of the Senate be laid aside in order that proper respect may be paid to his memory. In the meantime I present the following resolutions and ask for their adoption.

The PRESIDENT pro tempore. The Secretary will read the resolutions.

The resolutions (S. Res. 68) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. HARRY LANE, late a Senator from the State of Oregon.

Resolved, That a committee of eight Senators be appointed by the President pro tempore to take order for superintending and attending the funeral of the late Senator.

Resolved, That the Secretary of the Senate communicate a copy of these resolutions to the House of Representatives.

The PRESIDENT pro tempore appointed as the committee of Senators under the second resolution Mr. CHAMBERLAIN, Mr. ASHURST, Mr. KENYON, Mr. VARDAMAN, Mr. KING, Mr. LA FOLLETTE, Mr. GRONNA, and Mr. NORRIS.

Mr. CHAMBERLAIN. Mr. President, I move as a further mark of respect to the memory of the deceased Senator that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Friday, May 25, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 24, 1917.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Touch our hearts, O God our Heavenly Father, with the Holy Spirit of truth, and inspire us to larger life in thought and purpose; that we may be firmly united as a people in the great task before us and count no sacrifice too great in the preservation of the eternal principles that moved our fathers in building for us a government of the people, by the people, for the people; that we may be the instruments in Thy hands for the furtherance of those principles to all the world; that the promise in Holy Writ may be fulfilled in that all the kingdoms of the earth may be swayed by the scepter of infinite love; for Thine is the kingdom and the power and the glory, forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE JOSEPH H. CHOATE.

Mr. MANN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. TREADWAY] may address the House for 20 minutes relative to the late Joseph H. Choate.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, the remarks I am about to make would have been more appropriate a week ago, but I realized that the House desired to give close attention to the revenue bill, and I therefore did not ask for time for the purpose I am now using it.

There are few occasions when it is becoming that a public man make personal references. Probably none of us would claim modesty as our chief attribute, but we do have a fair sense of the proprieties. I feel I am not encroaching upon them when I ask at this time the indulgence of the House in a personal reference. I was born and have lived practically all my life in the little village of Stockbridge, amid the hills of western Massachusetts. On Thursday last there was laid at rest there the remains of Joseph Hodges Choate, a man who left a record that will make an impression on American life and history for years to come. For nearly 40 years his vacation time was spent in Stockbridge. He loved its people as they loved him, and no more sincere mourning of a community could be possible than was expressed by my neighbors and friends as they sorrowfully paid a final tribute to him in our village cemetery.

I was a youngster when Mr. Choate first brought his family to Stockbridge, and many a good wholesome play did I have with his boys under his guidance. I can see now the spirited games of "one-o'-cat" on his lawn with him either participant or umpire of the boyish frolics. I can look forward for the noon hour when the reliable family horse was hitched to a big wagon and with him as driver we boys went to the lake for a daily swim. He acted as our instructor and guard that we did not go beyond our depth. I can live over again the happy hours in the evenings when the kindly voice of Mrs. Choate would read to the group of youngsters children's stories or lead in the games we have all enjoyed.

I need not dwell on the events of the years which have elapsed since those days, and I only refer to them here that I may justify the personal feature of my remarks.

During all these years, and amid all the honors that came to him and the reputation he attained in his profession, this country village was his delight and pleasure ground. More than 30 years ago he purchased of David Dudley Field a large tract of land beautifully located on the brow of Prospect Hill, overlooking the winding Housatonic River and the Stockbridge meadows. Here has been developed the ideal country home. Here, excepting the few years he was ambassador to England, he spent more than half of each year in a home the center of social activities and under the hospitable roof of which more people of note of all countries have been entertained than in any similar unofficial residence. His democratic ways not only made him the ideal host of President or ambassador, but likewise the modest workman or local farmer. He knew and called by their first name practically every farmer and workingman in the community.

As an illustration of his community spirit, let me refer to his golden wedding anniversary, on October 16, 1911. On the previous evening a family dinner was served, participated in by his kinsfolk of three generations. On the following day his home was thrown wide open to every man and woman from far and near in the community. We all went and were received by the happy couple with their accustomed courtly grace. Each one was made to feel that he or she was honoring the occasion rather than being honored by being included in the gathering. While there could have been no similar event in the course of his life in Stockbridge, it was but characteristic of his democratic way and friendly spirit toward all of his neighbors.

He was wont to walk from his home, about three-quarters of a mile, to the village post office, wait for the morning New York paper, and while standing about the sidewalk have a cheery word for one and all. He was a leading member of all our village organizations, participated in consideration of local questions, and would always give of his time or money to all our local efforts for village improvements, for charity, for church work; and for the general interest of the town and neighborhood. I need not elaborate on these lovable characteristics of close association and personal interest that he had in our local life.

Let me say but a word of my connection with him in what proved to be his last summer with us. He was intensely interested in the political campaign of 1916. When I happened home for a brief stay he would frequently come to my office or ask me to ride with him that he might ask questions or secure first-handed information of the details of how matters were progressing here in Washington. As the campaign went on his interest increased until finally he consented to preside at a meeting in Pittsfield, where he made a memorable address. One of our colleagues was the speaker, and I know he would agree with me in saying that the speech Mr. Choate delivered that night was a wonderful one.

He commenced in his usual witty way by saying there were about 84 or 85 good reasons why he should not be present. Those 85 reasons were more applicable during the period just prior to his death, when he actively served as head of the citizens' committee of New York appointed by the mayor of that city to personally receive and entertain the French and British commissions when they visited the metropolis. It seemed in glancing over the newspapers that Mr. Choate was with the distinguished visitors continually, speaking two and three times a day, and showing the endurance of a man half his age. His interest and activity, however, on these occasions were so great that he absolutely exhausted his energies, and it may rightly be said that he was one of the first Americans to lay down his life in the allied cause. He had said repeatedly that he was willing to give his all for the great object of humanity and civilization now at stake in the war. In the last few days of his life he seems to have used all that he had in strength and vitality to demonstrate to the distinguished visitors that America is intensely loyal and stands true to the principles outlined by the President.

In view of Mr. Choate's intense partisanship I feel no better illustration of the greatness of his mind could be shown than the compliments he paid and the sincere loyalty he expressed toward President Wilson in the very last speeches he made.

Mr. Choate's home was called Naumkeag, an Indian word, meaning "haven of rest." It was such to him during the many years of his life. Mr. Choate could not be actually restful under any circumstances, but it was a place of rest for him during his busy and active life—well named.

The property slopes gently to the village plain, and at the foot of the hill adjoining the village cemetery another Naumkeag was recently prepared by him. It was there he was tenderly

placed as the sun passed beyond the western hills on Thursday afternoon. As the beautiful country home was his haven of rest in life, so this Naumkeag will forever be a haven of rest for the mortal body. The reward for such a life beyond the grave must be immortal rest and perpetual peace.

The Daily News, a newspaper printed in Pittsfield, Mass., editorially published the following reference to the tribute that Stockbridge paid to Mr. Choate, and I desire to read it at this time:

STOCKBRIDGE TRIBUTE TO MR. CHOATE.

Never before within memory of the oldest inhabitant has Stockbridge so honored one of its deceased residents as it did Joseph H. Choate yesterday. An honored, unique, and interesting custom, English in character, was revived of conveying the body to the grave on a farm wagon with the village brass band playing a dirge. With the closing of schools and stores and church bells tolling and with more than 500 men and women present, surely Stockbridge could do no more in paying its final respects to Berkshire County's most distinguished summer resident. The tribute is all the more remarkable when it is recalled that he passed only six months of each year in the town of which he was never a legal resident. In the affection and esteem of young and old among the townspeople, however, he was unsurpassed, and the respect shown his memory was worthy of the best traditions of old Stockbridge.

It seemed especially appropriate that a silk American flag should have been placed at the head of his grave, as it represents and typifies the symbol of democracy and freedom, for which he fought to the very end.

I happened to meet in the corridor of the Capitol on Wednesday last the Hon. Chauncey M. Depew, formerly United States Senator from New York and the intimate associate of Mr. Choate during the greater part of his life. We conversed a few moments about him, and the remarks Mr. Depew made so interested me that I asked him to allow me to use them at this time. His letter is as follows:

WASHINGTON, D. C., *May 16, 1917.*

Hon. ALLEN TOWNER TREADWAY,
House of Representatives, Washington, D. C.

DEAR MR. TREADWAY: Following our conversation of this morning about our friend, Mr. Choate, I have known Mr. Choate for nearly a half century and my admiration for his wonderful ability and regard for him increased with the years.

In serious crises in affairs for which I was responsible I retained Mr. Choate, and his advice and efforts always led to success. I had opportunities for comparing him with other leaders of the bar, and he had no equal. He was the most versatile, witty, and eloquent after-dinner speaker and equally superior on the platform in the discussion of political, civic, reform, or humanitarian subjects.

I saw much of him during his six years as an ambassador to Great Britain. His magnetic personality, eloquence, and wit won for him a consideration from the English public, and especially the judges and the bar, rarely accorded to a diplomat. He is the only American lawyer since the formation of our Republic ever elected a Bencher of the Middle Tempie. His epigrams and witticisms were repeated and enjoyed in social circles and country houses all over the Kingdom.

It was his conscientious devotion to duty which was the secret of his success and also largely the cause of his death. As the foremost citizen of New York, he was appointed by the mayor chairman of the city committee to meet and entertain the French and English commissions. It was a laborious place, requiring both work and serious exposure at his age of 85. But he neglected no detail and was seen everywhere and delivered a series of speeches each day, which were perfect in matter and method. A detail of what he did is a remarkable record.

On Wednesday he met Joffre and Viviani at the wharf and rode with them through the streets to Mr. Frick's house in the upper part of the city. He assisted in entertaining them at the dinner at Mr. Frick's that evening. He was with them again Thursday morning and accompanied them to the luncheon of the Merchants' Association, where he made an admirable speech. He dined with them that evening at Sherry's. Friday morning he met Mr. Balfour at the ferry, rode with him in the procession to the city hall, where he made a speech, and then continued with the city's guests in an open automobile the 6 miles through the cheering crowds to Mr. Astor's residence. In the afternoon he accompanied the commission to the open-air ceremony of conferring degrees at Columbia University, and in the evening was with them again at the municipal banquet at the Waldorf-Astoria, where he made one of the best speeches of his long career. Saturday he was their escort to the chamber of commerce lunch, where he made a speech. In the evening he entertained Mr. Balfour at dinner at his own house and afterwards went to the Red Cross entertainment at Carnegie Hall. Sunday morning he escorted the British commissioners to the service at St. John's Cathedral. That afternoon he became ill and passed away a few hours later. These efforts would have taxed the mental and physical vigor of youth.

He has been for two years advocating the joining of our country with France and Great Britain in a war which he believed involved the liberty and civilization of the world. He often said he was willing to give his all for the cause. He accepted the chairmanship of the mayor's committee to emphasize the union of these great powers with the United States in the struggle for the democracy of the world and died for his country.

Yours, sincerely, CHAUNCEY M. DEPEW.

I realize how imperfectly I have described the part of Mr. Choate's life with which I had intimate knowledge. It will be for others to express encomiums on his great public services, genius, and legal knowledge; but, Mr. Speaker, I indeed would have felt myself lacking in gratitude to one of the great men of our Nation had I not asked of my colleagues opportunity of expressing my own feelings of personal loss in the death of Joseph Hodges Choate. [Applause.]

I desire to add brief extracts from speeches Mr. Choate delivered during the last few days of his life.

As chairman of the reception committee to the French visitors on May 10 he said, in an address of welcome:

Our Chief Magistrate at Washington has uttered recently, in a document addressed to Congress, the purpose of the United States to maintain the conflict on which we have entered as your allies, and to conquer, in his own language, submarines or no submarines, and we mean to do it. I believe that the people of the United States are ready with your people to shed the last drop of their blood, if it be necessary; to spend their last dollar, if it be necessary; to spend their last man, in order to achieve victory which is necessary to secure a lasting and permanent peace to all the people of the world.

On May 11 he remarked in an address:

For one I am most grateful that our country has entered this great fight for the freedom of the world. Now that our great President at Washington—and we all support him—has pledged to these allies all our resources, which means all of our men, all of our money, all of our munitions, and all of our hearts to stand by them, and, if need be, to die in the last ditch with them, victory, I believe, is assured.

At the reception to the Hon. Arthur J. Balfour on the following day he expressed the following sentiment:

Under the guidance of the President of our choice at Washington we stand pledged now before all the world to all the allies whom we have joined to carry into this conquest all that we have, all that we hope for, and all that we ever aspire unto. To-day every young man in America, and every old man, too, is asking, What can I do best to serve my country?

Perhaps his most important utterance during the days he was acting as chairman of the New York reception committee was on May 12 at the Waldorf-Astoria, when he made an address at the banquet given the members of both the French and English commissions and which was attended by 1,000 leading Americans, including William H. Taft and Theodore Roosevelt. Let me quote you the following:

Why has America entered this war? What has she to gain by it? Far removed from the scenes of carnage, her youth untouched, her manhood and her womanhood undisturbed, a few of her vessels sunk, a few lives lost—ample cause for war, but we waited; we were not ready. We are not very ready now, but by and by America will learn; America, from the Atlantic to the Pacific, from the Lakes to the Gulf, America has learned what this war is about, what it is for—that it is for the establishment of freedom of free government against tyranny and oppression and autocracy and all the other horrible names that you can apply to misgovernment. When it came to that there was but one question for America, and our President at Washington has solved it for us. Nobody can tell how far he saw ahead any more than we at this moment can tell how far we can see ahead.

How these war-worn allies have suffered. How they have toiled. What horrible sacrifices they have submitted to. Their own homes have been decimated, their firesides made unhappy, their youths slaughtered, and they themselves are suffering extreme agony, as I believe. They, with their other noble allies, while we have gone on indulging in luxuries, increasing our wealth, thinking that no harm could ever come to us, that no guns could ever be forged big enough to reach our homes. And we began to hang our heads in shame until the President gave the final order that we must go and help them with all the might we can. For the first time, after two years and a half, I was able to hold up my head as high as the weight of 85 years would allow.

We are all familiar now with his last words to Mr. Balfour on their parting, after attending church together—

Remember, we shall meet again to celebrate the victory.

CAR SERVICE.

Mr. ADAMSON. Mr. Speaker, I ask the Speaker to lay before the House the bill (H. R. 328), which is on the Speaker's table with a Senate amendment.

The SPEAKER. The Chair lays before the House a bill, which the Clerk will report by title.

The Clerk read the title of the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended in respect of car service, and for other purposes.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That an act to regulate commerce, approved February 4, 1887, and all acts amendatory thereof, be further amended and supplemented as follows:

"The term 'car service' as used in this act shall include the movement, distribution, exchange, interchange, and return of cars used in the transportation of property by any carrier subject to the provisions of this act.

"It shall be the duty of every such carrier to establish, observe, and enforce just and reasonable rules, regulations, and practices with respect to car service, and every unjust and unreasonable rule, regulation, and practice with respect to car service is prohibited and declared to be unlawful.

"The Interstate Commerce Commission is hereby authorized by general or special orders to require all carriers subject to the provisions of the act, or any of them, to file with it from time to time their rules and regulations with respect to car service, and the commission may, in its discretion, direct that the said rules and regulations shall be incorporated in their schedules showing rates, fares, and charges for transportation and be subject to any or all of the provisions of the act relating thereto.

"The commission shall, after hearing, on a complaint or upon its own initiative, without complaint, establish reasonable rules, regulations, and practices with respect to car service, including the classification of cars, compensation to be paid for the use of any car not owned by any such common carrier and the penalties or other sanctions for nonobservance of such rules.

"Whenever the commission shall be of opinion that necessity exists for immediate action with respect to the supply or use of cars for transportation of property, the commission shall have, and it is hereby given, authority, either upon complaint or upon its own initiative without complaint, at once, if it so orders, without answer or other formal pleading by the interested carrier or carriers, and with or without notice, hearing, or the making or filing of a report, according as the commission may determine, to suspend the operation of any or all rules, regulations, or practices then established with respect to car service for such time as may be determined by the commission, and also authority to make such just and reasonable directions with respect to car service during such time as, in its opinion, will best promote car service in the interest of the public and the commerce of the people.

"The directions of the commission as to car service may be made through and by such agents or agencies as the commission shall designate and appoint for that purpose.

"In case of failure or refusal on the part of any carrier, receiver, or trustee to comply with any direction or order with respect to car service, such carrier, receiver, or trustee shall be liable to a penalty of not less than $100 nor more than $500 for each such offense and $50 for each and every day of the continuance of such offense, which shall accrue to the United States and may be recovered in a civil action brought by the United States."

Mr. ADAMSON. Mr. Speaker, I move to concur in the Senate amendment.

Mr. MANN. Will the gentleman yield for a question?

Mr. ADAMSON. Certainly.

Mr. MANN. A part of the Senate amendment, referring to the act to regulate commerce, reads:

Be further amended and supplemented as follows.

What part of the act does it mean?

Mr. ADAMSON. I will state to the House that the only difficulty we encountered when considering this amendment was the fact that it did not connect with any section or part of the law and did not articulate with any sections of the bill as the original House bill did, but we concluded that it simply might be printed at the end of the commerce law, and although not numbered and classified, its terms could be readily understood, and as some action was urgently required, we accepted it, although we did not like the form of it.

Mr. MANN. I do not see why anybody would have authority to print this officially in connection with the act to regulate commerce, although it says it is an amendment, and not only says it is an amendment, but refers to the act to regulate commerce by the term "this act." The term "this act" in this Senate amendment does not mean the bill (H. R. 328), but it means the act to regulate commerce. It strikes me as being very awkward.

Mr. ADAMSON. I presume it will be printed as some other acts are printed, along with the interstate-commerce law, and referred to as the car-shortage act. On conference with some members of the Interstate Commerce Commission yesterday we decided that it could be easily understood that way, although not articulated with any of the sections of the act, and that it would take its place as a separate act in the collection of acts referring to the general subject of transportation, and we thought it better to concur in it as it is than to delay the legislation, because, as the gentleman is aware, there are very frequent revisions of the commerce law, and when the present hurly-burly is over there will be other revisions, so that this can be readily articulated in its proper place.

Mr. MANN. The gentleman recalls that ever since he and myself have been Members of the House, for 20 years, they have been talking about a codification of the laws on this subject, but it has never been done.

Mr. ADAMSON. The gentleman knows that he very ably participated in two of these revisions.

Mr. MANN. We amended the law, but never codified it; and it is not likely to be codified very soon.

Mr. ADAMSON. We gave the law a very general overhauling.

Mr. MANN. This is a criminal statute. It may be that the court will guess that Congress intended to do something which it does not do, but if not they never will convict anybody under this statute.

Mr. ADAMSON. If they can not guess right, we will have to tell them. I will say to the gentleman that I rather favored the House version.

Mr. MANN. It would be so easy to say that section 1 of the act to regulate commerce is amended by adding thereto the following, which would not change the substance of this amendment in the slightest degree, and which would make it perfectly clear.

Mr. ADAMSON. I think so myself.

Mr. MANN. I do not think it would take the Senate five minutes to agree to that amendment.

Mr. ADAMSON. I think myself that would be better, if the gentleman does not think it will be attended with delay.

Mr. MANN. I do not see any occasion for delay about it.

Mr. ADAMSON. If all of it properly relates to section 1, which it probably does.

Mr. MANN. It does not make any difference whether it does or not if we put it after section 1.

Mr. ADAMSON. It would if we said so.

Mr. MANN. Yes.

Mr. ESCH. I suggest that that amendment be offered, because, as the gentleman well knows, we believe that the form of the bill as it passed the House was the proper form.

Mr. ADAMSON. There is no doubt of it.

Mr. ESCH. And that this bill as it now stands is practically an independent measure.

Mr. ADAMSON. It ought to have some relation to the act to regulate commerce.

Mr. ESCH. An amendment declaring it a part of section 1 of the interstate-commerce act would make it a part of that act, even though its provisions did not all relate to section 1.

Mr. ADAMSON. Then I ask unanimous consent to modify my motion so that we concur with an amendment.

Mr. MANN. It is a matter of privilege. It does not require unanimous consent.

Mr. ADAMSON. I move to concur with an amendment making this a part of section 1; that is, amending section 1 by adding the following.

Mr. MANN. The language would be—

That section 1 of the act entitled "An act to regulate commerce," approved February 4, 1887, as heretofore amended, be further amended by adding to said section 1 the following.

Those words should take the place of the first paragraph of the Senate amendment.

Mr. ADAMSON. I move to strike out the first paragraph of the Senate amendment and to insert in lieu thereof the words suggested by the gentleman from Illinois [Mr. MANN], and with that amendment to concur in the Senate amendment.

Mr. MANN. That section 1 of the act to regulate commerce, approved February 4, 1887, as heretofore amended, be further amended by adding at the end thereof the following.

Mr. ADAMSON. Mr. Speaker, I move to concur in the Senate amendment with that amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out the first paragraph of the Senate amendment and insert: "That section 1 of an act entitled 'An act to regulate commerce,' approved February 4, 1887, as heretofore amended, is further amended by adding the following."

The SPEAKER. The question is on the amendment to the amendment.

The question was taken, and the amendment to the amendment was agreed to.

The Senate amendment as amended was agreed to.

SESSION CLERKS FOR CERTAIN COMMITTEES.

Mr. PARK. Mr. Speaker, I have a privileged resolution which I send to the desk.

The Clerk read as follows:

House resolution 45.

Resolved, That the Committee on Expenditures in the Department of Agriculture, the Committee on Expenditures in the Department of Justice, the Committee on Expenditures in the Department of the Interior, the Committee on Expenditures in the Department of Commerce, the Committee on Expenditures in the Department of Labor, the Committee on Expenditures in the Navy Department, the Committee on Expenditures in the Post Office Department, the Committee on Expenditures in the State Department, the Committee on Expenditures in the Treasury Department, the Committee on Expenditures in the War Department, the Committee on Expenditures on Public Buildings, each be allowed a clerk at the rate of $125 per month; that the Committee on Rules be allowed an assistant clerk at the rate of $100 per month; and that the Joint Select Committee on Disposition of Useless Executive Papers be allowed a messenger at the rate of $60 per month during the first session of the Sixty-fifth Congress, the salaries of said clerks, assistant clerk, and messenger to be paid out of the contingent fund of the House.

The following committee amendments were read:

Before the word "be," in line 13, page 1, insert the word "each."

Strike out all after the word "month," in line 13, on page 1, down to and including the word "month," in line 1, page 2.

In line 2, page 2, after the word "Congress," insert the words "beginning April 2, 1917."

In line 3, page 2, strike out the words "assistant clerk, and messenger."

The committee amendments were agreed to.

Mr. PARK. I desire, Mr. Speaker, to offer the following additional committee amendment.

The Clerk read as follows:

Amend by striking out, after the word "Congress," in line 5, page 2, down to the word "the," in line 6, and add in lieu thereof the following: "The pay of such clerks shall commence from the time they entered on the discharge of their duties, but in no case prior to April 2, 1917, which shall be ascertained and evidenced by certificates of the chairman of said committee."

Mr. DALLINGER. Will the gentleman yield?

Mr. PARK. Yes.

Mr. DALLINGER. Is the Committee on Education included in that resolution?

Mr. PARK. Not in this, but it will be in the next one.

Mr. MANN. Mr. Speaker, I would like to have the language reported as it will read after being amended.

The SPEAKER. The Clerk will read the language as it will read after being amended.

The Clerk read as follows:

During the first session of the Sixty-fifth Congress the pay of such clerks to commence from the time they entered on the discharge of their duties, but in no case prior to April 2, 1917, which shall be ascertained and evidenced by a certificate of the chairman of said committee. The salaries of said clerks shall be paid out of the contingent fund of the House.

Mr. STAFFORD. Will the gentleman yield?

Mr. PARK. Yes.

Mr. STAFFORD. What is the theory that the committee proceeded upon in authorizing the clerks of these expenditure committees that never meet even during the regular session of Congress, when we are taking up general legislation, and at this session of Congress, when it is generally agreed that no committee will take any action except as to that which refers to war measures?

Mr. PARK. The chairmen of these expenditure committees are legally presumed to investigate the department whose expenditures they have in charge. Their duties are to ascertain what laws Congress passes that apply to the expenditure and ascertain whether or not the department that expends the money is properly expending it. Their duty also is to ascertain whether or not the departments have too many clerks employed or too few, and to supply the deficiency or eliminate the excess.

Now, whether or not the chairmen of these committees do their duty as the law expects them to do I can not say, for I do not know. The gentleman can find out by asking the chairmen.

Mr. STAFFORD. The committee has made no investigation as to whether these committees perform the functions that are delegated to them under the rule?

Mr. PARK. Yes; some of them have already made investigations.

Mr. STAFFORD. At this session?

Mr. PARK. Yes; so they tell me.

Mr. STAFFORD. Is this a unanimous report of the committee?

Mr. PARK. No; there is one exception to it, I think.

The SPEAKER. The question is on the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. ALEXANDER. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amend the resolution by inserting in line 13, page 1, after the word "month," the following: "that the Committee on the Merchant Marine and Fisheries be allowed an assistant clerk at the rate of $125 a month."

Mr. MANN. If that amendment goes in anywhere, it ought to go in on the other resolution. This only relates to expenditure committees, and there is a resolution relating to other committees to be offered.

Mr. ALEXANDER. Mr. Speaker, I will withdraw my amendment for the present.

Mr. PARK. Mr. Speaker, I want to make a brief explanation. The last amendment offered was for the purpose of preventing any chairman having a clerk who does not perform the duties required by law of him as chairman. That is, his duty being to investigate the department whose expenditures are referred to him. If he qualifies under that amendment and states that in his place as chairman of the committee he has already entered upon the discharge of his duties and employed the necessary help, then the pay of that clerk is authorized on the certified statement by this chairman. If he has not employed anybody, if he has not designated a clerk and begun an investigation of the department over which he has supervision, he is not provided with a clerk until he does begin the investigation. I now yield 20 minutes to the gentleman from New York [Mr. SANFORD].

Mr. SANFORD. Mr. Speaker and gentlemen of the House, the committee that reports this resolution is generally known as the housekeeping committee of this House. The matter they present may not be in these stirring times a matter of great importance, but as a precedent in war times I consider it of vital importance. The chairman of the committee has just said that if these clerks are needed the chairmen of these different committees can now stand up in the House and say so and have you pass upon it. I object to that procedure. That is the procedure that I wanted the committee to follow when this resolution was introduced earlier in the session. When this resolution was introduced the minority of the committee—and there are only four of us, and we are all opposed to the resolution—considering that this is an extra session of Congress to pass war measures, took the position that the Committee on Accounts should call before the committee the chairmen of these several committees and find out the facts. I want to say to you that the chairmen of these committees never came. Whether an opportunity was given to them I do not know, but on the day when the resolution was reported one chairman was heard, and only one. By an investigation since I am not satisfied with the facts that he told us then with reference to the need for a clerk for his committee. You will see, if you look over the resolution, that it is possible that some of these committees need a clerk. Possibly they do, but do not understand that I say they do. I do not know whether they do or not, and the committee does not pretend to know; but they want you here on the floor of the House to find out for yourselves by this original investigation conducted by the House in its own time.

Mr. MILLER of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. MILLER of Minnesota. Will the gentleman inform the House how long it has been since some of these committees have had a meeting? Did they do anything at all in the last Congress?

Mr. SANFORD. I have no reliable information upon the subject, but I understand that the majority of these committees never meet, never perform any function whatever, and probably will not for a long time to come. They certainly will not perform any essential function at this extra session of Congress. In other words, we could fight this war without these particular committees.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. HICKS. If these clerks are appointed to these committees that do not meet, what will the clerks do?

Mr. MANN. They will draw their salaries.

Mr. SANFORD. They certainly will draw their salaries, as has been suggested, and I do not believe that there is anything else for them to do. One is likely to be misled by the titles of these different committees, but every one in the House knows that the functions one would think would be performed by the committees carrying these titles are now performed by other more important committees of the House. We know that with reference to naval matters, with reference to military matters, and with reference to all of the other matters mentioned here the important functions are performed by the major committees having these matters in charge.

This is not in any sense a partisan matter. It is just a matter of plain economy. If you think that expenditure of money has some relation to the raising of revenue, then you will think that this resolution is important. I have a notion that at a time like this, when this House yesterday, as the chairman of the Committee on Ways and Means said, passed the biggest tax measure that was ever imposed on any people, the House should find itself in a frame of mind to-day where it would be difficult to get it to approve even $1,375 a month of absolutely useless expenditure of public money.

Mr. LANGLEY. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. LANGLEY. I understood the gentleman to say that this is in no sense a partisan matter. Democrats will be appointed to all of these places, will they not?

Mr. SANFORD. Oh, I have gotten the habit of saying that this is not a partisan matter. I learned that from the Committee on Ways and Means. It is nonpartisan.

Mr. LANGLEY. I know the economy part is not, of course.

Mr. SANFORD. But I am glad to say that the four Republican members on the committee stand solidly opposed to the useless expenditure of money.

Mr. SIMS. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. SIMS. Have any bills or resolutions been referred to any of these committees during the present session?

Mr. SANFORD. I understand it is the habit at this special session for these committees to have some bills introduced and referred to them, but the gentleman knows and I know that those bills will not receive the attention of Congress at this extra session.

Mr. O'SHAUNESSY. Mr. Speaker, will the gentleman yield?
Mr. SANFORD. Yes.
Mr. O'SHAUNESSY. It occurs to me that this above all times must be the time for those committees to exercise their jurisdiction, when the departments of the Government are going to expend extraordinary amounts of money.
Mr. SANFORD. I will answer the gentleman in this way: Let me tell him what facts I have been able to find out on my own account. First, I will say that the majority of these committees have not done anything so far as I can find out from members of these committees for a number of years, and I have talked with the men and I find that there is no real intention to do anything at this time. And I want to say that if they attempted to do anything now they would only obstruct and impede these important departments of the Government who really have the responsibility. It would be absolutely impossible for the personnel of these committees now to organize and tell the Navy Department anything, for instance, or to give the House any information within the few weeks that remain of this extra session of Congress; but let me say this to the gentleman—and this is a fact I dislike to state because some people may misunderstand me—there are 11 committees provided for in this resolution, and of those 11 committees at the last session of Congress the name of the clerk of the committee was the same as the name of the secretary of the chairman of the committee, presumably allowed $1,500 a year for his work as secretary. I do not say that there is anything wrong in a Member of Congress drawing for John Doe $1,500 a year for services rendered as secretary, and at the same time coming in here and voting $125 a month for the same man as clerk of the committee of which he happens to be chairman; but I am willing to say that on the face of it it presents a state of facts that can not have my approval.
Mr. LENROOT. Will the gentleman yield?
Mr. SANFORD. I will be very glad to yield to the gentleman.
Mr. LENROOT. Aside from what the gentleman now states, does not the practice conclusively show that these clerks are not necessary?
Mr. SANFORD. That is the reason I mention it here, because it seems to me to be most evident that if one person can hold both jobs, possibly one of the jobs is not necessary to be filled.
Mr. DILLON. Will the gentleman yield?
Mr. SANFORD. I will be glad to do so.
Mr. DILLON. Does the gentleman mean to say that the clerk of the House Member acts as secretary and also draws an additional salary for this clerkship?
Mr. SANFORD. To make it clear to the gentleman, I will say that under the legislative appropriation bill that we passed at the last session it is required that the names of the clerks of the Members appear on the roll of the House. You remember that at the last session the Members of this House made a stiff fight against getting our personal clerks on the pay roll to be paid by the Government. After a stiff fight with the Senate for the privilege to pay our clerks we got that privilege. Under this bill, the same person, I will say to the gentleman now, who receives the salary as clerk of the committee appears in nine instances out of eleven as the congressional secretary of the Member of Congress who happens to be the chairman of the committee.
Mr. ELSTON and Mr. LANGLEY rose.
The SPEAKER. To whom does the gentleman from New York yield?
Mr. SANFORD. I will yield in just a minute.
I want to say in connection with that that I can see that it would be unwise for me to draw any conclusions from these facts. The point is that the public may draw a bad conclusion. I do not know what conclusion to draw, but I draw at first view a conclusion that is not in any way creditable to this House or the membership of it who engage in this practice. But I am sufficiently experienced in public matters to say that there may be some explanation. If there is an explanation it should have been given to the Committee on Accounts before this resolution was reported on this floor.
Mr. HOWARD. Will the gentleman yield for a question?
Mr. SANFORD. I will be very glad to yield.
Mr. HOWARD. I believe the gentleman said that these committees are mere sinecures, and that they never meet.
Mr. SANFORD. I will say to the gentleman I do not know what they do, and I therefore stood in the committee for a resolution that would permit the chairmen of the committees to come in privately before our committee and tell what they did and the need there was for the clerk. So if this House acts now, it will either act on the unreliable information which it gathers here in the heat of debate or act in ignorance.
Mr. HOWARD. Do I understand the gentleman to say that these committees on expenditures in the various accounting departments can never call in any of the accounting officers and ask them about the permanent expenditures in those departments?
Mr. SANFORD. Some of the members of the committees have told me the committees have never met. I say that our committee should have found out the facts for themselves before they brought in this resolution.
Mr. ELSTON. Do I understand that the chairmen of the committees included in this resolution have clerks, and that the purpose of this is to give them an extra clerk?
Mr. SANFORD. This is to provide for the committees who have no extra clerks and, so far as I know, have no duties to perform at this session of Congress.
Mr. ELSTON. Then, the designation by the chairman of his clerk as secretary of the committee is entirely an ex officio designation and details an extra clerk with no pay?
Mr. SANFORD. As I understand, it does not detail an extra clerk, but it does provide extra pay providing the person gets the pay that is allowed to the Member of Congress whose secretary he appears to be.
Mr. LANGLEY. Will the gentleman yield?
Mr. SANFORD. I will.
Mr. LANGLEY. I think it is well, in this connection, to remember that on the 1st of July these clerks to the Members will receive additional compensation.
Mr. SANFORD. Yes. After the 1st of July the clerks of the Members of Congress will receive $2,000 per year, and if such a clerk gets this $125 a month he gets that in addition. I do not care how much he gets if he earns it and if it is necessary to spend the money. I can not comprehend how, under the provision of the law, the clerks to the Members of Congress can have any idle time, because the law provides that each Member of Congress shall have $2,000 a year for clerical help, but only so much thereof as he must necessarily use for clerical help in the discharge of his official duties. If a Member of Congress does not spend the $2,000 appropriated for clerical help he has no legal right to take it, and if he pays that to the man whom he has designated as secretary, how he can possibly, under these circumstances, put the name of the same man down as a clerk to a committee, I do not understand.
Mr. CARTER of Oklahoma. Will the gentleman yield?
Mr. SANFORD. I will be glad to yield.
Mr. CARTER of Oklahoma. The gentleman's remark about the committees not meeting applies only to this session of Congress, does it not?
Mr. SANFORD. The information I have is that most of these committees never meet. I have met several men on the committees who have told me personally that they never had a meeting.
Mr. CARTER of Oklahoma. I think the gentleman's information is not correct.
Mr. SANFORD. My information is reliable. It may not apply to all the committees but to some of them.
Mr. CARTER of Oklahoma. For instance, in the Committee on Expenditures in the Interior Department, and in some of the committees on expenditures in some of the other departments, it is true. Now, the committee can not be expected to do any work until it gets a clerk. If you do not provide for it they can not do the work.
Mr. MADDEN. Mr. Speaker, will the gentleman yield to me?
Mr. SANFORD. Yes; I will be very glad to.
Mr. MADDEN. The gentleman from Oklahoma [Mr. CARTER] just suggested that a committee can not be expected to do its work unless it is allowed a clerk. But if the secretary to a member who is chairman of a committee is named as the clerk, then the committee chairman would not get any additional help.
Mr. CARTER of Oklahoma. I do not know anything about it.
Mr. SANFORD. That is true in 9 cases out of 11 in reference to these committees to investigate the expenditures in the different departments.
Mr. COX. Mr. Speaker, will the gentleman yield?
Mr. SANFORD. Yes.
Mr. COX. Do I understand the gentleman to make the statement that the chairmen of these investigating committees name their private clerks or secretaries as the clerks to the committees also?
Mr. SANFORD. In 9 cases out of 11 under this resolution; that is, they did it at the last session of Congress.

Now, the proposition incorporated in this bill by the committee amendment is that these men shall receive pay from the 2d day of April.

Mr. HASTINGS. Mr. Speaker, will the gentleman yield there?

Mr. SANFORD. Yes.

Mr. HASTINGS. The gentleman does not mean that that is the practice at this session of Congress, but that it has been the practice heretofore?

Mr. SANFORD. That was the practice when they had the right to have a clerk.

Now, one gentleman appeared before our committee and asked to be allowed a clerk on the ground that it was absolutely necessary, and he proposed as the clerk the name of the person who is his secretary now.

Mr. CARTER of Oklahoma. I do not know that the chairman of a committee would have the right to make this appointment under the law, but if the secretary of a Member who is chairman of one of those committees had imposed upon him the additional duty of being clerk to the committee, why should he not be entitled to additional compensation?

Mr. SANFORD. Well, he is going to get $2,000 compensation a year, beginning on the 1st of July. Does the gentleman want to give to that same man an additional salary of $125 a month?

Mr. CARTER of Oklahoma. No; I do not say that. But if a man is receiving compensation for the performance of a certain character of duties and then additional duties are imposed on him, he has the right to have additional compensation.

Mr. SANFORD. A proposition was submitted before our committee not long ago to pay Tom, Dick, and Harry, now on the pay roll of the House in various positions, for extra work done during the session.

Mr. CARTER of Oklahoma. Is there not a provision of law providing that employees of the Government shall not draw two salaries at the same time?

Mr. SANFORD. Yes; but that would not apply here, because the secretary of a Member of Congress is not an official employee of the Government or on the pay rolls in his capacity as clerk to a Member of Congress, but presumably he gets his pay.

Mr. MADDEN. Mr. Speaker, will the gentleman permit me to ask him another question there?

Mr. SANFORD. Yes.

Mr. MADDEN. Did the various chairmen of the committees wanting clerks appear before the committee to show why clerks should be allowed?

Mr. SANFORD. No. The minority proposed a resolution inviting them to come, but only one came.

Mr. MADDEN. How could the Committee on Accounts have any information to show that these clerks are needed if nobody appeared before them?

Mr. SANFORD. The committee has no information on the subject.

Mr. MADDEN. Does the gentleman mean to say that the Committee on Accounts, of which he is a distinguished member, recommends to this House the expenditure of a lot of money for the employment of additional clerks without having any information on which to base their recommendation?

Mr. SANFORD. I have absolutely no information. As I say, we favored the passage of a resolution inviting the chairmen of these respective committees to come before us and testify, and on the occasion when I advocated the adoption of that resolution I was accused of obstructing the public business, and somewhat in disorder the committee adjourned. [Laughter.] I say this in all good nature. There is but one justification for this resolution, and that is——

Mr. GRAY of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. GRAY of New Jersey. Does not the gentleman think that quite a number of these "unnecessary" committees are really necessary in order that all the Members may receive committee appointments? [Laughter.]

Mr. SANFORD. Yes. There is but one justification for this resolution, and that is precedent. If you want to follow precedents blindly during this war and authorize all kinds of extravagances because you can point back and say that somebody else did it, then pass this resolution blindly.

Mr. MADDEN. Mr. Speaker, will the gentleman again yield?

Mr. SANFORD. Let me finish this first. But if you are going to follow precedent, why continue to have this Committee on Accounts? You do not need a Committee on Accounts, with 11 members taking their time going down there trying to have meetings if you are going to do these things year after year simply because they did them 20 or 40 years ago. For instance, take our Committee on Accounts. We have a clerk at $2,500 a year. We have an assistant clerk at $1,800 a year, and the pay roll shows that we have a janitor at $1,000 a year. Why spend $5,300 a year to come up here and simply follow precedent? Are we afraid of the facts? If your committee is willing to act in the light of day, why on earth are you not willing to find out the facts and report the facts, instead of coming in here without any facts?

Mr. MADDEN. In this time of stress, when everybody is advised by the President of the United States to economize in their food supply and to economize in their clothing and in all other expenses, does not the gentleman think it would be wise for the House of Representatives, that has to pass the laws, to begin to economize here somewhere on expenses that are not necessary?

Mr. SANFORD. In answering that I will say that, roughly speaking, after we have taxed a man with an income of $2,000 $20 a year, as we did in the bill yesterday, it would take over 60 of those taxpayers simply to pay for these extra committee clerks that are proposed. Do you wish to put that burden on them and spend the money in that way?

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. HARDY. I want to say to the gentleman that I am chairman of one of these committees, and I want to do one of two things: Either abolish the committees or organize them. The gentleman admits that a committee can not do anything until it is organized.

Mr. SANFORD. Will the gentleman tell me what committee it is?

Mr. HARDY. I am chairman of the Committee on Expenditures in the Navy Department, and have been for quite a while.

Mr. SANFORD. I can only say to the gentleman that I do not care to reflect on that committee or on that situation. I simply take the position that the Committee on Accounts in these war times ought to know what the facts are, and act according to the needs as revealed by the facts.

Mr. HARDY. I want to get this thing straight. Either these committees ought to exist or they ought not to exist. You admit that they can not exist efficiently or effectively until they have clerks. Can they?

Mr. SANFORD. I will state that if the only reason for the existence of a committee is to have a clerk, then it ought not to exist. [Laughter.]

Mr. HARDY. Does the gentleman believe that they ought to be abolished? I want to state this, that when I was first appointed chairman of that committee the administration was Republican. We spent a great deal of time in investigating the expenditures of the Navy. I want to extend, if I stay on that committee, the opportunity to the Republican members to delve into and probe into the expenditures of the Democratic administration. Either these committees on expenditures ought to exist or they ought not to exist. If we are not to have clerks, I want to resign my chairmanship.

Mr. SANFORD. I understand the gentleman's position; and, as I understand it, these expenditure committees have heretofore been the instrument used by the incoming administration for investigating and criticizing the retiring administration. But you are still in, and there is no reason for your conducting an investigation on that theory.

Mr. HARDY. Will the gentleman pardon me? I want to say that the Republican members of that committee were as industrious and intelligent and willing to help investigate the expenditures as were the Democratic members.

Mr. SANFORD. I think I have yielded enough. I want to say in answer to the gentleman that it is my personal view, with the facts I have, that it would be unfortunate for your committee now to attempt to investigate the Navy Department; first, because you have not at your disposal, even with one clerk, sufficient means to make an intelligent and thorough investigation. You certainly have not the control or the knowledge of these matters that the House reposes in the Committee on Naval Affairs.

Mr. HARDY. Then, the committee ought to be abolished.

Mr. SANFORD. We might organize such a committee as that, and have it make an investigation.

Mr. HARDY. Ought not the committee to be abolished?

Mr. SANFORD. I think it ought to rest dormant. I do not think it would be any harm to continue to confer on the gentleman the high honor of being chairman of a committee with such a high-sounding name.

Mr. HARDY. I do not want it, if that is all there is to it.

Mr. MADDEN. I served on one of these committees to investigate expenditures in the Department of Commerce and Labor, the chairman of which committee drew the salary of the secretary, and also the salary of the clerk, and he did not have either

a secretary or a clerk. We exposed that on the floor of the House.

Mr. CARTER of Oklahoma. Did the gentleman say he was chairman of that committee? [Laughter.]

Mr. MADDEN. I did not. The gentleman from Oklahoma [Mr. CARTER] knows who the chairman was.

Mr. LOBECK. The gentleman stated that he could hear from only one member of the committee that morning.

Mr. SANFORD. In the committee.

Mr. LOBECK. We were called together at 10.30. Myself and other members were present, ready to be heard.

Mr. SANFORD. Yes.

Mr. LOBECK. You adjourned at 11 o'clock, and gave no opportunity, except to two men, to be heard.

Mr. SANFORD. I do not know why the committee did not hear the particular gentleman who was there ready to tell his facts, but the committee would not hear him, and adjourned and came up here.

Mr. LOBECK. The gentleman left the impression that there was only one man present.

Mr. SANFORD. I did not mean to leave that impression, that there was only one present.

Mr. LOBECK. It would not be fair to the others who were present to leave that impression.

Mr. SANFORD. The gentleman from Nebraska [Mr. LOBECK] was there willing and anxious to give some facts, but the committee did not want any facts. Now, why? It would not be right to take facts in one case and ignore them in others. This House would not feel justified, for instance, in authorizing 11 committee clerks because 2 committees needed clerks. There may be some of these committees that need clerks. I do not know. I simply take the position that no committee ought to have a clerk, not even one committee, unless it needs it.

Mr. LUNN. I was very much interested in this report as given by the gentleman from New York and am largely in sympathy with his position. It seems to me if any of these committees do not meet they are not needed, and therefore the expenditure for the salary of a clerk can not be justified. There must be need for a committee to examine expenditures, but it seems to me we could make provision to combine all of these committees in one effective committee that will work, or else we ought to abolish them all.

Mr. SANFORD. I would like to say to the gentleman that it occurs to me to be within the possibility that before we go far into this matter of raising big revenue to run the war there may be great need of reorganization of this House, in order that we may give to the country an example of our willingness to sacrifice when we are calling upon others to live on a scale of living that they have never dreamed of before. For instance, take our legislative appropriation bill. Perhaps some of you will be surprised to know that during this year we have on the pay roll of this House men drawing salaries for clerical services and as janitors and messengers amounting to $1,529,290—over a million and a half dollars for clerical and janitor help just for this House alone. I am for the expenditure of every dollar of that money that is necessary. I am for reforming that system, if it can be reformed, in order that half or three-quarters of it can be saved during the war. [Applause.]

Mr. LUNN. I stand with you on this proposition.

Mr. PARK. Mr. Speaker, how much time have we on this matter if we want it?

The SPEAKER. The gentleman has 25 minutes left.

Mr. PARK. Of the hour?

The SPEAKER. Yes.

Mr. PARK. I just want to make a few remarks. Mr. Speaker and gentlemen of the House, no man in this House is the keeper of another's conscience or can control his conduct. Every Member is responsible to the district that he represents, and not to the House. The House has jurisdiction and the right to expel a Member or criticize him for misconduct and for breaking the rules of the House. Now, gentlemen, some of the chairmen of committees whose names I read to you are present. I call on these gentlemen. I know nothing about what they have done. If we had taken up the gentleman's offer we would have been here until next December examining these various chairmen of committees.

The chairman of the Committee on Expenditures in the Department of Agriculture is Hon. ROBERT L. DOUGHTON.

The chairman of the Committee on Expenditures in the Department of Justice is Hon. JOHN E. RAKER.

The chairman of the Committee on Expenditures in the Department of the Interior is Hon. WILLIAM W. HASTINGS.

The chairman of the Committee on Expenditures in the Department of Commerce is Hon. ROBERT CROSSER.

The chairman of the Committee on Expenditures in the Department of Labor is Hon. CHRISTOPHER D. SULLIVAN.

The chairman of the Committee on Expenditures in the Navy Department is Hon. RUFUS HARDY.

The chairman of the Committee on Expenditures in the Post Office Department is Hon. EDWARD KEATING.

The chairman of the Committee on Expenditures in the State Department is Hon. COURTNEY W. HAMLIN.

Mr. HAMLIN. Mr. Speaker——

Mr. PARK. I believe the gentleman from Missouri [Mr. HAMLIN] stated that he did not desire a clerk.

Mr. HAMLIN. Mr. Speaker, I would like about five minutes of the hour.

Mr. SANFORD. Does the gentleman think that that committee ought to have a clerk when it does not want it?

Mr. PARK. The gentleman from Missouri told me that, but I had forgotten it.

Mr. SANFORD. It would not have taken five minutes for the committee to have got that information.

Mr. PARK. The House met at 11 o'clock.

Mr. SANFORD. I know it; but I was there two minutes before, because I expected something to happen. [Laughter.]

Mr. PARK. Now, these 11 committees, eliminating the committee of the gentleman from Missouri [Mr. HAMLIN], if provided with session clerks, are to be paid $125 a month, the same salary as they received in previous sessions. That means an expenditure of $1,375 a month, of $4,125, if the session continues through the month of June to the 1st of July.

The amendment offered by the committee and accepted by the House was this: If the chairman of each of these committees had, under oath, stated that he had begun an investigation of the department expenditures referred to his committee, then he would get a clerk. That settles that unless the Members think the chairmen might commit perjury to get a clerk.

Mr. WALSH. Will the gentleman yield?

Mr. PARK. Yes.

Mr. WALSH. Will the result as proposed by the gentleman's committee still permit the chairman to appoint his private secretary as a clerk of that committee?

Mr. PARK. I do not know whether the House can control that or not. I have tried to find out what the law was about it.

Mr. CLAYPOOL. Does not the gentleman think it would be a wise provision to introduce an amendment forbidding the chairmen of various committees appointing their private secretaries as clerks?

Mr. PARK. I think it is already provided for.

Mr. CLAYPOOL. Does not the gentleman think we ought to make it more explicit?

Mr. REAVIS. If the gentleman will yield, would it not be better, if the private secretary can do the work, to do away with the clerk?

Mr. PARK. That may be all right.

Mr. FIELDS. Will the gentleman yield?

Mr. PARK. Yes.

Mr. FIELDS. In fairness to the chairman of the committee, the private secretary who works 15 or 16 hours a day—and plenty of them do, and I am not chairman of one of these committees—but if the secretary working double time keeps up the work on his part as secretary and does this other work he should not do it for the salary of a secretary alone, should he?

Mr. PARK. I am not going to yield to anybody else until I get through with this statement. I agree with the gentleman from New York that precedents are not always to control, but that right should control if we know what is right. Now, we have precedents. A resolution providing for session clerks for expenditure committees was passed by the House during the first session of the Sixty-second Congress, an extra session.

Mr. MANN. Will the gentleman yield for a question?

Mr. PARK. I said I would not, but I will.

Mr. MANN. Did these committees have a clerk before that time?

Mr. PARK. Yes. Some had clerks 101 years ago.

Mr. MANN. They did not, because they were not then in existence.

Mr. PARK. I will explain to the gentleman. Six of them, as shown by the committee report accompanying the resolution, were created March 30, 1816; one March 16, 1860; one January 16, 1874; one December 20, 1889; and one December 11, 1905.

Mr. OLIVER. Will the gentleman yield? I would like to ask when these committees were created, if the gentleman has the information, and how long the precedent existed to which he has referred as to authorizing expenditure committees to have clerks?

Mr. PARK. I have just stated when they were created.

Mr. HASTINGS. If the gentleman will permit me, I will say that our committee had a clerk looking up the matter, and we found that the expenditure committees have always had clerks at all prior sessions of Congress since the committees were created. It has always been the practice to have clerks of these committees during the regular and special sessions of Congress.

Mr. PARK. Yes. Now, let me proceed. These committees referred to in this resolution were also provided with session clerks in the first session of the Sixty-first Congress, when they were paid $6 a day or $180 a month instead of the $125 that we provide here. I might add by way of parenthesis that I could have dug into this matter on the opposite side of the House and found something, but I did not. I did not desire to do it. These expenditure committees were provided with session clerks in the second session of the Sixty-second Congress. They were provided with session clerks in the first session of the Sixtieth Congress; and at this time, when all the departments are expending millions of money where they expended thousands before, where graft has the best opportunity it ever has had, where chairmen of these committees should ascertain what the law is and apply it to the methods of expenditure of these departments, it seems to me that it is the part of wisdom, if not absolutely necessary. These committees should do their work and do whatever is necessary so that the Government and the people of the United States can get what is coming to them under the law provided years ago.

Now, there is no fault with the law, gentlemen. The services performed will provide ample saving to the Government, and if not performed it is the neglect of the chairman of the committee and not of the law. It seems that we ought not to place on the law the misconduct of the chairman of a committee. If the chairman will do his duty under the law there will be millions saved to this Government, perhaps.

I have a letter from the chairman of the Judiciary Committee, and he wants an assistant clerk and gives good reasons for it.

Now, the Committee on the Census, the Committee on Coinage, Weights, and Measures, the Committee on Claims, the Committee on the District of Columbia, the Committee on Flood Control, the Committee on Immigration, the Committee on Indian Affairs, the Committee on Invalid Pensions, the Committee on Mines and Mining, the Committee on the Post Offices and Post Roads, the Committee on Public Buildings and Grounds, the Committee on Railways and Canals, the Committee on Rivers and Horbors, the Committee on Roads, the Committee on Territories, the Committee on War Claims, all these committees are dormant, and yet they have clerks and assistant clerks, but no criticism is made of them. Why not criticize all alike?

Mr. LANGLEY. Will the gentleman yield? I think the gentleman is not quite accurate in saying that the Committee on Invalid Pensions is dormant. He is mistaken about that.

Mr. PARK. Then I will withdraw the statement in regard to that committee. Now, gentlemen, I wish to add in concluding my few remarks that this is a matter for the House, and one the House should carefully go into and not take one side of it.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. PARK. Yes.

Mr. BARKLEY. I would like, for my own information, to ask the gentleman if he has any record showing how often these committees on expenditures meet?

Mr. PARK. No; but I have called the names of the chairmen of these committees, and they can get up here and state it if they desire.

Mr. LANGLEY. The gentleman has called the roll and they can respond.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. PARK. Yes.

Mr. KINCHELOE. Gentlemen upon the other side seem to be criticizing this side. Is it not a fact that when the Sixty-third Congress met, when the Democrats obtained control of the House, they abolished between 10 and 13 dead committees?

Mr. PARK. Yes; at a saving of $180,000 a year; but that is all right. It is owing to whose ox is being gored. When the Democrats get in the Republicans jump upon them and criticize, and vice versa, and that is all right; that is politics.

Mr. LANGLEY. A 50-50 proposition.

Mr. HAMLIN and Mr. GREENE of Massachusetts rose.

The SPEAKER. To whom does the gentleman yield?

Mr. PARK. To anyone who desires me to.

Mr. HAMLIN. I would like to get a little time. I want 10 minutes.

Mr. PARK. Have I 10 minutes more, Mr. Speaker?

The SPEAKER. The gentleman has 15 minutes remaining.

Mr. PARK. I can not give the gentleman 10 minutes. I yield 5 minutes to the gentleman from Missouri [Mr. HAMLIN].

Mr. HAMLIN. Mr. Speaker, I have been the chairman of the Committee on Expenditures in the State Department since the session which convened in 1911. We have done considerable work since that time, as some of the older Members here will recall. Some time ago a gentleman came to me and asked me if I would introduce a resolution providing for a clerk for our committee during this extraordinary session. I told him that I would not, and I told him why. Afterwards I was invited to come before the Committee on Accounts to urge a favorable report on this resolution. I declined to do that, and I told them why I would not do it.

This session, as I understand it, is to be devoted exclusively, or practically so, to the consideration of matters immediately affecting the prosecution of the present war, and I had no intention of calling my committee together during this extraordinary sesssion of Congress for the purpose of prosecuting its work. If I did not call it together, of course I did not think that I needed a clerk to my committee, and I am sorry that the Committee on Expenditures in the State Department is included in this resolution, because, as the chairman of the Committee on Accounts stated, I told him that I, as chairman of the Committee on Expenditures in the State Department, did not want a clerk. Having stated that, I think it is only fair to state another thing. The intimations made by the gentleman from New York [Mr. SANFORD] against all of these expenditure committees are not justified. I know that some of them have done splendid work, and that they have saved this Government a great deal of money. During one session of Congress my committee was very active. We did make a pretty thorough examination of expenditures in the State Department. We developed some things that were not to the credit of some people. Among other things, we uncovered the fact that a certain New York bank, in the gentleman's State, acting as the fiscal agent for this Government, had collected and failed to turn over to the Government $116,000, which it owed the Government at that time. Our committee uncovered that fact; and we developed another fact, that out of a fund known as the emergency fund, or the secret fund, in the State Department—a fund that had been given to that department for use as a secret fund and for which they had not to account, except by a certificate of the Secretary of State certifying that he had expended so much money, but not mentioning the purpose for which it was expended. The appropriation averaged when the Republicans were in power $90,000 a year for this so-called secret fund. All sorts and kinds of expenditures were being made out of this fund. Notably, it will be recalled that there was paid out of this fund $2,500 for the painting of a picture of Associate Justice Day, an ex-Secretary of State. That was paid to a man named Rosenthal, an artist in Philadelphia. A report of that expenditure was made in lump by the State Department under section 291 of the Revised Statutes, known as the secret section, but no statement was made as to what this money was spent for. Twenty-five hundred dollars was the sum the Government paid somebody for the painting of that portrait. But, as a matter of fact, we developed that the artist received only $850 for the painting of this portrait, leaving the balance of the sixteen hundred and fifty dollars in the hands of the then chief clerk of the State Department unsatisfactorily accounted for. That money has never been accounted for, in fact, to this day. Growing out of that investigation——

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. HAMLIN. May I have five minutes more?

Mr. PARK. I can not yield the gentleman any more. I have only 10 minutes more.

Mr. MOORE of Pennsylvania. Mr. Speaker, I ask that the gentleman's time be extended five minutes.

Mr. SLAYDEN. Mr. Speaker, I would like to ask the same privilege.

Mr. GREENE of Massachusetts. Mr. Speaker, I would like to have five minutes.

Mr. MOORE of Pennsylvania. Mr. Speaker, I ask unanimous consent that the general time be extended 20 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the general time of debate be extended 20 minutes. Is there objection?

Mr. OLIVER. Mr. Speaker, reserving the right to object, who is going to control the time?

Mr. STAFFORD. Yes; I would like to know who is going to control that time.

The SPEAKER. The Chair does not know; and, if nobody else controls it, the Chair will. The Chair will put the request again. The gentleman from Pennsylvania asks unanimous consent that the time for debate be extended 20 minutes, the gentleman from Missouri [Mr. HAMLIN] to have 5 minutes, the

gentleman from Massachusetts 5 minutes, and the gentleman from Texas 5 minutes.

Mr. MOORE of Pennsylvania. And I ask that five minutes be reserved for the gentleman from New York [Mr. SANFORD].

The SPEAKER. And the gentleman from New York for five minutes. Is there objection?

There was no objection.

Mr. SEARS. Will the gentleman yield?

Mr. HAMLIN. I will.

Mr. SEARS. In view of the statement showing the large expenditures that his committee had investigated, does not the gentleman think now, of all times, these committees should be more active than they have in the past?

Mr. HAMLIN. I am very glad that the gentleman asked that question, and I was going to reach that question very soon. I want to repeat that it is not fair to criticize these committees as they have been criticized here this morning—not purposely, I think, but unwittingly. They can be, and have been in some cases, of great benefit to this Government.

Mr. MANN. Will the gentleman yield for a question?

Mr. HAMLIN. For a question.

Mr. MANN. Admitting all the gentleman says, did any of these committees have a meeting in the last Congress so far as he knows, except to confirm a clerk?

Mr. HAMLIN. I think that is about all.

Mr. MANN. Does the gentleman think that there will be a meeting of any of the committees in this Congress except to confirm a clerk?

Mr. HAMLIN. I can not speak for any of the committees except my own. I am not going to call my committee at this extra session unless something should come up that would seem to justify such action.

In reply to the gentleman from Florida [Mr. SEARS], I will say that after this war is over, no matter which party is in power, these expenditure committees, if they will only get active, can accomplish great good, in my judgment. The Committee on Expenditures in the State Department is one of the early committees organized in this Government. It is over 100 years old. It hardly lies in the mouth of our Republican friends to criticize the fact that we did not meet, some of us, last session. The records of my committee show that there never was a single meeting of the Committee on Expenditures in the State Department from, I think, the year 1887, until the Sixtieth Congress, in 1907. And yet the records will show that the House was under Republican rule most of that time and under Democratic rule during a portion of that time, and these committees were appointed during each regular session. Now, I say that it is hardly fair to criticize us because we have not been active at every session. It is not necessary, perhaps, to be active every session. I may say, and I will betray no secret in saying it in further answer to the gentleman from Illinois [Mr. MANN], that while we did not meet often to formally investigate as a committee last session, I made more trips than one down to the State Department and made inquiries as to certain expenditures. And not only did I do that, but I told one certain official down there that if there was any inclination to attempt to make certain expenditures in a certain way the committee would be called and an invesigation had.

Mr. MANN. Will the gentleman yield for a question?

Mr. HAMLIN. Yes.

Mr. MANN. Are not these committees—what you might call "sporadic" committees—at times very essential and at times with nothing to do?

Mr. HAMLIN. Surely. That is exactly why I did not want a clerk at this session, because I did not think the time was appropriate for an investigation at this session. I do not believe, and I agree with the gentleman from New York [Mr. SANFORD], that these committees ought not now to embarrass or interfere with these departments in their stress and strain, almost to the breaking point.

Mr. LOBECK. Is it not true that the only legislation that will be considered by the House is now in the committees of the House that are actively at work on war matters?

Mr. HAMLIN. That is true. And I want to say that it is hardly fair to these expenditure committees, when you get right down to it, gentlemen, to criticize them even by intimation. There are other committees in this House who have annual clerks, paying $2,000 to $2,500, with assistant clerks, and janitors, that are not active this session, or not doing anything—faithfully carrying out the wishes of the caucus. We all know that is true.

Mr. WINGO. Will the gentleman yield?

Mr. MANN. Will the gentleman yield?

Mr. HAMLIN. I will yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN. They are just as active as if the House were not in special session?

Mr. HAMLIN. No. The committees which I had in mind are active at the regular sessions.

Mr. MANN. The question really is whether they ought to have annual clerks or these committees ought to have annual clerks. I do not undertake to say.

Mr. HAMLIN. I think these committees ought to have annual clerks, and not have this contest come up every time Congress meets.

Mr. WINGO. Will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. WINGO. In response to the suggestion made a while ago, I do not know whether by the gentleman or some one who interrogated him, that at a time like this these committees ought to remain quiet, does the gentleman think that the committee on any one of these expenditures, where the members know of waste, caused either by reckless inefficiency or the result of it, or else the result of graft or fraud practiced on the departments, ought to be quiet any more than at any other time?

Mr. HAMLIN. Of course not.

Mr. WINGO. And will not the gentleman assist it acting along that line?

Mr. HAMLIN. I will state, as far as my committee is concerned, I have made more than one trip down to the State Department, as I have said, to determine certain matters that I thought ought to be looked after.

Mr. PARK. Mr. Speaker, I want to take a minute of the time. A while ago I made the statement that the Committee on Mines and Mining was a dormant committee. I am informed by the chairman it is not. I withdraw the statement.

I want to make a parliamentary inquiry. Have I the right to offer an amendment at this time?

The SPEAKER pro tempore (Mr. SABATH). I think the gentleman has the right to offer an amendment.

Mr. PARK. All right. I offer this amendment. I do not know exactly where to put it in, but here it is:

Provided, That no chairman of any of these committees herein named shall have a clerk until he expresses his intention that he proposes to investigate the expenditures in the department over which his committee has jurisdiction.

Mr. MANN. Mr. Speaker, will the gentleman yield for a question?

Mr. PARK. Yes.

Mr. MANN. Does that relate back to the payment of a clerk before they commence to do anything?

Mr. PARK. Sure. This amendment I offer does that. He will not draw a nickel until he gets it.

Mr. MANN. If the chairman said he was going to do business in the future, after Congress adjourned?

Mr. PARK. You mean the amendment I have just offered?

Mr. MANN. Yes.

Mr. PARK. No. When he applies for the clerk he expresses his intention to go to work.

Mr. MANN. We have already agreed to an amendment providing that the pay shall commence when the chairman certifies that he has been appointed.

Mr. PARK. I withdraw it, Mr. Speaker.

Mr. BATHRICK. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

Mr. WINGO. Mr. Speaker, will the gentleman from Ohio, before he does that, permit me to ask the gentleman from Georgia [Mr. PARK] a question?

Mr. BATHRICK. Yes.

Mr. WINGO. The gentleman from Georgia says these committees would not have these clerks unless they made investigations. Does the gentleman know that under the rules of the House they can not make an investigation except on information which they can get voluntarily?

Mr. PARK. Yes; but when a man sits here all during a session and does not try to do any work, he ought not to have a clerk.

Mr. WINGO. How can a man investigate without authority? I have been looking into the matter, and I find that the Committee on Expenditures in the War Department has no authority at all to get information, except such information as it can get voluntarily. It can not send for books and papers or subpœna witnesses. It can get only such information as is voluntarily offered it.

Mr. HAMLIN. If the gentleman will come into the House and say to the House that his committee needs that power and authority, he will get it.

Mr. WINGO. They need it and ought to exercise it.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Ohio [Mr. BATHRICK].

The Clerk read as follows:

Mr. BATHRICK offers the following: Add a new section, as follows:

"The said committees shall be required to sit continuously during the term of the war with Germany, and shall hold hearings to investigate expenditures in the departments under their jurisdictions. There is hereby appropriated to defray the expenses of these committees the sum of $200,000."

Mr. MANN. Mr. Speaker, I reserve a point of order on the amendment.

Mr. BATHRICK. I hope the gentleman will reserve it and let me talk for five minutes.

Mr. MANN. I will reserve it.

Mr. BATHRICK. Mr. Speaker, when the Democrats came into power in this House in 1911 we found that the committees on expenditures in the departments had been dead ones for 16 years. Some of us new Members then were given positions on these committees. We were anxious to do something, and we went ahead; nearly every one of the committees went to work, and nearly every one of them found much material that deserved investigation, and as a result we uncovered some wrongs that should have been uncovered long before.

Now, having been in power for over four years, I hope that it will not be said that the Democratic Party has permitted these committees on expenditures to relapse into a condition of "innocuous desuetude," to use the term of a distinguished President, now dead. But that is practically the situation to-day. The committees on expenditures have done nothing, and are doing nothing.

The purpose of my amendment is to call the attention of the House of Representatives to the fact that in these times of enormous expenditures these committees should be given a power that would enable them to do great good to the country. Now is the time of all times for them to work, and I want to say to the Republican Members of this House that you do your part; you can demand that the chairmen of these committees shall call their members together, and if you have anything on which to base a belief that certain things should be investigated you can insist upon it in committee and on the floor of the House. If we have all these committees in actual operation, actually working, we can save to this Government many millions of dollars. Such committees should have power enough to enable them to send subcommittees to various places throughout the United States, even out to the Pacific coast, if necessary, and thereby make a more careful examination of Government expenditures. They are the only body, the only organization that we have now by which these expenditures can be investigated. Why not give them power and money and pepper? I want to make these committees live ones, and I want to have money enough provided to make the investigations live ones.

If such an amendment as I offer is not adopted, there is no use in giving clerks to these committees. I do not want to say that they are dead ones, but by the RECORD it appears that they are not very much alive. I do not want to say they are not alive at all, because they are a part of the Democratic administration. Yet if they will do nothing they are no credit to us. For whatever reason they have not been active there is no such reason now, and they should go forward and do something. The chairmen of these committees can make a reputation for themselves if they are really and truly live ones. Already there are rumors about this mistake or that mistake; about one graft or another. Why not summon officials and others from the various departments and ascertain whether there are mistakes or not, and find out whether or not money is being wasted? I think no officials are involved, but a board of grafters hang like buzzards about our overflowing Treasury.

Mr. FERRIS. Mr. Speaker, will the gentleman yield?

Mr. BATHRICK. Yes.

Mr. FERRIS. I agree largerly with what the gentleman is saying, but I do not believe we ought to brand the chairmen of those committees as being of no account.

Mr. BATHRICK. I do not so brand them. I only ask that their committees shall perform the service for which they were selected. If they will not do this, they should not ask for clerks merely to increase their patronage.

Mr. FERRIS. This Congress has only been in session for a month, and we were specifically directed not to do anything.

Mr. BATHRICK. Who directed them not to do anything?

Mr. FERRIS. We had a caucus, as the gentleman knows, and we agreed not to enter upon a program of general legislation.

Mr. BATHRICK. There was a program of legislation but no inhibition on investigation. Those committees can be made the most useful committees in this House if they will enter upon that work. I am in favor of furnishng them with money to travel and to go where it is necessary to investigate, and I am confident enormous sums of money would be saved to the people.

I ask that the amendment be passed. If it is not passed, the resolution to give them more clerks should not be passed.

Mr. PARK. Mr. Speaker, I move to strike out "the State Department," because the gentleman from Missouri [Mr. HAMLIN] says they do not want a clerk. I move to strike out "the State Department."

Mr. MANN. I make a point of order, Mr. Speaker, on the amendment offered by the gentleman from Ohio.

The SPEAKER. The point of order is sustained.

Mr. PARK. How about my amendment?

The SPEAKER. That can be voted on after debate. The gentleman from Massachusetts [Mr. GREENE] is recognized for five minutes. The point of order against the amendment offered by the gentleman from Ohio [Mr. BATHRICK] is sustained on the ground that it is not germane.

Mr. GREENE of Massachusetts. Mr. Speaker, I have listened with a great deal of interest to the debate that has taken place in regard to the employment of clerks to the various committees on expenditures in the departments. I have been a Member of the House for 19 years, and I served on one of those minor committees shortly after I became a member—as one of the Committee on Expenditures in the Navy Department. Never during all the time I was a member of that committee was any meeting ever held. In due time I rose by regular gradation to the chairmanship of the committee, and I was named as chairman. The only advantage of being chairman of a committee of that kind, as I found during my service and since, was, that a chairman was awarded a room that he could use for his work. At that time an office room was a great convenience. I was very much interested in the statement made by the gentleman from Oklahoma, that during the Republican rule here clerks to those committees were provided and salaries were paid. Possibly there were to some of the committees, but I never heard of any clerks being provided or any salaries paid. I never heard of any salaries being proposed for these clerks until some years ago, when there was talk of paying for session clerks. Previous to the time of investigations, inaugurated after the Republicans went out of power, there rarely was a time when the committees on expenditures in the departments had displayed any activity in opening up the question of investigation of expenditures in the different departments.

Mr. SEARS. Will the gentleman yield?

Mr. GREENE of Massachusetts. Yes.

Mr. SEARS. Does not the gentleman believe it would be the better policy for the party in power to investigate rather than to wait until it goes out of power and then let the other party investigate?

Mr. GREENE of Massachusetts. I certainly think so. I do not object to proper investigations.

Mr. HARDY. Will the gentleman yield right there?

Mr. GREENE of Massachusetts. Yes.

Mr. HARDY. I wish to say that as soon as the Democrats elected a majority in the House I was made chairman of one of these committees. I succeeded the gentleman from Illinois [Mr. BOUTELL], who had had both a janitor and a clerk. The janitor received $60 a month for the whole year. As soon as I came in I dismissed the janitor, and I think all the janitors of these committees have since then been dismissed.

Mr. GREENE of Massachusetts. I had no janitor and I had no clerk when I was chairman of the committee referred to, and I never knew of anybody having had such a perquisite previous to my having been made chairman of that committee.

Mr. HARDY. As soon as we got clerks we conducted investigations for days and weeks.

Mr. GREENE of Massachusetts. I am not criticizing that at all. I simply say that to my knowledge there has been very little active work done by any of these committees. The gentleman refers to Mr. Boutell, of Illinois, who was a former Member of the House, and he may have been more active in securing a clerk or a janitor than others were, because I did not see any need for them at that time and I do not see any need for clerks or janitors for these committees at the present time.

Mr. SEARS. Does not the gentleman believe that the chairman of an expenditure committee owes it to the Members of the House and to himself and to the country to investigate these matters?

Mr. GREENE of Massachusetts. Oh, yes, if occasion should require.

Mr. SEARS. His party being in power?

Mr. GREENE of Massachusetts. Oh, yes, as before stated.

Mr. HASTINGS. How could a committee on expenditures conduct an investigation without having a clerk?

Mr. GREENE of Massachusetts. I think if I wanted to investigate I would use the services of my own clerk, and if I required more assistance I would demonstrate the necessity for it. But there was no need of an investigation at that time. Nobody complained, and there was no expectation that any of these committees would do any work. They were simply honorary positions. They made a man perhaps more prominent at home, being chairman of a committee. I recollect receiving a letter once when I was chairman of the Committee on Expenditures in the Navy Department, saying how important I was, being connected with so great a department. I did not realize the importance of the committee then. I do not see any importance in these committees to-day, and these clerkships will be mere sinecures if they are provided now. They were not provided at any time while I was a member of one of these committees, and I served 10 years or more as a member of the committee named, part of the time as chairman and part of the time as an ordinary member.

Mr. MANN. Mr. Speaker, I ask that I may proceed for five minutes.

Mr. SLAYDEN. Mr. Speaker, I want to find out the parliamentary status. There was a statement made with reference to this debate. There was a request made some time ago.

The SPEAKER. The request was carried, and the gentleman from Texas was allowed five minutes, the gentleman from Massachusetts five minutes, the gentleman from New York seven minutes and five minutes, and the gentleman from Georgia has five minutes left. The gentleman from Missouri [Mr. HAMLIN] used his time, the gentleman from Massachusetts [Mr. GREENE] used his time, the gentleman from Texas [Mr. SLAYDEN] had five minutes, and the gentleman from New York [Mr. SANFORD] used his time.

Mr. SLAYDEN. The gentleman from Illinois wishes to submit a request. I do not mind waiting.

The SPEAKER. What is the gentleman's request?

Mr. MANN. That I have five minutes.

The SPEAKER. The gentleman from Illinois asks that the time be extended five minutes and that he have five minutes.

Mr. WINGO. Reserving the right to object, I should like to have five minutes. I do not object to the gentleman's request.

Mr. MANN. I suggest to the gentleman that he submit his request afterwards.

Mr. WINGO. All right.

The SPEAKER. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, I would not have spoken on this subject at all except for what has been said about these expenditure committees.

Expenditure committees have existed for a great many years. As a general thing they are not active. An expenditure committee is very likely to be active when the House comes in with a party majority on one side, while the administration of the opposite party remains in power. But there have been a number of times since I have been a Member of this House when various of the expenditure committees, because of some things that have taken place in the departments, have become very active, and have done some very effective service to the House and to the country. While the Republicans had charge of the national administration and while they had charge of the House investigations have been carried on in some of the departments, since I have been a Member, and those investigations were not only very interesting but very instructive and resulted in considerable economy. Probably the one that took the longest time was the one connected with the Agricultural Department, one investigation conducted by Mr. Littlefield, and I think one conducted by the gentleman from Iowa [Mr. HAUGEN].

I would not ever be in favor of abolishing these committees. I myself do not believe that it is advisable to have these committees making investigations of the departments at the present time. I consulted with some gentlemen on the Democraic side in reference to that matter, perhaps several times.

We are undergoing the greatest revolution in government which this country has ever seen. It is on account of the war, and temporary, I hope, but possibly part of it will be permanent. Every department of the Government, at least every department connected with the war or with transportation, manufacturing, or production is being upset and reorganized in a way. I do not believe it is desirable to have half a dozen Members of the House poking their noses into the efforts to reorganize the departments, keeping every man in authority on the tenterhooks as to what he can do for fear he will be criticized in Congress. They have trouble and fear enough. One of the great defects in preparing for the war is that we have not made sufficient preparation because the executive departments have been afraid to go ahead too fast for fear that they will be criticized.

Doubtless there will be some investigation by committees. I have no doubt that there will be, even while the Democrats are in control of the House and the administration. It is very certain, from the very nature of the events, that there would be an investigation if in the next Congress the Republicans came into control of the House while the Democrats were in control of the National Government; not for the purpose of finding fault, but it is a part of the evolution of politics and political control. Whether there ought to be clerks appointed to these committees I am not going to express an opinion. I can not see what need there is for the committees to have clerks. As a rule, they have had clerks in the past.

Mr. HAMLIN. Will the gentleman yield?

Mr. MANN. Yes.

Mr. HAMLIN. My attention has been called to the fact that I said in answer to the gentleman that I did not expect to make any investigation during this Congress. I meant to say this session.

Mr. MANN. I understood the gentleman and that he had reference to this session.

Mr. SLAYDEN. Mr. Speaker, although it seems like a voice crying in the wilderness, I was glad to hear the gentleman from New York and others employ the rather unusual word "economy" in this House. There is no class of work assigned to any committee connected with this House more useful than the particular line of duty that has been put on the committees on expenditures. They ought to watch them, watch them persistently, and I am personally a little more jealous of that watchfulness during the incumbency of my party than I am at other times, and that, it seems to me, is the view that all men ought to take.

There was a time in the history of this House when a distinguished gentleman, chairman of one of these committees, made an investigation that developed results of supreme importance. It uncovered a great deal of extravagance and dishonesty in the administration of affairs of one of the great departments of the Government. There are only one or two Members connected with the House who were in public life at the time, but which I have no doubt on a little reflection will occur to the minds of most Members.

I was a little bit surprised, Mr. Speaker, and no little gratified, to hear this plea for economy come from the capital of the great State of New York. I had not thought that the training of the public men of that particular region in that great State had inclined them to economy. If it has, then they have been slandered by the public press. Nevertheless, the necessity for it is so great that I am delighted to have an ally in an effort to save some of the people's money no matter from what part of the country it comes.

Unless the promise we had in yesterday's paper by Hudson Maxim that he has found an answer to the submarine puzzle should prove to be true, I think we are in for a very long and tremendously expensive war. Already we have made appropriations here that call for considerably more than the total cost of the Civil War in the United States, which lasted for four years, and it behooves us now to watch the expenditures in all the departments of the country, not with the idea that we are going to find anybody dishonest, not with the idea that people are stealing, but with the idea that wastefulness goes on all the time, as everybody knows that it does, in the administration of public affairs. That, I may say in passing, is why I have no sympathy with the Socialists—that these duties should be assumed by the people as a whole. They could not do it as efficiently, they could not do it as economically, as the individual does. It would lead to extravagance and waste. We see that illustrated every day in the public life of Washington and in the administration of affairs of the Government.

Then we are confronted with another danger. We are getting too many allies. I tremble when I pick up the morning paper lest I may find that Monte Carlo or San Marino or Abyssinia has declared itself an ally, because I know that within 48 hours a representative of that Government will turn up at the State Department and ask for a loan. [Laughter.] Of course, we are glad to have the physical assistance of the great and independent Republic of Liberia, but was it not significant, and is it not a warning, that within 48 hours after that Republic had declared war on the German Empire the single diplomatic and official representative of that country, the consul at Baltimore, should have come over and asked for his part of the loan? [Laughter and applause.] Think of the demands of Haiti and Santo Domingo, and all other pickaninny republics! Can we afford more allies?

Mr. SLOAN. Will the gentleman yield?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SLAYDEN. Oh, Mr. Speaker, I am sorry. [Laughter.] I had something more to say.

Mr. SANFORD. Mr. Speaker, I have just a word further to say in reference to this subject. It seems to me that I have called the attention of the House to what is essential with reference to this matter. The question now is, Does the House desire to authorize for the 11 committees a clerk without knowing or caring whether there is need for a clerk, or does the House take the position that the investigation here to-day, without any information furnished by the committee, is sufficient to warrant the expenditure of this money.

The chairman of the Committee on Accounts, so far from explaining the situation to you, has read the names of the chairmen of the several committees and has said that they will explain the necessity for these clerks or that they may explain. It seems to me that no more has been explained here after an hour or two of debate concerning this necessity than there was to the Committee on Accounts, and there was no explanation or information given there worthy of the name.

The only gentleman who has here specifically referred to himself as the chairman of one of these committees is the gentleman who says that he does not want and will not have a clerk, even if we give him one. It seems to me that this presents a matter of personal responsibility. I do not wish even at this time to oppose the expenditure of money for any necessary purpose. It is not, as some of the gentlemen have tried to infer, a political question. I do not understand the reference of the learned gentleman who just spoke, who said that he was surprised that the gentleman from New York State would appear in favor of economy. I will say to the gentleman that if he ever has the opportunity to travel and will come to the city where I live he will find there the best government and the most honest government in the United States [applause], and he will find that it is a place where we pay no attention to the references and inferences that he makes and where we are ready to face the facts all of the time.

Mr. BATHRICK. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. BATHRICK. If the Republican members of these committees on expenditures do not push the matter and insist upon hearings, they can not claim any political ammunition from it, can they?

Mr. SANFORD. I will say to the gentleman that he will have to excuse me from talking politics at this time. There is no politics in this matter at all. The Republicans on these committees are so much in the minority that they do not amount to anything, anyway, and most of them get shut off, as I got shut off on this committee, if they take a minute to ask for the facts. The minority Republicans amount to nothing, but I do not care anything about that. If the gentleman will meet me on these facts and say that he will spend money when he has a good reason for it and refrain from spending money when he has no reason, I will cooperate with him as an American and as a Member of this Congress and hold up my head and face anybody. [Applause.]

Mr. LOBECK. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. LOBECK. When the gentleman refers to Republicans on his own committee he does not refer to members on the other committees?

Mr. SANFORD. On the committees where I have had anything to do with the expenditure of money.

Mr. LOBECK. The gentleman has stated here that only one man appeared and he has left the impression here that some of us did not appear. It was his own fault——

Mr. SANFORD. I said that only one man was heard.

Mr. LOBECK. It was his own fault as a member of the gentleman's committee that the chairmen of these committees could not be heard.

Mr. SANFORD. I decline to yield further. I am sorry to see any feeling with reference to this matter.

Mr. LOBECK. There is no feeling at all.

Mr. SANFORD. I am not yielding to the gentleman at all. I am glad to say that the gentleman demanded a hearing before our committee, but was not given one. I meant to say that only one man was heard, though two or three more came there.

Mr. PARK. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes; I am glad to yield.

Mr. PARK. Does not the majority of a committee control?

Mr. SANFORD. I think so.

Mr. PARK. A motion was made to pass this resolution, and certainly the Chair had to put it, and it was put and passed regularly, was it not?

Mr. SANFORD. I want to say here, if the gentleman will permit me, that I have a very high regard for the good intentions of the chairman of the Committee on Accounts, but I believe he himself is powerless to prevent the expenditure of money like this, while there are many Members in the House who want the money expended. I believe the chairman of this committee started in on the performance of his duties on the committee with a desire to see that money should not be expended by this committee unless there was good reason for it. I am sorry that the gentleman found himself overridden and that he was unable to carry out his intentions. I had a working agreement, if the gentleman will permit me to say so, with the gentleman that we would operate together to prevent this kind of thing being done, but I do not know what the reason is that this resolution is here.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the time be extended so that I may have five minutes on this matter.

The SPEAKER. The gentleman from Arkansas [Mr. WINGO] has already made a request to extend the time for five minutes, and the Chair declined to put it at that time. If the two gentlemen combine for 10 minutes and make the request, the Chair will put it to the House.

Mr. RAKER. I do not want to have mine interfere with anyone else.

The SPEAKER. It does not interfere. The gentleman from Arkansas asks unanimous consent that the time be extended for 10 minutes, that he have five minutes and the gentleman from California 5 minutes. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, as I understand it, the gentleman from California is the chairman of one of these committees?

Mr. RAKER. Yes.

Mr. MANN. He is the only chairman except the gentleman from Missouri [Mr. HAMLIN] who has responded.

Mr. RAKER. I have been trying to, and I would like to have the opportunity.

Mr. MANN. I think the gentleman ought to have the opportunity.

The SPEAKER. Is there objection?

Mr. DOUGHTON. Mr. Speaker, reserving the right to object, I am the chairman of one of these committees, and I would like to have two minutes.

Mr. WINGO. Then, Mr. Speaker, I will make my request for 12 minutes.

The SPEAKER. Is there objection to the debate being extended for 12 minutes, the gentleman from California to have 5 minutes and the gentleman from Arkansas 5 minutes and the gentleman from North Carolina 2 minutes?

Mr. MOORE of Pennsylvania. Mr. Speaker, I would like to have five minutes.

The SPEAKER. And the gentleman from Pennsylvania five minutes.

Mr. PARK. Mr. Speaker, I am going to object to any more extensions of time. It is time to get through with this one way or the other.

The SPEAKER. The Chair will construe that to be an objection to the request of the gentleman from Pennsylvania.

Mr. PARK. Yes; except the chairman of these little committees; and if they want to speak, I am willing to have them speak.

Mr. Speaker, I yield the balance of my time except one minute to the gentleman from Kentucky [Mr. JOHNSON].

The SPEAKER. The gentleman from Arkansas asks unanimous consent that the time be extended 12 minutes, 5 to the gentleman from California [Mr. RAKER], 5 to himself, and 2 to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. LOBECK. Mr. Speaker, reserving the right to object, I would like to get about two minutes.

Mr. MOORE of Pennsylvania. I object.

Mr. SABATH. The gentleman is the chairman of a committee and ought to have some time.

Mr. MOORE of Pennsylvania. I am much obliged to the gentleman, but I object.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] is recognized for four minutes.

Mr. MANN. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. WINGO] may have five minutes. I think that was almost practically agreed upon a while ago.

Mr. WINGO. I thank the gentleman from Illinois [Mr. MANN], and I appreciate his kindness—and I do not say that in a critical way—but if the gentleman from Pennsylvania [Mr. MOORE], who so seldom speaks, is objecting I do not care to have the request submitted again.

Mr. PARK. Mr. Speaker, I object.

Mr. MANN. The chairman of the committee does not wish to have men speak in favor of the proposition?

Mr. PARK. There is no use of taking up all day.

Mr. MOORE of Pennsylvania. I object.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] is recognized.

Mr. JOHNSON of Kentucky. Mr. Speaker, I think it is regrettable that politics has been injected into this question. In my opinion politics has no place in it.

In the beginning I wish to say that the gentleman from New York [Mr. SANFORD] has just left the reasonable inference to be drawn from his remarks that the chairman of the Committee on Accounts is opposed to this resolution, whereas such is not the case. A few years ago I undertook to have the Committee on the District of Columbia granted authority to inquire into certain accounts. That proposition at that time met with much opposition; but finally the resolution passed. Under that and succeeding resolutions the Committee on the District of Columbia has caused to be paid into the Treasury of the United States more than $2,500,000. I can not but believe that these committees which here to-day have been classified as "little" committees can render equally as important a service if the work will be once seriously undertaken. It is my judgment that instead of having session clerks each of these committees should have a competent clerk, and he should be an annual one.

Much stress has been laid upon the fact that these committees have not held meetings or hearings. I do not believe that either meetings or hearings held by these committees will amount to anything unless they have a clerk competent to go into books and accounts and unearth fraud or extravagance, if there be any. They ought to have clerks competent for the task, and they ought to be annual clerks. I speak from experience when I say that the Committee on the District of Columbia, in finding the $2,500,000 which already has been collected, and in finding more which yet will be collected, has found the greater part of that sum of money during vacation time, when Congress was not in session, and it has found it without a single hearing. The clerks of these committees on expenditures should have a man capable of digging into these accounts, and his chairman should stand behind him day and night and help him to dig.

Mr. HAMLIN. Will the gentleman yield there?

Mr. JOHNSON of Kentucky. I will.

Mr. HAMLIN. I agree with the gentleman in his idea entirely, but he does not believe these committees could secure such a man for $125 a month?

Mr. JOHNSON of Kentucky. That is impossible; but they can get some sort of talent at that, a man who is capable, at least, of getting together suspicious items, and then having an expert afterwards go into them. Where a chairman says he does not want a clerk because he has not had a meeting of his committee, and does not expect to have one, he ought not to undertake thereby to handicap the chairmen of other committees who are anxious and willing to go into the work. [Applause.]

Mr. WINGO. Mr. Speaker, I ask unanimous consent that I may proceed for five minutes.

The SPEAKER. The gentleman from Arkansas asks unanimous consent that the time may be extended for five minutes, and that he have the five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Mr. Speaker, I know nothing of these committees except my own, the Committee on Expenditures in the War Department, and I am not chairman of that.

I do not agree with some gentlemen that this is a time that we should keep quiet. I think that if there is any time on earth when an expenditure committee should be active it is at this time. I do not think that those in authority would take it as any reflection upon them to have representatives of the legislative department, its regular constituted committees on expenditures, discharge their duties actively. I think standing committees on expenditures are necessary, for the reason that the appointment of special committees is sometimes taken as a reflection upon the departments that are to be investigated, when, as a matter of fact, the men at the head of the departments may not be to blame. For illustration, we will take the present condition with reference to the War Department. I do not believe that there is a single man in the War Department in an administrative capacity that is other than a patriot and is doing and will do his very best to see that the money is expended wisely and properly. But these men are weighed down with a load of work at this time. We must remember that in every war the condition has been the same. The very moment we declared war the stealing began. There were gentlemen who when the Spanish-American War came on thought investigations should proceed contemporaneously with the expenditure, but other gentlemen said that it was not the time; that it would be a reflection upon somebody, and the result was a scandal. I say that as a protection to the men in these different departments the committees on expenditures ought to discharge their duty and actively assist them and get busy now. I candidly believe that in the War Department those men, as careful as they may be, as honest as they may be, working, some of them, overtime, are being overreached by grafters, who take advantage of the fact that the officials, on account of the rush of matters, can not investigate as carefully as they would in peace time.

I think the work of these men would be helped and their labors relieved to a great extent if the expenditure committee of this House would keep up with the expenditures. The very fact that an expenditure committee of this House was checking up these matters would be a check upon the grafters that are trying to overreach the departments at this time. Some gentlemen may be so credulous as to believe that the grafters do not get busy when war comes. They are swarming around this Capital now, anxious to take advantage of the war conditions and the rush and lack of efficient buying and inspection caused thereby.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Arkansas yield to the gentleman from Connecticut?

Mr. WINGO. Not just now. The fact that they know these men in the executive departments have not the time to go into details, as they would do in time of peace, is taken advantage of. They are taking advantage of that fact, and the Government is being robbed at this moment in a manner that might be checked and prevented if the expenditures were checked up all the time.

Gentlemen say, "If you know any facts, why not introduce a resolution to investigate?" That moment I fear you would check the activities of good men in the departments, who would feel that their conduct was under suspicion. To avoid that we ought to have a regularly organized committee which has been selected in time of peace to go on with its duties.

These committees either ought to be abolished or they ought to go to work. [Applause.] If they go to work they should have the proper clerical assistance.

Mr. HAMLIN. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. HAMLIN. Does not the gentleman think that the same effect would be had if one of these committees would subpœna officials from the War Department or the Navy Department or the State Department and bring them up here to the Capitol?

Mr. WINGO. I would say to the gentleman this, that personally I would hesitate now to worry the War Department by necessary inquiries, even though I am a member of that expenditure committee. The thing I have in mind is that it will require special authority for these committees. It may be they have the authority the gentleman suggests now, but I doubt if it would be sustained if it were resisted. The members of that committee ought to go to other sources. I am satisfied that everything is correct down in the departments, so far as the officials are concerned. The only information the committee would need for the present is information that can be obtained at the places where the supplies are bought and where the inspection is had, to know whether the inspection is proper and how much the supplies cost. It is not the department that should be investigated, but the grafters who are overreaching the War Department. Those are the ones I want to reach. [Applause.] An investigation by these standing committees, without any hurrah, but along proper and efficient lines, will help the departments and check the grafters who, like vultures, are hovering around the Capital.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. PARK. Mr. Speaker, I want to withdraw the amendment relating to the clerk to the Committee on Expenditures in the State Department. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. PARK. I demand a division, Mr. Speaker.

The SPEAKER. A division is demanded.

Mr. MADDEN. I ask for the yeas and nays.

The SPEAKER. The gentleman from Illinois asks for the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The Clerk will call the roll. The question is on agreeing to the resolution offered by the gentleman from Georgia.

The question was taken; and there were—yeas 98, nays 243, answered "present" 2, not voting 86, as follows:

YEAS—98.

Adamson	Gallivan	Lazaro	Shouse
Alexander	Gard	Lee, Ga.	Smith, T. F.
Ashbrook	Garland	Lesher	Steagall
Aswell	Garrett, Tenn.	Littlepage	Stedman
Austin	Godwin, N. C.	Lobeck	Steele
Bell	Goodwin, Ark.	McAndrews	Sterling, Pa.
Brand	Gregg	McClintic	Stevenson
Brumbaugh	Hardy	McKeown	Tague
Burnett	Harrison, Miss.	McLemore	Talbott
Byrnes, S. C.	Harrison, Va.	Moon	Taylor, Ark.
Caldwell	Hastings	Neely	Tillman
Caraway	Hayden	Oldfield	Van Dyke
Carew	Heflin	Oliver, N. Y.	Vinson
Carlin	Helm	Overstreet	Walker
Carter, Okla.	Helvering	Park	Walton
Chandler, Okla.	Hilliard	Pou	Watkins
Dent	Hood	Raker	Weaver
Dominick	Houston	Ramseyer	Webb
Dupré	Huddleston	Riordan	Welty
Eagan	Hulbert	Rodenberg	Whaley
Estopinal	Igoe	Russell	Wilson, La.
Evans	Jacoway	Sabath	Wingo
Ferris	Johnson, Ky.	Sanders, La.	Wise
Fields	Kehoe	Sears	
Gallagher	Larsen	Sherwood	

NAYS—243.

Almon	Fairfield	Lenroot	Rowland
Anderson	Farr	Lever	Rubey
Ayres	Fess	Little	Rucker
Bacharach	Fisher	London	Sanders, Ind.
Bacon	Focht	Lonergan	Sanders, N. Y.
Bankhead	Foss	Lundeen	Sanford
Barkley	Foster	Lunn	Saunders, Va.
Barnhart	Francis	McArthur	Scott, Iowa
Bathrick	Frear	McCormick	Scott, Mich.
Black	French	McCulloch	Shallenberger
Blackmon	Fuller, Ill.	McFadden	Sherley
Bland	Fuller, Mass.	McKenzie	Siegel
Blanton	Gandy	McKinley	Sims
Borland	Garrett, Tex.	McLaughlin, Mich.	Sinnott
Britten	Gillett	McLaughlin, Pa.	Sisson
Browne	Glynn	Madden	Slayden
Browning	Good	Magee	Slemp
Butler	Goodall	Mann	Sloan
Byrns, Tenn.	Gordon	Mansfield	Smith, Mich.
Campbell, Pa.	Gould	Mapes	Snell
Cannon	Graham, Ill.	Mays	Snook
Carter, Mass.	Graham, Pa.	Meeker	Stafford
Cary	Gray, Ala.	Miller, Minn.	Steenerson
Clark, Pa.	Gray, N. J.	Miller, Wash.	Stephens, Miss.
Classon	Green, Iowa	Moore, Pa.	Stephens, Nebr.
Claypool	Greene, Mass.	Moores, Ind.	Sterling, Ill.
Collier	Greene, Vt.	Morgan	Stiness
Connally, Tex.	Hadley	Morin	Strong
Connelly, Kans.	Hamilton, Mich.	Mott	Sumners
Cooper, Ohio	Hamilton, N. Y.	Mudd	Sweet
Cooper, W. Va.	Hamlin	Nelson	Swift
Cooper, Wis.	Haskell	Nolan	Switzer
Cox	Haugen	Norton	Taylor, Colo.
Crago	Heaton	Oliver, Ala.	Temple
Cramton	Heintz	Olney	Thomas
Currie, Mich.	Hensley	Osborne	Thompson
Curry, Cal.	Hersey	O'Shaunessy	Tilson
Dale, Vt.	Hicks	Overmyer	Timberlake
Dallinger	Holland	Parker, N. J.	Towner
Darrow	Hollingsworth	Peters	Treadway
Davidson	Howard	Phelan	Venable
Davis	Hutchinson	Platt	Vestal
Decker	Ireland	Polk	Voigt
Denison	James	Powers	Volstead
Denton	Johnson, Wash.	Pratt	Waldow
Dewalt	Jones, Tex.	Purnell	Walsh
Dickinson	Juul	Quin	Ward
Dies	Kearns	Rainey	Wason
Dillon	Keating	Ramsey	Watson, Pa.
Dixon	Kelly, Pa.	Randall	Watson, Va.
Doolittle	Kennedy, R. I.	Rankin	Wheeler
Doughton	Kiess, Pa.	Rayburn	White, Me.
Dowell	Kincheloe	Reavis	White, Ohio
Drane	King	Reed	Wilson, Tex.
Dunn	Kinkaid	Robbins	Winslow
Eagle	Knutson	Roberts	Woods, Iowa
Elston	Kraus	Rogers	Woodyard
Emerson	La Follette	Romjue	Young, N. Dak.
Esch	LaGuardia	Rose	Young, Tex.
Fairchild, B. L.	Langley	Rouse	Zihlman
Fairchild, G. W.	Lehlbach	Rowe	

ANSWERED "PRESENT"—2.

Hull, Tenn.	Schall

NOT VOTING—86.

Anthony	Capstick	Dale, N. Y.	Fitzgerald
Booher	Chandler, N. Y.	Dempsey	Flood
Bowers	Church	Dill	Flynn
Brodbeck	Clark, Fla.	Dooling	Fordney
Bruckner	Coady	Doremus	Freeman
Buchanan	Copley	Drukker	Garner
Campbell, Kans.	Costello	Dyer	Glass
Candler, Miss.	Crisp	Edmonds	Griest
Cantrill	Crosser	Ellsworth	Griffin
Hamill	Key, Ohio	Nichols, Mich.	Smith, Idaho
Hawley	Kitchin	Padgett	Smith, C. B.
Hayes	Kreider	Paige	Snyder
Hill	Lea, Cal.	Parker, N. Y.	Sullivan
Hull, Iowa	Linthicum	Porter	Templeton
Humphreys	Longworth	Price	Tinkham
Husted	Maher	Ragsdale	Vare
Johnson, S. Dak.	Martin, Ill.	Robinson	Welling
Jones, Va.	Martin, La.	Scott, Pa.	Williams
Kahn	Mason	Scully	Wilson, Ill.
Kelley, Mich.	Mondell	Sells	Wood, Ind.
Kennedy, Iowa	Montague	Shackleford	
Kettner	Nicholls, S. C.	Small	

So the resolution was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. DALE of New York with Mr. SELLS.

Mr. GARNER with Mr. KAHN.

Mr. CANTRILL with Mr. MASON.

Mr. SULLIVAN with Mr. TINKHAM.

Mr. CANDLER of Mississippi with Mr. PARKER of New York.

Mr. HULL of Tennessee with Mr. HILL.

Mr. FLYNN with Mr. HULL of Iowa.

Mr. PADGETT with Mr. HAYES.

Mr. BOOHER with Mr. DYER.

Mr. KITCHIN with Mr. FORDNEY.

Mr. BRODBECK with Mr. ANTHONY.

Mr. BRUCKNER with Mr. BOWERS.

Mr. BUCHANAN with Mr. CAMPBELL of Kansas.

Mr. CHURCH with Mr. CHANDLER of New York.

Mr. COADY with Mr. COPLEY.

Mr. CRISP with Mr. COSTELLO.

Mr. CROSSER with Mr. DEMPSEY.

Mr. DILL with Mr. DRUKKER.

Mr. DOOLING with Mr. EDMONDS.

Mr. DOREMUS with Mr. ELLSWORTH.

Mr. FITZGERALD with Mr. FREEMAN.

Mr. FLOOD with Mr. GRIEST.

Mr. GLASS with Mr. HAWLEY.

Mr. GRIFFIN with Mr. HUSTED.

Mr. HULBERT with Mr. JOHNSON of South Dakota.

Mr. JONES of Virginia with Mr. KENNEDY of Iowa.

Mr. KETTNER with Mr. KREIDER.

Mr. KEY of Ohio with Mr. LONGWORTH.

Mr. LEA of California with Mr. MONDELL.

Mr. LINTHICUM with Mr. NICHOLS of Michigan.

Mr. MARTIN of Illinois with Mr. PAIGE.

Mr. MONTAGUE with Mr. PORTER.

Mr. NICHOLLS of South Carolina with Mr. SCOTT of Pennsylvania.

Mr. PRICE with Mr. SMITH of Idaho.

Mr. RAGSDALE with Mr. SNYDER.

Mr. ROBINSON with Mr. TEMPLETON.

Mr. SCULLY with Mr. VARE.

Mr. SHACKLEFORD with Mr. WILLIAMS.

Mr. SMALL with Mr. WILSON of Illinois.

Mr. CHARLES B. SMITH with Mr. WOOD of Indiana.

Mr. WELLING with Mr. KELLEY of Michigan.

The result of the vote was announced as above recorded.

On motion of Mr. MANN, a motion to reconsider the vote by which the resolution was rejected was laid on the table.

"THE CALL TO ARMS."

Mr. OVERSTREET. I ask unanimous consent to extend my remarks in the RECORD by inserting a poem written by Emma Hamilton Bulloch, of Georgia, entitled "The Call to Arms," dedicated to President Woodrow Wilson.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The poem referred to is as follows:

"THE CALL TO ARMS."

(The Marseillaise of America.)

DEDICATED TO PRESIDENT WOODROW WILSON.

[Words by Emma Hamilton Bulloch, of Georgia; music by Wilmuth Gary.]

To arms, to arms, beloved country,
With thy starry flag unfurled
And thy shield of honor stainless,
Give this message to the world:
Lofty principles of justice,
Peace, and freedom for mankind
Do not mean a craven spirit,
As all traitors soon will find.

CHORUS.

Here we pledge to thee, our President,
Our unswerving loyalty;
We will give allegiance only
To our God, our flag, and thee.

To arms, to arms, beloved country,
For the cause of liberty;
Hold the torch of justice Heav'nward
'Till it flashes o'er the sea
And proclaims to all the nations
That on this they can depend,
We love peace but not dishonor
And the right we will defend.

To arms, to arms, beloved country,
With thy armor shining bright
And thy sword unsheathed and ready
To strike boldly for the right.
We love all mankind as brothers,
But 'tis best they understand
On the shores of this fair country
Hostile feet must never land.

To arms, to arms, beloved country,
Duty calls, we must obey;
Freedom of the world imperiled
By a despot's iron sway.
We must help to crush forever
Greed and tyranny and hate;
Love and liberty must triumph.
Strike, it is the hour of fate!

MILITARY ACADEMY APPROPRIATIONS—CONFERENCE REPORT.

Mr. DENT. Mr. Speaker, I desire to call up the conference report on the bill (H. R. 14) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes.

The SPEAKER. The gentleman from Alabama calls up the conference report on the Military Academy appropriation bill. The Clerk will report it.

The Clerk read the conference report, as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes, having met, after full and further free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: On page 6 of the bill strike out all on line 18 and in lieu thereof insert the following: "38 privates, first class, and 38 privates, $15,080"; and Senate agree to the same.

S. H. DENT, Jr.,
W. J. FIELDS,
Managers on the part of the House.
GEO. E. CHAMBERLAIN,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes, submit the following written statement explaining the effect of the action agreed on:

The House receded from its disagreement to Senate amendment No. 1, providing extra pay for 19 enlisted men instead of for 13, as provided in the House bill. Although without authority, as the matter was not in conference, the conferees took the liberty of striking out the words "76 privates at $15 each per month, $13,680," and substituting therefor "38 privates, first class, and 38 privates, $15,080." This change was made upon the recommendation of the Engineer Department, which stated that the language originally used would tend to disrupt the present organization.

The House receded from amendments 2 and 3, authorizing the President to appoint William Harold Kehoe and Clyde R. Altman, late cadets at the Military Academy at West Point, to the position of second lieutenant of Infantry and to place them on the retired list with the pay of a retired second lieutenant.

S. H. DENT, Jr.,
W. J. FIELDS,
Managers on the part of the House.

Mr. DENT. I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

On motion of Mr. DENT, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted as follows:

To Mr. MASON, indefinitely, on account of sickness.

To Mr. TALBOTT, indefinitely, on account of sickness.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

On motion of Mr. LEVER, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, with Mr. HAMLIN in the chair.

The CHAIRMAN. The Chair will state that when the committee rose on this bill before, the first section had been read.

Mr. HAUGEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. HAUGEN offers the following: Insert a new section, as follows:

SEC. 2. That it is hereby made unlawful for any person to commit or permit preventable waste or deterioration of any necessaries, to hoard, or to hold, or enter into any contract or arrangement for any necessaries in excess of an amount reasonably needed to supply his individual or business requirements for a reasonable time; to monopolize or attempt to monopolize, either locally or generally, any such necessaries; to engage in any discriminatory and unfair or any deceptive practice or device in handling or dealing in or with such necessaries; to enter into any contract, arrangement, or conspiracy to restrict the supply, or, except as permitted by law, for preventing gluts and for effecting equitable apportionment of perishable products among markets, to restrict distribution, or to enhance the prices of any such necessaries; to exact excessive prices for any such necessaries; or to aid or abet the doing of any act made unlawful by this section. Any person who violates any provision of this section shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof, be punished by a fine not exceeding $5,000 or by imprisonment for not more than two years, or both.

Mr. LEVER. I make the point of order against the amendment that it is not germane—unless the gentleman desires me to reserve it.

Mr. HAUGEN. Oh, no; just a word to the point of order The purpose of the bill, as stated in the title, is to provide further for the national defense by stimulating agriculture and facilitating the distribution of agricultural products.

I know of no better way in which we can stimulate production and encourage agriculture than by doing away with the evils of speculation and the manipulation of prices. The subject matter of my amendment, offered as a new section to the bill, is dealt with in the various provisions of the bill.

The section I am offering is identical with the one that was prepared by the department and incorporated in the bill introduced by the chairman of the committee [Mr. LEVER]. I think there can be no question but that it is in order.

Mr. TOWNER. Mr. Chairman, it will be observed, in the first place, that this is not an amendment to any particular section of the bill. The amendment itself is a new section. The point raised by the chairman of the committee is that it is not germane to the bill. In order to determine that question I want to call the attention of the chairman, in the first place, to the distinctions that are made with regard to this class of cases. If the chairman will turn to pages 344 and 345 of the Digest and Manual, he will find an excellent summary of the difference between these classes of cases. It will be observed, in the first place, that one individual proposition may not be amended by another individual proposition, even though the two belong to the same class. It could not be held that this amendment belongs to that class of exclusion. It is not offered to amend one individual proposition by offering another.

I now call attention of the Chair to the second excluded class, found on page 345. A specific subject may not be amended by a provision generally, even when one of the class of specific subjects. That is another rule which will not apply in this case. A specific subject is not intended to be amended by the amendment offered by the gentleman from Iowa. It is not intended to take a specific subject and enlarge or extend its application to other particular subjects.

But if the Chair will turn to the third class I think it will be found that the amendment is clearly within these classes there enumerated which are not subject to the objection. A general subject may be amended by a specific proposition of the same class. Instances are given which are familiar to the Chair. Thus the following are germane: To a bill proposing the admission of several Territories into the Union an amendment for the

admission of another Territory is germane, whereas it had been held previously that to add one Territory to a bill making provision for the admission of a single Territory was within the excluded class. That very clearly makes the distinction that I think exists in this case. Other cases are given: To a bill providing for the construction of buildings in each of two cities an amendment providing for similar building in other cities is germane, to a resolution embodying two distinct phases of international relationship an amendment embodying a third is germane.

These instances are cited to show what has been held to be the rule where a provision or a bill is general in its character and an individual proposition of the same general character is proposed.

Now, let us see how these principles apply to this particular bill. The bill in its first section, among other things, defines the specific objects of the bill. Not a singular object and purpose, but objects and purposes of very great variety and extent. It is stated in this first section that these specified objects and purposes are designed to provide for the national security and defense and for carrying on the war with Germany by gathering information concerning food supplies and by increasing production. Of course, this amendment could have no effect upon any of those objects and purposes, but notice this: "To prevent waste of the food supply." One of the specific objects of this amendment offered is to prevent waste. The section further provides that the bill is to be made operative and effective by "regulating distribution." How can distribution be regulated except by means such as the amendment supplies?

So, Mr. Chairman, it will be seen that the objects and purposes of this bill are not singular but varied and general in their character, and the amendment being applicable to one or more of these general propositions should be considered germane.

I want to call attention particularly to some of the classes that are specified in the bill. Section 3 has relation to food control, and one of the particular objects of this particular amendment offered is for the purpose of strengthening and making effectual the supply and control of food in the United States. Section 4 is to secure the distribution of seeds. I do not think this amendment would apply to that section. Section 9, however, is for the eradication of diseases of live stock, and it is defined as one of the purposes of this act. It certainly is appropriate to enforce the provision of that section. The paragraph following, and I desire particularly to call attention to the language of this, page 6, second paragraph:

For increased food production and eliminating waste and promoting the conservation of food.

That is declared to be one of the objects and purposes of the bill. It is stated that this is to be done by the department sending out agents, and the amendment provides another way that will eliminate waste and promote the conservation of food.

Mr. JUUL. Will the gentleman yield?

Mr. TOWNER. Yes.

Mr. JUUL. In line 7 the bill states that it is for regulating the distribution. Does the gentleman mean to say that the amendment is not germane?

Mr. TOWNER. I am arguing that it is.

Mr. JUUL. I have been thinking all the time that the gentleman is arguing the other way. [Laughter.]

Mr. TOWNER. I hope the chairman of the committee will not be deceived, as my friend has evidently been by the course of my remarks.

Mr. JUUL. I apologize to the gentleman, but both myself and my friend from Illinois thought that the gentleman was trying to destroy the amendment.

Mr. TOWNER. Now, Mr. Chairman, I call attention to the next paragraph, where it is specially stated that one of the objects and purposes of this bill and for which we are asked to appropriate $3,500,000, is to prevent waste of food products in storage. Certainly an amendment that would enforce that, that would strengthen that, must be considered as germane to the bill. So that all through this bill there are many provisions to which this amendment will apply in making effective and enforcing the declared objects and purposes of the bill. The bill is not singular in its nature, it is general and varied in its character, and this amendment applies to many of the provisions that are contained in the bill. The rule that a bill general in character may be amended by a specific proposition of the same character certainly applies in this case. I do not think the point of order made by the gentleman from South Carolina is well taken.

Mr. LEVER. Mr. Chairman, it is probably true that the title of this bill does not entirely indicate what is in the bill. It is probably true also that section 1, or the preamble, does not entirely state the purposes of the bill. The Chair will have to examine the various sections of the bill to determine what is undertaken to be accomplished by it. If the Chair will examine section 3, he will find that the Secretary of Agriculture is authorized to make a food inventory of the United States, to ascertain, through an investigation, the food situation in this country. There is not a word, not a line, in section 3 which is directed to the prevention of waste, hoarding, or speculation, or to any other proposition contained in the amendment offered by my friend from Iowa, as I caught its meaning as it was read from the desk. If the Chair will examine section 4, he will find that that section gives to the Secretary of Agriculture the power to purchase and store seeds, and to sell these seeds under certain conditions and for certain purposes. There is not a word, not a line, not a syllable, in that section which goes to the matter of prevention of waste, hoarding, or speculation, or anything of the kind such as is contained in the amendment now pending. Section 5 authorizes the Secretary of Agriculture to cooperate with individuals, corporations, and State and local officials, and there is not a word in that section to which this amendment could be attached and to which it would be germane. Section 6 provides that the President of the United States may appoint two additional Assistant Secretaries of Agriculture. Certainly there is nothing in that section to which the amendment could be attached and be germane. Section 7 authorizes the President to coordinate the activities of the various agencies of the Government. There is nothing in that section to which this amendment could be germane. Section 8 defines the meaning of the word "person," and certainly the gentleman from Iowa would not contend that section 8 could be a section to which his amendment might be held germane. Section 9 is the appropriating section of the bill, appropriating money to do certain things, and that is all there is to section 9. The committee has segregated a lump sum estimated by the Secretary of Agriculture, and has specified the purposes for which these appropriations, as fixed in the bill, may be expended. I want to direct the Chair's attention to the fact that an amendment, if I understand the rule, must be germane to the purposes of the bill, not to the title nor to the preamble of the bill. It is true that the title does say, "To provide for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. LEVER. The title does not properly convey the exact purposes of the bill. The title to this bill is a title to a joint resolution which was introduced some time ago by myself for the very proposition which the gentleman from Iowa is offering as an amendment.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. LEVER. In a minute. But the committee divided the two bills and did not change the title of this bill, so that the Chair must look to the provisions of the bill to understand the purposes of the bill. I yield to the gentleman from Illinois.

Mr. JUUL. Mr. Chairman, I want to ask the gentleman if it could be shown that a set of men in this country were conspiring to do the very opposite of what this bill seeks to do, whether any amendment that would aid and facilitate the distribution of agricultural products, which the gentleman's bill seeks to do, would not be germane to the bill?

Mr. LEVER. I am afraid the gentleman does not know what this bill is seeking to do.

Mr. JUUL. I am now looking at the gentleman's bill and reading its title.

Mr. LEVER. I have been arguing to the Chair that you can not tell what is under a man's clothing by looking at the clothing. I am arguing to the Chair that you have to determine the purposes of the bill, not by its title but by the sections which carry out its purpose.

Mr. JUUL. If the gentleman will permit me, I maintain this, that the gentleman shows the membership of this Congress what is in his bill first by its title, and if the title is broad enough, if the title indicates to me that you seek to facilitate the distribution of agricultural products, then I maintain that anything that helps to facilitate that is germane.

Mr. LEVER. I am afraid the gentleman is remembering his experience in the legislature of his own State, where I am told that the title of the bill must express all there is in the bill. The rule here does not require that.

Mr. JUUL. I am free to tell the gentleman that I think any honest bill should do that.

Mr. LEVER. Probably so; and the title to the present bill is an appropriate one. I yield to the gentleman from Iowa.

Mr. HAUGEN. Mr. Chairman, is it not a fact that the amendment offered as a new section was incorporated in the gentleman's bill, with a few exceptions? I have introduced a

section incorporated in the last bill, and there is a slight change, of course, in the verbiage.

Mr. LEVER. The gentleman is absolutely correct in that statement. The bill that was introduced by me the day before yesterday—H. R. 4630—in substance contains what the gentleman from Iowa is offering, but the Committee on Agriculture has not considered that bill as yet, except to have hearings upon it.

Mr. HAUGEN. Oh, well, we considered the first bill, and we reported the bill with the amendment in it, and the bill was recalled, and the amendment stricken from the bill.

Mr. LEVER. Probably so; but that would have nothing to do with the point of order.

Mr. ANDERSON. Mr. Chairman, if the Chair is not ready to rule, I would like to be indulged for just a moment. The rule provides that no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

Under that rule the philosophy relating to germaneness has been developed. Now, we do not look to the title of this bill to determine what the proposition under consideration is. We look to the contents of the bill itself. The chairman of the Committee on Agriculture has already gone over the bill section by section, with a view of stating exactly what is involved in each proposition.

Now, what does the amendment of the gentleman from Iowa [Mr. HAUGEN] do? It does not facilitate, as section 3 does, the obtaining of certain information relative to the food supply. It proposes 8 or 9 or 10 or a dozen new crimes. It is purely a criminal statute. It proposes to create new crimes which are in no way directly or indirectly connected with the subject matter of this bill. For instance, the amendment proposed by the gentleman from Iowa proposes to make it a crime to monopolize food. There is not a single word in this bill about monopoly.

The amendment of the gentleman from Iowa makes it a crime to enhance the price of food. There is not a word in this bill about regulating the price of food. The amendment of the gentleman from Iowa, as I recall it, makes it a crime to engage in any unfair or discriminatory practices. Not a word in this bill about discriminatory or unfair practices. It makes it a crime to enter into a contract, arrangement, or conspiracy to restrict the supply of food. Not a word in this bill relative to the restricting of the supply of food. There may be propositions in the amendment of the gentleman from Iowa which are germane to the bill, but there are also contained in his amendment propositions which are not germane to the bill, and which do not relate to the subject matter thereof.

It seems to me that the amendment is clearly out of order.

Mr. TOWNER. Will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Iowa.

Mr. TOWNER. In line 7 of the bill, not contained in the title, but in the first section of the bill, lines 7 and 8, it says:

By regulating the distribution thereof.

How can you regulate the distribution of food products without attaching penalties? Is there any method by which any enforcement of regulation can be made except by attaching penalties, I will ask the gentleman?

Mr. ANDERSON. I do not regard the first section of this bill as legislative at all. It is simply declaratory of the purposes of the bill. It is not regulatory in any particular. There are, in fact, no regulatory provisions in the bill whatever.

Mr. ELSTON. Will the gentleman yield?

Mr. ANDERSON. I will.

Mr. ELSTON. Is it contemplated by any amendment to the bill or any bill to be introduced by the Committee on Agriculture that the subject matter of the amendment of the gentleman from Iowa will be included?

Mr. ANDERSON. It is contemplated that the amendment proposed, in substance, by the gentleman from Iowa will be considered by the Agricultural Committee.

Mr. ELSTON. That is in consideration in the committee?

Mr. ANDERSON. In connection with another bill, which is regulatory in its character.

Mr. NORTON. Would the gentleman maintain that if this section were offered in the committee—section 1, providing for the purposes of more effectually carrying on the war by regulating the distribution of food and by preventing waste of the food supply—that the section would not be in order?

Mr. ANDERSON. I simply say that I do not think the amendment offered by the gentleman from Iowa [Mr. HAUGEN] is germane to this bill.

Mr. KNUTSON. Will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. KNUTSON. Of what avail is it to raise the crops if the prices are such that the poor can not buy them?

Mr. ANDERSON. That does not relate at all to the question of order.

The CHAIRMAN. The Chair is ready to rule.

Mr. HAUGEN. Mr. Chairman, I desire to call the Chair's attention to the fact that the bill relates to the production of agricultural products. The gentleman occupying the chair is familiar with the rulings of the past.

He will recall that in the consideration of the Agricultural appropriation bill points of order were made against appropriations for the distribution of farm products. I believe that it has been uniformly held that any amendment dealing with the distribution of agricultural products is as much in order as one dealing with production. I called the chairman's attention to the rulings of the Chair in the consideration of the items appropriating money for the Division of Markets. By going through the various sections of the bill the Chair will find that the matters covered in my amendment are germane to the provisions in the bill.

The CHAIRMAN. The Chair understands the gentleman from Iowa [Mr. TOWNER] does not offer his amendment to any particular section of the bill, but as a new section, and puts it on the ground that it is germane to the subject matter of the bill.

A hasty examination of the amendment leads the Chair to conclude it deals with waste, hoarding, monopolizing, unfair and deceptive practices, restricting of supplies, and restricting of distribution. The bill itself, as it appears, deals with the question of authorizing the Secretary of Agriculture to investigate and ascertain the demand for and supply, and so forth, of foodstuffs, and for the purchase and sale of seeds, cooperation with local officials, the appointment of additional secretaries, and that the President is authorized to ask any agency or organization of the Government to cooperate with the Secretary of Agriculture in carrying out these purposes, and for the purposes of this act the following sums are hereby appropriated, and so forth.

Now, it seems to the Chair that while this amendment is somewhat in line with the purposes of this bill, and related to them, but I find in the rules these propositions laid down:

Two subjects are not necessarily germane because they are related. Thus the following have been held not to be germane: To a proposition relating to the terms of Senators, an amendment changing the manner of their election; to a bill relating to commerce between the States, an amendment relating to commerce within the several States; to a proposition to relieve destitute citizens of the United States in Cuba, a proposition declaring a state of war in Cuba and proclaiming neutrality.

And yet they did relate to each other.

There is another proposition I would call the gentleman's attention to. If any portion of the amendment is not germane, of course the whole amendment must go out.

There is a portion of this amendment that does relate to food distribution and waste, but there are incorporated in the amendment certain matters that certainly are not referred to in the bill nor germane thereto. The Chair thinks, therefore, that it is not in order on this bill, and sustains the point of order.

Mr. MILLER of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Minnesota. Has the Clerk read simply the first paragraph of the bill?

The CHAIRMAN. He read the first section.

Mr. MILLER of Minnesota. He is over to section 2?

The CHAIRMAN. He read up to section 2.

Mr. MILLER of Minnesota. I desire to be recognized to make a motion to strike out section 1.

The CHAIRMAN. The Clerk will report the motion of the gentleman from Minnesota.

The Clerk read as follows:

Mr. MILLER of Minnesota moves to strike out section 1.

Mr. MILLER of Minnesota. Mr. Chairman, as soon as I could conveniently do so I secured a copy of this bill, because it is one that every State is interested in and every Member of Congress likewise. I read the first and second sections of this bill with amazement, trying to find some possible connection between them and the rest of the bill, and I was unable to do so.

I see the gentleman from South Carolina [Mr. LEVER], the chairman of the committee having charge of the bill, is temporarily absent from the Chamber.

Mr. LEVER. Mr. Chairman——

Mr. MILLER of Minnesota. Oh, I see him now. He has changed his place. I want to ask him a question, if I may.

Mr. LEVER. Very well.

Mr. MILLER of Minnesota. I do not want to injure the bill or the purposes of the bill or in any way mar it; but does not the gentleman think that that first section could be cut out greatly to the benefit of the bill?

Mr. LEVER. I will say frankly to the gentleman that I believe that this bill is constitutional with that section not in it, and also possibly section 2 is unnecessary. They are the residue, I may say, of a joint resolution which was introduced under pressure for time, and personally, without having consulted the lawyers on the Committee on Agriculture, I think both sections 1 and 2 might go out without at all affecting the bill.

Mr. MILLER of Minnesota. I thank the gentleman very much for his frank statement. I will say to him that if those two sections are retained they will produce some difficulty. If a court is ever called upon to construe the act—and doubtless the courts will be called upon many times to construe it—there will be confusion raised in the courts of the land when the courts read the first section, which is a statement of that which the bill is going to do, and then later on the courts try to find some place in the bill where that which is claimed to be done is done, and doubt and uncertainty will arise.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. MANN. Does the first section do anything but state the fact that there is an emergency?

Mr. MILLER of Minnesota. As near as I can tell, the first section does nothing but express a state of mind.

Mr. MANN. Well, it attempts to cover doubtful matters in the bill into a class of legalities by referring to the war, but it does not itself grant any power.

Mr. MILLER of Minnesota. I thought the purpose of the section doubtless was, when I first picked up the bill, to confine the operations of the act to the existing war. But I find that is not the case.

Mr. MANN. That is done in the last section.

Mr. MILLER of Minnesota. I understand; but the section does not do that, even if it is done elsewhere in the bill.

Mr. LEVER. If the gentleman from Minnesota will permit, I will say that the committee had in mind, in drawing the original resolution, the idea that the constitutionality of that resolution might be attacked, and we therefore predicated the resolution upon the war power of Congress. But I am satisfied in my own mind, from what little I have been told about the legality of this bill, that the bill can be sustained without any reference to the war power of Congress, and, as I said a moment ago, those two sections are the residue of the original resolution.

Mr. MILLER of Minnesota. If the act is sustained it will not be by reason of any power contained in that first section.

Mr. MANN. If the gentleman will permit me to make one suggestion, I may say that the first section is in effect a "whereas" preceding the second section. That is the effect of it. If the second section remains in the bill, probably the first section ought to remain. If the second section is stricken out of the bill, there is no particular occasion for the "whereas" in the first section. The first section lays the ground for granting the authority which really is granted in the second section.

Mr. MILLER of Minnesota. In that connection I want to call the gentleman's attention to the fact that the second section is so exceedingly vague in its phraseology that the meaning is doubtful, and the court might readily determine that no power was conveyed by that section which the Secretary of Agriculture did not already have.

Mr. MANN. Well, I think as to the second section that if you pass the second section with the first section and give the Secretary of Agriculture the money he would own the earth, so far as the United States is concerned.

Mr. MILLER of Minnesota. Well, that may be.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota may have five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Minnesota may proceed for five minutes more. Is there objection?

There was no objection.

Mr. KING. The gentleman speaks of the "vague" portions of the first section. Will the gentleman indicate the portions that he considers vague?

Mr. MILLER of Minnesota. The gentleman means the portions of the first section that have no direct relation with the balance of the bill or the contents of the bill?

Mr. KING. Yes.

Mr. MILLER of Minnesota. For instance, about preventing waste of the food supply and particularly "by regulating the distribution thereof." There is nothing whatever in the bill, as has already been pointed out and admitted, which gives any authority or prescribes any conduct the object of which is to regulate the distribution of food supplies in the country.

Mr. KING. How about the question of seeds? Does he regulate the distribution and gathering of seeds?

Mr. MILLER of Minnesota. Certainly the distribution of seeds is not a distribution of food supply.

Mr. KING. It is related.

Mr. MILLER of Minnesota. It may be related to the production of food, but it has nothing to do with the distribution of foods.

Mr. TOWNER. The mere declaration that a certain power is conferred because of the existence of war, if it is not constitutional otherwise, or if inherently it is not a war power, would not strengthen it, would it?

Mr. MILLER of Minnesota. Absolutely not.

Mr. TOWNER. So that the mere declaration that this legislation is enacted because of the existing war with Germany would not strengthen the positions of the bill, if they were not within the war powers of the Government.

Mr. MILLER of Minnesota. Certainly not.

Mr. TOWNER. Or within the constitutional powers of the Government?

Mr. MILLER of Minnesota. Certainly not.

Mr. LENROOT. Will the gentleman yield?

Mr. MILLER of Minnesota. Certainly. I am simply holding the floor in order to enable gentlemen to express themselves on this.

Mr. LENROOT. I would not like to assent to the statement of the gentleman from Iowa [Mr. TOWNER] in just the form in which he states it. There might be a given thing that would exist independently, and yet by the declaration and finding of Congress might be so attached to the war power as to make it valid if Congress so found by declaration, which otherwise would not be. Is not that true?

Mr. TOWNER. Inherently it would have to be within the war powers of the Government, as we call them, would it not?

Mr. LENROOT. There would have to be some connection, but the courts would not find it as a fact if it came within certain limits within the discretion of Congress to find it.

Mr. TOWNER. If it was within the limits it would be right; but the war power is a constitutional power, and if it extends to that inherently, and the condition of war really exists, then there would be no doubt about its constitutionality in any event.

Mr. MILLER of Minnesota. One further observation with reference to section 2, because I think that section ought to be stricken out also. As the gentleman from Illinois just observed, if this section does anything, if it clothes the Secretary with any power by reason of the exceedingly general terms therein used, then the power is almost without limit. If suitable appropriations should be made to enable him to carry out its provisions, of course, there would be almost no limit to that which he could do, wise or unwise. It seems to me the rest of the bill is appropriately concerned with its objects, namely, to stimulate food production by assisting in the distribution of seeds, the procurement of seeds, encouragement of the raising of different kinds of crops, assisting in the prevention of diseases, the destroying of pests that prey upon crops, and things of that kind, all basic, all tending to the common purpose. And if the powers conferred in section 2 are in excess of these other powers, then they are unnecessary.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. MILLER of Minnesota. Yes; certainly.

Mr. HUDDLESTON. Section 2 seems to me to give in general terms the specific powers that are conferred in the subsequent sections of the bill, and in addition give the Secretary the power to promote the conservation and utilization, and to facilitate the distribution of foods and seeds. These are very broad powers, and I would like to suggest to the gentleman that I think that section ought to go out, so that we may rely on the specific powers.

Mr. MILLER of Minnesota. I will say to the gentleman that I intend to move to strike that out.

Mr. LENROOT. If the words "to take such measures and to use such means" were stricken out, would it not then leave a valuable power to the Secretary of Agriculture to use all agencies of the department where he may now be restricted by law to an agency being used within a particular field.

Mr. MILLER of Minnesota. I should like to have the gentleman from Wisconsin point out such a circumstance, if one exists.

Mr. LENROOT. I have in mind for instance county agents.

Mr. MILLER of Minnesota. They would not be agencies of the Department of Agriculture, would they?

Mr. LENROOT. County agents of the Department of Agriculture have duties to perform within certain lines, and they might not be permitted to go outside of those lines except for the power that would be granted here.

Mr. MILLER of Minnesota. If there are some agencies of the Department of Agriculture whose activities are restricted to a certain line of conduct, then if the amendment should be made as suggested, the Secretary could use those agencies for any purpose that this bill provided for.

Mr. LENROOT. That is all I had in mind.

Mr. MOORE of Pennsylvania. Mr. Chairman, this whole food question has interested me very much, more especially as the people whom I particularly represent are bearing very heavy burdens now in the matter of the increased price of food. I have read recently in the newspapers of the intent of the President to appoint what is to be known as a food dictator, and since the gentleman from Minnesota [Mr. MILLER] has opened up this question, suggesting that paragraph 1 of this bill should be stricken out, and indicating that he might follow it up by moving to strike out the first paragraph of section 2, I desire, partly by way of inquiry, to make a few observations, to which I ask the attention of the gentleman from South Carolina [Mr. LEVER] who has been in consultation with our important officials on this subject. A few days ago a circular was sent out, apparently an extract from the New York Globe, dated May 17, which contained an article by Alfred W. McCann, which article, I presume, fell into the hands of all Members of Congress. In this article Mr. McCann, whom I do not know, makes a very elaborate indorsement of Mr. Herbert C. Hoover, whom he calls the "prospective food dictator of the United States," and whom he interviewed in his apartments in the New Willard Hotel. He speaks of Mr. Hoover as being "a tired man, an impatient man, a depressed man, but a strong man," and he enlarges very much upon Mr. Hoover's personal amiabilities and qualifications for the position for which he has been named. But in this article Mr. McCann is made to quote Mr. Hoover as follows:

> I will not be shackled by anybody in the Department of Agriculture, and will not allow a single job hunter or profit monger to help me.
>
> Patriotic and unselfish men, every one of them working without pay or compensation of any kind, will be my assistants.

Then Mr. McCann goes on in his own language to say:

> He—
>
> Mr. Hoover—
>
> spoke with a finality that reflected the present state of mind of the President, who, as was freely rumored in the corridors of the Capitol during the day, no longer reposes full confidence in Secretary Houston or any of the old bureaucrats who for years have worked under cover in the Department of Agriculture.

Now, without vouching for Mr. McCann as to whether he is right or wrong in his observations, or whether he is a responsible writer or not, we have heard much of Mr. Herbert C. Hoover and what he is going to do for the Government of the United States with respect to the control of the food situation, and it appears to me, judging from what the gentleman from Minnesota [Mr. MILLER] has said, that it may be the intent to exercise the broad power conferred in the paragraph which the gentleman proposes to strike out, and in paragraph 2, for the purpose of engaging the services of such a man as Mr. Herbert C. Hoover——

Mr. KING. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. KING. What reason has the gentleman on the unsupported statement of Mr. McCann, whom he never heard of, to put these words into the mouth of Mr. Hoover?

Mr. MOORE of Pennsylvania. I have no authority except the report quoted. It happens, however, that two days after this statement was given out, on May 20, the President of the United States is credited with authorizing the announcement that Mr. Hoover would be appointed to this position of food dictator, although that term may not have been used by the President; but at any rate it is stated on May 20 that the President indicated his intention to appoint Mr. Hoover. The Washington Herald states that the official statement was issued at the White House which reads, in part, as follows:

> It is very desirable in order to prevent misunderstandings or alarms and to assure cooperation in a vital matter, that the country should understand exactly the scope and purpose of the very great powers which I have thought it necessary in the circumstances to ask the Congress to put in my hands in regard to our food supply. Those powers are very great, indeed.

Now, is Mr. Hoover to be made food dictator under the powers conferred in paragraph 1 and the first paragraph of section 2 in this bill? Is that the way it shall be done?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. I ask for five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks that his time be extended five minutes. Is there objection?

There was no objection.

Mr. FESS. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FESS. That same statement came to my desk, and I presume it did to the desk of many. I read it with a great deal of care and a good deal of interest, because it seemed quite dogmatic because it assumed at least that that was the way it was going to be done, whether Congress was willing or not.

Mr. MOORE of Pennsylvania. I will say to the gentleman that the article—the gentleman refers to the McCann article—so far as it quoted Mr. Hoover, is one of the most dogmatic and, if I may be pardoned in spite of the espionage bill, the most arrogant expression that I have recently heard from anyone not in the employ of the Government of the United States.

Mr. FESS. The statement that it would be done without cost of money or without price and so on, I wondered whether it meant that, unofficially, we might have a dictator unsupported by any power of Congress, but by voluntary contributions.

Mr. MOORE of Pennsylvania. The statement issued from the White House tells us somewhat more authoritatively, and I presume it is an authoritative statement, as to Mr. Hoover and what is expected of him.

Mr. FESS. May I ask the opinion of the gentleman from Pennsylvania whether we are to interpret that as something to be done without an act of Congress or the authorization of Congress?

Mr. MOORE of Pennsylvania. I am glad the gentleman asked me that, because that has been troubling my mind. Announcements are appearing in the papers daily about what certain bodies, independent of Congress's authorization, are going to do, expending public money. Only this morning it was announced that under the auspices of an advisory council of the Council of National Defense the task of spending $10,000,000,000 a year is to be imposed on one man, Bernard Baruch by name; that apparently has the sanction of the members of the Council of National Defense, who are composed of Secretaries in the President's Cabinet. The question with me is, How can any body of men spend $10,000,000,000 or any other sum of money without the sanction of the Congress of the United States, which is representative of the taxpayers?

Mr. MANN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. MANN. Does the gentleman think that there would be any difficulty in securing plenty of men, in or out of the penitentiary, who would be willing to expend $10,000,000,000 of the Government money in the purchase of supplies without charging any salary? [Laughter.]

Mr. MOORE of Pennsylvania. We could find plenty of them. I have enough confidence in the regular officials of the Government, who are paid for their services, however, to believe that they are competent to spend any money that Congress may appropriate. I do not believe even in this great emergency it is necessary for the great Government of the United States to go outside to get men to expend vast sums for nothing. It is easier to spend money than it is to sit here in Congress and raise it.

Mr. NOLAN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. NOLAN. Does the gentleman understand that this man was to expend money of the Government of the United States, or $10,000,000,000, for the allies?

Mr. MOORE of Pennsylvania. He was to spend it for both, as I understand; for both the United States and for the allies. And inasmuch as the allies are out of funds just now and are getting money from the United States, I assume it will be the money of the people of the United States that Mr. Baruch and his advisory committee desire to expend.

Mr. NOLAN. We already have unanimously provided for that money—$7,000,000,000.

Mr. MOORE of Pennsylvania. Yes; to lend to the allies and pay our own war expenses, but that is not $10,000,000,000 a year.

Mr. NOLAN. It is not our money after it passes into the possession of the allies. Now, I want to ask the gentleman one more question.

Mr. MOORE of Pennsylvania. I do not want to raise any question as between the allies and the United States. We have gone into this war business, and we have gone in to win. As to the allies, we have put on the glove they made for us. We are spending our own money to help them, even though they tell us they are fighting our battles.

Mr. NOLAN. We are discussing articles in the newspaper——

Mr. MOORE of Pennsylvania. A statement that comes from the White House.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. NOLAN. I ask unanimous consent that the time of the gentleman be extended five minutes.

Mr. MOORE of Pennsylvania. I would like to have five minutes more to try to do justice to the White House statement.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 35 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in 35 minutes. Is there objection?

There was no objection.

Mr. NOLAN. I would like to ask the gentleman, outside of any statement that Mr. McCann might make, or that Mr. Hoover might be quoted as making, does not the gentleman think that it is about time in this country that this Government took control of the food situation, considering the fact that prices have been jumping enormously in the last year, due to speculation?

Mr. MOORE of Pennsylvania. Yes; but we have an Attorney General's department with ample laws for prosecuting food speculators in the United States. For some reason or other we are not using the machinery the Government now has. We have made appropriations for it, but it is now proposed to go outside, adopt the methods of independent business men and others who come here to tell the Government how to run its business.

Mr. NOLAN. If that is a fact, is it not time that we adopted some other method?

Mr. MOORE of Pennsylvania. Put that up to your Attorney General's department. You have all of the law you need and all the money you need to prosecute the trusts, but food trusts are not being prosecuted very rapidly under this administration.

Mr. LENROOT. Does the gentleman really think that the prosecution of any trust would afford any relief within the next six months?

Mr. MOORE of Pennsylvania. I am not arguing against the passage of a measure that will more drastically deal with food combinations at the present time. I want to protect the people who are paying enormously, even outrageously, high prices for food; but I have wondered why the Attorney General's department is not sufficient for this job—why we have to go outside to get these "big brains" in business who are willing to work for nothing.

Mr. KNUTSON. Who is Barney Baruch?

Mr. MOORE of Pennsylvania. I can not yield. In this statement from the White House—and I ask comparison of what I am about to read as coming from the President with those two first paragraphs of the bill——

Mr. HARDY. Mr. Chairman, does the gentleman know that that issues from the White House?

Mr. MOORE of Pennsylvania. The personal pronoun "I" is used all through it.

Mr. HARDY. Does the gentleman know who put that in the newspaper?

Mr. MOORE of Pennsylvania. Has anyone denied that the President issued this statement? Does the gentleman deny it?

Mr. HARDY. I do not deny every wild news article that appears in the newspapers nor harp upon it like the gentleman from Pennsylvania does.

Mr. MOORE of Pennsylvania. It is quoted as coming from the White House. You take your bill and compare the first two paragraphs with what I am about to read and we will find out whether Mr. Hoover is intended to meet the situation.

Mr. HARDY. The gentleman has read absurdities that ought not to take up the time of children.

Mr. MOORE of Pennsylvania. The gentleman must not take up my time.

Mr. HARDY. Oh, yes.

Mr. MOORE of Pennsylvania. The gentleman talks about "demagogues" and plays the rôle himself.

Mr. HARDY. The gentleman never said anything about it, but I said the gentleman was reading foolish articles.

Mr. MOORE of Pennsylvania. Compare your first two paragraphs with what I am about to read:

> The objects sought to be served by the legislation asked for are: Full inquiry into the existing available stocks of foodstuffs and into the costs and practices of the various food-producing and distributing trades the prevention of all unwarranted hoarding of every kind and of the control of foodstuffs by persons who are not in any legitimate sense producers, dealers, or traders; the requisitioning when necessary for the public use of food supplies and of the equipment necessary for handling them properly, etc.—

In meaning and purpose almost the exact terms of the two paragraphs in this bill just referred to. Now let the gentleman deny this as coming from the White House:

> I have asked Mr. Herbert Hoover to undertake this all-important task of food administration. He has expressed his willingness to do so on condition that he is to receive no payment for his service and that the whole of the force under him, exclusive of clerical assistants, shall be employed so far as possible upon the same volunteer basis.

That is to say, we are to take men from the colleges and elsewhere, some of whom may be subject to conscription, and put them in the food business, and they are to work for nothing. I know many men who would be glad to work for nothing under Mr. Herbert Hoover if they could avoid the draft. But the point here is that we are to appropriate $19,000,000, or thereabouts, in this bill for this particular food survey, with more to come. If some gentlemen are going to serve the Government for nothing, there is money enough here to pay good salaries to about 7,500 who are willing to receive it.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. TOWNER. The statement was made yesterday that Mr. Herbert Hoover is now enrolled as an employee of the Government in the Agricultural Department at $1 a year. Has the gentleman any information as to the truth of that?

Mr. MOORE of Pennsylvania. I have not; but I would say that Mr. Hoover ought not to work for the Government of the United States for $1 a year. He ought to be paid for his services. It is not fair to laboring men who work for a dollar or a dollar and a half or three dollars per day, or any other sum, that he should work for the Government for nothing.

Mr. KNUTSON. Mr. Chairman, I would like to ask the gentleman, Who is Bernard Baruch?

Mr. MOORE of Pennsylvania. I am informed that he is a broker in New York. He was a chief figure in the so-called "leak" investigation and admitted he made a large sum of money—$420,000, I think; a small sum for him, perhaps—as a result of information about the peace negotiations before the war with Germany. But he is said to be an able business man.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. And, according to the newspapers, he is expected to spend $10,000,000,000 per annum for the Government and the allies without compensation. The taxpayers are to meet that sum, and Congress should know more about it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LUNN. Mr. Chairman and members of the committee, I have listened with some indignation to the remarks of the gentleman from Pennsylvania [Mr. MOORE], and also amusement—amusement that he is so anxious to have this dollar a year or three dollars assigned to some laboring man.

I am glad he feels so deeply regarding laboring men, for if there is any one State where they need decent consideration it is in the State of Pennsylvania.

Mr. MOORE of Pennsylvania. If the gentleman will yield——

Mr. LUNN. I will not yield. You are not going to take the time.

Mr. MOORE of Pennsylvania. I do not want the gentleman to yield. His joke is very ancient and subtle.

Mr. LUNN. You should recognize it, because it is so similar to your own.

Mr. MOORE of Pennsylvania. I have heard it so often that it palls.

Mr. LUNN. It reminds me of so many of yours that I am sure it is in good company.

Mr. MOORE of Pennsylvania. The gentleman has not heard many of mine. He has been here but a few days.

Mr. LUNN. I have heard about 40 of your jokes during this session.

The CHAIRMAN. The Chair would state to the gentleman from Pennsylvania that he can not interrupt the gentleman from New York, who has the floor, without his consent.

Mr. MOORE of Pennsylvania. The gentleman is brilliant, a new Representative from New York——

Mr. LUNN. Mr. Chairman, I ask for order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] will be seated.

Mr. MOORE of Pennsylvania. The gentleman is entitled to the compliment.

Mr. LUNN. Have I the floor, or has the gentleman from Pennsylvania the floor?

The CHAIRMAN. The gentleman will desist until the Chair reminds the gentlemen of their rights. If the gentleman from

New York [Mr. LUNN] was proceeding outside of the rules, the gentleman from Pennsylvania [Mr. MOORE] would know it well, and can call attention to it, but he must not interfere with any man who has the floor without obtaining first the consent of the Chair. [Applause.] The gentleman from New York [Mr. LUNN] may proceed.

Mr. LUNN. Mr. Chairman, I want to remind the gentleman from Pennsylvania [Mr. MOORE], as well as other Members, many of whom do know, but some of them may not, that through the instrumentality of Mr. Baruch, the unusually capable and able chairman, and the members of the National Council of Defense the Government has secured a price for copper around 16 cents, when, as I understand, the market price was somewhere above 30 cents per pound.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. LUNN. I will not yield. I am going to make my statement and you can make yours. There was a saving of millions of dollars, and it was through the work of Mr. Baruch. He also secured a reduction in the price of steel that was tremendously favorable to the Government. It may be the gentleman from Pennsylvania does not like low prices on steel. I want to give credit to the men in the steel industry and the copper industry that they were willing at this time of national crisis to give the Government such favorable prices. I believe they could well afford it, judging from the tremendous profits which they have made during the war. They have made enough during this last two years to contribute millions to defense without one dollar for profit. But they still are going to have profit. At this time, when, as I believe, even the gentleman from Pennsylvania [Mr. MOORE] will acknowledge we are in war, to stand here and talk about the allies making the gloves that we are to wear makes one feel that there is something decidedly wrong. Surely it is time that we all get together on some kind of basis of unified effort to bring about conditions as regards food supply that will be helpful to our citizens regardless of our politics. [Applause.]

It seems to me that this attack on Mr. Hoover, who has made his reputation by actual work in Belgium, is wholly uncalled for. Mr. Hoover is not a man brought out of obscurity; neither are the other gentlemen involved in this attack brought out of obscurity. They are men of ability, and we need every man of humble capacity, as well as every man of unusual capacity, to carry on this great conflict in which we are engaged.

Now, I agree with the gentlemen——

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. LUNN. I will yield.

Mr. CLARK of Missouri. I would like to ask one question, or two in one: You say that Mr. Baruch got a price of 16 cents for copper. Do you know that the Utah Copper Co., in its report to its stockholders, declared that they could put copper f. o. b. the cars at 5½ cents a pound?

Mr. LUNN. If that is a fact, and I do not desire to question the statement made by the gentleman from Missouri, then we have made a tremendous mistake in our revenue bill that we did not put on an excess profits tax that would have raised nearly all the revenue needed.

Mr. CLARK of Missouri. I think that, too. But the Utah Copper Co. made a report to its stockholders that they could put copper on board cars at 5½ cents a pound, and Mr. Baruch thinks we have brought it down to 16 cents. [Applause.]

Mr. LUNN. But without Mr. Baruch we would have been paying 30-odd cents a pound.

Mr. CLARK of Missouri. I will ask you another question, then: Why does not the Attorney General of the United States hop onto those fellows that put it up to 30 cents? I am willing to give Baruch credit for pulling it down from 30 cents to 16 cents, but he did not pull it down far enough, and the Attorney General could put every one of those fellows into jail between now and Saturday night who kept the price up.

The CHAIRMAN. The time of the gentleman from New York [Mr. LUNN] has expired.

Mr. LUNN. Mr. Chairman, I would like an extension.

Mr. MILLER of Minnesota. No. If the gentleman will yield——

The CHAIRMAN. The time of the gentleman from New York [Mr. LUNN] has expired.

Mr. LUNN. Will you give me one minute?

Mr. MANN. The time was limited.

The CHAIRMAN. The time is limited.

Mr. COOPER of Ohio. Mr. Chairman——

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. COOPER of Ohio. Mr. Chairman, I ask unanimous consent to proceed for two minutes out of order to make a statement and to have a short letter read.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, nearly all the statements that have been made are clearly outside of the bill we have been here considering. I shall object to the reading of any remarks or the reading of any paper that does not relate to the matter we are considering.

Mr. JUUL. Mr. Chairman, I believe I had five minutes on that list.

The CHAIRMAN. Let us first settle this other proposition. The gentleman from Ohio [Mr. COOPER] wanted time.

Mr. JUUL. Mr. Chairman, I believe I was on the list for five minutes.

The CHAIRMAN. The gentleman from Illinois will be recognized later.

Mr. COOPER of Ohio. Mr. Chairman and gentlemen of the committee, on May 18, while we were considering the Howard amendment to raise revenue on distilled spirits, I made reference to a letter I had received from Mr. Gilmore, of Louisville, Ky., president of the National Model License League, in which he stated in that letter that he thought the American boys ought to be filled up with whisky before they went to the front to make a charge on the German trenches. Mr. Gilmore has written me since then, stating that I had misrepresented what he said, and he has requested me to have read from the Clerk's desk and inserted in the CONGRESSIONAL RECORD the letter I received from him April 21, 1917, and in justice to Mr. Gilmore I ask that his letter be read in my time.

The CHAIRMAN. Without objection, the letter will be read.

The Clerk read as follows:

NATIONAL MODEL LICENSE LEAGUE,
Louisville, Ky., April 21, 1917.

Hon. JOHN G. COOPER,
House of Representatives, Washington, D. C.:

DEAR SIR: Among "war-time" measures brought before you will come the question of either restricting or attempting to prohibit the use of liquors. The inclosed article from the London Illustrated News offers suggestions that may appeal to you.

I believe that the soldier will need wine, beer, and whisky in and out of the trenches in moderation.

I believe that a good drink to each soldier before a charge will insure that steadiness of nerve that wins battles.

The man who rushes a rapid-fire gun should be given the relief from terror that alcohol imparts.

Our information shows that wine, beer, whisky, and brandy are all tremendous factors on both sides of both fronts in the great European war of to-day. And yet Mr. Bryan and his associates are asking that these beverages be denied the soldiers and that the vast properties of the liquor trade be destroyed without compensation.

Yours, very truly,

T. M. GILMORE.

Mr. COOPER of Ohio. Now, Mr. Chairman, when I made the statement here I did not have Mr. Gilmore's letter with me; but I have looked it over since that time carefully, and I feel that I have no apologies to offer, for it seemed to me the very words of Mr. Gilmore's letter sustains the statement that I made. [Applause.] And I say that it little becomes any man to cast reflections on the bravery of the American boys. It ill becomes any man to say that Pershing and his brave troops who are about to go to France and to go to the battle front are cowards unless their minds are befuddled with whisky. [Applause.]

The CHAIRMAN. The gentleman from Illinois [Mr. JUUL] is recognized.

Mr. JUUL. Mr. Chairman, I want to state particularly for the benefit of the gentleman from South Carolina [Mr. LEVER], in charge of the bill, that when I spoke I did not speak in order to injure but to help strengthen the bill. The gentleman referred to the fact that I was connected with the State legislature at home. I want to tell the gentleman that I suppose I will outlive that in the course of time. [Laughter.] For 16 or 18 years I labored to take the death penalty off our statutes, but if the gentleman will stick the death penalty into this bill to punish the food conspirators I will vote for it. [Applause.]

Now, I would like to have the attention of the chairman of the committee. In two places of this bill, page 3 and page 4, you put in a penalty clause for the section, and I would ask the gentleman to amend that and make it for the act. If you will look at the bill on page 3, on line 10, you will notice that you provide for fees of witnesses who are summoned in the matter of the section. I would ask you to make that apply to the act.

Mr. LEVER. Let me ask the gentleman, if he will permit me, to go through the act with him for a moment and ask him which section provides the penalty. Section 4 provides that the Secretary shall requisition food. Do you apply a penalty to that?

Mr. JUUL. No. I am not speaking of the penalty, and if the gentleman will indulge me for just a moment——

Mr. LEVER. Then section 5 provides that the Secretary is authorized to cooperate with the States.

Mr. JUUL. The gentleman is too far away from me.

Mr. LEVER. Has the gentleman a penalty for that?

Mr. JUUL. No. You are too far away. If you will wait I will read it to you. I am reading from page 3, line 10. There you provide for witness fees for witnesses summoned in relation to violations of this section. Now, you want to pay your witnesses if they were summoned on some other section. If you will turn over the bill you will find that you need witnesses on page 4, lines 5, 6, 7, and 8. According to your bill, on page 3, you can only pay your witnesses if you have summoned them in defense of the section. I am not seeking to criticize the bill. I am simply talking in the hope of strengthening it. That is all.

Mr. LEVER. I appreciate that; but I call the gentleman's attention to the fact that as to the section to which he called attention, section 4, the witnesses would be paid under existing law.

Mr. JUUL. You are just receiving authority to pay them when they are summoned for violation of the section, and you ought to make that apply to the act.

And then you have here, on page 4, "such person shall be paid for such seeds on delivery," and so forth. If they feel themselves aggrieved they sue. If they sue you will need witnesses, and the witnesses you have summoned on the preceding page would not be paid under your own bill. I am just trying to tell you that.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. JUUL. Yes.

Mr. ANDERSON. In any suit brought under the section referred to, the Government would subpœna its witnesses under the general law, and, of course, under the general law it would pay the ordinary witness fees prescribed by the general law.

Mr. JUUL. I beg to differ with the gentleman. I think under this bill you would not so pay them. The language is, "witnesses summoned in pursuance of this section," not in pursuance of this act.

Mr. ANDERSON. The Government makes no provision for the payment of witnesses fees where the question relates to purely investigational matters.

Mr. JUUL. Does not the gentleman think that striking out the word "section" and inserting the word "act" would strengthen the bill?

Mr. ANDERSON. I do not.

Mr. JUUL. There is where the gentleman and I differ.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GREEN of Iowa rose.

The CHAIRMAN. The Chair will state that the gentleman from Iowa is not on the list.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, is my name on the list?

The CHAIRMAN. The gentleman's name is not on the list; but if those whose names are on the list do not wish to speak, the Chair will recognize gentlemen who do wish to speak.

Mr. ANDERSON. Mr. Chairman, I do not quite agree with my colleague from Minnesota [Mr. MILLER] that section 1 of this bill is wholly without value. I think it is quite likely that the general sections of the bill could be sustained without reference to the war power. Section 3, for instance, might be sustained under the clause of the Constitution which authorizes the taking of a census. But, certainly, there can be no harm in placing the power for the enactment of the sections of this bill squarely upon the war clauses of the Constitution. Section 1 is purely declaratory. It does not contain any matter of legislation, and it is simply designed to constitute a declaration on the part of Congress of the essentiality of the information to be obtained under section 3 to the successful conduct of the war the view of the solicitor of the department being that Congress, having made declaration of the essentiality of this information for the conduct of the war, the court, if not precluded, would be very reluctant to overturn the declaration of Congress and to hold that the information was not essential to the conduct of the war. That is its only purpose. It does not regulate anybody; it does not purport to regulate anybody; and it does strengthen the bill to the extent that it makes the declaration of Congress that these things are essential to the conduct of the war.

Mr. LEVER. Mr. Chairman, is the time exhausted, except for the closing statement?

The CHAIRMAN. There are 10 minutes left.

Mr. HARDY. Mr. Chairman, I believe I was on the list, was I not?

The CHAIRMAN. The gentleman's name is not on the list, but the gentleman from Kansas [Mr. CAMPBELL] and the gentleman from South Carolina, the chairman of the committee, are on the list.

If they do not want to speak the Chair will be glad to recognize the gentleman.

Mr. LEVER. I should be glad to have three minutes and would be glad to have the gentleman from Texas [Mr. HARDY] have the remainder of the five minutes.

Mr. CAMPBELL of Kansas. Mr. Chairman, I do not care to use the time, if somebody will explain why it is necessary to appropriate the amount of money that is called for in this bill and what the Government or the people of the United States will get for it.

Mr. LEVER. I will say to the gentleman that the appropriating sections of this bill are carried on the last two pages, and when we reach that clause I shall undertake to give the gentleman that information; but I think it is inappropriate to discuss that phase of it until we reach it. I shall be very glad to do my best to give the gentleman the information.

Mr. MILLER of Minnesota. Will it be satisfactory to the gentleman from South Carolina if I use a portion of the time that the gentleman from Kansas [Mr. CAMPBELL] did not care to use?

Mr. LEVER. It will be entirely satisfactory to me; but that is a matter for the Chair.

Mr. MILLER of Minnesota. I am not entitled to recognition, because I have already spoken.

The CHAIRMAN. The Chair was going to say that it makes no difference to him, but the gentleman from Iowa [Mr. GREEN] and the gentleman from Texas [Mr. HARDY] wish to speak.

Mr. GREEN of Iowa. I think I applied first.

The CHAIRMAN. The gentleman from Iowa did apply first. The Chair will recognize the gentleman from Iowa.

Mr. GREEN of Iowa. Mr. Chairman, I shall not consume the five minutes. One reason that has been given for the passage of this bill and similar bills has been the action of Mr. Baruch in purchasing the copper which was referred to in the remarks of the gentleman from New York. This has been spoken of as a great achievement on the part of Mr. Baruch. The fact is that Mr. Baruch was not at all responsible, and is not entitled to any credit for the reduced price at which this copper was obtained. The copper was offered to the Government by the Copper Trust voluntarily, but, as I think, with a very definite purpose in mind when the offer was made. In the first place, it is only a one-fiftieth part of the production of copper, a very small part. The House will remember that at a previous session there was a tax placed upon copper in the revenue bill which was brought in, but that it went over to the other branch of the legislative department, and when it came back there was no tax left upon copper. In my judgment there ought to have been a tax placed upon copper, a tax upon the gross receipts of the copper companies, and they should have been included among the industries which were so taxed, on account of the enormous profits which they have been making. If this is the achievement which Mr. Baruch is to have to his credit—this and his connection with the leak investigation—there is nothing about it that will justify the passage of this bill and the extraordinary powers that are to be conferred on some parties with reference to the purchase of supplies and foods.

Mr. KNUTSON. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. KNUTSON. Is it not a fact that Mr. Baruch was a heavy contributor in the last campaign? The gentleman does not want to rob him of all credit for that.

Mr. GREEN of Iowa. I so understand. Now, Mr. Chairman, I am willing that the gentleman from Minnesota [Mr. MILLER] should have the balance of the time.

Mr. MILLER of Minnesota. I think the gentleman from Texas [Mr. HARDY] is entitled to first recognition.

Mr. HARDY. I want just about two minutes.

The CHAIRMAN. The Chair will recognize the gentleman from Texas [Mr. HARDY] for the three minutes which the gentleman from Iowa [Mr. GREEN] did not use.

Mr. HARDY. Mr. Chairman, this is a bill of serious import to our country, with a purpose far-reaching and intended to serve the welfare of America. It does seem to me that we should devote our time to the discussion of the bill, and not to the reading of wild editorials or communications from newspapers. If we do that, we can take days and weeks in doing what the gentleman from Philadelphia [Mr. MOORE of Pennsylvania] did a moment ago—in reading a hodgepodge, in order to find a peg on which to hang a criticism of the Government—and get nowhere on this bill.

The great question is whether the Agricultural Department or the Government shall have some authority to come to the relief of agricultural communities when their seed grows scarce, or for other reasons they need assistance in order to increase the supply of the great foodstuffs which we need so badly for ourselves and the allies. It is a serious matter, and I only wish to express the hope that the arguments and addresses will be confined to the bill, that patriotism may take the place of carping, and some breadth of intelligence may replace petty narrowness. [Applause.]

The CHAIRMAN. The gentleman from Alabama [Mr. HEFLIN] is recognized for two minutes.

Mr. HEFLIN. Mr. Chairman, the gentleman from Pennsylvania [Mr. MOORE] has taken up the time of the House in discussing what he calls the failure of the administration to prosecute trusts, and he said that we had prosecuted no trusts. We have instituted 42 cases against trusts, and some of them are in the gentleman's own State.

But what I rose to speak about was the portion of the gentleman's remarks about the allied forces making a glove for this country to wear. Gentlemen of the committee, are we American citizens? Are we loyal to the constituted authority of this Government? Do we have unity of purpose at this hour in the war in which we have engaged? Are we to follow loyally the Commander in Chief of the Army and Navy? Some of you gentlemen do not talk like it; you do not speak as loyal citizens, according to my way of thinking. The gentleman from Pennsylvania [Mr. MOORE], when he speaks lightly of our allies as he does, is giving comfort to our enemy. Gentlemen, the time has passed for that kind of talk. We are in war with Germany, and we are in it to the end. This Congress has declared that we have gone into it with our men and our money, and no man has the right to get up here and speak in a sneering way about our allies and to say that we are wearing a glove that they have made for us. I repudiate the statement as un-American. [Applause.] And gentlemen, I serve notice on you now that I am going to enter my protest against such talk every time I hear it, and I do not care whether the man making it is a Republican or a Democrat. [Applause.]

Mr. LEVER. Mr. Chairman, a little consideration of the motion made by the gentleman from Minnesota [Mr. MILLER] to strike out section 1 of this bill convinces me that the motion ought not to be agreed to. I am not sure that the section adds very largely to the bill, but it certainly can do no harm to retain it in the bill. Certain sections of this bill may have to rest after all on the war power of Congress. I think, therefore, that it would be unsafe or unwise to strike out the provision which may have an element of good and safety in it, and at the same time can not have in it any element of harm. Therefore I think it wise to vote down the motion of the gentleman from Minnesota and permit the section to remain in the bill.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. MOORE of Pennsylvania. Is not the paragraph wide enough and broad enough in its scope to admit of the appointment of a food dictator, so called, or some other person outside of the Department of Agriculture?

Mr. LEVER. The gentleman is speaking about section 2 and I am talking about section 1.

Mr. MOORE of Pennsylvania. I allude to the first paragraph of the bill.

Mr. LEVER. No; that section does not do anything except to confer the powers hereinafter mentioned in the bill.

Mr. MOORE of Pennsylvania. That is right; it is in section 2 the Secretary of Agriculture is authorized "to take such measures," and so forth.

Mr. LEVER. We have not reached that yet, and we will dispose of it when we come to it.

The CHAIRMAN. The question is on the motion of the gentleman from Minnesota [Mr. MILLER] to strike out the section.

The question was taken, and the motion was lost.

Mr. BARKLEY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, lines 4 and 5, after the word "war," strike out the words "with Germany" and insert in lieu thereof the words "in which the United States is now engaged."

Mr. MOORE of Pennsylvania. I do not think that amendment ought to be adopted.

The CHAIRMAN. Debate on this paragraph and all amendments thereto is closed.

Mr. MOORE of Pennsylvania. Would not it be better to use the term "Imperial Government of Germany," which was the expression used by the President of the United States?

The question was taken, and the amendment was rejected.

Mr. MILLER of Minnesota. Mr. Chairman, I move to amend by striking out after the word "Germany," in line 5, page 1, all of the language down to and including the word "*Provided*," in line 9.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 5, after the word "Germany," strike out all down to and including the word "*Provided*," in line 9.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. RAYBURN) there were—ayes 19, noes 53.

So the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 1, line 5, strike out the word "Germany" and insert the words "the Imperial Government of Germany."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

The Clerk, proceeding with the reading of the bill, read as follows:

SEC. 2. That the Secretary of Agriculture is authorized to take such measures, to use such means, and to employ such existing or additional agencies of the Department of Agriculture as he finds necessary to stimulate the production, to promote the conservation and utilization, and to facilitate the distribution of foods and feeds.

Mr. RAYBURN. Mr. Chairman, I move to amend the bill by striking out section 2.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all of section 2, page 2.

Mr. LENROOT. Mr. Chairman, I offer an amendment to perfect the section.

The Clerk read as follows:

Page 2, line 2, strike out the words "to take such measures, to use such means, and."

Mr. LEVER. I have no objection to that.

Mr. MILLER of Minnesota. I would like to couple a slight addition to that, and I do not think there will be any objection to it. In addition to striking out the words suggested by the gentleman from Wisconsin, will the gentleman object to striking out in the next line the words "or additional agencies" and insert in lieu thereof "agents and employees"?

Mr. LEVER. Let the gentleman offer that later.

Mr. MILLER of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Minnesota. The motion I had made and was asking recognition for was identical with that offered by the gentleman from Wisconsin [Mr. LENROOT], except, in addition, I desired to strike out the words "or additional agencies" and insert "agents and employees." Is it proper for me to offer that as a substitute for the amendment offered by the gentleman from Wisconsin?

Mr. MANN. It is not a substitute.

Mr. MILLER of Minnesota. It is, with the addition of the words I move to strike out.

Mr. LENROOT. That is an additional amendment. It would require a separate vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

Mr. MILLER of Minnesota. Now, Mr. Chairman, for the purpose of perfecting the paragraph, I offer the additional amendment to strike out, in line 3, page 2, the words "or additional agencies" and insert in lieu thereof "agents and employees."

The Clerk read as follows:

Page 2, line 3, strike out the words "or additional agencies" and insert in lieu thereof the words "agents and employees."

Mr. MILLER of Minnesota. Mr. Chairman, I desire to be recognized in support of the amendment. I shall not take five minutes. The only change that this amendment of mine will make is to strike out the words "or additional agencies." I do not know just what that language means. It is vague and indefinite. It may mean the employment of additional employees, a power which I think the Secretary should have, and I have suggested the change in the language so that the Secretary may be authorized to employ agencies now in his department and any new employees he may engage.

I desire, in addition to that, to say just a word in reference to this matter of the price of copper, which the Government will pay in the months immediately before us. I know something

about the cost of producing copper, and I happen to have some personal knowledge of the way in which the offer was made to the Government by which the Government will receive the copper, upward of 50,000,000 pounds, for about 16 cents a pound. I want to state fairly and squarely and emphatically that Mr. Bernard Baruch had nothing whatever on earth to do with it. He is entitled to no more credit for it than the man in the moon. The offer on the part of the copper company to supply this copper to the Government for 16 cents or thereabouts was really a voluntary one on the part of the big producers of copper. Many of the big producers of copper have enjoyed enormous profits during the period of this war. There is not a shadow of doubt about that. They have enjoyed profits that exceeded anything they had ever dreamed of. Not very long ago copper was selling for 10 and 11 and 12 cents a pound, although in 1907 it is true that it went up to 25 or 26 cents a pound. These men who have made enormous profits in copper, realizing the exigencies of the situation, did have patriotism enough in their hearts to make this voluntary offer to the Government, and they should receive such credit as is their due.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. KING. Did not Mr. Baruch call their attention to that fact?

Mr. MILLER of Minnesota. Mr. Baruch did, but long after they had volunteered it in the beginning. As to 5½ cents a pound being the cost of producing copper in Utah by the Utah Copper Co., that is probably true. The Utah Copper Co., I am informed, can produce copper more cheaply than it can be produced by any other company or men in the world—vastly cheaper. I think the testimony usually has been that it costs on an average somewhere around 13 or 14 cents a pound to produce copper, but the price that the Utah Copper Co. can produce it for I have always heard was around 7 or 8 cents. It is altogether likely that they have been able to produce it more cheaply by perfecting their system.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. BARKLEY. Does the gentleman know whether they have sold the copper they have produced so cheaply to the consumer any cheaper than the rest of the copper is sold for?

Mr. MILLER of Minnesota. I do not know, but I presume not. They have been getting all the traffic will bear, I presume, the same as everyone else.

Mr. SHALLENBERGER. Is the gentleman convinced that the Government has accepted this price for copper? Is it not a matter of fact that the acceptance of that has not yet been terminated?

Mr. MILLER of Minnesota. I am not speaking of the completion of the contract. I am speaking of the offer.

Mr. SHALLENBERGER. The Government has not accepted that price.

Mr. MILLER of Minnesota. I am not advised whether it has or not.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. CANNON. Mr. Chairman, I have just been listening to a statement made by Mr. Baruch and a number of other people, speaking of the functions of the Council of National Defense, and I think I can say—it will be printed a little later on—that the matter of copper was spoken of, and, among other things this, that an offer came from the copper people on their own motion, and they were very highly commended by Mr. Baruch in his statement for their liberality and patriotism in selling it—I think, one-third cheaper than the market price.

Mr. MILLER of Minnesota. I thank the gentleman for this confirmatory statement.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, in my opinion some of the language to which attention has been called in the preamble of the bill and section 2 of the bill should be stricken out altogether, because it relates to matters that are not in the bill—that the bill does not deal with at all. Nothing has been said here to inform those present that the bill when it was prepared originally contained another section which provided that it should be unlawful for any person to commit preventable waste of food, to monopolize food, or to enter into a contract, arrangement, or conspiracy to restrict the supply, enhance the price, or exact excessive prices for necessaries; unlawful to engage in discriminatory or deceptive practice in handling or dealing in necessaries, and unlawful to restrict equitable distribution of food necessaries. That section was stricken from the bill by the Committee on Agriculture because it was radically different from other sections of the bill and was dealing with matters entirely foreign to the purpose of the rest of the bill. It was thought necessary to deal with those matters in another way and at another time. These matters I speak of—section 2 of this bill and some of the words in the preamble—were in the bill at the time the section eliminated was also in it, and they related more or less to the section that was stricken out. You will see that it was reasonable for us to confer authority upon the President to take such measures and use such means and to employ agencies, and so on, to carry out the purpose of the bill as it was originally drawn; that is, when it contained the section that was stricken out which was intended to promote conservation and utilization of food and to facilitate distribution, and so on.

The section 2 remaining in the bill we are now considering—the words which I now wish to eliminate—related to what is contained in that section that was stricken out. But that section having gone out, these matters—that is, section 2 of this bill and other words referred to—have no place in the bill. They would confer broad authority upon the Secretary of Agriculture, authority that it seems to me ought not to be conferred in this bill or in any bill unless there be directions and limitation as to the extent of authority and the manner of using the authority.

The portion of the bill to which I object says:

> The Secretary is authorized to take such measures and use such means and employ such existing or additional agencies of the Government as he may find necessary.

Not to carry out any of the authority conferred upon him in the rest of the bill, not to enable him to enforce any of those provisions that are left in the bill, but to do other things that were treated of in the section that was stricken out.

Now, in my judgment, that section 2 has no place here, because it would give blanket authority to the Secretary of Agriculture to do a thousand and one things, altogether outside of this bill, with no restrictions or limitations upon his authority—give him absolute, supreme authority along lines and concerning matters of which this bill does not treat at all.

Now, this section 2, to which I object, stricken from the bill by the action of the committee because it was so different from anything else in the bill, because it would cause discussion and unnecessary delay in the passage of this very necessary bill, but containing very important features, is exactly, as I remember, or substantially, the same as section 4 of the bill H. R. 4630, which is still before the Committee on Agriculture.

Section 4 of H. R. 4630 contains the features that the gentleman from Iowa [Mr. HAUGEN] has spoken of in regard to monopolizing, unfair and deceptive practices of handling, and conspiracies and gambling and improper fixing of prices of food products. Of course, those matters ought to be taken care of. They will be taken care of in time, but this is not the proper place for the consideration of them. In my judgment the Chair properly ruled the amendment of the gentleman out of order.

Now, in my opinion section 2 as it now stands in the bill before us relates and can only be based upon or hang upon the old section that was stricken from the bill; the presence of the old section, now eliminated, was the only ground for or excuse for the section and the language of which I am now speaking. In my judgment this section ought to go out altogether, and the amendment offered by the gentleman from Wisconsin [Mr. LENROOT], while it helps in some respects, does not cure all the difficulties. The section, even with the amendment proposed by Mr. LENROOT, would give broad authority to the Secretary that we have no idea of conferring upon him in this bill.

Mr. MANN. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. MANN. The gentleman from Michigan [Mr. McLAUGHLIN] has made a very clear and admirable statement. I hope the gentleman from South Carolina [Mr. LEVER] will consent to strike out section 2. I voted with him to keep in section 1. I do not know that it is necessary. I thought it might be. Section 2 has nothing to do with any other portion of the bill. I would not object myself to leaving section 2 in the bill if there was not to be additional legislation. Assuming that the Committee on Agriculture and the House believe that this power should be granted at all, it should be granted in the other bill which is now pending; and to insert this section in this bill and then pass H. R. 4380 will be to simply muddy the waters and complicate matters so that no one can tell under which law he is pursuing authority. That is not desirable. While the amendments agreed to have apparently cut down the matter some, there is no occasion for stating in this bill that the Secretary of Agriculture can do anything he pleases to stimulate production, to promote conservation and utilization, and to facilitate the distribution of foods and feeds. If you give that

power to the Secretary of Agriculture and stop that, he will have all the powers from the foods and feeds provision which is carried in the bill H. R. 4380. All he would need then is money.

Mr. LEVER. Will the gentleman from Illinois permit an interruption?

Mr. MANN. Yes.

Mr. LEVER. I have consulted with the members of the committee around me, and I feel that this section is more or less declaratory than otherwise, and in order to accommodate the gentleman and to save time we will agree to strike the section out. [Applause.]

Mr. HARDY. It seems to me, as a matter of precaution, it might be well enough to strike out of section 2 all after the word "to," in line 4, and then to add, just to carry it out:

The Secretary of Agriculture is authorized to take such measures and use such means to carry out the provisions of this act.

Mr. MANN. That language is quite essential at times when you are making appropriations and is frequently carried in appropriation bills, but all the provisions in this bill give the Secretary of Agriculture that authority specifically, and it is not necessary to carry it in this section.

Mr. HUMPHREYS. In section 5 it is specific.

Mr. MANN. All the other sections give authority.

Mr. RAYBURN. Mr. Chairman, I am very glad that this turn has been taken, and that the gentlemen of the committee have agreed to the striking out of this section, but I do not agree with the reason for striking it out, of course, that the gentleman from Illinois [Mr. MANN] gave, namely, that it would come up in another bill. Of course, if it should come up in another bill and it were not stricken out, I would vote against the bill. I wonder if gentlemen of this House, when they read section 2 of this bill, realize the vast power that they are putting into the hands of the Secretary of Agriculture or somebody that he may appoint to act under him? And it is not for the reason that it may be covered in any other bill that I am glad it was stricken out, but it is because I am against that policy.

The CHAIRMAN. The question is on the amendment of the gentleman from Minnesota [Mr. MILLER] to perfect this section.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent to withdraw that amendment.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that the Clerk may be authorized to renumber the sections.

The CHAIRMAN. The question is on the motion of the gentleman from Texas [Mr. RAYBURN] to strike out section 2.

The question was taken, and the amendment was agreed to.

Mr. LEVER. Now, Mr. Chairman, I make the request that the Clerk renumber the sections.

The CHAIRMAN. The gentleman from South Carolina moves that the Clerk may renumber the sections. Is there objection?

There was no objection.

Mr. LEVER. Mr. Chairman, I will say, let the Clerk read through section 3 and then we will adjourn. We will not discuss it at all, but I just want the Clerk to read it.

The Clerk read as follows:

SEC. 3. That the Secretary of Agriculture is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food. For the purposes of this section the Secretary of Agriculture, and his agents duly authorized therefor, may compel the attendance at any designated place of witnesses from any part of the United States, the giving of testimony, oral or in writing, under oath or otherwise, the production of books, letters, papers, or documents, and the submission of reports; may sign, issue, and serve subpœnas; and may enter, on any business day during the usual hours of business, any place, including any structure, vessel, vehicle, or other premises except a dwelling house actually occupied exclusively as such. Any person who, in violation of any requirement made pursuant to this section, willfully fails or refuses to obey any subpœna, to answer any question, or to submit any book, letter, paper, document, or report, or knowingly makes any false or misleading answer or report, or willfully conceals or withholds any information, or any person who willfully obstructs or hinders the Secretary of Agriculture or any of his duly authorized agents in the performance of any duty under this section, upon conviction thereof shall be fined not exceeding $5,000 or imprisoned not exceeding two years, or both. Witnesses summoned in pursuance of this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

Mr. LEVER. Mr. Chairman, I understand that there are a number of amendments to be offered to this section. I suggest that gentlemen offer them now, and that they be printed in the RECORD, so that they can see them to-morrow.

Mr. MANN. Let them be printed in the RECORD for information.

The CHAIRMAN. Is it the suggestion of the gentleman that they be reported at the desk?

Mr. LEVER. No; merely that they be printed in the RECORD for information.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina that any person desiring to offer amendments can hand them to the Clerk and they be printed in the RECORD?

There was no objection.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I would like to say a word of explanation in offering these amendments, because I may not have opportunity in the morning. Two of these amendments relate to the correction of the power that is given to the Secretary of Agriculture to subpœna witnesses from any part of the United States to any place that he may designate. The two amendments are essential to correct that. One strikes out certain lines and inserts certain words giving the power to subpœna witnesses, and the other provides that no witness subpœnaed under this section shall be required to attend outside of the district court of the United States within which such witness resides. The third amendment relates to entering any place during the hours of a day, limiting it to places in which the products enumerated in this section are stored or held. I offer these amendments to section 2 as it will be renumbered.

The CHAIRMAN. Without objection, they will be printed in the RECORD.

Following are the amendments submitted for printing in the RECORD:

Amendments offered by Mr. GRAHAM of Pennsylvania:

Page 2, line 16: After the word "therefor," in line 16, strike out the remainder of line 16, all of line 17, and the word "States," in line 18, and insert in lieu thereof the following: "may compel the attendance of witnesses, and."

Page 2, lines 23 and 24: Strike out all after "premises," in line 23, and all of line 24 except the word "Any," and after the said word "premises," on line 23, insert "in which products enumerated in this section are stored or held."

Page 3, line 12, after the word "States," insert: "*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the judicial district of the district court of the United States wherein such witness resides."

Amendment offered by Mr. CURRY of California: Page 2, line 9, after the word "the," strike out "basic."

Amendment offered by Mr. SUMNERS: Amend the bill by striking out from and including line 7, page 2 of the bill, to and including the word "section," in line 1, page 3, strike out the comma, add a period, and insert:

"The Secretary of Agriculture and his agents duly authorized therefor may issue and serve subpœnas and compel the attendance of witnesses at any designated place in the county of their respective residences or where they may be at the time of service of subpœnas; the giving of testimony, oral or in writing, under oath or otherwise; the production of books, letters, papers, or documents, and the submission of reports; and may enter any office, place of business, or place where located other than those of the producers, for the purpose of ascertaining the facts with regard to the ownerships, present and past, past and contemplated time of storage, or of withholding from consumption, quantity, quality, condition, purposes for which held, price paid, and at which held, cost and expenses of carriage, profits and losses, and all other transactions and facts of or with regard to foods, food material, and farm products which would be serviceable in preventing food waste, uneconomic storing, transportation or distribution, unnecessary or extortionate profits, or price manipulations, or which would be serviceable to the Government, request therefor having been made by the Department of Justice, in the investigation of or prosecution for any violation of the laws of the United States, with regard to such products. Whoever"

Amendment offered by Mr. EMERSON: At the end of section 3 insert:

"The Secretary of Agriculture is authorized to seize all wheat in the United States now held by any person, partnership, or corporation, except the farmer who raised the same, and to pay therefor the price paid the farmer for same plus all costs and expenses in caring for same and handling same since purchasing, plus 8 per cent; and sell same to the people of the United States.

"If any person, partnership, or corporation holding any such wheat refuses to accept the price ascertained herein, he may sue the United States in any court of the United States."

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the Chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration a bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. HARRY LANE, late a Senator from the State of Oregon.

Resolved, That a committee of eight Senators be appointed by the President pro tempore to take order for superintending and attending the funeral of the late Senator.

Resolved, That the Secretary of the Senate communicate a copy of these resolutions to the House of Representatives.

Resolved, That as a further mark of respect the Senate do now adjourn.

In compliance with the foregoing resolutions, the President pro tempore had appointed as said committee Mr. CHAMBERLAIN, Mr. ASHURST, Mr. KENYON, Mr. VARDAMAN, Mr. KING, Mr. LA FOLLETTE, Mr. GRONNA, and Mr. NORRIS.

DEATH OF SENATOR LANE, OF OREGON.

Mr. MANN. Mr. Speaker, let the resolutions be read.

The SPEAKER. The Clerk will report the resolutions.

The Clerk read as follows:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. HARRY LANE, late a Senator from the State of Oregon.

Resolved, That a committee of eight Senators be appointed by the President pro tempore to take order for superintending and attending the funeral of the late Senator.

Resolved, That the Secretary of the Senate communicate a copy of these resolutions to the House of Representatives.

Resolved, That as a further mark of respect the Senate do now adjourn.

Mr. SINNOTT. Mr. Speaker, I move the adoption of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 88.

Resolved, That the House has heard with profound sorrow of the death of the Hon. HARRY LANE, a Senator of the United States from the State of Oregon.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 12 Members be appointed on the part of the House to join the committee on the part of the Senate to attend the funeral.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following as members of the committee to attend the funeral: Mr. HAWLEY, Mr. SINNOTT, Mr. MCARTHUR, Mr. JOHNSON of Washington, Mr. DILL, Mr. EVANS, Mr. WALSH, Mr. NELSON, Mr. ROBERTS, Mr. MAYS, Mr. MCCLINTIC, and Mr. RAKER.

ADJOURNMENT.

The SPEAKER. The Clerk will report the next resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect this House do now adjourn.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Friday, May 25, 1917, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HARRISON of Virginia, from the Committee on Military Affairs, to which was referred the bill (S. 995) to authorize the issue to States and Territories and the District of Columbia of rifles and other property for the equipment of organizations of home guards, reported the same with amendment, accompanied by a report (No. 60), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SULZER: A bill (H. R. 4661) making an appropriation for a public building at Fairbanks, Alaska; to the Committee on Public Buildings and Grounds.

By Mr. DILLON: A bill (H. R. 4662) to prohibit dealing in margins and prescribing penalties therefor; to the Committee on Agriculture.

By Mr. AYRES: A bill (H. R. 4663) to regulate the pay of substitute letter carriers in the City Delivery Service and substitute clerks in first and second class post offices; to the Committee on the Post Office and Post Roads.

By Mr. KALANIANAOLE. A bill (H. R. 4664) to provide for the election of the governor and secretary of the Territory of Hawaii; to the Committee on the Territories.

Also, a bill (H. R. 4665) granting to the legislature of the Territory of Hawaii additional powers relative to elections and qualifications of electors; to the Committee on the Territories.

By Mr. HUDDLESTON: A bill (H. R. 4666) providing for the investigation of the waters of Niagara River, and for other purposes; to the Committee on Foreign Affairs.

By Mr. STEENERSON: Resolution (H. Res. 87) requesting the Postmaster General to furnish information; to the Committee on the Post Office and Post Roads.

By Mr. HUDDLESTON: Joint resolution (H. J. Res. 97) providing for the termination of the treaty between the United States and Great Britain, signed January 11, 1909, and for other purposes; to the Committee on Foreign Affairs.

By Mr. NOLAN: Memorial of the Legislature of the State of California, relative to the construction and maintenance of a military highway along the Pacific coast from the Canadian border to the Mexican border; to the Committee on Military Affairs.

By Mr. KETTNER: Memorial of the Legislature of the State of California, relative to devoting revenues from national forests to the construction of works for flood control; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of California, relative to the construction and maintenance of a military highway along the Pacific coast from the Canadian border to the Mexican border; to the Committee on Military Affairs.

By Mr. HADLEY: Memorial of the Legislature of the State of Washington, requesting a survey, estimate, and report on improvement of a ship canal between Port Townsend Bay and Oak Bay, in Jefferson County, Wash.; to the Committee on Railways and Canals.

By Mr. KETTNER: Memorial of the Legislature of the State of California, relating to needy Indians within the State of California; to the Committee on Indian Affairs.

By Mr. NOLAN: Memorial of the Legislature of the State of California, favoring devoting of revenues from national forests to the construction of works for flood control; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of California relating to needy Indians within the State of California; to the Committee on Indian Affairs.

PRIVATE BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 4667) granting a pension to Myrtle Webster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4668) granting a pension to Lewis S. Duckworth; to the Committee on Pensions.

Also, a bill (H. R. 4669) granting a pension to Clarence L. Wimer; to the Committee on Pensions.

Also, a bill (H. R. 4670) granting a pension to Eddie E. Sterrett; to the Committee on Pensions.

Also, a bill (H. R. 4671) granting an increase of pension to Charles G. Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4672) granting an increase of pension to John A. Davidson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4673) granting a pension to Luman W. Storer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4674) granting an increase of pension to Mary E. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4675) granting an increase of pension to Morton A. Pratt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4676) granting an increase of pension to James T. McMillan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4677) granting an increase of pension to Henry J. Kinney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4678) granting an increase of pension to Myrenus Loomis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4679) granting an increase of pension to John H. Simisen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4680) granting an increase of pension to George F. Richardson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4681) granting an increase of pension to John C. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4682) granting an increase of pension to Jacob Rockey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4683) granting an increase of pension to Lamberton Seaton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4684) granting an increase of pension to Erastus S. Bussell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4685) granting an increase of pension to Oliver Budd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4686) granting an increase of pension to George Berry; to the Committee on Pensions.

Also, a bill (H. R. 4687) granting an increase of pension to Randall De Witt Bordeaux; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4688) granting an increase of pension to William Greer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4689) to muster in and muster out LeRoy P. Taylor, late of the Volunteer Army, Civil War; to the Committee on Military Affairs.

Also, a bill (H. R. 4690) to authorize the placing on a roll in the War Department designated as "The Civil War Volunteer officers' retired list" the name of Morton A. Pratt, first lieutenant in Company A, Third Illinois Cavalry of the United States in the Civil War; to the Committee on Military Affairs.

By Mr. BRODBECK: A bill (H. R. 4691) granting an increase of pension to John Cashman; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 4692) authorizing the appointment of William Henry Armstrong, a captain in the Officers' Reserve Corps; to the Committee on Military Affairs.

By Mr. COSTELLO: A bill (H. R. 4693) for the relief of Conrad Skladal; to the Committee on Military Affairs.

By Mr. DICKINSON: A bill (H. R. 4694) granting an increase of pension to William Griffith; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 4695) granting an increase of pension to Lavinia R. Moore; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 4696) to remove the charge of desertion from the military record of James Porter Hill; to the Committee on Military Affairs.

Also, a bill (H. R. 4697) for the relief of Amos Bennett; to the Committee on Military Affairs.

By Mr. SHOUSE: A bill (H. R. 4698) granting a pension to Henrietta M. Christison; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: Joint resolution (H. J. Res. 96) for the relief of Richard Poillon; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of citizens of Missouri, against stamp tax on medicines; to the Committee on Ways and Means.

Also (by request), petition of New Hartford Woman's Christian Temperance Union, favoring prohibition as war measure; to the Committee on the Judiciary.

Also (by request), memorial of Ancient Order of Hibernians, Charleston, S. C., relative to self-government for Ireland; to the Committee on Foreign Affairs.

By Mr. BOWERS: Memorial of sundry organizations and citizens of West Virginia, pledging support to the President and country; to the Committee on Military Affairs.

Also, memorial of sundry citizens of Gormania and Mount Storm, W. Va., and Jennings ton (W. Va.) Epworth League, favoring national prohibition; to the Committee on the Judiciary.

Also, petition of sundry citizens of West Virginia, favoring tax on excess profits of corporations; to the Committee on Ways and Means.

Also, memorial of Carroll Court, No. 299, National Order of the Daughters of Isabella, Wheeling, W. Va., favoring universal service; to the Committee on Military Affairs.

Also, petition of Rotary Club of Wheeling, W. Va., approving proposal of Col. Roosevelt to raise army to take to France; to the Committee on Military Affairs.

By Mr. BRODBECK: Papers relating to bill for increase of pension of John Cashman; to the Committee on Invalid Pensions.

By Mr. BROWNING: Petition of citizens of Glassboro and Swedesboro, N. J., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CARY: Petition of the Wallace & Smith Co., of Milwaukee, Wis., opposing the Hardwick amendment to House bill 3673; to the Committee on Banking and Currency.

By Mr. COOPER of Wisconsin: Memorial of Racine (Wis.) local of the International Molders' Union, and Beloit (Wis.) Trades Council, asking investigation of bomb-throwing in San Francisco, July, 1916; to the Committee on Labor.

Also, memorial of Rev. J. T. Leek and others, of Lake Geneva, Wis., asking that certain legislation relating to the liquor traffic be enacted; to the Committee on the Judiciary.

By Mr. CRAGO: Petition of sundry citizens of Stoneboro, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of Interstate Electric Novelty Co., Brooklyn, N. Y., against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of Farmers' Feed Co., of New York, against prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of sundry citizens and publishing companies of New York, against any increase in postal rates; to the Committee on Ways and Means.

Also, petition of Gaston, Williams & Wigmore, of New York City, against 100 per cent increase in revenue on the tobacco trade; to the Committee on Ways and Means.

By Mr. EMERSON: Petition of sundry citizens of the State of Ohio, opposing the espionage bill and for free speech; to the Committee on Military Affairs.

By Mr. FOCHT: Petitions of citizens of Mifflinburg, Millerstown, and Fort Loudon, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of 206 citizens of Sycamore, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of 63 citizens of Franklin County, Ohio, favoring passage of House bill 2572, to increase widows' pensions, etc.; to the Committee on Invalid Pensions.

Also, petition of Christian Endeavor World, against increase of second-class postage and the zone system; to the Committee on Ways and Means.

Also, petition of the Brotherhood of Locomotive Engineers, the Brotherhood of Locomtive Firemen and Enginemen, the Order of Railway Conductors, and the Brotherhood of Railroad Trainmen, opposing the taxing of the income or salaries of workingmen earning less than $2,000 per year; opposing the zone system and increase of second-class postage; and favoring increased taxes on industrial corporations; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of Massachusetts Committee on Public Safety, favoring passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. GRIEST: Memorial of 63 citizens and classis of Lancaster, Eastern Synod of the Reformed Church, and congregation of St. Paul's Reformed Church and Sunday school, of Quarryville, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of Rev. W. T. Dunkle, pastor of the Lancaster Avenue Methodist Episcopal Church, of Lancaster; Rev. E. A. Bawden, pastor of the First Methodist Episcopal Church of Lancaster; Rev. L. O. Wiest, pastor of the United Evangelical Church of Adamstown; the Woman's Christian Temperance Union of Quarryville; the Pittsburgh Coal Producers' Association, of Pittsburgh; and Henry L. Gise, of Elizabethtown, all in the State of Pennsylvania, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. GRIFFIN: Memorial of Music Industries Chamber of Commerce of America, against excise tax on pianos and player pianos; to the Committee on Ways and Means.

Also, petitions of sundry publishing concerns of the United States, against increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petition of market committee of American National Live Stock Association, relative to manipulation of the Nation's food supply; to the Committee on Agriculture.

Also, petitions of sundry citizens of Brooklyn, N. Y., favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Interstate Cotton Seed Crushers' Association, tendering resources and services to the country; to the Committee on Military Affairs.

By Mr. HERSEY: Memorials of Rev. M. E. Osborne and other citizens of Presque Isle and citizens of New Sweden, Me., urging national prohibition; to the Committee on the Judiciary.

By Mr. HILL: Memorials of Summerfield Methodist Episcopal Church, Kings Highway Congregational Church, Manufacturers' Association of Bridgeport, and First Methodist Episcopal Church, of Greenwich, Conn., favoring national prohibition; to the Committee on the Judiciary.

By Mr. HULBERT: Memorial of the Interstate Cotton Seed Crushers' Association, tendering resources and services to the country; to the Committee on Military Affairs.

Also, memorial of Ancient Order of Hibernians in America, relative to freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. HUTCHINSON: Petition of Rev. Edwin Forrest Hann, minister of First Methodist Episcopal Church, of Trenton, N. J., and 101 citizens, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, memorial of Trenton (N. J.) Typographical Union, No. 71, relative to regulating profits during the present emergency; to the Committee on Ways and Means.

Also, petition of the Kalmia Club, of Lambertville, N. J., favoring 5-mile zone against liquor and camp followers around every military camp and training station; to the Committee on Military Affairs.

By Mr. KENNEDY of Rhode Island: Petition of Blanchard, Young & Co., of Providence, R. I., protesting against passage of House bill 3673; to the Committee on Banking and Currency.

Also, petition of Andrew Meiklejohn, president of the Meiklejohn Co., of Providence, R. I., protesting against tax on musical instruments; to the Committee on Ways and Means.

Also, resolution of Pawtucket (R. I.) Business Men's Association, and memorial of Rhode Island Quarterly Meeting of Friends, favoring prohibition of use of grains, vegetables, or other food materials for distilling or brewing during period of war; to the Committee on the Judiciary.

Also, petition of John J. Dunn, secretary of Rhode Island State Board of Agriculture, favoring passage of a law fixing prices on cans or other containers for perishable products; to the Committee on Agriculture.

Also, resolutions of City Council of Providence, R. I., and Olneyville (R. I.) Business Men's Association favoring daylight-saving legislation; to the Committee on Interstate and Foreign Commerce.

Also, resolution of Pawtucket (R. I.) Business Men's Association, favoring legislation for Government control of entire food supply; to the Committee on Agriculture.

Also, petitions of the Rotary Club, Retail Credit Men's Association, and Retail Merchants' Association, all of Providence, R. I., in favor of food-control legislation; to the Committee on Agriculture.

Also, petition of Rhode Island Federation of Women's Clubs, urging passage of law prohibiting gambling or dealing in futures of foodstuffs; to the Committee on Agriculture.

Also, petitions of Augustus Lunhos, John I. Dolan, Eugene J. Keenan, and Pawtucket Business Men's Association, all of Pawtucket, R. I.; Charles H. Farrell, Robert L. Brunet, and Congdon & Carpenter Co., all of Providence, R. I.; and John Cusack, of Woonsocket, R. I., favoring daylight-saving plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of faculty of Rhode Island State College, protesting against inflated prices for necessaries of life; to the Committee on Agriculture.

By Mr. LESHER: Petitions of citizens of Shamokin, Bloomsburg, and Lopez United Evangelical Church, Pennsylvania, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Petitions of several religious and other organizations of the State of Connecticut in favor of State and National prohibition; to the Committee on the Judiciary.

By Mr. LUNDEEN: Petitions of sundry business people of Minneapolis, Minn., against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. McFADDEN: Memorials of 57 residents of Factoryville and 64 of Athens, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MAPES: Petition of 89 citizens of Lowell, Mich., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of 45 citizens of Vergennes, Mich., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of 72 citizens of Kent City, Mich., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the National Wholesale Dry Goods Association, Thomas A. Farnley, secretary, of Philadelphia, Pa., protesting against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of the H. J. Heinz Co. and the banking and currency committee of the Pittsburgh Association of Credit Men, both of Pittsburgh, Pa., protesting against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. NOLAN: Petitions of Paul Rieger & Co., of San Francisco, Cal., against proposed tax on perfumery, etc.; to the Committee on Ways and Means.

Also, petition of San Francisco Board of Trade against the passage of the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petitions of A. I. Hall & Son and J. S. Dinkelspiel, of San Francisco, Cal., relative to amendment to the revenue bill suggested by jewelry committee; to the Committee on Ways and Means.

By Mr. NOLAN: Memorial of San Francisco (Cal.) Labor Council, against any proposed amendment to the Chinese-exclusion act which would permit the importation of Chinese into the United States; to the Committee on Immigration and Naturalization.

Also, petitions of E. Martin & Co. and John F. Madden, of San Francisco, Cal., against tax of 15 per cent on rectified spirits; to the Committee on Ways and Means.

Also, protests of the San Francisco Printing Pressmen's Union No. 24 and the Mission Improvement Association of San Francisco, Cal., and the Tulare County Building Trades Council, of Visalia, Cal., against any attempt to amend the Chinese-exclusion act to permit of the importation of Chinese into the United States; to the Committee on Immigration and Naturalization.

By Mr. O'SHAUNESSY: Petition of members of the faculty of Rhode Island State College, relative to food control; to the Committee on Agriculture.

Also, memorial of the Pawtucket (R. I.) Business Men's Association and Rhode Island Quarterly Meeting of Friends, favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. OLNEY: Petition of Rev. Newton T. Sundstrom and members of St. Paul's Swedish Methodist Episcopal Church, of Quincy, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. PETERS: Petition of citizens of Hallowell, Mass., urging national prohibition; to the Committee on the Judiciary.

By Mr. PLATT: Petitions of citizens of Middletown, Montgomery, Newburgh, and Cornwall, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. POWERS: Petition of sundry citizens of Pulaski County, Ky., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. RAMSEYER: Petition of the residents of Prairie City, Iowa, favoring prohibition as a food-conservation measure and also for the purpose of conserving the health, wealth, labor, transportation facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. REED: Petition of Mrs. Harvey W. Harmer, of Clarksburg, W. Va., president of Woman's Civic Club, and members of the club, favoring a 5-mile zone around all military camps in which traffic in liquor shall be prohibited; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: Petition of Alfred Hart and 36 citizens of Tekonsha, against manufacture of alcoholic liquors, etc.; to the Committee on the Judiciary.

Also, petition of R. D. Wearne and 77 citizens of Battle Creek, Mich., favoring prohibition; to the Committee on the Judiciary.

Also, petition of Charles Nease and 39 citizens of Vermontville, Mich., against manufacture of alcoholic liquors, etc.; to the Committee on the Judiciary.

By Mr. STEELE: Petition of citizens of Bangor, Beaver Meadow, Easton, and congregation of the Stroudsburg Methodist Episcopal Church, all in the State of Pennsylvania, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. STRONG: Resolution of the Armstrong County Trades Council, of Kittanning, Pa., favoring a law to eliminate profit in the distribution of food; to the Committee on the Judiciary.

Also, petition of the Sunday school of the First Baptist Church of Apollo, Pa., favoring the enactment of laws to prevent the use of grain for the manufacture of liquors during the war; to the Committee on the Judiciary.

Also, petition from residents of Tylersburg and vicinity and Clarion and vicinity, Pennsylvania, favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for prohibition of the sale of liquors for beverage purposes; to the Committee on the Judiciary.

By Mr. TILSON: Petition of Trinity Methodist Episcopal Church, of New Haven, Conn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TINKHAM: Memorial of Ulstermen's Association of greater Boston, Mass., relative to independence for Ireland; to the Committee on Foreign Affairs.

By Mr. TREADWAY: Petition of sundry citizens of Lee, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. WALSH: Petition of Mrs. Herbert Swift and 34 other residents of Cataumet, Mass., favoring enactment of prohibition of manufacture of alcoholic liquors as a measure of food conservation and for prohibition of sale of liquors in order to conserve health, wealth, etc.; to the Committee on the Judiciary.

SENATE.

FRIDAY, *May 25, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we call upon Thy name that we may not forget the great eternal verities of life. In the midst of the demands upon our time and attention, the vast problems that are before us, we would not forget the things that are in God's hands alone in the region of close questioning, where we deal with God only. We pray that Thou wilt give us grace, with deep humility, with reverent spirit, and with consecration to do the things that are pleasing in Thy sight, knowing that all things work together for good to them that love Thee. Guide us to this end this day. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 14) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended in respect of car service, and for other purposes," with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, in which it requested the concurrence of the Senate.

The message also transmitted to the Senate a resolution (H. Res. 88) on the death of Hon. HARRY LANE, late a Senator from the State of Oregon.

PETITIONS AND MEMORIALS.

Mr. FRELINGHUYSEN presented petitions of sundry citizens of the State of New Jersey, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented a petition of Local Union No. 65, United Brotherhood of Carpenters and Joiners of America, of Perth Amboy, N. J., praying for the enactment of legislation to regulate the price and control of foodstuffs, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the teachers and scholars of the public school at Fords, N. J., praying that postal rates shall not be increased, which was referred to the Committee on Finance.

Mr. SAULSBURY presented petitions of sundry citizens of Delaware, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

Mr. WADSWORTH presented petitions of sundry citizens of Fleming, Wilson, Albany, Camden, Union Springs, Schuylerville, Niagara Falls, and Cortland, all in the State of New York, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

Mr. KNOX. I present resolutions of the Legislature of the State of Pennsylvania, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

IN THE SENATE, *May 16, 1917.*

Whereas enemy governments have passed laws advancing the time one hour during the long summer days for the purpose of conserving their resources, and other belligerents have done likewise as a measure of economic war necessity: Therefore

Resolved (if the house concur), That the General Assembly of Pennsylvania indorses the efforts of the business interests now being made to secure the passage by the Congress of the United States of legislation known as daylight saving to advance the standard time one hour during the summer months.

Resolved further, That a copy of these resolutions be forwarded to the Senators and Representatives in Congress from Pennsylvania.

I hereby certify that the foregoing resolutions were adopted by the Legislature of Pennsylvania on May 16, 1917.

W. P. GALLAGHER,
Chief Clerk Senate of Pennsylvania.

Mr. KNOX presented petitions of sundry citizens of Pennsylvania, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

Mr. PHELAN presented a memorial of the Chamber of Commerce of Oakland, Cal., remonstrating against the taking over of the Morgan Line steamers by the Government except as a last resort, which was ordered to lie on the table.

Mr. NELSON presented petitions of sundry citizens of Champlin, Hawley, and Lake Crystal, all in the State of Minnesota, praying for the prohibition of the manufacture of alcoholic liquors as a conservation measure, which were referred to the Committee on Agriculture and Forestry.

Mr. HOLLIS. I desire to have placed in the RECORD without reading a brief communication regarding the food situation.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

FOOD GAMBLERS ROBBING PEOPLE—STOCK SOLD BECAUSE GRAIN IS SO HIGH—WILSON GETS LETTER WRITTEN BY FIELD AGENT FOR NATIONAL EMERGENCY FOOD GARDEN COMMISSION NOW ON TOUR OF INVESTIGATION TELLING HOW THE UNITED STATES IS FAST BEING DEPLETED OF CATTLE.

WASHINGTON, *May* —.

That it is time the Government took a hand in managing the food problem of the country is pointed out to-day by E. H. Kelley, field agent of the National Emergency Food Garden Commission, who reported to P. S. Ridsdale, the secretary, how the people are being held up and how the dairymen are selling their cattle because of the high prices of grain and because of the high prices they can get for the cattle on the hoof.

The letter, which bears out the charges made in the United States Senate that food gamblers are in control of the food supply of the country, was forwarded to President Wilson by Secretary Ridsdale.

Mr. Kelley, who is a graduate of New Hampshire State College, has been out for six weeks getting first-hand information as to the food situation in the country. At the direction of the National Emergency Food Garden Commission, of which Charles Lathrop Pack is president, Mr. Kelley has been organizing food-garden planting clubs and enlisting the aid of newspapers in the nation-wide campaign the commission has been conducting for more food gardens.

Mr. Kelley's amazing statements as to conditions as he finds them are told in a letter to Secretary Ridsdale from Rutland, Vt. The letter follows:

"The greatest question throughout New England at present seems to be one of labor rather than anything else. In almost every case where I have talked with farmers they say they could and would do more if they had the help. Many of the farmers are putting in smaller acreage simply because it is impossible, practically, to get help.

"Here in Vermont a very great problem is the matter of grain. To-day I was talking to a man who has a big dairy, and he said that he is going out of business because he is simply paying out of his own pocket to keep the thing going. He is one of many who are doing the same.

"This shortage of grain and the high price which they can get for their animals is simply depleting the country of its stock, but it is almost impossible to make the people see the folly of selling off the animals which are needed for reproduction.

"The matter of seeds has quite a little to do with the acreage planted. I am constantly asked the question as to how they can afford to plant with the price of seed so high. Quite a few dealers are taking advantage of the situation to bleed the farmers, and because of this the planting is being held up.

"For example, I know of one case where a large wholesale concern 'had no beans,' and yet I know absolutely that they had 400 bushels which they were holding for a higher price. They got the wrong end of it, though, because the community (———, N. H.) imported 200 bushels.

"Still another question is that of the food speculators. Here in ——— I found a store with 15,000 barrels of flour and selling just as little as possible to their customers. Within a day's ride of here I can find 37,000 barrels being held for a high price.

"I mention these facts merely to show you what I am running up against and the problems which I am trying to solve. Perhaps I am going into the matter too deeply, but it seems to me that I should do everything in my power to help the people in such a serious state of affairs as exists at present.

"Now, the question is, What shall I do? If anything is done at Washington to relieve these conditions I wish you would let me know about it, so that I may be able to put it into practice just as soon as possible. Everything that gives the people more confidence serves to increase the food production, and I think they should be given all the encouragement possible, especially by the Government, because it is urging them so strongly to do their bit. It certainly should back them up in what it advocates."

CONCORD, N. H., *May 15, 1917.*

HENRY F. HOLLIS, Esq.
Washington, D. C.

MY DEAR SENATOR: At the request of my shopmates, who wish to know the truth of the national food situation, I am going to tell or try to tell you how we feel about it. Of course, you understand our means of obtaining information consist of only what we can get from the "press," which, to say the least, is very confusing information. First they preach economy, then warn against parsimony; then Mr. Hoover, in big headlines, comes out and announces that prices can be cut 40 per cent with fair profit to everybody. If this statement is true, why does not the Government take steps to accomplish this most desirable end or give the statement the lie? How are workmen—of whom 90 per cent, according to the manufacturer's estimate, live

within two weeks of starvation all the time—to draw any line between economy and parsimony?

We have obtained raises in pay but living cost has gained on us 3 cents to our 1 in wage advance, so we are relatively worse off. Railroad men are losing their right by new laws to right this condition with our only known weapon—strike—so we must perforce look to the Government, which has tied our hands, for relief. Is the Government taking any steps in this direction—lowered living cost? These compulsory clauses are thought amongst us to be an unnecessary and insulting reflection on our patriotism.

Can and will you help clear up this perplexing situation? If the food situation is as bad as painted we are willing to "do our bit, pay the cost, and help out if necessary." We want help.

This letter is not written in the spirit of criticism, but with the intent to help clear a situation which will bring into existence a spirit of criticism hard to quell later on, for if conservative old New Hampshire is sizzling beneath the surface on this question, other parts of the country must be almost to the boiling point.

Hoping this letter will be received in the spirit intended and considered fully, I am,

Yours, respectfully, ROBT. JORDAN.

[From the Evening Standard, May 7, 1917.]

FRUIT PROMISES WELL—LOUIS H. BUCKSHORN RETURNS TO THE CITY ON A VISIT—OPTIMISTIC ABOUT FOOD SUPPLY, HE SAYS GOVERNMENT SHOULD SET HIGH AND LOW PRICES—EVERY COMMUNITY SHOULD RAISE ITS OWN CORN.

Louis H. Buckshorn, of Westford, formerly of New Bedford, special appraiser of the Federal farm-loan bank at Springfield, was a visitor in New Bedford this morning. Mr. Buckshorn is a fruit grower. The fruit crops, he said, in New England are very promising.

"Peach and apple buds have come through the winter exceedingly well," he told the Standard to-day. "So did all other fruit—both small and large. There will be a large supply of good fresh fruits from one end of the season to the late fall.

"We have been overfrightened on the food question. While it is serious in view of the shortage of winter wheat and the tremendous demand of our allies this summer and fall, we should not grow hysterical.

"In New England every farmer can help to relieve the situation by growing his own potatoes, vegetables, oats, and flint corn—corn enough to feed his stock and corn meal for his family, and a little over for city folks. If he can increase his clover crop he can reduce the expensive mill feeds he now buys.

"I believe New England country districts can be made self-sustaining as to meat, grains, and family foods. This will take a serious drain from the general markets, and be an invaluable help.

"We have been tending toward more intelligent handling of the land during the last 10 years. There has been too much 'range' and not enough intensity. We have reached the place where we have found what is intelligently saved in getting our crops is a large part of the net gain.

"In the cities the manure sweepings from the streets should be carted to certain places in every district, and back-yard gardeners be allowed to have it. It should be free from tar and oil. Where the garden plots are very small winter supplies other than potatoes should be grown. Some beets, carrots, rutabagas, cabbage, parsnips. Fruit will be plentiful and fairly cheap and help out in the summer. Eat what you can, then can what you can't."

He was then asked about the Government control of food and prices. Mr. Buckshorn thought it would be necessary to fix a low price and high price for the standard grain, root, and apple crops of the country, the price to range between the set figures.

"This will work great good in many ways," he explained. "The farmer will then be out of the haphazard indefiniteness that doesn't know whether there will be a market or a price. It will give him a fair profit and a sure market. The Government and the farmer will be on the same business basis that Uncle Sam is when he needs and buys powder and guns. It will be the best kind of cooperative work.

"In addition, it will take the main supplies out of the reach of food gambling and extortionate prices.

"It will allay the present hysteria and food-stocking tendency. It will lift the dread that hangs over millions of homes to-day when they know that Uncle Sam has made ample food contracts at reasonable prices.

"The Federal authority that says so many pounds and so much size make a standard of measure has the power to enforce it. The same authority, especially in war times, will say as to range of price, and will have the power to enforce it.

"We may not like this strong centralization of government, but it is absolutely necessary. War and republican forms of government are only tolerable when it becomes necessary to fight for the preservation of liberty and its institutions. This is not a war for national greed and conquest, and the Government at Washington must be strong enough to prevent individual and corporate greed from choking off the supplies to the millions who are in this fight for democracy.

"The whole affair of war and food supply is not a holiday matter. But let us face it with an intelligent seriousness, not with hysteria. Stop publishing the despairing cartoons and let us have pictures of possible food supplies in good humor as well as in good fact. Rally the country-wide ministry at its unparalleled opportunity of teaching that the slacker in farming this year is worse than the slacker in the city guards, and the honor that comes to the farmer boy on the farm is an honor of the highest rank.

"His country needs him most and best where he is—and where he can do his most and his best—on the farm."

Mr. TRAMMELL. I ask to have printed in the RECORD a telegram from the secretary of the Rotary Club, of Miami, Fla.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MIAMI, FLA., *May 25, 1917.*

Hon. PARK TRAMMELL,
United States Senate, Washington, D. C.:

By unanimous resolution of Miami Rotary Club you are requested to urge the adoption of "Dixie" as the National war song of the United States.

GEO. A. MCKINNON, *Secretary.*

Mr. TRAMMELL. I desire to have printed in the RECORD a telegram from the Board of Trade of Tampa, Fla., and ask that it be referred to the Committee on Finance.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

TAMPA, FLA., *May 23, 1917.*

Hon. PARK TRAMMELL,
Senate, Washington, D. C.:

This organization has been requested by the Havana cigar manufacturers of Tampa to wire you a protest against the proposed additional duty of 10 per cent ad valorem on tobacco, claiming this will be a death blow to the industry. They have already been heavily taxed by the increase of internal revenue on cigars. They are willing that the specific duty now in effect be increased 10 per cent if necessary, but that the 10 per cent ad valorem in addition to the present duty would so cripple the industry that it would not only ruin their business but would defeat the aim of the committee of increasing revenue this way.

TAMPA BOARD OF TRADE.

SUPPLY OF FREIGHT CARS.

Mr. SMITH of Georgia. Mr. President, I have a letter from Mr. Newman Erb, a lawyer of quite broad experience in railroad matters, in which he discusses the importance of an increased supply of freight cars. I will not ask that it be read, but I do believe it contains valuable information, and I ask that it be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the letter was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

WASHINGTON, *May 23, 1917.*

Hon. HOKE SMITH,
United States Senate, Washington, D. C.:

MY DEAR SENATOR: Referring to the bill recently introduced by you for the purpose of affording much-needed relief of the critical freight-car situation, I desire to present to you some facts which may serve to hasten action in the matter.

The public is vitally concerned that the facilities of our railroads for service—prompt and efficient service—shall be adequate; that terminals, distributing points, assembling yards, and equipment shall keep pace with expansion and the added demands which every year has brought in the past and which every year hereafter is sure to bring; that they be able to measurably anticipate what may be reasonable to expect of them next year and the following year. Unfortunately, this has become impossible of accomplishment by a large majority in number and mileage of our railroads with inadequate net earnings, unsatisfactory because of the unreasonable return to their shareholders and the impairment of their credit to the vanishing point.

We were short 143,000 freight cars on April 1 last. This is the so-called "between-season" period. When crops begin to move, taken with our present industrial activity and the added burden upon our transportation system through war conditions, what is the shortage likely to be then? The situation is critical now; it is sure to become more so, and I hope I may arouse your interest and the interest of Congress in obtaining the cooperation of the Government to avoid the embarrassments, hardships, and suffering certain to result unless the emergency upon us is promptly dealt with. Full relief this year will be impossible, but partial relief may be given by very prompt action. The railroad companies have not the financial credit, and have not had it for a long time, to raise the necessary large sums of money to meet this pressing demand.

Our railroads have not kept pace with their normal equipment requirements. Since 1899, 73,636 locomotives were built for our railroads, yet only 63,850 locomotives were in service in 1915, with an actual decline over the year 1916. Of freight cars, 2,535,911 were built, and yet only 2,283,830 were in service at the end of 1916. Notwithstanding that 209,113 freight cars were built in 1915 and 1916, we had less cars in service in 1916 than in 1914. The large fortunes invested in locomotives and freight cars which were in existence 17 and 18 years ago have entirely disappeared.

For 1916, 829 railroads, independently operated, reported to the Interstate Commerce Commission, representing 254,179 miles. Of these, 697, or 82 per cent of the total in number, operated 136,350 miles, whose earnings were less than $10,000 per mile. These are the great arteries of commerce that act as feeders and distributers for the great trunk lines. They naturally come into closer and more intimate relations with the people in the territory which they respectively serve than their more important connections, and it is upon their development the South, Southwest, and the Northwest are now depending, and must for some considerable time still depend, for their commercial and industrial growth. Yet this group of railroads, with 136,350 miles of operated mileage, earned less than $10,000 per mile last year, considered the most prosperous in their history; paid dividends averaging 3.68 per cent of their capital, over half of which, or $52,747,552 out of a total of $101,497,122, was appropriated out of surplus. This indicates the desperate efforts made to sustain their declining credit. They can not be relied upon, because they have not the means to supply the much-needed equipment, and in the pressing emergency I believe all must agree that it is as vital to the country that our railroads shall be in a condition to perform the services which are now most essential if our war requirements at home and abroad are to be met, and that they should be assisted, as it is for us to furnish assistance in the reconstruction of the railroads of our allies.

The freight car equipment of the country has very properly been placed under a unified central control, but a large number of additional freight cars should be promptly added. This can be obtained only through Government agencies. The car companies of the country have for several years, and are now utilizing only a little more than 25 per cent of their normal capacity, but on account of the difficulty of obtaining the materials it is impossible, even if credit were available, to secure the material for the new cars in time for this year's service without recourse to the power of the Government to obtain preferential deliveries.

No greater service can be performed to the country, in my opinion, in the pressing circumstances than in assisting the railroads to finance a large addition to their equipment and to command preferential delivery of the materials for its construction.

I would therefore suggest that appropriate legislation be enacted creating a credit sufficient in amount to cover the cost 200,000 freight cars of standards approved by the Interstate Commerce Commission, to be placed in interstate traffic under the direction of the American Car Service Association and the control of the Interstate Commerce Commission. The cost of the cars to be assumed by the railroad companies engaged in interstate traffic, and repaid with interest at 4 per cent per annum in 30 semiannual payments, a lien being reserved by the Government on

the cars to secure such payment. The per diem earnings to be collected by the American Car Service Association, and applied:

1. To the cost of their proper maintenance.
2. The surplus to the repayment of the principal and interest.

Any deficits shall be apportioned and collected from the interstate carriers in proportion which their respective total annual freight car mileage bears to the aggregate total freight car mileage of all such carriers, and for which they shall be statutorily liable.

This involves no governmental burden. It places no appreciable burden upon the carriers, because if they do not get their proportionate use of these particular cars they receive the benefit of an enlarged use of other cars.

The per diems paid are now properly made chargeable to operating cost, the payments made for the cars in excess of the per diem collected for their use should also be made chargeable to operating cost.

We should have at least the 200,000 freight cars added to our equipment and completed during the present year. I believe the car companies, if provided with the material, are at present in a condition to furnish them this year.

Very respectfully, NEWMAN ERB.

GRAND CANYON OF THE COLORADO.

Mr. SHAFROTH. Mr. President, I have an article here entitled "First through the Grand Canyon." It is a review of the exploration of that great wonder of the world. I desire to have it made a public document, and as it is a matter of some thirty pages, I move that it be referred to the Committee on Printing to determine whether it shall be printed as a public document.

The motion was agreed to.

FOOD SUPPLY.

Mr. SHERMAN. Mr. President, I hold in my hand a copy of the Official Bulletin of May 17, 1917. My colleague [Mr. LEWIS] a few days ago took occasion to interpret and admonish certain public utterances that were made. I do not wish to follow in his footsteps, but in order that it may be properly elucidated for the information of the public on a subject that is leading to great precipitate action on the food question, I present in this copy of the Official Bulletin the parts which I have marked—one from the Attorney General saying there is no danger, that it is ridiculous to talk about the shortage of food supplies; and the other on the following page, that I have marked, from the Secretary of Commerce saying that we are in danger of ultimate starvation. I should like to have the Cabinet reconcile itself before it sends out statements to the public at this time that are calculated not only to cause a food panic but great confusion in attempting to escape from it.

The PRESIDENT pro tempore. Does the Senator from Illinois make any request in connection with the matter referred to?

Mr. McCUMBER. I ask the Senator if he will not have it read.

Mr. SHERMAN. I will be glad, if not intruding on the time of the Senate, to have the marked passages read by the Secretary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read as requested.

The SECRETARY. Reading from the Official Bulletin, volume 1, No. 7:

WASHINGTON, *Thursday, May 17, 1917.*

From a statement by Attorney General Gregory:

"I am not an authority on the food situation of the country. That belongs properly to the Department of Agriculture; but I am led to believe, from the reports submitted to me, that there is much hysteria occasioned by reports of food shortage. It is ridiculous to think that there will be starvation or want in this country. There will be sufficient food.

'From my reports I conclude that many of the present high prices are the result of inadequate distribution facilities. If the President is given authority, as has been proposed to Congress, to direct freight shipments and give priority to certain classes of freight, I am confident that the situation will be materially improved."

Reading from page 3 of the same publication:

Secretary of Commerce Redfield addressed the National Association of Manufacturers in New York on Wednesday on the subject "How can manufacturers help?"

"MAY FACE FOOD SHORTAGE.

"It is a fact and no dream that we may face next winter a shortage of food for ourselves and our allies. Only a long and strong pull will prevent this becoming a dread reality. He is a patriot who cultivates an extra rod of land, and those of us who can make land available for cultivation and aid toward its working should at once take steps to bring that about. I am fond of roses, but potatoes are more needed now."

Mr. SMOOT. Mr. President, in this same connection I desire to read a part of a letter received by me from the executive secretary of the American Forestry Association, dated May 15, 1917. The letter states as follows:

We want to give you a little more information about the work of the American Forestry Association and the National Emergency Food Garden Commission, about which we wrote you a short while ago.

At least $250,000,000 worth of foodstuffs will be raised this year as a result of our cooperation; over 22,000,000 people are reading the commission's daily garden lessons in fifteen hundred newspapers. Patriotic citizens are so anxious to "do their bit" that the movement, instituted by a few public-spirited men, is growing swiftly into a great, Nation-wide propaganda, which bids fair to so increase the food supply as to furnish a surplus for our allies' troops on the battle line.

I thought if one association in this country through its propaganda has increased the food production $250,000,000 worth this year there is no particular necessity of daily calling the attention of the people to the fact that the American people are in a starving condition.

Mr. REED. What is the association, may I inquire?

Mr. SMOOT. It is the American Forestry Association.

Mr. BRANDEGEE. The Senator from Illinois, in asking that certain extracts be read from the Official Bulletin, did not state what the bulletin is, and I think it is desirable to have appear in the RECORD what the publication is. Therefore I will ask the Secretary to read, on page 4, the matter that I have marked with a pencil.

The PRESIDENT pro tempore. Without objection, the Secretary will read.

The Secretary read as follows:

The Official Bulletin. Published every weekday by the Committee on Public Information.

Office: No. 10 Jackson Place, Washington, D. C.

Copies of the Official Bulletin will be furnished without charge to newspapers, all post offices in the United States, public officials, and agencies of a public or semipublic character equipped for the dissemination of official news of the United States Government.—E. S. Rochester, editor.

Subscription rates by mail: Daily, one year, $5; six months, $3.

EXECUTIVE ORDER.

I hereby create a Committee on Public Information, to be composed of the Secretary of State, the Secretary of War, the Secretary of the Navy, and a civilian who shall be charged with the executive direction of the committee.

As civilian chairman of the committee I appoint Mr. George Creel.

The Secretary of State, the Secretary of War, and the Secretary of the Navy are authorized each to detail an officer or officers to the work of the committee.

WOODROW WILSON.

APRIL 14, 1917.

Mr. McCUMBER. Mr. President, in answer to the suggestion made by the Senator from Illinois [Mr. SHERMAN] that the statements of the Attorney General and Secretary Redfield are in conflict with each other, I think it is perfectly proper to state that I fail to see the conflict. Mr. Gregory, speaking of the food shortage, stated that there would be no danger of a shortage of food so far as the American people are concerned. Secretary Redfield refers to both the United States and our allies. There is no doubt that we will be more or less short of food to supply both this country and our allies. I do not think from what I heard read that there is anything inconsistent in the two statements.

Mr. BRANDEGEE. Mr. President, I wish to ask a question. Does anyone know about the Official Bulletin? Under what authority is it published and how is the expense of it paid? Is there an appropriation made by Congress for the publication of that sort of an organ, or in what respect is it official? If anyone knows, I should like to have information. Of course, if no one knows, I can not get it.

Mr. FALL. Mr. President, I do not know that I can give the Senator any information on the subject except the experience I have had in other countries. In Mexico, for example, Carranza has what he calls a Diario Oficial or Periodico Oficial.

Mr. BRANDEGEE. Like the Moniteur?

Mr. FALL. It is the official periodical in which his decrees are published. We have had such close associations with the Carranza Government in recent years that it is possible this is one of the products of their system which we admire and which we are seeking to ingraft upon our establishments at this time.

NORTH CAROLINA STATE BONDS.

Mr. CALDER. Mr. President, last January there was a debate in the Senate in regard to an application about to be made by the Republic of Cuba for leave to bring suit in the United States Supreme Court against the State of North Carolina upon certain repudiated bonds of that State. Statements were made in the course of this debate to which it is desired to make an answer in the pages of the CONGRESSIONAL RECORD. A large number of the present bondholders, aside from the Republic of Cuba, are citizens of the State of New York, and it therefore seems appropriate that the answer should be made through a Senator from that State.

I ask unanimous consent to have printed in the RECORD a statement which will take about one-half page of the RECORD. I may add that I have shown it to the junior Senator from North Carolina [Mr. OVERMAN] and he will offer no objection.

There being no objection, the statement referred to was ordered to be printed in the RECORD, as follows:

NEW YORK, *May 4, 1917.*

HON. WILLIAM M. CALDER,
United States Senate, Washington, D. C.

DEAR SIR: On November 6, 1916, the Republic of Cuba asked leave of the Supreme Court of the United States to bring suit against the

State of North Carolina on a number of the special-tax bonds of North Carolina of the issues of 1868 and 1869, donated to it by citizens of New York State.

At the instance of North Carolina the motion was set down for argument on January 8 of this year. On January 2 the junior Senator from North Carolina, Mr. OVERMAN, introduced a resolution in the United States Senate the evident purpose of which was to procure the withdrawal of the motion by lending the matter an aspect fraught with international complications. Discussion of this resolution took place in the Senate on January 2 and 6 and resulted in the withdrawal of the motion in the Supreme Court.

The arguments presented in these discussions indicate that there is on the part of the leaders of public opinion in North Carolina a basic misconception of the attitude of the present holders of these bonds, and that a free exchange of views with an open mind on both sides might go far toward relieving a difficult situation.

The bondholders are loath to believe that North Carolina in repudiating these bonds wishes to avoid the payment of any just debts or morally valid claims against the State. They prefer to think that the differences which have existed and still exist between the holders of the bonds and the State have been brought about by a genuine misunderstanding of the situation, and that if the true equities are made to appear in a friendly discussion the result would be accepted by North Carolina, whatever it might be.

It must be assumed that the present bondholders, in endeavoring to enforce their rights, are doing so in an honest belief in the justice of their claim. This belief is founded upon the following facts:

1. It is a matter of record that from 1868 to 1870 these bonds were actively dealt in on the New York Stock Exchange, selling from 61 to as high as 89.

2. During this period thousands of dollars worth of these bonds were purchased in the open market by bona fide investors, who lent their money in the belief that it would be used in rehabilitating the State of North Carolina.

3. Among the purchasers at the time mentioned were members of various prominent banking firms, and the bonds then purchased by them are now owned by their heirs. This is also true of many of the smaller holders.

4. While a number of the original holders, or their estates, doubtless have been forced to sell their holdings from time to time for such prices as they could get, for the purpose of settling estates and otherwise, the purchasers of such bonds were surely within their rights in buying and took as good a title as their vendors had.

5. It is not the fact, and we believe that it has never even been suggested, that the original purchasers of these bonds in the North or the present holders were ever in collusion with the public officials of North Carolina who originally issued the bonds, and through whose dishonesty the State suffered so greatly.

From these facts, and from the further facts so ably presented by the junior Senator from North Carolina in the Senate, it follows that there are three parties or groups of parties in interest of varying degrees of responsibility and of actual or apparent good faith, as follows:

(a) The State of North Carolina, which appears to have had governmental conditions forced upon her by which her name and credit were used as instruments of fraud.

(b) The Federal Government, which, by the reconstruction legislation of Congress and the executive appointments made during the reconstruction period, brought about the conditions that made the fraud possible.

(c) The original bona fide purchasers of the bonds, and their heirs and assigns, who were defrauded out of their investments made in good faith upon the credit of the State of North Carolina.

In equity and good conscience there is no fair ground for censuring or criticizing the bondholders for endeavoring to recover the investments which they made in good faith upon promises to pay signed by the apparently responsible officials of North Carolina and sealed with the great seal of the State. If the State should not now be held to account, for the reasons which its junior Senator presented before the Senate, and the further reasons stated in the minority report of the committee of the Senate of 1871, then the United States Government should make some provision for the payment of those bonds, and the bondholders should not be forced to suffer a total loss or be attacked for claiming their rightful and lawful dues.

From the minority report it appears that about $1,000,000 out of the proceeds of these special-tax bonds were actually expended upon the construction of the railroads for whose benefit the bonds were issued. Surely, neither the State of North Carolina nor its statesmen would wish it to be understood that although the State received at least this amount of benefit, it nevertheless declines to repay this sum with interest to date. In all fairness, responsibility for this amount, at least, should be assumed by North Carolina and apportioned as well as may be among the outstanding bonds, the proceeds of which it represents, and the State of North Carolina should cooperate with the holders of the bonds in an effort to have the United States Government make some fair provision for the balance.

In this connection it is appropriate to quote the language of the Supreme Court of North Carolina itself with reference to a claim upon similar bonds (Balzer v. State, 104 N. C., 265 at 277):

"We think we ought to add that if the facts are, as they appear strongly in the pleadings, indeed such the plaintiff's claim as against some party is one of real merit. They supplied the iron now on the railroad of the railroad company mentioned, and it seems that they have been paid but a small part of the large sum of money it cost them. We do not mean to intimate that the State is liable legally or otherwise for their debt, but surely some party ought to pay."

The great majority of the present holders of the bonds are the heirs and immediate successors of the original bona fide purchasers and are not, in any sense, speculators. They wish to deal fairly with North Carolina, and they recognize that the State suffered deeply through the dishonesty of some and the incompetence of others of the State officials during the dark days of reconstruction, but they feel that they are themselves entitled to fair treatment and that this invitation from them to the counselors and representatives of the State of North Carolina to a fair, friendly, and free discussion of the whole situation should be met in the spirit in which it is tendered.

Yours, faithfully,

HOWARD THAYER KINGSBURY,
MARCUS H. BURNSTINE,
Attorneys for Bondholders.

STATEMENT OF GABRIELE D'ANNUNZIO.

Mr. PHELAN. Mr. President, I present and desire to have printed in the RECORD a statement made by the Italian poet, Gabriele D'Annunzio, which, however, is in prose. I think it is particularly appropriate on account of the recent arrival in this country of the Italian commissioners. I hope there will be no objection to its being printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from California? The Chair hears none.

The address referred to is as follows:

ITALIAN POET, IN THRILLING WORDS, CALLS AMERICA TO FIGHT FOR IDEAL—WAR CREATIVE, NOT DESTRUCTIVE, WRITES GABRIELE D'ANNUNZIO—SUMMONS THE PEOPLE OF LINCOLN TO DEFEND THE ETERNAL SPIRIT OF MAN AGAINST THE FURY OF THE BARBARIAN.

[By Gabriele D'Annunzio.]

ROME, *April 7.*

For the soul of Italy to-day the Capitol at Washington has become a beacon light. A Roman garland wreathes the bust dedicated to the hero whom free men call the glorious knight of humanity. It is a garland pure as the branch of lilac offered by a poet on the bier of Lincoln. It is as sacred as the ever-flowering bough "with heart-shaped leaves of rich green." It seems as though in this April of passion and tempest there reechoes the cry of that April, tense with joy and anguish, "O captain! My captain, rise up! Hear the bells. Rise up, for your flag is flung."

Now, the group of stars on the banner of the great Republic has become a constellation of the spring, like the Pleiades; a propitious sign to sailors, armed and unarmed alike; a spiritual token for all nations fighting a righteous war. I give the salute of Italy, of the Roman capitol to the Capitol at Washington; a salute to the people of the Union who now confirm and seal the pledge that liberty shall be preserved.

FIGHTING FOR AN IDEAL.

To Italy alone of the allied nations the possibility was open of avoiding war and remaining a passive spectator. Italy took up arms gladly, less for the reconquest of her heritage than for the salvation of all the things which symbolize the grandeur of freedom. She armed herself as to-day the American Nation is arming herself, for the sake of an ideal. The spontaneous act consummated by the people of Washington is a glorious sacrifice on behalf of the hopes of all mankind.

America has achieved a new birth. She has molded for herself a new heart. This is the miracle wrought by a righteous war, the miracle that unexpectedly to-day we of Italy see performed beyond an ocean dishonored by assassins and thieves.

Our war is not destructive. It is creative. With all manner of atrocities, all manner of shameful acts, the barbarian has striven to destroy the idea which, until this struggle began, man had of man. The barbarian multiplied on the innocent infamous outrages inspired by hate, alternating senile imprudence and brutal stupidity. The barbarian ground heroism to earth, cast down the airy cathedrals where congregated the aspirations of the eternal soul, burned the seats of wisdom decked with the flowers of all the arts, distorted the lineaments of Christ, tore off the garments of the virgin.

Now once again we begin to have hope of the nobility of man. Love's face is radiant, though its eyes are moist with tears, for never was love so much beloved. Love overflows on all the world like a brook in May. Our hearts are not large enough to gather it and to hold it. The people of Lincoln springing to their feet to defend the eternal spirit of man, to-day increase immeasurably this sum of love opposed to fury, the fury of the barbarian.

QUOTES LINCOLN'S WORDS.

"Ah liberty! Let others despair of thee. I will never despair of thee," once cried your rugged poet. In this hope your Nation arises to-day, in the North, South, East, West, to offer your strength, proclaiming our cause to be the noblest cause for which men have ever fought. You were an enormous and obtuse mass of riches and power; now you are transfigured into ardent, active spirituality. The roll of your drums drowns out the last wail of cowardice.

April 15 is the anniversary of Lincoln's death. From his sepulcher there issue again the noble words which fell from his lips at Gettysburg, on soil sanctified by the blood of brave men. All your States, North, South, East, West, hear them, I say to you that "This Nation, under God, shall have a new birth of freedom."

ADDRESS OF THE RIGHT HON. ARTHUR JAMES BALFOUR.

Mr. PITTMAN. Mr. President, I ask unanimous consent that there be printed in the RECORD the address by the Right Hon. Arthur James Balfour delivered before the National Press Club in this city on May 24, 1917.

Mr. HITCHCOCK. Mr. President, I am glad the Senator from Nevada has made the request. I hope it will be granted and I hope the address will be read. There has been so much unjust and unwarranted criticism of Congress because of the statement that Congress has been slow in enacting legislation that I think this statement of Mr. Balfour is particularly appropriate. The Senator from Virginia [Mr. MARTIN], the chairman of the Committee on Appropriations, has given out a statement showing in detail the remarkable legislative achievements of this Congress during the 36 days we have been in session, and I should like the country to know, and I hope the newspaper men will publish the fact that this foreign delegate to the United States stands amazed at the remarkable work of constructive and unusual legislation that has been accomplished in Congress during 36 days. I think this address comes with particular grace from Mr. Balfour, and I should like to have the newspapers of the country be a little more just to Congress and not be always cavilling and criticizing because of the alleged slowness with which Congress has been proceeding. As Mr. Balfour says, there is no record in history of a democratic form of government, which is necessarily compelled to move with deliberation and consideration, of such remarkable legislation having been accomplished in such a short space of time.

Mr. LEWIS. Mr. President, if the Senator from Nevada [Mr. PITTMAN] will allow me in this connection, may I call attention to a very brief statement made by an officer of the French Government who was here as the representative of finance, remarking that he was interested—a rather guarded expression—in the criticism from certain sources of Congress as being slow in passing a $2,000,000,000 appropriation, and adding that in his country it would have been remarkable if the people would have allowed a $2,000,000 appropriation to have been passed within that length of time?

May I call to the attention of the Senate that this officer of the French Government, representing the highest head of finance, marveled at a $2,000,000,000 undertaking being passed in that length of time; and referred to it not only as being expeditious, but as unusual, and stating that such a thing would have startled France?

I add these two observations to what has been said by the eminent Senator from Nebraska touching the views expressed by Mr. Balfour, of England.

Mr. HITCHCOCK. Mr. President, I desire to change my figures as to the length of the session from "36 days" to "45 days"; but the achievements remain equally remarkable.

I speak with some warmth on this subject because I have seen in the press, particularly of the eastern cities, a disposition to be unreasonable; to hammer and to crowd Congress in the consideration of questions which, however urgent they may be, are equally important and deserving of some consideration.

I am glad that the representative of the British Empire, as well as the representative of the French Republic, has had foresight enough and broad sight enough to realize that the achievements of these 45 days are truly memorable and remarkable, considering the obstacles that have been in the way.

The PRESIDENT pro tempore. Without objection, the address will be printed in the RECORD at the request of the Senator from Nevada [Mr. PITTMAN].

The address is as follows:

Mr. BALFOUR. "Mr. President and gentlemen of the Press Club. You, sir, in your opening remarks, reminded me of the first day of my visit in this city, and have quoted one or two things that I then appeared to have said to the representatives of the press. That was about a month ago, and certainly, so far as I am concerned, the month that has elapsed since that fateful day has been filled with impressions the most pleasurable, the most momentous impressions, which will never fade from my memory while memory lasts, impressions of which I hope to give some faint and imperfect account, it may be, but still some account, to those I have left on the other side of the Atlantic, and who are engaged in the same great struggle and the same world work to which all of you are contributing so important a share.

"Gentlemen, I came to the United States conscious, of course, of the importance of the mission with which I have been intrusted by my Government; conscious, as your president has said this afternoon, that the mission, from the very nature of the case, was one of the most important in which either of our two countries has ever concerned itself; conscious that the very condition of the world in which we lived gave weight and importance to every action, to every word, and to every report of every word which might take place during its existence.

"Now, gentlemen, nobody knows better than I how much you and the great press that you represent have contributed to whatever measure of success our mission may have obtained. It is perfectly true that the primary duty intrusted to us was that of discussing with the Government of the United States the numberless matters of importance which have to be decided if two great countries find themselves cooperating in one gigantic task.

"The kindness with which we were received, the warmth of the welcome which reached us from all parts of the country, soon made it plain that the strictly and narrowly business side of our mission was not the only one which was important at the present juncture. After all, the cooperation of two great countries is not merely the question of working, through the instrumentality of experts, the sending of men here or there, the proper distribution of your naval forces, the method by which the financial cooperation can best be secured, or all the other endless questions which have come up for daily discussion. Those are all important. They do not stand alone. Something more than that, if a mission be fortunate, may come of its work, something which has not got to do with naval, military, or financial details, but which, in the phrase, I think it is of Burke, comes home to the feelings and bosoms of men. There is something in a sympathetic and mutual comprehension, there is something the worth of which can not indeed be estimated merely by enumerating army corps, or millions or billions of dollars, the cataloguing of destroyers, but which is represented by something different, more spiritual, as important; a sympathy of soul between two great and free peoples, who are not only engaged on a common task but are conscious of their mutual cooperation. [Applause.]

"Now, gentlemen, for my own part I have felt more deeply than I find it easy to express the kindness of the reception which you have given to the mission in general and to myself in particular. That kindness has been shown me, lavishly shown me, in Washington. It was shown not less fully and not less lavishingly in New York and in Richmond, and I only mourn that the inevitable exigencies of public business make it impossible for me to visit other parts of the United States, to communicate directly and personally with men in the Middle West, in the far West, and in other portions of this colossal territory, which is already occupied by the most powerful community in the world, and which is, I think, destined in the future to have an abiding influence for all that makes for peaceful civilization and freedom, and has certainly shown on the present occasion that a great community can be moved to perform great sacrifices for an ideal which has in it nothing of selfishness, nothing of the petty appetite for power, nothing but a pure and unstained desire to benefit the cause of civilization and of mankind. [Applause.]

"Gentlemen, that is the impression which I have received from the living intercourse that I have been able to have with a fraction—I admit too small a fraction, but not an unimportant fraction—of this great State. It would have been impossible for me to have obtained the impressions I have received or to have given the impressions I have desired to give without the assistance of the press of this country. You and those with whom you work have, after all, supplied the sensory nerves which permeate the whole country from end to end, and make what happens in Washington or New York, or wherever it may be, the common property of the whole American people. It is a colossal power. It is a power whose magnitude it is very difficult—it is impossible, I think—to overestimate. It is a power very easily abused. It is a power which those who possess it have to be cautious as to whether, in the ordinary work of what, after all, has a business side, and purely a business side, whether they may not commit some injury to the public weal, which they certainly never contemplated when they did it, and for which, perhaps, they might hardly regard themselves as directly responsible.

"Gentlemen, you have shown, during the month's experience which I have of your labors—shown that the American press is animated by the highest patriotic principles; that it is incapable, or has shown itself, so far as I am concerned, as incapable of misrepresenting or perverting in the smallest particular anything which I may have said or done. I know that it is to you and your friends that any word I have spoken, be it worth listening to or not worth listening to, at all events reaches unperverted those for whom it is intended. For that I wish to express to you my most grateful thanks, for what you have done since I have been here.

"Your president quoted an appeal which I appeared to have made—I have forgotten the exact circumstance—to some of your number a month ago. Never was an appeal more generously listened to or more faithfully accepted, both in the spirit and the letter, and I beg most sincerely to thank you for the way in which you have exercised your duties in connection with the mission for which I am responsible. These are, I suppose, the last words that I shall say in public before I leave the hospitable area of your great country. May I not only thank you, as I have just imperfectly tried to do, for the share you have taken in any such success as the mission may have had, but may I through you thank that much larger public to whom you appeal for the unprecedented personal kindness which they have shown to me and to all those that accompany me.

"I came with high hopes to Washington. Those hopes have been far surpassed by the reality. I expected, from what I knew of American friends on the other side of the Atlantic, that I should be received with kindness, with courtesy, and with sympathy, but the kindness, the courtesy, and the sympathy which I have received are far in excess of anything which I dared to hope for or anything which I can pretend even to myself to have deserved. It is a sad thought to me that the moment of parting has come, and that those whom I looked upon as my friends before I knew them, and who have become my friends in very truth and indeed since I know them, I shall be separated from, at all events, during the continuation of the present war. After that may it be my happy lot to return in a less responsible and official position to renew the connection for a moment severed by the tragic events in which we are all equally concerned.

"But, gentlemen, the mission could not stay here forever. It has received a welcome—a welcome which none of its members

will forget—and to me falls the pleasant duty on my own behalf and on behalf of my friends of saying to you and to all whom you can reach how deeply we thank the American public for what they have done, how warm our recollections of their kindness, and, above all and more than all, how we leave this country even more convinced than we came to it that the United States of America, when they take a great cause in hand, a cause which appeals to none of the lower motives which animate communities as they may animate individuals, which appeals only to what is highest and best in the national conscience; when, I say, the American people take in hand a cause of which that may be said, they are not going to relinquish the pursuit, they are not for a moment going to relax their endeavors to bring the great enterprise to a successful conclusion until that successful conclusion is indeed safely within our grasp. That is the message which I shall take away from these shores.

"There are those who have said that the preparations made by the United States are proceeding slowly and haltingly, and that a country which has been in the war for some 40 days ought to have done far more than has actually been accomplished. For my own part, I think those who speak in accents like those know very little of the actual way in which public life is and must be carried on in free countries. At the beginning of the 40 days of which I speak no preparations had been made; the country was anxiously indeed watching the events; it had not begun to make any of the preparations necessary for taking part in a gigantic struggle. I think that what has been performed in those 40 days is most remarkable. It is quite true that the action of the executive government may be delayed and has been delayed by the fact that certain measures placed before Congress took some time to pass; some of them have not yet passed. But I have lived with representative assemblies all my life, and who is it that supposes that representative assemblies are going to make great and new departures in public policy solely at the waving of a wand? Such expectations are vain. It is useless to entertain them. And, for my own part, I am quite confident—I perhaps feel more confident than it seems to me one who has had no personal experience of American politics should feel—but, speaking for myself, I feel quite confident that Congress will not refuse to the President and the Government of the country all powers, great as they are, which are absolutely necessary if the war is to be successfully pursued. I am not only persuaded that it will give those powers, but I am persuaded that when those powers are given they will be used to the utmost with as little delay as the imperfection of human institutions and of human beings allow to throw the great and, I believe, the decisive weight of America to the full extent into the great contest. That is my belief.

"In that belief I shall leave these shores. In that belief I shall make my report to the allied Governments, so far as I can reach them, on the other side of the Atlantic, and in that belief I look forward with a cheerful confidence to days which will undoubtedly be days of trial and difficulty, but, beyond which we can surely see the dawn of a happier day, coming not merely to the kindred communities to which we belong, but to all mankind and all nations which love liberty and pursue righteousness. [Applause.]

"Mr. President, I will say no more. I thank you. Through you I thank every well-wisher in America for all that you have done for me and for my friends. I wish you a farewell. I wish for a reunion at no distant date, under happier circumstances, when we can meet, not feeling that we have to deal with a great crisis which requires all our capacity, all our courage, and all our perseverance, but that we can look back upon trials already successfully passed, upon days happily accomplished, upon a permanent peace for ourselves and for the rest of the world. Those are my hopes, Mr. President, and none can aid more efficiently than the gentlemen I am addressing in the fulfillment of the ideals which I am quite sure are common to all who speak our language, and to many others who sympathize with our aspirations.

"I beg to thank you." [Applause.]

FOOD CONTROL.

Mr. BRANDEGEE. Mr. President, a few days ago I sent to the desk and had read what purported to be an interview with Mr. Herbert C. Hoover in relation to the food supply of the country and his views and his aims upon that subject. I have since received a letter from Mr. Hoover, which I send to the desk and ask that it may be read. I desire to say that when I had the interview inserted in the RECORD it had been reprinted from a New York Journal on separate sheets of paper and evidently sent out to the newspapers of the country, for one of the newspapers, a small newspaper in my State, sent me this reprint. Several days had elapsed and I had no reason to suppose that the interview was not perfectly genuine. In justice to Mr. Hoover, I desire that the letter which he has written to me may be read.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read the letter, as follows:

WASHINGTON, *May 24, 1917.*

HON. FRANK B. BRANDEGEE,
United States Senate, Washington.

DEAR SENATOR: My attention has been called to the newspaper article read at your request in the Senate and entered in Monday's RECORD.

I think it is only fair to myself to state that all but an infinitesimal basis of the statements contained in that article are absolute invention.

A gentleman called at my rooms and was admitted upon the basis that he had important technical information to give on food matters. He devoted himself to a bitter denunciation of various public men and officers of the Government as being in the pay of "interests" in opposition to his dietetic theories. I defended these gentlemen by offering some argument against his own views, and ultimately felt called upon to denounce strongly his unwarranted attitude toward men upon whose honor he or no man has any right to reflect.

Subsequently I learned that he was a reporter and later he introduced into my mouth through his journal the precise statements and phrases which he alone used and to which I objected.

I have little concern for any reflection there may be upon myself in such misrepresentation, as this seems to be the fate of those who would serve, but I am concerned that any statement wrongly reflecting upon others should be attributed to me or should be given currency against them.

Yours, faithfully, HERBERT C. HOOVER.

PROHIBITION OF ALCOHOLIC LIQUORS.

Mr. JONES of Washington. Mr. President, I desire to ask the Chair whether it is in order during the morning hour to enter a motion to discharge a committee from the consideration of a measure? I find in the Rules that the second paragraph of Rule XXVI provides:

> All reports of committees and motions to discharge a committee from the consideration of the subject, and all subjects from which a committee shall be discharged, shall lie over one day for consideration, unless by unanimous consent the Senate shall otherwise direct.

That is the only reference I have found in the rules with regard to motions of this character. I simply desire an expression from the Chair whether or not such a motion can be entered during the morning hour or during the consideration of morning business?

The PRESIDENT pro tempore. The Chair does not think that such a motion would be in order until after morning business is concluded.

Mr. JONES of Washington. I do not desire to enter the motion this morning, but I wish to say that during the last Congress a joint resolution proposing an amendment to the Constitution, providing for national prohibition was reported by the Judiciary Committee. Similar resolutions have been introduced at this session. They are very short. Simple legislation is involved. The committee gave the resolution last year a great deal of consideration, and I have no doubt that it is now prepared to express its judgment upon a resolution of that character at any time. I think also I am safe in suggesting that all Members of the Senate have reached a decision upon this question, which has been under consideration by the people of the country for many years; and that, if such a resolution were reported to the Senate, it could be voted upon without very much discussion.

I should like to suggest to the members of the Judiciary Committee, and to the chairman of that committee, that I hope the committee will take up the consideration of this resolution in the very near future and report it to the Senate in order that, if an opportunity should offer without interfering with matters which are of an emergency character, the Senate may have a chance to consider this resolution and probably reach some agreement with reference to a vote. This ought not to be difficult. We all know the sentiment of the country and of our constituents. We know our own views. The people have a right to have those views expressed by our vote. If two-thirds of the Senate favor this resolution they should say so. If more than one-third of the Senate are against such a resolution, their votes will defeat it. No valid reason can be urged against early action. No good excuse can be given for delaying a vote when the resolution is before the Senate.

I desire to suggest that unless action is taken by the committee within a reasonable time, I shall feel disposed to make a motion to discharge the committee from the further consideration of the subject that it may be brought before the Senate for action.

DAYLIGHT SAVING.

Mr. ROBINSON, from the Committee on Interstate Commerce, to which was referred the bill (S. 1854) to save daylight and to provide a standard time for the United States, reported it with an amendment and submitted a report (No. 46) thereon.

OREGAN & CALIFORNIA RAILROAD CO. (S. DOC. NO. 35).

Mr. SMITH of Arizona, from the Committee on Printing, reported the following resolution (S. Res. 69), which was considered by unanimous consent and agreed to:

Resolved, That the manuscript submitted by the Senator from Oregon [Mr. CHAMBERLAIN] on May 22, 1917, entitled "Opinion of the United States Supreme Court in the Oregon & California Railroad Co. case, and public act 86, Sixty-fourth Congress, relating to lands granted the Oregon & California Railroad Co.," be printed as a Senate document.

POINTS OF HISTORIC INTEREST (S. DOC. NO. 36).

Mr. SMITH of Arizona, from the Committee on Printing, to which was referred Senate resolution 64, submitted by himself on the 14th instant, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the pamphlet entitled "Points of Historic Interest in the National Capital," with accompanying illustrations, be printed as a Senate document, and that 5,000 additional copies be printed for the use of the Senate document room.

WATER-POWER DEVELOPMENT.

Mr. SHIELDS. On April 9 I introduced a bill, being the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, which was inadvertently referred to the Committee on Interstate Commerce. I ask that the Committee on Interstate Commerce be discharged from the further consideration of the bill and that it be referred to the Committee on Commerce.

The PRESIDENT pro tempore. The bill will be referred to the Committee on Commerce.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEWLANDS:

A bill (S. 2356) to amend the act to regulate commerce, as amended, and for other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

By Mr. FALL:

A bill (S. 2357) amending the act approved December 29, 1916, known as the 640-acre homestead act; to the Committee on the Public Lands.

By Mr. LEWIS:

A bill (S. 2358) to create an agricultural army; to the Committee on Agriculture and Forestry.

By Mr. WADSWORTH:

A bill (S. 2359) for the control and regulation of the waters of Niagara River, and for other purposes; to the Committee on Foreign Relations.

A bill (S. 2360) to incorporate the American Academy of Engineers; to the Committee on the Judiciary.

By Mr. HARDWICK:

A bill (S. 2361) readjusting the rates of postage on publications entered as second-class matter, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. REED:

A bill (S. 2362) to amend an act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917; to the Committee on Military Affairs.

NATIONAL DEFENSE.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

WAR REVENUE.

Mr. HARDWICK submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENTS TO PENDING BILL.

Mr. SHAFROTH submitted an amendment intended to be proposed by him to the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. SMOOT submitted an amendment intended to be proposed by him to the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

INDEPENDENCE OF BOHEMIA.

Mr. KENYON. Mr. President, I offer a resolution, concerning which I expect to address the Senate at some future time. I will ask to have the resolution lie on the table, but, as a matter of proper procedure, I ask to have it read at this time.

The PRESIDENT pro tempore. Without objection, the Secretary will read the resolution.

The resolution (S. Res. 70) was read, as follows:

Whereas the 15th day of November, 1915, a committee of leading Czechs and Slovaks issued in Paris a manifesto demanding an independent Bohemian-Slovak State; and

Whereas the Czechs (Bohemians) and Slovaks for centuries have suffered under alien domination; and

Whereas in this Nation there are 2,000,000 of people of Czech and Slovak blood, and in these critical days these people, with an unsurpassed devotion to the cause of liberty and independence, have rallied to the assistance of the Government of the United States; and

Whereas the President declared that by entering the war we shall fight for the things which we have always carried nearest our hearts, for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free; and

Whereas the President, writing about the Bohemians, almost 30 years ago declared, "No lapse of time, no defeat of hopes seems sufficient to reconcile the Czechs of Bohemia to incorporation with Austria. Pride of race and the memories of a notable and distinguished history keep them always at odds with the Germans within their gates and with the government set over their heads"; and

Whereas the powers with which our country is now allied declared the liberation of Czechs and Slovaks from foreign domination to be one of the conditions of future peace: Therefore be it

Resolved, That Bohemia ought to be of right free and independent; and be it further

Resolved, That upon the final termination of this war and in the adjustment of peace the United States shall insist on independence for Bohemians and Slovaks and upon the reconstruction of a Bohemian-Slovak State as an essential part of any just and democratic settlement at the end of the war.

The PRESIDENT pro tempore. The resolution will lie on the table and be printed.

INVESTIGATION OF DEFECTIVE ORDNANCE.

Mr. FRELINGHUYSEN. Mr. President, I beg leave to submit for the consideration of the Senate the resolution which I send to the desk. I ask that it be read.

The PRESIDENT pro tempore. Without objection, the Secretary will read the resolution.

The resolution (S. Res. 71) was read, as follows:

Whereas a few days ago a lamentable accident occurred on the merchant ship *Mongolia*, whereby two Red Cross nurses, who were en route to the battle fields of Europe upon an errand of mercy, were instantly killed, said accident being due, it is charged, to defective shells employed in gun practice, under the direction of officers and enlisted men of the United States Navy; and

Whereas according to newspaper reports, based upon statements alleged to have been made by a rear admiral of the United States Navy previous accidents of a similar nature have occurred, though not attended by fatalities; and

Whereas this Nation is now engaged in the greatest war in the history of the world, in which its Navy is likely to play a conspicuous part, a participancy in which the element of accident should be reduced, if possible, to a negligible quantity: Therefore be it

Resolved, That a committee of five Senators be appointed by the President of the Senate to make a careful inquiry into the causes of the recent accidents on shipboard due to defective ammunition, or otherwise, with a view to preventing similar occurrences hereafter.

Mr. FRELINGHUYSEN. I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDENT pro tempore. The Senator from New Jersey asks unanimous consent for the present consideration of the resolution which has just been read.

Mr. SMITH of Georgia. Mr. President, the Senator from Virginia [Mr. SWANSON], the ranking member of the Committee on Naval Affairs, is not now in the Senate, and in his absence I object to the immediate consideration of the resolution.

The PRESIDENT pro tempore. Objection being made, the resolution will go over under the rule.

FUNERAL EXPENSES OF THE LATE SENATOR LANE.

Mr. JONES of New Mexico submitted the following resolution (S. Res. 72), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, from the miscellaneous items of the contingent fund of the Senate, the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging

for and attending the funeral of the late Senator HARRY LANE, from the State of Oregon, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. JONES of New Mexico, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the foregoing resolution, subsequently reported it favorably without amendment, and it was considered by unanimous consent and agreed to.

REGULATION OF RAILROADS.

Mr. NEWLANDS. From the Committee on Interstate Commerce, I report back favorably without amendment the bill (S. 2356) to amend the act to regulate commerce, as amended, and for other purposes, and I submit a report (No. 48) thereon.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on May 22, 1917, approved and signed the following acts and joint resolution:

S. 1006. An act authorizing the county of Morrison, Minn., to construct a bridge across the Mississippi River in said county;

S. 1007. An act authorizing the city of Bemidji, Minn., to construct a bridge across the Mississippi River at or near that place; and

S. J. Res. 61. Joint resolution to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

FREIGHT CAR SHORTAGE.

The PRESIDENT PRO TEMPORE laid before the Senate the amendment of the House of Representatives to the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes, which was to strike out the first four lines of the matter inserted by the amendment of the Senate, and in lieu thereof insert the following:

That section 1 of the act entitled "An act to regulate commerce," approved February 24, 1887, as heretofore amended, is further amended by adding thereto the following.

Mr. POMERENE. I move that the Senate concur in the amendment of the House.

Mr. SMOOT. I should like to have the amendment of the House read so that we may see what it proposes.

Mr. POMERENE. I will state it to the Senator.

The first paragraph of the substitute bill read as follows:

That an act to regulate commerce approved February 4, 1887, and all acts amendatory thereof, be further amended and supplemented as follows.

Exception was taken to that language in the House, and for it they substituted the following:

That section 1 of the act entitled "An act to regulate commerce," approved February 24, 1887, as heretofore amended, is further amended by adding thereto the following.

It is simply a technical amendment, and there is no reason why the Senate should not concur in it.

The PRESIDENT PRO TEMPORE. The Senator from Ohio moves that the Senate concur in the House amendment.

The amendment was concurred in.

Mr. POMERENE. Mr. President, at the time the Senate substitute was adopted we asked for a conference, and conferees were appointed. Of course, there was no occasion for a conference, and I assume from this that the conferees will be discharged.

The PRESIDENT PRO TEMPORE. The conferees will be automatically discharged.

HOUSE BILL REFERRED.

H. R. 4280. An act to provide revenue to defray war expenses, and for other purposes, was read twice by its title and referred to the Committee on Finance.

GREAT PIECE MEADOWS, N. J.

Mr. FRELINGHUYSEN. Mr. President, I do not desire to delay the Senate, but I should like to ask unanimous consent for the immediate consideration of a little measure of great importance now on the calendar. I refer to the bill (S. 282) making appropriation of $200,000 for the acquisition of a tract of land known as Great Piece Meadows, N. J., for a target range and camp ground. I feel assured that it will only require a moment to consider and pass the bill. I think there is no objection to it.

The PRESIDENT pro tempore. The Senator from New Jersey asks unanimous consent for the present consideration of the bill named by him. Is there objection?

Mr. SMITH of South Carolina. Let it be read.

The Secretary read the bill by title.

Mr. WALSH. Mr. President, I inquire if morning business has been concluded?

The PRESIDENT pro tempore. It has not.

Mr. WALSH. Then the motion would not be in order, would it?

The PRESIDENT pro tempore. Unanimous consent has been asked for by the Senator from New Jersey.

Mr. WALSH. When morning business is concluded, the calendar will be in order, will it not?

The PRESIDENT pro tempore. It will, unless otherwise directed by the Senate.

Mr. WALSH. Possibly the Senator might be able to secure consideration of the bill in its regular order, then, this morning.

Mr. FRELINGHUYSEN. If it is understood that it will come up in the regular order, I will defer my request. I understand, Mr. President, that there is a special order or a special bill on the calendar which is to be taken up, and I spoke to the chairman of the committee and asked him for his permission to take up this measure. He agreed to it, and suggested that I take it up at the present time.

The PRESIDENT pro tempore. The bill can be taken up only by unanimous consent. Is there objection?

Mr. FRELINGHUYSEN. I asked unanimous consent.

The PRESIDENT pro tempore. So the Chair stated. The Chair hears no objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 282) making an appropriation of $200,000 for the acquisition of a tract of land known as Great Piece Meadows, N. J., for a target range and camp ground.

The bill had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That there is hereby appropriated, out of the money in the Treasury not otherwise appropriated, for the acquisition, by purchase or condemnation, of tract of land known as Great Piece Meadows and other contiguous tracts, and situated in Essex and Morris Counties, in the State of New Jersey, and within 30 miles of New York City Hall, to provide suitable target-range facilities for instruction in small-arms practice and for the construction thereon of target butts, buildings, water supply and drainage system, and other facilities; for targets and other necessary equipment and the installation of same, to be expended under the direction of the Secretary of War, to be immediately available, and to remain available until expended, $250,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. REED. Mr. President, I should like to ask whether there is a written report recommending the passage of this bill, and if so, who made the report?

Mr. FRELINGHUYSEN. Mr. President, the estimate has been made by the War Department and is in the report, including a recommendation from the Secretary of War urging that this appropriation be made for this tract of land. The project was under contemplation by the War Department prior to my incumbency, and it was surveyed by one of the officers of the department. It is urgently desired by the War Department at this time in order to train in marksmanship the men who are to be part of the draft. The Secretary of War wrote a letter to the Military Affairs Committee recommending the purchase of this tract, and the Military Affairs Committee unanimously approved the bill as amended.

Mr. KENYON. Mr. President, I should like to ask the Senator from New Jersey what is the size of this tract?

Mr. FRELINGHUYSEN. Over 4,000 acres.

Mr. KENYON. How much is the Government to pay?

Mr. FRELINGHUYSEN. The Government is to pay $182,000 for the tract by condemnation or purchase. It belongs to a number of owners, and it will be necessary to condemn it to procure it.

Mr. KENYON. This has been asked for by the Secretary of War?

Mr. FRELINGHUYSEN. It has, and has been recommended by him.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for the purchase or condemnation of a site for a target range at or near Great Piece Meadows, in the State of New Jersey."

NAIL THE FLAG TO THE PLOW.

Mr. VARDAMAN. Mr. President, I shall detain the Senate only a moment. Pertinent to the subject of food control I received this morning a few lines written by my friend Hon.

W. B. Lockwood, a distinguished young lawyer of Crystal Springs, Miss., entitled "Nail the flag to the plow," which I desire to read into the RECORD. I commend the philosophy of these lines to the American people:

Nail the flag to the plow—
The country needs grain
While the sailor boys guard
The tracks of the main.
God gave you the fields
And the sun with its light;
Then double their yields
While the sailor boys fight.

Nail the flag to the plow—
The soldiers must eat
While defending the trenches
Or suffer defeat.
You can help the brave soldier
At this time of his need
By increasing your acres
And planting more seed.

Nail the flag to the plow—
Your children and wife
Must be saved from starvation
While the world is in strife.
Your duty is plain;
Your mission is grand;
Each man is a hero
Who's tilling the land.

You say you're too old
To fight with a gun;
Then work in the fields
Till the setting of sun
And show to the world
By the sweat on your brow
That you're serving your country
With a flag on your plow.

The PRESIDENT pro tempore. The morning business is closed.

AGRICULTURAL PRODUCTS.

Mr. GORE. I ask that the Senate proceed to the consideration of Senate bill 2344.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. GORE. I ask unanimous consent that the formal reading of the bill be dispensed with.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent that the formal reading of the bill be dispensed with. Is there objection? The Chair hears none, and it is so ordered.

Mr. REED. Mr. President, because there is so much of false information being furnished the country, and because I think that always we ought to act with reference to the facts as they exist, I venture to ask the attention of the Senate to certain statements that have been made regarding "gambling in grain, the creation of corners, the robbery of the farmer, and the plundering of the consumer."

I remark, by way of preliminary, that no one can go further than I am willing to go in order to reach any man who undertakes to corner the foodstuffs of this country, to artificially increase their price, or to do any of those other acts which have for their purpose the despoliation of either the producer or the consumer.

I have already said, and repeat, that, of course, there has been some speculation in foodstuffs. I have no doubt there have been some corners worked in foodstuffs, speaking generally; but I desire especially to direct attention to the condition of the wheat market. I have had some occasion to investigate that question with care, and I believe that the general opinion of the country is based upon misstatements of fact, and that some attention ought to be given to the facts as they exist.

Mr. President, the commonest statement that we hear to-day is to the effect, first, that the farmer parted with his wheat at about $1.30 a bushel or less; second, that the wheat was at that price acquired by a lot of speculators and held by them until the price was forced up to nearly $3 a bushel, and then unloaded upon the consumers of the country. That is the general statement that is commonly understood to be true. I affirm that it is in all its great essentials absolutely a mistake. We ought to get at the facts. I want to submit some of the facts.

In line with the public opinion which I have referred to is a statement charged to Mr. Hoover. I assumed until this morning that of course Mr. Hoover made the statement, because I found it in the public prints of the country; but in view of the fact that a great newspaper printed what purported to be an authentic interview with Mr. Hoover, and not only printed it but caused copies of the interview to be mailed to every Senator and every Congressman, I am somewhat timorous about quoting anything that any man may have said simply because it may have appeared in the public papers. I do not say that in criticism of the papers, but I say it lest I should be informed to-morrow morning that the quotation I am about to read is altogether an error. I hope if the interview I am about to quote is not authentic we may have a speedy refutation.

It is stated in the papers generally throughout the country, under date of May 11, that Mr. Hoover made this statement:

> For instance, I am assured that the American farmer did not realize $1.30 per bushel for the 1916 wheat harvest, yet the price of wheat in New York to-day is $3.25 per bushel, and flour is $14 per barrel, with all its attendant hardships and dislocation of social and industrial life.
>
> I have no hesitation in saying that if the able, patriotic men representing the majority of each branch of the food trades were called in and clothed with the necessary powers to force the small minority of skunks that exist in every trade, one result would be that an equally nutritious flour based on even $1.50 wheat could be sold in New York for a good deal under $8 per barrel, and every trade would receive its legitimate profit.

The statement, Mr. President, in the first paragraph amounts to a charge that the farmer was compelled to part with his wheat for less than $1.30 per bushel, and that the speculators—or, to use the word Hoover employs, the "skunks"—have run the price up to $3.25 a bushel, and that but for "the skunks" the price could be reduced to $1.50.

I repeat, now, Mr. Hoover may never have given out this interview. I simply know it was sent out by the press associations. Reading the article, the casual reader would be led to believe that the speculators bought all the wheat at less than $1.30, held the wheat, and are now selling it to the public at $3.25.

The facts are, Mr. President—and I want to impress this on the Senate—(a) that the price paid to the farmer has all along been the basic price paid by the consumer. By this I mean that the price paid to the farmer, plus the rates of transportation, plus the ordinary commissions and charges of the middlemen and miller, has been the price the consumer has paid for his wheat when it has been transmuted into flour.

Now, that is an important statement. If true, it goes to the very bottom of these alleged outrages. It removes the cause for that excitement which is to-day setting the country by its ears, because the excitement is based upon the idea, as I have stated, that the farmer was "bilked" out of his wheat for a price less than $1.30 and that the consumer was compelled to buy flour based on $3.25 wheat.

I repeat that the facts are that, starting with the basic farm price and adding the ordinary and usual charges for transportation, the ordinary and usual expenses of handling, and the ordinary and usual profits of the middlemen, speaking by and large—making allowance, of course, for some fluctuations that naturally come, which are only of the ordinary character—the wheat has reached the consumer at a price commensurate with and based upon the farm price.

The second proposition I make is that there has been no abnormal hoarding.

Mr. McCUMBER. Mr. President, will the Senator yield to me?

Mr. REED. For a question.

Mr. McCUMBER. For a suggestion.

Mr. REED. I do not desire to be diverted. I have laid down some propositions which I intend to discuss.

Mr. McCUMBER. It will be along the same line the Senator is speaking, and I thought perhaps he would, before going into the other subject, like to hear it.

Mr. REED. Certainly; I could not decline to yield to my friend.

Mr. McCUMBER. I simply desire to suggest that while the relation between the present farm price and the price of flour is about as the Senator has suggested, and I think he is practically correct, nevertheless, the great bulk of the wheat in the United States was sold some time ago, mostly in the fall of 1916, before the price had risen to the extraordinary charge that was made. I thought the Senator would take that into account.

Mr. REED. I stated that; but what I said in connection with it was that the flour made from that wheat was sold to the people at a price proportionate to the price the farmer received for his wheat.

Mr. McCUMBER. That is correct.

Mr. REED. I said that the consumer was not robbed at one end and the farmer at the other, and where the farmer sold his wheat cheap flour was correspondingly cheap.

Mr. KENYON. Will the Senator yield to me just for a question?

Mr. REED. I yield.

Mr. KENYON. What was the figure the Senator stated was given by Mr. Hoover that the farmer received for his wheat in 1916?

Mr. REED. It was less than $1.30.

Mr. KENYON. Before the committee, if the Senator will turn to page 380 of volume 4, he will find Mr. Hoover there stated it at from $1.30 to $1.40.

Mr. REED. In the interview it is stated at $1.30. I am not saying this to criticize Mr. Hoover. I am reading Mr. Hoover's statement, because it furnishes a part of the basis of this public opinion. Many things Mr. Hoover said were correct, but in some things I think there are inaccuracies. However, I want to keep to my theme if I can, and while I am not going to decline to answer questions, until I get a little further along I wish Senators would kindly indulge me.

I say the second proposition I make is that there has been no abnormal hoarding of wheat. The table which I am about to introduce, which has been prepared with care, will show, first, that Mr. Hoover is in error when he states that the farmer did not realize $1.30 a bushel for his 1916 wheat, on the average. The fact is he received an average price of between $1.44 and $1.50.

Second. While the farmer sold during the months of July and August, 1916, for less than $1.30 the price of flour was proportionately low. Also the price of flour, subject to slight variations, consistently followed the price of wheat throughout all the year 1916. Thus it appears when the farmer was getting a low price for his wheat the consumer was getting flour at low prices, the benefit of the low-price wheat being carried along to the ultimate consumer. When the farmer was getting high prices for his wheat the price of flour was likewise increased.

Third. The table shows that there was not during the year 1916 at any time any abnormal concentration or hoarding of wheat.

Fourth. The table shows that at the time the exceedingly high prices were reached the central markets, the markets that were supposed to be controlled by the grain men in the great cities, were practically denuded of wheat and these grain dealers practically had no wheat to sell for the high prices.

In this connection I will simply read a statement from the Kansas City Star of May 11, which is one of the days when grain rose to an enormous price. It is the market report of the Star that I am reading, not its ordinary news items:

Kansas City is in better condition than Chicago, because elevators here contain more than one and one-half million bushels of wheat, while in Chicago the stocks have been almost completely exhausted, amounting to only about 200,000 bushels.

That is to say, in one of the largest grain markets of the world there was practically no wheat at all. Two hundred thousand bushels at Chicago means that Chicago was out of wheat.

The fourth proposition that I think the table demonstrates is that the high price of wheat did not come until the supply was exceedingly low.

I now desire to present the table, and I ask to have it printed without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table referred to is as follows:

Statistics compiled from the Price Current Grain Reporter (accepted by Agricultural Department as an accurate journal) and Monthly Crop Report of Agricultural Department.

Month.	Chicago cash wheat.	Chicago future.	Farm value.	Flour, price per barrel, Chicago.	Visible supply of wheat in United States.	Movements of wheat, 11 primary markets.	Month.	Exports of wheat from United States and Canada.
1916.			*Cents.*		*Bushels.*	*Bushels.*	1916.	*Bushels.*
July 1	102½@106	101 @103⅜			42,628,000	5,008,000	July 1	5,697,000
July 8	101 @107	103 @104	92.9	$5.40@$5.60	41,820,000	4,195,000	July 8	3,163,800
July 15	108½@115	109 @112			39,681,000	5,412,000	July 13	10,806,000
July 22	115½@120½	115½@117¾			38,635,000	7,810,000	July 20	9,988,000
July 29	121½@128½	119½@120¾			40,880,000	11,348,000	July 27	7,605,000
Aug. 5	123 @138½	133 @136			44,161,000	13,548,000	Aug. 3	7,836,000
Aug. 12	134½@147½	131½@146½	107.1	7.30@ 7.80	48,760,000	11,827,000	Aug. 10	6,098,000
Aug. 19	143½@151½	135 @148½			50,936,000	11,844,000	Aug. 17	7,809,000
Aug. 26	151 @158½	146½@154½			52,546,000	11,001,000	Aug. 24	8,945,000
Sept. 2	144½@158½	137½@149½			54,660,000	10,671,000	Aug. 31	8,182,000
Sept. 9	151½@157½	147 @155			55,970,000	9,270,000	Sept. 2	7,313,000
Sept. 16	145½@154½	146½@154	131.2	7.75@ 8.10	55,450,000	10,601,000	Sept. 9	7,313,000
Sept. 23	149 @155	152½@155			56,672,000	11,009,000	Sept. 14	9,606,000
Sept. 30	155 @159½	151¼@157½			54,418,000	11,562,000	Sept. 21	5,967,000
Oct. 7	157½@163½	154 @160			58,258,000	10,648,000	Sept. 28	9,748,000
Oct. 14	157½@161¼	154½@159	136.3	7.90@ 8.20	59,324,000	11,513,000	Oct. 5	7,881,000
Oct. 21	159 @170	157½@171			60,228,000	11,354,000	Oct. 12	7,584,000
Oct. 28	172½@183½	[1] 172½@187			60,470,000	10,101,000	Oct. 19	5,324,000
Nov. 4	181 @188	181 @188½			60,703,000	10,821,000	Oct. 26	6,817,000
Nov. 11	180 @186¾	183½@190½	158.4	8.40@ 8.65	62,265,000	10,275,000	Nov. 2	5,482,000
Nov. 18	178½@189½	183½@195½			64,094,000	8,784,000	Nov. 9	5,636,000
Nov. 25	178 @189	183 @195			63,262,000	10,081,000	Nov. 16	5,899,000
Dec. 2	170 @178½	170 @185			62,026,000	9,113,000	Nov. 23	7,025,000
Dec. 9	170 @181½	171½@182½			58,186,000	9,229,000	Nov. 30	5,586,000
Dec. 16	171 @180	153½@178	160.3	7.60@ 8.90	62,249,000	7,300,000	Dec. 7	6,727,000
Dec. 23	158 @165	155 @172			62,040,000	4,173,000	Dec. 14	6,287,000
Dec. 30	167½@178	167½@175½			59,534,000	4,815,000	Dec. 21	3,601,000
							Dec. 28	3,226,000
1917.							1917.	
Jan. 6	182½@192	175½@187			56,885,000	4,367,000	Jan. 4	5,423,000
Jan. 13	193 @201	181 @190	150.3	8.75@ 8.30	53,500,000	5,673,000	Jan. 11	6,789,000
Jan. 20	193½@198	184 @191			51,826,000	5,614,000	Jan. 18	5,644,000
Jan. 27	181 @193½	174½@187⅞			49,659,000	5,380,000	Jan. 25	7,809,000
Feb. 3	167½@181½	154½@170¾			48,721,000	6,054,000	Feb. 1	6,603,000
Feb. 10	169 @178	165½@175	164.8	7.60@ 7.90	47,888,000	3,901,000	Feb. 8	5,855,000
Feb. 17	176 @183	169½@177			46,848,000	4,855,000	Feb. 15	4,118,000
Feb. 24	182	175½@180			45,130,000	4,090,000	Feb. 22	5,043,000
Mar. 3	182½@192¾	177⅛@189½			44,916,000	4,551,000	Mar. 1	4,512,000
Mar. 10	198 @202	186 @192			43,137,000	4,951,000	Mar. 8	5,619,000
Mar. 17	184½@188¾	175½@186½	164.4	9.20@ 8.35	41,410,000	5,285,000	Mar. 15	4,675,000
Mar. 24	196 @201	182 @194			40,119,000	3,135,000	Mar. 22	5,472,000
Mar. 31	201½@212	190¾@199			39,317,000	6,691,000	Mar. 29	4,262,000
Apr. 7	207½@223¾	195½@214½			37,474,000	5,767,000	Apr. 5	2,330,000
Apr. 14	219 @246	202 @225¾	180	9.00@12.50	34,253,000	5,958,000	Apr. 12	5,550,000
Apr. 21	243 @275	221 @244			30,257,000	5,172,000	Apr. 19	5,569,000
Apr. 28	272 @301	227½@280			25,756,000	4,985,000	Apr. 26	6,611,000
May 5	290 @314	280 @255	245	13.00@15.00	32,143,000	4,967,000	May 3	8,723,000
May 11	306 @345	279 @325			33,089,000	5,524,000	May 10	6,509,000
May 18	299 @300	[2] 215 @240				5,767,000		

[1] May wheat.

[2] July.

Mr. REED. I wish to call attention in enforcement of what I have said to certain statements.

New wheat begins to reach market about the 1st of July.

On the 1st of July, 1916, Chicago cash wheat was $1.02 to $1.06. Chicago futures were $1.02 to $1.03½.

On July 8 the prices were substantially the same. The agriculture report gives us the farm price of that day, and the farm price was 92.9 cents. The price of a barrel of flour runs the year around about four and one-half times the price of a bushel of wheat at the Chicago market. It takes 4½ bushels of wheat

to make a barrel of flour. The miller sells the flour for substantially four and one-half times the price of a bushel of wheat, getting his profit out of the by-products. The price will run from four and one-half to four and three-fourths times the price of wheat in normal times.

Now, observe the price of Chicago wheat on July 8 was $1.01 to $1.07. The farm value was 92.9 cents. The price of flour was $5.40 to $5.60, running a little above the four and one-half times. Always through the year there is that sort of fluctuation, flour sometimes going a little above four and one-half times the price of wheat, sometimes a little below.

The visible supply on that day, July 8, which means the supply of wheat that was in the great central markets of the country, was 41,820,000 bushels. The wheat that moved at that price to the 11 primary markets and which represents the farmers' wheat was only 4,195,000 bushels. The export of wheat from the United States on that day was 3,163,000 bushels. Nearly three-fourths as much was shipped away from the country as was shipped to the primary markets.

I shall only cite certain figures merely for illustration. Coming to August 12, I find that the price of wheat at Chicago had risen to $1.34½ to $1.47¾. Those are the two extreme prices. The farm value was $1.071. The price of flour had risen to $7.30 to $7.80. There was a visible supply of wheat in the big centers of 48,760,000 bushels. On that day the movement of wheat at the 11 primary markets which represent the farmers' wheat and wheat from county elevators was 11,827,000 bushels.

The farmer had begun marketing his wheat as soon as it went above a dollar, and for several days he marketed about 10,000,000 bushels daily. But on those same days there were shipped, as the figures will show, all the way from seven to nearly nine million bushels of wheat out of the country. It was exported and sent away. It is that movement which accounts for some advance in the price of flour, but nothing of an abnormal or a remarkable nature.

Coming to September 9, wheat had risen in Chicago to $1.51–$1.57⅞. The farmers' price had risen to $1.31⅞. The visible supply had risen to 53,970,000 bushels. The movement of wheat, that on the primary markets which is the farmers' wheat, was 9,270,000 bushels. So the farmer on that day was getting at his farm value $1.31. Of course, that is an average price, and means that the 20 cents between his price and the Chicago market was eaten up in freight charges, and so forth. He was really getting the full benefit of the $1.50 price, because always he sells the Chicago market less, of course, the cost of transportation, the freight charges, and so forth.

Moreover, I have this to say, that I think these average prices to the farmer are below what the farmer actually received, because I think there was a gross error made by some of those who made the estimate in the Agricultural Department. I am not prepared to exactly charge that.

Mr. President, I could go through this table; but Senators who will take the trouble to look at it as it appears in the RECORD will get a much plainer view than I can give them. As you go through this table, you will find these prices are set out, and glancing your eye over them you will observe that it is practically a complete demonstration that the price paid to the farmer forms the basic price clear through to the ultimate consumer, and that when wheat was cheap to the farmer flour was cheap to the baker. There is a fluctuation of approximately a dollar a barrel above the normal in the price of flour, which is easily accounted for by the fact that these enormous shipments were being constantly made abroad, the flour being drawn out of the country at a very rapid rate.

It will also be observed in studying the table that the excessive price of wheat came after the supply of wheat, whether held by the dealer or farmer, was largely exhausted, the natural thing being a rise under those circumstances—an unavoidable result.

Mr. President, the table I have submitted, together with other facts to follow, demonstrates that the reason for the rise in the price of wheat must be sought outside market speculations. We must look to something besides the cornering of the wheat by speculators. We must look to something besides men going out and buying up the actual wheat and storing it or holding it away from the public, because it appears that there has all along been a steady flow of wheat from the farms to the mill or from the farms to Europe; that there has been a consistent maintenance of proportionate prices throughout the year. Nevertheless there has came the enormous rise in the price of wheat. It also appears there has been no large hoarding in the cities. When wheat rose to its highest value the visible supply of wheat, by which I mean the wheat that is held in large citiese, had sunk to a very low point. For instance, while ordinarily there are from fifty to sixty million bushels of wheat kept as a visible supply in these centers, that supply had sunk to 33,000,000 on the 11th day of May, being far below the average that ought to be maintained. So we must look for some other reason for this enormous rise in the price of wheat. And, Mr. President, we do not have to look far.

The first of these great causes is a natural world shortage of over 100,000,000 bushels of wheat. But there is in addition to the actual shortage an artificial shortage of approximately 300,000,000 bushels of wheat. That artificial shortage arises from the circumstance that Russia is a large exporter of wheat, and the Russian market has been cut off by the war, the Dardanelles have been closed, and the wheat is in Russia instead of being in England and France and other countries where they want it.

In addition to that, Australia is a large producer of wheat and has a large surplus of wheat now, but Australia can not land her wheat with the usual readiness in Europe because of a lack of shipping and because of the other war conditions which we know exist.

So there is practically a shortage of approximately 400,000,000 bushels of wheat. That in itself would account in a very large measure for the rise in the price. There are two remedies for the shortage. One is to build ships to carry the grain from Australia, and the other is for the armies of the allies to break open the door so that Russian wheat can reach them. The Argentine wheat crop has been poor; it is a shortage.

Mr. President, I come now to another great cause that has largely controlled the American market and finally forced wheat to an unprecedented price. I will perhaps astonish some of my associates, although I will not astonish any man who has been watching the grain trade closely, by saying that the cause I refer to is the operations of our allies in the wheat markets of the United States.

Mr. President, it is pretty thoroughly established that the allies have bought enormous quantities of wheat in this country. Their purchases have run, according to the best information I can get, to over 100,000,000 bushels of wheat. Those purchases have been in the nature of futures; that is, the purchases of wheat for future delivery; they have constantly carried along their futures from time to time, and have done it in such a way as to probably reap a very large profit on the transactions.

Mr. WADSWORTH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from New York?

Mr. WADSWORTH. I desire to ask a question at that point.

Mr. REED. I yield to the Senator.

Mr. WADSWORTH. I understood the Senator to say that the aggregate purchases of wheat by the allies was in the neighborhood of 100,000,000 bushels.

Mr. REED. I mean by that their purchases for future delivery. They have amounted, according to the best estimates I can get, to from one hundred to one hundred and fifty million bushels.

Mr. WADSWORTH. Has the Senator from Missouri in mind the period of time during which those purchases were made?

Mr. REED. I think that they were made very early, and that they then were carried along, as I shall show. What I am about to give now is an analysis which has been made by a man whom I regard as one of the best experts in the United States upon wheat-market conditions. This gentleman has no interest in making a statement that would be incorrect. He is at present in Washington, and any committee so desiring can have his testimony and cross-examine him. I give the statement which I am about to read as his, because it is a clearer statement than I could make. Frankly, I am not an expert upon the wheat market, never having yet bought a future or sold any wheat, except wheat that I have actually had in a wagon when I used to live on a farm. This gentleman states:

> The greatest bull influence in the American wheat markets has unquestionably been the concentrated holdings by purchasing agents acting for the allied countries. It is a matter of common gossip and of absolute belief among the best informed and most conservative grain merchants of the country that their holdings of futures has exceeded any concentration ever approached in this country by any other organization or individual. It is a matter of common belief, based on accurate observation, that they began to buy Chicago, Minneapolis, Kansas City, St. Louis, and even Winnipeg wheat futures on every break in the market, beginning at the time the 1916 crop began to move. Their total holdings have probably been as much as or greater than 100,000,000 bushels. These holdings have been kept intact to a greater or less extent as they filled their cash wheat requirements from month to month. There was a limitation to the amount they could move, due to scarcity of ocean room and congested railroad conditions in this country. Hence—

Now, follow this and see how these interests have profited and see how thoroughly they will control the market—

> Hence as May approached they owned wheat futures far in excess of the amount of actual wheat they could secure for forwarding during the given delivery period. This concentration of holdings resulted in May wheat going to a huge premium over July, a premium so great as to stagger the grain men of the country, and in many instances to cause American merchants heavy losses. The foreigners are said to have sold out much of the May wheat they owned and replaced it by

the purchase of July wheat, securing the latter at a discount of 20 to 50 cents per bushel under May wheat. Their holdings of July wheat were so large and the cash demand for wheat so urgent as to force the July wheat to as high as 42 cents premium over September wheat and the cash wheat to an even greater premium over July. Instead of relieving the market congestion by a sale of their future holdings (that is, July wheat), they merely sold out the July and bought September, which has in no wise relieved the strain under which the market has been. Their first purchases of future wheat having been made, we will say, as low as $1.25, and the purchasing continuing up to the time that the May wheat reached $2, they had an average cost of probably $1.50. This wheat was sold out and July bought, the latter, as above stated, at a big discount under the May, which would, in effect, reduce the cost of the future wheat they owned and which was still kept intact. Later the concentration of holdings of July, as stated, made it very profitable for the buyers representing the foreign country to sell out their July wheat and purchase September at a discount, as previously stated, of 20 to 40 cents, this profit again reducing the first cost of their grain. The result is that in exchanging their futures for cash wheat, which is the process used by export traders, the huge profits on their future holdings have so reduced the cost of their cash wheat that the allied buyers are probably at this time, through their profits, securing wheat and flour for their Government at 75 cents to $1.50 less than wheat and flour, on $3 basis, is costing the American consumer.

Now, Mr. President, there is the "bug under the chip." I do not say this in any way to criticize our allies. I, however, regard it as necessary to call attention to the real causes for the advance in the price of grain. When we know the cause of our troubles we may remedy them. Manifestly, if our allies have been injuriously cornering the market and running prices to an extravagant level, our Government in negotiations with the representatives of our allies can easily arrest the evil result by removing its cause. That can be accomplished without attacking the business of the United States or upsetting conditions that ought not to be disturbed.

Mr. VARDAMAN. Mr. President, may I ask the Senator a question for information? I want light.

Mr. REED. Certainly.

Mr. VARDAMAN. If our allies can affect the price by gambling or speculating in wheat or grain—and that can be done also quite as easily by private individuals—does not the Senator think that such practices ought to be prohibited generally?

Mr. REED. I think that that sort of thing, of running prices up by gambling operations, ought to be stopped. Now, let the Senator not get me wrong in attempting to quote me. I know he did not mean to get me wrong.

Mr. VARDAMAN. No.

Mr. REED. But I am not charging the allies with gambling. I am talking to the few Senators who are here—and it is almost useless to talk when there is no one to listen——

Mr. KENYON. Mr. President, we are listening very attentively.

Mr. REED. I know the few Senators who are here are listening. I do not charge the allies with gambling. This is what I understand they did. They bought a large amount of wheat——

Mr. VARDAMAN. They bought more than they really expected to use, did they not?

Mr. REED. No; they bought a large amount of wheat—probably 100,000,000 bushels.

Mr. VARDAMAN. The statement the Senator read was to the effect that the allies had bought in excess of their necessities, as I understood it.

Mr. REED. No; the Senator is in error about that. Let me state what the facts are. They bought a large amount of wheat, probably 100,000,000 bushels. They bought that for May delivery or for July delivery, at some future time—and the time is not important in this illustration—and it was to be delivered to them at a certain price. When that time arrived there were not enough ships to carry the grain and not enough railroad facilities to transport it. Therefore they could not have gotten their grain to Europe if they had desired to do so, but they had so much grain bought that they practically controlled the market. Having bought 100,000,000 bushels of wheat and the wheat not being there to be delivered when due, the man who had sold them this wheat had to get it some way, and hence had to run the price up. Now, when that condition arose the allies said, "All right, we will sell some of our wheat to you," and they sold probably nearly all of it, and they made a profit.

Mr. VARDAMAN. The effect of which was to lower the price of wheat.

Mr. REED. The effect of which was for them to make a profit; and, of course, when it comes to supply and demand every man who sells any wheat naturally lowers the price by that much.

Mr. VARDAMAN. It lowers the price of wheat held by the farmer.

Mr. REED. The effect of it is that they, having an order for 100,000,000 bushels, let go at a profit of a part of their own wheat to fill their own order, if you please. That would be the effect in the long run. Now, having sold their wheat, or a part of it, they proceeded to buy more wheat.

Mr. VARDAMAN. For less than they sold the wheat which they had disposed of?

Mr. REED. Yes; for less than they sold that wheat.

Mr. BRADY. For a different delivery.

Mr. REED. For a different delivery; a delivery at a future time. The difficulty with this thing, and the wrong or evil, if there be any evil in it, consists in the fact that such an enormous quantity of wheat is in one holding, and thus that holding can control the market. If a market can be controlled and the price run up by a gambler who has bought a vast amount of grain, it can likewise be controlled by the agents of great Governments who have, even in perfect good faith, bought a similar quantity of grain. It is the buying of the enormous amount of wheat and its holding in one hand and the demand at the same time for an enormous quantity of wheat that runs the price up.

Mr. VARDAMAN. But I say it can be done without regard to the motive that moves the man who speculates in it, and it therefore makes the product of the farmer the sport, so to speak, of the man who speculates in it, and an individual operating for himself can do it as well as a Government, if the individual has the money.

Mr. REED. Yes.

Mr. VARDAMAN. That is the pernicious effect of the whole speculating system.

Mr. REED. I would be led away from my theme, and perhaps I would get into water deeper than I am capable of navigating if I should pursue the thought suggested by the Senator from Mississippi.

Mr. VARDAMAN. I do not want to interrupt the Senator unduly. I have been asking him questions solely for information, because my information on the subject is very limited.

Mr. REED. I will simply say to the Senator that I know of no man in the Senate and no man outside of it who more thoroughly wants always to get at the facts and the truth of a matter than the Senator from Mississippi. The effect of a man going out and buying an enormous quantity of wheat must be to advance the market. That advance comes immediately to the farmer, because, as I have shown, the farm prices follow the prices of the market under normal conditions. Of course, abnormal conditions I am not discussing. So that if the allies bought 100,000,000 bushels of wheat to be delivered in the future that tended at once to raise the value of every bushel of wheat in the country. Of course, when the day came for the delivery of the wheat, if they demanded the actual delivery of the entire 100,000,000 bushels, they probably could have run the price of wheat almost to the sky.

Mr. VARDAMAN. May I interrupt the Senator again?

Mr. REED. In a moment. But if they let go any part of it they, to that extent, stop the price from going higher.

Mr. VARDAMAN. Then I can only say that it is true that when we cut the dam it lowers the water behind the dam. However, here is the point to which I desire to call the Senator's attention, namely: That the price does not rise proportionately while the speculators are buying the wheat from the farmer. It is only after the speculator gets a great volume of it that he forces up the price.

Mr. REED. Certainly.

Mr. VARDAMAN. The farmer who sells the last few bushels before the speculator cuts the dam and turns the flood loose gets the benefit of the rise, but the great majority of the farmers, while the speculator is cornering the market, get no appreciable increased price. The speculator moves in a cautious and mysterious way until he has gotten the market cornered, then he turns it loose and reaps the profit. The farmer does not get it, but the speculator pockets it and somebody bears the loss.

Mr. REED. The Senator is in error in saying that the farmer gets no benefit. Every normal demand that is made in the market for grain reaches back to the farmer instantly. When the purchaser begins to buy futures, whether an individual or a great Government, the tendency is always of course to strengthen the market. The evil arises from the fact that once enormous holdings are gathered under one control the market may be dominated and prices arbitrarily fixed. This is, I think, what was done by the agents of our allies.

Whoever can control a great body of wheat of that kind, whether he is a speculator, whether he is a foreign government, or whatever the control may be, can to a large extent control the market and do it so that he makes money out of it.

Mr. VARDAMAN. Mr. President, if the Senator will permit me, is it not a fact that when a man or a number of men start out to corner the market these purchases are made surreptitiously?

Mr. REED. Certainly.

Mr. VARDAMAN. So that before the country knows the scheme they are bent upon accomplishing they have gotten control of the wheat at a low price, and when they gather all of their holdings together it is then that it goes up, and the speculator enjoys the profits, while the producer whose labor produces the wheat gets practically no raise at all.

Mr. REED. No; the statement the Senator makes is extreme and too broad. I say to the Senator that if he will examine this table, which is just simply the market prices—to get out of the realm of speculation and into the realm of fact—he will find out that, for instance, when wheat went above $1 a bushel the farmer at that price let go—I am using round figures—of 11,000,000 bushels a day.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Missouri yield to the Senator from Florida?

Mr. REED. I do.

Mr. FLETCHER. May I ask the Senator whether that was the farmer letting go of the wheat or the elevator man, or the man who had originally bought it from the farmer and stored it? It seems to me very likely that a good deal of that wheat had long since passed from the hand of the farmer and gone to the elevator people, or the people who control large quantities of the product.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED. I want to answer one question at a time. I will yield in a moment.

I want to be perfectly frank in answering the question which the Senator from Florida has just asked me. There are no figures obtainable which will tell how much the farmers had in their bins at any given time. I might as well say in passing that at least many figures we receive from the Agricultural Department are necessarily estimates. They estimate the crop of this year, but of course it may be inaccurate. My informant states to me, however, that when you get the movement of grain to the 11 primary markets, it is for the most part farmers' grain.

Now, that may be misinformation. I am giving it to the Senate with the statement that the man who makes it to me is of very high character, and I think really a great expert in the grain business, and not a speculator.

I now yield to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, I should like to ask the Senator if he does not think this abnormal condition has been brought about principally from the fact that some people have been willing to sell wheat futures who did not have the wheat, and the fact that our allies, who have been buying these futures, have been willing to take all of the cash wheat which could be brought forward, has enabled them to successfully corner the wheat market, whereas an individual seeking purposely to corner the wheat market might run a very great risk in doing that, because after having bought this large number of wheat futures he would be unable to handle the actual cash wheat which might be delivered?

Mr. REED. The Senator's question is a combination of two or three questions and some observations; but, if I get him right, the Senator practically agrees with me that the ability of the allied Governments or their representatives to purchase enormous quantities of wheat futures, and then, when the time for delivery came, either to accept the wheat if it was handed to them or to sell it, as they saw fit, put them in a position of tremendous power and enabled them practically to control the market; that, Mr. President, is the one lesson I am trying to drive home. If we get that in our minds, I think there is a remedy, and a very simple and plain means for eradicating one of the causes for high prices.

Mr. JONES of New Mexico. Mr. President, I should like to ask the Senator if he does not think the real vice of the situation comes from the fact that some people are selling something which they have not got?

Mr. REED. Mr. President, that leads into a field which is so broad that I should hesitate to try to explore it at this time.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. REED. Yes.

Mr. WALSH. If the Senator will pardon me, I am moved by the remark of the Senator from New Mexico to observe that it seems to be accepted by a great many people that there is something wrong about a man's selling what he has not got. Why, that is a perfectly commendable thing in the business world. Business in many departments rests upon just exactly that thing.

A man goes out to Europe and takes a lot of orders for the manufacture and delivery of a line of goods. He has not got the goods made. He has not even got the raw material out of which he expects to make them; but he goes out and gets the orders, and accordingly he goes out and provides himself with the raw materials, and he manufactures them, and he completes the order.

It is the same way in the matter of wheat. Flour merchants have their agents all over the world. They have not got the flour in their warehouses. They have not even got in their elevators the wheat to make the flour, but they know where they can go out and buy it; and so they go all over the world, and they actually sell flour—that is to say, they take orders for flour. Now, what is there in all this that ought to move Congress to interpose to interrupt it?

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri further yield to the Senator from New Mexico?

Mr. REED. Oh, yes.

Mr. JONES of New Mexico. I should like to disclaim any intention of criticizing the business transaction just detailed by the Senator from Montana. Those things do occur legitimately; and so, in the wheat market, it is perfectly legitimate for a man to sell wheat for future delivery when he has not got it, provided he can go out and get it. But the thing which has caused the trouble in this particular situation is that people have sold these futures to such an extent that they could not go out and get the wheat and perform their contracts; and that, whether the intention originally was right or wrong, has resulted in the very condition that is confronting the country to-day.

Mr. WALSH. Mr. President, of course everybody recognizes that that situation may easily arise, and it is a very embarrassing one when it does arise. A man goes out and makes a contract to deliver so many barrels of flour or so many bushels of wheat. He is perfectly confident that he can get it, but when he goes out into the market he finds that other people have taken orders and that the market is oversold. Those conditions frequently arise. So a man may take an order to deliver a certain quantity of a manufactured product. He figures not only that he is obliged to get the raw material but that he has got to get the labor to work it up; and he is confident in the belief that he will be able to get it and will be able to produce the stuff within the time required by his contract. He goes and gets his raw material all right enough, but he finds that the labor market is crowded, and he is not actually able to get the men to do the work. So it often happens that the manufacturers are not able to complete their contracts within the time by reason of the fact that they can not get the labor. They eventually do get it; but it could very easily happen that a dealer might, in perfect good faith, count on being able to meet a contract, but finds that the raw material is not available, and he can not meet it. Of course in that event he has got to suffer a suit for damages.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri further yield to the Senator from New Mexico?

Mr. REED. I do.

Mr. JONES of New Mexico. I am not questioning the good faith or imputing bad faith, but I should like to ask the Senator from Montana if it is not a fact that this abnormal condition has been brought about because people have sold futures when they could not get the wheat?

Mr. WALSH. I should not be surprised if there is much in that. My information about the matter is, as the Senator has been advised by the Senator from Missouri, that one or more of the foreign Governments placed orders for great quantities of wheat. I dare say somebody in this country contracted with them to deliver that wheat to them, and then he went out to get the wheat, and he found that the supply was not in the country with which to meet his contract, or, at least, it was here in such limited quantities that when the brokers went to work all over the country to buy the wheat with which to meet the orders it naturally rose to phenomenal prices. That, of course, is bound to occur.

Mr. SHAFROTH. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. I do.

Mr. SHAFROTH. It seems to me that there is a vast distinction between the illustration which the Senator from Montana has given and the purchasing of wheat on the wheat market. There is not one case out of twenty where a person

buys futures where he ever expects to have delivery of that wheat to him, whereas in the manufacture of any article no one takes orders unless he has the means with which to produce the article.

Take the case of steel products: They are all contracted for in advance, of course, because they are generally of special designs that have to be manufactured, and contracts for them are made with the people who manufacture the steel. They do not have some one that is not a dealer in steel products at all contracting for steel products. But in the case of the wheat market, and in the case of sales upon the boards of trade, men are continually buying wheat every day who never expect the delivery of the wheat, and never expect to buy it, but expect to forfeit the margin which they put up; and the margin is all that is put up. It does seem to me that when that is done it has a tendency to abnormally raise the price of the wheat.

Mr. WALSH. Mr. President, if the Senator will pardon just a further word, there is no doubt of the fact, as stated by the Senator from Colorado, that a very large percentage of the transactions in wheat that are conducted upon the boards of trade are pure gambling transactions. There is not any doubt in the world about that. I undertake to say that perhaps 75 per cent of them are of that character. But, Mr. President, the point I am trying to impress upon the minds of the Senators who do me the honor to listen is that these things are organized in the first place as market places, where men can go who have wheat to sell and meet men who have wheat to buy; and I am addressing myself to the legitimate transaction of buying and selling futures in wheat.

Of course, the gambling transactions that are suggested by the Senator from Colorado do get in, and a very large proportion of them. Neither party to the transaction expects to deliver the wheat, but simply to pay off whatever loss or gain there may be by reason of the rise or fall of the market. Thus, Mr. President, our legislation ought to be, as it seems to me, directed to efforts to penalize the gambling transaction, and we ought not to attempt by ill-considered legislation to deal with the matter of legitimate transactions in the purchase and sale of wheat, even though the man who buys or sells has not the wheat in the elevator at the time he makes the contract.

Mr. REED. Mr. President, the discussion that has taken place is somewhat aside from the theme that I want to follow. As I stated to the Senator from New Mexico, it is too broad a field for me to enter upon at this time. I do not want to detain the Senate long. I have been on my feet much longer than I had expected. I am trying, as far as possible, to elucidate the reasons for the present price of wheat. I am trying also to show that that price of wheat was not caused by a cornering of the wheat market by the wheat speculators of this country, but that it was caused largely—not entirely, but largely—by the enormous holdings of the allies.

Mr. SHERMAN. Mr. President——

Mr. REED. Just one moment. I am trying, in addition to that, to show that the consumer had the benefit of the low-priced wheat which the farmer sold, and that it is not true that men bought up all the wheat in the country at a dollar a bushel or less than $1.20 or $1.30, held it, and advanced the price to the people who had to have flour; but that this wheat, starting from the farmer at a low price, went on to the consumer at a low price, and that as the price was raised to the consumer it was proportionately raised to the farmer. That of course is only a general statement. I do not mean that exactly every bushel went through under those circumstances, but that that was the general line and the general course of trade. I yield to the Senator from Illinois.

Mr. SHERMAN. The Senator, I think, is substantially accurate and will be borne out by the facts in the wheat market. I think the statement of the Senator from Montana is substantially correct. These are the conditions, I will state to the Senator from Missouri, attending the bulge in May wheat. The record sustains the statement I am making. Along in the early part of this month the representatives of the allies bought in Chicago on the board of trade more than 500,000 bushels of wheat for May delivery. This was in the largest single wheat market in the world. That was all bought in the wheat pit in a single grain exchange. When those who had knowledge of the market and the quantity of wheat stored in the Chicago elevators investigated they found in the entire wheat market in Chicago 150,000 bushels to fill the 500,000-bushel order. The bulge in wheat to which reference has been made here immediately followed on discovering that condition, and the disturbed state of the market ensued that we saw in many quotations.

Mr. REED. The Senator's statement bears out exactly what I have been urging.

Mr. SHAFROTH. I should like to call the attention of the Senator to the fact that there was a shortage in wheat for 1916, in last year's crop, as compared with the crop of 1915, of 400,000,000 bushels. Of course that has been an important factor in raising the price of wheat to such an abnormally high figure.

Mr. REED. I discussed that.

Mr. SHAFROTH. I was not in the Chamber during all the Senator's speech. I heard a portion of it. It does seem to me that this May wheat rise is very largely due to the fact that it was not fully discovered as to what the shortage was, and consequently they did not know the quantity of wheat in the warehouses.

Mr. REED. I am coming to that.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED. I yield.

Mr. JONES of New Mexico. I should like to give the Senator a point that it seems to me goes to the observation made by the Senator from Illinois. The price did not begin to jump up and develop in an abnormal way until after it was discovered that they had but 150,000 bushels of wheat in the elevators in Chicago. The reason why it jumped up so rapidly after that discovery was made was because the people who sold short began to scramble to get wheat with which to fill their contracts.

Mr. REED. Certainly, that is the fact. There is not anything mysterious about this business. If Mr. Patten had gone out in the United States and bought 100,000,000 bushels of wheat for delivery at any given time and had bought it secretly and nobody knew anything about it and suddenly he called for the 100,000,000 bushels of wheat, undoubtedly he would have caught all his antagonists napping.

The demand would have been so great it could not have been supplied and Patten would have settled with his victims on his own terms. That would have been a wheat corner by Mr. Patten. It would have been a thing we would have charged he was exceedingly wicked and vicious, indeed, in doing, and we would have talked in our grange societies of what we ought to do with Patten. Now, if the allied nations do exactly the same thing, no matter what their motives may be, you get the same result. What I am urging is that they did do that same thing and it did bring that result.

Mr. FLETCHER. Mr. President——

Mr. REED. Just one moment. They purchased secretly, so secretly that no man can even to-day absolutely trace the purchases to them. The man whose statement I read to you told me in private conversation that he believed he had himself handled a lot of those orders, but they were not given in the name of the British Government or the French Government; they were given in the name of some dealer in Chicago or in New York, who sent to my informant's business house in Kansas City, and said, "Buy so much grain for our account." So that my informant does not now know with certainty that he handled grain for the allies, but he has good reason to believe he did.

I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, in fairness to the allies, although the Senator has, of course, stated that he has no criticism to make of the allies for their purchase of this enormous quantity of wheat, it is to be recognized, of course, that Great Britain needed wheat, and that her markets for that wheat are ordinarily the United States, Argentina when Argentina has a good crop, and Australia. It will be recognized, too, that the distance from Liverpool in round figures, we will say, to Buenos Aires is some 8,000 miles, possibly to Australia nearly 8,000 miles, and to the United States 3,000 miles. To make the voyage you would have to have three ships sailing, for instance, to Australia from Liverpool to bring to Great Britain the same amount of wheat that one ship sailing to the United States would bring to Great Britain.

Great Britain being short of ships, there being an insufficient supply of cargo vessels to serve the country because of various reasons that we all know about without going into details, many of them having been sunk and many commandeered for the use of the navy, the merchant-ship tonnage being reduced in quantity nearly one-half, Great Britain was obliged to look to the nearest port for her supply of food. For that reason, among others, undoubtedly she sought this market. It was because she could take one ship and do the work which under ordinary conditions and at ordinary times she would have three ships to do, and she could not seek other markets when she is obliged to be confined to this market under present conditions.

Mr. REED. I thank the Senator, but I have almost that exact statement in a memorandum here in the papers before me.

I am glad to have the Senator state the fact, and it is a fact. Australia is this year supposed to have a surplus of 185,284,000 bushels of wheat, but the trouble about getting it to England or to France is the length of the trip. It takes them three times as long to make that trip as it does to come here. It takes them one and one-half times as long to make the trip to Argentina, and the Argentine crop is poor, and ships are scarce and time is precious.

Mr. President, I have taken so much time that I have worried the Senate, and I want to get through with what I have to say.

Aside from this interference by the enormous purchases of the allies, there are other causes which I will come to a little later on, but that the purchases by the agents of the allies were a controlling cause I desire to evidence by quoting from market reports made contemporaneously with these rises. I am quoting from the market reports of Kansas City, which is one of the principal grain markets of the world. The Kansas City Star of May 6 had this statement in its market report:

Evidences developed last week that the English grain commissioners possess contracts in the Winnipeg market for more wheat than can readily be obtained there, and in consequence a highly strained condition prevails in that market, with the May and July deliveries so high that trading in them was stopped by the exchange authorities, and arrangements started for settling contracts on the basis of a fixed price where deliveries could not be made. * * * Last week's advances in Winnipeg prices put Canadian wheat too high to be shipped profitably to United States mills or markets.

So it appears the English bought in their own Canadian market and produced the same result there that they produced in our market.

The Kansas City Star of May 12, under the headline, "New wheat up 25 cents—Wild rush to buy for July and September delivery," said:

Traders evidently became possessed with a fear that representatives of European Governments have made large purchases of wheat for July and September delivery, and the same congested conditions are likely to develop in those months that have sent the May price above $3 a bushel. There was no other news to account for the wild flight in prices.

[From the Kansas City Star, May 13.]

The scramble for wheat—Last week's advances outdid any previous experience—Future markets appear to be tied up by large contracts held by exporters—Milling demands diminishing.

In the body of the article it is stated:

MILLERS AND EXPORTERS COMPETE.

It has been an altogether abnormal market throughout for two reasons: One, that the representatives of foreign Governments hold large contracts which sellers have found difficulty in filling, and the other that there suddenly developed an unprecedented domestic demand for flour due to the excessive purchases above current needs for household consumption all over the country.

The domestic demand referred to was the buying that suddenly started when the housewives got frightened and began their buying a barrel of flour apiece, which, as I stated the other day, happened here in Washington. I continue reading:

Millers say this demand is the chief reason why they have been able to pay the extraordinary prices for wheat to grind immediately.

In connection with the foregoing it is interesting to note that the same market report states what I shall now read. Now, notice this, you enemies of speculators—and I am no advocate of them. Let us see what their real attitude has been to this market:

Many speculators have been willing to sell wheat for future delivery at less than the current value of car lots, on the theory that wheat above $2 a bushel is so high that buyers would hesitate about paying the price, and the high price itself would operate as an obstacle to any additional rise, by checking the demand and curtailing consumption. The short sellers, however, found that in endeavoring to cover these contracts it was necessary to bid the market up higher than ever.

In other words, these great Governments, with their contracts for 100,000,000 bushels of wheat, can take that much if it is all delivered to them. They can, indeed, take that much more; they have unlimited money with which to buy. They also have an unlimited demand to supply; therefore they are absolute masters of the market. For once there was an actual corner. It could not be broken. It was a corner, not of speculators but of purchasers, who then employed their power to buy and also to sell, so as to keep control of the market.

Mr. JONES of New Mexico. Does it not require two parties to consummate and effectuate a bargain?

Mr. REED. No; not necessarily.

Mr. JONES of New Mexico. Are not both the buyer and the seller involved?

Mr. REED. Not necessarily. I may be speculating; I may want to corner the market, yet you may sell to me in perfect innocence, not knowing that I am trying to corner the market at all. You are a grain merchant. You buy and you sell. You know ordinarily that you can furnish me or anybody else with 10,000 bushels of wheat. I send you an order for 10,000 bushels of wheat. You accept it in good faith; but when you attempt to buy to fill my order you find I have slipped out and bought up all, or somebody else has bought up all, the grain there is; and accordingly you are found in a condition where you have to pay an excessive price or default in your contract.

I might be a speculator doing that with the wicked purpose of bulling the market, or I might be the representative of a great Government that actually needed three or four hundred million bushels of wheat. In either case if I used common business sense and judgment, I would have bought quietly in the name of other parties. Yet when you come to deliver the wheat you contracted for you find it quite as hard to get the wheat to fill your contract with the Government that controls the market as you would if you were dealing with a speculator who controlled the market.

I read further. The Kansas City Star of the 13th of May said:

Yesterday's sensational advance of 25 cents or more in the July and September deliveries reflects the opinions of many buyers that congestion and difficulty in filling contracts are likely to develop in these deliveries just as they did in the May contracts, owing to large purchases that representatives of foreign Governments are supposed to have made of those deliveries for future needs.

Mr. GORE. Portugal on that day placed an order for half a million bushels.

Mr. REED. I am informed by the Senator from Oklahoma that on the day the exchanges closed Portugal placed an order for half a million bushels, and that was one of the causes for their closing.

The third proposition I make as a contributing cause was the current rumor that the Agricultural Department had given out the statement that Europe would demand 100,000,000 bushels more of this year's crop of wheat from Canada and the United States. This rumor I understand to have been false. I am informed that the Agricultural Department, in fact, never gave out such a statement. I learned that, however, when I inquired from the Agricultural Department for their statement, and was surprised to find that the statement which was referred to in the press was according to the Agricultural Department never in fact issued. But the rumor had its effect. Witness the following from the market report:

The statement of David F. Houston, Secretary of Agriculture, that this country and Canada would be expected to provide yet 100,000,000 bushels of wheat from the old crop for export gave strength to the buying side.

May wheat opened here (Kansas City) 3½ cents higher at 318, advanced to 322, the new high level.

Mr. President, another contributing cause was Mr. Hoover's statement that flour may go to $20 and wheat to $5. I quote the opening paragraph of the article in the Kansas City Times of May 11, that is, of the Hoover interview which appears under the startling headline "Control or famine," and which serves as the newspaper's epitome of the Hoover article.

The opening paragraph of this article, which comes under a New York headline, which, I have no doubt, was sent out by the press reports and which is that part of the article which is always intended to outline the contents, the spirit of the article is as follows:

NEW YORK, *May 10.*

Herbert C. Hoover, who recently came from Europe to advise the Government on food conditions in Europe, says that without control we may see flour at $20 a barrel before the year is over.

In the body of the article Mr. Hoover is quoted as saying:

If * * * the whole world * * * is to have the unrestricted run of our markets in competition with each other and in competition with the speculator in this country, we may expect to see $5 wheat before the year is over.

I have only quoted a few lines out of it. It was that long interview of Mr. Hoover.

The effect of Mr. Hoover's interview is found in the market report of the next day, as follows:

Trade was limited in the wheat department yesterday but traders were wild in their movements at times, and prices again reached new high records. The famine talk of Herbert C. Hoover and the Government's urgent requests for conservation of food supplies started a buying rally that put values materially above the high records made Thursday.

Mr. President, add to these causes all the agitation that has been going on with reference to the liability of our country and of the world to starve, consider that one man's argument convinces another and he starts talking, and one editor's editorial convinces other editors, and they all start writing—add all these causes together and it is not at all remarkable that we have had an enormous rise in the price of wheat. I think we may summarize the causes for the rise in the price of wheat about as follows:

First. A world shortage actual of about 100,000,000 bushels, but a further shortage, which I call an embargo shortage, of

from three to four hundred million bushels; that is, of wheat that is in Russia that can not be gotten to the market or wheat that is in Australia that it is very difficult to get to the market.

Second. Heavy purchases by the allies.

Third. General world inflation of currency and inflation in the United States caused by a great increase in gold.

Fourth. A general advance in all prices.

Fifth. Reports of the Agricultural Department of shortage of this year's crop.

Sixth. Rumors that the Agricultural Department has declared that Europe would demand 100,000,000 bushels of this year's crop.

Seventh. Mr. Hoover's statement of $5 wheat and $20 flour.

Eighth. Talk of a food dictator.

Ninth. Hoarding by housewives.

These latter causes constitute the governmental bull movement. Hoover has thus far been worth millions to the bulls. I do not say this in criticism or harshness of Mr. Hoover, but it is certain that we must expect high prices as long as Government officials, whether actually inducted into existing offices or actually filling offices that have not yet been created, from their high places announce to the people of the world that they are about to starve to death. The inevitable result is a rise in prices; it is unescapable.

In view of these facts, how foolish it is to undertake to cure the evil by closing the exchanges of the country.

Mr. SHERMAN. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. REED. In one moment. I think that wise men would do this. They would enact legislation for some kind of supervision. They would stop the gambling operations and allow legitimate business to go on. Instead of telling our people they are going to starve to death, making wild and extravagant statements of that sort, we had better tell the people that there will be stiff prices, that some economies are necessary, that waste should be stopped. Telling them there will be good prices will encourage every farmer to plant; but do not tell them stories that will lead all the people to believe that it is a case where only those who are strong enough to grab at the present time will be able to eat at the end of the year. In other words, we ought to use a little calm and deliberate thought at this time. The world is not going to starve to death. At least, we are not going to starve to death on this side of the ocean. If we had no wheat at all we would not starve to death. So long as we had potatoes and corn we would not starve, and I am not sure that we would suffer enormously. What I am appealing for here is that we shall not adopt quack remedies; that we shall not simply conclude that there is something wrong and therefore strike out blindly in the dark; that we shall not do those things that will produce the very evil against which we complain. Now I yield to the Senator from Illions.

Mr. SHERMAN. Mr. President, I ask the Senator from Missouri to look at a clipping from a well-known periodical which I hand him, to examine the illustration, and find out whether that would be likely to produce a bull movement in food products, and especially in wheat. The Senator has descriptive powers which I greatly admire.

Mr. REED (examining). Mr. President, only the superior genius of the Senator from Illinois could do the subject justice. But here is a cottage. At its door a pack of wolves with shining teeth, red tongues, and glaring eyes. At the window is a mother with her children, their faces gaunt with famine, their eyes filled with the agony of fear as they gaze at the wolves, who are about to break through and devour them—the wolves of hunger. What infinite rot! You complain if a man goes into the grain market and runs up the price of grain as a speculator, because you say he has increased the price to the consumer of flour, and you justly complain; but the speculator who has thus increased the price of flour to the consumer has done the consumer no greater injury than has the man who starts a false rumor or an exaggerated statement and who thus runs up the price of flour. Neither the speculator nor the blatherskite ought to be abroad in the land at a time like this.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED. I do.

Mr. JONES of New Mexico. I should like to ask the Senator if he has any reports showing the quantities of wheat which were traded in upon the exchanges during those days in excess of the quantity available?

Mr. REED. No, I have not; but, Mr. President, if I had, it would not show anything. I do not pose here to be an expert on boards of trade; I do not undertake to defend transactions on boards of trade. I am not concerning myself with that; I am concerning myself to-day with the real causes of the rise in the price of grain. I am trying to convince the few Members of the Senate who are sitting here of the truth of the fact that false reasons have been assigned to a large extent; that there are great causes that lie at the very surface; and that we ought, in considering this question, to deal with facts and not with something outside the facts, and if we find the cause of anything injurious we may be able, with the application of a reasonable degree of diligence and intelligence, to avoid, at least in part, the evil.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED. I should prefer if the Senator would let me conclude what I was going to say with reference to his other remark.

I say this, however, that the amount of trading in a board of trade being in excess of the amount of grain there may be absolutely on hand that day may and may not mean anything. For instance, if one takes the aggregate of the deposits in the banks of the United States on any day, he will find that those deposits far exceed the total of all the money there is in the United States. Hence a man looking at the question superficially might say that the banks were padding their books; that they were accepting fictitious accounts, or that the whole banking system was rotten clear to the foundation; yet those deposits are honest deposits. I put my note in the bank for $10,000 and get a credit on the bank's books of $10,000. The bank adds that much money to its deposits, although it has, in fact, loaned it to me. That simple illustration will show how easy it is to multiply the deposits and make them greater than the volume of money. So, too, you may find that the aggregate of the sales of grain may be far in excess of the grain produced, yet this does not prove dishonest practices, for the same grain may be sold many times in the same month.

But, Mr. President, I disclaim any attempt to explain with any kind of accuracy board of trade transactions; I expressly disclaim any desire whatsoever to protest against any kind of legislation that will stop the illegitimate transactions of boards of trade; but I do appeal to the Senate not to start out with the idea that they can meet the evil which has grown up from certain conditions by making a Don Quixote sort of raid against something that is not the real cause of our present difficulty. It was simply with a view to arguing that one question that I arose, and I invite in all earnestness the attention of Senators to the table which I have prepared, which will be inserted in the RECORD as a part of my remarks for I think an examination of it will show them how utterly fallacious many of the claims which we have been inclined to rely upon are.

Mr. KELLOGG and Mr. JONES of New Mexico addressed the Chair.

Mr. REED. I am ready to yield the floor, unless Senators desire to ask me questions.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. REED. I am prepared to yield the floor.

Mr. JONES of New Mexico. Very well.

Mr. REED. Does either Senator desire to ask me a question?

Mr. KELLOGG. I desire to ask the Senator from Missouri a question.

Mr. REED. I yield to the Senator from Minnesota.

Mr. KELLOGG. I just heard the statement of the Senator from Missouri that he did not wish to be understood as being opposed to any regulation which would eliminate speculation on boards of trade. I feel exactly as the Senator does as to that, and I desire to do everything possible to eliminate it; but I should like to ask the Senator to state whether he believes that the grain of this country can be marketed unless there is an opportunity in exchanges to sell for future delivery against that grain from day to day as it is purchased?

Mr. REED. Well, speaking from my limited knowledge of the business, I do not think that the business of the country could be conducted without great interference, unless that privilege was given. I do not think that a man's buying grain for future delivery is a crime, or that selling it for future delivery is wrong. I do think, however, that when a man goes into the market, not as a good-faith buyer, but as one who is merely betting that the market will go up or that the market will go down, and places his bets in the form of purchases or sales, that that gentleman is an unhealthy individual to have around in times like these.

Mr. KELLOGG. I quite agree with the Senator; but I should like to ask him if he does not believe that can be reached by giving some one the power to censor trades or to close exchanges if such trades are not prohibited?

Mr. REED. Mr. President, that might stop it; but when has it come in this country that the only way in which we can control matters is to give some individual arbitrary power? When has it happened that we can not pass laws that will reach evils? When did dictatorship fall into such fortunate times? How do we know when we get a dictator that he will act wisely; that he will not smash the business of the country; that he will not do more harm than would the speculator?

Mr. KELLOGG. Mr. President, I do not wish to be understood as suggesting that. I merely desired the Senator's opinion on that question, or whether it would be better to make the pure speculative deal a criminal offense?

Mr. REED. My idea is, sir, that this is a government of law and not a government of men, and that whoever substitutes the arbitrary will of an individual for the law of the land substitutes despotism for democracy; that he is an enemy of the Constitution and of human liberty, and that there is no wrong and no evil that is susceptible of control by human agencies that can not be met by laws enacted in the name of the people of the Republic.

Mr. SHERMAN. Mr. President——

Mr. KELLOGG. One moment. I asked the Senator the questions because those two plans are now before the Senate, and I wished to secure his opinion upon them, he having given this matter a great deal of thought. I think I understand the Senator's position.

Mr. SHERMAN. Mr. President, the inquiry propounded by the Senator from Minnesota [Mr. KELLOGG] is a very pertinent one. I find myself in complete accord with the general principle announced by the junior Senator from Missouri [Mr. REED] that we must regulate by law and not by merely lodging arbitrary power in men. Most of our difficulties originate in that sort of government.

Mr. President, I can understand how executive officers may apply a law and advise those who may seek advice in the administration of the law, but how to administer unbridled discretion in a delegation of legislative power to a departmental head is a problem in government for which no satisfactory solution has yet been offered.

The Supreme Court, not many hundred feet from where we are sitting, not long ago, through one of its recently appointed members, Mr. Justice Clarke, of the State of Ohio, announced, in substance, the governmental principle that should apply, namely, that whenever it was possible to construe an enactment as a specific direction of law rather than so as to leave it to the discretion of some individual, the former interpretation should be adhered to; that there should be some positive rule of law, and not the mere will of somebody in whom might be lodged almost unlimited discretionary power. I have given as much time and thought as I am capable of to the question the Senator from Minnesota has mentioned. It seems to me that even in our legislation we might lay down as a sane rule one that I get rather from smaller jurisdictions, such as the States in which the grain exchanges are found.

Chicago is the largest single market for grains and provisions in the world. The largest single market for hard winter wheat I think is in the State of the Senator from Minnesota, that wheat producing a quality of flour which will stand shipment around the world and which will store and keep longer than any other like product of wheat devoted to bread-making purposes. In my own State, where the grain exchange in question exists, there are certain statutes governing it. The board of trade in Chicago exists by virtue of an act of 1859 incorporating it as a grain and provision exchange and defining its purposes, which are entirely lawful whether in the domain of the statutes of that State or of any of the acts of Congress. That act has been interpreted a great many times by the courts of that State, and in substance it amounts to this, if all of the decisions are collected and applied: That sales for future delivery, if bona fide, are not unlawful; that they fill a very necessary part of the grain trade of the world. The sales of futures in grain stand on no other or different basis than those of any other product of a merchantable character. Deliveries in future transactions depend entirely upon the intent of the buyer and the seller, upon the intent of one or both, and if a violation of the statute is involved there may be a joint crime or otherwise, as the case may be. For a person merely to make a contract to deliver, having no present intention to deliver the article so sold, it becomes a mere wager on the market; it is a gambling transaction, and especially if that intent be participated in by the purchaser. Ordinarily both are concerned, but it does not necessarily require both.

If one should have the intent never to receive when he buys or the other never to deliver when he sells, or, jointly, that neither of them has the intention either to deliver or receive what is bought or sold, it becomes criminal under the statutes of the State under which the board of trade is created.

The same principle, I think, can be applied outside of the State and applied practically in a regulation made by Congress. If the transaction is one which does not affect commerce between the States or with a foreign country, it is one to be punished only under the legislation of the State. Most of the States have such criminal laws. Such contracts under State law when made are not susceptible of enforcement. They are not only made subject to penal liability but the person who is sought to be bound by the contract can not be held to the performance of the obligation. He can escape liability in any court or cause as to any offer, sale, or indemnity, or as to any movement contemplated that is not intended to be a bona fide transaction. If it is entirely a buyer-and-seller transaction within the State, within the limits of Minnesota or New York, for instance, it is one to be punished by the enactments of the legislature, either the future one to be covered by law to be enacted hereafter or the present transaction to be measured as to its penal liability by the present statute.

I see no reason why Congress could not enlarge, under its power to regulate commerce, the offense. If it be a transaction to buy or sell in a manner that affects trade from one State to another or with foreign countries thus coming within the interstate commerce power of Congress, then, in my judgment, Congress has a right to regulate and to declare a sale for future delivery with no bona fide intention of delivering the article, if the transaction concerns itself with interstate commerce, either as to the ultimate delivery of the article or because of the residence of the vendor and vendee, a penal offense and to provide that all persons engaging in such a contract shall not only be punished but anyone who seeks to escape from the obligation of such a contract may do so. In that event no mere wager or gambling contract on the grain exchange could be enforced in the courts or could be collected any more than any other gambling debt.

This would not break up the grain exchange. It would penalize the unlawful transaction, the betting upon the market, which is a mere wager contract to be settled at a designated time by paying the difference between the price of the grain to-day and its price some time in the future. That is a gambling transaction. No actual grain is in the possession of either party; no actual grain is intended to be delivered; it is a mere bet upon the future, and the transaction is settled by taking the difference one way or the other, either the buyer or the seller receiving the profit or paying the loss as the case may be. There is no excuse for transactions of that character. I have no more apology to make for a grain gambler than I have for any other kind of gambler, but I do not believe that gambling in grain can be entirely prevented so long as there exists the gambling instinct and there is a bushel of grain surplus in the world to pass from seller to buyer.

The grain exchange has nothing to do with it. Gambling in horses will never be prevented so long as there is in the world a horse with any degree of speed on whose speed a difference of opinion arises between two persons of sporting proclivities; but I would not destroy the horse because that is so. I can go out on the market and, at least before the new revenue bill becomes operative, for 10 cents I can buy a pack of cards, and with them I can gamble to a most dangerous degree without going out of the city limits of Washington. Although gambling is prohibited here, I can win or lose a hundred thousand dollars before the sun rises to-morrow morning. Of course, the price of the chips would be high. I do not, however, play in that kind of a game. I would not, however, Mr. President, prohibit the manufacture of playing cards for legitimate, harmless purposes. About my only diversion with cards is solitaire. In that game one has an honest competitor. The greatest indictment I ever heard of a man in a public address in the stress of a campaign was that he could not be trusted to play a game of solitaire by himself without cheating. I would destroy neither horses nor cards nor dice, although among our colored friends dice are supposed to lend themselves to some abuse. Those who indulge in dice throwing, I understand, have imaginary combinations and dream books by which they hope to acquire large fortunes, much greater than those acquired by the gentlemen on the boards of trade who are criticized here. They seldom are successful, but the fact shows the vagaries of the human mind on any question of hazard.

A bushel of grain can be made the subject of a gambling transaction, and it will be so made just so long as can be found such men as we are thinking about; but the grain exchange has nothing to do with that, except that it furnishes a convenient place. The higher class hotels on this continent furnish rooms which are convenient places for gentlemen to undertake to play draw poker; but would you burn down all the hotels and prohibit anybody from going into them unless he has a certificate of moral character and a doctor of divinity with him as a guarantee that he will not abuse the hospitality of the inn? That would be just as sensible as closing or destroying the boards of trade; and if these transactions are prohibited, either by excessive taxes on sales for future delivery or by any other form of taxation, or penalized, you had just as well level the building, because it is of no consequence unless the business for which it is erected can be carried on.

I have in mind a number of commercial transactions that have given me more or less concern in the last 12 months. In the Mississippi Valley there are a number of large milling companies. Some are across the river, at St. Louis, in the State of the Senator from Missouri [Mr. REED]—some three or four, but especially two that I have in mind. On my own side of the river there are many mills which are constantly engaged, and have been for many years, in milling wheat into flour for the export trade. With present war conditions and the inability of some of the ordinary wheat markets to supply the wants of the belligerents, naturally our own market became a resort for purchasers.

I heard the comment a while ago that men often sold wheat when they did not have a bushel of wheat to their names, and that is so. So do millers often sell flour when they have not a bushel of wheat to their names nor a barrel of flour to fill the contract. That is done habitually. It is the only way in which business can be transacted. Building contractors agree to erect buildings when they have not a ton of steel or foot of stone or bag of cement to their names. But that is no reason for destroying the flouring mill or dissolving the company or abolishing the contractor, any more than in the case of the board of trade or grain exchange, whatever name it may carry.

I have in mind a milling company in my own jurisdiction, situated at Alton, Ill.—the Sparks Milling Co. It has been in business a great many years, and the third generation is now beginning to handle flour and manage the business of the company that the grandfather of the family established. I have known all of those generations. It is an old and honorable concern. It built up from small beginnings, and, with the development of the market and the possibilities of our country, it kept pace with the demands of the trade. This milling company, as well as a very large milling company in Chicago and some across the river in St. Louis, have been furnishing flour to the allies on contract. Here are actual transactions, not mere theoretical ones, and if some of the regulations here sought to be made should finally pass into the form of laws they would not only hamper but actually, under present conditions, prevent a milling company from making or filling a contract of the kind I have described.

The sum of over $1,200,000 was involved in a single contract for the sale of flour by a certain company in the Mississippi Valley. At the time they made it they had not enough wheat in sight, under contract or in their warehouse, to fill 25 per cent of the contract. If they had sold in milled form every bushel of wheat they held in their warehouses or that they had contracts to deliver to them, it would not have exceeded $300,000; but they contracted to deliver in New York City $1,200,000 worth of flour within a stipulated time. For the other $900,000, the only reasonable way that a business man would figure to fill it would be to go out on the market, in the grain exchanges, and buy. They did so, and seasonably they bought, from time to time, enough wheat to fill the remaining part of the contract. When it was not bought outright for future delivery, an option was bought to deliver on a day certain at the then market price. The flour was not all to be delivered in New York at one time; but at stated intervals, as the shipping tonnage made it practicable, to be delivered there for export.

The miller went out on the market to buy the remaining quantity of wheat to fill the contract. Here to me is the material part of this regulation: How would a person buy wheat in that quantity to fill a contract with variable deliveries, at different times, unless he bought for the future? That is what they did. They bought futures. It was a bona fide future. It was not a gambling transaction. It was based upon an actual commercial condition and a valid contract entered into for the receipt of the flour at the times and in the quantities stipulated in the contract.

Where did they go? To a farmer who had a thousand bushels of surplus wheat in the bin? Did they go to a local grain elevator? That would be impracticable under present conditions. They went where every miller goes who does a general commercial milling business, and especially if he does an export trade. They went into the grain exchanges in St. Louis and in Chicago, into the wheat pit in the board of trade. Now, that is not a place where bulls and bears are horning each other, where gamblers with check suits on and with large buttons on their clothes and flashy jewelry are making themselves much in evidence. It is filled with business men, millers, exporters, brokers, and others in lawful business.

Let me give you an illustration as I go into the wheat pit with the buyer for one of these mills. We enter where the samples are and where those who handle wheat congregate. This is a miller, not a speculator, buying for future delivery; not to bet on the market, but for an actual transaction. He went into the Chicago Board of Trade trade pit and asked a commission man what he could furnish him a given quantity of wheat for, to be delivered at any time in a given month, and got his reply, and closed the contract for 100,000 bushels of wheat. That is not a gambling transaction. The miller, undertaking to deliver to the allies in the quantities and at the times named, went to the Board of Trade as a legitimate place for a legitimate transaction. How else would he do?

Suppose he had no such facilities furnished in a civilized government, in a form of society where these customs have been built up by the years. It would have been practically impossible for the milling company to have bought the grain from the producer or from the warehouseman. One warehouseman may have 5,000 or 10,000 bushels that is loose on the market, open to a contract. Another may have more or less. A farmer may have 500 or 5,000 bushels. Farmers are not organized. Their names are not listed, their post-office addresses are not known with the lines of transportation over which they ship and the quantity of surplus grain they have. They sell to the local elevator. In turn, that is transmitted, in due time, to the central distributing point, and the central distributing point is where the miller goes to buy grain. It is where the buyer of the Sparks Milling Co., in Alton, Ill., or the great Pillsbury, Washburn, and other mills in the State of the Senator from Minnesota, or where Mr. Eckert, of the Eckert Milling Co., of Chicago, goes to buy, or the Valier Milling Co. and others in St. Louis do when they hold a large contract. They do not go out among the producers. That would be an interminable task. It would be an impossible method of transacting business. On the contrary, they must go to the grain exchanges. There are represented the buyers and sellers of the whole wheat-producing area of the country.

It is, I believe, true there is some gambling there. I think I know some gentlemen who habitually gamble on grain. I wish to state, as a general summarizing now of the situation on the board of trade, that outside of flurries when men are trying to recover themselves, in the general normal condition of the board of trade in Chicago the great majority of the transactions are legitimate and have in them no taint of gambling. I know that statement will be questioned, but I believe that in normal times at least 90 per cent—likely more—of all the transactions in grain in the city of Chicago on the board of trade are legitimate transactions, based upon actual sales, in which the grain or the product of the grain is to be actually delivered and used afterwards for commercial purposes. This per cent equals the average of guests who go to a reputable hotel for proper purposes.

As these millers have no other way by which they can go out and acquire enough grain or contracts for enough grain to fill their orders, they must so buy for their own purposes. I have heard a great deal of criticism here to the effect that in a board of trade or a grain exchange there is vastly more grain sold than is produced in the country, and that is directly connected with the milling business. This is what is done by the same mills for which I have gotten letters of assurance many times from the British legation here before they could go unvexed across the Atlantic and land at a port of the allies and deliver merchandise intended to make hard-tack for their own soldiers.

A man requiring a future delivery of $900,000 worth of flour must go out and buy a considerable quantity of wheat; so he buys 275,000 or 300,000 bushels of wheat seasonably to be delivered to fill the order. He buys at a given price or buys an option to call for a given quantity on a time certain at the then market price. He has no assurance if he buys an option that the price will remain the same, although he delivers at his port city to the allies' agent a given quantity of flour every 10 days, and the price at which he buys the wheat on his

option out of which he mills the flour may go up or down from the contract price. The miller has one way of protecting himself, and one way only. I think it is perfectly legitimate, although it adds to the apparent volume of sales on the grain exchange. He can not get an insurance policy. No combination of men has ever been found willing to carry a hazard that grain will remain at a certain price for 30 days, and especially wheat, in the nervous movements of wheat since the Russian wheat fields have been shut up and navigation uncertain.

Just as soon as he buys an option on 300,000 bushels of wheat, he goes out on the market and sells 300,000 bushels for the same delivery, the same kind of an option to deliver at the intervals named and in the qualities named, so that whether the market goes up or down, he has complete protection. Among the trade this is technically known as hedging and is a perfectly legitimate transaction. It is not a "wash sale" at all, as it is in handling stocks, so as to give an apparent strength to the market when in fact no such bona fide transaction exists. It is for the purpose of protecting him by a form of transaction that takes the place of an insurance policy and covers him against any possible hazard in the fluctuations of the market. This is a legitimate transaction, and it is the only way in which, taking it for future delivery or in the protection of himself, a miller who is handling the quantity that he is, and under bond at the same time, can protect himself and guarantee that his future deliveries will be made.

The board of trade, when its annual report is made up on its tradings for that year, will show not alone that 300,000 bushels of wheat was bought from a certain milling company, but it will show a transaction of 600,000 bushels, and that is one deal only. What I say of one mill is true of every mill. What I say of one man is true of every man, buyer and seller, especially the buyer. But a seller can hedge just the same as the buyer can. He can go out, and, by reversing the transaction, he can protect himself against any possible loss. Now, that looks like gambling on the face of it. As a matter of fact, it is as far from gambling as the sale of 40 head of steers.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. Certainly.

Mr. KELLOGG. Is it not a fact that every large buyer of grain must sell daily in the market for future delivery in order to protect himself?

Mr. SHERMAN. Certainly he must.

Mr. KELLOGG. Now, one other question. Suppose he is an exporter of grain, and he buys to-day in Chicago or Duluth 1,000,000 bushels for export, and he has not yet sold it; and suppose he sells for 30 days' delivery on the Chicago Board of Trade to protect himself. That is a legitimate transaction. At the end of the 30 days he has not made a sale to a foreign buyer, and he buys in his 30 days and sells again. As a matter of fact, he has made two sales of 1,000,000 bushels, has he not?

Mr. SHERMAN. Yes, sir.

Mr. KELLOGG. Is not that a perfectly legitimate hedge or sale of actual grain on hand for the protection of the merchant?

Mr. SHERMAN. I think so.

Mr. KELLOGG. But is not that one of the means by which the sales of the country in the exchanges seem so large?

Mr. SHERMAN. Yes, sir.

Mr. KELLOGG. Is it not a fact, however, that along with these sales in the board of trade there are more or less purely speculative trades?

Mr. SHERMAN. Yes, sir.

Mr. KELLOGG. So will the Senator give us his opinion as to how he is to eliminate the speculative trades which we believe to be injurious without destroying the legitimate trades?

Mr. SHERMAN. Yes, sir; I shall be glad to talk about that, so far as I am able. It is a material inquiry here, because the Senate is facing the question of regulating these affairs and preventing the illegitimate transactions so far as human laws can do so without destroying or impairing the powerful machinery which brings buyer and seller together in large transactions.

Mr. KELLOGG. The Senator does not believe that the illegitimate or the speculative trades are a benefit to commerce?

Mr. SHERMAN. No, sir. They are a distinct menace, and no more beneficial to legitimate transactions such as I have described about the mills or the brokers who come together for purposes of actually buying and selling than a bookmaker benefits a pedigreed horse. Everybody is in favor of legislating and usually votes for State legislatures to "get" the bookmakers, because it is recognized that they are not lovers of blooded horses. It is only the results that come out of controversies over the respective speeds of different animals that they are concerned in. The question is how to eliminate the bookmaker on the board of trade, and leave the legitimate dealer free to follow the ebb and flow of the natural demand for grain that comes into the pit for buying and selling, so that it may ultimately reach the purposes intended.

The difficulty is, always in every case of which I have any knowledge in the State or Federal jurisdictions of the grain-producing country, to prove the intent of the vendor and vendee. In the transaction which the Senator from Minnesota [Mr. KELLOGG] put, which is a fitting illustration, and which is legitimate in character, there would be drawn in its train a host of larger or smaller men who are purely speculative in their intent and in their transactions. They grow to have almost uncanny knowledge of movements of this kind. What would be a mere chip floating along on the current of the market to me or to you would indicate to those men with unerring certainty that somebody had loaded up too strongly on wheat, and that the "long" was seeking some place to unload, or vice versa. Following on the heels of that transaction—which might involve one or two million bushels of wheat, which might start out originally with a smaller quantity of wheat, but before it ended it might run into millions, following the illustration of the figure given by the Senator from Minnesota—hanging on the skirt of that legitimate transaction, and following it along with the rise and fall of the market, there would be a percentage of speculators taking advantage of it either to sell short, if they suspected a long movement, or vice versa, and out of that hope on the end of the market to reap an illegitimate profit out of a legitimate condition. Still, in the public mind, it is almost impossible to segregate the lawful purpose from the unlawful purpose. Herein is the difficulty of sane legislation and not prejudiced destruction.

It is not entirely a matter that defies solution, because under cross-examination, which sometimes is of great value, if a person is a witness and is asked if he is carrying a million bushels of wheat for June, and is asked what purchasers he had in view, if he had none, if he bought entirely on the market with the expectation of selling, still it is legitimate; but if in the transaction before the June market is over he sold to somebody the option to put so much of his wheat, all of it or a part of it, and it turns out that the person to whom he gave the option was not a dealer; that they afterwards settle on the difference in the market; that he did not deal in wheat; that he never sold any of it to any miller or to anybody for any actual use; and his books show nothing but a change in money and a settlement on the differences between the one time and the other, and a thousand things that can be brought out in every transaction, you can find some evidence, although it is sometimes a very difficult thing as to whether it is a legitimate or an illegitimate transaction.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. SHERMAN. I do.

Mr. McCUMBER. Let me ask the Senator, for information, whether it is not the practice to settle these very hedges of which the Senator speaks in exactly that way? Are not all of the hedges settled by the difference on the market between what the wheat was bought in or sold for, or vice versa?

Mr. SHERMAN. No.

Mr. McCUMBER. In other words, a man is purchasing and selling to-day in a future market, and he buys against it in order to protect himself, and he waits until that time. If wheat goes down or wheat goes up, is not the difference settled in exactly the same way as though it were a gambling transaction?

Mr. SHERMAN. No. Sometimes it is, but that is not necessarily the uniform course of dealing among legitimate dealers. It may be settled by setting off against or transferring the trades to others and balancing accounts. Among mere speculators on the market it is a mere wager or gamble and never intended to be anything else.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New Mexico?

Mr. SHERMAN. I do.

Mr. FALL. If a miller buys 300,000 bushels of wheat, expecting to mill it, and it is a legitimate transaction, the wheat to be delivered, we will say, between May and July at his mill in Chicago, he buys that wheat at a certain price and becomes obligated to pay a certain amount for it. Now, when he sells the wheat to hedge, as the Senator says, to protect himself, does he ever expect to deliver the wheat that he has sold?

Mr. SHERMAN. No.

Mr. FALL. Then that is a gambling proposition.

Mr. SHERMAN. No; it is not a gambling proposition.

Mr. FALL. But he expects delivery on the one hand and does not expect to deliver on the other.

Mr. SHERMAN. He expects to stand one off against the other either in that transaction or by transferring trades to others.

Mr. FALL. But that is by closing a transaction on the margin market in the one instance where he closes it at the mill market in the other.

Mr. SHERMAN. It may be called, I suppose, by strict moralists, in one sense a gambling transaction, in that there is an element of chance, but it is entered into by the miller, not for the purpose of making money, but for the purpose of protecting himself. I know of no prosecution on a hedging contract of that kind under any of the laws I have investigated where a miller who actually worked with grain was ever held to be a gambler because he went out and reversed the transaction.

Mr. FALL. No; but I am asking for information. I am just trying to get at the effect of the Senator's argument.

Mr. SHERMAN. In a sense it is taking a chance to balance another chance. He is gambling with himself.

Mr. FALL. Now, in the instance the Senator mentions his miller comes on here and contracts with a foreign government for the sale of $900,000 worth of flour. He goes and buys the wheat to convert into the flour. He knows exactly what he is doing. He is selling his flour for future delivery at a certain given price, and he is buying his wheat for future delivery at a certain given price, and he knows what his profits are. Now, why should he be allowed to keep up the price of wheat? Because that would be the effect of his selling the same amount of wheat. It is just to steady the market, is it not? Why should he be allowed to go onto the market and sell for future delivery, which he never expects to make, the same amount of wheat exactly? He has gone into a legitimate business transaction in the first place.

Mr. SHERMAN. Yes, sir.

Mr. FALL. The only possible purpose that I can see in his selling the same amount of wheat is to protect himself against a drop in wheat in the meantime. Then his purpose is to steady the market, to keep his wheat at that price, to prevent competitors in the meantime buying wheat more cheaply than he has bought it, and thus competing with him in the sale of flour.

Mr. SHERMAN. They could not compete, according to the Senator's statement, because there is a contract for a given price and a given quantity. It could not affect that transaction.

Mr. FALL. Precisely. Then, if he has made that contract, there is no necessity for his hedging, because he knew what his profit was going to be. If he has not made that contract, but was buying wheat to convert into flour to sell the flour on the market, then, you might say, it was necessary for him to hedge, but it would be against some competitor buying wheat more cheaply than he had and thus underselling him in the flour market.

Mr. SHERMAN. All right; I will get to that.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. I do.

Mr. KELLOGG. Suppose a miller is selling his product all over the world, as he can, to actual purchasers. He has not contracted it in advance, but he is selling it from time to time. He knows that next July and August he is going to sell his product to somebody. It is necessary for him to buy 10,000,000 bushels of wheat for delivery in June, July, August, September, and October. He is afraid to run the risk of being bankrupted by a fall in the market price of 10 cents a bushel, perhaps. Is it not perfectly legitimate for him to sell for June, July, August, September, and October the same amount of wheat which he is going to manufacture, and when he actually delivers the flour buy in the wheat from day to day? He has the wheat there in his elevators and is insured a supply, and he has run no risk in the market.

Mr. FALL. I think the only effect and the intended effect of it is by equalizing the price, maintaining the price of wheat equally during the interim, to prevent a competitor purchasing wheat more cheaply than he does and selling the flour in competition with him. I call the Senator's attention to the fact that by virtue of having this wheat market or wheat pit, as it is called, it is true that by these sales backward and forward you are enabled to some extent to protect yourself—to hedge. The farmer engaged in raising other products, unless it is possibly cotton, is generally not so able to hedge.

For instance, a man can go into the cattle business, and he himself simply turns over a train load or a herd of cattle to market. It is impossible for him to protect himself by hedging of this character. He can not do it. These cattle are sold and practically delivered. It is very true that it may not be the case with their products. When cattle or hogs are converted into salt pork or pickled beef he can hedge against that going down, but the average business man in the United States has not the protection which would result from the establishment of gambling houses all over the country where a man might go in and hedge. If that were the case the housewife would hedge against the purchase of a barrel of potatoes. In other words, she orders a barrel of potatoes to-day from a grocer, and it might be very advantageous for her to sell through some broker her potatoes to be delivered the next month and equalize her price.

It might be best to consider that in connection with the food bill which is now being prepared, that we open the wheat pits, or grocery pits, or potato pits, or cabbage pits, or butter pits, or egg pits in every market all over the United States, so that everyone who makes a purchase may hedge. If I go to my tailor and order a suit of clothes for delivery 30 days from now it might be very well to enable me to protect myself by going to some broker and selling a suit of clothes for delivery on the same day, so that I would not lose anything by virtue of the price of clothing going down. It seems to me that that is all this argument about hedging in the sale of wheat amounts to.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. SHERMAN. Certainly.

Mr. GORE. I will say in reference to the chief statement of the Senator from New Mexico that there would really not be a hedging transaction in that case where a miller buys a crop of wheat and stores it in a granary and sells the flour at a fixed price for future delivery. There is no hedging transaction in that because he knows where he is coming out. But suppose a miller in Minneapolis gets an order for 10,000 barrels of flour in May. He has not the storage capacity, and he has not the capital to carry the grain for so long a time. In that case he would buy wheat deliverable in May, and that would protect him and enable him to know exactly where he would come out. In his transaction with the flour the miller has his trade, his miller's profit, and could hedge against any gambler's profit or loss which might occur. Or if, on the other hand, the miller bought wheat expecting to sell the flour at the current price in the future and did not enter into a future contract for the delivery of flour at a fixed price, in that case when he bought spot wheat and stored it in his mill he could sell future wheat against it. Otherwise it might wreck any milling company in the country. I think in the case stated by the Senator from New Mexico, as I understood it, that would not have been a real hedging transaction.

Mr. FALL. I will say, if the Senator from Illinois will allow me, that I stated two cases, one in which flour is contracted for to a foreign government, for instance, an outright sale of flour. The miller not knowing what was being done, would purchase wheat at a certain amount and deliver flour at a certain given profit. In purchasing the wheat to convert it into flour he might sell that flour on the open market, but he hedges in most instances.

Mr. GORE. He would not hedge in the first instance, but he would hedge in the last.

Mr. FALL. Is not the selling of the flour in the first instance a gambling transaction pure and simple, if it is not a hedging proposition?

Mr. GORE. As I understand it, the grain crop is harvested in two months and the miller can not have the capital and has not the storage capacity to run his mill 10 or 12 months in the year. The millers have not the capital or the storage capacity to buy all the wheat in August, when it is harvested, and lay it aside or store it away for grinding in March, April, and May of the next year. It requires a good deal of capital to carry a mill over. It requires an enormous amount of cash.

Mr. FALL. If the Senator from Illinois will permit one more word, the whole argument resolves itself into this. Through the medium of transactions on the stock exchange a man in a certain line of business is able to protect himself whether by hedging or gambling sales, and the ordinary business men in the United States has no such facilities. He must take the ordinary risk of his trade. That is about the argument as I understand it.

Mr. REED. Mr. President, let me state that a little differently. As I understand it, if a miller gets a contract to de-

liver 10,000 barrels of flour next May to the French Government he will require to make that flour approximately 45,000 bushels of wheat. He does not have the wheat at the time he makes the contract; he must buy it. Accordingly he goes into the market and buys 45,000 bushels of wheat for future delivery, to be delivered to him we will say in the months of March and April, when he is going to grind that wheat. Does the Senator think there is anything wrong in that?

Mr. FALL. When making a contract where he has not the wheat, but makes a contract for delivery of the flour?

Mr. REED. Yes.

Mr. FALL. Nothing at all. That is an ordinary transaction.

Mr. REED. Is there anything wrong for him to sell flour to be delivered in the future?

Mr. FALL. Certainly not.

Mr. REED. And sell when he has not got a barrel of flour?

Mr. FALL. Certainly not.

Mr. REED. It is all right for him to go into the open market and buy that wheat to be delivered to him at an appropriate time in the future?

Mr. FALL. Yes, sir; that is legitimate, for that is for the actual delivery of the wheat to enable him to fill his contract which, if he does not fulfill, he will be responsible for.

Mr. REED. Exactly. Now, suppose he buys this wheat. He is just a grain dealer, and he does not have any wheat, but he expects to go into the market and buy wheat. Is there anything wrong in that man selling him 45,000 bushels of wheat?

Mr. FALL. Not if he is a responsible party. I suppose that would be a legitimate transaction possibly.

Mr. REED. Suppose the man does make a contract with this miller to deliver him 45,000 bushels of wheat in the month of May at $1.10 a bushel. He does not know what the price of wheat is going to be. It may be $1.20; it may be $1.30; it may be so high that it will break him to carry the whole of the risk. He finds a man to whom he can sell 45,000 bushels at $1.12. Now, he has reduced his risk 2 cents a bushel. Is there anything wrong about that transaction?

Mr. FALL. Not in so far as he is concerned.

Mr. REED. Is there anything wrong on the part of the other man, who is a grain dealer, buying and selling?

Mr. FALL. It is, in my judgment, an entirely wrong theory of government to allow such a transaction to interfere with the food prices of the people of the United States.

Mr. REED. Now, the question is, Do they interfere with them? I am not talking about gamblers on the delivery and I am not talking about corners; I am talking about men who are really engaged in handling the grain, buying and selling grain, and making grain into flour and selling it. I call the Senator's attention to this. I am not in this matter in a controversial spirit at all.

Mr. FALL. Nor am I.

Mr. REED. My whole effort to-day has been to call attention to the fact that we are on the wrong trail as to the causes of most of the rise in prices of grain. Now, we talk about speculators; we talk about gamblers. I call the Senator's attention to this. If I actually go into the market and buy a million dollars' worth of wheat the fluctuations of the market may send that wheat up so that I may make 50 cents a bushel, in which event I would make $500,000 profit. It might send it down so that I could only get 50 cents a bushel, in which event I would lose half a million dollars. My gamble in that kind of a deal is $1,000,000. That is the chance, that is the hazard I have undergone. Yet everybody says that is a legitimate transaction. Now, having bought a million bushels of wheat at a dollar a bushel I sell a million bushels of wheat at 90 cents a bushel. My gamble is now reduced to a thousand dollars. So, instead of being a hedge of that kind, instead of being in the nature of a gambling operation, it is in the nature of reducing the gambling chance.

Mr. FALL. Yes; Mr. President, let me answer the Senator, it is in the nature of maintaining the ultimate price of the flour. I am presuming on the time of the Senator from Illinois.

Mr. SHERMAN. That is all right.

Mr. FALL. The transaction which the Senator has just stated resolves itself down to terms like these: The miller engages in the legitimate production and sale of flour and will need in the ordinary course of his business delivered during, we will say, three months, so much wheat. He goes to a man who has not that wheat and agrees that he will buy the wheat from him, although the man does not pretend to have it and the miller knows that he has it not, but he knows the man will be responsible.

Mr. REED. He is a responsible dealer?

Mr. FALL. Yes. He then gets his responsible dealer to deliver that wheat at those prices, and at a profit. That is my statement of the case. The Senator disagrees, but if we would not disagree we would not have this little argument. This man who, according to my statement of the case, bet that he would be able to procure wheat and fulfill his delivery at a certain price then goes to the man who has wheat and buys it at that price. The miller having bought it originally from the man who had not the wheat, then bets another man that instead of being $1.10 it will be $1.12 for the same delivery exactly. He does not intend to deliver the wheat, he has no idea of delivering it, but he hedges legitimately, as some say, against his original purchase, so that his loss at the outside will be only 2 cents a bushel. He sells to some man who has no use for the wheat, who has no intention of using the wheat, but who is simply saying, "I will take that wheat at $1.12 and I will stand the loss if it is only $1.10 and I will reap the profit if it is $1.15."

Now, what is the total of the business? We started, we will say, with 100,000 bushels of wheat which the miller wants. He has bought 100,000 bushels from a man who did not have it. That man had bought another 100,000 bushels from a man who did have it. The miller sold 100,000 bushels to a man who did not want it and which he did not have or that he did not expect to deliver. That is 300,000 bushels, and the man to whom he sold it the chances are sold it to a dozen different others on a gamble or bet; and there are 400,000 bushels of wheat all involved in this one transaction of 100,000 bushels. You build up this artificial condition and each one is gambling on the purchase of the miller, which is a perfectly legitimate purchase, and it totals up in that way to 400,000 bushels of wheat. In the meantime, during the three months of the delivery, he goes on the wheat market and buys wheat at less than the others and undersells them on the flour market.

Mr. REED. Very well. Let us draw a conclusion. Let us see if the Senator is correct. Then does it not follow if that transaction tended to keep the price of flour up to the miller by keeping the price of wheat up to the miller it tended to keep the price of wheat up to the farmer?

Mr. FALL. It would if it was all a legitimate transaction, if the transaction embraced in this entire proposition was the delivery of 100,000 bushels of wheat; but here were 400,000 bushels, and one set of men are engaged whose entire interest is in raising the price of wheat above $1.12, or just as high as they can get it, and another whose entire interest is in decreasing it just as much below $1.10 as it is possible for them to do by any trade which they may negotiate on the market. You have people gambling in 300,000 bushels of wheat, and every one engaged in either putting up the price of wheat or in putting it down. That is the trouble.

Mr. REED. Now, let us stick right to that illustration. If they put the price up——

Mr. FALL. One side loses.

Mr. REED. If they put the price up, the farmer gets the benefit of that increase. I am talking now aside from corners. We are leaving those abnormal conditions out. We are all against them. If he puts the price down——

Mr. FALL. The farmer does not lose.

Mr. REED. No; the farmer does not lose in that event. If you put the price down, the farmer will lose, but the consumer will get some benefit.

Mr. FALL. If you put the price down, the consumer will get something, but the miller is using all his efforts to keep that price up.

Mr. REED. Yes.

Mr. FALL. And reduce the price of wheat.

Mr. REED. You can not have both ends of this proposition. You can not eat this cake and have this cake.

Mr. FALL. Yes; you can.

Mr. REED. You can not argue that these transactions put up the price of grain and put up the price of products to the consumer unless you admit that it is a benefit to the farmer, because the figures indubitably show that the farmer's prices do go up when prices go up on boards of trade, and go up proportionately, except for corners.

Mr. FALL. I do not agree with the Senator's premise.

Mr. REED. Let me finish the statement. On the other hand, you can not say that the price went down to the farmer without also admitting that the price went down to the consumer.

Mr. FALL. I wish that statement was correct.

Mr. REED. I put in a table here made within a year which showed the value of flour followed the price of wheat up and down with the fluctuations in between.

Mr. FALL. From stock on hand.

Mr. REED. From stock on hand, and the unusual demand that comes from the European war. I am simply urging the Senator from New Mexico, I am urging all Senators as a matter of argument, as a matter of getting right on this question, not

to jump at the wrong conclusion. There is an evil here to remedy.

Mr. NELSON. Will the Senator permit me?

Mr. REED. Yes.

Mr. NELSON. It seems to me that the Senator's argument would be correct but for this fact: As a matter fact, by the time the speculative prices were reached in the last month or so three-fourths, yes, four-fifths of all the wheat had long ago passed out of the hands of the farmers, and they do not get any advantage of these speculative prices at all. Two weeks ago I met one of the leading grain men of Minneapolis. He is connected with the largest terminal elevator company there, and has, I think, 200 or more country elevators. I put the question to him: "Did not the farmers within your territory"—that means North and South Dakota and Minnesota—"last fall and during the early part of the winter, prior to April 1, market over three-fourths of their grain?" He said undoubtedly they did, and perhaps there is not more than one-fifth of last year's crop left with the farmers. I said further to him those farmers did not get on an average more than $1.50 for their wheat, and he admitted that was true. I said wheat to-day is three dollars and a quarter a bushel; who gets the profit? Where does the rake-off come? He undertook to go into a long story about hedging, by which somebody gets a profit, but it is not the farmer.

Mr. REED. Now, let me answer the Senator for just a moment. The Senator was not in the Chamber when I discussed that very question. I want to say to the Senator I have not the slightest interest in the boards of trade any more than my common interest as a citizen of the United States and a Member of this body in any business that is legitimate or if it is illegitimate then I have an enmity to it. I presented a table to show all these facts which will appear in the RECORD to-morrow morning—I think the reporter has it now; I wish I had it. When wheat reached the dollar mark in 1916 then it began to move rapidly from the farms. The only way we can trace that is the movement of wheat to centers from the primary markets. The primary markets contributed in one day something like 13,000,000 bushels, and wheat ran along between 8,000,000 and 13,000,000 bushels a day at those prices. Now, if that were sold by the farmer and in turn the price of flour for that period of time was in proportion to the price of wheat and the visible supply on hand had not increased, it shows that the wheat had been taken to the elevators and transmuted into flour. Following that along——

Mr. FALL. Mr. President——

Mr. REED. If the Senator will just pardon me.

Mr. FALL. It was only there I wished to interrupt the Senator.

Mr. REED. Following that along, as the wheat continued to rise in price the sales continued to be large until we reach the period when the greater part of the wheat had been drawn in from the farms and there came an actual shortage in the country. The speculator, as he is called—or the big dealer, as he is called—did not have a large quantity; he had less than he ever had in his life when this high price came. So it is not the case of the speculator or the dealer getting a large quantity of wheat from the farmer at a low price, holding it, and running the price up two or three times and then unloading it. On the contrary, if the figures I have are correct, and I think they are, there is a constant stream of wheat from the country to the consumer, the same price being maintained right through, and as the wheat rose in price it went up to both the farmer and the consumer.

Mr. WADSWORTH. Let me suggest relatively.

Mr. REED. Yes; relatively, certainly. I do not mean the identical price. There is always a profit, carrying charges, and those things.

Mr. NELSON. With the leave of the Senator from Illinois—and I am at his mercy——

Mr. SHERMAN. Certainly; I yield to the Senator.

Mr. NELSON. I wish to call the attention of the Senator from Missouri to the fact that the April report of the Department of Agriculture issued as to the winter-wheat crop was discouraging. Based on that report, prices went up 40 or 50 cents a bushel. Then the May report came on, and, accompanied with the agitation in the press and among some of the Government officials that there was a great shortage in the country, they took occasion to raise it another 50 or 60 cents, until it got up to $3.25 a bushel. It seems to me that that information from the Agricultural Department was of no earthly value to the farmer, but was the means to the speculator by which to enhance the price. So I have come to the conclusion that these monthly reports of the Agricultural Department, instead of being a benefit to the farmers, are used by the speculators either to raise the price of wheat or to lower it.

The Senator spoke of actual shortage. That is a relative term. If compared with the crop we had the year before, it might be true that there was a shortage; but that there was a shortage in the sense that there was a scarcity and insufficiency for supplying the needs of the country, it was not at all true.

Mr. REED. Mr. President——

Mr. NELSON. If the Senator will allow me, to-day the crop reports from the Northwest are encouraging, and it has not been brought about by either Mr. Hoover or the Agricultural Department. I read here from the letter of one of the leading grain men of Minneapolis, at the head of a big elevator company. He states that—

> The crop prospects in the Northwest are splendid to-day. If they could go through to the harvest time, we ought to have 300,000,000 bushels or more of spring wheat. How to handle this is the problem that stares us in the face to-day. The consensus of opinion among the grain men here is that when the amount of winter and spring wheat is known by the Government they ought to export to the allies all of the surplus above the requirements of this country, the allies to purchase the grain through one agency. Then the grain exchanges can regulate their own members so as to prevent hysterical buying, and thus handle the crop on a fair basis both to the producer and consumer.

If the Senator will still allow me a moment, I wish to call the attention of the Senator from Missouri to the great object lesson we recently had in Chicago. Speculation got so violent on the grain exchange that it even shamed those fellows. Crazy as they are, most of them, for money and possessed of the spirit of mammon, as many of them are, yet it got to such an extent that they finally concluded to suspend the sales on the grain exchange, except to complete existing contracts.

Now, what was the result? Wheat immediately tumbled from 50 to 40 cents a bushel just by the closing of that exchange. To me that conveys this lesson, that the remedy for this speculation rests with the grain exchanges. If they were imbued with a Christian spirit, with a spirit of patriotism and loyalty, instead of infatuated with the almighty dollar, they would take this matter into their own hands and furnish the remedy, for there is the seat of the difficulty.

The New York Stock Exchange in 1914, when Europe was dumping millions and millions of her securities on the market, bringing everything down here, not only the price of their own securities but of similar kind held by our own people, what did the stock exchange do? They closed the stock exchange for a considerable period and that operated to give temporary relief in the case of prices going down.

To my mind, the relief in this grain proposition is to be found with the grain exchanges. They must either voluntarily do as they lately did at Chicago, or we must compel them to take that course.

Mr. SHERMAN. Mr. President, when Christ found the money changers in the temple He did not do the Samson act and pull the temple down. He scourged the money changers out, and left the temple for legitimate purposes of worship.

Mr. NELSON. I hope you will do that.

Mr. SHERMAN. That is what I am in favor of doing; but not of destroying the temple itself.

Mr. NELSON. What does the Senator call "the temple"—the men who speculate in the temple or the building?

Mr. REED. It is the business.

Mr. SHERMAN. That depends on the mental attitude of the Senator. I am thinking about the agents of flesh and blood who buy and sell. As in the Scriptural simile, the temple was not the insensate stones out of which it was built, but it was those who habitually went into the temple. If they went for mercenary purposes they were properly subject to scourging, but if they went there for the purpose of worship they were exempt. If a person goes into a grain exchange for purposes of legitimate trade he ought to be exempt. The grain exchange is not of itself, nor are the people who congregate in and about the floor of the building, an evil institution. It may be perverted to evil.

The recent speculations in the wheat pit on the board of trade in Chicago were precipitated in the first instance by a condition for which the members of the board are not primarily responsible. It has done business since 1859. There are now more than 1,600 members who have seats on that grain exchange. I believe I am correct in saying that at least 95 out of 100 of them are legitimate dealers in grains and provisions, which are sold on the floor of that body. The remaining, say 5 per cent, probably, are simply scalping the market, taking the chances in the market and settling on those differences without any legitimate purpose of ever handling the merchandise in which the dealings are had.

I stated this afternoon to the Senator from Missouri, to illustrate the point that he was making—for it seemed applicable to the line of thought he was following then very forcibly—the

conditions in the Chicago market when this bulge in the prices began. The allies have been buying grain in our markets for over two years, and especially in Chicago. There, by force of conditions, collect the buyers and the sellers for the greater part of this cereal product of the West and Northwest. For one product in the Senator's own State already alluded to—wheat—there is the largest market in the world; but second only to that in wheat transactions is this grain exchange in Chicago. The allies in six months had so, unwittingly on their part, conducted their buying as to be competitive in character. They had bought in the wheat market May wheat to the extent of 500,000 bushels. These trades were negotiated through commission men or brokers on the floor. They found in a little bit that the allies had contracts for the delivery of that much wheat in this month. This created a very great demand for May wheat.

The investigation naturally followed of what the visible supply of wheat in Chicago was actually by counting the bushels of wheat that could be delivered in Chicago, the supply then on hand. There were 150,000 bushels of wheat in the elevators, and there was more than three times that quantity of May wheat to be delivered. The natural result followed. If there was only 1 suit of clothes in Washington and there were 96 Senators that wanted a senatorial suit, there would be 95 Senators who would be bulls on the market, because none of us would want to go home in a barrel. That was exactly the condition in Chicago on the wheat market. Nobody thought that you could sell 500,000 bushels of May wheat with only 150,000 bushels of wheat in Chicago that was accessible.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. I yield.

Mr. REED. I wish the Senator from Illinois would add at that point that it is pretty clearly shown that that shortage—the people who bought up the suit of clothes, to go back to the Senator's illustration—was caused by our friends, the allies.

Mr. SHERMAN. Yes, sir. As I have said, they did it unwittingly.

Mr. REED. Yes.

Mr. SHERMAN. But, nevertheless, it is like any other accident. If an ax out in the timber in the days when we cut wood flew off the helve and struck some one, it hurt just as badly as if it had been done with felonious intent. So the effect of this transaction of the allies on the market was precisely the same. Immediately prices went up, and they went up rapidly. We saw the quotations. I followed them, and I saw that they went to unprecedented figures in a very short time. Everybody in the wheat pit went crazy, especially the "shorts"; the men who had contracts for future delivery, knowing nothing of this condition, found at once that they would be pinched out of the market unless something was done.

Selling short is not a crime. Everybody sells short sometimes. We sell short in the campaign every time we want to be elected. From some investigations I have been in some of the voters sold short for future delivery that was never performed when the returns from their precincts were in.

In this particular instance, with 150,000 bushels of visible wheat and 500,000 bushels sold, of course there was trouble. All the "shorts" ran to cover. Nobody could be "long" on wheat on that kind of a market until he could get relief from the outside. Then we went to the outside to get it, and what did we find? An order over here from the Council of Defense that prohibited anything but coal and iron and steel products from being moved. I saw a fellow the last time I was in Chicago going down State Street carrying a stepladder. It was early in the morning; the rush was not yet on; but he illustrated exactly what the Council of Defense is sometimes doing. Every once in awhile he forgot there were two ends to the ladder and punched the eye out of a man who was following along behind him. They put an interdict on freight by prohibiting anything except certain commodities from being carried, with the result that we could not get any wheat in Chicago. My neighbors there who are engaged in the legitimate business of selling cereals could not get a bushel of wheat. The price went up. That is the natural result.

I want to illustrate it by some of the reports that I have here. Immediately when this condition became known outside dealers in Omaha, Nebr., and out in southwest Kansas, Missouri, and Illinois—wherever there was any surplus wheat—began to rush to the elevators. The elevator men telephoned and urged the farmers that had a surplus in their bins to ship wheat into Chicago. They tried to get box cars for the wheat, but could not. So it was a combination, as the Senator from Missouri says, of the allies and the inability, by some prohibition on the freight trains, to get any wheat into Chicago to relieve this condition that made the trouble. It shows how a branch of Government which undertakes to regulate commerce can make more trouble than it prevents.

When that was found out the price of wheat jumped again. The farmers in Nebraska and elsewhere began to let loose their wheat just as fast as they could load the cars with any probability of their being delivered. Wheat began to rush into Chicago, but not in sufficient quantities to break this bulge in the market. That lasted for some days and, as the Senator from Minnesota says, in the closing of the grain exchange for a time; I think for two whole days there was not a deal made in the wheat pit. That does not argue that the grain exchange ought to be abolished any more than that the bank ought to be abolished because at times there is a run on the bank and it quits business.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. Certainly.

Mr. NELSON. I never intimated that the grain exchange ought to be abolished. I intimated that there were times when it ought to be regulated——

Mr. SHERMAN. Then I agree with the Senator.

Mr. NELSON. Just as it was regulated for those two days.

Mr. SHERMAN. Then there is not any difference between the Senator and myself. I understand the Senator fully. The regulation would be proper. I think there are times when trading ought to stop.

Mr. NELSON. I should like to hear the Senator state how he would regulate the grain exchanges.

Mr. SHERMAN. I think that some power ought to be vested in the directors of the exchanges themselves, who ought to be connected with the food-supply authorities here at this Capital. Under certain conditions similar to those referred to by the Senator from Minnesota [Mr. NELSON] trading must be suspended for a time. It ought not be done blindly or arbitrarily. The exchanges ought to be consulted at least in an advisory capacity by the Government before they are suspended in an emergency. Such suspensions will be temporary in most instances.

Some of the discussion on "hedging" was caused, likely, by my not making myself entirely clear. A miller who is under contract to deliver a given quantity of flour at a given time or at given intervals at a price certain can buy the whole amount of wheat he needs at once at an agreed price. In that case he is not required to hedge. He may, however, simply buy an offer or "indemnity," so called, which is a mere option sold him by a dealer to call on the latter for a given quantity of grain at any time in a certain month at the market price on the day it is called for. This option may never be used. What he pays for the option is then lost, of course. The option may all be used as occasion requires. The price in this form of contract varies from day to day on the market. Against this a miller may properly hedge.

A miller may buy for general milling purposes to supply the ordinary demands of domestic consumers. Such purchases are to fill no booked order, but merely to supply what is estimated will be the normal future consumption for a given time. He sells flour to the trade as may be ordered from time to time, at prices agreed on when the flour is purchased. A fairly stable price to the dealer is possible only when the miller can get wheat at an even price during the period when he is selling flour to the dealer. This is effected by the hedging process.

In the case of a large sale of flour at an agreed price for future delivery at an agreed time, as in the instance named, hedging would not be necessary. With this explanation I think the Senator from New Mexico [Mr. FALL] and I will not seriously differ on this form of transaction.

I sincerely believe in the patriotism of the men who are at the head of large affairs in this country. I do not question their motives. Let me take as an illustration Mr. Patten, who has been mentioned. Mr. Patten began business as an oats dealer. I heard him on one occasion in a committee where the subject of futures was being investigated. At that time he dealt exclusively in oats. After giving some explanation of the way business was transacted in the oats pit, a farmer on the committee asked, "What is your business?" Mr. Patten replied, "I am a grain broker." The member said, "Be a little more specific. Are you not really a gambler in grain?" "Well," Mr. Patten replied, "you can call it that if you wish; but I am not as much of a gambler in grain as are you who raise the grain." Well, some one called on him to explain, and he did so. I can not undertake to go into details except to summarize. He said, "The farmer who raises the oats in which I deal takes infinitely more chances than I do. I know the oats-producing area of the world; I have agents or representatives to com-

municate with me by wire or cable as to prospects; I know the possible supply of oats, not only in this market but in every place where oats is a merchantable product; I keep track of it the year round. It is my business. The men who deal in this product know more about the oats market than anybody else. We do not gamble as much as the man who raises the oats. He owns the land, the horses, the agricultural implements, and the like, hires his help, puts his grain in the ground in season, and he has no more idea, save what is promised in Holy Writ of what he will have in the way of the advantages of nature than if he lived on another planet." And that is true. Whether he will get an oats crop or whether he will lose his work and the use of his land, or ever by his sowing raise a bushel is the most problematical thing in the world. The farmer by force of weather conditions is compelled to take greater chances in food products than the dealer; he can not help himself.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. Yes, sir.

Mr. NELSON. Is there any way by which the oats farmer raising oats on his own land can hedge against the wind and weather?

Mr. SHERMAN. Certainly. He can go to the all-wise Weather Bureau in Washington. The departments tell us everything; they tell us not to slaughter immature calves, and to ship nothing but coal, iron ore, steel products, and explosives to the allies. We can not get bread into our markets, but we can get bullets. That is governmental, but it is not natural. It is an artificial state of affairs under which we are living. The farmer is always working against or with the forces of nature, which are beyond human control.

But to resume that from which I was temporarily deflected, the oats dealer said, and proved his statement, that he took fewer chances than the farmer who raised the oats. Take him as an illustration. He has handled wheat on a very large scale since that time. I have known him for 30 years, and, as dealers go, in the parlance of the market, he is successful. His word is good. His finger up in the pit is just as good as a contract signed with a surety bond or cash back of it. He has said that he will not speculate in or sell for profit food products while the war continues. That is the point I started to illustrate.

Mr. NELSON. Mr. President, will the Senator yield to me again?

The PRESIDING OFFICER. Does the Senator from Illinois yield further to the Senator from Minnesota?

Mr. SHERMAN. Yes, sir.

Mr. NELSON. I have a vague recollection that Patten once got up a corner in oats. Am I mistaken in that?

Mr. SHERMAN. The Senator is not mistaken; no, sir. He is correct.

Mr. NELSON. At what time did Mr. Patten reform, and what brought about the reformation?

Mr. SHERMAN. Since the war began many men have said they will not try to make any money during the war. He has also made money in wheat. There are gentlemen residing in Washington—I do not know whether they are legal residents here or not—who during the recent bulge in wheat are reputed to have made $3,000,000 on the grain exchanges in Chicago and elsewhere. I remember a wheat corner several years ago in Chicago. Wheat was supposed to have accumulated in the hands of a few people, but during the time the corner was on and prices shot up to the blue sky the farmer, all the way from the State of the Senator from Minnesota down to the southwestern wheat fields of Kansas, emptied his bins and got the prevailing prices. At that time there was no freight car shortage, and every freight train that could carry wheat brought the grain from the wheat-producing sections. It was because of the great perfection of the transportation service that the bins of the producers were emptied of the wheat, and it was forwarded to Chicago literally by the hundreds of thousands of bushels. No man could corner all the wheat in the United States, and that is where this operator failed.

I do not want to stray off on any issues that are not particularly applicable to the point I started to make, namely, that the managers of large affairs can be trusted. Mr. Armour is the responsible head and owner of the packing house at Chicago that bears his name, founded by his father, Philip Armour, some years ago. Mr. Armour is not only experienced in the packing of meats and in the cattle market, but is an authority, as well, along banking and other lines. I know he is often singled out as a horrible example of what men ought not to be, to wit, successful, and it is said that he inherited a fortune from his father. Well, I have more respect for the man who inherits a fortune from his father and behaves himself and works and doubles or trebles it than I have for the man who had not anything when he started. We fellows who had nothing when we started had to work; it was not a virtue, but a necessity; we either had to work or starve. So for the man who started with a fortune and has taken care of it and used it and given employment to his fellow men I have as much respect as for the man who started with nothing and succeeded. Mr. Armour has stated that his packing plant is at the service of the Government, with no profit save to keep it in condition to be run to furnish food products for military and naval purposes. The other great packing houses will do the same thing. I do not know that they have publicly made the offer, but to me information has come of a reliable character that they will do exactly the same thing.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. Yes, sir.

Mr. REED. I should like to state to the Senator that I have a telegram from a number of the smaller packing companies—and while they are smaller than the great ones, they are very important institutions—making the same tender to the Government at any time.

Mr. SHERMAN. I thank the Senator for adding that information, which I did not have at the time. In the cities of New York and Philadelphia, and all along the Atlantic coast, and in Cleveland, Chicago, and Kansas City, where I have some acquaintance, men of the very largest concerns in private life are to-day tendering their services without cost to the Government. The head of one of the largest State banks in my section of the country was in the city of Washington day before yesterday and tendered his services to the Government. In earlier life he was a civil engineer. I know men, locomotive engineers in their earlier days, who have become railroad superintendents or managing powers in the great shops of the continental systems, who to-day are tendering their services to the Government. The Government to-day, if it will properly organize the force through its War Department, can mobilize the greatest army of skilled laborers and of skilled men, from the executive departments of great industries down to the humblest machinist, that the world ever saw. What must be done is to use and not repel, arouse not chill, organize not disable, those great powers. I was concerned in securing passports day before yesterday for the last of 20 young men, from 23 to 25 years of age, who take passage to-morrow from a certain port on the Atlantic coast on the way to France, volunteers—ambulance drivers—going from a single city to undertake the most dangerous occupation there is at the front, more dangerous than service in the trench with the rifle. That is the spirit that manifests itself in the western country. We were not overly enthusiastic for war, but now that war has come, there will be no laggards there, whether among the members of the boards of trade, whose transactions run into millions in a year, or among the men looking out of locomotive cabs, or the man with the hammer or lever in his hand in a machine shop.

The idea that a grain exchange or board of trade—and I am not now referring to anything said by the Senator from Minnesota, whom I fully understand and with whom I concur—becomes a menace in times like this, to my way of thinking, is a great error. It has its evil influences, of a kind infinitesimally small in proportion, as I have indicated; but, on the other hand, in a time like this we need those agencies. The members of the board of trade know the possibilities of the grain and provision market in this country. From the packing houses will come our meat supplies, and not only that but incidental needful products and many things outside of the ordinary line of provisions. In addition to that we have the ability of the men who are gathered in the grain exchanges and who know the possibilities of the market. They know how to buy and sell and where to get commodities. I do not think that we ought in any manner to hamper the ability of these men for service in the coming crisis.

The allies on the Chicago market bought wheat unwisely and made the trouble to which I have referred. What ought to be done is to organize our purchasing ability and mobilize our supplies through the agency of boards of trade, prohibit speculation, prohibit transactions for undue profit in which the Government is engaged or anything which may interfere with the efforts of the Government to supply itself, but use their ability. When that is done we will have these agencies that already exist turned into powerful instruments for the collection and distribution of the food supplies that we must have. We ought not to destroy a single one of those agencies. I would regulate them; I would prohibit speculation; and I think we can devise here, either in the full committee, in subcommittee, or on the floor of the Senate—and there have been presented here some very

good amendments to measures pending since the 2d day of April in my judgment—such amendments as will perfect a measure of this kind without interfering with the lawful and necessary functions of these boards, so that we may employ them during the war. If we do that we have gained something, whereas if we destroy those agencies we have lost material and necessary forces. Let us use them in such a way that we can avail ourselves of their power.

I want to stick to the text as near as I can and not take too much time; but I am moved to remark, as a Senator did on the floor here some days ago, that we have many commissions and boards and perambulating agencies that overlap and intertwine with each other, until we are likely to trip ourselves, like a giant in combat, and fall as the result of our own lack of agility in marshaling our resources.

I have spoken of the slaughter of immature calves. I had a letter from a friend of mine, which I thought was somewhat personal. He was a stockman living in a very important dairy section. He seemed to think that Congress needed the protection of such a bill. I indignantly repudiated the suggestion; but, aside from that, his argument was that if we prohibited the slaughter of immature calves we would prevent the production of calves. That is an illustration of how many of these agencies are moving here in a way to defeat the purposes they have in view. I will vote for such a bill as that whenever the all-wise Agricultural Department will give the stock raiser or the dairyman the power to determine the sex of the calf before it is born. Under no other condition can a dairy section safely have any additions to its herds. Make it a penal offense to slaughter a calf! Well, some of them have blooded stock. They have Holsteins, which is the prevailing dairy stock out in that country; they are registered, and their offspring are eligible to registry. Well, as nature arranges this thing, there is half-and-half. No dairyman, if he has a hundred Holstein cows which produce 50 gentlemen calves, wants to keep more than 1 of the 50. What he wants is 50 of the other kind. He wants the ladies, because to him they are the valuable ones all the time, not only in the dairy herd but the world over. That is an example of civilization. The more we take care of the female sex the higher we rise in the plane of intellectual and moral development. So on that argument a dairyman is the highest exponent of the art of live-stock cultivation. One of the 50 calves of the prohibited class will answer all purposes. You can not sell the other 49, because everybody around that country has all the blooded Holsteins he wants of that type. So, if he can not dispose of the 49 by selling them for veal, you will have to penalize the live-stock raiser. He will have to keep the male calf until he is a year old, as provided by one of these bills, which is called a food-conservation measure.

Mr. THOMAS. Two years.

Mr. SHERMAN. Two years. I thank the Senator. Well, that is worse yet. What will the calf do the first year? Nothing but consume milk. There are two ways in which to introduce milk into the healthy calf's system. The one is the way that all warm-blooded young mammals employ. The other is to feed out of a bucket. You all know, if you have lived on a farm, what a bucket-fed calf is. It soon assumes a rotund form in its abdominal region, like a Chicago alderman or a dirigible balloon, and it takes it to the end of the two years before it gets over the stuffing it has had because of the abnormal methods of feeding in the early part of its life.

So you punish the farmer in that way to begin with; or, if he slaughters it, you fine him $100 for the slaughtering of the calf or selling it to anybody to be slaughtered. It is not a merchantable article. That kind of live stock is a liability. The more of it a farmer has the poorer he is.

There is only one way to relieve him of that. If he sells it you have got to make the purchaser guarantee that he will keep it two years. That would be a real live market for live stock, with something of that kind attending the purchaser. That is the "conservation of food" principle that has been adopted here, and legislation of that kind has been urged. The only thing you will be finding as the result of that will be a shortage in dairy supplies. That is the natural effect of it, because with such limitations upon a man he will cease to breed cattle, and in from five to seven years the milk stock in the dairies of this country will exhaust themselves by the processes of nature and dairying will cease to be profitable or we will cease to have supplies. You can not cheat nature; neither can you cheat a farmer whose principal operations are in the processes of nature, and he will simply quit raising. You can not penalize him for that. You can not make a man raise calves.

Mr. REED. Oh, yes; you can; draft him.

Mr. SHERMAN. Certainly.

Now, another thing in these processes: We have an order here, Order No. 1 from this Council of National Defense that I spoke about a while ago, interdicting freight except for coal and iron and iron products. It has stopped all the building in my country. We can not get any Portland cement. We can not get any crushed stone. We can get no sand, nothing used in concrete, in cement work, in road making, in bridge building, in office structures, in houses. All of it is held up and stopped, and hundreds of men are out on the street with the recourse of going to a recruiting station after the 5th day of June, finding that they have been conscripted, and getting into the Army if they are of the proper age; otherwise they will have to go and hunt a new form of occupation outside of what they have been following. These cement workers are feeling the effect of it. It seems to me that we are making haste here by destructive processes, and that in the end it will turn out that we have destroyed the very agencies and nullified the very means by which we might accomplish the results for which we all hope. Among them are some criticisms of the kind here on the grain exchanges.

I will join with any Senator here in putting forth, and to the best of my ability helping frame, anything that will regulate the abuses of the grain exchange; but I shall not vote for anything here that will prohibit the grain exchange from operating. If it be sought to tax them on future deliveries so excessively as to break up the grain exchange, it will accomplish the same purpose. The power of taxation can destroy anything. It is a lawful process by which every operation of the market, the field, the mine, and the forest might be stopped.

I have some amendments on which I desire to be heard later, but for the present, on this particular branch of the bill, following out the line followed by the Senator from Missouri, I have said all that is material.

I therefore yield the floor.

The PRESIDING OFFICER. The question is on the amendments of the committee, which will be stated.

The first amendment of the Committee on Agriculture and Forestry was, on page 1, to strike out lines 3 to 9, both inclusive, and, on page 2, to strike out lines 1 and 2, in the following words:

That for the purpose of more effectually providing for the national security and defense and carrying on the war with Germany by gathering authoritative information concerning the food supply, by increasing production, by preventing waste of the food supply, by regulating the distribution thereof, and by such other means and methods as are hereinafter provided, the powers, authorities, duties, obligations, and prohibitions hereinafter set forth are conferred and prescribed.

The amendment was agreed to.

The next amendment was, on page 2, to strike out all of section 2, in the following words:

SEC. 2. That the Secretary of Agriculture is authorized to take such measures, to use such means, and to employ such existing or additional agencies of the Department of Agriculture as he finds necessary to stimulate the production, to promote the conservation and utilization, and to facilitate the distribution of foods and feeds.

The amendment was agreed to.

The next amendment was, on page 2, line 9, to strike out the words "SEC. 3."

The amendment was agreed to.

The next amendment was, on page 2, lines 18 and 19, after the word "instructions," to strike out "to produce books, letters, papers, documents, or reports, or," and on line 22, after the word "neglect," to strike out "to produce such books, letters, papers, documents, or reports, or who shall refuse or willfully neglect," so as to make the paragraph read:

That the Secretary of Agriculture is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food. It shall be the duty of any person, when requested by the Secretary of Agriculture, or any agent acting under his instructions, to answer correctly, to the best of his knowledge, all questions necessary to carry into effect the provisions of this section. Any person who shall refuse or willfully neglect to answer any such question, or who shall willfully give answers that are false, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

Mr. GORE. Mr. President, I will ask to have that amendment passed over.

The PRESIDING OFFICER. Without objection, the amendment will be passed over. The Chair hears no objection. The Secretary will state the next amendment.

The next amendment was, on page 3, line 4, to change the number of the section from 4 to 2; on line 7, after the word "purchase," to strike out "grow or otherwise procure"; on line 8, after the word "them," to strike out "by sale or otherwise";

and on line 9, after the word "farmers," to strike out "on credit or other terms" and insert "for cash," so as to read:

SEC. 2. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or feed crops, he is authorized to purchase such seeds, to store them, and to furnish them to farmers for cash at cost, including the expense of packing and transportation.

The amendment was agreed to.

The next amendment was, on page 3, line 11, after the word "transportation," to strike out down to and including line 9, on page 4, in the following words:

The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such seeds and to pay for them at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such seeds on delivery the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such seeds, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies.

Any moneys received by the United States from or in connection with furnishing seeds to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

Mr. WALSH. Mr. President, before we pass that feature of the bill I should like to address an inquiry to the chairman of the committee. To what end should we provide that the Secretary of Agriculture shall buy seed and sell it for cash? If the farmer is obliged to pay cash for it he might as well go out into the market and buy it.

Mr. GORE. I will say that some members of the committee made that argument before the committee, if I am at liberty to say so. There were two points made, however, in favor of this proposition, particularly by the Senator from North Dakota, who is a farmer. He said that often he might want seed, but he could not buy it in carload lots. He said that other individual farmers would want seed and were willing to pay cash for it, but they could not get it shipped in in small lots, except at a freight rate that would render it impossible; but he said that the Government, by having the power to buy the seed in carload lots and ship it into a community of that sort and sell it for cash, could meet that sort of a situation. There were Senators who were unwilling to start the policy of selling on credit, for many reasons which will, of course, suggest themselves to the Senator from Montana; but that was the point on which it turned.

Mr. WALSH. Mr. President, before voting for the bill with this provision in it I should like to be advised of some necessity for our legislating upon this subject at all.

Some weeks ago a great many people in my section of the country entertained the view that the situation was of sufficient seriousness as that the Government ought to make an appropriation for the purpose of enabling farmers who were without means to secure seed to borrow enough from the Government to secure seed for the purpose of increasing their production, the amount to be repaid as soon as the crop was harvested. Fortunately, at least so far as my own State was concerned, the farmers and the banks are so situated as that they reached the conclusion, I think, that Government aid was not necessary or desirable. I was very glad to say to the committee that Montana would be able to finance its own farming operations; and I am glad to say that, although there is a prospect that the crop will be increased by from 25 to 50 per cent, we shall be able to finance it very nicely.

I can not quite understand, though, what the occasion is for the Government going into the business of buying seed and peddling out seed to farmers for cash. If any occasion of that kind has ever arisen, it must be in some section of the country with which I am to no extent familiar.

I can very readily understand, I will say to the Senator, that there might be seed coming from some distant country, something in the nature of a trial or a test, something that is not available in our markets which the Government might bring from a distant country, as, for instance, sugar-beet seed, or something of that character; but I have yet to learn of the occasion which gives rise to the suggestion of legislation of this character, and I hope that somebody more fully informed about the matter will be able to tell us what it is.

Mr. SMITH of Georgia. Mr. President, this section as it was found in the original bill came from the department, practically. It was the view of the department that quite a substantial contribution might be made through the department to the stimulation of food production if certain very broad powers were given to the department. The committee did not favor going as far as the suggestion of the department went, but we were willing to concede that the department was able to learn of the localities where seeds could be procured, and also, through its various agencies, the localities in which seeds were scarce; and it was the opinion of the department that opportunity would probably be given to stimulate food production to a large extent if it was prepared, wherever the emergency arose, or wherever a larger supply of seeds could be used than were found in the locality, to place in the locality seeds in quantities meeting the demand of the locality.

We acceded to that view to the extent of furnishing a fund temporarily to buy seeds, but requiring that the department dispose of them for cash. Our view was that even though there might be a local shortage of seeds, even though the department might be able to contribute toward larger food production by placing seeds in considerable quantities in a particular locality, the farmers desiring to use them could always find local support and local credit with which to provide funds; and we were opposed to the Government going into the credit business in the disposition of any of these seeds.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Mississippi?

Mr. SMITH of Georgia. I do.

Mr. VARDAMAN. From reading this, I apprehend that it is to meet contingencies to arise in the future, and not for immediate use now.

Mr. SMITH of Georgia. Yes.

Mr. VARDAMAN. It is a provision that is made in contemplation of the possible continuation of the war and to meet conditions in the various communities of the United States where they are not able to buy.

Mr. SMITH of Georgia. Or even during this summer or this fall.

Mr. VARDAMAN. Well, I say, in the future—not now.

Mr. SMITH of Georgia. Yes.

Mr. VARDAMAN. This crop is all right.

Mr. WALSH. Mr. President, the idea that was in the minds of the gentlemen who drafted the bill is quite evident from its language. As originally framed, the bill authorized the Secretary of Agriculture, whenever he shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or food crops, to purchase, grow, or otherwise procure such seeds, to store them, and to furnish them, by sale or otherwise, to farmers, on credit or other terms. That was the idea that was in the mind of the farmer—the same idea that I suggested was agitated some time ago. The idea was to provide seeds to farmers upon credit; but that idea having been rejected by the committee, we must find some other reason and some other occasion for the provision as it would stand when the amendment is adopted.

Mr. GORE. Mr. President——

Mr. WALSH. I yield to the Senator from Oklahoma.

Mr. GORE. I think the experience of the Senator from Montana and the experience of the State of Montana is largely responsible for dropping out the language which has been stricken out by the committee.

The Senator introduced a bill appropriating, I believe, $5,000,000 for the purchase of seed. There was an acute situation in his State. I did not agree with the Senator's theory when he introduced the bill. Afterwards he came before our committee and said that he did not care to insist on the passage of the bill and withdrew the request for it. It worked out as I anticipated it would, and as I think it ought to work out. The people themselves meet these situations.

I felt very reluctant to embark upon a policy of buying seed and selling it on credit. We have had a good deal of experience with irrigation plants, and I do not believe a great deal has ever been paid on those plants. I know that the Senators or the Congressmen from a State where seed was sold on credit would turn up at the next session asking either that the payments be postponed or that they be canceled. My own judgment is that free corn did more to enervate the energies and the virtues of the Roman people than any other one thing. It was felt, however, and on the insistence, I will say in his absence, of the Senator from North Dakota that possibly there might be situations where the farmers desired seed and could not purchase it in sufficient quantities to secure favorable freight rates; and we thought that to meet that limited situation it might not be amiss to bring back the provision that the bill now contains. I agree entirely with the Senator myself. The committee took a different view of it, and I deferred to their collective wisdom.

Mr. KENYON. Mr. President, may I add to that just the statement of the Secretary on this point before the committee? He says, on page 20 of volume 1 of the hearings:

> We could not go into the business of supplying seed wholesale, because it would involve too big an undertaking, but we could furnish some relief in restricted sections. We might assist communities which are in distress in securing seed at lower cost by securing them in larger quantities. Especially should we undertake to protect and safeguard our seed supply for next year.

So that another argument is that by buying in larger quantities the department could furnish them at cheaper rates, even for cash.

Mr. WALSH. Mr. President, before the matter is passed, in view of what has been said by the chairman of the committee, I feel that a further word from me is quite appropriate.

I went before the Committee on Agriculture and Forestry and called their attention to a state of affairs which was reported to exist in the State of Montana that presented a rather serious situation. As is well known, Montana is getting to be a very great producer of wheat. Winter wheat is the variety chiefly grown. It was cultivated with great success and on a very large scale, first, in what is known as the Judith Basin country. Information came of 400,000 acres of winter wheat in that country, of which at least 75 per cent was winterkilled. Although perhaps the original estimate was high, the fact remains that many thousands of acres of winter wheat in Montana have been winterkilled; and with that came the information that in order to meet the expectations of the country in the matter of an increased food supply, it would be desirable to seed a large portion of that area to spring wheat, and that many of the farmers had exhausted their resources in the seeding which they had done during the fall and late summer and were unable to provide themselves with the means to secure the seed for spring planting.

As a matter of fact, I did prepare a bill, as suggested by the Senator, after conference with the Secretary of Agriculture, the Farm Loan Board, and the Federal Reserve Board, looking to the appropriation of $5,000,000 to loan to farmers who desired to make use of the money for the purpose of procuring seed; but about that time I got information from the president of the farm-loan bank at Spokane, a distinguished banker of my own State, who advised very strongly against taking that course. About the same time I learned also that a very active, energetic, and concerted effort was being made by the State council of defense to meet the situation. They had enlisted the active aid and support of banks throughout the State to meet the situation locally. Advertisements were placed in the newspapers by many of the banks in the country districts offering to extend, to the limit of their resources, credit to any deserving farmer who might desire to get money for the purpose of financing his farming operations; and from other sources I got information that the situation was being measurably taken care of.

Mr. PAGE. Mr. President, may I interrupt the Senator right there with regard to that matter? I should like to ask, if I may be permitted, whether there has not been a large influx of money from the East into the State of Montana, which has had the effect of keeping the rates down to a point considerably lower than has been current there in the past?

Mr. WALSH. I do not think any considerable amount of money has come into the State of Montana from the East within the last two or three years, except such as was loaned on mortgage security. Our banks are carrying very high reserves. Their deposits have increased wonderfully. The bank deposits in my own city have doubled within the past three years, and all of the banks in the State are carrying very high reserves.

Mr. PAGE. Is it not true, Mr. President, that the rates on farm loans, and indeed on all loans, in Montana have been materially reduced within the last two years?

Mr. WALSH. That is quite true; and the reduction recently is assigned by those best informed to the enactment and institution of the Federal farm-loan system. The prospect of getting loans from the farm-loan bank at a rate not to exceed 5 per cent has naturally operated already to reduce materially the rates on loans made by private lenders.

Mr. PAGE. It is only a matter of justice to the chairman of our Committee on Agriculture and Forestry to state that he was opposed, as I understood him, to this entire section, and only consented with much reluctance to its passage as amended. It will be observed, in line 21 of page 5, that the immense sum of $6,500,000 was reduced to $2,500,000, and that practically all of the objectionable features with regard to furnishing seed have been eliminated by striking out very much the larger part of section 2, so that as it is now written there would seem to be no great danger, because it provides simply that the Secretary of Agriculture may, for cash, act as a sort of clearing house in aiding the farmers to procure their supply of seed wheat or other grain. But I think when the Senator speaks of the ability of Montana to take care of all the requirements of her farmers, he is simply stating what I know to be a fact through my connection with it.

Mr. WALSH. This leads me to believe that the condition which suggested the incorporation of this provision in the bill does not call for legislation of that character, and apparently the committee was of the same opinion. Unless I shall be more fully advised concerning the necessity for the legislation as it stands now in the bill I shall move to strike out that portion of it.

Mr. KELLOGG. May I ask the Senator from Montana a question? He refers simply to the appropriation of $2,500,000 for purchasing seed.

Mr. WALSH. No; the appropriation, I take it, follows as a consequence of the provision found in section 2, as it now stands, which authorizes the Secretary to purchase seed and sell it to farmers for cash.

Mr. KELLOGG. It is that provision the Senator from Montana, unless further advised, will move to strike out?

Mr. WALSH. I shall move to strike out the first part of section 2, and when that part goes out I assume there will be no occasion for the appropriation referred to further on in the bill.

Mr. SMOOT. I wish to ask the chairman if it was the intention of the committee that the seeds should be purchased for this year?

Mr. GORE. I do not think they were to be purchased for this year. Perhaps a few peas, beans, and potatoes might be purchased, but certainly not anything else of consequence.

Mr. SMOOT. I know of nothing that could be purchased of service at this late day from the Government of the United States. They would not have sufficient time to get the seeds into the soil. The Government could not purchase them and then ship them to any part of the country to be planted in time to raise any crop whatever.

Mr. SMITH of Georgia. Some seed might be planted in the fall.

Mr. GORE. I think the Senator from Utah is correct in the main. Of course the operation of the bill is made to terminate with the war.

Mr. SMOOT. I do not think very much will come from the seed provision, and I believe it ought to go out.

Mr. GORE. I will say that under the provision there will be no ultimate loss of the expenditure on the part of the Government. What money it expends for seed it will get back from the purchasers of the seed. I do not think there would be any harm in permitting the provision to remain in the bill from the standpoint of the Treasury. So far as being a precedent is concerned, if there is objection to it on that ground, that is a different proposition.

Mr. SMOOT. I think it is a bad precedent to set. I do not believe in it as a principle. But there is this that could come from it, I will say to the Senator, and I consider that it would be a waste of money: The Secretary of Agriculture, if he saw fit, could send out a lot of men over the country to find first the price of seed, where it was located, and what we could purchase it for. That expense, of course, would be paid out of the appropriation, and it would be, in my opinion, a loss of money.

Mr. GORE. It would be a loss of money if that policy was pursued to that extent I will ask that this amendment be passed over. Possibly others will not require so much discussion, and we will revert to it when we complete the other amendments.

Mr. SMITH of Georgia. There is no objection to the amendment, I understand. The objection is to the amendment as proposed to be amended. I think the amendment can be adopted without opposition. That does not carry the remaining provision of the section.

Mr. GORE. Very well.

Mr. SMOOT. But if we agree to it we shall have to reconsider it.

Mr. GORE. We are merely agreeing to the amendment now, not to the section. We are considering only the amendment.

Mr. SMITH of Georgia. That is all.

Mr. SMOOT. And let the balance of it go?

Mr. SMITH of Georgia. It will stand for consideration later. The committee has trimmed it substantially, and it is a question to be determined whether we ought to leave what the committee has left.

The PRESIDING OFFICER (Mr. HOLLIS in the chair). The question is on agreeing to the amendment of the committee, which will be stated.

The SECRETARY. On page 3, line 11, strike out after the word "transportation" the remainder of the bill down to and including the word "receipt," in line 9, page 4, in the following words:

The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such seeds and to pay for them at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such seeds on delivery the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such seeds, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies.

Any moneys received by the United States from or in connection with furnishing seeds to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

The amendment was agreed to.

Mr. SMOOT. May I ask whether all the amendments in section 2, down to line 11 on page 3, have been agreed to?

The PRESIDING OFFICER. The Secretary informs the Chair that everything has been agreed to now up to the middle of page 4, section 5 (3). On page 2, the amendments, in lines 18 and 19 and lines 22 and 24, were passed over at the request of the chairman. The Chair asks unanimous consent that the Secretary be authorized to change the numbering of the sections to conform with the action of the Senate. Without objection, it will be so ordered. The next amendment will be stated.

The SECRETARY. On page 4, line 13, section 3, strike out the words "and to issue such orders," so as to make the section read:

SEC. 3. That the Secretary of Agriculture is authorized to cooperate with such State and local officials, and with such public and private agencies or persons as he finds necessary, and to make such rules and regulations as are necessary effectively to carry out the preceding section of this act.

The amendment was agreed to.

The next amendment was, on page 5, line 2, section 5, to strike out the words "effort or funds," and insert "work," so as to make the section read:

SEC. 5. That the President is authorized to direct any agency or organization of the Government to cooperate with the Secretary of Agriculture in carrying out the purposes of this act and to coordinate their activities so as to avoid any preventable loss or duplication of work.

The amendment was agreed to.

The next amendment was, on page 5, line 12, section 7, after the word "stock," to insert the words "including hog cholera, cattle tick, and contagious abortion of cattle"; and, in line 16, to strike out "$2,010,000" and insert "$4,500,000," so as to make the section read:

SEC. 7. That for the purposes of this act, the following sums are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended: For the prevention, control, and eradication of the diseases and pests of live stock, including hog cholera, cattle tick, and contagious abortion of cattle; the enlargement of live-stock production; and the conservation and utilization of meat, poultry, dairy, and other animal products, $4,500,000.

Mr. THOMAS. Mr. President, I should like to inquire of the Senator having charge of the bill what is the amount of appropriation for this identical purpose in the regular Agricultural appropriation bill for the current fiscal year.

Mr. GORE. I do not remember the different items. In relation to the cattle tick, it is something over $600,000, and in relation to hog cholera, I think the amount is $400,000.

Mr. THOMAS. What reason exists for this very large appropriation for these purposes?

Mr. GORE. I will say that it is in harmony with an effort to conserve our food supply. It is estimated that there is an annual loss to live stock in the United States from various diseases aggregating $250,000,000. A large part of this is for three of the four principal diseases. It is estimated that the average annual loss from hog cholera is something over $40,000,000. I do not have the figures for the other diseases in recent years, but the loss is enormous.

There is in the United States to-day a section under the dominion of the cattle tick as large in area as the German Empire, the French Republic, and the Kingdom of Italy. It is entirely practicable to exterminate the cattle tick in that vast region. That would contribute tremendously to the food supply of the Nation. It would serve every section of the country, for the breeders in the North may be shipped down South, which can not be done now, and the breeders produced in the South could be shipped to the North. Not only that, it would contribute in a substantial way to the live-stock supply and the food supply of the country.

From the marked success there is no question of the demonstrated possibility to exterminate cattle tick and rescue this territory from its ravages. In the demonstration in counties in the United States, some 14 in number, respecting hog cholera, the number of deaths from hog cholera has been reduced something like 350,000 head in those 14 counties; and it is believed that as we are expending so many millions for other purposes, $700,000,000 for ships to carry supplies to our friends and allies, we ought to have as much cargo as possible in those vessels; and not only that, we ought to maintain the supplies for our home consumption as well. I trust that in this emergency measure it will be not only of service during this war but it will be an eternal service to the people of this country.

I hope we can succeed in the passage of this measure, and in the extermination or at least in the arrest of these pests. I trust that the Senator will not object to the appropriation.

Mr. THOMAS. I take it that the war has produced a great many calamities, but it has not increased the prevalence of hog cholera or the extension of the plague of the cattle tick.

Mr. GORE. I have heard of no extension of these diseases among live stock as a consequence of the war.

Mr. THOMAS. I assume that when the committee having charge of the regular appropriation bill was considering that bill it gave full attention to that particular subject.

Mr. GORE. It did.

Mr. THOMAS. And an appropriation was made that was considered at the time to be adequate.

Mr. GORE. I will say to the Senator that in the appropriation act before the last one the committee reported a very substantial increase in the cattle-tick provision, which the Senate agreed to without any protest. Unfortunately, it went out in conference. Otherwise we would have been much better prepared than we now are. I am not certain whether the amendment I offered at the last session was retained. I was not present, as the Senator knows. For my own part, I have been proposing this for years in an effort to carry this conquest to the southern border of this country. There is no economy in delay even as a peace measure. I have always thought our delay was an extremely short-sighted policy, and this emergency demonstrates, I think, the foresight of that position.

Mr. THOMAS. If I thought this amount of money was necessary and that in the use of it these plagues could be exterminated, I would be the last man to oppose it.

Mr. GORE. I will say to the Senator in this connection there is no doubt about the extermination of the tick. Of course, the hog cholera and the other diseases are not subject to such absolute control.

Mr. THOMAS. Does the Senator know how many years we have been engaged in the extermination of the tick?

Mr. GORE. Yes, sir; we have been engaged, I believe, for 11 years in it and have wrested 290,000 square miles, an area as large as Austria-Hungary, from the sovereignty of the pest.

Mr. THOMAS. That shows very good work.

Mr. GORE. It does, but there is nearly twice that much still subject to the tick.

Mr. THOMAS. But I am not content that we should at this time add to the bill for our current expenses for this purpose the vast sum of four and one-half millions of dollars until we get some further information as to the adequacy of the regular appropriation. It is true that we have appropriated something like $700,000,000 for the purpose of constructing a merchant marine, an enormous sum of money, which largely increases the financial burdens of the American people, but it would seem to me that on the other hand the very fact that we have been called upon to make this extraordinary expenditure should suggest the need of some economy in some other direction, even to the extent of four and one-half million dollars.

Of course, millions now are not very important to the American Congress. We are dealing in billions, and we have got beyond that primative stage in which millions were of importance or of concern. I do not believe that these emergency measures, of which this is one, should be used as a vehicle for the transfer of any sums of money out of the National Treasury which properly belong in the regular appropriation bills relating to those subjects. For that reason I shall object—and my objection may, as usual, be entirely useless—to the incorporation in this measure of an appropriation like this. I do not think it ought to be done.

Mr. VARDAMAN. Mr. President, I wish to state to the Senator from Colorado, before he makes up his mind to vote against the appropriation, I should be very glad to get from the Agricultural Department a statement showing just what has been accomplished in this line of work. I can speak with authority, so far as the State of Mississippi is concerned. A great many hundreds of thousands of dollars have been saved to the Government, and I think the entire State has at last succeeded in getting rid of the cattle tick. Nothing else contributed more to the prosperity of the people engaged in that line of industry than the extermination of this little pest. If the money is being judiciously expended, it is wise economy to use it in this way.

While I can not speak of the scope of the work in contemplation—and I can not say of my own knowledge that all the money has been prudently expended—I can say that the work under the direction of the National Government for the extermination of the cattle tick has been of immense benefit to the American people, and, I repeat, if wisely and judiciously expended it will bring a very large return upon the investment.

Mr. THOMAS. I wish to ask the chairman of the committee a question. I notice that in the bill as originally introduced for the purpose we are now discussing the sum of $2,010,000 was appropriated, which the committee increased to $4,500,000. I wish to ask whether the Secretary of Agriculture asked for any such sum of money?

Mr. GORE. He did not.

Mr. THOMAS. Did he say anything about whether it was necessary?

Mr. GORE. I have discussed with him, from time to time, the progress of the extermination of the cattle tick, and he is very strongly in favor of prosecuting that policy. His last annual report bears very strong witness to that fact.

Mr. THOMAS. That does not answer my question.

Mr. GORE. Probably I amaze the Senator when I state the Secretary of Agriculture was not consulted by the committee as to whether we should make this appropriation for the extermination of the cattle tick and arrest the ravages of the other diseases. For once the committee acted on its own responsibility, and it must bear the blame if there be any blame attached.

Mr. THOMAS. I do not think the committee is to be censured for following a course which it believed to be wise.

Mr. GORE. I may say the amount carried by the bill is not sufficient to complete the work.

Mr. THOMAS. I have been informed that the amount is more than the department can use at the present time.

Mr. GORE. It is impossible to answer that question, because it depends in some measure on the cooperation of local authorities. The amount is not sufficient to complete the work. I have an estimate from the department to the effect that to complete the eradication of the cattle tick alone will require between three and four million dollars. There was included in this appropriation not only the cattle tick but the hog cholera and another most virulent disease, which works great havoc among the live stock of the country. These are three of the four worst diseases, and it was the sense of the committee that we ought to prosecute this work.

Mr. THOMAS. If it be true that the amount is greater than the present needs of the department in the prosecution of this most important work, then it strikes me we ought not to make the appropriation.

Mr. GORE. I will say if the organization can not be completed to carry forward the work, of course the appropriation will lapse.

Mr. SMOOT. Mr. President, I have always been and I am now in favor of liberal appropriations for the eradication of hog cholera, cattle tick, or any other of the diseases that afflict the live stock of this country. As I remember, in the last Agricultural appropriation bill we provided $400,000 for the eradication of hog cholera, and between six and seven hundred thousand dollars, as I remember, for the extermination of the cattle tick. The increase in this appropriation is so much that I do not believe it can possibly be used to advantage during the coming year.

Mr. GORE. I will state that it is not limited to the coming year. It runs for the war.

Mr. SMOOT. I mean for the coming fiscal year, which will run from July 1 of this year until June 30, 1918.

Mr. GORE. The Senator is mistaken. Of course this is not a regular appropriation bill, and it is not limited to the fiscal year. It runs for the period of the war.

Mr. SMOOT. You have limited it to the war?

Mr. GORE. To the period of the war. We begin the expenditure on the first of the fiscal year and it is subject to the close of the war.

Mr. SMOOT. Yes; I see the provision is—

That the provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than the beginning of the next fiscal year after the termination, as ascertained by the President, of the present war between the United States and Germany.

Of course we can not tell how long that may be. It may be for the next fiscal year or it may be two or three years after. But I think, Mr. President, it is a very wrong policy for us to appropriate great sums of money to carry it beyond the fiscal year 1918. The Finance Committee is compelled to take into consideration every dollar of appropriations made at this session of Congress and to impose taxes to meet the same.

I now desire to say that the imposition of the taxes which will be absolutely necessary is going to be very burdensome on the people of the United States. During the last few years there has been agitated——

Mr. GORE. If I may interrupt the Senator, I desire to say that I believe, notwithstanding the increase in this item, we reduce the total appropriation carried by the bill by some $3,000,000.

Mr. SMOOT. I noticed that.

Mr. GORE. I do not remember the exact amount.

Mr. SMOOT. But what I have to say is that this particular item——

Mr. KENYON. Mr. President, I think the Senate ought to have all the information. I have myself thought that this appropriation is too high and ought to be reduced, and the Senator from Vermont [Mr. PAGE] was likewise of that opinion. I think the chairman of the committee has some information that may not be accessible in these hearings; but in the hearings the Secretary of Agriculture stated, when asked about this matter, that the Bureau of Animal Industry had given him an estimate for increasing meat production of $4,000,000. That included everything. Then he stated:

Only $400,000 of this sum is suggested for the eradication of the cattle tick. There are a number of difficulties in the way of large increased expenditures. Some of the communities are not prepared to cooperate more effectively. Then, again, it is necessary to consider the follow-up work.

But I was constrained to follow the chairman of the committee, who, I believe, had some even more definite information and some later information. He has since stated to me that this sum was necessary, and the Secretary himself said that $400,000 was for the eradication of the cattle tick.

Mr. SMOOT. My attention was called to the testimony given by the Secretary of Agriculture. If $400,000 was sufficient for the eradication of the cattle tick—that is the appropriation to be provided in this bill—I can not possibly see why we should increase this appropriation from $2,010,000 to $4,500,000.

Mr. KENYON. The chairman of the committee, who had better knowledge, it seems to me, than the Secretary of Agriculture possibly could have about this matter, felt that that amount was essential.

Mr. GORE. I will say that my information was gained from the Bureau of Animal Industry; that it would require between three and four million dollars to complete the work of eradicating the cattle tick. We have added two and a half million dollars, I do not know upon what basis, but it will be apportioned among these diseases and the other diseases and pests enumerated in this section. We appropriated, as I remember, at one time, by a joint resolution, $600,000 for the extermination of hog cholera.

Mr. SMOOT. Yes.

Mr. GORE. And if this were apportioned on the same basis as that, perhaps $600,000 would go to the same purpose now. They certainly could use that much.

Mr. VARDAMAN. Mr. President, will the Senator permit me to ask him a question?

The PRESIDING OFFICER. The Senator from Utah [Mr. SMOOT] has the floor. Does he yield; and if so, to whom?

Mr. SMOOT. I will yield to the Senator from Mississippi.

Mr. VARDAMAN. I should like to ask the chairman of the committee, is there any time fixed within which this $4,000,000 is to be used?

Mr. GORE. It is appropriated for a somewhat slightly longer period than the period of the war. The bill itself expires with the beginning of the first fiscal year after the return of peace.

Mr. SMOOT. Mr. President, I wish to say in this connection that, in my opinion, we should not appropriate money for this or for any other purpose to extend over a period longer than the coming fiscal year.

Mr. GORE. Mr. President——

Mr. SMOOT. Just a moment. The Senate will meet in December; we shall then have an agricultural appropriation bill before the Senate. The Secretary of Agriculture at that time will know whether or not the department wants more money. I do not believe it is right and proper, having already passed the Agricultural appropriation bill for the coming fiscal year, to bring in another bill and appropriate money with a view of having a sufficient sum to eradicate cattle diseases in all parts of the United States without regard to time.

Mr. VARDAMAN. Mr. President, if it will not interrupt the Senator from Utah, I desire to say that there is a great deal of force in his statement; but I should like to know from the

chairman of the committee whether this appropriation is made with a view of authorizing the Secretary of Agriculture to enter into a contract with the different localities for the continuous work of eradicating the cattle tick? Is that the purpose of the bill?

Mr. GORE. I think so.

Mr. VARDAMAN. I can not see what relation this appropriation has with the continuation of the war. I do not see what connection there is between the two.

Mr. GORE. I may say that the whole purpose of the bill is to stimulate the production of foodstuffs. If that is not necessary, of course the whole bill is a misconception of the situation and it ought to be defeated. Apart, however, from the census and the seed proposition, there is nothing else in the measure. The Secretary of Agriculture was of the opinion that he could do a great deal to stimulate the production of foodstuffs, including live stock, and this bill is designed to enable him to institute a campaign for that purpose.

I think one difficulty in the extermination of the cattle tick and other diseases lies in the fact that we are limited arbitrarily by the fiscal year, and the Secretary could not elaborate a system covering a sufficient time, looking far enough into the future, and providing ample organization to carry this business to a successful conclusion. Ithink this is a splendid opportunity to do what we ought to have done long ago. If we ought to appropriate only for fiscal years, of course the entire bill, with one or two exceptions, is subject to that objection.

Mr. SMOOT. Mr. President, I want the Senator from Oklahoma to understand that I am not objecting to appropriations for the purposes provided for in this bill.

Mr. GORE. I appreciate the objection which the Senator makes.

Mr. SMOOT. I am not objecting to that; but what I want to impress upon the Senator, if I can do so, is to have the Senator give to the Senate an estimate of how much money should be appropriated for the eradication of hog cholera, the cattle tick, and contagious abortion in cattle for the following year over and above that which we have already appropriated.

Mr. GORE. That depends on this——

Mr. SMOOT. Just a moment.

Mr. GORE. Well, I think I can answer the Senator's question.

Mr. SMOOT. I wanted to complete my second question, and then the Senator can answer both.

Mr. GORE. Very well.

Mr. SMOOT. If we appropriated in the Agricultural appropriation bill that has already become a law a million dollars for these very purposes, it does seem to me that if we double that amount that is all that we ought to do at this time. When the Agricultural appropriation bill was before the Senate we knew that we were going to be at war; we knew the necessity of conserving our food supply; and we also knew of the shortage of meat products in this country. With all that knowledge we made certain appropriations as asked for by the Secretary of Agriculture. I am quite in harmony with the Senator from Oklahoma in asking for an additional amount; but it does seem to me, if we add a million dollars to the $2,010,000 that was originally provided for in the bill—for I take it that the original bill was prepared in the Agricultural Department—that would be ample for the coming year. In the coming December—just a few months ahead—the Senate will be in session. If we find that we lack money at that time for this very purpose, all the Secretary of Agriculture will have to do will be to ask for an appropriation and he will get it. I believe now that that would be the best policy to follow, and I sincerely hope that the Senator will approve of it.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. I yield to the Senator from South Dakota.

Mr. STERLING. Mr. President, it occurred to be while the Senator from Iowa [Mr. KENYON] was reading from the testimony of the Secretary of Agriculture to ask the question as to whether the Secretary of Agriculture had in mind $400,000 as the sum that could be reasonably expended in the eradication of the cattle tick, in addition to the appropriation made on the 1st of March last?

Mr. SMOOT. That is as I understood his testimony.

Mr. KENYON. I understand it in that way from the nature of the questions that were asked the Secretary.

Mr. STERLING. Assuming that that is true, then we would have about a million dollars for that purpose, if we were to appropriate according to the estimate by the Secretary of Agriculture?

Mr. SMOOT. Yes.

Mr. STERLING. As I understand, all of the appropriation of, I think, $631,000 for this purpose will be available after the 1st of July next; and I wondered whether that amount is not as large as might be wisely and judiciously used, especially within the time before the convening of the next session of Congress, in the matter of the eradication of the cattle tick?

Now, Mr. President, if the Senator from Utah will indulge me a moment further, before voting for an appropriation like this I should like to see some definite statement from the Secretary of Agriculture as to the need of such an appropriation and the prospect of using it wisely and judiciously for the particular purpose named in the bill. I should like to see a statement of the number of employees who would be required and who could be used in the expenditure of $4,500,000. There is quite an army of employees now—as I remember, something in the neighborhood of 300 or more—engaged in this very work, and $4,500,000, or the half of that sum, will require the employment of a tremendous number of agents in this particular service. I do not think, as the Senator from Oklahoma would seem to think, that this can be done in a day or a month, or in six months, for that matter; but that is a gradual process and work, and the sum already appropriated will be all that could be wisely spent in the time intervening between the 1st of July and when Congress next convenes.

Mr. SMOOT. Mr. President, I suggest to the Senator from Oklahoma that it is now half past 5 o'clock; we have been in session five hours and a half, and I am going to ask him to allow this paragraph to go over.

Mr. GORE. I was about to move that the Senate take a recess, but I understand some Senator desires recognition before that is done.

Mr. SMITH of Georgia. Mr. President, before the recess is taken, I know the Senator from Montana [Mr. WALSH] has an amendment which he is considering offering to this bill, and I think it would be very helpful to us if he would present it this afternoon in order that it might be printed, so that we might all have a chance to read it in the morning.

Mr. WALSH. Mr. President, I shall be very glad to comply with the suggestion made by the Senator from Georgia. I will say, by way of preliminary, that a bill was introduced by the Senator from Washington [Mr. POINDEXTER], being the bill (S. 315) to punish the storing of foodstuffs for the purpose of cornering the market, and for other purposes. That bill was referred to the Committee on the Judiciary, and then to a subcommittee of that committee, which called to its assistance Mr. Todd, of the Department of Justice, who for quite a number of years has been frequently associated with all of the trust prosecutions. The result of their work was embodied in a report to the Judiciary Committee. They recommended some very material amendments to the bill as presented by the Senator from Washington. I think it would be quite appropriate as an amendment to the bill under consideration, and I send to the desk the bill, and propose it as an amendment to the pending bill.

The PRESIDING OFFICER. There is now an amendment pending. Does the Chair understand the Senator from Montana to offer his amendment to lie on the table and to be printed?

Mr. WALSH. Yes, sir.

The PRESIDING OFFICER. But not printed in the RECORD?

Mr. WALSH. No; there is no occasion for printing it in the RECORD.

The PRESIDING OFFICER. The Senator from Montana offers an amendment to lie on the table and be printed. Without objection, such action will be taken.

Mr. SMOOT. I also offer an amendment to lie on the table and be printed.

The PRESIDING OFFICER. The Senator from Utah offers an amendment, which will be printed and lie on the table.

Mr. REED. Mr. President, before the Senate concludes its deliberations for the day, and before Senators all leave the Chamber, I call their attention to an article in the Evening Star of to-day and to the following language in the article:

> Mr. Lloyd-George asserted there was no danger to the country—
>
> That is, England—
>
> from starvation, but that the utmost economy of foodstuffs was still essential.

Further in the article it is stated that Mr. Lloyd-George said:

> There is a distinct improvement in our food prospects as a result of the improvement in the submarine situation.

And a little further along—I do not intend to read it all—it is stated:

> The people must not rush from one extreme to another. We must appeal to the common sense of the nation. I say, after taking counsel with my advisers and after going into the figures very carefully, that

If the nation economizes and is not guilty of waste, if those who have got lands favorable for the production of food make the best use of them, if the workmen turn out tractors to enable us to plow, if the army helps with the men available—if, in fact, we all behave like reasonable human beings who want to save their country from disaster, privation, and distress—the submarine menace is not one that need cause us any fear that the war is going to be lost for that reason.

I think that is a ray of light, and shows how necessary it is not to get excited.

Mr. SMITH of Georgia. Mr. President, I think we should thank the Senator from Missouri for reading that extract; and we may well consider the question as to whether all of us are preserving our sound judgment. If we have not done so in the past, I hope we will do so in the future, and take our time to consider calmly and act wisely upon the subjects that come before us.

RECESS.

Mr. GORE. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 38 minutes p. m.) the Senate took a recess until to-morrow, Saturday, May 26, 1917, at 12 o'clock m.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 25, 1917.*

The House met at 12 o'clock noon.

The Rev. William Couden, of Washington, D. C., offered the following prayer:

Dear Lord in Heaven, Thy rich blessings are as common as the light of day, and Thy care infolds us as the gentle darkness of night. Let a realization of Thy presence be with us all. Protect and inspire our soldiers and sailors, our farmers and business men, all our citizens in professional life and in the ranks of manual labor, all our women and children, the greatest and the least amongst us, so that we may be a whole Nation serving and praising Thee. Guide these Thy servants, the Members of this House, in their solemn duties of this day. And save us now and at the last through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXPLOSIVES.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that the bill (H. R. 3932) to prohibit the manufacture, use, or possession in time of war of explosives be given a privileged status, to be taken up after the conclusion of this bill, not to interfere with appropriation bills or conference reports.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill named be made privileged, not to interfere with appropriation bills, conference reports, or anything of that sort. Is there objection?

Mr. CANNON. What committee reports the bill?

Mr. FOSTER. The Committee on Mines and Mining.

Mr. MANN. To give consent to make it privileged does not mean that we are all in favor of the bill.

Mr. FOSTER. No.

Mr. MANN. The purpose being simply to expedite business in the hope that we may get away.

Mr. AUSTIN. Does the bill make any appropriation?

Mr. FOSTER. It authorizes an appropriation.

The SPEAKER. Is there objection?

Mr. CANNON. I think it had better come in regular order. I have not had time to read the bill. I may withdraw my objection later, but for the present I object.

The SPEAKER. The gentleman from Illinois [Mr. CANNON] objects.

LEAVE TO EXTEND REMARKS.

Mr. COX. I ask unanimous consent to extend my remarks in the RECORD by printing an editorial published in the Muncie Star, of Muncie, Ind., in regard to second-class postal rates, which I think is a very valuable contribution to the subject.

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

THE CONSCRIPTION ACT.

Mr. BARNHART. Mr. Speaker, just before the House adjourned on Saturday a resolution (H. Con. Res. 9) was put through by unanimous consent authorizing the publication of a million and a quarter copies of the conscription act, registration instructions thereon, and the proclamation of the President thereof in one pamphlet. The chairman of the Committee on Printing, being called away requested the chairman of the Committee on Military Affairs [Mr. DENT] to at once confer with the Senate, so that we might get this printing through, that the pamphlet might be sent out before conscription day. The Chairman of the Committee on Military Affairs of the House was very diligent in his efforts, and finally succeeded in getting a meeting of the Senate Printing Committee on yesterday afternoon, but it was then decided by the Senate Printing Committee that it is now too late to undertake to get this printing out.

I want to say in this connection that it is no fault of the House that we do not have these publications, because we passed the bill in ample time if the Senate had acted promptly. We could have had these publications available now, except for the fact that about five days would be required for the Government Printing Office, running all of their available presses on this document, to print it; and the folding room of the House is so situated that its capacity is only about 50,000 copies a day. At this rate it would require about 25 days to get out the 1,250,000 copies. This delay might have been avoided by having an increased force in the folding room. But the Senate members of the Joint Committee on Printing, without consultation with the House members of the Joint Committee on Printing, authorized the printing of 57,000 copies of the act, and then generously sent over to the document room of the House 20,000 of these copies for the use of the 435 Members of the House and sent to the document room of the Senate 37,000 copies for the 97 Members of the Senate.

I am authorized to say to the House this morning that inasmuch as we have had 20,000 of these documents there will be sent to the document room of the House 10,000 more copies, and inasmuch as it looks as though we were too late to get these other publications in time to get them out before registration day I think about the best thing for us to do is to use these 10,000 copies that are coming to the document room to-day, and I want to make the announcement that there are remaining there now 2,000 copies, making 12,000 in all that we can use.

Mr. MANN. Who ordered the 57,000 copies printed?

Mr. BARNHART. The Senate committee or the Joint Committee on Printing.

Mr. MANN. How does the Joint Committee on Printing have a meeting without notice to the House committee?

Mr. BARNHART. I think they probably just issued an order.

Mr. MANN. What authority has the Joint Committee on Printing to issue an order for 57,000 copies? What do they cost?

Mr. BARNHART. I do not know what they cost.

Mr. MANN. I did not suppose that the Joint Committee on Printing had any greater power than the House has; I may be mistaken about that.

Mr. BARNHART. I may be mistaken as to joint committee; it may have been the Senate committee. I was informed that it was the joint committee; in fact, I have a memorandum here to that effect. The members of the committee from the House may have been called, but I was out of the city. The War Department has ordered 161,000 of these instructions to be distributed to the registration officers throughout the country, and for the Joint Committee on Printing for the Senate and House document rooms 57,000 were printed, making a total of 218,000 copies of the act that has been authorized.

Mr. STAFFORD. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. STAFFORD. Has the gentleman considered the fact that there is much information in the conscription act that will be of value to the residents of the respective districts besides the features that pertain to registration?

Mr. BARNHART. That point has been considered, and if the pending bill fails the instructions in relation to the registration will be useless after June 5, but following that will be some instructions as to conscription; and, as far as I am concerned, I thought it would be best to wait before introducing the resolution until these instructions are issued, and then we can substitute these instructions for the registration instructions.

Mr. STAFFORD. And have the later instructions inserted?

Mr. BARNHART. Yes.

INTERSTATE COMMERCE COMMISSION AND WAR-RISK INSURANCE.

Mr. ADAMSON. Mr. Speaker, I ask permission to make a statement preliminary to making a request for unanimous consent.

The SPEAKER. The gentleman from Georgia asks unanimous consent to make a statement. Is there objection?

There was no objection.

Mr. ADAMSON. Mr. Speaker, there are on the Union Calendar, reported from the Interstate and Foreign Commerce Committee, a bill (H. R. 3650) to increase the Interstate Commerce Commission and a bill (H. R. 4050) to amend the war-risk insurance act. The Senate has passed similar bills that are on

the Speaker's table, but can not be taken up under the rule without unanimous consent. I now ask unanimous consent that they may be taken up and considered whenever the Speaker can recognize me for that purpose, without being referred to the committee. If they can be considered by unanimous consent, it is our purpose to move to substitute the House bills for the Senate bills.

Mr. MANN. Are they on the calendar?

Mr. ADAMSON. They are both on the Union Calendar.

The SPEAKER. The gentleman from Georgia asks unanimous consent that at any time when it is convenient the two bills referred to may be taken up and considered.

Mr. MANN. Reserving the right to object, what are the bills?

Mr. ADAMSON. The first is House bill 3650, to increase the Interstate Commerce Commission by two members. We passed the bill last year. The Senate has now passed it. And the other bill is to amend the war-risk insurance act. Our purpose is to substitute the House bills for the Senate bills and let them go back to conference.

Mr. MANN. Has the war-risk insurance bill come from the gentleman's committee?

Mr. ADAMSON. Yes; that is commerce.

Mr. MANN. The Committee on the Merchant Marine and Fisheries reported it before, did it not?

Mr. ADAMSON. No, sir.

Mr. ALEXANDER. I introduced the bill at the time, and it has been referred to the Committee on Interstate and Foreign Commerce. The Senate has passed a similar bill.

Mr. ADAMSON. Substantially identical.

Mr. ALEXANDER. And it is our wish to take up and consider the Senate bill in lieu of the House bill.

Mr. MANN. Neither of the bills have been reported to the House.

Mr. ADAMSON. Yes; they are both on the calendar.

Mr. MANN. Neither of the Senate bills have been reported to the House, and one of them is very different from the House bill. We have no print of the Senate bill.

Mr. ADAMSON. I thought it was printed.

Mr. MANN. I think it ought to be reported to the House. I have no objection to its being considered.

Mr. ADAMSON. I do not ask to interrupt the present business, but I did not want the bills referred to our committee, because our committee has already considered both questions and will insist on the House bills.

Mr. MANN. Neither committee has considered the Senate bill. We have not the Senate bill before us and will not have if the gentleman's request is acceded to. I think the bills ought to be reported—the gentleman can report them at once—and then we will have the Senate bill and the House bill in connection.

Mr. ADAMSON. The gentleman means that he wants them to go to our committee?

Mr. MANN. Yes.

Mr. ADAMSON. Mr. Speaker, I withdraw the request.

RIVER AND HARBOR BILL.

Mr. SMALL. Mr. Speaker, I ask unanimous consent for one minute to make a statement.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to make a statement for one minute. Is there objection?

There was no objection.

Mr. SMALL. Mr. Speaker, it is the purpose of the River and Harbor Committee to call up the river and harbor bill (H. R. 4285) after the close of the consideration of the food-survey bill, if nothing else intervenes which in the opinion of the Speaker will make it undesirable; otherwise we will bring it up as early as possible.

Mr. MANN. That means that it may come up to-morrow?

Mr. SMALL. If this bill now under consideration should be completed to-day.

The SPEAKER. The Chair will state that there are two or three conference reports suspended between heaven and earth, and they are liable to come in any time.

Mr. FOSTER. Mr. Speaker, I renew my request that the bill H. R. 3932 be made privileged.

The SPEAKER. The gentleman from Illinois renews his request as to the bill in reference to explosives, that it be made privileged. Is there objection?

Mr. SMALL. Reserving the right to object, I desire to make an inquiry. If the request of the gentleman from Illinois is granted making that bill privileged, will it interfere with the consideration of the river and harbor bill?

The SPEAKER. The river and harbor bill is privileged, and it would depend upon which one it was thought best to take up first.

Mr. SMALL. Who decides that matter?

The SPEAKER. The Speaker.

Mr. SMALL. Mr. Speaker, in view of the conference about this matter, I assume the river and harbor bill will be taken up first.

The SPEAKER. The gentleman better not make any assumption about it.

Mr. MANN. Reserving the right to object, we think that we ought to know on this side of the House as near as we can which of these bills will come up first.

Mr. FOSTER. Mr. Speaker, I ask my friend from North Carolina to permit this request to be granted.

Mr. MANN. It might be well for the river and harbor bill to go over until next week.

Mr. SMALL. If the gentleman from Illinois [Mr. FOSTER] will agree that the river and harbor bill will come up first, I have no objection to this request.

Mr. FOSTER. Rather than make the gentleman that kind of a promise, I would risk the kindness of the Speaker.

Mr. MANN. The gentleman from Illinois [Mr. FOSTER] will get his bill up more quickly by not making his request, if the river and harbor bill is to come up first.

The SPEAKER. Is there objection?

Mr. SMALL. Mr. Speaker, reserving the right to object, how long will this bill take?

Mr. FOSTER. I do not think it will take a very long time. However, no one can tell that in advance.

Mr. MANN. Just what is the request?

Mr. FOSTER. The request is that we may take up this bill after the conclusion of the bill now under consideration and that it be given a privileged status, not to interfere with appropriation bills or conference reports.

Mr. MANN. If the gentleman will make his request that it shall be in order to take up that bill at the conclusion of the consideration of the Lever bill, now under consideration, subject to appropriation bills, and so forth, I shall not object, with the understanding that we are going to take it up.

Mr. FOSTER. I shall take it up if we can get unanimous consent to do so.

Mr. SMALL. Mr. Speaker, I did not understand the request to be that it should come up for consideration next. I understood the request to be that it should have a privileged status.

Mr. FOSTER. It will come up after the bill now under consideration.

Mr. SMALL. To be left to the Speaker to determine the matter. I object to the question in that form.

Mr. FOSTER. The gentleman will not make any progress in his own bill if he objects now to this.

The SPEAKER. The matter is not debatable.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4188, with Mr. HAMLIN in the chair.

The CHAIRMAN. At the time the committee rose yesterday afternoon section 3 of the bill had been read.

Mr. LEVER. Mr. Chairman, as I understand it, a number of amendments to section 3 were printed in the RECORD for information, but they have not in fact been offered at the desk.

Mr. EMERSON. Mr. Chairman, I offered one of those amendments.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I think the amendments that I offered came first.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] is recognized, and the Clerk will report the first amendment offered by the gentleman.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Pennsylvania: Page 2, line 16, after the word "therefor" strike out the remainder of line 16, all of line 17, and the word "States," in line 18, and insert in lieu thereof the following: "may compel the attendance of witnesses, and."

Mr. LEVER. Mr. Chairman, will the gentleman yield for a moment?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. LEVER. I think the gentleman should qualify his amendment by striking out the word "and" and inserting in place of it a comma.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I ask unanimous consent to withdraw from the amendment the word "and," as suggested.

Mr. LEVER. I think that makes it better.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

There was no objection.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I understood the chairman of the committee was willing to accept this amendment. If so, I do not desire to discuss it.

Mr. LEVER. I think the gentleman ought to state what his amendment is.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, the purpose of this amendment is to limit the range of the subpœna which would be issued to make it conform to the limitation that exists in the use of the subpœna in judicial matters. In other words, the original language, or the language that is to be stricken out if this amendment prevails, would give the Secretary of Agriculture the power to call a witness from any part of the United States to any place in the United States at his will or pleasure. Surely while we are granting these extraordinary powers as the result of the war conditions we ought to be careful to preserve the individual rights of people as far as practicable, and in this instance it might inflict terrible hardship upon a witness to be thus gathered from one part of the United States and taken to some distant point and there subjected to examination.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. TOWNER. Not only may the Secretary of Agriculture call these witnesses, but any of his agents may do so.

Mr. GRAHAM of Pennsylvania. That probably would be so.

Mr. TOWNER. That is the language.

Mr. GRAHAM of Pennsylvania. Yes. Another amendment which I propose to offer would make this perfectly clear, by adding at the end of the section that while he has power to subpœna witnesses the operation of the subpœna shall be limited:

Provided, That no witness subpœnaed under this section shall be obliged to attend outside of the judicial district of the district court of the United States wherein such witness resides.

I would add further that a clause similar to this was inserted in the Clayton antitrust law, and upon my motion and explanation of these facts this House struck out that power and confined the operation of the subpœna in the language in which I am asking to have it confined by this amendment.

Mr. LENROOT. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. LENROOT. Is that quite accurate? Is it not true in that law that the subpœna may extend further upon the order of the court in the suit that is pending?

Mr. GRAHAM of Pennsylvania. An application might be made to the court. There is no occasion for such a thing here, because the Secretary of Agriculture or his agents can sit where it is most convenient to take the testimony and not put the citizen to the hardship of being called away from his business and home and be compelled to attend at some distant point where it may be inconvenient and hazardous to his own business interests.

Mr. LEVER. I would like to suggest to the gentleman as a substitute for his amendment the following:

On page 2, strike out, in line 16, the words "at any," all of line 17, and, in line 18, the word "States," and insert in lieu thereof the following: "of any witness at any designated place which, without his consent, shall not be more than 300 miles from his residence or place of business."

Mr. GRAHAM of Pennsylvania. No; the purpose is best effected by keeping up the similarity between the use of the subpœna here and the use of it in judicial proceedings. If it is efficacious for the disposition of all matters of justice in our courts it certainly can be just as efficacious with the Secretary of Agriculture or his agents, who can move from place to place and take his testimony and is not, like a court, confined to one place.

Mr. COX. Will the gentleman from Pennsylvania yield to a question for information?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. COX. What is the law now in the practice of the Federal court—if I ever knew it, it has escaped my attention—as to how far a subpœna issued by the district court, say, in Pennsylvania, will run throughout the United States?

Mr. GRAHAM of Pennsylvania. It runs in civil matters only in the jurisdiction of the court, or within 100 miles of the courthouse.

Mr. COX. How far does it run in criminal matters?

Mr. GRAHAM of Pennsylvania. In criminal matters the subpœna can be sent throughout the United States.

Mr. COX. That is what I thought.

Mr. GRAHAM of Pennsylvania. But that is based, as the gentleman well knows, I am very sure, upon the principle that underlies all criminal proceedings, that the man has the constitutional right to be brought face to face with his witnesses and accusers. That is the reason for it in that class of cases.

Mr. COX. In civil proceedings it is confined within a radius of 100 miles from the courthouse?

Mr. GRAHAM of Pennsylvania. From the courthouse.

The CHAIRMAN. If the committee will indulge the Chair a moment, he would like to make this statement: On motion yesterday afternoon section 2 went out of the bill, and the Clerk was by unanimous consent authorized to renumber the sections, so that this section which is now being considered is section 2 instead of section 3. Members have been referring to it as section 3.

Mr. McLAUGHLIN of Michigan. Would it not be more convenient to have the sections renumbered just before the engrossment of the bill?

The CHAIRMAN. It might be done, but the Clerk has been instructed to renumber the sections. In that case we would refer to section 2.

Mr. GARRETT of Tennessee. If I may be permitted, there is no occasion for confusion arising about that, because it is a matter of common practice for consent to be given for the renumbering of the sections, and that always means that they shall be renumbered after the bill has been concluded in accordance with the arrangement that has been made.

The CHAIRMAN. If everyone understands it that way, there will be no confusion, and, without objection, that will be the order. The Clerk will not renumber the sections until after the bill is concluded.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, as to the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM], it or a similar amendment, in my opinion, ought to be adopted. One can hardly read the bill without being impressed with the fact that too large an authority is vested in the Secretary of Agriculture and in his officials and agents in the matter of subpœnaing witnesses and requiring their attendance. And as the chairman of our committee, the gentleman from South Carolina [Mr. LEVER], will recall, that matter was discussed in the committee, and my impression was that an agreement similar to the one offered by the gentleman from Pennsylvania was adopted; but the chairman informs me that I am wrong. I am in favor of such an amendment. And when we approached that section last evening I prepared one limiting the distance that one could be required to travel to the limits of the State in which he was summoned. By talking with the gentleman from Pennsylvania [Mr. GRAHAM], and having the benefit of his wide experience in matters of this kind, I came to the conclusion that his amendment would meet the situation perhaps better than mine. And so I did not offer my amendment.

Now, I think an amendment of this kind ought to be adopted. No man ought to be permitted, and the law ought not to be so framed as to permit under any circumstances, a witness to be called from one end of the country to the other to testify. There ought to be some limitation.

Mr. LEVER. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. LEVER. It is true this matter was discussed thoroughly in the committee, and the committee was pretty evenly divided on the proposition. I was wondering if we might not agree to limit it to the residents of the State in which the witness should live—the States, the District of Columbia, and the Territories.

Mr. McLAUGHLIN of Michigan. As I stated a moment ago, that was the amendment that I prepared, but I did not present it after talking with the gentleman from Pennsylvania and learning what his amendment is. I am not particular, but some amendment, one or the other, his or mine, ought to be adopted.

Mr. LEVER. I think if the gentleman from Pennsylvania [Mr. GRAHAM] would agree to accept an amendment such as the gentleman from Michigan offered in the committee, limiting the subpœna to the States or the District of Columbia or the Territories, there would not be any difficulty on this subject. I think we could agree on that proposition.

Mr. McLAUGHLIN of Michigan. This comes to my mind, Mr. Chairman: If the witness refuses to give his testimony where first notified and it becomes necessary to subpœna him or take him from his home for the purpose of compelling him to testify, ordinarily I should think that that proceeding would be under the direction of the United States court, and in all probability the witness would be taken to the place where the court sits. In that case it would be more convenient for him to go to that

place rather than to be required to travel a longer distance to some remote part of the State.

Mr. LEVER. In the gentleman's time let me ask the gentleman from Pennsylvania [Mr. GRAHAM] if he would agree to the suggestion of the gentleman?

Mr. GRAHAM of Pennsylvania. I think not. I think it would work out inharmoniously and be injurious. The average distance to a courthouse from the center of the district is well known, and the ways of reaching the courthouse are well known, and it is better to conform to the established judicial practice than to devise some new method of subpœnaing witnesses.

Mr. McLAUGHLIN of Michigan. The gentleman speaks of a "courthouse." This would be the seat of the United States court in the judicial district. It would not be to the county courthouse. Your amendment has no relation to the county?

Mr. GRAHAM of Pennsylvania. None whatever.

Mr. MILLER of Minnesota. Mr. Chairman, may I suggest that it seems to me it will be extremely advisable to accept the amendment offered by the gentleman from Pennsylvania?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MILLER of Minnesota. May I conclude the statement I was making?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. MILLER of Minnesota. The administration of justice through the courts of the country has for a long time proceeded on well-established lines. The residents of a judicial district know where the court is to be found. Usually the court sits at a center easily accessible to all parts of the district, by railway or by other means of transportation; and if we should follow the suggestion made that witnesses be subpœnaed from all over a State to any part in the State, the gentleman can readily see that that is in violation of all the established usages in the trial of civil cases, and would result in serious hardship. For instance, in the State of Texas, though that is an extreme case, they might subpœna a man to go from the Pan Handle to Brownsville. He could go just as quickly from the Pan Handle to New York; perhaps not quite as quickly. But take a State like my own—Minnesota—450 miles long. A man might be subpœnaed from the extreme northwestern corner of the State to St. Paul, a distance of about 300 miles. As a matter of fact, there is a judicial district and a district court frequently held in that northwestern part of the State. It seems to me there could be no expedition in the determination of these cases by requiring witnesses to travel so far. On the contrary, I think there would be hardship and delay and confusion, and I think the committee would do well to accept the suggestion of the gentleman from Pennsylvania.

I thank the gentleman from Michigan [Mr. McLAUGHLIN] for yielding to me, and apologize to him for taking so much of his time.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. TOWNER. I want to make this suggestion to the chairman of the committee for his consideration: It will be noticed that one of the most objectionable features of the proposition contained in section 3 now is the fact that the Secretary or his agents may compel the attendance of witnesses even without any subpœna. I think the chairman of the committee can at once see that if it is necessary to obtain either the testimony of the witnesses or papers or documents there should be something that would officially notify him of what may be expected of him. Of course subsequently it says that subpœnas may be issued, but the power is granted both to the Secretary and his agents to compel the attendance of witnesses even without subpœna. For that reason it occurs to me that it would be wise to accept the suggestion.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HARDY. Is not the penalty all based on the refusal to obey the subpœna?

Mr. TOWNER. Yes; I think that is true; but I think the gentleman will clearly understand that if confronted with the statement that the Secretary or his agents will be able to compel the attendance of witnesses, the witnesses may not know what their rights may be.

Mr. HARDY. I think what the gentleman says is true if it were applicable to ignorant and uninformed witnesses, but the purpose of this bill is to get at conspiracies intended to affect these products, and the men likely to be examined are the men concerned in these conspiracies, and they will not go before these authorities without consulting counsel. They will know that they are being sought after. They are not innocents, and they will immediately engage the services of counsel and be well informed as to their rights. The gentleman admits that the subpœna is to be issued; that it must be issued before any penalty attaches for not appearing as a witness, but he thinks that the people in their ignorance will not know this.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. IGOE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last word.

Mr. IGOE. I wish to ask the gentleman a question.

Mr. ANDERSON rose.

The CHAIRMAN. Does the gentleman from Minnesota, a member of the committee, desire recognition?

Mr. ANDERSON. Yes.

The CHAIRMAN. The Chair will recognize the gentleman.

Mr. IGOE. Will the gentleman yield to me?

Mr. ANDERSON. Yes.

Mr. IGOE. If the gentleman from Pennsylvania [Mr. GRAHAM] will give me his attention, I understand his amendment provides that witnesses can not be compelled to attend outside the district in which they reside, and it occurs to me in connection with the examination of books, and so forth, of corporations, that under his amendment you could not compel the attendance of witnesses, although they might be in the city, if they did not reside there—directors of corporations, and so forth. Is that the intention?

Mr. GRAHAM of Pennsylvania. This does not provide that.

Mr. IGOE. You say they can not be compelled to attend outside the district in which they reside. Suppose you need a witness in connection with the examination?

Mr. GRAHAM of Pennsylvania. If a corporation is located in the city of A, and the officers in charge of the books are in the city of A, they necessarily will be residents of the city of A.

Mr. IGOE. Suppose they reside elsewhere?

Mr. GRAHAM of Pennsylvania. They will reside where the office of the corporation is, and when you subpœna one of those officers with a deuces tecum clause in the subpœna he is bound to produce the books of the corporation.

Mr. IGOE. All right, now; suppose he lives 50 miles away from A, outside of the district or across the State line, how are you going to get the testimony unless you bring the books over to where he is and have him come in and testify?

Mr. GRAHAM of Pennsylvania. If he is the man in charge of the books, it is very easily done. This case is not like that of a court, located in a specific place, but the agent can cross the State line and say, "I want you to bring your books before me." He could not answer that the books were in the other place. If they are under his authority he must produce them, and every lawyer knows that.

Mr. IGOE. He may not have the books with him. They may be in some other place.

Mr. GRAHAM of Pennsylvania. You can mention a hundred things that might be, but the other is the greater evil.

Mr. ANDERSON. Mr. Chairman, it may be that there should be some limitation on the power of the Secretary of Agriculture to compel the attendance of witnesses. I am inclined to think, however, that the amendment proposed by the gentleman from Pennsylvania restricts the provision to a greater extent than it ought to be restricted. But I might say as a preface that the proposition contained in this bill is by no means as novel a one as the gentleman from Pennsylvania would seem to make it appear. It is not even new to administrative procedure under the Federal Government. I may say that substantially the same provisions are contained in the interstate commerce act and the same provisions are contained in the Federal Trade Commission act. The same power is given to the Interstate Commerce Commission. This is not a court proceeding; it is purely an investigational proceeding. The amendment of the gentleman from Pennsylvania would prohibit compelling at a hearing held in St. Paul the attendance of witnesses across the river at Hudson, Wis., for instance. There would be numerous cases of that kind, where it would be impracticable to compel the attendance of witnesses under the amendment offered by the gentleman from Pennsylvania.

Mr. GRAHAM of Pennsylvania. The difficulty the gentleman suggests could arise if this investigator had a local habitation in which he was obliged to remain; but the gentleman speaks about not being able to subpœna a witness across the river. The movement across the river of the investigator would be a simple thing, and he could subpœna the man and investigate him there. The object of my amendment is to make it easier for the citi-

zens who are to be disturbed by the investigation. The investigation can go on, but the Government will be making it in the way that will be most accommodating, and easiest and best and least inconvenient for the people of the country, who are the masters of the Government.

Mr. ANDERSON. I think the gentleman from Pennsylvania is trying to deal with a situation which is not likely to arise, and one that in all probability will not arise. I assume that the Secretary of Agriculture and the people whom he will appoint under this section will have some sense, and that they will use some judgment in the exercise of the authority given under this provision.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products and had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who announced that the President had approved and signed bills and joint resolution of the following titles:

On May 7, 1917:

H. R. 2893. An act to amend section 10 of chapter 2 of the Criminal Code.

On May 12, 1917:

H. R. 13. An act making appropriations for the support of the Army for the fiscal year ending June 30, 1918, and for other purposes.

On May 18, 1917:

H. R. 3545. An act to authorize the President to increase temporarily the Military Establishment of the United States.

On May 22, 1917:

H. R. 2337. An act to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," relative to enrollments in the Naval Reserve Force;

H. R. 2343. An act granting consent to Ernest B. Denison, A. J. Barchfield, and Ethan I. Dodds to construct a bridge across the Wabash River within or near the city limits of the city of Vincennes, Ind.;

H. R. 3330. An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes;

S. 1006. An act authorizing the county of Morrison, Minn., to construct a bridge across the Mississippi River in said county;

S. 1007. An act authorizing the city of Bemidji, Minn., to construct a bridge across the Mississippi River at or near that place; and

S. J. Res. 61. Joint resolution to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

On motion of Mr. LEVER, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, with Mr. HAMLIN in the chair.

Mr. LEVER. Mr. Chairman, this matter of the running of the subpœna in this section of the bill has given me considerable worry. I am not a lawyer and I am not familiar with court procedure. The lawyers on the committee differ among themselves on this proposition. I assume myself that under this section we are trying to get the fullest kind of information for the use of the Government. I assume that we are not going to use the powers granted by this section to harrass or harry the people of this country. I must assume also that the Secretary of Agriculture and his agents in exercising this authority would use ordinary discretion and good sense. I do not and can not anticipate the difficulty suggested by the gentleman from Pennsylvania. I can see, however, that in a city like New York, for instance, where there are probably two or three or four judicial districts—how many are there?

Mr. HULBERT. There are two in New York City—the southern and eastern districts.

Mr. LEVER. I had been informed that there were more than one—that you would have difficulty in enforcing the provisions of this act under the method suggested in the amendment of the gentleman from Pennsylvania. So I feel that this matter, having been carefully considered by the committee and carefully discussed, had better remain as the committee reported it.

Mr. MANN. Will the gentleman yield?

Mr. LEVER. I will.

Mr. MANN. The Capital is here, the Department of Agriculture is located here, this is in the extreme eastern portion of the country; does not the gentleman think it very likely that if the Department of Agriculture is given full authority it would be tempted to subpœna witnesses from Texas, from California, from Omaha, from Kansas City, and St. Paul to come to Washington?

Mr. LEVER. I do not think so. I think it would be an absolutely inexcusable exercise of this power.

Mr. MANN. If it is an unreasonable exercise of power, then it is an unreasonable power to confer upon them.

Mr. LEVER. There might arise a situation that would demand that they bring a witness from a distance. For instance, suppose they were investigating a storage concern in the city of Chicago and the chief operator of that storage concern happened to be in California. I think they ought to have the power to bring a witness to Chicago to take his testimony where his books are, where he lives, and I think under such circumstance only would this power be exercised. The Interstate Commerce Commission sends its men to places where investigations are to be conducted, and I take it that the Department of Agriculture would do the same thing.

Mr. MANN. The agents of the Interstate Commerce Commission can not send subpœnas out over the country calling witnesses to come wherever they pleased. The Interstate Commerce Commission may send a subpœna, but the agent may not send a subpœna except under certain conditions.

Mr. LEVER. The gentleman's objection is to the word "agent" in relation to the subpœnas.

Mr. MANN. If the exercise of power was solely by the Secretary of Agriculture, I would have no objection.

Mr. LEVER. That would be impracticable.

Mr. MANN. This gives the power to some young gentleman nicely located in Washington with his wife, knowing that witnesses travel at the expense of the Government, to bring the witness here a long distance instead of making the trip himself, and he will be disposed to exercise that power.

Mr. LEVER. I think the disposition would be in the other direction.

Mr. MANN. No; it would not.

Mr. LEVER. I think so.

Mr. LENROOT. Mr. Chairman, what is the amendment now pending?

Mr. GRAHAM of Pennsylvania. I offer the following amendment: On page 2, line 16, strike out the remainder of line 16 and all of line 17, and the word "States" in line 18, and insert in lieu thereof the words "may compel the attendance of witnesses."

Mr. Chairman, I would ask unanimous consent also that the other amendment which I offer may be considered in connection with that and a part of it, because it is necessary in order to make sense of the situation. That is to say, on page 2, line 16, after the word "therefore," strike out the remainder of line 16 and line 17 and the word "States," in line 18, and insert in lieu thereof the words "may compel the attendance of witnesses"; and, on page 3, line 12, after the word "States," insert "*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the district court of the United States wherein such witness resides."

Mr. LEVER. The gentleman asks that the two amendments be considered together?

Mr. GRAHAM of Pennsylvania. Yes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the two amendments shall be considered together and voted upon together. Is there objection?

Mr. LENROOT. I shall object to that.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer an amendment to the amendment. But I will yield first to the gentleman from Texas, who wishes to make a statement.

Mr. HARDY. Mr. Chairman, I want to say in connection with the amendment offered by the gentleman from Pennsylvania, especially the last clause, which he wishes to be considered together with the first—that is, the amendment making process only run to the limits of the judicial district—that it seems to me the effect of the amendment as a whole would be to prevent the useful purpose of the investigation by always con-

fining the investigation to the bailiwick in which the conspiracy might be attempted to be carried out. There might be reasons why the Government should decide to conduct an investigation in Washington of a conspiracy to control food prices in New York. There might be local influences which the Government would not like to encounter. This amendment would limit the investigation to the district in which the conspiracy took place. It would break up the continuity of any investigation. It would make the investigation of the Government necessarily conducted in a "fly-by-night" way, while I think the purpose was to enable the Government to conduct unhampered by vexing obstructions all investigations of such violations of the provisions of the act as might be detrimental to the whole country. In criminal prosecutions there is no restriction on the running of a subpœna. If it was necessary to give the power to the Interstate Commerce Commission, to the Trade Commission, and to the various other agencies of the Government, I think that must have been the reason of the committee giving in this case the right for subpœnas to run to any portion of the United States, knowing that the Agricultural Department was not likely to abuse the privilege to the detriment of the people.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer the following amendment to the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment by Mr. McLAUGHLIN: After the word "outside," in the second Graham amendment, strike out the words "of the judicial district of the district court of the United States," and in lieu thereof insert the words "of the State," so that it will read: "*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the State wherein such witness resides."

The CHAIRMAN. The question is on the amendment to the amendment.

Mr. STAFFORD. A point of order, Mr. Chairman. The amendment that it is sought to amend is not yet under consideration; it has not been reported to the committee as yet.

The CHAIRMAN. The gentleman's point of order is well taken. The amendment is not yet before the House.

Mr. STAFFORD. As I understand this section, it is largely in the nature of a survey or census to be taken by the Secretary of Agriculture of the food and allied articles, as stated in the section.

When I read this bill originally the thought occurred to me, why could not the work as enumerated in this section be as well performed by the director of the census? But we are not considering that question now, though it is of that allied character to the work performed by the director of the census in acquiring information. Why should we under the stress of conditions delegate such great power to the Secretary of Agriculture, and particularly to his agents, to permit them for their convenience alone to summon persons from all over the country here to Washington or to some central point to acquire information that can under the usual routine be acquired by visiting the respective districts or States? I do not believe we should vest this autocratic power in some subordinate agent, and allow him to have a subpœna issue calling upon some person, perhaps in San Francisco, who may be very much occupied in business affairs, to attend in Chicago upon some investigation merely relating to the collation of facts that is deemed necessary in order to facilitate a survey of the food supply in the country. I firmly believe there should be some limitation, and that this power, as recommended by the committee and originally suggested, I suppose, by the Solicitor of the Department of Agriculture, should be restricted. We all know that this bill was hurriedly presented to the House because of the urgent necessity of having some legislation passed before the planting season. That was the statement of the chairman of the committee when the bill was presented—that if the bill was not passed at the time it was originally considered two weeks ago the urgency for this year would be passed.

We may just as well look that phase of the subject in the face and know that this bill has not been given that thorough consideration by the Committee on Agriculture that usually characterizes its work. I do not believe this should be passed in this way. Even the chairman of the committee had a tentative amendment suggesting its limitation. Why should we authorize some subordinate to be vested with great powers to subpœna any person from any part of the United States to attend and merely furnish this information which can be obtained by his going into the respective districts and localities?

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. HELM. I am curious to know what is the gentleman's understanding in respect to the purport of this section? Ultimately all must come down to these agents of the Secretary of Agriculture. Do I understand that these agents, who it has been suggested are students of agricultural colleges and men who are going about and giving lectures, are to constitute themselves a court and issue subpœnas and have these subpœnas returnable before them? Are these people, inexperienced in the procedure of law and investigations of this kind, to constitute themselves a court of investigation and go up against one of these big packing houses or grain elevators in matters of tremendous importance? Do I understand that these temporarily appointed agents are to go around about the country and constitute themselves a court to conduct investigation?

Mr. STAFFORD. There is no question that under the phraseology written in the bill these agents would have the power to do the very thing suggested by the gentleman from Kentucky [Mr. HELM], and that is too great a power to place in the hands of men who have had no experience in the administration of affairs.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HELM. Mr. Chairman, I move to strike out the last word.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HELM. Mr. Chairman, if I understand language, it seems to me that this is too great a power to be delegated to agents of the Department of Agriculture. For the purpose of this section the Secretary of Agriculture and his agents duly authorized therefor may compel the attendance at any designated place of witnesses from any part of the United States. Who issues the subpœna in the first place? Either the Secretary of Agriculture or his agents? They issue the subpœna, and where is that subpœna made returnable, and before whom? The Secretary of Agriculture issues it, and without any provision in this bill, necessarily it is returnable before the person who issues it, whether he be the Secretary of Agriculture or his agents. It is presumed after section 2 has been stricken out that the employees who are connected with the Department of Agriculture will be in entire control of the proposed investigations, and the further presumption is that they know more about farming and agriculture than they do about law or the investigation of legal matters.

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question?

Mr. HELM. Yes.

Mr. HARDY. This bill provides that the agents who shall conduct these investigations are authorized by the Secretary of Agriculture for that particular purpose. In other words, they are not these untrained schoolboys, but must be somebody authorized to do this.

Mr. HELM. They are the men whom the department has sent out to investigate and ascertain the demand for the supply, consumption, cost, and prices of food, and so forth. I presume the department has one or two lawyers connected with it; but here is a vast multitude of agents going out over the country to make these investigations, and the presumption is that these men are farmers, or, if they are not farmers, they should not be connected with the Department of Agriculture.

Mr. HARDY. Mr. Chairman, will the gentleman yield again?

Mr. HELM. The gentleman is interrupting my line of thought and I have only five minutes, and I will not get anywhere.

The CHAIRMAN. The gentleman declines to yield.

Mr. HELM. Now, if these agents going out over the country find some recalcitrant, some company, corporation, or individual who will not answer the questions for which he was subpœned, will the agent try him or will this subpœna be returnable before some commissioner of a United States court? Certainly the commissioner has more knowledge of law than an agricultural agent that is fitted and qualified as an agricultural expert. It is true these commissioners are only given power to conduct investigation and return their report to the court, and these investigations, provided for in this bill, are going to compare with the investigation of the coal shortage by the Interstate Commerce Commission. To let a man go out from the Bureau of Mines to conduct an investigation as to the shortage of coal, a coal famine, and high prices, would be something absolutely ridiculous and absurd. So it seems to me that this whole section is out of balance, and is not properly drafted. You are starting out on a journey and will get nowhere. Or, if you do get anywhere, you will unquestionably get very unsatisfactory results.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. HELM] has expired. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. GRAHAM of Pennsylvania. Division, Mr. Chairman.

The committee divided; and there were—ayes 57, noes 35.

So the amendment was agreed to.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer my amendment now.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I offer the second amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers a second amendment, which the Clerk will report.

The Clerk read as follows:

Second amendment offered by Mr. GRAHAM of Pennsylvania: Page 3, line 12, after the word "States," insert:

"*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the judicial district of the district court of the United States wherein such witness resides."

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I would like to ask unanimous consent, in order to try to meet the various views that have been expressed, to add to this amendment the following:

Or outside of 100 miles from the place where the investigation is held.

That would cover this question of crossing a river or crossng a State line.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to modify his amendment in the manner indicated.

Mr. LENROOT. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I will.

Mr. LENROOT. Would not that make a further limitation instead of extending it?

The CHAIRMAN. Is there objection?

Mr. HARDY. I object.

Mr. IGOE. Mr. Chairman, I wish to oppose the amendment.

The CHAIRMAN. Does the gentleman from Michigan [Mr. McLAUGHLIN] desire to offer an amendment to the amendment?

Mr. McLAUGHLIN of Michigan. I desire to offer an amendment to the amendment.

Mr. McKENZIE. Mr. Chairman, I would like to have unanimous consent to have this amendment offered by the gentleman from Pennsylvania reported.

The CHAIRMAN. The Clerk will report the amendment, and then report the amendment to the amendment offered by the gentleman from Michigan [Mr. McLAUGHLIN].

The Clerk read as follows:

Page 3, line 12, after the word "States," insert:

"*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the judicial district of the district court of the United States wherein such witness resides."

Amendment to that amendment offered by Mr. McLAUGHLIN of Michigan: After the word "outside" strike out the words "of the judicial district of the district court of the United States" and in lieu thereof insert the words "of the State," so that as amended the amendment will read:

After the word "States," in line 12, page 3, insert:

"*Provided*, That no witness subpœnaed under this section shall be obliged to attend outside of the State wherein such witness resides."

Mr. MANN. Mr. Chairman, the gentleman from Pennsylvania asked unanimous consent——

The CHAIRMAN. That was objected to.

Does the gentleman from Michigan [Mr. McLAUGHLIN] desire to be recognized now to discuss his amendment?

Mr. McLAUGHLIN of Michigan. I do.

The CHAIRMAN. The Chair will recognize the gentleman.

Mr. McLAUGHLIN of Michigan. I think the limit in which the witness should be called would be the State and not the judicial district. This is not a court proceeding, so that the district in which the district court has jurisdiction has no relation to this matter at all. There is no reason why the limits of the district should be the limits within which the witness should be required to attend.

Mr. McKENZIE. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. McKENZIE. It is of course a Federal proposition?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. McKENZIE. Now, why should we recognize State lines?

Mr. McLAUGHLIN of Michigan. It is not a court proposition at all. I think the work could be done if the State could be designated as the limit instead of the judicial district. This amendment is in line with my first idea, and I offer it now partly because it meets the approval of the chairman of the committee, who has charge of the bill and has given a lot of attention to it. And it is in line with the discussion we had in the committee.

Mr. LEVER. Let me ask the gentleman from Michigan [Mr. McLAUGHLIN] if he has inserted in the amendments the words "District of Columbia and the Territories"?

Mr. McLAUGHLIN of Michigan. I simply said "State."

Mr. LEVER. You ought to make that addition to it, because you could not have investigations in the District of Columbia at all otherwise.

Mr. McLAUGHLIN of Michigan. If it is necessary, I ask unanimous consent so to amend the amendment as to include the words that the gentleman from South Carolina suggests.

The CHAIRMAN. Will the gentleman kindly indicate what they are?

Mr. McLAUGHLIN of Michigan. "The District of Columbia and any Territory of the United States."

Mr. MANN. Let me ask the gentleman a question. I am not very familiar with the practice of the Criminal Code. Is it not practicable to fix a limitation of miles instead of States? Here is a case, for instance of Kansas City, Kans., and Kansas City, Mo.; and in Chicago while making an investigation there is a packing house right across the line in Indiana. If it is practicable, I could see that a limitation of this kind would be more convenient than a limitation by States.

Mr. McLAUGHLIN of Michigan. I am not prepared to say that that is not true, and the chairman of the committee now tells me that he has suggested that a limitation be made in miles, providing that no witness should be required to attend a greater distance than 300 miles.

Mr. LEVER. I suggested this morning to the gentleman from Pennsylvania [Mr. GRAHAM] that I might agree upon this amendment to be inserted at the proper place—"compel the attendance of any witness at any designated place which, without his consent, shall not be more than 300 miles from his residence or place of business." If the gentleman will accept that, I think we could make some time and go ahead. That, it seems to me, would cover the situation very fully and would not work any great hardship.

Mr. GRAHAM of Pennsylvania. Would the gentleman be willing to make it 200 miles? If he will, I will agree to it.

Mr. LEVER. I will say to the gentleman that I have been working on this some time, and it represents my own view of the matter. Three hundred miles is not a long distance any more. It does not carry you across many of the States. I hope both gentlemen will accept this.

Mr. McLAUGHLIN of Michigan. I will accept it.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. McLAUGHLIN] has expired.

Mr. LEVER. I offer an amendment as a substitute for the amendments pending.

The CHAIRMAN. The gentleman from South Carolina offers an amendment in the nature of a substitute for the amendments pending.

Mr. LEVER. The language will have to be changed, because this was prepared to be offered on line 16, page 2. The gentleman's amendment is pending at the end of the section on page 3. If the gentleman from Pennsylvania will accept this amendment, I will offer it on page 2, line 16.

Mr. GRAHAM of Pennsylvania. Will the gentleman from South Carolina permit a suggestion?

Mr. LEVER. Yes.

Mr. GRAHAM of Pennsylvania. Let the amendment that is under consideration be made to read:

Provided, That no witness subpœnaed under this section shall be obliged to attend from a greater distance than 300 miles from the place where the investigation is held.

Mr. IGOE. I will object to that.

Mr. LEVER. That is practically my amendment.

Mr. HAUGEN. If the gentleman will permit, I want to say that in an investigation conducted in Washington the operator might be operating in Washington; and does the gentleman know that the permanent residences of most people temporarily staying in Washington is outside of Washington? Suppose the operator lived in the State of Washington. Under your amendment he could not be subpœnaed. His residence would be in the State of Washington, but his place of operation would be in the District of Columbia, in the city of Washington, and under the amendment it would be impossible to subpœna him and bring him to the city of Washington.

Mr. MANN. The amendment ought to cover the place where he is found.

Mr. LEVER. I offer it as his residence.

Mr. HAUGEN. Why not leave it to the discretion of the Secretary? Why limit it at all?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] asks unanimous consent to modify the amendment in accordance with his suggestion. The Clerk will report the amendment.

The Clerk read as follows:

Provided, That no witness subpœnaed under this section shall be obliged to attend for a greater distance than 300 miles from his residence or place of business.

Mr. GRAHAM of Pennsylvania. That is right.

The CHAIRMAN. Is there objection to the modification of the amendment by the gentleman from Pennsylvania offered in lieu of the pending amendments?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. EMERSON. Mr. Chairman, I have an amendment pending at the Clerk's desk.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] has another amendment, which will be reported at the Clerk's desk.

The Clerk read as follows:

Page 2, lines 23 and 24: Strike out all after the word "premises," in line 23; all of line 24 except the word "Any"; and after the said word "premises," on line 23, insert: "in which products enumerated in this section are stored or held," so that as amended the bill will read: "may sign, issue, and serve subpœnas; and may enter, on any business day during the usual hours of business, any place, including any structure, vessel, vehicle, or other premises, in which products enumerated in this section are stored or held."

Mr. LEVER. Mr. Chairman, I regret very much that I do not feel that the committee can accept that amendment. The language of the bill would permit the agents of the Department of Agriculture to go into any place of business, including any structure, vessel, vehicle, or other premises, except a dwelling house, actually occupied exclusively as such, in order to carry out the provisions of this section. The amendment offered by the gentleman from Pennsylvania limits this to such places as contain the articles stored or held. I think I can easily imagine a case of a warehouse in which wheat might be stored, or flour, or meat, but the information concerning the amount of wheat or flour or meat would not be either in the warehouse or in any place connected with the warehouse. The information would probably be in the office of the owner of these products uptown, and if so, as I understand the amendment, it would not be possible to get that information.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. LEVER. Yes; I yield.

Mr. LENROOT. In the case the gentleman speaks of the right to compel the production of books and papers would furnish that information, or the man would be in contempt, would he not?

Mr. LEVER. If that is so, what is the purpose of this amendment?

Mr. LENROOT. Because in case the actual amount of food products or things mentioned are in store, it might be necessary to check up the information you get in the office through the production of books and papers by the actual inspection of the articles themselves.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Will the gentleman yield to me?

Mr. LEVER. I was going to ask the gentleman from Wisconsin [Mr. LENROOT] if it is his idea that this amendment here really broadens the authority in this section, or does it limit it?

Mr. LENROOT. It limits it; but it limits it to the right to inspect the articles merely while the authority as now given, gives the right not only to inspect the articles but to go into every office and inspect the books and papers without subpœnaing the witness and compelling production in the ordinary way.

Mr. LEVER. Let me ask the gentleman—because I have great confidence in his judgment—does not the language now give that authority, beginning with line 14, which says that for the purposes of this section the Secretary of Agriculture and his duly authorized agent may do these various things?

Mr. LENROOT. Yes; but I do not think an agent of the Department of Agriculture ought to have the authority, without the issuing of a subpœna, to go into every office in the United States and inspect papers. I do think he ought to have authority to go into any warehouse, or any place where these things are stored, and make an inspection himself.

Mr. LEVER. Is it the gentleman's idea that as the bill is now drawn these agents would not have the authority to go into these places without a subpœna?

Mr. LENROOT. No; but I think they ought to be limited in their authority to the inspection of the articles themselves.

Mr. MOORE of Pennsylvania. Will the gentleman from South Carolina yield?

Mr. LEVER. I yield to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I desire to know whether the effect of this amendment would be to enable these officers to enter dwelling houses.

Mr. LEVER. We think not.

Mr. MOORE of Pennsylvania. The committee thinks not.

Mr. LEVER. We think not, and we have undertaken as nearly as we could to safeguard that situation.

Mr. MOORE of Pennsylvania. I would like to protect an ordinary dwelling house from this sort of thing.

Mr. LEVER. The committee is in full agreement with the gentleman on that, and there is no authority for that in this bill.

Mr. MOORE of Pennsylvania. Every farmer at the end of the season puts away his sweet potatoes and Irish potatoes and other products of the farm for family use, and so far as the city man can do it he stores up some for the winter. It is not as customary in the city as it is in the country, but sometimes it is done. I would like to protect such a provident housekeeper from this sort of inspection if it can be done.

Mr. WELLING. Will the gentleman look at line 24, page 2?

Mr. LEVER. We think we have safeguarded the protection of the home under those circumstances.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM] would permit the Secretary of Agriculture and his agents to enter only the places where agricultural products are stored. I should like to ask him what information the Secretary or his agents will be able to get, if limited only to these places, concerning the "ownership," "production," "transportation," "manufacture," "distribution," and so forth, as stated in this bill? It would seem to me that the gentleman's amendment would practically destroy the entire section.

Mr. GRAHAM of Pennsylvania. The purpose of this amendment is to supply something that is lacking at present in the language of the bill. The bill says he can enter on any business day during the usual hours of business, any place, including any structure, vehicle, or other place excepting a dwelling house actually occupied exclusively as such, for what purpose? Enter to examine the books and papers without a previous subpœna, to make an investigation of the premises. Why is he to enter every man's place of business—an unauthorized and perhaps irresponsible agent of the Department of Agriculture? In the prior portions of this bill he has full power to ascertain by subpœna and examination of witnesses who is the owner, who has the title to it, everything concerning it; and as the gentleman from Wisconsin [Mr. LENROOT] properly suggested, this is supplemental and ancillary to that only to the extent that he has a right to check up the testimony of those witnesses as to what quantities are in the place where the things are said to be stored or held in order to see whether that testimony is accurate. Further than that it is oppressive and unjust.

Mr. McLAUGHLIN of Michigan. I wish to repeat what I said, or to state further that, in my judgment, if the amendment is adopted, as suggested by the gentleman from Pennsylvania [Mr. GRAHAM], there will be practically no right or authority or privilege to the Secretary of Agriculture or his agents to find out anything without special proceedings in court in some way, and just how they would do that I am not able now to say—to get any information concerning the ownership, production, transportation, manufacture, or distribution of these things concerning which we wish information.

Mr. GRAHAM of Illinois. As I understand this amendment of the gentleman from Pennsylvania [Mr. GRAHAM], it simply limits the wording of the bill so that the only places the agent could go into would be places where these products are kept and stored. If that is true, what would happen to the agent if he happened to go into a place where he thought some of these products were stored, but there were not any such products there? He would be liable to damages, would he not?

Mr. McLAUGHLIN of Michigan. I do not know. Those are difficulties that will have to be settled as they arise.

Mr. GRAHAM of Illinois. Why would he not be liable to damages? But if you limit the agent's rights to go into a barn or a storehouse or a warehouse where crops are kept, what information would he be able to get concerning the ownership, the production, the manufacture, and the transportation? It would be necessary to have access to the man's books and make an inquiry concerning business.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. GRAHAM of Pennsylvania. Could he not subpœna and examine him; could he not subpœna every clerk in the establishment and examine them; could he not by a subpœna get the

production of the books and examine them, and from them get the information?

Mr. McLAUGHLIN of Michigan. Does the gentleman think he ought to be required to wait until he could go to the circuit court and get a subpœna if he wanted to get into a mill to learn something of importance respecting the manufacture of food products?

Mr. GRAHAM of Pennsylvania. No; but would the gentleman have an agent come into his place of business and examine books and go through them without any authority whatever? Have we reached an autocratic state like this? That would be worse than the czardom of Russia.

Mr. LENROOT. Mr. Chairman, I hope the amendment will be adopted, and while I have not read recently the act of Congress on this particular point relating to the operations of the Interstate Commerce Commission, the Federal Trade Commission, or the Tariff Commission and other commissions, I undertake to say that in no single instance is any power lodged in any of these great commissions such as is proposed in the original text of this bill to lodge in the irresponsible agents of the Commissioner of Agriculture.

Mr. HELM. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. HELM. Is it not a fact that within the past two months the Supreme Court of the United States has held in the case of the Interstate Commerce Commission against the Louisville Railroad Co., in an undertaking on the part of the Interstate Commerce Commission to compel the president or some officers of the railroad to produce its books in a proceeding based upon a resolution introduced by Senator LEA in the United States Senate with reference to the expenditure by some of the railroads of the South in a political way—where the court held that they had no right to inspect the books, and was not authority conferred upon a commission for that specific purpose?

Mr. LENROOT. That is true, although I do not think it bears upon this question. That, as I remember it, went to the question of the power of the Interstate Commerce Commission under the powers that had been specifically granted to it by Congress to get certain information. I do not question that we can confer upon the Secretary of Agriculture a power to compel the production of books and papers for the purposes designated in this act, but I do not think because we may have the power to do that that we should empower the Secretary to authorize any of his agents, of which there may be many thousands, to go into the office of every business place in this country for the purpose of inspecting books and papers without the issuance of a subpœna and without any official act declaring the purpose for which the inspection is desired.

Mr. ALEXANDER. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. ALEXANDER. I wish to call the gentleman's attention to the provision in the interstate-commerce law which provides—

> That for the purposes of this act the commission shall have power to require by subpœna the attendance and testimony of witnesses, and the production of all books, papers, tariff contracts, agreements, and documents relating to any matter under investigation. Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of disobedience to a subpœna the commission or any party to a proceeding before a commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents under the provisions of this section.

And then it goes on to say that the circuit court may, in case of contumacy or refusal to obey a subpœna, issue an order requiring such common carrier or person to come before the commission and produce books and papers and give evidence touching the matter in question, and so forth.

Mr. LENROOT. That is my recollection of the power conferred on the Interstate Commerce Commission, and of course there is not the slightest objection to that power being conferred in this act, as it will be conferred if this amendment is adopted.

Mr. HELM. Will the gentleman yield for a further question?

Mr. LENROOT. Yes.

Mr. HELM. Do I understand from the language of this section that the agents of the department issuing the subpœna for a person to appear before him, and upon his failure to do so has the right without the introduction of proof or a hearing on the part of the person so offending to impose a fine of $5,000 and imprison him for two years?

Mr. LENROOT. Oh, no; that would be under a court proceeding.

Mr. HELM. Is not that the language of the section?

Mr. LENROOT. No; I do not so construe it.

Mr. SUMNERS. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. SUMNERS. Does the gentleman think that there should be the right of inspection of the place of manufacture as well as the storage?

Mr. LENROOT. No; I do not, because frankly it seems to me that the only real thing to be accomplished by the right of entry, that can not be accomplished by the subpœna of a witness and the production of books and papers, as the gentleman from Pennsylvania has stated, is by giving a right of entry for the purpose of checking up the testimony and checking up the books and papers. For instance, if the owner of a certain elevator says there are 200,000 bushels of wheat in storage in his elevator and there is reason to believe that instead of 200,000 there is 1,000,000 bushels, we ought to have the right to go into the elevator and find out whether there is 200,000 bushels or 1,000,000 bushels, because to my mind one of the chief benefits of the bill is the food survey, and that information must be secured, and if it is to be of value it must be secured quickly, and it ought not to be so left that it might be secured only at the end of a prosecution in court and the conviction of the man who refused to give the information. To illustrate, without going into detail, I think that we should at the earliest possible moment ascertain how many hundred bushels of wheat have been raised in the United States, how many bushels are necessary for home consumption during the year, how many million bushels we can safely export, and that information should be secured under this bill. I believe it is very desirable that the agents of the Department of Agriculture should be permitted to go into any elevator, any flour mill, storage warehouse, or any warehouse and make inspection of the commodities themselves, but there is not the slightest reason or justification for permitting such an agent to go in and examine books and papers where they can be secured through the ordinary processes of subpœna and the production of books and papers. [Applause.]

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent that the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM] may be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment of the gentleman from Pennsylvania [Mr. GRAHAM].

There was no objection, and the Clerk again reported the amendment.

Mr. COOPER of Wisconsin rose.

Mr. LEVER. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. COOPER of Wisconsin. Yes.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate on this amendment be closed in 10 minutes.

Mr. HULBERT. Mr. Chairman, reserving the right to object, I desire to offer an amendment to this amendment, which it may be necessary to discuss.

Mr. LEVER. Then I shall make it 15 minutes.

Mr. HULBERT. And if the gentleman from Wisconsin will permit me, I shall offer it now, so that it may be considered as a part of the discussion that he is about to make.

The CHAIRMAN. Without objection, the gentleman from New York offers an amendment which will be read from the desk.

The Clerk read as follows:

> Mr. HULBERT moves to amend the Graham amendment by adding thereto the words "except a dwelling house."

Mr. NORTON. Mr. Chairman, I desire to offer the following as a substitute for that, which I send to the desk and ask to have read.

The Clerk read as follows:

> Mr. NORTON offers the following as a substitute: Page 2, line 23, strike out all after the word "premises," and in line 24 strike out all of the line excepting the last word and insert in lieu thereof the following: "in which there is good reason to believe any of the products enumerated in this section are stored or held.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate upon this amendment and the amendment to the amendment and the substitute close in 20 minutes, which would give the gentleman from New York [Mr. HULBERT] five minutes, the gentleman from Wisconsin [Mr. COOPER] five minutes, and the gentleman from North Dakota [Mr. NORTON] five minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that debate upon the amendment and the amendment to the amendment and the substitute be limited to 20 minutes. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. Mr. Chairman, I have only a word to say concerning the amendment of the gentleman from Pennsylvania [Mr. GRAHAM]. It will be observed that it limits the right of entry strictly to premises in which products are actually "stored or held." Now, suppose that this amendment should

become law and that the officer in the best of faith should enter premises thinking products were stored there and none were there, would not the officer be a trespasser? He would have violated the letter of the law because he had entered a place in which there were no goods, and under this law he is to be permitted to enter only places where goods are actually "stored or held." I think the amendment ought to be qualified by a clause providing that he may enter premises where he has good reason to believe that goods are stored.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. LAGUARDIA. In that case the officer who wrongfully enters the dwelling house or premises in an action against him has a defense the same as any police officer, who would have to show probable cause and reasonable grounds of belief.

Mr. COOPER of Wisconsin. The gentleman's statement would be good law in a case where there was no statute such as this would be, in express terms, authorizing him to enter only places where goods are actually stored.

Mr. LAGUARDIA. Not at all, because the only danger he incurs is risk of civil action, and in order to sustain an action they would have to show malice and bad faith.

Mr. COOPER of Wisconsin. Not at all, where, as in this case, he has no authority except such as the statute gives.

Mr. HULBERT. Mr. Chairman, of course, the gentleman realizes that the agent has a right to issue a subpœna for the purpose of interrogating the owner of the premises, with a view to ascertaining whether goods are in there before he makes the entry.

Mr. COOPER of Wisconsin. But suppose he should believe that the man who has testified under oath has not told the truth as to where all the goods are located. Is the officer to be a trespasser because he deems it his duty to find goods in some other place?

Mr. HULBERT. Is the gentleman going to destroy the entire structure upon which representative government is founded?

Mr. COOPER of Wisconsin. Oh, no; and it would not destroy the right upon which representative government is founded should a man tell an officer that he has products in warehouse B but none of the same kind in warehouse C, in the next township, and the officer should say that he would like to see and should try to find out what is in warehouse C. That would not destroy representative government—at least in Wisconsin.

Mr. REAVIS. If power were granted by this bill to act upon reasonable belief and search, there would not be the same likelihood of perjury, would there?

Mr. COOPER of Wisconsin. No.

Mr. LENROOT. Does the gentleman think that the public would be injured at all if this entry was in fact or practice limited to places where it was notorious that goods were stored and held? And then, I would like to ask the gentleman this question: Take the case of a grain elevator. He would have the right to enter whether there was in fact at the particular time a bushel of grain there or not under this language.

Mr. COOPER of Wisconsin. That does not meet the situation at all. The amendment does not mention elevators or warehouses. What I have in mind is a situation like this: A Government agent asks a man where he has products stored. He tells him in a certain place. The agent thinks there are goods stored in other premises, say 5 or 6 miles away, because he has been so informed, and he wants to search those premises. If the amendment of the gentleman from Pennsylvania [Mr. GRAHAM] were to become the law, the officer would enter the last place at his own risk and, if it proved empty, would be a trespasser.

When an officer swears out a warrant to search for stolen goods he does not have to swear to anything except that a theft has been committed and that he has good reason to believe that in certain premises the goods can be found. This bill ought to give the officer the right——

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask unanimous consent for two minutes more.

Mr. STAFFORD. Mr. Chairman, I waive my time for the benefit of my colleague.

Mr. LENROOT. I would like to ask my colleague another question.

The CHAIRMAN. There were 20 minutes on this amendment, part of the time to the gentleman from New York [Mr. HULBERT], part to the gentleman from North Dakota [Mr. NORTON], and the Chair is uncertain——

Mr. STAFFORD. The chairman of the committee stated five minutes to me, five minutes to my colleague [Mr. COOPER], five minutes to the gentleman from New York [Mr. HULBERT], and five minutes to the gentleman from North Dakota [Mr. NORTON].

The CHAIRMAN. If the gentleman was in this time agreement he has no right to waive his time to his colleague, but, without objection, it will be done.

There was no objection.

Mr. COOPER of Wisconsin. Suppose the right to search for stolen goods was in the law expressly limited in these words: "The officer shall have the right to enter premises only where stolen goods are actually concealed." If the officer should enter and search premises where they were not concealed, would he be a trespasser?

Here, under this bill, is an attempt to elicit information very important to all——

Mr. HULBERT. Will the gentleman yield?

Mr. COOPER of Wisconsin. One moment. Here is an attempt to elicit information important to all the people of the United States. The officer under his oath tries to find products for the purpose of conserving the food supply. A man tells him that there are certain goods in a warehouse here, but none of the same kind in the warehouse there. That may be true, but the officer ought not to be prohibited from going into the last-mentioned place, even though it should be proved not to contain products. He ought not to be compelled to assume any risk should there be no goods in the building, because he can not tell until he makes the search.

Mr. LENROOT. The gentleman speaks of the case of a warehouse. If it is a warehouse, he has the absolute right to go into that warehouse under this amendment, irrespective of whether John Doe's goods are there or whether Richard Roe's goods are there. If it is a warehouse in which products mentioned in this bill are so held and stored, he has a right to go there.

Mr. COOPER of Wisconsin. Suppose he should enter a warehouse where goods are not stored. This amendment limits the right of search only to "premises" where the goods are "stored or held."

Mr. LENROOT. If it be a warehouse.

Mr. COOPER of Wisconsin. Suppose a man should go within a warehouse that was empty of goods entirely, it would still be a warehouse.

Mr. LENROOT. And he would have the right to enter it under this amendment.

Mr. HULBERT. Will the gentleman yield for a question?

Mr. COOPER of Wisconsin. I ask in my time, before I yield, to have that amendment read again, in answer to my friend from Wisconsin [Mr. LENROOT] and to show this right of entry is limited not to warehouses but to any "premises" in which the goods are actually stored.

The CHAIRMAN. Without objection, the amendment will be again read.

The amendment was again reported.

Mr. LENROOT. That is merely descriptive of the character or place.

The CHAIRMAN. If no further debate is desired, the Chair will proceed to put the motion.

Mr. HULBERT. Time has been reserved by two other gentlemen. We had not been informed that the time of the gentleman from Wisconsin had expired.

The CHAIRMAN. The gentleman from Wisconsin had taken his seat.

Mr. HULBERT. He asked in his time to have an amendment read.

The CHAIRMAN. That was done, and the gentleman had taken his seat.

Mr. HULBERT. Then I ask to have my five minutes.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. HULBERT. Mr. Chairman, the language of the bill as originally drawn authorizes the entry on any business day during the usual hours of business of any place, including any structure, vessel, vehicle, or other premises, except a dwelling house actually occupied exclusively as such. When this measure was before the House for consideration prior to the taking up of the war-revenue bill, I brought to the attention of the chairman of the committee the operation of this law in its relation to apartment houses in large cities, where there were stores for the transaction of business upon the ground floor and the upper floors were occupied for residential purposes.

I had thought at first that the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM] corrected the objection that might exist—in fact, which did exist—to the original language; but in New York City and in other cities where we have apartment houses and tenement houses, a grocery store or a vegetable store, for instance, in which there are

products of the farm, stored for immediate or future use, it would be permissible for a representative of the Department of Agriculture to go into the apartment of any occupant of that apartment house. And so I have offered an amendment to specifically except the premises occupied as a dwelling. And not only does that apply to a man in a city, but it also applies to a man in the country. It applies to a man on the farm, because if in the cellar of his farmhouse he has stored a considerable quantity of his winter's provisions, it seems to me that the language proposed by the gentleman from Pennsylvania [Mr. GRAHAM] would authorize the representative of the Department of Agriculture to invade the home of the farmer.

Mr. PLATT. Mr. Chairman, will my colleague yield for a question?

Mr. HULBERT. Yes.

Mr. PLATT. Does not the gentleman think that a great many farmers store pretty large quantities over what they require for themselves? I have heard, for instance, of a farmer who had 200 bushels of potatoes stored in his cellar in April. He was not going to use them.

Mr. HULBERT. It was customary when I lived in the country to store away potatoes to supply the family and for seed in the cellar for the spring.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. HULBERT. Yes.

Mr. DEMPSEY. Do you not think this would answer your purpose as supplementary to your amendment—before Mr. GRAHAM's amendment insert, after the word "vehicle," "or the parts thereof," so that it would read: "Any structure, vessel, vehicle, or the parts thereof in which products enumerated in this section are stored or held"? That limits it to the part of the structure, vessel, or vehicle.

Mr. HULBERT. The language is unimportant to me. It is the principle. We have always been taught to believe that a man's home is his castle, and I am opposed to giving the Secretary of Agriculture the right to send a subordinate into the home where he may make such investigation as in his judgment he deems proper, amounting to an invasion of a sacred constitutional right of citizenship.

Mr. DEMPSEY. Mr. Chairman, I offer as an amendment to Mr. GRAHAM's amendment the following——

The CHAIRMAN. The gentleman can not offer an amendment in the time of a gentleman having the floor.

Mr. HULBERT. I yield to the gentleman for that purpose, Mr. Chairman.

Mr. DEMPSEY. I offer the following as an amendment to his amendment.

The CHAIRMAN. The Chair is informed that the gentleman from Pennsylvania [Mr. GRAHAM] has an amendment pending, and that an amendment to that amendment is pending, offered by the gentleman from New York [Mr. HULBERT], and a substitute is offered by the gentleman from North Dakota [Mr. NORTON].

Mr. DEMPSEY. Can I offer an amendment to the substitute?

The CHAIRMAN. The gentleman can offer an amendment to the substitute.

Mr. DEMPSEY. So as to make it read: "Amend, page 2, line 23, by striking out 'or other premises except a dwelling house actually occupied exclusively as such' and insert in place thereof, after the word 'vehicle,' the following: 'or the parts thereof in which the products enumerated in this section are or are usually stored or held, except a dwelling house.'"

The CHAIRMAN. If the gentleman has his amendment in writing, he had better send it to the Clerk's desk.

Mr. DEMPSEY. I will.

The CHAIRMAN. The Clerk will report the amendment to the substitute.

Mr. NORTON. Mr. Chairman, the substitute that I have offered is for the purpose of meeting the conditions explained by the gentleman from Wisconsin [Mr. COOPER]. My substitute is substantially the same phraseology as the amendment of the gentleman from Pennsylvania [Mr. GRAHAM], with this exception: The gentleman from Pennsylvania proposes to amend by striking out and inserting the following words, "in which any of the products enumerated in this section are stored or held," and I propose to substitute for that this phraseology, "in which there is good reason to believe that any of the products enumerated in this section are stored or held."

I believe an officer should have the right to enter any warehouse or premises where he has good reason to believe that these products are stored and which he desires to examine and ascertain their amount. I do not know that the constitutional rights of our citizens would be greatly endangered if a provision were put into this bill authorizing the Secretary of Agriculture or his agents to enter and examine to a certain extent and for a definite purpose the books and papers of warehousemen; but I do not believe that the provision as it now stands in the bill should be enacted into law. It gives to the Secretary of Agriculture and his agents powers that are too broad and too indefinite. It does not prescribe the purpose for which the Secretary or his agents are warranted in entering a place of business. It seems to me that in framing this clause as it stands in the bill a fundamental part of it was left out. It states here that "the Secretary or his agents may enter on any business day during the usual hours of business any place, including any structure, vessel, vehicle, or other premises except a dwelling house actually occupied exclusively as such." Nowhere in specific terms is it stated for what purpose the Secretary or his agent may enter.

Mr. LEVER. Mr. Chairman, will the gentleman read that language in connection with the language on line 14 of page 2?

Mr. NORTON. In the same section?

Mr. LEVER. Yes.

Mr. NORTON. I read, beginning at line 14, page 2, "For the purposes of this section the Secretary of Agriculture, and his agents duly authorized therefor, may"——

Mr. LEVER. That is the construction that is put on it.

Mr. NORTON. The gentleman construes the purpose of the section to be "to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of food, food material," and so forth. Inferentially it might be held that such would be the reason that the Secretary or his agents would have for entering places of business prescribed.

I do not desire to take the further time of the committee, but I firmly believe that administrative officers should be protected to the extent of giving them the right to enter warehouses or places of storage where they may have reason to believe that these products are stored.

The CHAIRMAN. The gentleman from New York will kindly send up his amendment to the substitute, so that it can be read at the desk.

Mr. DEMPSEY. Very well.

The CHAIRMAN. The Clerk will report the amendment to the substitute.

The Clerk read as follows:

Amendment to the substitute offered by Mr. DEMPSEY: Page 2, lines 23 and 24, after the word "vehicle," in line 23, strike out the balance of the line and all of line 24 except the last word, and after the word "vehicle," in line 23, insert "or the parts thereof in which products enumerated by this section are or are usually stored or held, excepting a dwelling house."

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New York [Mr. HULBERT].

The question being taken, the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment to the substitute offered by the gentleman from New York [Mr. DEMPSEY].

The question being taken, the amendment to the substitute was rejected.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from North Dakota [Mr. NORTON].

The question being taken, the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM].

The question being taken, the chairman announced that the noes appeared to have it.

Mr. EMERSON. Division, Mr. Chairman.

The Committee divided; and there were—ayes 42, noes 45.

The CHAIRMAN. On this question the ayes are 42, and the noes are 45. The amendment is lost.

Mr. EMERSON rose.

Mr. MONDELL. Mr. Chairman——

The CHAIRMAN. The gentleman from Wyoming desires to offer an amendment.

Mr. HULBERT. Mr. Chairman, I demand tellers on the amendment of the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. LEVER. I make the point of order that it is too late.

Mr. HULBERT. I hope the gentleman will not be technical. The gentleman from Ohio [Mr. EMERSON] demanded a division, and when the chairman announced the vote he rose——

The CHAIRMAN. The request comes a little late, but the vote is so close——

Mr. HULBERT. The gentleman from Ohio was on his feet.

Mr. LEVER. I withdraw the point of order.

Mr. EMERSON. I rose to demand tellers.

The CHAIRMAN. The gentleman from New York demands tellers.

Tellers were ordered; and the chairman appointed Mr. HULBERT and Mr. LEVER.

The committee again divided; and the tellers reported—ayes 62, noes 59.

Accordingly the amendment of Mr. GRAHAM of Pennsylvania was agreed to.

The CHAIRMAN. The gentleman from Wyoming offered an amendment.

Mr. MONDELL. Mr. Chairman, I withdraw my amendment.

Mr. SUMNERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS: Strike out from the beginning of section 3 down to and including the word "section," in line 1, page 3; strike out the comma, add period, and insert: "The Secretary of Agriculture and his agents duly authorized therefor may issue and serve subpœnaes and compel the attendance of witnesses at any designated place within 300 miles of the place of residence of the witness or of the point where the subpœna is served, the giving of testimony, oral or in writing, under oath or otherwise, the production of books, letters, papers, or documents, and the submission of reports; and may enter places of manufacture or storage, other than those of the producers, for the purpose of ascertaining the facts with regard to the ownerships, present and past, past and contemplated time of storage or of withholding from consumption, quantity, quality, condition, purposes for which held, price paid and at which held, cost and expenses of carriage, profits and losses, and all other transactions and facts of or with regard to foods, food material, and farm products which would be serviceable in preventing food waste, uneconomical storing, transportation, or distribution, unnecessary or extortionate profits or price manipulations, or which would be serviceable to the Government, request therefor having been made by the Department of Justice, in the investigation of or prosecution for any violation of the laws of the United States with regard to such products."

Mr. SAUNDERS of Virginia. Is that a motion to strike out the entire section?

Mr. SUMNERS. It is not a motion to strike out the entire section. It strikes out a part of the section.

Mr. SAUNDERS of Virginia. Does the amendment deal with this language in lines 22 and 23, which give authority to these agents to enter any place, including any vessel, vehicle, structure, or premises? I want to suggest to the gentleman that is pure surplusage.

Mr. LEVER. That has been voted on and amended.

Mr. SAUNDERS of Virginia. It ought to be stricken out. If you have authority to enter any place, you have authority to enter these other places which are included in the greater authority.

Mr. LEVER. That language has been stricken out.

Mr. BORLAND. I reserve a point of order on the amendment of the gentleman from Texas.

The CHAIRMAN. The gentleman from Missouri [Mr. BORLAND] reserves the point of order on the amendment of the gentleman from Texas [Mr. SUMNERS].

Mr. LEVER. I ask unanimous consent that the debate on this amendment may conclude in 20 minutes.

Mr. CANNON. Is this a motion to strike out the section?

Mr. SUMNERS. No; it is to perfect the section.

Mr. CANNON. When you get through, I want to submit a motion to strike it all out.

Mr. LEVER. That will come later.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this amendment and all amendments to this amendment close in 20 minutes.

Mr. EMERSON. Mr. Chairman, I desire to present an amendment.

Mr. LEVER. This does not exclude the right of the gentleman from Ohio to present his amendment and to speak upon it. I only ask unanimous consent to close debate on this particular amendment in 20 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SUMNERS. Mr. Chairman and gentlemen, it seems to me that in the consideration of food-control legislation we ought to have in mind the point at which we are trying to arrive. I am opposed to the expenditure of public funds for the work contemplated by the first part of section 3. I am opposed to the delay of action which the authorization of that expenditure would seem to contemplate. I contend that we know now what ought to be done. Neither the delay nor the expenditure is justified by our circumstances. The Secretary of Agriculture is directed to investigate and ascertain the demand for food products, to ascertain the supply of food products, to ascertain the consumption of food products, to ascertain the cost of food products, to ascertain the price of food products and the basic facts relating to the ownership, production, and transportation, and so forth.

Now, I ask, gentlemen of this committee, what do we propose to do with that information after we shall have obtained it? There is no probability that we have too much food. The investigation will give us no more. There is not a gentleman here who does not know this minute that if we produce and conserve to the maximum of the ability of this country we will not fully meet the requirements of this country and of our allies. Every one of us must know that if we spend this money, take the people from production necessary to make the survey, and send them over the country it will not add one bean to the Nation's food supply. All it will add will be to the burden of taxation. [Applause.]

It seems to me, gentlemen, that we have reached the point where we ought to draw the line on that sort of procedure and that sort of expenditure of the public funds. [Applause.] I read the other day in one of the local papers the story of a gentleman's activity, which he evidently regarded of sufficient importance to notify the newspapers with regard to it. I will read it to you:

Highly encouraging reports are being made by H. M. Conolly, of the Department of Agriculture, who is making a survey this week of the District to see how many new gardens have been planted. Yesterday he found an unusual number in the northwest section, and to-day he is visiting Brookland and other northeast sections, which have shown great interest in the garden campaign.

[Laughter.]

Suppose he had found 150 or had found 250 gardens, what difference would it have made in the national policy with reference to gardens? I am willing to appropriate every cent that is necessary to get the information needed for carrying out a determined course of action or for the discovery of facts necessary for the determination of a proper course of action. Suppose we find a certain number of bushels of wheat, what do we propose to do about it? Suppose we should find a lesser number, what are we going to do about that?

Mr. BURNETT. Suppose we find a back-yard garden in Washington, what are you going to do about that? [Laughter.]

Mr. SUMNERS. Report it to the newspapers. [Laughter.]

Mr. BURNETT. Would not that require an official that we provide for to make a survey of that garden and pay him $2,500?

Mr. SUMNERS. In order to get anywhere, to get accurate information, we ought to know how many turnips and cabbages there are in the gardens.

Mr. CARAWAY. If you make the information public, how many will there be the next morning? [Laughter.]

Mr. SUMNERS. That would depend entirely on the neighborhood in which it was situated. Now, gentlemen, this is a very serious matter. Let us see what we need to do. Nobody in the consideration of this matter urges that the farmer is receiving too much profit. I would like to call attention to the fact that the prices paid to the farmers to-day is nature's call to the farm of the producing energy of this country. [Applause.] Whenever we lay the hand of arbitrary control on any essential basic industry we do a very dangerous thing. The best thing to do is to remove the artificial, to remove the obstructions and give the laws of economics, the laws of nature, the fullest opportunity to operate upon the situation. [Applause.]

Mr. SHERLEY. Will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. SHERLEY. What does the gentleman think of the laws of nature operating when you have a limited supply and an unlimited demand and time is the essence of the whole thing?

Mr. BURNETT. Get some more surveyors. [Laughter.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HAUGEN. I ask unanimous consent that the gentleman's time be extended.

The CHAIRMAN. The time for debate has been limited.

Mr. LEVER. I understood the gentleman from Texas was to have 10 minutes.

The CHAIRMAN. The Chair understood that by unanimous consent debate on this amendment was limited to 20 minutes, anr four gentlemen's names were given to the Chair to be heard.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the time be extended to 30 minutes and that the gentleman from Texas have 10.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the time be extended to 30 minutes, of which the gentleman from Texas shall have 10. Is there objection?

There was no objection.

Mr. SUMNERS. Now, Mr. Chairman, if it be conceded that the farmers of this country are not receiving too much, then the essential thing to do is to find out how it happens that between the public and the man who gets $1 a bushel for his wheat charges accumulate so that the public is made to pay on the basis of $3.50 for the products that come from the wheat. Is not that common sense? Is not that what we should be trying to find out if we do not now know? It is my contention that

we know the essential facts now and ought to act now. But if the House will not agree to act now let us not send surveyors too far afield.

There used to be in our neighborhood a very useful dog under certain circumstances. He had a fine nose and was very thorough in his work. He went at things scientifically and marked out every briar patch and brush heap through which the "varmint" in its wanderings may have passed. Mr. Chairman, I mean no disrespect. The fact is, we boys held that dog in the highest esteem. [Laughter.] But there were times when we did not need this exactness, this scientific precision. We did not need that dog when we had the "varmint" in sight, and all the other dogs right after him. [Laughter.] I am not willing to expend money surveying the briar patches and brush heaps when we know the general location of the thing we are after. We know where the trouble is, and let us go right down after it where we know it is located. That is what I am trying to do by this amendment.

Mr. KING. Will the gentleman yield on the subject of dogs?

Mr. SUMNERS. Well.

Mr. KING. I call the gentleman's attention to that historical episode where old Mother Hubbard forgot to make a survey of the food products for her dog, and the cupboard was so bare that the dog got none.

Mr. SUMNERS. What old Mother Hubbard should have done, instead of making a survey, she should have been rustling around getting another bone for the dog. [Laughter.]

Mr. KING. She waited too long.

Mr. SUMNERS. She waited too long, and if we are not careful Congress is going to wait too long to do the right thing. We must turn back the tide of population which is sweeping in from the country. We must recognize the fact that we have for a long time been doing the things we are doing now, but the mighty tide of population has swept by us. Our food surplus for a long time has been decreasing. Fundamental economic forces have been destroying the equilibrium of our population as between country and town. In this hour we answer necessity's call for action now, by an offer to survey the situation. We need the best marketing machinery that ingenuity and money can develop to get our products to market. We need plants over the country to cure and preserve the surplus. This food material is rotting now. This is an emergency. The most inexcusable of all mistakes under our circumstances would be that of inaction. I do not want to appear unappreciative of the valuable services which the able and efficient chairman of the Agricultural Committee and its members are rendering, nor as criticizing the general policy of the Department of Agriculture. I regret that I can not agree with them in this matter.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. HAUGEN. Has the gentleman estimated the time when the number of surveyors required to make this survey will complete their work?

Mr. SUMNERS. No; I have not.

Mr. HAUGEN. There are about 10,000,000 granaries and elevators in this country, and it is expected to have a certificate from each one of them. The bins are to be measured. If we employ 1,000 men and each of them make a survey of 10 elevators a day, it would take 1,000 days, and how long it would take to tabulate the report. I know not, but at least the report would be three years after to-day before the survey could be had and the information furnished to the country.

Mr. SUMNERS. I will say to my friend, in reply to that, that I am trying, at least, to hold this investigation to the elevators, to the places of storage, and to those instrumentalities and businesses which have to do with these products between the farm and the table. There is where the difficulty is, and I want to say to you gentlemen from the cities a few years ago the farmer was absorbing these charges upon distribution, but your people in the cities absorb most of them now. There is but one thing to do, and you had as well face it—you have got to reduce intervening charges or you can not reduce the cost of the table. [Applause.] I am willing to put up the necessary money to make the effort to reduce these intervening charges. I am anxious to do it.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. COOPER of Wisconsin. The last leaves that have come from the Secretary of Agriculture—I saw them but did not examine them carefully—I am told show that there is twice as much food products stored now as there were a year ago. What are you going to do to remedy that?

Mr. SUMNERS. Mr. Chairman, I have tried to make myself clear. I am willing to ascertain all the facts with regard to the storage. I am not only willing to do that, but I want to press the matter in order to let the country know—I think I know myself now—how it is that these enormous intervening charges are attached. I am willing to do that, and to spend every single cent necessary to ascertain the facts. If the Secretary is to make this investigation, he ought to find out from those who have these commodities when they bought them, how much they paid for them, how long they contemplate holding them, and what have been the intervening charges and profits, and generally how it is that these two or three dollars are tacked on to the cost of a bushel of wheat.

Mr. COOPER of Wisconsin. And how much they have.

Mr. SUMNERS. Yes; all about it. But I want to centralize this investigation and let the Secretary of Agriculture call this gentleman out from snooping around gardens in the District of Columbia and others similarly engaged and put them on the job. [Applause.]

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. RUBEY. I understand that the amendment the gentleman offered is the same amendment that is printed in the Record, practically?

Mr. SUMNERS. Yes.

Mr. RUBEY. In the last part of the gentleman's amendment he provides for all this inspection, and then you add the words:

Requests therefor having been made by the Department of Justice, in investigation of or prosecution for any violation of the laws of the United States, with regard to such products.

Mr. SUMNERS. I would like to have that go out, and I will tell the gentleman why I put it in.

Mr. RUBEY. If you want that to go, that makes me not so much opposed to the gentleman's amendment.

Mr. SUMNERS. I will tell you why I put it in. I saw a statement the other day where the Department of Justice was trying to prosecute some of these food barons, as they are called, and it was found out the department could not get the information through the grand jury quickly enough, and they wanted this bill passed in order to get such information, and I put the provision in in order to meet that alleged need. I agree that it ought not to be in this bill.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. SLAYDEN. Does not the gentleman think that the present very high price of wheat—although I believe now declining on prospects of a better crop—is due to the fact of the great shortage of that commodity, just as the price of cotton advanced on crop failures?

Mr. SUMNERS. It is due to two facts. It is due to shortage, and it is due to manipulation to which our system of distribution so easily lends itself. Now with regard to the practical effects of a mere food census, my colleague, Mr. YOUNG, the other day in the discussion of this bill called attention to the fact that he had a constituent who had bought 70 sacks of flour. If we investigate and find that we have less wheat than his constituent thought we had his constituent will go and buy a few more sacks of flour, and if we find that we have more wheat than he thought we had, then he will quit eating the scorched biscuits.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. BANKHEAD. Has the gentleman in mind any legislative remedy that this committee or Congress can avail itself of to correct the situation he has just adverted to, after we have gotten possession of all these facts?

Mr. SUMNERS. I am going to offer another amendment.

Mr. BANKHEAD. What is it?

Mr. SUMNERS. I can not discuss it now in my 10 minutes.

Mr. KNUTSON. The gentleman from Iowa stated it would take three years to conduct this investigation. What is going to become of the food that has been inventoried at the end of three years?

Mr. BURNETT. We will have more inventories.

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. HELM. The gentleman is speaking about the high cost of living prevailing in this country. Is it not due to the fact that not solely foodstuffs but structural material of all kinds have been upon the bargain counter between the allies and the United States prior to the entry of the United States into the war, and since we have become partners with them, we have quit bidding against each other, and the high dollar which has heretofore been buying the output of the factory and the field is now being equalized, and representatives of the different governments, instead of bidding against each other for the output of the factory and the field are beginning to recognize the

fact that they are partners in this situation, and therefore prices are inevitably going to a lower level all along the line?

Mr. SUMNERS. I am not sure that I understood my colleague's statement. I understood him to begin his statement with an inquiry of what is the cause of the high prices. Did I correctly understand my colleague?

Mr. HELM. I beg the gentleman's pardon.

Mr. SUMNERS. I evidently misunderstood my colleague. I understood your inquiry to be in regard to the high prices——

Mr. HELM. You had been speaking of the high cost both of field and factory products.

Mr. SUMNERS. And you are inquiring what was the cause of the tendency of the prices to go down now?

Mr. HELM. Yes, sir.

Mr. SUMNERS. Certainly the products of the farm are sold to the highest bidder, and, of course, the price of the products of the farm depends not upon the cost of production nor to any consideration for profits, but upon whether or not there is sharp competition among the people who want to buy. Another thing which has affected the situation, of course, has been the near approach of the next harvest.

Mr. GARRETT of Texas. Will my colleague yield?

Mr. SUMNERS. Yes.

Mr. GARRETT of Texas. A few days ago I received a letter from San Benito, Tex., representing a corporation engaged in truck farming, in which they stated that now there are 2,000 acres of beans being left in the fields around San Benito, with no market for them, and that the farmers are abandoning their fields because they can not get any transportation to get them out of there. Is not one of the real troubles the question of marketing and transportation?

Mr. HULBERT. Will the gentleman yield at that point?

Mr. SUMNERS. Yes.

Mr. HULBERT. Does the gentleman believe, or has the gentleman investigated, as a means of preserving the crop such as that which the gentleman from Texas [Mr. GARRETT] referred to, the adoption of a system of dehydrating, which is done in Germany and other nations of Europe?

Mr. MOORE of Pennsylvania. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Texas [Mr. SUMNERS] has expired. The gentleman from Illinois [Mr. MANN] is recognized.

Mr. MANN. Mr. Chairman, I think section 3 of this bill is the outgrowth of an amendment which I offered to the Agricultural appropriation bill and which was agreed to by the House and went into the law, providing an appropriation for investigating, marketing, transportation, production, storage, manufacture, and so forth, of food products. To have put this in at the same time would have made the amendment subject to a point of order. It comes now in the way of legislation, to give to the Secretary of Agriculture authority under the law to obtain the information for which we have already made a slight appropriation and which will undoubtedly require additional appropriation in the future.

Gentlemen may talk about the low price which the producer receives and the high price which the consumer pays, but, after all, we will never be able to alter the laws of nature or of men's minds. But we can do this. We can through scientific work find methods, I believe, of cheapening the cost of moving the articles from the producers to the final consumer. Many men have had many methods of doing this in the past, but no one yet has suggested a complete solution of the subject, and no one will. But the Agricultural Department, if it is permitted through the aid of theoretical, scientific, and practical men to make these investigations, may find and suggest methods of cheapening the cost of transportation, of saving a product which now is lost, because there is no local demand for it, and of cheapening the cost of storage and holding.

I do not know what they may discover, but I believe it is wise to give them the opportunity to try to see if there is any method which can be suggested along the lines, possibly of natural trade or otherwise, which will enable the country to save that which is now lost and to handle that which is now saved, cheaper than the method now pursued.

I think the provision in the bill, with some modification possibly, has been quite carefully drawn and ought to be sustained by the House.

Gentlemen, however, in this bill propose to give the widest latitude of authority to the Secretary of Agriculture and his agents, and it is not to be wondered at that many Members of this House and many people elsewhere question the desirability of giving such wide authority, in view especially of some of the things that happen. I hold in my hand a clipping from an Omaha paper of recent date, which says:

Carl Vrooman, Assistant Secretary of Agriculture, in an address before the Nebraska Food Conservation Congress to-night, said if Russia should collapse America will have to send 5,000,000 men to Europe, and we will have to start doing it rapidly. He predicted that before the end of the present year America will be grinding corn and potatoes into flour.

I do not know whether they will or not; but it was not wise for the Assistant Secretary of Agriculture to make such a statement, which at this time is foolish beyond belief. [Applause.] I do not wonder that some of the gentlemen here hesitate to grant to underofficials of the Secretary of Agriculture discretion which certainly would not have been wisely exercised if possessed by this foolish Assistant Secretary. [Applause.]

The CHAIRMAN. The gentleman from Missouri [Mr. BORLAND] is recognized.

Mr. BORLAND. Mr. Chairman, I have cooperated repeatedly with the gentleman from Texas who proposes this amendment, and I think I understand his views on the subject. I think that I coincide with him very thoroughly. But I do not agree that this amendment ought to be put in at this place. The provisions of the bill were drawn to cover all of the necessary power the Department of Agriculture wanted or needed in this particular measure, and gentlemen must remember that it has to be followed by a measure of more executive force than this. This measure is intended primarily and directly to provide for a food survey, and measured by that test the gentleman's amendment is clearly out of order. If the gentleman's amendment is turning a food survey to ascertain the visible supply of food now on hand——

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. In just a moment. Turning a food survey to ascertain the visible supply of food into an antitrust prosecution; and he goes on to say that this shall be done at the request of the Department of Justice, and so on, making his amendment clearly out of order.

Mr. FOCHT. Now will the gentleman yield?

Mr. BORLAND. For a brief question.

Mr. FOCHT. This is pertinent.

Mr. BORLAND. Very well.

Mr. FOCHT. Do you think it will take three years to obtain the report?

Mr. BORLAND. I do not know as to that.

Mr. FOCHT. If it does, there will be two crops between now and then, and what good will the report be?

Mr. LEVER. It will not be three years.

Mr. BORLAND. I agree with what the gentleman from Texas [Mr. SUMNERS] said about the problem being a problem of marketing, to get the products from the producer to the consumer; but the trouble about it is to know exactly what the present resources of food are. Not long ago a grain dealer of my city, which is one of the primary grain markets of the world, was discussing with me this $3 wheat, and I said: "Can not any of you gentlemen out there do anything to stop this $3 wheat excitement? You grain dealers are all opposed to it. Can you not do anything to stop it?" He said, "No; not so long as people are going up and down the country shouting about people starving for want of bread." He said: "Future wheat is selling for less than cash wheat on the Kansas City market to-day."

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. CARAWAY. Does the gentleman think that the speculation in futures has anything to do with the price?

Mr. BORLAND. I do not. It is difficult to answer that question briefly, but as a matter of fact the future speculation often has a steadying effect.

Mr. CARAWAY. Then why, after the exchange was closed in Chicago, did wheat drop 8 or 10 cents a bushel the next day?

Mr. BORLAND. I do not know what the conditions were. But ordinarily the purchase of futures has a steadying effect. The difficulty has been in the purchasing of the allies. They have been the greatest offenders in regard to the future price of wheat. They have uniformly bought for future delivery, and that has caused a great deal of that speculation.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. LANGLEY. I want to ask the gentleman if he does not think that all this departmental agitation and these expressions like the one that the gentleman from Illinois [Mr. MANN] has referred to have had a good deal to do with putting up the price of wheat?

Mr. BORLAND. Yes. That is what I wanted to call attention to. What is important in this bill and what the Secretary of Agriculture ought to have the power to do is to find out the present visible supply of food products as quickly and ex-

peditiously as possible. We should leave to this antitrust prosecution other functions, but we will not mix this legislation up with the antitrust prosecution, because we want to know how much food the American people have in sight, and stop this agitation, so far as it is possible, about the rise in the price of food. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. LEVER. Mr. Chairman, the amendment suggested by the gentleman from Texas [Mr. SUMNERS] is very important, and goes to the very heart of this bill. I trust the members of the committee will realize its importance. If we are to control the food situation in this country for ourselves and our allies, it is necessary that we should know how much food there is in this country and who has it.

Complaint is made about the very high prices of things. Is it any wonder that prices are high when the warring nations of the world are bidding for that which we are producing without any regard whatever for the prices that are to be paid? If we are to know how many bushels of wheat we can afford to export; if we are to know definitely how many bushels of corn we can afford to allow our allies to have in this war; if we are to know how to protect ourselves against overexportation, we must know how much food we have in this country, how many bushels of wheat, how many bushels of corn, how much meat; and how are you to get it except through the activities that we are proposing to provide for in this bill?

Every country in Europe now engaged in this war is regulating its food supply, and as a basis for action in that regard they have made just such a food survey as we are here proposing. That is the report of Dr. A. E. Taylor, who appeared before our committee and who spent nine months behind the lines in Germany. That is the testimony of Mr. Hoover, of the Belgian Relief Committee, who appeared before the Committee on Agriculture. A food survey is absolutely necessary if we are going to handle this food situation discreetly and wisely and with full effect.

It is all very well for gentlemen to appear on the floor of the House in a serious moment like this and call attention to little mistakes of a great department of the Government. Anybody can do that. It does not take statesmanship to do that. It is a very easy matter for gentlemen to call attention to the mistakes of one employee of the Department of Agriculture out of 17,000 employees of that department. But there is not a Member in this House who desires to be fair to himself and his colleagues who will not credit the great agricultural prosperity of this Nation in a large measure to that great act of 1862 which laid the foundation of the agricultural colleges and the Agricultural Department of this great Government of ours. [Applause.]

Let us be fair, gentlemen. This is no time for small methods. This is no time for turning our eyes in the direction of the folks at home. We have to rise above that. We can not indulge ourselves in these little criticisms that might be pertinent and appropriate in the days of peace. We are doing big things. We are living in a big time and in a big age. Let us measure up to it as statesmen should do. I trust the amendment will be voted down.

The CHAIRMAN. The Chair understands that the gentleman from Missouri [Mr. BORLAND] withdraws the point of order.

Mr. BORLAND. I will withdraw the point of order so that the committee can vote on the amendment.

Mr. SUMNERS. Mr. Chairman, I ask unanimous consent that the part of the amendment permitting the getting of this information at the request of the Department of Justice be eliminated.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment in the manner indicated. The Clerk will report the modification, striking out the last part referring to the Department of Justice.

The Clerk read as follows:

Strike out, at the end of the amendment, the language "request therefor having been made by the Department of Justice."

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Texas [Mr. SUMNERS].

The amendment was rejected.

Mr. EMERSON. Mr. Chairman, I have an amendment at the desk, which I desire to offer.

The CHAIRMAN. The gentleman from Ohio has sent to the desk an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. EMERSON: At the end of section 3 insert: "The Secretary of Agriculture is authorized to seize all wheat in the United States now held by any person, partnership, or corporation, except the farmer who raised the same, and to pay therefor the price paid the farmer for same plus all costs and expenses in caring for same and handling same since purchasing plus 8 per cent; and sell same to the people of the United States.

"If any person, partnership, or corporation holding any such wheat refuses to accept the price ascertained herein, he may sue the United States in any court of the United States."

Mr. LEVER. I reserve a point of order on that.

Mr. EMERSON. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. EMERSON. Mr. Chairman, since the declaration of war against Germany we have voted a seven billion dollar bond issue to be paid by ourselves, our children, and our grandchildren. We are loaning millions to countries without any thought of ever getting it back. We have entered a war to democratize the world. We have voted millions of taxes upon the people of this country. We have taxed the resources of this country to the limit. We have fastened taxes upon the business of this country that may be ruinous. We are taxing the necessities of life. We have voted to conscript men to send to the trenches in Europe. I believe it is now time to conscript the food of this country for the people of this country. [Applause.] It is time for us after extending our bounteous hand across the sea to give a little heed to the welfare of the people of this country.

In the war-ridden districts of Europe hunger has scourged and destroyed its victims by the thousands. Women and children, helpless and dependent, waste away day by day for want of food, and this happens in civilized Europe.

Think what such an experience must be, and yet this experience is happening every day in parts of Europe.

Now they say we are threatened, and we stand appalled at the suggestion, fearing it may be true.

It is now time for Congress to act before these conditions are brought to our door. It is time for men to face plain possibilities. It is time for Congress to act that these unbearable conditions may not be brought home to the people of this country in stern reality.

But a great awakening may be but a few months ahead. What can we do to protect ourselves? What preparation can we make to stay the hand of famine?

This bill can, and if properly drawn should, afford some relief.

The greatest menace in this country to-day, the greatest criminal in this country to-day is the food baron. Those thieves, robbers, and practically murderers, who corner the food products of this country at this critical time of the Nation's history, should be treated just as criminals of the ordinary type are treated.

Congress holds this situation in its own hands and can remedy this situation by proper legislation.

If Congress does not take hold of this food situation and legislate for the benefit of the people, Congress will have to account to the people at some later date.

I do not blame the retailer for these prices, and I am not inclined to blame the producer for these outrageous prices. I place the blame just where it belongs—upon the food broker, the food baron, and the food gambler.

High prices are not caused by the producers of food or by the retailers of food products, but by a class of middlemen who corner these food products and force the prices up beyond all sense or reason; men who are willing to squeeze the last dollar out of the poor people of this country. [Applause.]

I believe in the policy of American food products for Americans first. Our first duty is to the people of this country. Our first duty is to see that our people are fed.

These food barons will continue to boost food prices until Congress takes some action in this matter of regulating food prices, or taking possession of food products and holding them for the use and benefits of the people of this country.

There should be some legislation by Congress to regulate the distribution of food, and, if necessary, the prices of food.

There should be a people's lobby here in Washington to look after the people's interests in this matter of food supply. I notice that everyone else who is interested in legislation here is properly represented here by some one to look after their interests, but the people have no lobby here to watch legislation. There should be a people's lobby to suggest legislation to Congress on these important matters, such as the food supply. There should be a people's lobby here to look over bills pending before Congress and suggest changes, or suggest ways in which the bills could be changed in the interests of all the people.

Speculators should not be permitted to rob the people just because the Nation is at war.

If these speculators continue their devilish work they will either force legislation to regulate prices or force the Government to seize all food products and use them for the benefit of the people. [Applause.]

Congress should do something in this matter of food supply or food regulation before the people of this country rise up and demand some legislation.

You have conscripted men, you have conscripted wealth, and now you should conscript the food supply of this country for the benefit of the people of this country.

If we have not sufficient food supply for our people, we should not export foodstuffs.

We must do one of the following things:

First. Fix prices for necessities.

Second. Seize all necessities.

Third. Not export necessities.

Fourth. Pass legislation to prevent gambling by food barons, brokers, and gamblers in the controlling of the markets. We may have to do all of them before this war is over. We better do some of them now.

In Great Britain they have a commission that buys food and regulates the prices of foodstuffs and regulates the distribution of the same.

In Great Britain they have a food controller, and since his appointment the prices of food have been greatly reduced. They also restrict the number of courses served in fashionable restaurants. They also have power to enter upon idle land and cultivate the same. Prices were fixed at which the Government would buy the farmers' products.

They also permit the mixing of flour from wheat with flour from other grains; something we will have to do.

They make it a penal offense to hoard food. The use of sugar was restricted so that not so much was used for candy, and they prevented the exportation of sugar.

The use of milk was restricted.

Suggestions was made to the people as to what they should eat and in what quantities.

Many other drastic laws were enacted by Great Britain dealing with the food situation. We would do well if we studied them. A food dictator or commissioner should be permitted to seize all food products and to pay a reasonable price for same, not the price that the dealer asks, but a reasonable price; this they do in Great Britain.

What I have said about food regulation in Great Britain is equally true in France, Germany, Austria, and Italy.

They either have commissions to regulate the prices of food or these commissions purchase the food and distribute same to the people at reasonable prices.

Germany, which is probably most sorely pressed for food, has had a commission to report upon food conditions and suggest food measures.

They made many recommendations as to what should be planted in different parts of the Empire.

Germany requisitioned food, fixed the price, and even rationed the supply.

We are perhaps inclined to consider the food situation in Germany from the standpoint of the blockade, but that is not exactly so. It was a war measure, and not only an antiblockade measure but an internal war measure.

Entirely independent from blockade measures, it was necessary for Germany to enact legislation to prevent speculation from within.

Germany is not possessed of a good soil, taking it as a whole, so there is great need of fertilization, and the German Government has gone about this in a methodical sort of a way.

In France things were a little different; but while France had no blockade to undergo, she nevertheless fixed prices. The Government has purchased wheat and sold same back to the people at a loss.

The Congress of the United States should profit by these experiences of European countries.

It seems in Europe it makes no difference whether the country is affected by a blockade or not, there is speculation in food products.

Germany, who is affected by a blockade, is in no worse shape than France or Great Britain, which in the early part of the war had no blockade.

Congress can by the enactment of some suitable legislation prevent conditions from becoming unbearable and thus do a lasting good to the people of this country.

It is the duty of Congress to stand between the people and these food speculators.

We should not sit idly by until it is too late.

Having passed all these war measures, let us now turn to the enactment of legislation that will protect the people of this country from starvation. [Applause.]

Great Britain has passed some very drastic legislation. It is not because of the blockade that Germany has been forced to do these things. In Germany, France, England, and Italy this same class of food speculators have gotten hold of the food supply of those countries and held it for higher prices.

Mr. FOCHT. It has been commonly reported in the daily press that certain nations have made large sums of money by speculation in wheat, and just a few minutes ago in another body I heard a statement about $350,000,000 having been made in wheat gambling. Would the gentleman confiscate that $350,000,000, or what is his idea about that sort of thing at this critical time?

Mr. EMERSON. I think in this critical time, in war time, the Government should take possession of the wheat and sell it to the people of this country. You are going to have to do it before this war ceases, and you might as well start in and do it now. [Applause.]

Mr. PLATT. Does the gentleman know any other way to make the American people economize on food except by high prices? If so, what is it?

Mr. EMERSON. I think people should be taught to economize. They did it in Germany. They had a commission there which suggested what the people should eat and what amount, and what should be raised in different parts of the country, so that they would have a food supply.

Mr. PLATT. In Germany they are registering the people and giving them so much food per capita. Does the gentleman want to do that?

Mr. EMERSON. We may have to do it. I do not want to, but we may have to.

Mr. HASTINGS. As I understand, under the gentlemans' theory, he would exclude the producer.

Mr. EMERSON. I would exclude the producer and the retailer. What I said was that I do not believe the producer or the retailer is to blame for the high cost.

Mr. HASTINGS. The gentleman would take these products from those who store them and pay them the actual cost plus the necessary expenses plus 8 per cent.

Mr. EMERSON. Yes.

Mr. HASTINGS. I want to say to the gentleman that I hope the point of order will be withdrawn.

Mr. EMERSON. It ought to be. [Applause.]

Mr. HASTINGS. I am in hearty sympathy with the gentleman's amendment.

Mr. EMERSON. The point of order ought to be withdrawn, because if we do not do something of this kind now we may have to do something worse before this war is over.

Mr. LEVER. I make the point of order against the amendment on the ground that it is not germane.

The CHAIRMAN. The gentleman from Ohio has more time, if he wishes to occupy it.

Mr. EMERSON. I would like to say something on the point of order. I can not understand how the amendment is subject to the point of order. It is a drastic bill from the beginning. It provides, in one way and another, to do the very thing that my amendment proposes. I think the amendment is thoroughly germane; and, besides, this bill provides for the seizure of seed, and wheat is seed.

The CHAIRMAN. The Chair thinks the amendment is not germane to the provisions of the section, and therefore sustains the point of order.

Mr. SAUNDERS of Virginia. Mr. Chairman, I have an amendment at the desk, which I offer.

The Clerk read as follows:

Strike out, line 22, page 2, beginning with the word "including," the following: "including any structure, vessel, vehicle, or other premises."

Mr. SAUNDERS of Virginia. Mr. Chairman, I think, if the chairman of the committee will look at it, he will accept it.

Mr. LEVER. I have tried to call the gentleman's attention to the fact that that language has been stricken out.

Mr. SAUNDERS of Virginia. The gentleman is mistaken. If it has been stricken out, I do not want to repeat it.

Mr. MANN. The language stricken out is after the word "vehicle."

Mr. LEVER. The gentleman may be correct.

Mr. SAUNDERS of Virginia. I am sure that I am correct, for I went to the desk to ascertain the fact.

The CHAIRMAN. The gentleman from South Carolina is incorrect; the words stricken out were after the word "vehicle."

Mr. SAUNDERS of Virginia. These words that I move to strike out are surplusage. When you give an agent the authority to enter any place you do not mean to say "including any structure, vessel, vehicle," and so forth. When you give to the agent the right to enter any house you do not need to say "all parts thereof, including the rooms." All of this language is pure surplusage. You can strike it out without any effect on the bill at all.

Mr. MANN. I think somebody had this question in mind, that the words "any place" might not be construed to admit the agent to a building that had doors inside it.

Mr. SAUNDERS of Virginia. He might have had it in mind, but to give the agent the right to enter "any place" and then say "including all buildings, structures, vehicle," and so forth, is pure surplusage.

Mr. HAUGEN. Does the gentleman think that the words "any vessel" are surplusage?

Mr. SAUNDERS of Virginia. Why, yes. What can be broader than to say "any place"? If these words are stricken out it leaves the bill without affecting the amendment that has been adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the amendment which I send to the desk.

The Clerk read as follows:

Page 3, line 12, after the word "States" insert the following: "*Provided*, That in the enforcement of the provisions of this section the Secretary of Agriculture shall not engage for compensation actual or nominal the services of any person or persons who have been associated with corporations or associations that have been dissolved for violations of the antitrust laws."

Mr. CANNON. Will the gentleman modify his amendment and say "any person subject to draft"?

The CHAIRMAN. The Chair calls the attention of the gentleman from Pennsylvania to the fact that an amendment has been adopted at the place where the gentleman places his amendment. I presume that the gentleman from Pennsylvania desires his amendment to come in at the end of the amendment already adopted?

Mr. MOORE of Pennsylvania. Yes.

Mr. LEVER. Mr. Chairman, I reserve a point of order on the amendment.

Mr. MOORE of Pennsylvania. Mr. Chairman, I hope that this amendment will be adopted because of the peculiar conditions that prevail at the present time. It is announced that the President has appointed a food dictator, who is to act independently of the Secretary of Agriculture. In other words, Congress is informed, through the newspapers, that business is to be transacted by one appointed without the sanction of Congress to make expenditures not authorized.

Mr. RUBEY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. RUBEY. The gentleman says he has been informed through the newspapers. My friend from Pennsylvania seems to place great reliance upon everything he sees in the newspapers.

Mr. MOORE of Pennsylvania. Yes; especially as I see it in the Official Bulletin. [Laughter.] The new organ of the administration states that the President has appointed Herbert C. Hoover to be food dictator. A question about that matter was raised by gentlemen yesterday, who doubted my statement, and I was prepared to-day to meet the gentleman from Texas [Mr. HARDY], although I gladly pass the information on to the gentleman from Missouri. There is no question about it. The President has authorized the appointment of Mr. Herbert C. Hoover to be food dictator, to superintend the food supply of the United States, and he is to act in cooperation with or independent of the Secretary of Agriculture, to whom in this bill we propose to appropriate about $19,000,000 to employ a large number of men to make a survey of the farms of the country and further instruct the farmer in the way he should go.

The amendment I have offered proposes to prevent the employment by the Secretary of Agriculture with such money as is here appropriated of persons who may have been connected with organizations that have violated the antitrust laws; and there is a mighty good reason for it, as I shall presently explain. There was a food investigation in the District of Columbia in 1910. It was the first real food investigation that was ever held—certainly the first ever held by Congress, as I happen to know, having been chairman of the subcommittee that conducted it.

Amongst those who appeared at the hearings was a Mr. Clabaugh—Hinton G. Clabaugh, of Birmingham, Ala. He laid before the committee certain very interesting data, which, in substance, was that, having started out to be an independent wholesale grocer at Birmingham with a cash capital of $3,000, he quickly ran up against the Southern Wholesale Grocers' Association, which had certain drastic rules and regulations pertaining to its membership, part of which it incorporated in what was called a "Green Book," for circulation amongst the members of the association only. Mr. Clabaugh was not a member of this association.

Mr. Clabaugh's testimony revealed the fact that this association, the Southern Wholesale Grocers' Association, had certain alliances with large manufacturing concerns and others by which a rebate was allowed through the association to the particular wholesalers and jobbers that dealt with the association; and it developed, as in the case of Mr. Clabaugh, of Birmingham, Ala., that no one could purchase goods from any of these large manufacturers without the approval of the Southern Wholesale Grocers' Association, so that if any man undertook to sell at rates not fixed by the Southern Wholesale Grocers' Association he could obtain no supplies. In consequence of this arrangement, adopted by the Southern Wholesale Grocers' Association, Mr. Clabaugh was put out of business.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

Mr. LEVER. Mr. Chairman, reserving the right to object, I ask unanimous consent that all debate upon this section and all amendments thereto close in 15 minutes.

Mr. CANNON. I object to that. I desire to say to the gentleman that I propose to offer an amendment to strike out the section.

Mr. LEVER. I had the gentleman in mind, and I was reserving a part of that for him.

Mr. CANNON. Suppose we let it run along, because I believe the section ought to be stricken out.

Mr. LEVER. I ask unanimous consent that debate upon this amendment shall close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Mr. Chairman, it developed that the president of the Southern Wholesale Grocers' Association, whose membership was made up of about 1,000 wholesale grocers in the States of Alabama, Arkansas, the District of Columbia, Florida, Georgia, the Indian Territory, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia, rather than stand to the end an action brought in the Federal courts, a conspiracy charge brought by Mr. Clabaugh, compromised with him by paying $10,000, which was contributed by about 230 members of the association and certain large manufacturers who were in close association with them.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. MADDEN. Is this the same Mr. Clabaugh who is now the head of the Secret Service of the United States?

Mr. MOORE of Pennsylvania. It was Mr. Hinton G. Clabaugh, late of Birmingham, Ala., a very clever gentleman. I do not know whether he is the same Clabaugh who is now at the head of the Secret Service of the United States or not, but I have seen the name often in connection with the Secret Service. If he is the same man, he is a very bright man, and I believe a competent one. He was one of the best witnesses who ever appeared before a congressional committee, as his testimony will show. Evidently he had the Southern Wholesale Grocers' Association "on the hip," because they paid $10,000 in cash in order that the conspiracy proceedings might be dropped.

Mr. MADDEN. Does the gentleman wish the House to understand that Mr. Clabaugh was willing to compromise a question of honor, a question of conspiracy, for a cash consideration?

Mr. MOORE of Pennsylvania. The settlement was made, as I remember, because the gentlemen composing the Southern Wholesale Grocers' Association did not want to further contend with Mr. Clabaugh, since he was a very industrious man and had studied the matter of trade conspiracies, and proceeded in this instance with great ability, though he was not a lawyer.

Mr. Chairman, it was a clear case of combination in restraint of trade to boost prices and to prevent retail dealers getting supplies to sell to the people in the States enumerated, except at fixed prices. The attention of the Attorney General was brought to this condition of affairs as it developed from the testimony of Hinton G. Clabaugh and others, and subsequently, proceedings having been started by the Attorney General of the United States, the Southern Wholesale Grocers' Association was

dissolved, virtually convicted of a conspiracy in restraint of trade.

I mention these facts because some one has intimated that Congress ought to make no suggestions to the administration and certainly no suggestions to the "food dictator" or to any other of these purchasing agents with vast power who are to take control of these matters after Congress adjourns.

Mr. WELTY. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. No; I decline to yield now. My idea is that Congress ought to advise, even with Mr. Hoover, who is to have such enormous power as the President has conferred upon him. It may be that he does not understand some of the conditions that hold in the United States in regard to the "big brains" who are bringing him "valuable information" at the present time. It appears from the newspapers this morning that among those who have called on the Council of National Defense to offer services are representatives of the Chicago packing houses. The Chicago packing houses are coming forward to help the Council of National Defense. That of itself is interesting, when we are asking a reduction in the price of food supplies.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. All time by agreement has expired. The Chair will put the request. The gentleman from Pennsylvania asks unanimous consent for two minutes more. Is there objection?

Mr. WELTY. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Ohio objects.

Mr. WELTY. The gentleman would not allow me to ask him a question.

Mr. MOORE of Pennsylvania. I yield to the gentleman for a question.

Mr. WELTY. I withdraw my objection.

Mr. HAUGEN. I ask unanimous consent that the gentleman have five minutes more.

Mr. WELTY. Mr. Chairman, yesterday the gentleman said on the floor that this administration did not prosecute any of the trusts. Was this trust that he speaks of prosecuted under this administration?

Mr. MOORE of Pennsylvania. No; this was prior to the present administration; but I will say to the gentleman that I read in this morning's papers that the administration, through its Federal attorney at Boston, has begun prosecution against 81 corporations and individuals, who are charged with monopolizing commerce in onions, a very important article of food at the present time.

Mr. WELTY. Is it not a fact that the Southern Wholesale Grocers' Association——

Mr. MOORE of Pennsylvania. So that the administration is beginning to get active.

Mr. WELTY. Is it not a fact that the Southern Wholesale Grocers' Association were successfully prosecuted under this administration?

Mr. MOORE of Pennsylvania. If it was, so much the better for this administration.

Mr. WELTY. Is it not a fact that 42 antitrust prosecutions were commenced under this administration?

Mr. MOORE of Pennsylvania. Let me say this to the gentleman: The hearings at which these revelations were made took place in 1910, full two years prior to the Wilson administration.

Mr. WELTY. They were concluded under this administration, were they not?

Mr. MOORE of Pennsylvania. The Supreme Court may have rendered its decision during the term of this administration, but the proceedings were probably instituted under another administration. This administration did not obtain prior to 1913.

Mr. WELTY. Is it not a fact that 34 of the Plumbers' Trust were prosecuted in your own State during this administration?

Mr. MOORE of Pennsylvania. I can not confirm that statement. I heard the gentleman from Alabama say yesterday that certain trusts in my State were prosecuted. If they were unlawful trusts, I commend the administration if it has convicted them. I would ask the gentleman what I asked the gentleman from Alabama [Mr. HEFLIN] yesterday: Does he know of any single "malefactor of great wealth," any man in control of the Beef Trust, or any man in control of the Grain Trust, or any man in control of the Cotton Trust, that has been prosecuted and put in jail under the administration of Woodrow Wilson? I challenge him to name a man. [Applause.]

Mr. WELTY. Do you not know——

Mr. MOORE of Pennsylvania. I can not yield further to the gentleman, because he does not give a name. I would give up time to the gentleman from Alabama, the one great champion of the administration, if——

Mr. HEFLIN. The "gentleman from Alabama" will reply to you later.

Mr. MOORE of Pennsylvania. Ah! I see Sir Henry of Navarre walking down the aisle now, and I welcome him. [Laughter.]

Mr. GOOD. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I can not, because the crux of this statement is coming. "Beware of Greeks bearing gifts," say I to Herbert C. Hoover, who has been abroad for years and may not be acquainted with some of these "great business men" who are volunteering their services to the Government without compensation. Among the very first to tender their services to the Government and "help reduce prices" and "systematize the food production" in the United States, we find the Southern Wholesale Grocers' Association. Think of it! Do we want advice from these "efficient business men" who want to serve the Government now and who come to give Mr. Hoover advice for nothing?

A morning paper says:

> Representatives of the Chicago packing houses and of the Southern Wholesale Grocers' Association called on Mr. Hoover and volunteered their assistance in carrying out any measure the Government sees fit to take.

Oh, ye gods! They volunteer their assistance to Mr. Hoover, the food dictator, who has just come from Belgium and who may not be quite familiar with all the United States transactions of recent years—volunteer their assistance to him to carry out any measure the Government sees fit to take. The Southern Wholesale Grocers' Association, dissolved for conspiracy against the antitrust laws of the United States, sends a committee to get right on the job at the committee's headquarters in Washington, and to serve without compensation. [Applause.] They are up here from Birmingham, Ala., to stay here at headquarters and tell Mr. Hoover how to conduct this business. They do not want any compensation. No! They are patriotic and want to serve their country. They are willing even to move their headquarters to Washington to be at Mr. Hoover's elbow. Here is the announcement from this morning's papers:

> Representatives of the Chicago packing houses and of the Southern Wholesale Grocers' Association called on Mr. Hoover and volunteered their assistance in carrying out any measure the Government sees fit to take.
>
> The grocers' association sent a committee, which offered to move the association headquarters force to Washington to serve the Government without compensation. The associations' membership numbers 75 per cent of all wholesale grocers in 17 States.

And Mr. Hoover is just back from Belgium! [Applause.]

Mr. BURNETT. I would like to ask the gentleman whether he would rather risk him than Vrooman? I think I would take Vrooman.

Mr. LEVER. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. MOORE].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. MOORE of Pennsylvania. Division, Mr. Chairman.

The committee divided; and there were—ayes 59, noes 50.

Mr. LEVER. Mr. Chairman, I ask for tellers.

Tellers were ordered; and Mr. LEVER and Mr. MOORE of Pennsylvania took their places as tellers.

The committee again divided; and there were—ayes 71, noes 58.

So the amendment was agreed to.

Mr. CANNON. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Mr. CANNON moves to strike out all of section 3.

Mr. CANNON. Mr. Chairman, this section, as I learn by reading the bill, but more particularly from the speech of the gentleman from South Carolina [Mr. LEVER], who has the bill in charge, is the principal thing in the bill, except the appropriations contained in the bill. Those appropriations, I believe, amount to some $20,000,000.

Mr. LEVER. Fourteen million dollars.

Mr. CANNON. Fourteen, in the aggregate. That is a mere bagatelle. No more attention paid to $14,000,000 than——

Mr. HAUGEN. It is $18,510,000.

Mr. LEVER. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. LEVER. I know the gentleman from Illinois wants to be fair and wants the information. The committee a few days

ago had another meeting and reduced this appropriation to the total of $14,522,400.

Mr. CANNON. I did not know of that action of the committee. But it is immaterial whether it is $14,000,000 or $20,000,000. It is just a little difference of $4,000,000 or $5,000,000; that is all. [Laughter.]

Mr. HAUGEN. If the gentleman will permit, I will give the items.

Mr. CANNON. The gentleman from South Carolina [Mr. LEVER] says the committee had a meeting and had taken back four or five millions of it.

Mr. HAUGEN. The gentleman speaks of what was done in the committee, but I am speaking of the bill as it is and what it contains.

Mr. CANNON. Very well. It makes very little difference if the committee reduced this appropriation to $14,000,000 so far as my remarks are concerned.

Now, let us see what this section does. Later on the appropriation comes. This section provides for making an inquiry as to the amount of food now in the United States. Well, how long will it take? What difference does it make? It is a little bit like the physical valuation of railroads. Long before that survey is completed the railroads will be worth probably 50 per cent—God knows—more than they were when the valuation was commenced. I suppose the investigation contemplated here could not be made in less than six months. Then we will have another crop, and this crop that we have will be largely eaten up or exported.

We already have as good information from governmental reports as this investigation would give. First, we know the amount, substantially, of wheat that was produced last year; the amount of corn, the amount of other cereals. We know the amount of consumption, not exactly to the dollar, but we know what it was in former years, and this year it is about so much per capita. But we absolutely know the amount of exports.

Now, then, what is it worth, after you have spent these millions to find out? To be sure, it would give employment to a good many people. Somebody suggested that idea and wanted me to call attention to it. I suggested what I supposed was a little matter of humor that the people who would be appointed would be those not subject to the draft. [Laughter.] God knows if it is to be done in six months and we are to go out to each other's corn cribs and granaries and retail establishments and take this census or make this survey, so that it is reliable and brought down to any better information than we have got now, it will take months and months to do it, and then it will be useless.

The truth of the matter is this country is hysterical. We are all hysterical, more or less, in the country. Why, take the Assistant Secretary of Agriculture. That was a wonderfully striking speech he made that my colleague [Mr. MANN] referred to, I believe, at Omaha. But he is not the only pebble on the beach. Listen: I hold in my hand an extract from the Chicago Tribune, which, I think, is perhaps the greatest newspaper in the United States, if not in the world, and this is upon the front page:

Pastor finds tip in Bible: Wheat going up to $8.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HAMILTON of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman may proceed, say, 5 minutes or 10 minutes.

Mr. CANNON. Well, I do not believe I will use 10, but I would be glad to have it.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the gentleman from Illinois may proceed for 10 minutes. Is there objection?

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate on the gentleman's amendment close in 20 minutes, the gentleman from Illinois to have 10 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on the pending amendment close in 20 minutes, the gentleman from Illinois to have 10 minutes. Is there objection?

Mr. STEENERSON. I object.

Mr. LEVER. Mr. Chairman, I hate very much to move it, but we have been on this section four solid hours.

The CHAIRMAN. The gentleman from Michigan [Mr. HAMILTON] asks unanimous consent that the gentleman from Illinois may proceed for 10 minutes. Is there objection?

There was no objection.

Mr. CANNON. I read:

Wheat at $8 a bushel and barley at $2.70.

This is the price to which these commodities will rise following the war, according to the Rev. Norman H. Camp, of the Moody Bible Institute, who spoke on the subject last evening in the Edgewater Presbyterian Church, Kenmore and Bryn Mawr Avenues.

The minister based his statement on the prophecy recorded in the Bible, Revelations, sixth chapter and fifth verse, which reads: "A measure of wheat for a shilling and three measures of barley for a shilling."

"By this calculation," he said, "wheat will reach nearly $8 and barley $2.70 a bushel. Following the war will come a time of famine, disease, and pestilence. The Bible indicates we are nearing the end of the church age."

You know that comes with a "thus saith the Lord," interpreting Revelations. [Laughter.] Well, St. John—if he was the one that gave us the Revelations—supposed the earth was flat. He did not know anything about the Western Hemisphere, and so on. But there it is. He has got it; he has got it a little worse than most of the people have, but not very much worse than a majority of the people have, you know, who think we are going to starve. [Laughter.]

Now, what is the matter? Wheat did go in the Chicago Board of Trade, I believe, at $3.25 or $3.50. Hysteria, speculation, fright, scare; and cash wheat higher than the speculative price of futures. Well, lo and behold, the board of trade acted and did what perhaps a lawsuit could not have done in months, and they prohibited practically, as they had the power to do, the speculation.

I noticed the quotation a day or two ago that wheat is down to $2.20 or $2.30, or a dollar less, plus. Now, you may say people have no right to make combinations. People have no right to conspire and boost the price of cereals or boost the price of pork or boost the price of stock or boost the price of cotton. Well, if two or more persons do agree to act together for the purpose of manipulating and increasing the prices, I apprehend they could be prosecuted under existing law. God knows, we have got law enough. We want some enforcement of the laws. You may say it can not be done. We have got to have the power placed in one man's hands or this department's hands, if you choose, or in the hands of Mr. Hoover—whom I never saw; I presume he is a very clever gentleman—responsible only to the President, to regulate prices and all that that means. Well, I am not ready for that. We are not in a condition where martial law should be declared in this country. I do not believe this House is ready for it. Do you know what I believe as to how the present prices came about? First there was a shorter crop than common last year in wheat. The demand was larger. That of itself would tend to increase the price of products. Second, it is a matter of getting to market. Why, I am reliably advised that there are cereals in Illinois, and I presume in Iowa, a quarter, and possibly a third, of the crop, that can not be moved for the lack of transportation. I am further informed that the inability to move this grain is partly due to lack of cars, but more largely due to the difficulty of emptying the terminals on the seaboard on account of lack of ocean transportation to permit these products to cross the ocean or to reach the foreign market.

Mr. HAMILTON of Michigan. Will the gentleman yield for a question?

Mr. CANNON. Yes.

Mr. HAMILTON of Michigan. Is it not also true that very large orders have been placed in this country for commodities for consumption in European countries?

Mr. CANNON. Oh, I have no doubt that prices have been made for future delivery and all that kind of thing, but the principal trouble is that the submarine destroys the ship, and that there are not sufficient ships to keep the terminals on the seaboard empty.

Mr. SHERLEY. Will the gentleman yield?

Mr. CANNON. Yes.

Mr. SHERLEY. Does the gentleman propose to leave the situation alone, and let it be taken care of by the voluntary action of individuals?

Mr. CANNON. This bill proposes to do what? How would the gentleman remedy the situation? Will this bill remedy it by appointing an army of people by the Agricultural Department, and sending them out to take an account of how many bushels of wheat there are in Kentucky and in every family and in every warehouse, and how many barrels of flour? We already know substantially what part of the crop has not been consumed or exported.

Mr. SHERLEY. Will the gentleman yield for a question?

Mr. CANNON. Certainly.

Mr. SHERLEY. Do we know where all the crop is?

Mr. CANNON. Substantially.

Mr. SHERLEY. The gentleman is better informed than most of us.

Mr. CANNON. I say substantially. It is in the elevators awaiting shipment in part. It is through the country in part, and the smaller part is waiting to be transported. To transport the crop means, first, cars; second, ships, and God knows we are

going to appropriate multiplied millions for ships, and this National Defense Board, I am inclined to think, means to do good work and is doing good work, and I believe we will have better regulation of the railways.

Mr. SHERLEY. I just want to suggest to the gentleman that it may be and is, in my judgment, necessary to get information as to quantities in various localities, and that to cause inquiries to be made does not mean that we have got to inquire as to every bushel of grain in order to get information upon which remedies can be based.

Mr. CANNON. The Secretary of Agriculture to-morrow can touch the wires and ascertain the amount of wheat that is stored in elevators. He can obtain a much better and more accurate estimate of the amount of wheat that is in the hands of the farmer than an army of people as proposed under this section could obtain.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAMILTON of Michigan. Does the gentleman desire more time?

Mr. CANNON. No; I guess not.

Mr. LEVER. I ask unanimous consent that debate on this amendment close——

Mr. STEENERSON. I have another amendment.

Mr. LEVER. This is an amendment to strike out the section.

Mr. CANNON. Will the gentleman let me have two or three minutes more?

Mr. HAMILTON of Michigan. I want to ask the gentleman a question.

The CHAIRMAN. Without objection, the time of the gentleman from Illinois will be extended five minutes.

There was no objection.

Mr. HAMILTON of Michigan. Is it not likely that all this stuff that these employees are expected to ascertain about will be consumed before they can make a report?

Mr. CANNON. Oh, undoubtedly; and when the information was received it would not be as reliable as that which the Secretary could command and ascertain in the course of a week from reports of stocks on hand and accurate statements of exports.

Mr. SUMNERS. Has the gentleman heard any statement by the proponents of this bill as to what they are going to do with the information after they get it?

Mr. CANNON. I do not know. I do not see that it will be worth anything after it is obtained. It would be like the water that has run over the dam, which turns no machinery.

Mr. HULBERT. Will the gentleman yield for a question?

Mr. CANNON. Just for a question.

Mr. HULBERT. Last December we authorized an investigation of the coal situation.

Mr. CANNON. I do not want to get off onto coal.

Mr. HULBERT. A report has just come in from the Federal Trade Commission in which they say the best thing that can happen now is for everyone to buy as he has been accustomed to buy in former years, and that we will not have any trouble. Does the gentleman believe we will get any more results from the bill under consideration in its present form than we have gotten from the resolution introduced last December for an investigation of the coal supply?

Mr. CANNON. Oh, no. I am satisfied the gentleman is correct in his statement. [Applause.] The gentleman from South Carolina [Mr. LEVER], eloquent and zealous and able, in the forceful speech that he made not 30 minutes ago said we must have this information, and that that was the necessity for the enactment of this proposed law. I do not agree with him. Are we husbanding all our resources? No; we are not; but this bill will not husband them. I have read recently a very able article on the subject of cotton, published in Baltimore, of which I presume a copy was sent to most of you. That article stated, and I fancy the statement is approximately correct, that if cotton seed was fully utilized, it would be equal in value to more than one-third of the wheat crop. It is utilized to some extent, but not fully. It has been discriminated against, as you know, by the butter people and other people, alleging trusts, and so forth. The South, in my opinion, under the hand of necessity, without further diversification of its crop, by increasing the amount of the cotton it raises and the proper utilization of the seed can add greatly to the food products of the country. But that is a matter that is to be worked out gradually. In conclusion let me say that I have great admiration for the gentleman from South Carolina and great respect for the committee over which he presides, and I have no stones to throw at the Secretary of Agriculure, but I believe if we utilize the forces that we have—not the war forces, although they are being utilized, and I am willing that they should be utilized and encouraged—I believe with the full utilization of our legal forces, so to speak, as in time of peace, and the keeping of our heads, that we are going to get along without starving and will be able to furnish our allies that which we should be able to furnish with our opportunities for production, and the price of foodstuffs will make the farmer do his best to increase his crops. [Applause.]

Mr. LEVER. Mr. Chairman, I should like to see if we could not close debate on this amendment with fairness to all who desire to be heard. I ask unanimous consent that all debate on this amendment close in 35 minutes. I do that because a number of gentleman have asked to speak on it. If the gentleman from Minnesota has an amendment which he desires to offer, I will say that if he will offer it I will then see if I can get an agreement to close debate on the section and all amendments thereto.

Mr. STEENERSON. The amendment that I propose to offer is to the section, and perhaps it ought to be considered first before the motion to strike out is voted on.

Mr. LEVER. Let the gentleman offer the amendment.

Mr. STEENERSON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Line 14, page 2, after the word "food," insert the following:

"That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President, whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this act by the direction of the President. Correspondence in the execution of this act may be carried in penalty envelopes bearing the frank of the Department of Agriculture. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty shall be guilty of a misdemeanor."

Mr. LEVER. On that, Mr. Chairman, I reserve a point of order. Now, I should like to see if we can not get an agreement to close debate. I ask unanimous consent that all debate on this section and all amendments thereto shall close in 30 minutes.

Mr. STEENERSON. I want 10 minutes.

Mr. LEVER. If gentlemen who want to speak will indicate to the Chair the time they desire, I will ask the Chair to put the request.

Mr. HAMILTON of Michigan. Will this debate be confined strictly to the section?

Mr. LEVER. If the Chair will permit me, I shall make a brief statement. I made a statement in general debate that I would be as liberal as possible under the five-minute consideration of the bill. I have tried to be as liberal as a man can be. We have spent three hours and a half on this one section, and I trust that gentlemen will not force me to do that which I have never done in this House, and that is to move to close debate on a proposition. It does seem to me, however, that debate on this proposition is practically exhausted.

Mr. HAMILTON of Michigan. Do I understand that debate is to be confined to the discussion of the amendment?

Mr. LEVER. It ought to be.

Mr. HAMILTON of Michigan. That is the gentleman's understanding, and the other kind of debate will be out of order.

Mr. LEVER. Yes.

Mr. HEFLIN. Mr. Chairman, I hope the gentleman from Michigan will not start to apply that rule to this side when I have been invited by my good friend from Pennsylvania to reply to his speech, and it seems to me that ought to constitute an exception.

Mr. HAMILTON of Michigan. May I say that I did not anticipate that my melodious friend had been asked to be heard, or anything of the kind.

Mr. HEFLIN. I just want to respond to the general clamor. [Laughter.]

The CHAIRMAN. The Chair will call the attention of the gentleman from South Carolina, the chairman of the committee, to the fact that Members have requested an aggregate of 38 minutes of time.

Mr. LEVER. Mr. Chairman, in view of the fact that we can not accommodate all gentlemen, I move to close debate on this section at this time and all amendments thereto.

The CHAIRMAN. The gentleman from South Carolina moves that all debate on this section and all amendments thereto be now closed.

Mr. ANDERSON. Mr. Chairman, I make the point of order that the gentleman from Minnesota [Mr. STEENERSON] has offered an amendment and is entitled to five minutes before debate can be closed.

The CHAIRMAN. The point of order is well taken, and the Chair recognizes the gentleman from Minnesota for five minutes.

Mr. STEENERSON. Mr. Chairman, the amendment strikes out the provisions of section 2 which relate to the issuing of a subpœna to anyone, which provisions are very drastic and very objectionable. As a substitute I have taken the Army bill provision, which authorizes the President to utilize all the State officers and local officers and require them to furnish information. The reason that this idea appeals to me is that recently when the excitement about the amount of crops that should be planted was general I received newspapers from home, and they showed that they had a complete organization in their several counties for furnishing information—the agricultural college, farmers' club, and the county agents made public the information as to who had seed to spare in order that there should be no idle land; that they had so many bushels of barley, so many of wheat, so many of potatoes, and so much on hand, and all kinds of information. This information is easy to obtain, and what is the use of sending out agents and clerks from Washington to make reports to be filed by hundreds and thousands, when nobody would ever read them. If the President uses the authority similar to that granted him under the Army bill requiring the local officers to furnish information, it will be easily gained.

Mr. COX. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. COX. Could not the President utilize the rural route carriers and get the information?

Mr. STEENERSON. Yes; he could get the information through the rural mail carriers.

This provision of the Army bill was drawn with a view to getting the information in regard to the selective draft, and I have simply changed it so as to make it applicable to this subject of inquiry about the crops. What is the use of creating thousands of new clerkships and officers throughout the land when the country is patriotic and willing, and every rural carrier, every postmaster, every county officer, every county agent, every agricultural school, every professor in a high school is ready to cooperate with the Government in furnishing the information? There is no danger that they will not find out nearly all that there is to be found out, and what is the use of putting in here a provision making such drastic law as this, that the Department of Agriculture, not a judicial department of the Government, shall issue subpœnas, and providing a penalty of $5,000? A man might be served with a subpœna who is busy on a farm. He would have to leave his farm in order to answer the subpœna. It is a very objectionable provision, and you can get better and more information and cheaper information by simply adapting the clause in the Army bill to this situation.

Mr. McKENZIE. Is it the purpose of the gentleman from Minnesota to have all of these different officials serve without compensation?

Mr. STEENERSON. Certainly. It is a war emergency. They will be glad to give you all of the information about the crops in my county free.

Mr. CRAMTON. Is it not a fact that through the present Bureau of Crop Estimates the Government is able to get astonishingly correct information in advance? For instance, it is stated by the chief of that bureau in the Department of Agriculture that their advance estimate of the cotton crop for 1914 was afterwards proven to have been within 1 per cent of correct, and in 1915 within three-quarters of 1 per cent of correct, and their estimate of the 1915 rice crop, which at the time it was issued was criticized as being 10 per cent too large, was later found to be within one-quarter of 1 per cent correct. These are cited by the head of that bureau of the Department of Agriculture as illustrations of how well the crop-reporting system operates. All the staple crops are the subjects of similar forecasts based upon facilities and authorities which the department already has, and the success of the work of that bureau seem to seriously discount the need of our appropriating $7,000,000 for a more elaborate system that will give more jobs but no better results.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LEVER. Mr. Chairman, I make the point of order that the amendment is not germane to the section.

The CHAIRMAN. The point of order is sustained.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the gentleman may have one minute in which to answer the question.

The CHAIRMAN. Without objection, it will be so ordered.

Mr. STEENERSON. There is no doubt that the department can secure information already to a very astonishingly accurate degree, but the gentleman from South Carolina, in his opening remarks the other day on a similar bill, said that Dr. Brand, of the Department of Agriculture, has found one instance where the information that he desired was not obtainable, and for that reason he wanted the imposition of this obligation upon the part of the United States to support this army of officeholders and issue these subpœnas and put people in jail, and take them away from their daily toil, for the reason that Dr. Brand, in his experience of years in carrying on this work which he is in charge of—the Bureau of Markets—has found one instance where the information was not reliable. That is the statement of the gentleman from South Carolina when he opened the consideration of the bill the other day. I can see no reason why the Department of Agriculture can not get all of the information it wants in a similar manner to the manner in which the information is obtained under the Army bill.

Mr. LEVER. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. STEENERSON. I want to be heard upon the point of order.

Mr. LEVER. I move that all debate upon this section and all amendments thereto be now closed.

Mr. STEENERSON. I want to be heard on the point of order. What is the point of order?

Mr. LEVER. That it is not germane to this section or to the bill itself.

Mr. DOOLITTLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DOOLITTLE. Did not the Chair decide the point of order before the extension of one minute?

The CHAIRMAN. The Chair did, but the Chair will hear the gentleman upon the point of order.

Mr. STEENERSON. The part of the section which I desire to strike out is as follows:

For the purposes of this section the Secretary of Agriculture, and his agents duly authorized therefor, may compel the attendance at any designated place of witnesses from any part of the United States, the giving of testimony, oral or in writing, under oath or otherwise, the production of books, letters, papers, or documents, and the submission of reports; may sign, issue, and serve subpœnas; and may enter, on any business day during the usual hours of business, any place, including any structure, vessel, vehicle, or other premises except a dwelling house actually occupied exclusively as such. Any person who, in violation of any requirement made pursuant to this section, willfully fails or refuses to obey any subpœna, to answer any question, or to submit any book, letter, paper, document, or report, or knowingly makes any false or misleading answer or report, or willfully conceals or withholds any information, or any person who willfully obstructs or hinders the Secretary of Agriculture or any of his duly authorized agents in the performance of any duty under this section, upon conviction thereof, shall be fined not exceeding $5,000, or imprisoned not exceeding two years, or both. Witnesses summoned in pursuance of this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

That is, this simply makes it the duty of local officers to furnish the information which they threaten to get under penalty of imprisonment. It seems to me that the amendment is germane and proper. It is a better section than the section the gentleman has in the bill.

The CHAIRMAN. The Chair would call the gentleman's attention to the fact that section 3 authorizes the Secretary of Agriculture to do certain things, and the gentleman's amendment authorizes the President of the United States to do certain things, and the attention of the Chair has also been called to the provision here in the rules, that one individual proposition may not always be amended by another individual proposition. The point of order is sustained.

Mr. STEENERSON. Mr. Chairman, I desire to call the attention of the Chair to the fact that this bill does confer authority upon the President of the United States.

The CHAIRMAN. Not this section. The gentleman offers it to section 3.

Mr. STEENERSON. Then I want to reoffer the amendment and to strike out of it "the President of the United States," wherever it occurs, and to insert "the Secretary of Agriculture."

The CHAIRMAN. The point of order is sustained to the amendment as offered.

Mr. LEVER. And I make the point of order that the amendment the gentleman has suggested is still subject to the point of order. I move that all debate upon this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment.

Mr. STEENERSON. What became of the point of order?

The CHAIRMAN. The point of order was sustained.

Mr. STEENERSON. I desire to appeal from the decision of the Chair.

Mr. LEVER. Mr. Chairman, I withdraw the point of order and ask for a vote.

The CHAIRMAN. By unanimous consent the point of order is withdrawn and the question is on the amendment of the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. STEENERSON) there were—ayes 29, noes 72.

So the amendment was rejected.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Illinois [Mr. CANNON] to strike out the section.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. LANGLEY. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 41, noes 71.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. DILLON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 3, line 12, after amendments adopted insert a new section as follows:

"That whoever shall buy or sell on any board of trade, chamber of commerce, or exchange, in which any produce shipped in interstate commerce is purchased or sold, any wheat, corn, oats, or other food products on a margin intending that no delivery thereof shall be made, but with the intent that the same shall be settled for as a speculative margin, shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000 or imprisoned not more that three years, or both, in the discretion of the court. That upon a prosecution for such offense it shall only be necessary for the prosecution to show, in order to make a prima facie case, that such seller was not a grower or producer or owner at the time of such sale, of such grain or produce and that the purchaser or buyer purchased the same on a margin of less than 50 per cent, and upon such showing the burden of proof shall be shifted to the seller or purchaser to show a good faith transaction."

During the reading of the amendment the following colloquy occurred:

Mr. LEVER. Mr. Chairman, this amendment is clearly subject to a point of order. Would not the gentleman be satisfied to have it printed in the RECORD and let me make the point of order?

Mr. DILLON. I would like to say something on it. It is very important.

Mr. LEVER. I know it is; but it is coming in another bill, and the less we talk on it the quicker we will get to the other bill.

Mr. DILLON. I have not consumed any time. I would like to have a little time on this.

Mr. LEVER. Go ahead.

The Clerk concluded the reading of the amendment.

Mr. LEVER. Mr. Chairman, I reserve the point of order on the amendment for five minutes.

The CHAIRMAN. The gentleman from South Dakota [Mr. DILLON] is recognized.

Mr. DILLON. Mr. Chairman, I believe that all the criminal laws upon our statute books should be enforced. If you will enact this amendment into law and enforce it, you will do more in six months in reducing the high cost of living than you will in 10 years of investigation. I want to call attention to a few facts.

In 1912 there were only 36,000,000 bushels of wheat in the Chicago markets. But on the 28th of July, 1914, in one day they sold upon that market 100,000,000 bushels of wheat. An obscure trader at that time in five minutes made $25,000.

Again, in 1905 the difference in May wheat at the Minneapolis Chamber of Commerce between high and low was 65 cents a bushel. During the same month upon the Chicago Chamber of Commerce the difference in May wheat between high and low was 38½ cents a bushel.

During the Minnesota legislative investigation in 1913 it was disclosed that there was one commission house that was under an expense of $300 a day. Who pays this expense? The consumer. There were 32 commission houses engaged in business in Minneapolis in 1911 whose total expenses amounted to $519,000, and in 1912 they were $443,000. The expenses of 100 commission houses in that city ran up to $1,400,000. Who pays for it? The consumer.

Now, Mr. Chairman, the way to stop this gambling in wheat is under the criminal section of our statutes. It will be effective if you will enforce the law. It ought to be stopped. Everyone knows it ought to be stopped. And I am surprised that the chairman of this committee insists on making a point of order against this amendment, which will do the business in place of investigation. The Federal Trade Commission recently investigated the print-paper industry in this country for nine months. What did it amount to? A good live attorney could take a grand jury, under the Federal statutes, and in six months could do more than you could by investigation for 10 or 20 years.

While you are investigating, the gambling in the wheat markets of Chicago and Minneapolis goes on. If you want to give the farmers something worth while, give them a prosecution of those people who are robbing the consumer and the producer, and you will thus make your work effective.

I might call your attention to some of the provisions contained in the rules and regulations of the Chamber of Commerce of Minneapolis. I call your attention to section 10 of rule 8, in which the membership of that organization have agreed among themselves to fix prices upon that market. The language is clear and positive. There is no evading it. I have called this to the attention of the legal department of the Government, asking that they investigate the facts and commence criminal proceedings, but nothing has been done.

Mr. LEVER. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. DILLON. Mr. Chairman, I ask that this section of the rules be made a part of my remarks.

The CHAIRMAN. The gentleman from South Dakota [Mr. DILLON] asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The following is the section referred to:

Every member of this association, and every person, firm, and corporation admitted to trade or to do business therein, hereafter buying directly or indirectly for his, their, or its own account or otherwise any grain or seeds dealt in upon this exchange in carload lots, on track at country points, for shipment to Minneapolis, or buying any of the same to be delivered at Minneapolis, shall make their bids, offers, and purchases therefor on the basis of the Minneapolis market values, less commission, or a profit at least equal to the established rates of commission on said grain or seeds; and in addition such bids, offers, or purchases shall be made subject to the usual and the same charges of this association, to include, and they shall include, switching, inspection, weighing, freight—if a "delivered" bid and freight on dockage if a "track" bid—interest on advances, and all other charges according to the rules of this association the same as if said grain or seeds were handled on commission through said association; and they shall render an account to the seller for all such purchases, including said charges separately stated in detail; and any person, firm, or corporation who shall violate any of the provisions of this section shall be liable and subject to the same penalties as are provided in section 11 of rule 8 and section 7 of rule 4 of the general rules of this association.

Mr. DILLON. Under this rule the value of every carload of grain is fixed. The individuality of the seller and purchaser is eliminated, the combination acts for them, makes the price, and enforces its mandates by its rules, thus are the antitrust statutes violated with impunity.

Ninety-nine per cent of the transactions in the pit are never consummated by actual delivery. The speculators, by concert of action in the different markets, often throw on the market immense hedging orders, which must of necessity depress the market. If the buying orders are numerous, the price will necessarily go up. If the selling orders are heavy, the price will of necessity go down.

The grain producers usually sell their grain as soon as it is harvested, and it thus passes out of the hands of the producers into the hands of the speculators, and remains there until it finally reaches the consuming public. The distribution goes on while values rise and fall during the period of speculation. The producer is not carrying the risk of distribution, nor is the consumer. They have turned the job over to the speculators, who have assumed the burden for compensation, and during the period of distribution the gambling on the risk goes on.

The speculators relieve everybody from the hazards of distribution except their own victims. These operators will tell you that everyone has the right to hedge; that it is an insurance that the banks will accept as security, but they fail to inform us about the other fellow, who buys the hedging contracts for speculative purposes.

It must be admitted that every deal in futures where no intent to deliver exists must register its effect upon the cash price of grain. The cash price responds to the bidding on futures.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or feed crops, he is authorized to purchase, grow, or otherwise procure such seeds, to store them, and to furnish them, by sale or otherwise to farmers on credit or other terms at cost, including the expense of packing and transportation. The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such seeds

and to pay for them at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such seeds, in the manner provided by section 24, paragraph 20, and section 145 of the Judicial Code.

Any moneys received by the United States from or in connection with furnishing seeds to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

Mr. LEVER. Mr. Chairman, I have a committee amendment, which I send to the Clerk's desk and ask to have reported.

The CHAIRMAN. The Clerk will first report the committee amendments printed in the bill.

The Clerk read as follows:

First committee amendment: Page 4, line 4, after the word "paid," insert the words "for such seeds on delivery."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. SWITZER. Mr. Chairman, I would like to ask a question. Is this a jurisdiction conferred on the United States court regardless of the amount involved? Suppose at my place, 115 miles from where the United States court is held, a man was offered and paid only $1.50 per bushel for 100 bushels of wheat, and he thought he ought to have been paid $2 per bushel, and he wanted $50 more. Would he have to go 115 miles to sue and hire an attorney or lose the $50, regardless of the amount involved?

Mr. LEVER. That is true. That is written in the bill.

Mr. SWITZER. Does not the gentleman think that is a denial of justice?

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. SWITZER. I have not control of any time.

Mr. RUBEY. The gentleman is supposing a case that would never happen on earth.

Mr. SWITZER. I do not know. I am trying to find out.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 8, after the word "seed," strike out the words "in the manner provided by section 24, paragraph 20, and section 145 of the Judicial Code," and insert "and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. LEVER. Now, Mr. Chairman, there is another amendment that I sent up.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Committee amendment: Page 3, line 18, strike out the words "or otherwise" and the comma.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. LEVER. Mr. Chairman, that is all that the committee has.

Mr. BYRNES of South Carolina. Mr. Chairman, I have an amendment that I desire to offer.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from South Carolina [Mr. BYRNES].

The Clerk read as follows:

Amendment by Mr. BYRNES of South Carolina: On page 4, at the end of section 4, add a new section, as follows:

"SEC. 5. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for nitrate of soda necessary for the production of food or feed crops he is authorized to purchase such nitrate of soda, store it, and sell it to the farmers at cost, including transportation and all other expenses, such cost price to be payable in advance. The Secretary of Agriculture is authorized to require any person having at his disposal a supply of nitrate of soda to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such nitrate of soda and pay for it at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such nitrate of soda on delivery the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such nitrate of soda; and jurisdiction is hereby conferred upon the United States district courts to hear and determine all such controversies. For the purpose of carrying out the provisions of this section the Secretary of Agriculture is authorized to cooperate with the Secretary of the Navy or any other agency of the Government, and for such purpose there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000. Any moneys received by the United States from the sale of nitrate of soda to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts."

Mr. ANDERSON. Mr. Chairman, I make the point of order on the amendment that it is not germane.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Do I understand that the offering of this amendment as a separate section would preclude an amendment to section 4 now under consideration? For instance, a motion to strike out?

The CHAIRMAN. The Chair is inclined to think that it will not.

Mr. STAFFORD. I think if we proceed with the consideration of a new section, it would preclude the consideration of any amendment to section 4 which has just been read. I therefore make the point of order that the amendment is not in order at this time, because opportunity has not been given to Members to offer amendments to section 4.

The CHAIRMAN. The Chair is inclined to think that if anybody desires to offer an amendment to the section of the bill, he would be entitled to the preference.

Mr. BYRNES of South Carolina. Mr. Chairman, I think the gentleman is correct, and therefore I will withdraw the amendment and offer it later.

The CHAIRMAN. The gentleman withdraws his amendment.

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAYBURN: Amend by adding at the end of line 20, page 3, the following: "except seeds in the hands of the producer thereof."

Mr. STAFFORD. Mr. Chairman, may we have that amendment reported again?

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

Mr. CARAWAY rose.

Mr. RAYBURN. Mr. Chairman, I yield to the gentleman from Arkansas.

Mr. STAFFORD. Mr. Chairman, will the gentleman permit an interruption?

Mr. CARAWAY. Yes.

Mr. STAFFORD. Does the gentleman intend to have the amendment offered at the place indicated? It does not seem to dovetail with the text.

Mr. RAYBURN. It reads this way: "except the actual producer of the seed."

Mr. HAMILTON of Michigan. That was not the language read.

Mr. STAFFORD. The way it read was: "except seeds in the hands of the producer thereof." I ask that the amendment may again be reported, so as to conform to the idea of the gentleman from Texas.

Mr. RAYBURN. The amendment, as I offered it, reads this way: "That the Secretary of Agriculture is authorized to require any person except the producer"—

The CHAIRMAN. How does the gentleman wish to modify his amendment?

Mr. RAYBURN. I want to modify it so that the Secretary of Agriculture is authorized to require any person except the actual producer thereof.

Mr. KINKAID. Will the gentleman yield for a suggestion? I suggest to the gentleman from Texas that the amendment would be better placed after the word "seeds," in line 21, to insert the words "except the producer thereof."

Mr. RAYBURN. I think it should come after the word "person."

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment by Mr. RAYBURN: Amend by adding, at the end of line 20, the following: "except the producer thereof," so that the lines will read: "The Secretary of Agriculture is authorized to require any person except the producer thereof having at his disposal any such seeds," etc.

Mr. HULBERT. Mr. Chairman, the gentleman does not mean the producer of the person. That is the way it reads.

Mr. KINKAID. It would be better to come in after the word "seeds."

Mr. CARAWAY. Mr. Chairman, I desire to offer a substitute for the amendment.

Mr. RAYBURN. Mr. Chairman, I thought I had time on my amendment.

The CHAIRMAN. The gentleman from Texas will be recognized——

Mr. STAFFORD. You can not take the gentleman off the floor. He has been recognized to offer an amendment.

The CHAIRMAN. The gentleman from Texas has the floor if he insists on it.

Mr. RAYBURN. Really I think all the section after the word "transportation" should be stricken out. Then it would go as far as most of us feel we ought to go, and a little further, as far as I am individually concerned. But I have discussed this matter with several members of the Committee on Agriculture, and to each and every one of them my objection has been that I did not think the Secretary of Agriculture, or any little fellow appointed by him, ought to go over this country to the farmers and actual producers of seeds and take them away from those actual producers at a wholly arbitrary price set by the Secretary of Agriculture, and they have said it was not the intention, of course, and that he would not do a thing like that.

Mr. LEVER. If the gentleman from Texas will yield, I have consulted members of the committee on both sides, and I do not think there is really any objection to this amendment, because I think it is in the minds of the members of the committee that the Secretary of Agriculture would not do such a foolish thing anyhow.

I ask for a vote.

Mr. CARAWAY. I want to offer a substitute for the amendment.

Mr. RAYBURN. Gentlemen have said they did not oppose my amendment, but I think it ought to be made definite in the bill.

Mr. DOOLITTLE. Ought not the gentleman to put his amendment after the word "seeds," in line 21?

Mr. RAYBURN. I think it is all right where it is, but I ask unanimous consent to transpose the amendment to follow the word "seeds," in line 21.

The CHAIRMAN. The gentleman asks unanimous consent to modify his amendment. The Clerk will report it as modified.

The Clerk read as follows:

Modified amendment offered by Mr. RAYBURN: Page 3, line 21, after the word "seeds" insert the words "except the producer thereof."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CARAWAY. Now, Mr. Chairman, I desire to offer a substitute.

The CHAIRMAN. Does the gentleman from Texas yield to the gentleman from Arkansas?

Mr. LEVER. I was hoping that by accepting this we might save debate on it.

Mr. CARAWAY. I do not want you to accept it. I want to offer a substitute for it.

The CHAIRMAN. The gentleman from Arkansas offers a substitute, which the Clerk will report.

The Clerk read as follows:

Mr. CARAWAY offers the following substitute: Page 3, line 21, after the word "seeds" add the words "for sale."

Mr. ANDERSON. I make a point of order that that is not a substitute for the amendment offered by the gentleman from Texas. It is a separate amendment.

Mr. CARAWAY. It is a substitute for the gentleman's amendment.

Mr. ANDERSON. I make the point of order.

The CHAIRMAN. The Chair is inclined to think the point of order is well taken. The question is on the amendment offered by the gentleman from Texas.

The amendment of Mr. RAYBURN was agreed to.

Mr. CARAWAY. Now, Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr CARAWAY: Page 3, line 21, after the word "seeds" insert the words "for sale."

Mr. MANN. No; has a contract to sell and deliver seed; of course he could break his contract. He has it not only at his disposal, but he has it for sale, and he was going to sell it. The most of the seed is raised that way.

Mr. HAMILTON of Michigan. I would like to ask my friend whether he thinks his statement that seed is raised for seed purposes and subject to a contract of sale applies to wheat. Ordinarily wheat is not raised for seed specifically. A man may have a high grade of wheat, and his neighbors may like that particular variety and want to buy it for seed, but he does not grow the crop for seed.

Mr. MANN. My distinguished friend from Michigan in his early youth was raised on a farm.

Mr. HAMILTON of Michigan. I was; and I have got the farm now.

Mr. MANN. And he buys his seed from the fellow who has raised the seed with extra care for that purpose. I have an interest in a farm where we raise grain in this way.

Mr. HAMILTON of Michigan. Seed growers.

Mr. MANN. No; it is a large farm, and we raise quantities of grain, and some of it is raised for seed. It is planted for seed.

Mr. HAMILTON of Michigan. Is it not true that a large crop is grown, say, of wheat, and it may be of such a good variety that people learn of it and want to buy some for seed, but it is not originally grown for seed?

Mr. MANN. A large quantity is grown for the express purpose of using it for seed. If it does not turn out well, they do not use it for seed. There are a lot of seed growers throughout the country who make a specialty of farm seeds. It is not so much in wheat and corn as it is in peas and beans and the like.

Mr. HAMILTON of Michigan. Oh, I agree with the gentleman as to those.

Mr. GALLIVAN. Mr. Chairman, in connection with this entire question of the conservation of our food supply, there enters an important element which, in my judgment, has not received the attention and consideration that it deserves, namely, that of farm help. To me this is almost as important as any question we are obliged to face, and it is, indeed, doubtful if one-half the crops that are planted in the East will receive proper attention or even be harvested in the fall. As agriculturists, we are deteriorating because the farmer does not receive all the encouragement he needs. If he raises wheat or corn he is at the mercy of the gambling element of the Chicago Board of Trade; in raising general crops he is at the mercy of the commission man. In many instances the truck gardener in my State; yes, and the fruit grower of Florida, does not get much beyond the cost of freight and packages on goods shipped to Boston, we will say, because the commission man takes what he figures is necessary to supply the trade and maintain prices; and a large or small dealer dare not make an effort to buy direct, fearing the penalty of a ban from the commission man. The country is overridden with combinations, and irrespective of laws that are passed to prevent such conditions loopholes are found whereby all obstacles can be overcome without treading across the danger line. [Applause.]

Government control of prices and conditions will serve in a measure to keep combinations in restraint. There are worse crooks at large than are in the jails, particularly among those who are dictating exorbitant prices on foodstuffs. Though flour is selling at $16 a barrel, I very much doubt if any flour made in the past few months was produced from wheat that cost the miller more than $1.30 a bushel. The parasites who have boosted the prices of wheat have afforded the miller an excuse to increase the price of flour to conform with figures that represent in the main figures only and not a delivery of the actual wheat itself.

The population of the world has decreased considerably the past three years, and if before the war we had an oversupply of foodstuffs every year, why must we run so short during the coming year, with fewer people to feed?

The coal question, as we all realize, will be one which will tax the ingenuity of the best brains of the land. Take Massachusetts for instance. There isn't the slightest doubt in my mind but that four-fifths of the output in Boston alone is controlled by one corporation, and unless the right kind of a scare is thrown into that same corporation there will be untold suffering among the poor of my city during the coming year.

Again, I repeat that Government control of prices and conditions is necessary at once to keep these combinations in restraint, and I want to see legislation enacted now that will bring this about. [Applause.]

Mr. KINKAID. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CARAWAY. Mr. Chairman, I would like to ask the gentleman from South Carolina a question. In line 21, page 3, the word "disposal" is used. Does the gentleman understand that that word means that he has it for sale or that he merely had it in his possession and under his control?

Mr. LEVER. That he has it for sale.

Mr. CARAWAY. If that is the proper construction, then there is no need of my amendment. I though it meant also that it was in his control and that he had authority over it. But the suggestion has been made that "disposal" means for sale.

Mr. LEVER. That is the construction I put upon it.

Mr. CARAWAY. Then, Mr. Chairman, I will withdraw my amendment.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. HOUSTON. Mr. Chairman, I would like to ask the gentleman from South Carolina a question. In regard to the word "him" in line 24, page 3, where it says "such price as shall be determined by him to be reasonable," who does "him" refer to—the man who has the seed or the Secretary of Agriculture? If it is a doubtful construction, it ought to be made clear by inserting "the Secretary of Agriculture."

Mr. LEVER. It refers to the Secretary of Agriculture.

Mr. HOUSTON. I suppose it does, but it is doubtful.

Mr. LEVER. The words "Secretary of Agriculture" just precedes it.

Mr. HOUSTON. Reading the whole sentence, it does not appear clear to whom it refers.

Mr. LEVER. I think the language following is sufficient to make it clear.

Mr. KINKAID. Mr. Chairman, I would like some information from the gentleman from South Carolina as to the construction of the bill in this particular. Suppose the Secretary of Agriculture or one of his agents should require the owner of seeds of some kind to deliver them up, the Secretary taking them at his price when the owner of the seeds himself should desire to plant those identical seeds for the identical purpose for which the Secretary was going to use them. Does the gentleman think that would be proper and right? Ought there not to be some exception or qualification in cases where the farmer has the seeds that he himself is going to plant for the purpose of producing crops? Will you rob Peter to pay Paul?

Mr. LEVER. The whole purpose of this section is to undertake to stimulate and increase production of foodstuffs. Certainly the Secretary of Agriculture would not be so asinine as to take seed from one farmer to give to another farmer.

Mr. KINKAID. The Secretary of Agriculture would not be so absurd, but how are you to regulate the action of the agent representatives of the great Department of Agriculture?

Mr. LEVER. I hardly think the Secretary would choose any agent foolish enough to do such an absurd thing.

Mr. KINKAID. Yes; but the laws ought not to permit a foolish thing to be done.

Mr. LEVER. I would call the attention of the gentleman to another fact. The Secretary of Agriculture is the only person authorized in this section to do the thing that the gentleman fears might be done. I think it is safeguarded in that respect. I do not think there is a particle of danger of that.

Mr. KINKAID. There may not be danger, but I think it is a little dangerous to be so unrestricted.

Mr. HAMILTON of Michigan. Mr. Chairman, I suggest that that could be obviated if the gentleman thinks it is necessary to obviate it by inserting after the word "reasonable," in line 24, the words "*Provided, however,* That the Secretary of Agriculture shall not make such requirements in relation to seed needed by the producer thereof for seed."

Mr. LEVER. I think it would be a legislative absurdity.

Mr. HAMILTON of Michigan. It strikes me so, also.

Mr. LENROOT. Then I call the attention of the gentleman to the amendment already adopted that will prohibit the Secretary from taking any of these seeds from the hands of the producer.

Mr. DILLON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I have an amendment to the pending section. I move to strike out all of section 4 following the word "transportation," at the end of the first sentence in line 19, page 3.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Strike out all of section 4 following the word "transportation," in line 19, page 3, down to and including the word "controversies," in line 12, page 4.

Mr. LEVER. Mr. Chairman, before the gentleman proceeds, I ask unanimous consent that debate upon this section and all amendments thereto close in 10 minutes.

Mr. STAFFORD. I do not think we ought to limit it at this time. This is one of the most important sections of the bill. The last section took an hour or two and is not nearly so important.

Mr. LEVER. Then I suggest we make it 15 minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I would like to have five minutes.

Mr. MANN. I hope the gentleman will make the limit a little longer than that, and then say that after this section is disposed of the committee will rise.

Mr. LEVER. Mr. Chairman, I would like very much to get as far as the appropriating section of the bill to-night.

Mr. MANN. I would like to help the gentleman, but I think we can get through the bill to-morrow, and that is all that we can do anyway.

Mr. LEVER. Then I suggest that we close debate in 25 minutes.

Mr. STAFFORD. I think we will be making headway if we do not close debate at this time.

Mr. BANKHEAD. The gentleman does not want over 10 minutes.

Mr. STAFFORD. I do not know how long I want. This is an important provision relating to the constitutionality of the authority of the Secretary of Agriculture to enter into this practice.

Mr. MILLER of Minnesota. Does the request of the gentleman refer to everything in connection with the section?

Mr. STAFFORD. Yes.

Mr. MILLER of Minnesota. I would like to have five minutes.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 25 minutes; the gentleman from Wisconsin to have 10 minutes, the gentleman from Pennsylvania to have 5 minutes, and the gentleman from Minnesota 5 minutes.

Mr. CARAWAY. Mr. Chairman, I would like to have 5 minutes.

Mr. LEVER. Make it 30 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate upon this section and all amendments thereto shall close in 30 minutes. Is there objection?

Mr. HAUGEN. Will the gentleman couple with that an agreement that the committee rise after that?

Mr. LEVER. I will say to the gentleman from Iowa that I would like very much to read down to the appropriating section of the bill, section 9. I do not think there will be any controversy about the intervening sections.

Mr. HAUGEN. And then rise?

Mr. LEVER. We might do that. I suggest that the committee rise when we get to the appropriating section, section 9 of the bill.

The CHAIRMAN. Is there objection?

Mr. BOOHER. Mr. Chairman, I want to ask the chairman a question, reserving the right to object. On lines 4 and 5, page 4, we find the language "shall be paid for such seeds on delivery." The section provides for the seizure by the Government where they do not agree on a price. Ought not the words "or seizure" be inserted?

Mr. LEVER. I will be glad to think about that.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HAMILTON of Michigan. Mr. Chairman, before the gentleman from Wisconsin proceeds, I wish that he would state to us exactly what he proposes in his amendment?

Mr. STAFFORD. Mr. Chairman, in response to the request of the gentleman from Michigan I will state that my amendment is to strike out all of the first paragraph in section 4 following the word "transportation," in line 19, on page 3. That strikes out all that part which gives authority to the Secretary of Agriculture to purchase seed from people against their will and requisition such seed for the benefit of other private parties.

I question very seriously whether even under the war powers of the Constitution we have any right whatever to appropriate the property of another person to be used for the benefit of another private party. In fact, my reading of the decisions of the Supreme Court does not show an instance which supports the right of the Government even in war time under the powers of eminent domain to take the property of a private individual, as is purposed in this section, and transfer it to another person, even though it agrees to pay him a fair and reasonable value.

It may be apocryphal to advance in consideration of any of these measures a constitutional argument, and yet I am going to venture the citation of a case which I think is applicable to the question under consideration, a case I had occasion to cite when we were considering the right to appropriate the property of individuals in interned steamers in this country a few days ago, without making provision for compensating them. It is the case of the United States *v.* Russell (13 Wall., p. 628). There Justice Clifford uses language which limits the right in war times—and this was a cases arising out of the appropriation, or, rather, the use of steamers plying on the Mississippi River for the use of the armed forces of the United States—of the Government under those conditions to appropriate private property for its use. True it did not involve the very question presented here, yet the language used by Justice Clifford in deciding that case and which has been referred to approvingly on three or four occasions since in decisions of the Supreme Court of the United States, shows that the Government has only the right to use this property in case it is imperatively necessary. It must be shown that it is imperatively necessary, not for the use of some private person, but for the use of the Government.

The power under this section is not limited to the appropriation of the property, namely, the seeds of private persons, for the use of the Government, but it is purposed to use such seeds for the use of other private persons—for the general welfare, perhaps, of the country generally. I call the attention of the committee to the following language used by Justice Clifford in deciding the case:

> Where such an extraordinary and unforeseen emergency occurs in the public service in time of war no doubt is entertained that the power of the Government is ample to supply for the moment the public wants in that way to the extent of the immediate public exigency, but the public danger must be—

And I call the attention of the committee to this language especially—

> but the public danger must be immediate, imminent, and impending, and the emergency in the public service must be extreme and imperative, and such as will not admit of delay or a resort to any other source of supply.

He goes on:

> Exigencies of the kind do arise in time of war or impending public danger, but it is the emergency, as was said by a great magistrate, that gives the right, and it is clear that the emergency must be shown to exist before the taking can be justified. Such a justification may be shown, and when shown the rule is well settled that the officer taking private property for such a purpose, if the emergency is fully proved, is not a trespasser, and that the Government is bound to make full compensation to the owner.

Further on he says:

> Such a taking of private property by the Government, when the emergency of the public service in time of war or impending public danger is too urgent to admit of delay, is everywhere regarded as justified, if the necessity for the use of the property is imperative and immediate, and the danger, as heretofore described, is impending—

And further on—

> Private rights, under such extreme and imperious circumstances, must give way for the time to the public good, but the Government must make full restitution for the sacrifice.

Mr. LENROOT. Will the gentleman yield?

Mr. STAFFORD. I yield to my colleague.

Mr. LENROOT. It is a very important point which the gentleman is discussing. I want to ask him whether he distinguishes between the taking of private property by some subordinate officer of the Government without authority of law and the exercising of the right of eminent domain by express legislative authority?

Mr. STAFFORD. I do distinguish between those two cases, but under the war powers of the Constitution the military authorities have the right to go in and utilize property of private individuals for purposes of war. But the Government of the United States has not the right to appropriate private property for the benefit of other individuals; at least I can find no decision to that effect; though I can find, I may say, writers on constitutional law that defend the principle that during war times the Constitution is lifted entirely, and that there are no restraints whatsoever imposed upon the Government in the exercise of any powers under the so-called war powers.

I was surprised to find such an extreme and radical proposal advanced by the teacher of constitutional law in the Harvard Law School, namely, that the restriction of the Constitution on the exercise of powers by Congress was virtually lifted during war time. And yet the amendment to the Constitution which says that private property shall not be taken without due process of law are as applicable in war times as during times of peace so far as the appropriation of private property for the benefit and use of other persons.

It is strange, if such arbitrary power exists, that no decision, so far as I have been able to discover, has been rendered by the Supreme Court justifying the right of the Government to appropriate private property for the benefit of other private individuals. I would not question the premise of my colleague that the Government has the right to appropriate private property of individuals for the use of the Government itself, or of any agency of the Government, such as the Army or the Navy. That is certainly a justification of the governmental powers to meet war conditions. But for us here under the guise of war power to say that the Government can come in and take my property for the use of some other private person, and which may not be used directly for the benefit of the Government, is going, I believe, beyond the constitutional prerogative of the Government.

Mr. LENROOT. Is not the test, however, whether or not it is a public purpose? And if it be a public purpose it need not necessarily be for the use of the Government.

Mr. STAFFORD. I do not think it is public use.

Mr. LENROOT. Is not that the test, whether or not it is for a public purpose?

Mr. STAFFORD. I think it must be more than the public purpose; I think it must be for the benefit of the Government itself, as a Government, and not merely for the general welfare. Otherwise we might just as well eliminate the restrictions of the Constitution during war time and say there are no constitutional limitations on the exercise of powers by Congress.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. I thought I would have occasion for more time.

Mr. MILLER of Minnesota. Mr. Chairman, I am not certain that I shall care to occupy the whole five minutes. This section 4 of this bill is a very remarkable piece of phraseology. I do not wish that anything I shall say shall be construed as any reflection on the committee or on its capacity to express in language that which it means to do, but I do think that this section 4 is a very loosely constructed piece of legislation, only surpassed by section 5 of this act.

Every Member of this House wants to do something in the accomplishment of conservation of the existing food supply of the land and to aid in increasing the food supply of the land. I think, for one, that the suggestions made by the gentleman from Texas [Mr. SUMNERS] here on the floor a few hours ago are worth more than all the items contained in this bill put together. Evidently those who drew this bill were not members of the committee. This is one of those hand-made pieces of legislation——

Mr. HAMILTON of Michigan. Handed down to us——

Mr. MILLER of Minnesota. Yes; handed down to us from some source, and I do not blame any man for not wanting to have his name attached to the bill. [Laughter.] It would not redound very much to his credit.

Evidently in the minds of the committee, or at least of the ones who drafted the bill, we should do something to provide the farmers of the country with seed, very likely with kinds of seed they do not now have, very likely with seeds in quantities that they themselves are not able to procure. But does this accomplish that purpose in any sense of the term? It does provide that within a restricted area—whatever that means I do not know, and I have not heard anybody yet who seems to know—whenever there is existing need in a restricted area, the Government can furnish seeds to persons in that restricted area. What is the meaning of the word "need"?

Now, I want to say a word or two in reference to that which has been stated by the gentleman from Wisconsin [Mr. STAFFORD], and while my talk is general it has one object in view. I think this paragraph ought to be entirely rewritten, taken out completely as it stands and entirely rewritten and made to mean something, in order that something definite may be accomplished.

I do not agree with the gentleman from Wisconsin who has just spoken that there does not reside in Congress the power to grant to the Secretary of Agriculture or the President the authority to reach out and take grain in the possession of citizens of this country and pay them a reasonable price therefor and to utilize those grains for seed, providing that an exigency exists making that for the public welfare. If the Government can not do that, it fails in the fundamental reasons for its existence, namely, to perform those things which individuals can not themselves do but which the individuals as a whole need to have done. The Constitution of the United States, under the powers and authorities granted by it to the legislative body of the country, authorizes, I think, just exactly such a thing.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. ROSE. I wanted to ask the gentleman, if the Government undertook to confiscate or condemn the property now, would it not be an entirely new procedure in the history of the United States where it can take property from any person and deliver it to another individual?

Mr. MILLER of Minnesota. You mean, to act under this bill?

Mr. ROSE. To take either real estate or personal property.

Mr. MILLER of Minnesota Of course the Government can not do that except for public purposes.

Mr. ROSE. Would it not be an entirely new procedure in the history of the United States to do it?

Mr. MILLER of Minnesota. It would be an entirely new proceeding in peace times. Our Government, however, has done that very thing without any legislative action. During the wars that we have had the armies in the field have always taken the things that they need to feed their troops, to feed their horses, to enable them to carry on their campaigns. Sometimes they paid for those things, and sometimes not. They ought to have been paid for. But if a man from whom it is taken is not in amity with the United States—that was the old law, and of course it is the law yet—he will receive no compensation for it, although that person is a citizen of the United States and protected by the Constitution of the United States.

Mr. BURNETT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. BURNETT. Was it not an exigency, for the use of the soldiers?

Mr. MILLER of Minnesota. Yes.

Mr. BURNETT. Could they do it for planting purposes?

Mr. MILLER of Minnesota. I am coming to that. It has got to be shown that an exigency exists, and not merely a possible benefit to the whole people of the country to take this important and high-handed action. An exigency must really exist. It does exist. The world has been at war for three years. We know that the food supplies of the various countries of the world are about exhausted. We know that our allies, engaged with us in a stupendous undertaking, are looking to the United States for food. If that food does not go to our allies our cruse is probably lost. By properly framing the legislation we can say that an exigency does exist, and we can then specifically authorize the Government to take this action. But I do not think this language does it.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I wish to offer an amendment at this time.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 4, after line 12, strike out lines 13 to 19, inclusive.

Mr. ANDERSON. Mr. Chairman, I have no objection to the amendment being read for information. Of course, it is not in order, with another amendment pending.

Mr. MOORE of Pennsylvania. Let it stand at that. That is what I am doing it for now. I want to discuss it. It will follow the other amendment in regular course.

Mr. LEVER. Mr. Chairman, let us have the amendment read again.

The CHAIRMAN. Without objection, the amendment will again be read.

The amendment was again read.

Mr. MOORE of Pennsylvania. Mr. Chairman, this may be a small matter, and yet it may be a serious one. I have offered the amendment to invite the attention of the Chair and the Members of the House to it. It may be that a point of order would lie against this paragraph. I am not sure. It proposes rather a new feature in an agricultural bill, the waiving of the rights of Congress to pass upon appropriations. The Secretary of Agriculture acquires certain funds, due to appropriations made by Congress in this bill, if the bill passes, and instead of turning those funds into the Treasury he expends them as he sees fit, and expends them over and over again until the fund is exhausted, or, if there is anything left, he turns it into the Treasury when he sees fit. Now, that is a dangerous practice, and one that ought not to be lightly conferred upon any of the departments of the Government. The Constitution provides that Congress shall have power to raise and support armies, "but no appropriation of money for that purpose shall be for a longer time than two years." Now, we are at war, and this is a war bill, but the constitutional provision still stands that appropriations made by Congress shall not be for a longer period than two years. Yet this revolving proposition may go on indefinitely. It takes out of the hands of Congress during the two years money that ought to be turned into the Treasury and leaves it with the departmental officers.

Mr. LEVER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. LEVER. I want to call the gentleman's attention to the fact that up to last year this same provision applied to our insular stations, like the stations in Porto Rico and Guam, and so on.

Mr. MOORE of Pennsylvania. But this is its first appearance in an agricultural bill.

Mr. LEVER. And I am reminded also that this same provision practically applies to the reclamation act.

Mr. MOORE of Pennsylvania. But is it not a fact that it takes the money out of the hands of Congress, or out of the Treasury, for a period exceeding two years, if the emergency lasts that long?

Mr. LEVER. I am not sure about that.

Mr. MOORE of Pennsylvania. Section 10 of this bill, which is a very peculiar section, provides that the provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed. When? In three years? In five years? "The date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than one year after the termination of the present war between the United States and Germany." That may be five years from now. Yet this fund, because it is a revolving fund, remains until the emergency is over. The Secretary of Agriculture may change. He may change once or twice before this fund is finally disposed of in this way. It is going to be a floating balance in his hands, taken entirely away from the jurisdiction of Congress.

Mr. ANDERSON. I want to direct the attention of the gentleman from Pennsylvania [Mr. MOORE] to the fact that the limitation that money shall not be appropriated for a longer term than two years is a limitation upon money appropriated to raise and support armies. It is not a limitation upon appropriations for any other purpose. The only limitation upon appropriations for general purposes is that they shall be made in consequence of a law of Congress. I think it is a debatable question whether the provision for a revolving fund comes within the general provision that appropriation shall be made in consequence of law.

Mr. MOORE of Pennsylvania. Does the gentleman contend this is not a war bill?

Mr. ANDERSON. I contend that the appropriation to which the gentleman has directed attention is not an appropriation to raise and support an army.

Mr. MOORE of Pennsylvania. But it is for the purpose "of carrying on the war with Germany."

Mr. LEVER. That is a very different thing.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Arkansas is entitled to recognition.

Mr. LEVER. I ask unanimous consent that the time of the gentleman from Arkansas may be transferred to the gentleman from North Dakota [Mr. YOUNG].

The CHAIRMAN. Is there objection?

There was no objection.

Mr. YOUNG of North Dakota. Mr. Chairman, I think the view of the gentleman from Minnesota [Mr. MILLER] is not exactly right. I gathered from his remarks that he believed the Secretary would be authorized to furnish seed to individuals here and there throughout the United States.

Mr. MILLER of Minnesota. I did not intend to say that, and did not intend to imply anything of that kind. If I said that, it was unintentional.

Mr. YOUNG of North Dakota. The section provides that this is to be operative in case there is "a special need in any restricted area for seeds." If this means anything, it means that there may be this year found somewhere in the United States an area wherein there may be a crop failure. There may be one area, or there may be more than one. If that develops anywhere in the United States during this crop year, then it will be the duty of the Secretary of Agriculture to provide seeds which will be available and which can be gathered during the fall months to take care of the emergency that will thus be created. It is not a new thing for crops to fail on account of drouth, hail, or other causes. If very small areas are struck by hail, the seed can probably be furnished by neighbors. We must assume that the Secretary will use some discretion. But if conditions arise where it is plain certain areas will not be seeded unless the Government furnishes the seed on time, it is the part of wisdom to brace ourselves against such an emergency. The world's food reserves are very low. We must do

everything possible to increase production throughout this war. This section is very important.

Mr. MILLER of Minnesota. Will the gentleman yield.

Mr. YOUNG of North Dakota. Yes.

Mr. MILLER of Minnesota. I said I did not know exactly what the bill meant by that word "need." Now the gentleman himself has mentioned a need that might exist, namely, a restricted area where the crop preceding had failed. I can name a dozen. Here is an area that has no seed at all. It may be because it is of an inferior kind. That would be a need. Another need would be where the year before they had grown nothing but potatoes, and they wanted to grow wheat. Now, which of the needs will the Secretary be able to respond to?

Mr. YOUNG of North Dakota. As far as I am concerned, I think the Secretary should be authorized in his discretion to respond to any one of those needs, because the great need, as everybody admits now, is to raise as much grain for human food as possible not only during the year 1917 but during the year 1918, and this legislation has to do, as everyone admits, with the crop next year rather than the crop this year, as this year's crop is in.

Mr. DILLON. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. DILLON. What right would the Government have to take 100 bushels of wheat from me and give it to Mr. Jones, or to take my corn and give it to Mr. Jones? That is for private use, and it is not a public use. Can the gentleman enlighten me?

Mr. YOUNG of North Dakota. The gentleman has introduced another question. I disagree with the gentleman. It seems to me that when we are equipping armies to be sent to France of a million men and perhaps more, who must be provided with food, it is a public purpose if we now authorize the Secretary of Agriculture to see to it that every single foot of ground available in the United States is put into crops next year.

Mr. DILLON. How can it be a public use if you take it from me and give it to Brown?

Mr. YOUNG of North Dakota. Because Brown will raise grain to be used to feed the armies of the United States.

Mr. DILLON. That is no public use; that is a private use.

Mr. YOUNG of North Dakota. The gentleman is welcome to his opinion.

Mr. DILLON. And it is in direct contravention of the provision of the Constitution.

Mr. ANDERSON. It is just as much a public use as when you take a piece of land by condemnation and use it to permit ingress and egress to land owned by another person. It is used only by one man but can be used by the public generally, and the public generally gets the benefit of it.

Mr. YOUNG of North Dakota. I think it is safe to say that if we had proposed an absolute appropriation here there would have been no objection to it; but because we are proposing to sell the grain and get the money back, create a revolving fund, have the money used two or three times, and finally come back into the Treasury of the United States, we find people objecting to it.

Mr. BOOHER. Mr. Chairman, I have an amendment which I would like to offer.

Mr. STAFFORD. I make the point of order that an amendment is already pending.

Mr. BOOHER. My amendment is to perfect the section.

Mr. HAMILTON of Michigan. I understood that two amendments are pending—one by the gentleman from Wisconsin, who offers an amendment to page 3, and one by the gentleman from Pennsylvania [Mr. MOORE] to page 4.

The CHAIRMAN. The amendment of the gentleman from Pennsylvania was offered simply for information. The gentleman from Missouri will be recognized later.

Mr. STAFFORD. But the amendment of the gentleman from Missouri, as I understand, is to perfect the section—the language that I move to strike out.

The CHAIRMAN. The gentleman from Missouri is recognized to offer his amendment.

The Clerk read as follows:

Page 4, line 5, after the word "delivery," insert the words "or seizure."

Mr. LEVER. Mr. Chairman, I trust that the amendment offered by the gentleman from Wisconsin and also the one later to be offered by the gentleman from Pennsylvania will not be adopted. As I caught the reading of the amendment of the gentleman from Missouri, I personally have no objection to it. That part of section 1 which the gentleman from Wisconsin proposes to strike out reads in part:

The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such seeds and to pay for them at the price so determined.

I do not anticipate, Mr. Chairman, that the time will ever come when the Secretary of Agriculture will have to use the power conferred upon him by that language, but it is within the range of possibility that he would have to use that power. There is a great scarcity of seeds of certain kinds in certain portions of the country at this time. In my own part of the country it is almost impossible to get seed Irish potatoes and, in some sections, onion sets. In the extreme Northwest spring wheat is going to be reduced considerably because of the fact that there is a shortage in spring wheat seed. It may be that this shortage is due to the hoarding of the seeds. I do not know and do not make any accusations. It may be that this shortage is due to a combination of individuals engaged in the seed business withholding their products from the market demanding exorbitant prices—I do not know. But if such a condition should arise in the future this language authorizes the Secretary of Agriculture in the interest of the public good to requisition such seeds and make them available to the country in order to increase the food supply of the Nation.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. SHALLENBERGER. I have had reports from the farmers in Nebraska that they expect the price of winter wheat to be so high that it will embarrass them in planting a full crop next fall. So that the situation is going to be acute in Nebraska.

Mr. LEVER. This is to enable the Secretary of Agriculture to secure a reasonable quantity of seed for 1918. There was an area in my section of the country through which the flood swept last year, and we appropriated half a million dollars to help those people.

This year the production in that section of the country is going to be reduced largely for the reason that the farmers have neither the credit to buy nor the cash to get the seed. It is in that kind of situation that this fund would be used, and it would be of immense benefit to the country.

Mr. BLACK. Mr. Chairman, I appreciate the good purpose that is intended, but the fear that I have is that once it gets abroad that the Government is in the business of furnishing seed the temptation to the farmers will be to sell at a good price and not keep back their own seed. I know in our country that frequently our farmers sell their cotton seed almost to the point of entirely disposing of what they have, and then have to rely on the oil men in the spring for their seed.

Mr. LEVER. We must take a chance on a reasonable exercise of these powers.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. All time has expired. The question is on the amendment offered by the gentleman from Missouri [Mr. BOOHER].

The amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I have an amendment at the Clerk's desk, which I offer.

The Clerk read as follows:

Amendment by Mr. MOORE of Pennsylvania: Amend, on page 4, after line 12, by striking out lines 13 to 19, inclusive.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

SEC. 5. That the Secretary of Agriculture is authorized to cooperate with such State and local officials, and with such public and private agencies, or persons, as he finds necessary, and to make such rules and regulations and to issue such orders as are necessary effectively to carry out the preceding sections of this act.

Mr. HULBERT. I move to strike out the section, for the purpose of placing before the House for information the following telegrams and letters:

NEW YORK, *May 22, 1917.*

Representative MURRAY HULBERT,
Washington, D. C.:

Now is time to urge Senate and House committees to call Dr. Harvey W. Wiley into conference. He spoke here at Academy of Medicine last night and wants to enlighten committees on truths concerning war bread and whole-cereal food. He has a big and wonderful message and should be granted hearing. Bend all energies to force committees to confer with him. He can nail some of the falsehoods which have been spread in Washington and save this Nation from a heavy trial. Have wired CHANDLER.

ALFRED W. MCCANN.

MAY 23, 1917.

Hon. A. F. LEVER,
Chairman Committee on Agriculture.

MY DEAR COLLEAGUE: Will you be good enough to advise me if the committee, before the food-regulation bills are taken up in the House, will hear Dr. Harvey W. Wiley, for whose appearance before the committee I shall be glad to arrange.

Sincerely, yours, ——— ———.

COMMITTEE ON AGRICULTURE,
HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., May 24, 1917.

Hon. MURRAY HULBERT,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: Your letter of the 23d relative to having Dr. Wiley before my committee on the food-regulation bills is at hand, and in reply permit me to say that the hearings are now closed, and that we hope within the next 10 days to report the second bill to the House.

Very truly, A. F. LEVER.

GOOD HOUSEKEEPING MAGAZINE,
Washington, D. C., May 24, 1917.

Hon. MURRAY HULBERT,
House of Representatives, Washington, D. C.

DEAR MR. HULBERT: I am informed by Mr. Alfred W. McCann that you are interested in safeguarding the food products of this country by providing for a food administrator, of which I am heartily in favor. The proposed legislation creating the office of food administrator provides, among other things, for the mixing of flours. In my opinion this provision opens the door to unbridled adulteration. If the bill is changed so that all mixing of flours shall be made by the United States authorities it will, of course, not be so objectionable. If, however, the mixing of flours is permitted to the millers, it will be almost impossible to follow out the depreciation of the flour which they will endeavor to practice.

I also am interested in the milling of the whole cereals instead of a part of them for human food. I believe that the best and most wholesome bread and porridge, or mush, are made from the whole ground cereal from which nothing has been removed but the dirt. Statements have been made that whole-wheat flour, whole-corn meal, etc., will not keep. These statements I know to be contrary to the facts. The millers are in the habit of adding water to the grains they grind before the milling process takes place. They claim that this makes it possible for them to get a more perfect separation of the bran, which is most undesirable; but it also makes a flour that is more moist than it should be, and thus becomes an adulteration. If air ground wheat and corn are ground without moisture they make a flour or a meal which will keep almost indefinitely, as I have repeatedly demonstrated. If we could use the whole cereal in the making of breadstuffs we would add 33 per cent of the value to our cereal product for human food.

I am glad that you are interested in this problem, and I would be glad of an opportunity to go before the proper committee with exhibits to show the value of the whole-wheat and whole-corn rations and the danger of permitting the mixing of undesirable substances with them.

I am, sincerely,

H. W. WILEY.

I withdraw the pro forma amendment.

Mr. ANDERSON. Mr. Chairman, I call the attention of the chairman to the language in lines 23 and 24, page 4, "and to issue such orders." That apparently related to section 6 of the bill as it was originally introduced. That has been stricken out, and there is no occasion for that language in this section.

Mr. LEVER. Mr. Chairman, I think that is correct.

Mr. ANDERSON. Mr. Chairman, I move to strike out, in lines 23 and 24, the language "and to issue such orders."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 4, lines 23 and 24, strike out the words "and to issue such orders."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. NORTON. Mr. Chairman, I desire to make an inquiry of the chairman of the committee. What is contemplated by cooperation with private persons? I thought that the policy was one that had been abandoned by the Department of Agriculture.

Mr. LEVER. Mr. Chairman, I did not intend to debate this section to-night. My purpose was to rise, and if the gentleman will propound that question to-morrow I will be glad to answer it. There are several gentlemen who desire to offer amendments and have them pending.

Mr. NORTON. I will be very glad to have it go over.

Mr. SUMNERS. Mr. Chairman, I have an amendment, a rather long one, which I desire to offer and have pending, so that it may be printed in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to offer an amendment and have it printed in the RECORD, to be considered as pending. Is there objection?

There was no objection.

The amendment referred to is as follows:

Amendment by Mr. SUMNERS: Amend the bill by inserting, after line 12, page 3 of the bill, another section, as follows:

"The Secretary of Agriculture is hereby authorized and directed to establish, at as early date as practicable, a food, food-material, and farm-produce exchange, with such branches thereof as may be necessary, in order to afford a medium through which the economic and systematic sale and distribution and conservation of food, food material, and farm products may be effected.

"In the operation of such exchange the Secretary of Agriculture, as far as practicable, shall cooperate with the several States and the various agencies therein which may be utilized, and may formulate plans and regulations for exchange of service between them and such exchange.

"It shall be the duty of each of the departments of the Government to furnish the Secretary of Agriculture with such statistics and data as they may acquire which would be useful in the operation of such exchange, and to render such other service in the sale and distribution of farm products through such exchange as it would be practicable to render.

"The Secretary of Agriculture, as rapidly and completely as practicable, shall establish and promulgate standards, not otherwise provided for by law, for foods, food material, and farm products and for the containers and packages in which foods, food material, and farm products are shipped.

"The Secretary of Agriculture shall keep advised, as nearly as practicable, with the details of the quantity, quality, location, and price at which held of foods, food materials, and farm products and the volume and location of demand in the United States and abroad and the price at which such foods, food material, and farm products may be sold and shall make such information available to the public and to producers and purchasers of such foods, food material, and farm products in such a way as to make it most useful in connection with current sales, and shall endeavor to procure the conservation and economic distribution of such foods, food material, and farm products in quantities proportionate to the requirement of the several sections, to the end that unnecessary charges upon distribution be eliminated, and commodities which now waste in the fields and congested markets after production be directed to points where they are needed for use or where they may be conserved.

"Those desiring to offer foods, food material, and farm products for sale through such exchange may do so by description or by grade or sample delivered to such exchange under such rules and regulations as the Secretary of Agriculture may prescribe, but all tenders to sell shall be for a definite quantity and quality: *Provided, however*, That the Secretary of Agriculture is authorized to permit contracts for the sale of farm products to be made upon a basis grade, with the option to deliver other grades in fulfillment of such contract: *Provided further*, That no contracts for the sale of such farm products shall be made through said exchange permitting a delivery within a wider range of grades than the ordinary user of such product dealt in uses in the general conduct of his business wherein such products are used, nor upon any other delivery value difference than the commercial difference between the basis grade and the grade or grades delivered.

"The Secretary of Agriculture is authorized to require such deposits in money, bond, or other guaranty of compliance with the obligation to deliver according to tender or receive and pay according to offer, and to exercise such inspection and supervision as in his judgment may be necessary to insure compliance with the contracts made through such exchange and inspire general confidence that there will be such compliance.

"Any person making a contract through such exchange without the bona fide intention to deliver or to receive such products, as the case may be according to the terms of the contract made, or who makes a contract through such exchange for the purpose of enhancing or depressing the price of the commodity traded in, or who shall fraudulently pack, brand, tag, or label, or knowingly make false or fraudulent representations with regard to any commodity traded in through such exchange, or who shall knowingly make false returns to the owner thereof with reference to sales effected entirely or in part through such exchange, shall be fined not exceeding $1,000 or by imprisonment not to exceed one year, or both.

"All information furnished by such exchange shall not be at a higher cost than that necessary to defray the expenses of transmission.

"No charges shall be made to individual producers or to producers' organizations for services rendered in effecting sales of products grown by them or by their members, as the case may be.

"The Secretary of Agriculture is authorized to establish such rules and regulations governing transactions through said exchange and the service rendered by said exchange, including the designation of and use of brands, tags, or labels to facilitate and safeguard transactions had through such exchange, as in his discretion may be deemed necessary."

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4188 and had come to no resolution thereon.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce:

S. 2133. An act to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes; and

S. 1816. An act to amend the act to regulate commerce, as amended, and for other purposes.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 14. An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. FIELDS indefinitely, on account of illness of his wife.

EXPLOSIVES.

Mr. FOSTER. Mr. Speaker, I renew my request of this morning, that upon the completion of the consideration of this bill the bill (H. R. 3932) relating to the storing of explosives in war times shall be in order, subject to appropriation bills and conference reports.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill H. R. 3932 be made privileged, subject, however, to conference reports and things of that kind. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, reserving the right to object, has the gentleman had an understanding with the chairman of the Committee on Rivers and Harbors?

Mr. FOSTER. I desire to state that I have. This is satisfactory to Mr. SMALL.

Mr. MANN. Reserving the right to object, I do not believe it will be possible for my colleague to get his bill through to-morrow, although it may be. Probably the deficiency bill will be reported to-morrow and taken up Monday, and that may take a couple of days. Wednesday is Memorial Day. A good many gentlemen are leaving the city now, expecting to stay away until after Memorial Day. I hope we will be able to reach some agreement about other matters so that it will not interfere with the gentlemen going away.

Mr. FOSTER. I think that can be arranged all right.

The SPEAKER. Is there objection?

There was no objection, and it was so ordered.

EXTENSION OF REMARKS.

Mr. MEEKER. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a message from the Federal Council of the Churches of Christ in America to the Christian people of the Nation.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears elsewhere in to-day's RECORD.]

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House adjourned until to-morrow, Saturday, May 26, 1917, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting estimate of appropriation for purchase or lease of land for establishing of coastal air stations (H. Doc. No. 151); to the Committee on Appropriations and ordered to be printed.

2. A letter from the chairman of the Federal Trade Commission, transmitting preliminary report by the Federal Trade Commission on the production and distribution of bituminous coal (H. Doc. No. 152); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HASTINGS: A bill (H. R. 4699) providing for the payment of certain interest on items 1 and 4 of the judgment of the Court of Claims of May 18, 1905, in favor of the Cherokee Nation; to the Committee on Indian Affairs.

By Mr. CARY: A bill (H. R. 4700) to promote the production of domestic industrial alcohol, increase the productive value of the land, and maintain its fertile qualities through the establishment of small and scattered distilleries; to the Committee on Ways and Means.

By Mr. BRODBECK: A bill (H. R. 4701) to designate the Lincoln Highway as a post road; to the Committee on the Post Office and Post Roads.

By Mr. HULBERT: A bill (H. R. 4702) to amend section 60 of the national-defense act, approved June 3, 1916; to the Committee on Military Affairs.

By Mr. GOULD: A bill (H. R. 4703) authorizing the donation of condemned cannons to the town of Ovid, N. Y.; to the Committee on Military Affairs.

By Mr. ADAMSON: A bill (H. R. 4704) to define, regulate, and punish trading with the enemy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LENROOT: A bill (H. R. 4705) to amend section 114 of the act to codify, revise, and amend the laws relating to the judiciary, approved March 3, 1911, and creating the northern judicial district of Wisconsin; to the Committee on the Judiciary.

Also, resolution (H. Res. 89) amending the rules of the House by the creation of a committee on salaries of officers and employees; to the Committee on Rules.

By Miss RANKIN: Memorial of the Legislature of the State of Montana, favoring an appropriation of $10,000 to dredge Polson Bay on Flathead Lake; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Montana, favoring the passage of hydroelectric-power legislation; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Montana, urging Congress to relinquish and cease to exercise its jurisdiction over the Missouri and Yellowstone Rivers in the State of Montana; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Montana, favoring a law admitting to citizenship George Washington Taylor, formerly known as Sing On, born within the Empire of China; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of Montana, favoring an amendment to the Federal Constitution prohibiting the manufacturing and sale of intoxicating liquors for use as a beverage; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Montana, favoring a biological survey of Flathead, Whitefish, and Swan Lakes; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, favoring an appropriation of $1,000,000 for the Flathead irrigation project for the ensuing year; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, urging Congress to increase the compensation in the Federal mail service; to the Committee on Expenditures in the Post Office Department.

By Mr. VARE: Memorial of the Legislature of the State of Pennsylvania, favoring the plan to advance the clock one hour during summer months; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAGO: Memorial of the Legislature of the State of Pennsylvania, favoring daylight-saving legislation; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FERRIS: A bill (H. R. 4706) granting an increase of pension to Barton N. Daily; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4707) granting an increase of pension to Lawson H. Lemons; to the Committee on Invalid Pensions.

By Mr. GOULD: A bill (H. R. 4708) granting a pension to Mrs. Phoebe J. Lincoln; to the Committee on Pensions.

Also, a bill (H. R. 4709) granting a pension to Mrs. Mary A. Comings; to the Committee on Invalid Pesnions.

By Mr. GRAY of New Jersey: A bill (H. R. 4710) granting an increase of pension to Alonzo Dutch; to the Committee on Invalid Pensions.

By Mr. LENROOT: A bill (H. R. 4711) for the relief of the St. Croix Chippewa Indians of Wisconsin; to the Committee on Indian Affairs.

Also, a bill (H. R. 4712) granting an increase of pension to Charles Decanter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4713) granting an increase of pension to George Langley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4714) granting a pension to Retta H. Lore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4715) granting a pension to Rosella Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4716) for the relief of the estate of Samuel S. Vaughn, deceased; to the Committee on Claims.

Also, a bill (H. R. 4717) for the relief of Philip S. Everest; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 4718) granting an increase of pension to Cyrus B. Parrigin; to the Committee on Invalid Pensions.

By Miss RANKIN: A bill (H. R. 4719) granting an increase of pension to Jesse E. Ballinger; to the Committee on Pensions.

By Mr. STRONG: A bill (H. R. 4720) to correct the military record of Harrison H. Hollowell; to the Committee on Military Affairs.

By Mr. VAN DYKE: A bill (H. R. 4721) granting an increase of pension to Charles Wade; to the Committee on Pensions.

PETITIONS, ETC.

Under Clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of Ancient Order of Hibernians in America, relative to freedom for Ireland; to the Committee on Foreign Affairs.

Also (by request), petition of American Federation of Labor, relative to food control; to the Committee on Agriculture.

By Mr. BROWNING: Petition of members of Marshall Memorial Methodist Episcopal Church, of Woodlynne, N. J., favoring national prohibition; to the Committee on the Judiciary.

Br. Mr. CARY: Petition of H. J. Heinz Co., Milwaukee, Wis., against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. COOPER of Wisconsin: Memorial of W. J. Perry and others, of Oconomowoc, Wis., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CRAGO: Petition of Rev. David L. Headlee and others, of Scenery Hill, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CURRIE of Michigan: Petitions of Philo Smith and others, of Clare, Clare County, and D. Mansfield and others, of Remus, Mecosta County, Mich., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of Mortimer Goldstein, of Brooklyn, N. Y., against 10 per cent duty on skins and hides; to the Committee on Ways and Means.

Also, petition of Simmons Hardware Co., of St. Louis, Mo., relative to Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. DALLINGER: Petition of Men's Union, Wakefield, Mass., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of National Grocery Co., of Decatur, Ill., against the Hardwick amendment to the Federal reserve act; to the Committee on the Judiciary.

Also, petitions of 24 citizens of La Salle, 73 of Earlville, and 31 of Roscoe, all in the State of Illinois, favoring prohibition as a war measure; to the Committee on Agriculture.

By Mr. GALLAGHER: Memorial of County Board of Cook County, Ill., relative to freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. GALLIVAN: Memorial of Ulstermen's Association of Greater Boston, Mass., relative to independence of Ireland; to the Committee on Foreign Affairs.

By Mr. GLYNN: Petition of Henry D. Trinkaus and others, of Watertown, Conn., favoring national prohibition; to the Committee on the Judiciary.

By Mr. GORDON: Petition of Rev. Richard J. Norris, Cleveland, Ohio, and 32 others, residents of Cleveland, Ohio, for the immediate enactment of prohibition of the manufacture and sale of alcoholic liquors as a matter of food conservation; to the Committee on the Judiciary.

By Mr. GRAHAM of Illinois: Petition of sundry citizens of Bushnell, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HAMILTON of Michigan: Petitions of sundry citizens of Niles, Mich., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Memorial of A. B. Cope and 17 other citizens of New Waterford, Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petitions of Chapin & Hollister Co; National Association of Manufacturing Jewelers; M. F. Williams Co.; Cutler Jewelry Co.; Gorham Manufacturing Co.; W. C. Greene Co.; B. A. Ballou & Co. (Inc.); the Lwo, Taussig, Kapples Co.; S. B. Champlin Co.; New England Manufacturing Jewelers & Silversmiths' Association; Markham & Stone; E. R. Barker; Ostby & Barton Co.; Wolcott Manufacturing Co.; Massachusetts & Rhode Island Retail Jewelers' Association; Thornton Bros. Co.; the Albert Walker Co., and Wachenheimer Bros., all of Providence, in the State of Rhode Island; and Standard Button Co. and S. O. Bigney Co., of Attleboro, Mass., protesting tax on jewelry; to the Committee on Ways and Means.

Also, petitions of Theodore W. Foster & Bros. Co., of Providence, R. I., protesting against tax or jewelry; to the Committee on Ways and Means.

Also, petition of Rhode Island Music Merchants' Association, protesting against tax on musical instruments; to the Committee on Ways and Means.

Also, resolution of diocese of Rhode Island, favoring prohibition during war; to the Committee on the Judiciary.

Also, petitions of Atlantic Tubing Co. and Rueckert Manufacturing Co., of Providence, R. I., protesting against any increase of rates on letter mail; to the Committee on the Post Office and Post Roads.

By Mr. KINKAID: Petitions of sundry citizens of Scotia and Thedford, Nebr., for prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of sundry citizens of Sidney, Nebr., relative to freedom of speech and press; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petitions of sundry citizens of Baltimore, Md., favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petitions of sundry publishers of Baltimore, Md., opposing increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Baltimore, Md., favoring national prohibition; to the Committee on the Judiciary.

Also, petitions of Baltimore (Md.) Association of Credit Men and Central Metal & Supply Co., of Baltimore, Md., against Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petitions of Hynson, Wescott & Dunning, Baltimore, Md., relative to the war tax; to the Committee on Ways and Means.

Also, memorial of Prince Georges County Pomona Grange, Riverdale, Md., relative to conservation of our food supply; to the Committee on Agriculture.

Also, petition of Berndt & Co., of Baltimore, Md., against 10 per cent duty on all imports; to the Committee on Ways and Means.

By Mr. LONERGAN: Petition of Woman's Christian Temperance Union of Hartford County, Conn., favoring national prohibition; to the Committee on the Judiciary.

Also, petitions of Connecticut Sunday School Association, and members of G. M. E. Church, of Hartford, Conn., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MEEKER: Petitions of Brewers and Maltsters' Union, No. 6; Bakers' Union, No. 4; Woman's International Union Label League; Asphalt Workers' Union, local 95; Overall Cutter's Union, local 246; Prosperous Lodge, No. 706, International Association of Machinists; Special Order Garment Workers, local 166; United Garment Workers', local 223; Brotherhood of Boiler Makers and Helpers, local No. 29; St. Louis Bookbinders' Union, No. 18; Wood Block, Brick Bearers and Helpers', local 29, all of St. Louis, Mo., praying for an investigation by Congress into the controversy between the Chamber of Commerce of San Francisco, Cal., and organized labor; to the Committee on the Judiciary.

Also, petition of 32 citizens of St. Louis, Mo., favoring passage of the food-control bill; to the Committee on Agriculture.

By Mr. MOORES of Indiana: Petition of Rev. Philip W. Corya, John A. Clark, Chalmer Schlosser, and others, of Indianapolis, Ind., favoring prohibition of alcoholic liquor traffic; to the Committee on Alcoholic Liquor Traffic.

By Mr. MORIN: Petition of MacBeth, Evans & Glass, of Pittsburgh, Pa., protesting against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. OLNEY: Memorial of pastor and members of Swedish Methodist Episcopal Church, of Brockton, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. O'SHAUNESSY: Petition of C. H. Parker, of Newport, R. I., against tax on automobiles; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Providence, R. I., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PARKER of New York: Petition of Woman's Benefit Association of Maccabees and sundry citizens of Corinth, Troy, Stillwater, Averillpark, Schuylerville, Schaghticoke, Cambridge, and Jonesville, all in the State of New York, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PETERS: Petitions of William Wood and others, of Madison, and First Unitarial Society, of Ellsworth, Me., favoring national prohibition; to the Committee on the Judiciary.

By Mr. POLK: Petitions of 21 citizens of West Wilmington, 87 of Dogsboro, and 60 of Frankford, Del., favoring national prohibition; to the Committee on the Judiciary.

By Mr. PRICE: Memorial of Pomona Grange of Prince Georges County, Md., relative to food production and conservation; to the Committee on Agriculture.

Also, petition of citizens of Still Pond and Betterton, Kent County, Md., against manufacture of liquor during the war; to the Committee on the Judiciary.

By Mr. RAKER: Memorial of Emergency Peace Federation and American Legal Defense League, against censorship; to the Committee on the Judiciary.

Also, petitions of sundry publishing concerns of the United States, against increase in postal rates for second-class matter; to the Committee on Ways and Means.

Also, petition of Charles E. Virden, general manager California Fruit Distributors, Sacramento, Cal., relative to the fruit production interest; to the Committee on Agriculture.

Also, petition of John A. O'Connell, secretary San Francisco (Cal.) Labor Council, relative to shortage of steel for merchant vessels; to the Committee on the Merchant Marine and Fisheries.

Also, petition of Paul Rieger & Co., San Francisco, Cal., relative to tax on alcohol for culinary flavoring and medical purposes; to the Committee on Ways and Means.

Also, petition of H. E. Wills, Washington, D. C., relative to income tax; to the Committee on Ways and Means.

Also, memorial of Los Molinos Community Council, supporting Government in effort to bring about victorious end to the present war; to the Committee on Military Affairs.

Also, petition of J. S. Kinkelspiel, of San Francisco, Cal., relative to amendments to revenue bill on jewelry industry; to the Committee on Ways and Means.

Also, memorial of San Francisco Labor Council and Frank C. Hunt, Vasalia, Cal., against amendment to restrict or regulate immigration; to the Committee on Immigration and Naturalization.

Also, petitions of C. T. Hughes, secretary Credit Men's Association, of San Francisco, Cal., and Los Angeles Ice & Cold Storage Co., against Hardwick amendment to Federal reserve act; to the Committee on Banking and Currency.

Also, petitions of Edgar C. Smith, Los Angeles, Cal., and Joseph T. Foulke, of Philadelphia, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROGERS: Memorials of members of congregation of West Parish Church, of Andover, and citizens of Berlin and Lowell, Mass., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNELL: Petition of citizens of Peru, Clinton County, N. Y., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of citizens of Parishville, N. Y., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, resolutions of First Methodist Episcopal Church, Heuvelton, N. Y., favoring the prohibition of the manufacture and sale of all intoxicating liquors and beverages during the period of the present war, and for one year thereafter; to the Committee on the Judiciary.

Also, resolutions of R. J. Donahue, James E. Kelley, D. C. Hannan Bros. Cigar Co., and Michael Lundy, president of Union No. 106, protesting against the discriminatory character of the Cummins amendment and urging in substitution that the President of the United States be given discriminatory power to prohibit or restrict the use of any food or food product in any beverages while we are at war; to the Committee on the Judiciary.

Also, resolutions of the National League for Woman's Service, Canton, N. Y., heartily indorsing the movement looking toward the prohibition of the manufacture and sale of intoxicating liquors during the period of war, and urging that adequate zones be established around all concentration camps of soldiers, from which liquor, prostitution, and gambling should be excluded; to the Committee on the Judiciary.

Also, resolution of residents of Crown Point, N. Y., asking the passage of the Gronna-Randall bill to conserve the foodstuffs used in making intoxicating beverages and limit liquors on hand to nonbeverage uses, and protesting against taxing liquors and so raising higher revenue barrier to prohibition; to the Committee on the Judiciary.

Also, petition of residents of Willsboro, N. Y., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of residents of Saranac Lake, N. Y., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, resolution of E. S. Horton, H. M. Kinghorn, W. F. Roberts, F. E. Lattrell, L. A. Rineker, W. L. Distin, Duncan Paul, F. C. Blauvelt, V. B. Kellar, W. J. Oakey, C. F. Roberson, W. G. Distin, L. I. Houghton, C. A. Macafee, George Scrader, E. R. Baldwin, and R. B. Chamberlain, all of Saranac Lake, N. Y., asking passage of Gronna-Randall bill to conserve the foodstuff used for intoxicating beverages and limit liquors on hand to nonbeverage uses, and protesting against taxing liquors and so raising higher revenue barrier to prohibition; to the Committee on the Judiciary.

By Mr. SNOOK: Petitions of 32 citizens of Paulding, 78 citizens of Edgerton, and 66 citizens of Swanton, all in the State of Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. STEELE: Petition of citizens of Mauch Chunk, Pa., favoring prohibition legislation; to the Committee on the Judiciary.

Also, memorial of the convention of the Protestant Episcopal Church of Bethlehem, Pa., requesting appointment of chaplains in training camps, and to forbid liquor and houses of ill fame within 10 miles of training camps; to the Committee on Military Affairs.

By Mr. STRONG: Petition of the Sunday School of the Free Methodist Church of Apollo, sundry residents of Ford City and vicinity, sundry residents of Big Run and vicinity, and the Methodist Episcopal Church, all of Pennsylvania, favoring the prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

By Mr. TAGUE: Memorial of Mayo Men's Benevolent Association, of Boston, Mass., relative to freedom of Ireland; to the Committee on Foreign Affairs.

Also, memorial of League of Greek Liberals, of Haverhill, Mass., expressing loyalty and support to the United States; to the Committee on Military Affairs.

By Mr. TILSON: Memorials of First Methodist Episcopal Church of Cheshire and First Congregational Church of Guilford, Conn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TOWNER: Petition of Rev. Raoul R. Moser and 67 others, of Leon, Iowa, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TREADWAY: Petition of sundry citizens of Williamstown, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. WASON: Petition of 139 residents of the town of Lisbon, N. H., and vicinity for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

Also, petition of Francis H. Buffum and 40 residents of the town of Winchester, N. H., and vicinity for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

Also, petition of James H. White and 47 other residents of Hillsboro, N. H., and vicinity, for immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

Also, petition of 72 citizens of the town of Tilton, N. H., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

Also, petition of Lyman Leigh Hanthorne and 66 other residents of Manchester, N. H., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

By Mr. WOODYARD: Petitions of citizens of Parkersburg and Huntington, W. Va., favoring prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

SATURDAY, *May 26, 1917.*

(Legislative day of Friday, May 25, 1917.)

The Senate reassembled at 12 o'clock m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Husting	McLean	Simmons
Brady	James	Martin	Smith, Ariz.
Calder	Johnson, Cal.	Myers	Smith, Ga.
Culberson	Jones, N. Mex.	Page	Smoot
Cummins	Jones, Wash.	Penrose	Sterling
Curtis	Kellogg	Pittman	Sutherland
Frelinghuysen	Kenyon	Poindexter	Swanson
Gerry	Kirby	Pomerene	Thomas
Gore	Knox	Reed	Townsend
Hale	La Follette	Saulsbury	Trammell
Harding	Lodge	Shafroth	Underwood
Hitchcock	McCumber	Sheppard	Williams
Hollis	McKellar	Sherman	

Mr. CALDER. I announce the absence of my colleague [Mr. WADSWORTH] from the city on important business.

Mr. GERRY. I desire to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Arizona [Mr. ASHURST], the Senator from Utah [Mr. KING], the Senator from Wyoming [Mr. KENDRICK], the Senator from Kansas [Mr. THOMPSON], and the Senator from Illinois [Mr. LEWIS] on official business. I ask that this announcement may stand for the day.

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. CURTIS. I wish to announce the absence of the Senator from North Dakota [Mr. GRONNA] and the Senator from Nebraska [Mr. NORRIS] on official business.

Mr. HUSTING. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] and the Senator from California [Mr. PHELAN] are detained from the Senate on official business.

The PRESIDENT pro tempore. Fifty-one Senators have answered to their names. There is a quorum of the Senate present.

MANUFACTURE OF PRISON-MADE GOODS.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, transmitting reports from the consuls at Tientsin, China; Changsha, China; Tunis, Tunis; Cape Town, South Africa; Amsterdam, Netherlands; Lourenco Marques, East Africa; Carlsbad, Austria; and Calais, France, relative to the extent to which prisoners, paupers, or detained persons are utilized in the production or manufacture of the commerce of the various countries, which, with the accompanying papers, was referred to the Committee on Printing.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 66) making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 14) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS.

Mr. SUTHERLAND presented petitions of sundry citizens of Clarksburg, Jenningston, Cowen, Gormania, Williamstown, Elm Grove, Middlebourne, Charleston, Huntington, Bethany, Wheeling, and Morgantown, all in the State of West Virginia, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

Mr. COLT presented a petition of the Business Men's Association of Pawtucket, R. I., praying for Government control of the food supply, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of the Business Men's Association of Pawtucket, the one hundred and twenty-seventh annual convention of the Episcopal Diocese of Rhode Island, the Rhode Island Quarterly Meeting of Friends, the congregation of the Trinity Baptist Church of Providence, of George Sanderson and 30 other residents of Centerville, and of M. S. Stocking and 52 other residents of Newport, all in the State of Rhode Island, praying for the prohibition of the manufacture of food products into alcoholic beverages as a war and food conservation measure, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of the faculty of Rhode Island State College, Kingston, R. I., praying for the enactment of legislation to prevent the artificial inflation of prices of food, which was referred to the Committee on Agriculture and Forestry.

Mr. GALLINGER presented petitions of 49 citizens of Hillsboro and of 69 citizens of Tilton, in the State of New Hampshire, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented memorials of Mrs. B. W. Neels, of Gorham; Mrs. Fannie M. Wilder, of East Rindge; and of Rose Alma Bosse, secretary of the St. John's Baptist School, of Suncook, all in the State of New Hampshire, remonstrating against an increase in second-class postage rates, which were referred to the Committee on Finance.

Mr. SHEPPARD presented a petition of the Texas State Council of Carpenters and the Texas State Council of Ladies' Auxiliary Unions, expressing confidence in the President, which was ordered to lie on the table.

He also presented petitions of the Rotary Club of Corpus Christi and Spur, in the State of Texas; of sundry citizens of Congress Heights, D. C.; and of the Eastern Conference of the Evangelical Lutheran Synod, of Maryland, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented a petition of the Pattern Makers' Association of Hartford, Conn., praying for an investigation by the Federal Government of the conviction of Thomas J. Mooney, of San Francisco, Cal., which was referred to the Committee on Education and Labor.

He also presented petitions of Pomona Grange, No. 23, Patrons of Husbandry, of Cheshire; of the congregation of the First Baptist Church, of New Britain; of the Grand Division, Sons of Temperance, of Connecticut; of the Men's League of Park Congregational Church, of Bridgeport; of the congregation of the First Methodist Episcopal Church, of Willimantic; of the Woman's Club of New Haven; of the Woman's Christian Temperance Union of Hartford County; of the Woman's Christian Temperance Union of Portland; and of sundry citizens of New London, Ansonia, Durham, Guilford, Kensington, Watertown, and Wallingford, all in the State of Connecticut, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented a memorial of Capital City Lodge, International Association of Machinists, of Hartford, Conn., remonstrating against an increase of postage rates on second-class matter, which was referred to the Committee on Finance.

He also presented petitions of the Connecticut State Chamber of Commerce and of the Chamber of Commerce of New Britain, Conn., praying for an increase of all postage rates except first class to an amount which will place the various classes on a paying basis, which were referred to the Committee on Finance.

He also presented a petition of the Chamber of Commerce of New Britain, Conn., praying for the enactment of legislation to provide for daylight saving, which was ordered to lie on the table.

He also presented memorials of sundry business firms of Hartford and Winsted, in the State of Connecticut, remonstrating against the tax on prices for which jewelry was originally purchased by retailers, which were referred to the Committee on Finance.

Mr. PHELAN presented a memorial of the Labor Council of San Francisco, Cal., remonstrating against the temporary repeal of the Chinese-exclusion law, which was referred to the Committee on Immigration.

He also presented a petition of Progressive Grange, No. 308, Patrons of Husbandry, of Healdsburg, Cal., praying for Government regulation of food prices, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of 149 citizens of Loma Linda and Redlands, in the State of California, praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McLEAN:

A bill (S. 2365) granting an increase of pension to Benjamin F. Sage (with accompanying papers); and

A bill (S. 2366) granting an increase of pension to Marietta Silvernail (with accompanying papers); to the Committee on Pensions.

By Mr. COLT:

A bill (S. 2367) granting a pension to Estella H. Roberts (with accompanying papers); to the Committee on Pensions.

MANUFACTURE OF DRUGS.

Mr. POMERENE. I ask unanimous consent to introduce a bill, which I send to the desk. It has for its object to authorize the Secretary of War or the Secretary of the Navy to manufacture certain drugs which may be protected by patent or trade-mark when, in his judgment, the health of the Army or of the Navy or of the public requires it. I do not care to interfere with the discussion of the pending bill, but I ask that it may lie on the table and during the day or on Monday I shall desire to speak briefly to the bill.

The bill (S. 2363) authorizing and directing the Secretary of War or the Secretary of the Navy to manufacture for the use of the Army, Navy, or the people of the United States any drug, medicine, or other remedy or device which is protected by a patent or patents, trade-mark or trade-marks, and which can not be procured at a reasonable price within the United States, was read twice by its title and ordered to lie on the table.

PURCHASE OF SUPPLIES.

Mr. TRAMMELL. I introduce a bill and ask that it be read and referred to the Committee on the Judiciary.

The bill (S. 2364) to declare unlawful the purchase of supplies, articles, materials, munitions, or products for the Government from any person, firm, association, or corporation acting as the purchasing agent of the Government or from any person who is a member of any board, commission, council, committee, or subcommittee acting directly or in an advisory capacity relative to such purchases or from any firm, association, or corporation in which he is financially interested, and to make unlawful contracts with such persons, firms, associations, or corporations for the construction of buildings, ships, or other classes of buildings and construction work, and for other purposes, was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary as follows:

Be it enacted, etc., That it is hereby declared unlawful to purchase any supplies, articles, materials, munitions, or products for the Government from any person, firm, association, or corporation acting as the purchasing agent of the Government or from any person who is a member of any board, commission, council, committee, subcommission, subcommittee acting directly for or in any advisory capacity on behalf of the Government in connection with or relative to such purchases, or from any firm, association, or corporation in which he is financially interested, and it is further declared unlawful for any person acting for the Government to make or enter into any contract or agreement with such persons, firms, associations, or corporations for the construction of buildings, ships, or other classes of building and construction work.

SEC. 2. That any purchase made or contract entered into in violation of the provisions of this act shall be illegal and no officer of the Government shall pay out any of the public funds on account thereof.

SEC. 3. Any person, firm, association, or corporation making a sale to or entering into an agreement with any officer or agent of the Government in violation of the provisions of this act shall be guilty of a misdemeanor and shall, upon conviction, be fined not exceeding $5,000 or imprisoned for not exceeding five years, or be punished by both such fine and imprisonment.

NATIONAL DEFENSE.

Mr. MYERS submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense and for other purposes," approved June 3, 1916, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

RATES ON FOOD COMMODITIES.

Mr. SHEPPARD. I submit a resolution, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

The resolution (S. Res. 73) was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas the increased production of grain, fruits, vegetables, live stock and meat animals, poultry, and other raw food products is a matter of supreme importance to the country, in order that a sufficient supply may be produced for our domestic consumption and to meet the additional requirements imposed by the war, the feeding of our armies in the field and our allies abroad; and

Whereas there is now proposed an advance of 15 per cent in freight rates on these food commodities throughout the country: Now therefore be it

Resolved, That the Secretary of Agriculture be requested to proceed at once to ascertain and report to the Senate the effect which such advances in rates would have upon the cost of production and upon the cost to the consumer of these products.

WAR REVENUE.

Mr. SIMMONS. I ask unanimous consent to submit a resolution and have it referred to the Committee on Printing.

There being no objection, the resolution (S. Res. 74) was read and referred to the Committee on Printing, as follows:

Resolved, That the Committee on Finance be, and is hereby, authorized to have printed for its use 2,000 copies of the hearings before said committee on the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes.

THE FOOD SITUATION.

Mr. McKELLAR. I ask leave to have printed in the RECORD, not to have it read, an article appearing in the American Food Journal, by Secretary Houston, on the food situation of the country.

Without objection, the matter was ordered to be printed in the RECORD, as follows:

[From the American Food Journal.]

THE FOOD SITUATION OF THE COUNTRY.

[By D. F. Houston, Secretary of Agriculture.]

There is nothing in the food situation of the country which justifies hysterical thinking or action. This is not a time for hysteria. Nor is this a time for the thought of the American people to be directed or dominated by those who have the interests of another country primarily at heart or any selfish interest to further.

The prices of foodstuffs are high. A full and satisfactory explanation of prevailing prices is not possible on the basis of existing knowledge. It is only recently that agencies have been created in the country to study food distribution, and we have not all the necessary facts to enable us to arrive at the truth. Where the food supply is located, who owns it, what may be the difficulties of securing it, whether the local market conditions are due to car shortage, whether there is artificial manipulation or control, no one can state with certainty. It is essential that we have the facts, not only because of the light they might throw on present conditions but also because they are prerequisite for the working out of a permanent, just, and economical system of marketing. Therefore the investigation directed by the President ought to be made promptly and Congress ought to give the Federal Trade Commission and the Department of Agriculture the necessary funds. Certainly such an investigation can not furnish immediate relief, but it would be absurd to oppose it for this reason. It does not stand in the way of any other measures that may be wise. It does not prevent any constructive action on the part of any municipal or local agencies. We must have the facts, and the sooner the investigation is undertaken the better. It is highly probable that as a result of it large permanent improvements may be made.

IMPORTANCE OF FOOD CONSERVATION.

For partial immediate relief every individual and community should consider earnestly the matter of food conservation and the limitation of waste. As a Nation we seem to have a disdain of economizing. In many homes there is a strong feeling that it is "only decent" to provide more food than will be eaten and that it is demeaning to reckon closely. The experts of the Department of Agriculture report to me that the dietary studies made by them point to an annual food waste of about $700,000,000. Of course, the waste in families of very limited means is slight, but in the families of moderate and ample means the waste is considerable. Even if the estimate were reduced by half, the waste would still be enormous.

The food waste in the household, the experts assert, results, in large measure, from bad preparation and bad cooking, from improper care and handling, and, in well-to-do families, from serving an undue number of courses and an overabundant supply and failing to save and utilize the food not consumed. As an instance of improper handling, it is discovered that in the preparation of potatoes 20 per cent of the edible portion in many cases is discarded.

THE POSITION OF THE FARMER.

I am informed that the belligerents in Europe in dealing with their food situation have, up to this time, accomplished their purposes more largely through conservation of foods, regulation of diet, limitation of courses and quantities, and prevention of waste rather than through direct control of production or regulation of distribution under any sort of dictatorship. Only recently has England indicated her intention to deal directly with production, and in doing so has recognized it as essential that they guarantee to farmers a reasonable minimum price over a period of years. Obviously, if farmers are to be induced to increase acreage, a guarantee of a reasonable price by the Nation or the community seems necessary. Farmers are governed by the same thinking and motives as other people. They are patriotic; but it is unlikely that they will undertake greatly to increase their output unless they are reasonably sure that it will be profitable for them to do so.

One could no more expect a farmer greatly to increase his product without a knowledge of the outcome than he could expect a manufacturer to double the production of shoes unless he knew that he could dispose of them profitably. Those who are urging that farmers be induced greatly to increase their acreage beyond that which their own judgment dictates, know very little about the psychology of farmers, or of other people for that matter, or about the fundamental necessities of the situation. As a matter of fact, farmers are going to do their own thinking in this matter and will not follow anybody's dictation. They are quite alert to the interplay of supply and demand, and respond quite as quickly as other people to the stimulus of high prices. Before touching upon this particular point further, a word should be said about the estimated food supply of the country for the current year.

ESTIMATED FOOD SUPPLY FOR THE CURRENT YEAR.

The weather conditions during the growing season of 1916 were unfavorable in many parts of the world. They were distinctly unfavorable in this country. Although there was a large wheat acreage, the weather conditions were such as to favor the appearance of the black-rust disease affecting wheat. The consequence was that although the acreage was large the yield was relatively small. The conditions were not especially favorable for corn and for some other important crops. Still the food output on the whole for the current year was not so small as to excite alarm. The corn crop was 2,600,000,000 bushels, nearly the five-year average. The oat crop was above the five-year average, the barley very nearly the five-year average, rye 10,000,000

bushels more than the five-year average, and rice 40,000,000 bushels, as against 29,000,000 bushels the year before, and 24,500,000 bushels, the five-year average. The production of kafir corn, a relatively new crop, was 50,000,000 bushels. The production of peaches, 37,000,000 bushels, of pears 10,400,000 bushels, and of apples 67,500,000 barrels, represents approximately the five-year average, while the estimated production of oranges was 23,800,000 boxes, or 2,600,000 more than that of the preceding year. The crop of sugar beets was one of the largest ever produced. Meat products, likewise, were produced in larger quantities, the estimated amount for the year being 22,378,000,000 pounds as against a five-year average of 19,712,000,000 pounds, or 2,000,000,000 pounds greater than the outpnt for the year 1915. Dairy products on the whole showed a gain as follows:

	1916	1915	1914	Average, 1910-1914.
Milk produced, gallons.	7,959,656,000	7,696,844,000	7,506,794,000	7,569,926,000
Milk sold, gallons.....	2,061,551,000	1,993,482,000	1,944,260,000	1,960,611,000
Butter, pounds.....	1,059,771,000	1,024,780,000	999,476,000	1,007,882,000
Cheese, pounds.....	12,246,000	11,841,000	11,549,000	11,646,000
Butter fat sold, pounds.	326,346,000	315,571,000	307,778,000	310,367,000
Cream sold, gallons....	57,888,000	55,977,000	54,596,000	55,054,000

Poultry products also increased as indicated:

	1916	1915	1914	Average, 1910-1914.
Eggs, dozen.....	1,847,512,000	1,810,912,000	1,774,312,000	1,701,789,000
Fowls raised, number..	566,722,000	555,494,000	544,267,000	522,021,000

WHEAT.

The two food products which reveal a marked decrease were wheat and Irish potatoes. It is evident that the public has failed to look at all the acts involved, especially in the case of wheat. The wheat crop for the current year was reported to be 640,000,000 bushels as against a five-year average of 728,000,000 bushels, and the record crop of 1915 of 1,026,000,000 bushels. Apparently, the public has compared the crop of 1916 solely with the record crop of 1915, and failed to take into account the unusually large carry over from that year into the present year of 164,000,000 bushels or more. Furthermore, its attention has been fixed on the large exports of the two years immediately following the outbreak of the war. The exports of wheat in normal times are approximately 105,000,000 bushels. The year preceding the war it was 145,000,000 bushels. In 1914–15 it was 332,000,000 bushels, dropping in 1915–16 to 243,000,000 bushels. Looking only at the crop of 640,000,000 bushels and having in mind the possibilities of export as suggested by the figure of 332,000,000 for 1914–15, the public naturally apprehended that there would be a lack of bread. Dealers and others became unduly excited. The total available supply, including both the crop and the carry over, aggregating 804,000,000 bushels—part of which, it should be said, was not suitable for milling purposes—should have been considered as well as the relatively small exports for the first six months of the current year. Up to the 1st of January, the exports were only 97,000,000 bushels, and they have tended to decrease partly on account of the disturbed shipping conditions since the 1st of January. Our normal domestic needs of wheat for human food, for seeding purposes, and for a reserve to carry over into the next year require 640,000,000 bushels. As I have stated, the total year's supply is 804,000,000 bushels. This would give us an available exportable surplus of 164,000,000 bushels. At the rate of export since the 1st of July, with the tendency to decline recently, we should have enough wheat in the country very nearly to supply normal needs.

CROP PROSPECTS.

I am not a prophet and can not furnish any guarantee for the future. There are certain things, however, I do know. The farmers, governed as they are by ordinary motives, in response to the present level of prices, have in certain directions shown a definite purpose to increase their acreage. Winter wheat was sown in the fall. The reports reveal that the total acreage was 40,090,000. This is nearly 900,000 more that the amount planted the preceding fall. Much of the latter, however, was winter killed, so that the planting this fall of 5,260,000 acres more than harvested last summer. Spring wheat has not been planted. In 1915 the acreage was 19,445,000 acres. The average acreage for the five years is 18,800,000.

It would be singular if this did not increase; but, taking the average for five year and adding it to the winter-wheat acreage, we have approximately 59,000,000 acres, or practically the same as the record acreage of 1915. What the yield per acre may be will depend largely on the weather conditions. The average of the six lowest yields per acre since 1894 was 12.5 bushels. This would give us 737,000,000 bushels of wheat. The average yield for five years down to the record crop of 1915 was 14.9 bushels. This would give us 879,000,000 bushels of wheat. The average for five years including the record-crop year was 15.5 bushels. This would give us 914,000,000 bushels. A yield equal to that of 1914 of 16.6 bushels would give us 979,000,000 bushels, while a yield equal to that of the record-crop year would give us 1,000,000,000.

THE SITUATION IN THE SOUTH.

The Department of Agriculture has done all it could prudently do to call attention to the desirability of adjusting the supply of different sorts of agricultural commodities to the demand. As I have said, farmers are doing their own thinking and will not submit to anybody's dictation. In the South, in particular, the department has waged a persistent campaign for some years to bring about a better agriculture, to stimulate the local production of an ampler supply of foodstuffs. The South has heretofore been too dependent on corn and cotton. It has put too many of its eggs in one basket. Although it is largely agricultural, it has imported in the neighborhood of six or seven hundred million dollars' worth of foodstuffs from the West. It is clearly good economy for the South to supply her own foodstuffs and feedstuffs, and it is certainly a safer practice for her to do so. The department, the agricultural colleges, and many other agencies through the daily press, the agricultural journals, the bankers and business men, farmers' associations, bulletins and circulars, and the farm-demonstration machinery reaching into many parts of the South, have urged the necessity of a better-balanced agriculture and the wisdom of largely increasing foodstuffs. There has been a tendency over several years for the South to practice this agriculture, and following the low price of cotton in 1914 the acreage in foodstuffs considerably increased. It remains to be seen how far the recent high price of cotton will check this tendency. It would be unfortunate if it did so.

THE MEAT SUPPLY.

A further word should be said about the tendency of the meat supply to increase. While, following the outbreak of the war, there was a considerable increase in exports of meats, amounting in 1916 to 1,500,000,000 pounds, the domestic production in 1916 was 3,000,000,000 pounds greater than in 1914, and the tendency is still upward. Figures recently submitted show that the number of cattle on January 1, 1917, was 1,037,000 greater than on January 1, 1916, and that the milch cows had increased in the same period 660,000. A very considerable development in live stock is taking place in the South.

NO FEDERAL DICTATORSHIP NEEDED.

The department and all the agricultural agencies in the country are giving definite and careful attention to these problems. The Federal Government through several of its departments is giving continuous consideration to the immediate problems presented and to the possibility of remedial measures. The solution will certainly not involve a Federal dictatorship, and it is highly unlikely that it will involve a dictatorship in any State or community. America does not take kindly to dictators. The difficulties, in any event, would be very nearly insuperable. We have a continent to deal with, and there are difficulties of double jurisdiction. Consider, for instance, the matter of fixing a minimum price. The Federal Government could deal only with commodities passing into interstate commerce. The States might be hampered in attempting to fix price.

As I stated at the outset, there is no occasion for hysteria. Intelligent planning and constructive action, in conjunction with the operation of normal forces, are what we need and these only can bring about a satisfactory result.

AGRICULTURAL PRODUCTS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. SMOOT. Mr. President, at the time the Senate took a recess yesterday section 7 of the pending bill was under consideration. Senators will notice that as the bill was originally reported to the Senate it provided an appropriation of $2,010,000. The committee made an amendment to the section including hog cholera, cattle tick, and contagious abortion of cattle, and increased the appropriation from $2,010,000 to $4,500,000. In reading the testimony of the Secretary of Agriculture before the committee I am led to believe that the amount of the increase is absolutely unnecessary. The Secretary stated that he thought $400,000 was ample for the work in the eradication of cattle tick. If that is the case, as I stated last night, I think a million dollars additional to the amount provided for in the bill as introduced in the Senate would be ample and all the money that could possibly be expended during the fiscal year to advantage.

Under present conditions it seems to me that we ought not to appropriate money to extend over a period longer than the coming fiscal year. I call attention to the fact that the Senate will meet in December next, and also to the fact that we have already appropriated this year $360,000 for the eradication of hog cholera. We have already appropriated in the Agricultural appropriation bill this year between six and seven hundred thousand dollars for the eradication of cattle tick. To ask now for $2,500,000 more for these purposes appeals to me as being unreasonable. The bill provides that the expenditure of this money shall cover the period of the war or not later than the beginning of the next fiscal year after the termination of the war.

Mr. President, there is no need for us to appropriate money to extend over a period which may be two or three years. What we ought to do is to give the Secretary of Agriculture all the money that he can expend successfully in the eradication of the diseases of live stock and other animals.

Mr. VARDAMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. I yield to the Senator.

Mr. VARDAMAN. About half an hour ago I had a conversation with the Secretary of Agriculture and asked him to give me all the data in his possession bearing upon this section of the bill. If the Senate will postpone the consideration of this section for a little while, I think probably I will be able to give the Senate some information that will be valuable in arriving at a proper conclusion.

I agree with the Senator from Utah that we ought not to make appropriations that are not needed, but if they are badly needed for this sort of work they should be made, regardless of the amount. It is just as important to provide for feeding our own people, I think, as for killing other people. We need food for home consumption quite as much as we need bullets for foreign uses.

Mr. SMOOT. I agree with all the Senator has said.

Mr. VARDAMAN. The Secretary of Agriculture told me he would promptly furnish all the data bearing on this subject.

Mr. SMOOT. I make my statement based upon testimony given by the Secretary of Agriculture before the committee, but if the Senator desires that we shall pass over this amendment for the present and go on with the bill, I have no objection. I would be more than delighted to have the Senator from Mississippi present to the Senate the information he is expecting from the Secretary of Agriculture before action is taken upon the amendment that I propose to offer to the committee amendment.

Mr. KELLOGG. Mr. President——

Mr. SMOOT. I yield to the Senator from Minnesota.

Mr. KELLOGG. Has the Secretary of Agriculture not made any recommendation to the committee that reported the bill, or are we simply voting blindly upon the bill, without any recommendation from the Secretary of Agriculture?

Mr. SMOOT. The Secretary of Agriculture appeared before the Committee on Agriculture and Forestry and testified as to the amount that he thought could be used to profit for this purpose. I understood the Senator from Oklahoma [Mr. GORE], who has the bill in charge, to state yesterday that the committee did not appeal to the department for what the increased amount of appropriations should be; that the committee concluded—which, of course, it had a perfect right to do, and I am not complaining of that at all—to name the amount of the increase. All I am trying to get at is what amount of money we should appropriate for this purpose, with the thought in view that it shall be spent to the very best advantage and during the coming fiscal year. I believe that the amount proposed by the committee is altogether too large.

Mr. GORE and Mr. JONES of Washington addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Oklahoma [Mr. GORE], who first addressed the Chair?

Mr. GORE. I thought the Senator from Utah had yielded the floor.

Mr. SMOOT. I have not yet yielded the floor.

Mr. GORE. I will say at this point that I shall answer the question of the Senator from Minnesota [Mr. KELLOGG] after the Senator from Utah shall have finished.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Washington?

Mr. SMOOT. I yield to the Senator from Washington.

Mr. JONES of Washington. I want to ask the Senator from Utah his view as to the provision of the pending bill regarding the termination of this proposed act, and what effect that might have upon any allotment made out of this fund? If the European war should end by the 1st of next June, as everybody, of course, hopes it will, then, according to this proposed act, whose provisions would not extend beyond the 30th of June——

Mr. SMOOT. The provisions of the act would then only extend for 30 days.

Mr. JONES of Washington. What I want to ask is this: Suppose the Secretary of Agriculture should allot to any one of these particular matters which are mentioned in this proposed amendment, say $600,000, and that that should not all be spent by the 30th of June, would the work have to stop or could the Secretary go on for an indefinite time in the expenditure of what we actually appropriate here, and which he may have allotted for the particular work?

Mr. SMOOT. No. It would lapse not later than the beginning of the next fiscal year——

Mr. JONES of Washington. Would it?

Mr. SMOOT. Which would be on July 1, following June 30, if the war should then be declared by the President to have ceased.

Mr. JONES of Washington. This bill simply provides that the provisions of this act shall cease, but if we make an actual appropriation of a certain sum of money, if the Secretary of Agriculture allots a part of that money to a particular work and that work begins, there is some question in my mind whether or not the expenditure of that money would stop. Of course, the general provisions of the act would terminate and cease, but we appropriate so much money to the Secretary of Agriculture for certain purposes; and when he actually allots that money and begins work, there is a question in my mind whether or not he could not go on and expend the amount of money allotted. I therefore wanted the views of the Senator from Utah on that question, because I know he is thoroughly familiar with such matters.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. KELLOGG in the chair). Does the Senator from Utah yield to the Senator from Colorado?

Mr. THOMAS. I wish to say something relative to the suggestion which has been made by the Senator from Washington [Mr. JONES].

Mr. SMOOT. Then, I will yield to the Senator from Colorado.

Mr. THOMAS. The Agricultural appropriation bill which was approved on August 11, 1916, carried an appropriation for the prevention, control, and eradication of diseases of live stock, including hog cholera, of $1,610,000, and by a succeeding paragraph, for the eradication and control of insects, plant diseases, and so forth, the sum of $3,109,870. It would seem to me, if the pending bill should become a law and should be terminated by the provision for its termination in the event of the close of the European war, that there would be ample funds in the hands of the Agricultural Department under the regular appropriation to continue whatever work which might have been mapped out along that line.

Mr. SMOOT. Mr. President, I think the statement just made by the Senator from Colorado is absolutely correct; but I am so interested in seeing the eradication of the cattle tick and of hog cholera in this country, particularly at this time, that I am perfectly willing to exceed what in ordinary times I should consider an ample appropriation, because I take it for granted that we are all very much interested in increasing our food supply not only of vegetables and grains of all kinds but particularly of meats, in order that we may at least feed the army which we shall have collected in the very near future. Therefore, if I thought that the amount of money asked for in this bill could be expended within the time—and when I say "time" I mean within the coming fiscal year, for I believe it absolutely unwise to appropriate money at this time beyond that period—then I would have no objection whatever to the amount of the appropriation; but I do not believe it will be possible for the Secretary of Agriculture profitably to expend for these purposes more than a million dollars, or very little over and above what we have already appropriated for them in the Agricultural appropriation bill, which was passed last March for the fiscal year ending June 30, 1918.

Mr. President, in answer to the Senator from Washington [Mr. JONES] I wish to say that I believe that section 8 of the bill will effect just what the chairman says it will effect, and that the appropriation will cease to be in effect when the international emergency resulting from the existing state of war shall have passed and shall have been so declared by the President, and not later than the beginning of the next fiscal year.

Mr. JONES of Washington. If that is correct—and I am inclined to think it is—the Secretary of Agriculture might figure that this war would last a year or a year and a half and might prepare an organization based upon the expenditure of the amount of money we have appropriated here. Then the war ceases about the time, it may be, that the organization is effected, and we shall have spent considerable money and have accomplished nothing.

Mr. SMOOT. Mr. President, when we take into consideration the amount of $4,500,000, and, say that we employ men at $1,500 a year, it can be seen what a vast army of men that $4,500,000 will employ.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes; I yield to the Senator from Tennessee.

Mr. SHIELDS. Has the Senator from Utah any information as to what has been done with the appropriations which have just been called to the attention of the Senate by the Senator from Colorado [Mr. THOMAS]? Have those appropriations been exhausted?

Mr. SMOOT. Those appropriations do not become available until July 1 of this year, and they cover a period from July 1 of this year down to and including June 30 of next year.

Mr. SHIELDS. Then the Senator from Utah answers my questions by saying that these appropriations have not been exhausted and are yet available?

Mr. SMOOT. They are yet available; in fact, they are available until July 1, 1918.

Mr. SHIELDS. Then, is there any evidence that additional appropriations are necessary for this particular purpose?

Mr. SMOOT. There is evidence which was given before the Agricultural Committee by the Secretary of Agriculture to that effect. In that evidence the Secretary of Agriculture states that the department would like to have $400,000 more for the eradication of the cattle tick.

Mr. SHIELDS. I understand, then, that four million and some hundreds of thousands of dollars are available?

Mr. SMOOT. No; not $4,400,000, but the committee have added $2,500,000 for the three purposes—the eradication of hog cholera, the eradication of the cattle tick——

Mr. SHIELDS. But the Senator from Utah knows of no evidence that the European war has caused any greater prevalence of hog cholera, or that there is any emergency occasioned by the war which necessitates this larger appropriation?

Mr. SMOOT. No; the European war has not caused any additional hog cholera, nor has it caused any more cattle tick; but it has brought about this condition that in raising the army which we intend to raise, and which we must feed, we find that there is a lack of meat products in the United States, the same as there is of grain and every other product of the farm or the field; and this proposed legislation is for the purpose of increasing the meat supply of the United States; that is its object.

Mr. SHIELDS. There is, I understand, a great shortage, in comparison with previous yields, of both cattle and sheep, but not in hogs, as I am advised, and certainly, unless the disease is prevalent, there is no necessity for an increased appropriation at this time.

Mr. SMOOT. I think hog cholera is pretty prevalent in all parts of the country where hogs are raised, and I have no objection to the appropriation of sufficient money to eradicate that disease; but I want the money that is appropriated to be expended profitably. I believe that the amount asked for here is more than the Secretary of Agriculture can expend to advantage in the eradication of hog cholera, in view of the appropriation the department already has available for that purpose.

Mr. SHIELDS. I know of no increased prevalence of hog cholera, if the Senator will bear with me, certainly not in the section from which I come, but I agree with him that, if there is any necessity for it, we ought to appropriate every dollar that is necessary. In these times, however, when we are appropriating such enormous sums for war purposes, there should be no excessive appropriation of this kind and no speculation in such matters. We ought to limit these appropriations to the absolute necessities of the situation.

Mr. SMOOT. That is exactly the position the Senator from Utah is now taking.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. I yield to the Senator from Kansas.

Mr. CURTIS. I desire to suggest that it might be wise to let this item go over until the Senator from Mississippi [Mr. VARDAMAN] secures the data from the department. I wish to state that the department has done special work in several counties in Kansas where hog cholera was quite prevalent, and the work they have performed there has been very successful, indeed. In one or two counties the decrease in the disease has been very marked and an extension of the work will be of great value. I think it would be well to wait until we hear from the department, if the Senator has not the information available.

Mr. SMOOT. Then I will ask the Senator from Oklahoma that he pass this item over temporarily.

Mr. GORE. I have the data which the Senator from Kansas and the Senator from Minnesota inquired about and shall submit them to the Senate when the Senator from Utah concludes.

Mr. SMOOT. Then the Senator would prefer to proceed with the matter at this time?

Mr. GORE. Well, we can save time, and, if the proposition that I submit does not clear the matter up, then we can pass the item over until the data referred to by the Senator from Mississippi arrive.

Mr. SMOOT. I am just as much interested in hearing what the Senator from Oklahoma has to say and what the Senator from Mississippi has to say as is any other Senator, and so I will conclude what I have to say for the present.

Mr. VARDAMAN. Mr. President, I should prefer that the item be not acted upon finally until the data to which I have referred arrive.

Mr. THOMAS. The Senator from Oklahoma says he has the data.

Mr. GORE obtained the floor.

Mr. THOMAS. Mr. President, before the Senator from Oklahoma makes his statement, with his permission, I should like to add one or two observations to those of yesterday afternoon, so that he can have them before him when he makes his reply.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. GORE. I yield.

Mr. THOMAS. Mr. President, this bill carries an aggregate appropriation of nearly $13,750,000. In ordinary times that would be a very considerable appropriation. It is something more than one-half of the amount involved in the total appropriations of the last Agricultural appropriation bill. The items constituting these appropriations are analogous to similar ones in the regular appropriation bill. Generally speaking, they are:

For the prevention, control, and eradication of diseases and pests of live stock; * * * for the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products; * * * for increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents, and others.

Also:

For gathering authoritative information in connection with the demand for and the production, supply, distribution, utilization of food, and otherwise carrying out the purposes of section 1 of this act.

Generally speaking, Mr. President, the items which these large appropriations cover have, as I have stated, been amply covered by the regular Agricultural appropriation bill. It is to be assumed that the amounts then appropriated represented the requirements of the department for the purposes there designated. It is to be assumed that the Committee on Agriculture, both of the House and of the Senate, were in possession of all needed information upon those subjects from the proper department, and that their amounts were commensurate with the estimates of the department for those purposes. That bill became a law in August, 1916.

The shortage of our animal food supply was then, as now, the subject of very animated discussion. The necessity of increasing it was just as noticeable and just as insistent then as it is now. The necessity of eradicating insect pests and the diseases that are common to food plants, fruit trees, and so forth, was the subject of active interest then as now. As suggested by the Senator from Tennessee [Mr. SHIELDS], the pestilences that follow war have not thus far included the prevalence of hog cholera or multiplied the number of insects that prey upon our food and upon fruit trees. These are difficulties which increase only when the department is lax in its efforts or when some unusual condition, physical, geographical, or climatic in its nature, occurs.

The amount of money then required by the department for the eradication of hog cholera for the ensuing fiscal year was, in round numbers, $360,000. The amount required for providing against other diseases of live stock was $1,250,000, making a total of $1,610,000, and the bill now in operation carrying, it is to be assumed, such amounts of money as are necessary for the needs of the existing fiscal year.

Now, when we come to the subject of prevention, control, and eradication of insects and plant diseases, this bill carries an additional appropriation of $2,500,000. The aggregate appropriations for that purpose available after the 1st of July in the regular appropriation bill amount in round numbers to $3,999,870. The bill providing for vocational, educational, and demonstrational education which passed Congress at the last session contains an ample appropriation for the carrying into effect of its very much needed and useful provisions. I think that will be available also on the 1st of July. We propose here to add to those appropriations the sum of $3,000,000, making a total appropriation for subjects already fully covered of $10,000,000, or the greater part of the $13,722,000 which this bill carries.

Mr. President, it is inconceivable to me that any exigency can have arisen since the enactment of the Agricultural appropriation bill requiring this enormous addition to our normal appropriations, which, generally speaking, are more liberal than the necessity requires, because we have been running in that direction ever since I have been a Member of the Senate.

Now, Mr. President, I protest against using these emergency bills as conduits for the securing of additional appropriations from the Treasury unless the exigency is so great, unless the emergency is so overwhelming, as to make them unavoidable.

I sympathize to the fullest extent with the suggestion of the Senator from Mississippi [Mr. VARDAMAN] that while we are appropriating so many billions for the purpose of exterminating mankind it is no more than right that we should appropriate a few millions for their benefit and welfare, for promoting their happiness, increasing their years, and the general prosperity without which a community finds but little excuse for its continued collective existence. But while I make no reflections upon anyone, we are apt in times like these to take advantage of existing conditions in order to increase appropriations for home expenditure; and if there ever was a time when this Government should economize wherever it can economize, now is the time.

We are raising money by billions, and that means enormous increases of the tax burdens of the people. We are issuing

securities which never will be paid, but rest as an incubus upon the productive energies of generations for all time to come, in order to meet these extraordinary expenditures and carry this war to a successful ending.

We are warned that economy is essential in the matter of food conservation. Indeed, the ostensible purpose of this bill is to meet, through an increase of food production, a great economic need, which carries with it as a corollary the essential requirement of conservation in the consumption of the food supply. Mr. President, when the Secretary of Agriculture comes before the committee and says he would like to have $400,000 more for a certain purpose, I do not think we should increase the amount beyond that requirement. Now, it is true that this four and a half million dollars does not apply exclusively to hog cholera; but the amendment made by the Senate—which may be useless, since the general language used in the other portions of the section seem to be sufficiently comprehensive to include everything—specifies hog cholera, cattle tick, and contagious abortion of cattle. These, however, are either mentioned or included in the appropriations of the regular Agricultural bill; and if we shall in these emergency measures take advantage of these conditions, upon the theory that enormously increased administrative appropriations are necessary because of them, then it should appear, before we vote them, that these conditions have been caused by the war and will disappear when the war ends. That is the theory of the bill, the last section of which provides that when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President, the act shall cease and determine.

Mr. VARDAMAN. That ought not to be in the bill.

Mr. THOMAS. So it does not make any difference how virulent hog cholera may be when the war ends, nor how badly needed the appropriations for the eradication of these other diseases may be, or how prevalent the insectiferous plague may have become, the emergency, being the war, which causes this appropriation will cease not alone with regard to the great emergency, but as well to these smaller emergencies which the bill proposes to cover. The Senator from Mississippi suggests that that ought not to be in the bill; and I agree that if the emergency is so great as to require these appropriations, then it is impossible to see how it can be mitigated or destroyed by the ending of the war.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Iowa?

Mr. THOMAS. I yield to the Senator from Iowa.

Mr. KENYON. I want to suggest to the Senator that this bill, before the amendments of the committee, is the bill that was introduced in the House; and, if the Senator will note, on the first page the attempt is made to predicate this bill upon the war power of Congress. Now, the committee felt that after the amendments which they had made—notably the one on page 3 with reference to the commandeering of seed—were adopted by the committee, there was no question about the war power; all of this could be done under the general authority of Congress, regardless of any special war power. So that section 8 in a way is coupled up with the first part of this bill, and really, it seems to me, has no necessary place in the bill at all, after the amendment on pages 1 and 2 is adopted. The appropriation, if made, is made for all time.

Mr. THOMAS. Well, Mr. President, if the evils sought to be overcome by the provisions of this bill really exist, I do not think the war has anything to do with it——

Mr. KENYON. Not at all.

Mr. THOMAS. Except in so far as the sections to which the Senator has called my attention may be concerned or involved.

Mr. KENYON. And except in so far as there may be more necessity for conserving the meat supply of the country.

Mr. THOMAS. But the bill as it came over from the House included these provisions; so that the inconsistency is not the fault of the Senate, but the fault of the House. What I object to is that these war emergency bills are made the excuse for the increase of appropriations which have nothing to do with the emergency in the most remote way. The war has not increased hog cholera. The war has not multiplied the insectiverous pests of the country. If it has, then it is far more virulent than we have been led to suppose.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Pennsylvania?

Mr. THOMAS. I yield.

Mr. KNOX. I should like to ask the Senator from Colorado this question: Is there anything in this bill that relates particularly to the existing situation arising out of the war? Or, to put the question perhaps in a more lucid form, is there anything in the bill that would not have been appropriate three years ago or that would not be appropriate five years from now, without any regard to the war, if it is appropriate at all?

Mr. THOMAS. Mr. President, I can not answer that question categorically. Generally speaking, there is not. Section 2 makes provision for the furnishing by the Government of seeds which it is required to procure and to sell at cost in order to amplify the crop conditions. If there is at any time, in peace or in war, such an exigency, the Government should meet it by some such bill; but, with that single exception, I do not think there is a line in this bill that can be said to be promoted or caused or affected by our declaration of war against Germany, although the Senator will notice that the bill as it came over from the House in its first section recites—

That for the purpose of more effectually providing for the national security and defense and carrying on the war with Germany by gathering authoritative information—

And so forth, the bill is to be enacted.

Mr. BORAH. Mr. President——

Mr. THOMAS. I yield to the Senator from Idaho.

Mr. BORAH. Does not the Senator think that the seed question is a matter the necessity of which is accentuated by the present condition of affairs?

Mr. THOMAS. Well, no; I would not say that. It may be that the fact has been accentuated by war conditions and has been brought more directly to the notice of the people and the Congress.

Mr. BORAH. Well, of course the war exigency necessitates an increase of crops.

Mr. THOMAS. Of course, the Senator understands that my objections are not aimed at that part of the bill at all. What I am condemning is the increase of appropriations to meet conditions for which appropriations have already been made.

Mr. BORAH. I had reference to the question submitted by the Senator from Pennsylvania [Mr. KNOX]. As I view it, the question of furnishing seed to the farmers is one of the things which is not only immediately necessary, but one of the most essential things that we can do.

Mr. THOMAS. That may be; but I think the Senator will agree with me that that is not the result of our declaration of war against Germany.

Mr. BORAH. Well, no; it is not the result of the declaration of war; but by reason of the fact that we are in war, it is more necessary to raise a larger acreage of crops.

Mr. THOMAS. I am perfectly willing that this bill, so far as that is concerned, shall become a law, and I will not oppose it; but I object to the bill being made a vehicle for appropriations which are not needed, and which are not caused by war conditions.

Mr. BORAH. I am in sympathy with that.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from North Dakota?

Mr. THOMAS. I yield.

Mr. McCUMBER. I simply want to suggest to the Senator from Colorado that by the time this bill passes and becomes a law, and before the Secretary of Agriculture can purchase seed and sell it to any farmers, it will be past seeding time in the case of all kinds of seeds anywhere in the United States; and if we raise a normal crop this year, the seed exigency will pass by next year, in all probability.

Mr. THOMAS. I think that is perhaps an admonition that I had better bring my speech to a close and allow action to be taken on the bill, which I was about to do.

Mr. BORAH and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. THOMAS. I yield first to the Senator from Idaho.

Mr. BORAH. I do not quite agree with the Senator from North Dakota in regard to that. It is late, and it is a matter which should have been taken care of sooner, and with reference to wheat that is perhaps true; but there are a great many other things which we desire to raise as to which it does not seem to me that that would be entirely true. There is yet time.

Mr. McCUMBER. I assume, if the Senator from Colorado will allow me, that this bill could not be passed and become a law much before the 1st of June; the Secretary of Agriculture could not get in operation the purchase of seeds much before the middle of June, and it would perhaps be the 20th of June, at least, before a farmer could receive any benefit from it. I do not know of any crops that we plant in this country as late as even the middle of June.

Mr. BORAH. Well, if the Senator assumes that we are going to consume the season in furnishing the seed, of course, it will

be too late for the farmer; but we have been advising and admonishing the farmers of the country and the agriculturists and producers to raise crops, and so forth. I do not know just how a man without a large bank account is going to plant very many potatoes when it costs $13 a barrel to get the potatoes. The primary thing that we should have done in the beginning was to furnish the farmer seed, and to furnish him cheap credit, and to furnish him labor, or tell him where he could get it. If a farmer could have a reasonable assurance of the seed which he needs, and credit at a reasonable rate of interest, and could be assured in some way that his crop would be garnered when it was ready for harvest, that the labor would be there, in my opinion the farmer would do his part toward raising the products which are necessary to feed the world. These bureaus that do not furnish seeds or relieve the situation with reference to credit or labor will not serve the cause for which they are organized.

Mr. THOMAS. Mr. President, let me reiterate that I am not opposing that part of the bill. I think it should become a law, and if there be any doubt about its propriety the doubt should be resolved in favor of the bill. I merely wish to voice my objections against the utilization of measures of this kind, which are ostensibly war measures, for the securing of appropriations from the Treasury that do not seem to be absolutely needed.

Now, I thank my friend the Senator from Oklahoma [Mr. GORE] for permitting me to make this statement in advance of his reply to the Senator from Utah [Mr. SMOOT], and I yield the floor to him.

Mr. GORE. Mr. President, I first desire to say a word in regard to the theory on which section 1 was stricken out of the bill. It was merely an invocation of the war power. Some people entertain the belief that by invoking the war power Congress invests itself with a vast amount of power which otherwise it would not possess. I do not accept that theory. The Senator from Iowa [Mr. KENYON] may have voted to strike out section 1 because of the amendments of section 3. I did not vote for it on that account. I did not believe that Congress, by enacting section 1—a mere reference to the war power—could, by that means, by accepting that congressional act as a basis, proceed to enact other and further legislation which it would not otherwise have had the power to enact. If I believed in any such constitutional theory or process as that I would try to obtain a patent on it as perpetual motion, because it would certainly lead to infinity. As indicated in the report of the committee, I voted to strike it out because I thought it was merely a matter of surplusage.

Mr. President, as to the merits of the pending question, I regret that it is necessary to discuss before the Senate of the United States a proposal of this character. Senators, at least, under their breath, criticize departments for sending bills to Congress with the expectation that they shall pass. The committee is now criticized for seeming to undertake to initiate a policy on its own responsibility, and we are challenged to know if we have a commission from the department to proceed to the enactment of such legislation. I say "seemingly" because there is no conflict between the Department of Agriculture and the Committee on Agriculture and Forestry.

Mr. President, in April there was a conference held at St. Louis at which appeared the various commissioners of agriculture of the several States and representatives of the agricultural and mechanical colleges of the several States. They, I take it, represent the agricultural interests of this country. They submitted a series of recommendations, some of which I may say I indorse; and I desire to have read to the Senate one paragraph from their program. It is on page 5 of the document which I send to the desk.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The SECRETARY. Reading from page 5 of the House hearings, at the bottom of the page:

> Contagious diseases of farm animals take a toll of more than a quarter of a billion dollars annually. More than half of this loss is due to controllable diseases, such as hog cholera, black-leg, and Texas fever——

Mr. GORE. Which is the cattle tick.

The SECRETARY (continuing)—

> The Federal Government, cooperating with the States, could profitably expand its intensive regulatory services so as to embrace every important live-stock district in this country.

Mr. GORE. Mr. President, this country sustains an annual loss, as evidenced by that statement, of $250,000,000 on account of various diseases among live stock. More than half of that vast amount is due to controllable diseases; I may say that that is one-third as much as the total loss in the United States annually from the ravages of fire. I do not think civilized man ought to suffer or die from preventable diseases. I think it is an impeachment of our civilization. I know the time is coming when civilized men will not consent to die of diseases that can be prevented. Now, we are sustaining our loss annually of live stock, an essential foodstuff, of a quarter of a billion dollars. One-half of that vast amount can be saved by efficient action on the part of the Federal Government. I repeat, I regret the necessity of discussing a measure of this sort before this body.

A good deal has been said to the effect that the European war has not aggravated the ravages of hog cholera in the United States. I do not know whether that remark was intended to be facetious or serious. If it was intended as a piece of humor, Mr. President, it is a grim piece of humor.

There is no division between the original estimate of the Department of Agriculture and the committee of the Senate. The first estimate submitted to the House for this item was $4,100,000 for the various purposes specified. On that basis $400,000 was to be used in the eradication of the cattle tick, $500,000 was to be used in arresting the progress and ravages of hog cholera, and $667,000 was to be used in arresting and preventing anthrax, blackleg, tuberculosis, and other diseases among animals. For reasons that were satisfactory to themselves the committee of another body reduced that estimate from $4,100,000 to $2,010,660. I confess I am dying with curiosity to know what that $10,000 is for.

Now, then, on the basis of the revised estimate, according to the Secretary of Agriculture, of $2,010,660, $231,000 will be used for the arrest of hog cholera, $182,000 for the eradication of the cattle tick, and corresponding reductions are made in other proposed uses.

I had a talk with the Bureau of Animal Industry this morning and was advised it is their opinion that $1,000,000 could be used this year profitably in the arrest of hog cholera alone.

It is true that these diseases have not been disseminated by the war, but it is not correct to say that there is no additional strain upon our food supplies. There is; and the theory of this whole bill is to enable this country to meet not only our demands but to meet our obligations to our friends across the water.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Tennessee?

Mr. GORE. I do.

Mr. McKELLAR. Can the Senator state from memory how much was appropriated for hog cholera last year?

Mr. GORE. Three hundred and sixty thousand dollars.

Mr. McKELLAR. Can the Senator state whether there was as much hog cholera last year as there was the year before or as much as there is the present year?

Mr. GORE. About three years ago, I think, was the worst year in recent years. The Senator will remember that we passed an emergency resolution appropriating $600,000 to meet that situation.

Mr. McKELLAR. Yes.

Mr. GORE. Very marked progress has been made. There has been marked success in the arrest of that disease.

Mr. McKELLAR. If the Senator will permit me, this increase from $400,000, or even $600,000, to $1,000,000 is a very considerable sum. How is it going to be spent? We used $600,000 in an extraordinary emergency.

Mr. GORE. A great deal of it, as the Senator knows, was used in laying the foundation of the organization to carry forward the work.

Mr. McKELLAR. What part of it was spent in organization?

Mr. GORE. I do not have those figures in my memory, but I do have the assurance from the bureau this morning that not only $500,000, the original estimate of the department, could be wisely expended, but that $1,000,000 could be expended to great advantage during a single year, and this is for the period of the year. I have here the Post of yesterday, which states that officials estimate that the war will last for three years. For my part, I wish to meet this emergency. If the money is not needed, it will not be expended; it will lapse. The Government takes no chances. If it can be wisely expended, the Government is at advantage to that extent and the people are benefited to that extent. If it is not expended, then the appropriation lapses and returns to the general fund in the Treasury.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Mississippi?

Mr. GORE. I think I will answer further the question of the Senator from Tennessee before I yield. I have a statement here from Mr. Rawl that the additional amount can be

effectively used with the present organization in the eradication of cattle tick. I will ask the Secretary to read it. It was given a few days ago before the House committee.

The PRESIDING OFFICER. The Secretary will read as requested.

The SECRETARY. Reading from page 61 of the House hearings from the testimony of Mr. Rawl, Bureau of Animal Industry:

Another item of a million and a half is for the purpose of suppressing diseases of live stock, and it is proposed to put on additional men, averaging about 10 to each State. The more important live-stock States would, of course, use many more than the less important ones. These men would be utilized in suppressing all anim l diseases, such as tuberculosis, contagious abortion, blackleg, anthrax, etc.

The CHAIRMAN. Would you regard that as an emergency proposition?

Mr. RAWL. Yes. If there is an outbreak of disease in a community and it can be suppressed quickly and the animals saved from destruction, we shall have so many more animals; hence this is considered an emergency measure.

The CHAIRMAN. Take up your next item.

Mr. RAWL. In addition to that just mentioned for general disease suppression, there is an item of $500,000 for the eradication of hog cholera.

The CHAIRMAN. What is the total for your bureau?

Mr. RAWL. A little more than $4,000,000. I have not the exact totals, including an item of $400,000 for tick eradication and $35,000 for the eradication of dourine.

Mr. GORE. A little further on the statement occurs that he can expend more by expanding the organization.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. GORE. I yield.

Mr. SHAFROTH. A comment has been made here to the effect that this is not a war emergency. I wish to ask the Senator whether section 3 or the part now of section 1 is not directly a war measure intended for the purpose of getting information concerning "the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food."

Mr. GORE. The motive, the object, the only purpose of this legislation is to serve the present emergency. If there is no emergency and it is not necessary to take steps to meet the emergency, then the money will not be expended.

Mr. SHAFROTH. I must say, if needed now, it is for the purpose of ascertaining what it is that produces the high prices. It seems to me the authority which is given to the Secretary of Agriculture for the purpose of ascertaining that is eminently proper as a war measure, so that the high cost of living may be stopped, if it can be done.

Mr. GORE. I will say to the Senator if we had asked for three or four billion dollars instead of $4,000,000 Senators would have understood that it was a war measure. Now it has to be interpreted. I think there would have been no trouble in passing the measure, possibly, if it had called for billions instead of millions. We now think in billions.

Mr. McKELLAR. Mr. President——

Mr. GORE. I yield to the Senator.

Mr. McKELLAR. I must admit to the Senator that I think we have not gotten beyond the point where we still think that a million is a considerable amount of money. It seems to me that the increases that we are asked for in this bill are quite large. I wish to get this information from the Senator: What particular knowledge has the department that the diseases exist which require the expenditure of all this money? In other words, to explain exactly what I mean, several years ago we appropriated for the eradication of this particular disease a large sum of money—what we called a large sum of money then. The amount was $600,000. Of course, it would be a mere bagatelle now, but then we thought it was a large sum of money. Now, what particular facts are there that make the department think these diseases exist in the same way they did three years ago when we made that large appropriation?

Mr. GORE. So far as any widespread increase in the prevalence of the diseases I do not know, but there is an added necessity to conserve our food supply. The same amount of food must now go further, must serve more people, which is equivalent to an increase in the disease itself. The department has an extensive organization; it is in immediate touch with the live-stock situation throughout the United States, and this is the result of their investigations. Of course, I can not read their minds, and I do not know every detail or idea on which this is predicated; but I will say it is the consensus of opinion, it is the fruit of the conference held at St. Louis, where there were representatives from nearly every State in the Union east of the Rocky Mountains, both State commissioners of agriculture and the representatives of the agricultural colleges, and we have a right, if we can take anybody's opinion as authority, to base our action on their judgment. Particularly is this true when we take no chance whatever. If the effort is not made to arrest these diseases we save the money. I know the Senator retains an interest in the agricultural welfare and progress of this country. It is a basis not only of our prosperity in peace, but it is the basis of our efficiency in war.

Briefly to review what the committee——

Mr. McKELLAR. Before the Senator leaves that subject, may I interrupt him again?

Mr. GORE. Yes, sir.

Mr. McKELLAR. Of course, I agree with the Senator. We should do everything we can to stimulate agriculture and we should do everything we can to conserve our agricultural resorces by the eradication of these diseases. I agree to all that; but the Senator knows that if you give a department a certain amount of money without putting any string on it, just as there seems to be no string on this except a report after it is expended, large sums will be used for the purpose of organization—that is, to have larger bureaus, more men employed, more men looking out for these diseases which may or may not exist, according to the Senator's statement. We do not know that they do exist. The Senator says the money will not be expended if it is not needed. I say if we appropriate this money it will be expended. It is the experience of this body and the body on the other side of the Capitol that whenever we appropriate the money they will find some method of expending it. It seems to me that in common fairness we ought to have some detailed statement as to how this money is to be used and why it is necessary.

I wish to call the attention of the Senator to this fact. As I recall it, Congress has already passed a bill providing for the very thing that is provided for in this bill, and this bill simply enlarges what we have already appropriated for. I think we appropriated something more than a million dollars—the Senator will correct me—for the eradication of these diseases in the Agricultural appropriation bill.

Mr. GORE. These are additional sums.

Mr. McKELLAR. These are sums in addition to what we have already appropriated.

Mr. STERLING. I wish to call the attention of the Senator from Tennessee to some other items in the appropriation act.

Mr. GORE. Before that is done, let me say that the Senator from Tennessee has lapsed in one particular. The $600,000 appropriated several years ago was not used during the time it was expected to be used, and I think for the two subsequent years the appropriation was renewed and continued, so that the department did not waste or squander it, or, so far as I know, unwisely expend the money. Congressional authority was asked to renew the appropriation, and that authority was granted.

Mr. McKELLAR. I did not make the statement with positiveness, I will say to the Senator.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from South Dakota?

Mr. McKELLAR. Just a moment. The appropriation was expended. I do not know whether it was wisely expended. I do not know that any report was made to Congress. I wish to commend the provision in this bill where I see the Senator has put in an amendment which requires the department to report to Congress in the future, especially about this appropriation. I think that is a very wise provision, but I do think we ought to go one step further and have a report from the department as to what they are going to do with this extraordinary sum. We ought to have it. It is an immense sum of money. It is idle, in my judgment, to talk about four and a half million dollars not being a large sum. It is a large sum, and we ought to know where it is going.

Mr. PENROSE. Will the Senator allow me?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. GORE. I will yield first to the Senator from South Dakota.

Mr. STERLING. I simply wish to call the attention of the Senator from Tennessee to some items in the appropriation act. From the Senator's statement I infer he was under the impression that an appropriation of something over a million dollars was made for the eradication of diseases incident to live stock.

Mr. McKELLAR. For several purposes.

Mr. STERLING. For hog cholera and cattle tick.

Mr. McKELLAR. For the diseases mentioned here. That is my understanding.

Mr. STERLING. I call the attention of the Senator to the item of $628,280, a separate and distinct item, appropriated in the same act:

For inspection and quarantine work, including all necessary expenses for the eradication of scabies in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of live stock and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon, the inspection work relative to the existence of contagious diseases, and the tuberculin and mallein testing of animals, $628,280.

Now, there is another item which seems to have escaped the attention of Senators in this same Agricultural appropriation act approved March 4 last:

Eradication of foot-and-mouth and other contagious diseases of animals: In case of an emergency arising out of the existence of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals which, in the opinion of the Secretary of Agriculture, threatens the live-stock industry of the country, he may expend in the city of Washington or elsewhere, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000.

There is this further provision in the act:

Provided further, That so much of the appropriation of $2,500,000 made by the Agricultural appropriation act of March 4, 1915, for the fiscal year ending June 30, 1916, for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, as remains unexpended at the close of the fiscal year 1917, is hereby reappropriated and made available for expenditure during the fiscal year ending June 30, 1918, for the objects mentioned in said appropriation act, including necessary investigations to determine whether said diseases have been completely eradicated in districts where they previously existed.

How much was expended I do not know, but perhaps a considerable amount was unexpended. So, in addition to the $628,000 not heretofore mentioned, there is $1,000,000 and the unexpended balance of $2,500,000.

Mr. PENROSE. May I ask the Senator from South Dakota a question?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. GORE. I yield.

Mr. PENROSE. I should like to ask the Senator from South Dakota whether it would not be illuminating if the Senate could get a report from the Secretary of Agriculture as to how the money already appropriated has been spent?

Mr. GORE. I will say, Mr. President, that that can be found in the last Book of Estimates, I believe.

Mr. STERLING. I will say, so far as that is concerned, that the appropriation has not yet been spent, and it will be available on the 1st of July.

Mr. McKELLAR. I should like to ask——

Mr. PENROSE. I should like to have the statement while this bill is under consideration.

Mr. GORE. It is available, I will say to the Senator from Pennsylvania, and I will try to get the report and put it in his hands.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Tennessee?

Mr. GORE. I do.

Mr. McKELLAR. I should like to say to the Senator from Oklahoma that I want to cooperate with the Agricultural Department in every way possible, and I am willing to vote to spend any sum that may be necessary; but I do think, as the Senator from Pennsylvania [Mr. PENROSE] has well said, that we ought to have reports showing what has been done with the vast sums of money which have been recently appropriated in a blanket measure such as has been read by the Senator from South Dakota [Mr. STERLING]. I hope that before we vote upon this bill we shall have that information so that we may vote intelligently on it. I also hope that as to all bills hereafter we may require in the bills themselves a report to Congress.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. GORE. I yield to the Senator.

Mr. JONES of New Mexico. I find in this bill certain provisions about which I should like some information.

Mr. GORE. Mr. President, let us take one mystery at a time, if the Senator please.

Mr. JONES of New Mexico. Very well.

Mr. GORE. I should like to say, first, in regard to the statement of the Senator from Tennessee [Mr. McKELLAR], that the $600,000 item, to which he refers, relates, as I understand, to the administration of the quarantine laws. It will be remembered by all Senators that the foot-and-mouth disease prevailed from the State of Massachusetts to the State of Washington.

Mr. KENYON. To the city of Washington.

Mr. GORE. No; to the State of Washington. We have appropriated something like $5,000,000 to indemnify the owners of stock that was slaughtered under that act. Some of those claims have not yet been adjusted, as I understand, and this item is carried forward in order to continue the work of liquidating those claims.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahome yield to the Senator from South Dakota?

Mr. GORE. I do.

Mr. STERLING. I understood the Senator from Oklahoma to say that the foot-and-mouth disease was confined to the State of Washington.

Mr. GORE. No; I said it extended from the State of Massachusetts to the State of Washington.

Mr. STERLING. Oh, from Massachusetts to the State of Washington.

Mr. GORE. I believe the disease prevailed in Massachusetts; it certainly did prevail from Pennsylvania to the State of Washington.

Mr. STERLING. But the appropriation is not confined to that purpose?

Mr. GORE. No; it is not confined to that purpose.

Mr. STERLING. The appropriation refers to all contagious diseases.

Mr. GORE. It might possibly be wise for Congress to exercise its war power and pass a law against these diseases. That power seems to be omnipotent now. I think I have here what the Senator from Tennessee desires [exhibiting]. I have hesitated to have this read to the Senate, but I will place it at the disposal of the Senator; and if any Senator desires to have it read, I will have it read. It is a mass of figures relating to these various items, stating in detail the different purposes to which these appropriations are expected to be devoted. I will leave this data here subject to call.

Mr. President, merely one further fact. As stated on yesterday, we have been engaged for 11 years in waging war against the cattle tick. We have rescued some 290,000 square miles from its tyranny, an area about the size of Austria-Hungary, if I remember correctly; but there is still subject to the ravages of that tick something like 500,000 square miles, an area substantially as large as Germany, France, and Italy combined. Now, we sit here and cavil as between $182,000 and $400,000 to be devoted to rescuing this magnificent empire from the ravages of this insect, which subtract incalculably from our food supplies every year that comes and goes. Our food resources are now being drawn upon not only to keep alive ourselves and our allies, but possibly to preserve the existence of this Republic.

Mr. PENROSE. Mr. President, will the Senator from Oklahoma permit an inquiry?

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. GORE. I do.

Mr. PENROSE. I am curious to know whether the chairman of the committee has any idea of the number of men who would be employed under the appropriation authorized in this bill?

Mr. GORE. I think perhaps I have those figures. The statement was, however, that there would be an average of 10 to a State, but that the larger live-stock States would, of course, have a larger number, and those States where the industry was less important would have a smaller number.

Mr. PENROSE. I have been informed that about 7,000 men would be employed under this bill.

Mr. GORE. I have no information of that sort.

Mr. PENROSE. I assume that they would all be Democrats——

Mr. GORE. It is to be hoped so, undoubtedly.

Mr. PENROSE. And that they would be withdrawn from——

Mr. GORE. I do not know whether there are that many Democrats in the country now or not. [Laughter.]

Mr. PENROSE. And they would be withdrawn from the inestimable privilege of serving the country under the conscription law. It does seem to me that it would be more important to fight the enemy than to tackle the ticks and the bugs.

Mr. GORE. I may say that Abe Martin said yesterday that the latest thing in the way of a stalter was the man who looked downcast and said he was sorry he was too old to enlist. So we could employ the superannuated. Senators can not come here until they are 30 years of age, and a man can not be conscripted if he is over 30 years of age. So we can impress into this service men who are eligible for the Senate, and therefore in no way trench upon the vast reserve of the young men of the country who are involved in this strife.

Mr. PENROSE. A good Democrat is never superannuated. It may be well to put a proviso in this measure and in others that are to follow it that no one who is within the conscription age shall be appointed to any position under the appropriation.

Mr. GORE. Why, Mr. President, the reason we do not say that all these employees must be Democrats is that we want the Senator's State to have some representatives in this work. If we confined it to Democrats only, the Senator's State would be excluded.

Mr. President, I have been laboring for years to carry forward this work with greater speed than I have been able to induce others to agree to. If we had had that foresight and prudence, we should have been in a better position to meet the emergency that is now upon us, and this Senate would not have been called upon to enact this emergency legislation.

I may say as I pass that the Senate, in my judgment, has made a splendid record with reference to its attitude on agricultural legislation. We passed here, by a vote of 7 to 1, a few weeks ago an appropriation of $10,000,000 to supply the farmers with fertilizer for the current year—an emergency proposition. In the last Congress we appropriated $20,000,000 to establish a nitrogen plant, one of the objects of which was to provide farmers with fertilizer. Now we are called upon to make an appropriation to rescue our live-stock industry from a terrifically destructive disease or diseases, and, in my own judgment, we ought not to sit here and higgle when we have every assurance that the money will be wisely expended, that the results will answer our hopes, and that the results are essential, not merely for the welfare and comfort of our people, but may be possibly essential to their continued existence as a free Republic.

I merely desire to say one word further. I shall move to reduce this appropriation from four and a half million dollars to $4,100,000, which is the original estimate of the department. As those estimates seem to have such a charm for Senators, I shall expect no opposition to an agreement to that amount.

Mr. VARDAMAN. Mr. President, I hope the Senator from Oklahoma will permit this section of the bill to pass over until I can get the data which I mentioned a moment ago. I have had a talk with the head of the Bureau of Animal Industry, and he has promised to have the data here at the earliest possible moment.

I want to say that this great international emergency has demonstrated the importance of the products of the farm to the comfort and well-being of mankind generally. The Agricultural Department of this Government has received less attention at the hands of Congress than any other branch of the Government, and less concern has been manifested by the lawmaking power for the people which that department represents in the Cabinet than for any other class of people. We all realize that upon the products of the farm all permanent prosperity rests. When the farmer prospers, all is well. If propitious seasons smile upon him and he is permitted to cultivate his fields with energy and enthusiasm, a large harvest rewards his endeavor, and we find the railroads doing an immense business, running on full time with full crews; the factories are busy, the artisan and laborer are well paid, the bankers' vaults are full of other people's money, the merchant collects his accounts, the doctors' bills are paid, the preacher dons a new suit of clothes, the lawyer is not forgotten, and prosperity abounds throughout all the land; but let unfavorable season paralyze the strong arm of the earnest farmer, let the blight or the insect pest destroy his crops, and the whole superstructure of commerce languishes, withers, and dies.

I maintain that every dollar invested through the Agricultural Department to promote the interest and ameliorate the condition of the farmers of the country brings a larger return to the American people than any other money expended by the Government.

The farmer has been taught to supply the deficiencies in the soil by the analysis which the representatives of the Department of Agriculture have made; they have learned to prevent and eradicate diseases which destroy their live stock; the insects and other pests have been exterminated, and thousands of other things have been done by the representatives of this department to protect and promote the interests of the men who toil in the soil.

The good effect of the work done by the representatives of the Agricultural Department among the farmers of America can not be estimated. The schooling might be considered expensive if the lessons taught were limited to those who first learn them, but the good result is not confined to those who learn the first lessons; they are handed down from generation to generation.

It seems to me that it is a foolish thing for Congress to withhold from the people, upon the products of whose toil the whole superstructure of our material civilization is based, this much-needed help.

Mr. SHERMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Illinois?

Mr. VARDAMAN. I do.

Mr. SHERMAN. I wish to inquire of the Senator whether, in his zeal to represent the good qualities of the Department of Agriculture, he has not somewhat lost sight of the fact that in the larger agricultural States the State universities have done more than the Agricultural Department here and have done it earlier?

Mr. VARDAMAN. I would not be understood as derogating one iota from the good work of those institutions. There is no competition between them and the Agricultural Department; there is, or should be, perfect cooperation. The best minds produced by the agricultural colleges are usually called to the service of the General Government, and the great work of the agricultural departments of the States, of the State agricultural colleges, and of the Agricultural Department of the United States is bringing very large returns to the American people and the people of the world from the investments that are being made in measures similar to the one we are now considering. It is impossible to measure the good that will flow from their joint labors.

Mr. SHERMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield further to the Senator from Illinois?

Mr. VARDAMAN. I do.

Mr. SHERMAN. I trust there will not be anything but cooperation between the Agricultural Department of the United States and the State universities of the various States, especially of the larger agricultural States; but I wish to say that there is more friction than there is cooperation in some material parts of the work, especially in the agricultural extension work, where the farmers or those to be instructed receive the instruction in the field. The men who are actually doing the valuable work are connected with the State universities and State agricultural departments, and there is decided friction between them and the agents of the United States Agricultural Department. That is the reason that I avail myself of the courtesy of the Senator to interpolate these remarks. When the matter is under discussion I always feel like cautioning the Department of Agriculture here to proceed more discreetly. They have created a vast deal of friction in several of the larger agricultural States of the West by their natural disposition to assume jurisdiction over and to absorb and destroy the legitimate local functions of the universities of the States.

Mr. VARDAMAN. If that be true, Mr. President, I regret it. That has not been the case, however, in the State of Mississippi from which I come. The work of the department there has been very, very satisfactory to the people of Mississippi, and I think has been highly efficient. If there is any conflict or friction anywhere, it ought not to exist, and it is very prudent in the Senator from Illinois to call attention to that fact. If it is a matter that can be remedied by legislation, I should be glad to cooperate with the able, wise, and patriotic Senator from Illinois in calling a halt to the individual who is responsible for it. The work of the Agricultural Department is of more importance than the ambition of any man. However, Mr. President, those little misunderstandings and frictions should not influence the Congress when dealing with a great problem of this kind. The work of the Agricultural Department has been far reaching in its good effects, and I think I shall be able to show from the data which have been promised me from the department that more money is not asked in this than they really need. But if we are asking for more than is really needed I would rather err on the side of liberality than stinginess in dealing with this department of the Government.

So far as its being a war measure is concerned, wherever cholera prevails among the hogs of this country every power this Government can prudently exercise for the extermination of that disease ought to be employed; wherever the cattle tick is interfering with the raising of beef cattle and milk cattle and is crippling that industry it is a very proper function of the Government to aid in the extermination of the tick; and the same is true with regard to all other diseases and pests. We know that the people can not eat, that they can not live, unless the farmer provides these things for them; and I repeat that it is a very proper use of the functions of government to assist the toilers of this country in every possible and proper way for the promotion of their interests.

I hope that the work of the department may not be crippled by a parsimonious or stingy policy. We have heretofore appropriated less money for the Agricultural Department than one

battleship would cost in time of peace. Nobody ever questions an appropriation for the building of a battleship or for organizing a regiment of soldiers whose purpose is to destroy human life, but whenever a measure is proposed which is designed to conserve human life and to promote the happiness and welfare of the human race it finds amongst Senators a most active opposition as an unwarranted prodigality of cash. We permit thousands of people to go to permature graves every year because of our foolish policy in not providing means for the extermination of preventable diseases. For instance, it is estimated that the people of this country suffer a loss of something like $300,000,000 every year because of the loss of time on account of invalidism produced by tuberculosis, when, if that amount of money were appropriated for its eradication, the disease would be absolutely exterminated from the United States in less than 25 years. The Senator from Oklahoma has facetiously remarked that the time will come when a man will object to dying of a disease that could have been prevented, and that is true. So I say it is not wise statesmanship for Congress to refuse to enact legislation which will prevent these things that work such enormous ravages and cost so much in life and dollars and cents to the American people. This appropriation is an investment, not a donation; an asset, not a liability. I am going to ask the Senator from Oklahoma if he will not pass this section for the moment?

Mr. GORE obtained the floor.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. GORE. I will yield for a question or whatever the Senator desires to submit, if it relates to this question.

Mr. JONES of New Mexico. I should like to call the attention of the chairman of the committee to some language of this bill for the purpose of obtaining some enlightenment, if possible.

Mr. GORE. Just one minute. I will say that in compliance with the request of the Senator from Mississippi I will ask to have the present amendment passed over, but I wish to add this word first:

The Senator from Mississippi has said practically everything that could be said upon this subject. I would make only one suggestion, that these diseases—hog cholera, cattle tick, and other diseases—can not be dealt with by the individual farmer. They can not be dealt with by the local unit, the county, or the State. The problem is a national one and challenges a national solution. It must be dealt with by some power that is coextensive with the entire country and with the trouble to be eradicated.

I now ask to have this amendment passed over, and then I shall be glad to hear from the Senator from New Mexico.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

Mr. JONES of New Mexico. Mr. President, I notice at the end of section 7, formerly section 9, some very general language. After providing in the body of the section an appropriation of money for the prevention, control, and eradication of the diseases and pests of live stock, including hog cholera, cattle tick, and contagious abortion of cattle, I find this general language:

> The enlargement of live-stock production, and the conservation and utilization of meat, poultry, dairy, and other animal products.

There is nothing in the bill, or in anything that has been said so far, to indicate the purpose of the use of this very general language at the end of that section. How the live-stock production shall be enlarged there is no disclosure. As to the means to be employed we know nothing. Under the provisions of the bill the Secretary of Agriculture may use his own sweet pleasure in any direction which he may think may result in the enlargement of live-stock production. He may purchase a farm and go to raising cattle himself, or take any other course which may meet his view for the time being.

Likewise, the same thing may be said of this general language:

> The conservation and utilization of meat, poultry, dairy, and other animal products.

A term so broad and sweeping that it seems to me it would permit any line of activity.

Then, in the section which follows, the same general criticism, it impresses me, might be made. The first part of the section provides for procuring, storing, and furnishing seeds, as authorized by section 2 of this act, and the prevention, control, and eradication of insects and plant diseases injurious to agriculture. I think we understand more or less what is meant by that language; but the next clause, "and the conservation and utilization of plant products"—can any Senator imagine what the Secretary of Agriculture had in mind in proposing that very general language?

On page 6, at line 7, is another very general clause, just preceding a large appropriation:

> And otherwise carrying out the purpose of this act.

That would enlarge the appropriation for these general purposes of conservation and utilization. Now, it does seem to me that in a bill of this kind we should use language which will not be uncertain, so that we may understand just the purposes for which these large appropriations are made.

There is another clause in this bill which raises a most interesting question. That is at the bottom of page 4, section 5:

> That the President is authorized to direct any agency or organization of the Government to cooperate with the Secretary of Agriculture in carrying out the purposes of this act and to coordinate their activities so as to avoid any preventable loss or duplication of work.

I must say that that section raises one of the most interesting questions in regard to the administrative affairs of our Government. Perhaps throughout the departments there is a vast duplication of work; and that the Congress should at some time take up this question of the cooperation and coordination of the different branches of the Government there can be no doubt. But if the Congress at this time is going to consider that question, then it seems to me that it might well modify the language in this bill.

The bill requires that the President may order or direct the cooperation and coordination of other departments of the Government with the Secretary of Agriculture. On page 6, lines 12 and 13, I find this very broad power given by the bill to the Secretary of Agriculture:

> Aiding agencies in the various States in supplying farm labor.

It has been my understanding that the Department of Labor has been handling that identical question. The provisions of this bill would at least clothe the President with authority to direct the Department of Labor to cooperate with the Department of Agriculture, or, in other words, put the activities of the Department of Labor under the jurisdiction and direction of the Department of Agriculture. If you are going to embark upon that field—and it seems to me that it is one that the Congress might well take up as soon as it has the time from emergency matters, perhaps at the next session of Congress—if you want to make a forward step, it can be done by eliminating some of the language of this bill at the bottom of page 4, so that instead of providing "that the President is authorized to direct any agency or organization of the Government to cooperate with the Secretary of Agriculture in carrying out the purposes of this act," if you will leave out the language "with the Secretary of Agriculture in carrying out the purposes of this act," you will then clothe the President with general authority to bring about a cooperation and coordination of the various branches of the Government wherever it should appear to him to be necessary.

It seems to me that that would be a simple authority, and might be productive of very much good; but at any rate, inasmuch as this provides especially for the furnishing of farm labor, it seems to me that we should not require the Department of Labor to subject its activities to the direction of the Department of Agriculture; and it may be found, in the consideration of other matters, that you would want to put the particular thing to be done under the direction of some other department. If you want to buy these seeds, it may be that you would find some other department that is already in the market, knows what the market is, and is engaged in buying seeds—such, for instance, as the Bureau of Indian Affairs in the Interior Department. That bureau is buying seeds for Indians every day at this season of the year; so why in the bill require that these other activities should cooperate with the Secretary of Agriculture? Why not leave out that language, and put it within the power of the President to provide that all the departments of the Government may cooperate and coordinate their forces as he may think for the best interests of the country?

As to the general provisions of the bill, I am very much in sympathy with what has been said by the Senator from Utah [Mr. SMOOT] and the Senator from Colorado [Mr. THOMAS] in regard to the scope of this bill being one which should be dealt with in the general Agricultural appropriation bill. I think practically everything except the work provided for in section 1 of this bill is of such a character that it should be put upon the general appropriation bill, and by all means have the appropriation limited to the fiscal year.

Mr. GORE. Mr. President, I do not know but that the Senator's argument to some extent answers itself. He criticized the bill on the ground that certain language is too general and ought

to be restricted. Then he criticized the language because it was too restricted and ought to be made more general.

I think I can illustrate to the Senator what the proposal to permit the President to require other departments and divisions to cooperate with the Agricultural Department really means. It is inserted in the interest of economy.

The Federal Trade Commission, I believe, is investigating, under the direction of Congress, the high cost of living. Certain of the duties in this bill devolved upon the Secretary of Agriculture might require that information, but it is not necessary that the Secretary of Agriculture duplicate the entire work of the Federal Trade Commission in that regard. The Department of Agriculture ought to be enabled to avail itself of that information and of that research and avoid the duplication of work and the duplication of expense.

Section 1 directs the Secretary of Agriculture to make a food survey or census of the country. Now, we have a Census Bureau, a very efficient institution, equipped with statisticians and with experts. It might be desirable for the Secretary of Agriculture to avail himself of the experience and labors of that bureau.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. GORE. I do.

Mr. JONES of New Mexico. I did not contend that power should not be given to the President to require these various departments and branches of the Government to cooperate.

Mr. GORE. I understand.

Mr. JONES of New Mexico. But why restrict that to the Department of Agriculture, when the power is to be vested in the President, and he must see the necessity for it before any order is made? If the President sees that the Department of Agriculture is the appropriate one to take charge of a particular line of work, then, of course, the President would so direct.

Mr. GORE. Mr. President, it is restricted to the authority to require other departments to cooperate with the Secretary of Agriculture. To have made it general would have been more or less of a revolution, and would have provoked a vast deal of criticism. Senators would have stood up here and marveled to know what it meant, just as the Senator from New Mexico marvels about the words "conservation and utilization of meat, poultry, dairy, and other animal products"—a power which, I believe, is regularly conferred upon the Secretary of Agriculture, and a duty that is regularly devolved upon him. We are appropriating money to carry forward that work, which is supposed to be of more or less service.

This language with regard to the Secretary of Agriculture alone challenges the opposition of the very able Senator from New Mexico. If it had been made universal I imagine it would have challenged much more general opposition. I think the philosophy of the Senator's suggestion is entirely sound. Somebody, somewhere, at some time, ought to coordinate the functions and the duties of the various departments, bureaus, commissions, and offices of this Government so as to avoid duplication of service and to avoid duplication of expenses; but I doubt the wisdom, and I believe that upon reflection the Senator will doubt the wisdom, of embarking upon the general policy in a measure of this sort, which is designed to meet an emergency, and which ought not to be delayed by a discussion of the general proposition of coordinating all the functions and duties of the Government.

Mr. HOLLIS. Mr. President, Senators seem to forget that we are at war; that we have been called here in extra session to deal with the emergencies that have to do with the war; that this is one of the emergency measures that is laid upon us to deal with, and that it should be passed promptly.

We wrangled most of yesterday afternoon and so far at this session over the matter of an appropriation for the eradication of certain live-stock diseases. If it had been a battleship, as was suggested by the Senator from Mississippi [Mr. VARDAMAN]; if it had been anything that was going to stimulate the iron or the steel industry or the coal industry, anything in which some one was particularly interested, which some one at home was pushing that had dollars to earn and dollars to spend, it would have gone through without such careful examination; but whenever there is anything that has to do with the farmer or with the farming industry the farmer has to be supervised and chaperoned and looked after more than the captains of any other industry. The temper of the Senate was shown this last winter, when it was proposed to appropriate for the payment of the services of the Farm Loan Board less money than the farm-loan act provided they should have.

Now, I am not on the Agricultural Committee; I am not a farmer; but I had occasion about a year ago to look into the methods of the Department of Agriculture in handling the eradication of diseases on the farm, and I was impressed with the wonderful work they had done, and how they had gone about it. Senators all remember the crisis over the foot-and-mouth disease a few years ago. Now, the foot-and-mouth disease is so difficult to handle that the Governments of Germany, of Denmark, of Holland, and of Sweden have given it up as hopeless, and are allowing it to run along at its own sweet will, while in this country we have not only handled it and controlled it but a year ago it was substantially eradicated, and I believe it is now not in existence in this country. The Senator from Oklahoma [Mr. GORE] informs me that there has been no foot-and-mouth disease among cattle in this country since the 5th of June last year. That is a wonderful record. I do not know how much it cost to do it. I do not care whether it cost $100,000 or $10,000,000 so long as it was done and done well and economically.

Now we are at war, it is essential that we should produce animals that furnish food. In my own part of the country grain is so high that the farmers are selling their live stock because they can not afford to keep it. There is an emergency. There is something that should be looked into and handled, if we can handle it. In handling the diseases of animals, as has been suggested, we increase the food supply of the country. That is itself an emergency, but the main point is this: We are at war. We have not time to stay here and look into these matters as carefully as we would in times of peace. We must act promptly or we should not act at all. We must trust the departments of the Government. You can not revolutionize the departments of the Government in times of war. It is no time for a reformer. In times of war the reformer must step back and keep quiet; the country will not tolerate him. We can not reform our departments. We have got to take our departments as we have them now, and give them ample power and ample money and trust to their spending the money so far as they can spend it with an adequate return and stop spending it when they have gone as far as they should.

This is only the beginning of the food-emergency bills. This is the first one, and it is mainly for the purpose of investigation. The next proposition will be by those who oppose the control of food and food supplies to wait until the investigation is made; that we must not act without information. The gentlemen who handle the food supply of this country are already gathering. They are getting ready to oppose the control of the food situation of this country. They are in the same position the railroads were in a generation ago. The railroads did not want to be controlled. Nobody wants to be controlled. No reformer wants to reform himself. Reformers always want to control or reform some one else.

It is my personal belief that in order to get through with this war with as little suffering as possible the Government must control the food supply of the country. Every other nation that is at war is slowly coming to that belief. Germany started at the outset. Germany is to-day the greatest example of a completely socialized nation that we have ever had on earth, not socialized for times of peace but socialized for an emergency to accomplish a great work. Other nations are coming to that, some faster than others. If the war continues, as I am afraid it will, we must approach the socialist state, and we must approach the antisocialist argument of those who are opposed to paternalism in the Government.

My attention was attracted this morning to a newspaper clipping which was sent to me. I suppose every Senator received one of these at his home; it was not sent to his office. It is the Price Current—Grain Reporter, published in Chicago, established in 1884. That is at the head of it, so that we can see that this is a fine old established institution. It says:

Exponent of trade interests in grain, hay, provisions, live stock, etc.

I have no doubt they are the exponents and the proponents of the interests in the food supply of this country. I never happened to see the publication before, but this is what is marked with a blue pencil so that a busy Senator would be sure to see it:

BUSINESS AND TRADE CONDITIONS.

It is quite plain that Mr. Hoover, the food commissioner, when, or if, the Congress authorizes the President's plan of food control and creates the office, knows nothing of the grain business or how it is conducted.

I do not know Mr. Hoover. I have never met him. I do know that he has made a great reputation in handling the food business, including the grain supply, of Belgium. I do not want to argue for or against Mr. Hoover. That is introductory. What my attention is arrested by is what is found further along in the article, blue-penciled:

What is the problem? Well, it seems to be now to stop the allies from grabbing all our wheat and other flour grains and taking it abroad to sell to their people at prices that admit of, if they do not encourage, wasteful consumption.

Now, that is rather an offensive statement to make against the allies with whom we are prosecuting a common war for common purposes, allies to whom we are loaning money purposely, so that they can buy our grain to feed their people, who need it; and if they did not need it our allies would not be willing to give these tremendous prices for it. I proceed with the quotation:

There is no evidence that they are doing anything but that, because bread is as cheap (if not actually cheaper) to-day in London as in Chicago or New York.

There is a standing statement if it is true. If Governments of Europe are buying grain here and selling it to their people cheaper than we can sell it to our people, it is time that our Government should know something about it, because I shall show you later that people right here on Capitol Hill are suffering to-day for food, that the children are not adequately nourished. But I continue:

The French Government is forcing the sale of both native and imported wheats at less than cost and paying their own farmers out of the treasury a sum equal to the cost of imported grain, in order that bread may be relatively cheap. In England the farmers and merchants having stocks of oats are refusing to sell them at the Government maximum figure, which represents to them a loss at market prices of 40s. per ton. Now, we submit that human experience has demonstrated that foodstuffs, any kind of foods, can not be conserved in that way. The price must force conservation—economy of use. The great majority of mankind are not thrifty, not foreseeing, take only perfunctory thought of the morrow, and nothing but the pinch of necessity makes them act differently.

I pick up the Washington Post of this morning and read this dispatch from Chicago:

UNDERFED DIE IN CHICAGO—MAYOR BLAMES HIGH PRICES OF NECESSARIES FOR 1,500 DEATHS.

CHICAGO, *May 25.*

More than 1,500 died in Chicago this year because they were "undernourished and underclothed," declared Mayor Thompson to-day.

"Prices have been so high that people have been denying themselves the necessities of life."

In Chicago, which I understand to be the greatest food market in the world, with the meat products for all Europe coming through Chicago, with all the grain for Europe coming through Chicago, our people already have felt the pinch of necessity, and this trade paper published in Chicago says it is good for them to feel it, that they may economize; and the people of this country are to be undernourished and starved, children are to be stunted, so that the price of grain can be put up high enough so that the people in Europe will not buy too much of it at starvation prices. The article from the Price Current-Grain Reporter continues:

If America must needs feed the world, Americans should, so long as there remains a doubt of our ability to do this normally and amply, demand that the foodstuffs we must supply shall be sold at prices that will enforce economy in their use until the hour of danger of actual, if not relative, scarcity shall have gone by.

Mr. VARDAMAN. May I ask the Senator from what he is reading?

Mr. HOLLIS. I am reading from an article that was sent to my residence this morning with a 2-cent postage stamp on the envelope, the Price Current—Grain Reporter, of Chicago. Undoubtedly the Senator also received a copy. This article was blue penciled and is, as I take it, the first assault of those who control the grain of this country upon the proposition that our Government is to control the food supply.

I read in the Washington Star last night some of the prices now in existence compared with 40 years ago. They must be the wholesale prices, because I inquired this morning from one housekeeper, and I am told that she can not buy any food at retail at these prices. The first price is May 24, 1877, and the second is May 24, 1917, 40 years later:

Butter at the farm, 14 cents; now 36½ cents, and I am informed that you can not buy good butter in Washington now at the smaller grocery stores for less than 45 cents a pound.

Eggs at 10½ cents a dozen; now 34½ cents wholesale, and 40 cents for fresh eggs.

Cheese at 12½ cents a pound; now 39 cents, and one housekeeper, of whom I inquired, said she had not bought cheese for a long while, because she could not afford it.

Potatoes, a bushel, $1.15; now $3.10; and they tell me at the grocery stores they are selling potatoes at $1 a peck.

Beef, short ribs, 6¾ cents; now 20½ cents.

Turkeys, live, on the farm, 9 cents; now 24 cents.

Fowls, live, 8 cents; now 21½ cents.

Lard, 10 cents; now 22 cents.

Sugar retails in this city at 9 cents, milk at 10 cents. Other provisions have gone up in proportion.

Now, the very grave situation in this country is the one which always comes in war time, and that is the grave situation of the mechanic and wage earner and those who live on small fixed salaries. My attention was called to that last fall. I was in Manchester, N. H., our largest city, and I was waited upon by a delegation of men and women. I spoke to each one of them. There was not a doctor or a lawyer or a merchant in the crowd. They were poor people, wage earners, respectable people, neatly dressed poor people. They asked me to use my influence to get New Hampshire soldiers back from the border as soon as possible. I asked each one his reason, and in each individual case the reason was that it was a brother, a father, a son, or some one on whom that particular person was dependent. Here last fall, when we were not at war with any country, in the midst of enormous prosperity, with the trade journals bragging about it and writing about it all the time, we were conducting an expedition to protect our border against Mexico, and the burden was falling only on the poor people of the country, whose relatives were in the ranks as militiamen. It came over me that that is always so in war times—the people who suffer are the people who are right down on the fringe of existence. That is true now. Take it right here in Washington.

Mr. VARDAMAN. If the Senator will permit me, that is the class of people who are going to be pinched in this war, too.

Mr. HOLLIS. My point is that the burden is here and we are not awake to it, and it is time we did awaken and attend to it.

Mr. VARDAMAN. I think so, too.

Mr. HOLLIS. One housekeeper told me that in the past two years the cost of her table for the maintenance of her family had more than doubled; that it has increased 108 per cent. I believe that is so right here in Washington where we are living. One man, a mechanic, was getting a thousand dollars a year. We think if a man is getting a thousand dollars a year he certainly is not suffering, but this man's wife died a few years ago and left him with three little children, and he tells me that with that thousand dollars he absolutely can not give his children food enough and pay for their board, that they are suffering on a thousand dollars a year. I know instances where children within half a mile of where I now speak make it their practice to go around to the garbage cans and satisfy the pangs of hunger from the offal from the tables of people who are more prosperous. Many people who are supposed to be in easy circumstances are absolutely getting along without fruit, considering fruit a luxury. Now, fruit is necessary for a well-balanced ration. Fruit is necessary for a healthy person. Even among the white people within a mile of the Capitol butter has been absolutely cut out for several months. Butter is one of the animal fats that is necessary to sustain good health. They are eating no butter, they are eating nothing on bread, and using oleomargarine for cooking purposes.

Grocers who deal in meat as well as vegetables have informed me that instead of throwing the scraps in the garbage, they are saving all their odds and ends, and people who can not afford to buy are coming around and getting those scraps; that they come around after dark because they are ashamed to be seen getting them in the daytime. That is right here in Washington. Small grocers here on Capitol Hill are not buying canned goods now because at the present prices people are not buying canned goods. They do not dare to load up with them, because they are afraid they can not sell them. That is right here.

I put in yesterday's RECORD, so that Senators might see them, some communications from my own part of the country. The first is from E. H. Kelley, who is the field agent of the National Emergency Food Garden Commission, under the control of Mr. Charles Lathrop Pack. Mr. Kelley is a graduate of the New Hampshire State College, and he is investigating at present in Vermont. He says:

The greatest question throughout New England at present seems to be one of labor rather than anything else. In almost every case where I have talked with farmers they say they could and would do more if they had the help. Many of the farmers are putting in smaller acreage simply because it is impossible, practically, to get help.

Here in Vermont a very great problem is the matter of grain. To-day I was talking to a man who has a big dairy, and he said that he is going out of business because he is simply paying out of his own pocket to keep the thing going. He is one of many who are doing the same.

This shortage of grain and the high price which they can get for their animals is simply depleting the country of its stock, but it is almost impossible to make the people see the folly of selling off the animals which are needed for reproduction.

The matter of seeds has quite a little to do with the acreage planted. I am constantly asked the question as to how they can afford to plant with the price of seed so high. Quite a few dealers are taking advantage of the situation to bleed the farmers, and because of this the planting is being held up.

That is one of the answers to the questions that were asked here yesterday why the Government should sell seed to farmers. Why not leave others to do it? Everyone who has bought

anything in the last year or two knows that retailers make the excuse of war prices to put up the prices on everything, whether they are warranted or not. Buy something that you have been buying cheaper and ask them why they put the price up and they tell you, "It is the war, you know." That is the answer given.

To continue:

For example, I know of one case where a large wholesale concern "had no beans," and yet I know absolutely that they had 400 bushels which they were holding for a higher price. They got the wrong end of it, though, because the community (———, N. H.) imported 200 bushels.

There was a case where the community got together, pooled their issues, and bought seed beans, and the man who had been holding beans for a high price got left. He probably will have to eat beans for the next year or two.

Still another question is that of the food speculators. Here in ——— I found a store with 15,000 barrels of flour—

Think of that in Vermont—15,000 barrels of flour—

and selling just as little as possible to their customers. Within a day's ride of here I can find 37,000 barrels being held for a high price.

Mr. SHERMAN. Will the Senator yield?

Mr. HOLLIS. I yield.

Mr. SHERMAN. Suppose they found a farmer in the Northwest who had 5,000 bushels of grain in his bins and would not sell it, what would the Senator do with it?

Mr. HOLLIS. That is not the present bill.

Mr. SHERMAN. I can find them now who will not sell their grain, either wheat or oats or corn; they are holding it. Does the Senator propose any remedy for it?

Mr. HOLLIS. Yes; I do; but not in this bill. I shall have something to say about that later, but not in this bill. Mr. Kelley continues:

I mention these facts merely to show you what I am running up against and the problems which I am trying to solve. Perhaps I am going into the matter too deeply, but it seems to me that I should do everything in my power to help the people in such a serious state of affairs as exists at present.

Now, the question is, What shall I do? If anything is done at Washington to relieve these conditions I wish you would let me know about it, so that I may be able to put it into practice just as soon as possible. Everything that gives the people more confidence serves to increase the food production, and I think they should be given all the encouragement possible, especially by the Government, because it is urging them so strongly to do their bit. It certainly should back them up in what it advocates.

The point of that is, Here is a man who is investigating conditions setting out what he finds, and we are wrangling here for two sessions over an appropriation that is intended to improve the condition, when all we are asked to do is to pass the appropriation and leave it to the Agricultural Department to spend it so far as it is necessary. I would not do that in peace time, but I would certainly do it in war time.

The next letter I put in the RECORD is from a man whom I know, who lives in my city and in my ward. He is a man who works in the Boston & Maine Railroad shops. He wrote me May 15, as follows:

CONCORD, N. H., *May 15, 1917.*

HENRY F. HOLLIS, Esq.,
Washington, D. C.

MY DEAR SENATOR: At the request of my shopmates, who wish to know the truth of the national food situation, I am going to tell or try to tell you how we feel about it. Of course, you understand our means of obtaining information consist of only what we can get from the "press," which, to say the least, is very confusing information. First they preach economy, then warn against parsimony; then Mr. Hoover, in big headlines comes out and announces that prices can be cut 40 per cent with fair profit to everybody. If this statement is true, why does not the Government take steps to accomplish this most desirable end or give the statement the lie? How are workmen—of whom 90 per cent, according to the manufacturer's estimate, live within two weeks of starvation all the time—to draw any line between economy and parsimony?

We have obtained raises in pay but living cost has gained on us 3 cents to our 1 in wage advance, so we are relatively worse off. Railroad men are losing their right by new laws to right this condition with our only known weapon—strike—so we must perforce look to the Government, which has tied our hands, for relief. Is the Government taking any steps in this direction—lowered living cost? These compulsory clauses are thought amongst us to be an unnecessary and insulting reflection on our patriotism.

Can and will you help clear up this perplexing situation? If the food situation is as bad as painted we are willing to do "our bit, pay the cost, and help out if necessary." We want help.

This letter is not written in the spirit of criticism, but with the intent to help clear a situation which will bring into existence a spirit of criticism hard to quell later on, for if conservative old New Hampshire is sizzling beneath the surface on this question, other parts of the country must be almost to the boiling point.

Hoping this letter will be received in the spirit intended and considered fully, I am,

Yours, respectfully, ROBT. JORDAN.

There is a man who is getting probably $1,200 a year. Probably the wages of the other men in the railroad shop are about the same. The small advance they have received in wages is overwhelmed by the tremendous advance in food cost. These men are not well off.

Business is always stimulated at times of rising prices for this reason: A man immediately makes a profit in the stock that he has on hand. What he buys now he can sell later at a profit. That is the business man, the man who is prosperous and earning a greatly enhanced income. He is perfectly willing to have the cost of living high. He does not care, if he can pass that along to some one else. But the laboring people of this country are up against it now. They are not only the people who are asked to fight the battles, but they are the people who are asked to suffer, as suffering must come in war times.

This trade journal says it is good for people to be pinched in order that they may learn how to economize. I do not know that it is good for people to be pinched in order to learn how to economize. That was the situation with the Malthusian doctrine a generation ago. Senators will remember that the Malthusian doctrine preached that population tends to increase in geometrical proportion and that subsistence tends to increase in arithmetical proportion. The theory is summarized in this statement that population always treads on the heels of subsistence. That is true. There is only so much land in the world, and you could cover the land the world over so thickly with people that they could not possibly live. There is a limit to the amount of food that can be produced, and therefore when the comfortable, prosperous people all over the world were told the people were starving, they said, "Oh, well, people have got to starve. There will always be more people born than can be taken care of, and therefore they must starve. Anything that is inevitable is not any concern of mine. God Almighty made it that way, and we must not interfere with His law." As people have advanced and learned more they have learned that it is better to have fewer children and bring them up well than to have a great many and not bring them up well, and we are hearing a great deal now about birth control. There has been a positive check on population among the well-to-do people. That is the way the well-to-do people work it out. Just as the Malthusian doctrine has been disproved, just as we have shown it is not necessary to have more children born than can be well taken care of, so the theory—equally damnable, in my estimation—that the people must feel the pinch of poverty through high prices before they can get relief should be discarded before it gets a foothold in the country.

Mr. THOMAS. Mr. President——

Mr. HOLLIS. I yield to the Senator.

Mr. THOMAS. The Senator's discussion of this subject, like all his discussions, is very illuminating. I am fully in accord with his view of this particular problem and the importance of solvng it if we can effect it by some legislation, but I should like to inquire of the Senator how it is to be effected by appropriations covering subjects regarding which we have already made, from the standpoint of the department, ample provision? That is the part of the measure which concerns me, and I am satisfied, if my viewpoint is correct, it should be amended.

Mr. HOLLIS. My observations this afternoon are addressed more to the general problem than to the particular provisions of the bill, but I shall answer the Senator's question. If the other appropriations are ample to cope with the emergency, I certainly do not believe in making any further appropriation. Now, the question with me is whether the Department of Agriculture can be trusted with a liberal appropriation for this purpose, to handle it wisely and not overspend. We put over $3,000,000,000 in the hands of the War and Navy Departments the other day, and we passed that bill, I think, in two days. I was one of four Senators here when that measure went through. If I recall rightly, the Senate voted $3,390,000,000. I have not the exact figures. But the Senate did not debate it at length. I am not a pacifist; I believe in spending money; but I do not believe in an emergency that has to do with food we ought to sit here daily and hourly and debate it at great length. My own excuse for talking so long is that I am discussing the general food situation.

Mr. THOMAS. Mr. President——

Mr. HOLLIS. I yield to the Senator.

Mr. THOMAS. I am in entire accord with that statement also. I expect to vote for every appropriation that will be necessary to even imperfectly solve this food problem, but I am unable to see how it can be done by this sort of legislation. Of course large appropriations may be properly made, because we deem them to be necessary on account of the existing emergency. That very reason, to my mind, is the reason why we should be very careful about making small appropriations which are made under the guise of an emergency bill, but which are designed to cover matters already covered by existing legislation.

Mr. HOLLIS. I know the Senator shares my view on this subject, and I think the Senator performs a most useful function in directing our attention to these things. But the enormous bill we passed for the Army and Navy the other day we passed because the heads of the War Department and the Navy Department furnished estimates and told us they needed the money, and we trusted them to spend it wisely. Now, the Secretary of Agriculture, through the chairman of the Committee on Agriculture and Forestry, comes here with certain figures and tells us what we ought to do in the Department of Agriculture.

Mr. THOMAS. Mr. President——

Mr. HOLLIS. I yield to the Senator.

Mr. THOMAS. My understanding is that the department does not want these sums of money; at least, it does not want the amount in the course of a year.

Mr. GORE. I wish to say to the Senator that the estimate was $25,000,000. The present bill, as introduced, carried $18,000,000. As reported to the Senate by the committee it carried a little less than $14,000,000. For the item which is under consideration now the department originally estimated $4,100,000. The House committee cut it down to $2,010,000. I do not know whether the Senator was in the Chamber when I analyzed the estimate.

Mr. THOMAS. I was called out of the Chamber, I am sorry to say.

Mr. GORE. Very well. This is all estimated for; at least $4,100,000 of this item was estimated for by the department. I have an analysis of it here from the department, and I have given notice that I would move to cut down the amount from $4,500,000 to $4,100,000 in accordance with those estimates.

Mr. THOMAS. While the Senator is on his feet, let me call his attention, merely for information, to another of these appropriations. My question is not controversial. I refer to the item which provides, among other things, for vocational education. My inquiry is whether the Senator can tell me what amount was appropriated under the bill which specifically creates the Bureau of Vocational Education?

Mr. GORE. Is the Senator from Georgia [Mr. SMITH] in the Chamber?

Mr. THOMAS. He is not.

Mr. GORE. He was the author of that measure in this body.

Mr. THOMAS. My recollection is that the sum is $2,000,000.

Mr. GORE. It is on a graduating scale. At the end of a few years, I think, it rises to that sum.

Mr. THOMAS. Yes; to much more than that in its ultimate amount.

Mr. GORE. It is on a graduating scale, but I do not remember the figures. However, I will say in that connection that some of this appropriation is for demonstration work. There are about 2,800 counties in the United States, and there are about two-thirds of those counties that have farm demonstrators in them now. One of the objects of the bill is to put such demontrators in the other third of all the counties, so far as is practicable.

Mr. HOLLIS. Mr. President, answering the question of the distinguished Senator from Colorado [Mr. THOMAS], I desire to say that I certainly would not believe in placing in the hands of any department more money than they themselves wish to spend or than they believe is necessary; but we have a Committee on Agriculture to look into these things, and when the chairman of the committee gives us figures and says the money is desired and is needed, in view of the very large appropriations that have been passed I believe in passing them as emergency legislation and trusting that they will be wisely expended.

There is a slowing up of business, it is said, in the retail trade; that the department stores are discharging clerks and other employees. That is undoubtedly true, and it is undoubtedly for the reason that when people have paid what they must pay for food to keep alive they have not money to spend for clothing and other things that are supposed to be necessary in peace times.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Hampshire yield to the Senator from Tennessee?

Mr. HOLLIS. I yield.

Mr. McKELLAR. The Senator from New Hampshire says that this is emergency legislation. Merely for the purpose of getting information, I should like to know what emergency there is now in the matter of hog cholera, cattle tick, and the contagious abortion of cattle which did not exist when we passed the last appropriation bill just two months ago?

Mr. HOLLIS. I shall be very glad to answer that question.

Mr. McKELLAR. I have not obtained that information, and I should like to have it if the Senator has it.

Mr. HOLLIS. In the first place, I am not a member of the Committee on Agriculture, and I am not probably fitted to satisfy the Senator; but this is what my idea is: Because of the war emergency and because the question of the food supply has become so overwhelmingly important, it is more necessary than it would be in normal times that we eradicate cattle diseases so that our live stock may be kept alive and that we may get food products from them.

Mr. McKELLAR. As I understand, the department at the beginning of the last short session came in with a recommendation showing what was needed, and Congress substantially gave what was needed. Now, surely the Senator does not mean to say that our declaration of war has increased hog cholera or cattle tick or other contagious diseases or any other diseases?

Mr. HOLLIS. That joke has been perpetrated two or three times already. I am trying to discuss this matter seriously. I repeat that I am not on the Agricultural Committee, but my understanding is that the department asked for so much money; that the sum was cut down largely in the other House; that they did not get the appropriation they needed; and they now ask for the appropriation that they need. That is my understanding of it.

Mr. SHAFROTH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. HOLLIS. I yield.

Mr. SHAFROTH. I should like to ask the Senator from Tennessee a question.

Mr. McKELLAR. If the Senator from New Hampshire will yield for that purpose, I shall be glad to answer the Senator, though I am not an expert. I am merely seeking information.

Mr. SHAFROTH. When the Senator from Tennessee attacks this bill as not an emergency bill, what can he say as to that part of the bill which provides:

That the Secretary of Agriculture is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery?

Mr. McKELLAR. I think those provisions are entirely right, and that we ought to appropriate for them.

Mr. SHAFROTH. Then the Senator's objection was not to the entire bill?

Mr. McKELLAR. Oh, not at all.

Mr. SHAFROTH. But it was simply as to certain provisions of the bill?

Mr. McKELLAR. I am not making objection even to certain provisions of the bill. I am merely trying to get some information, if I can, as to what facts there are in the possession of the committee or in the possession of the department which make this appropriation imperative. For instance, we have in one item under section 7, the first item, for which we are now asked to appropriate $4,500,000 for the control and eradication of hog cholera, cattle tick, and contagious abortion of cattle, when we have already appropriated at the short session of Congress for that very thing. What facts are there showing that we should be asked to appropriate this enormous sum in addition to what has already been appropriated for the current year?

Mr. SHAFROTH. The Senator from New Hampshire answered that, it seems to me, very clearly; and that is, the necessity for the conservation of food is so much greater now and the needs for this work exceed probably the amount which was appropriated.

Mr. McKELLAR. If the Senator means that the declaration of war has made the conditions in this respect worse than they were before, I can not understand that reasoning.

Mr. HOLLIS. I think I will ask my friends to let me proceed. I am trying to make a general speech on food control and supply, and I think I should like to continue. I shall occupy but a few moments more.

The PRESIDENT pro tempore. The Senator from New Hampshire declines to yield further.

Mr. HOLLIS. Mr. President, the subject of food supply is only one of the questions we have got to meet. In my judgment it is about as necessary to control the price of steel and coal as it is to control the supply of food. We are only going to get out of the proceeds of our liberty loan 25 or 30 per cent of the face of it, and that is easy to be demonstrated. We are borrowing money so that we can buy ships and supplies to prosecute the war. Prices are so high that we have got to pay anywhere from two to three or four times as much for those sup-

plies as we would pay in normal times. When we get the $2,000,000,000 from the loan and come to buy those things we are going to get only about one-fourth of what we would in normal times. If the prices——

Mr. McKELLAR. Mr. President——

Mr. HOLLIS. If the Senator will pardon me, I should like to get on; and when I am through, if I can, I will be glad to answer any questions.

Mr. McKELLAR. Very well.

Mr. HOLLIS. I am trying to develop the subject. I am very sorry not to yield, but I should like to get through. We have got to pay for this liberty loan in normal times, when the articles our country will produce are going to bring normal prices, and we have got to expend in effort, energy, and saving three or four times as much as we are going to get under this liberty loan. I firmly believe that in order to do justice to the people of this country, who must eventually pay the taxes to pay off the liberty loan, the Government should take control of all prices and see that it does not pay more than a fair profit to those who furnish the supplies.

Take the steel industry. Steel billets—I have forgotten the exact figure—used to be sold for $20 a ton, while now they are up to $60 or $80 a ton. I cite that by way of illustration. Soft coal, which enters into the manufacture of ships and munitions, and which used to be sold for a dollar a ton, is now selling for three and four dollars a ton, and other things are selling in proportion.

I do not believe we can carry on this war successfully unless we follow the example of Germany, and put in force the very much-hated power of paternalism. When you conduct a war you are performing a paternal function. The Government is the father of us all to put this war through successfully; and in order to put it through successfully it must control not only the prices of food, but the prices of other supplies.

Now, consider conditions in time of peace. People are born into the world without the choice on their part as to their status in life. A child is born into a poor family, and he finds as quickly as he knows anything that all the land has been occupied and allotted before he has a chance to get his share of it. He finds that one boy who goes to school with him is a member of a family which has accumulated millions of dollars, while another boy, with whom he may not be allowed to associate, was born into a family with even less than he has at home. If we allow private agencies to control food and the necessities of life, those who are on earth controlling those things and their children have an enormous advantage over the children who are born into the poorer families.

The real cost of living arises from the distribution after a thing is produced. The competition among farmers and manufacturers is sufficient; the lure of private initiative and selfishness is sufficient; so that food and other articles are produced very cheaply or comparatively cheaply. Take, for example, the ordinary 25-cent socks that men wear. They are produced by a manufacturer and sold at 8 cents a pair, the other 17 cents going into distribution, and distribution alone. Take milk. Milk is sold by the farmers on the cars in my State for 4 cents a quart, and is distributed by the retailer at 10 cents a quart. There is 6 cents for distribution.

For the prosecution of this war the Government ought to take over the production of all the essential necessities of life, such as coal, steel, lumber, and food. They should take from the farmer friend of the Senator from Illinois [Mr. SHERMAN] the 5,000 bushels of grain which he has raised himself at a price to be fixed by the Government; and then the commodities should be distributed at cost. In that way I hope the people of this country will learn that the Government can perform distribution more justly, more economically, and more for the benefit of all the people than those who get control of one particular industry, like the grain dealers whom this journal represents, can control it for them.

Mr. CALDER. Mr. President, I do not rise to address the Senate on the measure under consideration, but to offer some comments on the revenue bill recently passed by the House of Representatives and now under consideration by the Finance Committee of the Senate.

The President of the United States, in his address to Congress on its convening in special session, advised the people of the country that in the war upon which we were about to enter it would be the duty of the Nation to pay substantially the entire expense of the conflict as the war proceeded.

I did not agree with him then in this matter, nor do I at this time. It has seemed to me that the men of this day are making their sacrifice greater by far than those who come after them. Not only are they offering their lives that permanent peace may be established throughout the world, but are being asked to pay the bills as well. I submit that the great service that the people of America are rendering for the future of mankind is of a character that those of the next 10 or 20 years can offer no objection to sharing part of the cost of this great war, which in the end will mean so much for civilization.

In considering this whole problem of raising revenue is it not well to bear in mind the methods under which our country has developed since its foundation? Have Senators stopped to think that in the building of our great transcontinental railroads the entire cost of the building of the roads was borne with borrowed money? Cities have been built and businesses of all sorts have been developed largely through bonded indebtedness. So that if private enterprise can finance itself for a period of years, how sensible it would be for a country like ours, with all of the nation's wealth, to extend our credits for a reasonable period rather than inflict unnecessary hardship upon the people at this time.

When the bill authorizing the $7,000,000,000 issue of bonds and certificates of indebtedness was under consideration I urged the Senate to increase the bond authorization to $6,000,000,000 and to reduce the amount of certificates of indebtedness to one billion. I advised that this be done because I believed that the best interests of the Nation would be served if in the initial step we were careful not to frighten industry in levying the burden of the war. The Senate did not heed my warning; and this, coupled with the attitude of the House of Representatives in its effort to enact a law which will collect in taxes from the people an amount exceeding $2,000,000,000 this year, has, in a measure, materialized the fears which I expressed, for business is already slowing down in many lines.

The effect upon the public through the action of the House is indicated by the public liquidating of securities of established enterprises and the slowing down of new enterprises. If the mere possibility of such a condition will produce such action, what will the actual taxation do? Business would not only be curtailed, but we might bring about a panic in industries—a condition which would be deplorable and disastrous at this time.

Congress should not adopt any principle of taxation without having always in mind the enormous bond issue which must be sold. We do not know whether this war will last one year or three years or five years; we do know that the nations of the world are looking to America to bear the financial burden. Taxation and bond issues will go along side by side. Every dollar in the country is available to the Government. The question is how to make these dollars do the best work. The foreign nations have keenly appreciated this. England has from the beginning raised a substantial proportion of her cost of the war by taxation, but nothing like the proportion that we propose to raise; France, until recently, has raised no part of her cost by taxation because of the imperative necessity resting upon her to borrow huge sums from her subjects. Likewise Germany, until recently, has rested solely upon her bond issues. We are in a stronger position than England, France, or Germany, but the same general principles must control us. The problem is with us as with them; how to make the dollars do the most work.

The first essential is to ascertain as accurately as possible what the cost of the war will be for us the first year; what it will be for us the second year and for the third year, if it lasts that long. Having made such an estimate, which necessarily must be approximate, we can then determine what proportion of the money should be raised the first year by taxation and what by bond issues. It is imperative always to keep in mind that the two methods react strongly upon each other.

For instance, let us assume that the total cost of the war the first year will be $4,000,000,000. In this we are ignoring loans to our allies, to which I will refer later. Then suppose that of this $4,000,000,000 we raised $3,000,000,000 by bonds and $1,000,000,000 by excess taxation. Even though the rate of interest on our bonds ultimately reaches 5 per cent, we could, by continuing the excess $1,000,000,000 taxes for four years, pay the whole cost of a one-year war in a little over four years. That is to say, the $3,000,000,000 of war bonds and the interest on them would be paid in that time by simply continuing the $1,000,000,000 per year taxation.

If the war lasts two years and the cost of it during the second year rises to $5,000,000,000, and provided that during this second year we raise $4,000,000,000 by bonds and $1,000,000,000 by taxes, the total debt at the end of the second year would be $7,000,000,000; that is, $3,000,000,000 bonds the first year plus $4,000,000,000 the second year. The interest on this large debt, again assuming 5 per cent, would be $350,000,000,

leaving $650,000,000 for retiring bonds. By continuing the $1,000,000,000 annual excess taxation the whole debt, with interest, would be retired in less than 11 years.

In this I am assuming that the present generation shall bear the cost of the war. It is perfectly easy to do this even if the war lasts three years or four years by simply arranging a proper relationship of taxation to bond issues, and by continuing the taxation of the last year of the war for a sufficient number of years to retire the bonds. This means, however, that the productivity of the country shall be kept at its highest pitch, and that the Nation will enter the new era which will begin after the war with its people able to pay the high taxes which will be necessary. To wrench industry apart, however, by violently deranging the existing system is to cripple the taxpaying and bond-buying power; it is to lay the emphasis not upon winning the war but upon social readjustment which is really at the bottom of the Pinchot propaganda.

Many of those who are to-day advocating the enactment of legislation which will take all incomes exceeding $100,000 a year are more interested in advancing their own theories of government than they are in bringing the war to a successful conclusion. I have heard it said by more than one Socialist that this is their opportunity; that by so upsetting business conditions here they hope in the end to drive this country to socialism.

In the foregoing estimate I have not taken into account the bonds that must be sold in order to make loans to foreign countries. If these loans are properly made, we must assume that substantially all the money will be returned. We do not, therefore, need to arrange our taxing program with reference to paying either the principal or interest of such bonds. The fact, however, that these bonds must be bought by this country is a further reason for not crushing the bond-buying power by exorbitant taxation.

Even if the war continues so long that it is necessary to pay for it in two generations, I can see that no great injustice will be done. In large measure this is a war for the young of this generation and for future generations, and, like England and France, we should let them bear a fair portion of the burden.

Our duty to-day is to raise abundant foodstuffs and to keep industries essential to the war at their highest point of efficiency.

The duty of the older men of this generation is to bear a heavy portion of the burden. They should be called upon to give most liberally of their means, but extreme care should be taken to avoid crippling the great business interests of the Nation, which should devote their best energy to keeping up the production of everything essential to the successful prosecution of this war.

There is much in the proposed revenue bill which is not sound and which will hamper both individuals and corporations. The proposal to make the income tax retroactive is absurd and impossible. No tax may be levied on last year's income for the sufficient reason that last year's income has ceased to exist. It has either been spent in maintenance or has become capital. In either case it is no longer income. You may say that you are levying a tax on last year's income, but you are not. As payment must come out of the income of the present or future, the tax is on the present or future income. This is obvious.

The so-called excess-profits tax is unfair to many corporations and copartnerships. The tax is computed on only the actual cash which has gone into a business. No allowance is made for good will, which may have been years in the making and be of great positive value; also a vast amount of energy may have been expended in creating this good will, to say nothing of the money spent but not readily accounted for. Patents and trade-marks are recognized only in so far as money has been paid out for them or in developing them. Trade and the financial markets place a dollars-and-cents value on these things, but the House bill does not.

The excess-profits tax, as passed by the House, is not a tax on excess profits but a tax on all profits. The British and German excess-profits taxes, however, are what they pretend to be. In the former country the system is to take the profits for the three years directly preceding the outbreak of the war; the years ended with July, 1912, 1913, and 1914. The mean year is disregarded and the other two averaged. For example: A company earned in 1912, $20,000; in 1913, $23,000; in 1914, $24,000. By averaging the best and the poorest, or 1912 with its $20,000 and 1914 with its $24,000, the average or normal profits would be placed at $22,000. Now, if this company earned, say, $30,000 in the current year, the difference between this sum and the normal of $22,000, or $8,000, is regarded as the excess upon which the excess profits tax is imposed.

The German system is similar, except that the Germans take the five years preceding the outbreak of war, eliminate the best and the poorest, and average the remaining three. This, if anything, is a truer average than the British, for it embraces a longer period.

This system could be applied to the United States. The argument against doing so is that there is no satisfactory prewar period, as the years preceding the outbreak of the European war were poor ones for American industry, while the years following were unusually good. This might be overcome by making the average on a long period or by taking a good and a bad year, for instance, 1913 and 1916. For companies which have been started since the war some percentage of capital basis might be feasible, but such companies are very few compared with the number of all companies.

We should tax incomes. The minimum, and the tax on the minimum, should be made low, so that all may feel they are bearing a portion of the burden without imposing unnecessary hardship.

We should make the maximum high, but not so high as to remove the incentive to accumulate, which in turn would put a quietus on enterprises and seriously affect all industry.

Many have the idea that people with large incomes spend a good part of them in living. The fact is that actual living expenses are but a small proportion of the income, the great bulk of it returning to reproductive enterprises, the extension of business, the payment of better wages, and much to deserving charity.

While it is true that a large income is paid initially in the form of cash, it is equally true that the recipient of that income is absolutely bound to turn back a great part of his receipts for the purpose of carrying on and extending the enterprises in which he is interested. In other words, it is impossible for the recipient to pay out enormous sums in a cash tax without crippling his particular enterprise, which means, of course, crippling industry all over the country.

The precedent of England on this point is noteworthy. There people have been accustomed to an income tax for many years and have learned how to handle themselves so as to provide for it and pay it. Even so, however, the authorities there, because of their fear of killing industry, have not placed the tax on the highest incomes much above 40 per cent; and this in the third year of the war. The authorities there believe that if in the first year of the war they had raised income taxes to the extent proposed by the House of Representatives there would have been an industrial panic throughout England.

Mr. President, I wonder if the Members of the Senate appreciate the vast sum of money that is contributed by people of all means to charitable enterprises throughout the land. I have taken the trouble to investigate the matter, and am reliably informed that in New York City upward of $35,000,000 is given annually by the people of that city to its public and private charities; and this does not include the money contributed by the State and city governments or the support of the Rockefeller and Carnegie foundations. Already there is every evidence that the contributors to these charities will be compelled to materially reduce the sums they have given in the past, if not entirely withhold them.

Luxuries should be taxed. But let us take the provision in the revenue bill imposing a 5 per cent tax on the list cost of automobiles. This tax on automobiles, at the rate of production last year, would net the Government on passenger automobiles $60,000,000 and on trucks $10,000,000, a total of $70,000,000.

This tax would very materially hurt the automobile industry. The better plan would be to base the tax on the 3,250,000 pleasure cars now owned by individuals throughout the country, of an estimated average of 30 horsepower each. A tax of $1 per horsepower would produce approximately $100,000,000 and would not hurt the industry. Such a tax as this, while splendid in its total results, would not be too burdensome on anybody and would be paid by thousands of people who could readily afford to pay it.

No tax should be placed on automobile trucks, as they are utility machines and actually assist in increasing production.

It should be considered also that the data for collecting this tax on pleasure cars is easily obtainable through the license bureaus of the various States.

I fail to understand why the House neglected to place a stamp tax on bank checks and drafts. In the Spanish War this furnished a large source of revenue, and with the immense development of business in recent years it would at this time bring to the Treasury at least $10,000,000 annually.

The House bill provides a tax upon gross receipts in many enterprises. In some of the businesses affected this tax means confiscation, as does the increased postal rates to many publishers of the country. In lieu of this the Senate Finance Committee should go carefully into the consideration of levying a tax of one-half per cent upon all sales of every character. This

tax could be collected either by requiring the placing of a stamp tax upon the goods disposed of, at the point of sale, or by payment on the total sales of each month. This would bring, as I estimate it, a yearly revenue of approximately $500,000,000.

This tax, with that levied on corporations and incomes, and an increased import tax on some of the more important commodities that are produced largely abroad, levied with the idea of avoiding injury to the industries of the country, would bring enough revenue to meet the demands of the country at this time.

A tax on luxuries is also desirable; it will curtail their use, limiting waste, and thus furnish labor and encourage industries for production of war necessities.

In my recent remarks on the bond issue, I stated that New York City would respond to the call of the country. The people of that metropolis have subscribed nearly 50 per cent of the bonds thus far sold, and will take at least that proportion of the whole issue.

Mr. President, I can assure the Senate that the whole financial community of the land is very anxious to help make this bond issue a tremendous success, but the administration must not be disappointed if it finds that the total of subscriptions in the first few weeks is not as heavy as they would have it, for there is bound to be a great deal of holding off all over the country by possible large subscribers, until the tax matter is definitely settled, and settled on a fair basis.

The people, institutions, private bankers, and others upon whom rests the responsibility of finding the money to carry on industry in this country, have a variety of burdens to carry which Congress may not fully appreciate. For instance, the people who finance our great enterprises usually have practically all their capital invested. They must quietly dispose of some of their present holdings, in order to have enough cash to become large subscribers to the new loan. Unfortunately, they have a very thin market to sell on. Their situation is very different from that of European investors, who, throughout the war, have had the splendid American market in which to dispose of securities; and, in fact, since the war began, they have unloaded in this country something like two and a half billions of American securities, putting the cash therefrom into their own Government bonds. Congress must also remember that American investors have no such source to which they may turn.

Congress must be careful not to alarm the investment community, thus leading to sacrifice of present holdings at present prices, and cause such a let-down in the security markets as would imperil the success of the liberty loan.

Just as soon as the war in Europe broke out, England and France lay down on the United States for all neutral Government financing, and have done so ever since. Thus American investors have been financing the neutral countries of the world. The obligation to continue those loans, not so much with respect to Europe's neutral countries as with respect to South America, is important. If American investors continue to carry the South American maturities when they fall due, it will mean another burden on them that England and France were unable to continue.

The Senate must take this into consideration in its taxation program and not tax the investors of the Nation so heavily as to make them throw up their hands and realize that it is impossible to support American industry by continued investment in it, and at the same time to support our commercial relations by continuing to lend to South America and the rest of the world, and to subscribe liberally to the liberty and succeeding loans.

Mr. BRADY. Mr. President, before the Senator takes his seat I should like to ask him a question.

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from New York yield to the Senator from Idaho?

Mr. CALDER. With pleasure.

Mr. BRADY. I should like to ask the Senator his opinion as to the amount of money that should be raised by taxation in comparison with the amount that should be raised by issuing bonds. I see that the Senator has given the matter careful study, and I note that he says that the people should not be taxed for the bonds that are issued to make foreign loans. I fully agree with him in that idea, and I understand that it is the consensus of opinion that to raise whatever money we loan to foreign Governments we should issue bonds. Deducting the amount that we will probably lend to the foreign nations, our allies, what percentage of the money that is found to be necessary to carry on this war should we issue bonds for, and what percentage does the Senator believe we should raise by taxation?

Mr. CALDER. In my judgment, Mr. President, we should not tax the people for more than one-fourth of the amount needed each year to carry on the war. In other words, if it is going to cost us $4,000,000,000 this year to conduct the war, we ought to borrow three billion of it and tax the people for one billion.

Mr. BRADY. I am glad to have the Senator's view about it.

Mr. CALDER. While I am on my feet I will say for the information of the Senator from Idaho that if we are required to raise only the $5,000,000,000 authorized by the issuance of bonds, this sum can be liquidated in 30 years by the payment of $271,000,000 a year, provided the interest rate does not exceed 3½ per cent.

Mr. KENYON. Mr. President, I should like to ask the Senator from New York a question before he sits down. I understood him to say in the course of his very interesting remarks—with which I have not been able entirely to agree—that the tax on incomes fixed by the House was greater than the tax that England placed on incomes.

Mr. CALDER. On her incomes; yes.

Mr. KENYON. At this time?

Mr. CALDER. That is my information.

Mr. KENYON. What does the Senator estimate to be the tax now placed by England on incomes?

Mr. CALDER. My information is that it does not exceed 40 per cent.

Mr. KENYON. Is that limited to some particular amount of incomes?

Mr. CALDER. Yes; as I understand it, the income taxes levied in England vary, small incomes being taxed at a lower rate than large ones. The Senator from Iowa may have in mind the excess-profits tax. I am informed that large sums are obtained from this source, the tax being based upon the extent of the profits and upon the business in which the profits are obtained. I am told that as high as 75 per cent excess-profits tax has been levied against some concerns that have been manufacturing war materials.

Mr. KENYON. Does not the Senator believe that these great corporations that have made such tremendous sums out of manufacturing the materials necessary for the war ought to bear a very heavy burden of war taxation?

Mr. CALDER. Yes; and I think that that could be gotten at if, in arranging the excess-profits tax, we determined it largely upon the basis of the amount of money made recently in comparison with the amount of money earned prior to the war. I know of an ammunition company in my city that has for the past three years been paying to its stockholders 100 per cent. I would take 75 per cent away from that concern if I could do it.

Mr. KENYON. There is a certain powder company, I think, whose net profits have gone up from something like $4,000,000 to $80,000,000 in the last two years. Would not the Senator take a very large part of that profit?

Mr. CALDER. I would, indeed, and on the basis of the English or German system, whereby they figure the excess as the profits made since the war as against profits made before the war.

Mr. KENYON. Does the Senator feel that if the Congress takes a substantial percentage of the great incomes in this country—the incomes of over $100,000—Congress is injuring business by doing that?

Mr. CALDER. Yes; you can go too far, if we are to depend upon the business men of the country to purchase our bonds, finance the rest of the world, and provide for the normal extensions of business.

Mr. KENYON. Does not the Senator feel that the great incomes of this country have got to bear a very heavy proportion of the expenses of this war? Or will it cripple business?

Mr. CALDER. In answer to the Senator, I will say that a levy of 40 per cent upon incomes exceeding $500,000 is a very large tax in the first year of the war. As I have indicated in my remarks, very few men spend more than $100,000 a year for their actual living expenses, and the rest is used for the necessary development of industry.

Mr. KENYON. Does the Senator believe that in times of war anybody ought to expend $100,000 a year for his living expenses when people are going hungry in this country?

Mr. CALDER. Well, I will say to the Senator that $100,000 is a great deal of money, quite enough for anyone to live on. I know that out in the Senator's State there are some incomes of that size, and there are a great many in my State. I want to make it plain that I think it would be a great injury to the business of this Nation if in the first year of the war the Government levied a tax that would take anywhere near all of the incomes of people earning more than $100,000 a year.

Mr. VARDAMAN. Mr. President, I should like to ask the Senator, just briefly, how he thinks the expenses of this war should be paid?

Mr. CALDER. I would levy an excess profits tax, based upon the English or German systems, on all of the corporations that make extraordinary sums of money during the war in comparison with their earnings before the war. I would materially increase the income taxes. I would levy a tax on luxuries—a larger tax than we now have. I would put a tax on bank checks. I would put a larger tariff tax on many commodities imported, and, with increased taxes on liquors and cigars, we would have quite enough—approximately $1,000,000,000—which is all that we ought to raise by taxation this year for war purposes.

Mr. VARDAMAN. The Government is spending over seven billions. What are you going to do with that?

Mr. CALDER. I have no information that we will spend much over $4,000,000,000 this year. If we are going to spend $7,000,000,000, as the Senator indicates, then we must find other sources of taxation. I have suggested that the Finance Committee take under advisement levying a tax of one-half of 1 per cent on all sales. Gentlemen who have studied the figures tell me that by this means alone we could raise at least $500,000,000 annually.

Mr. VARDAMAN. Sales of every kind?

Mr. CALDER. Of every kind.

Mr. VARDAMAN. That puts the tax upon the poorer classes of the people, does it not? But there is where the burden of this war will ultimately fall—upon the aching stoop of the man who toils.

Mr. CALDER. Well, if a man is earning $1,000 a year and purchases a thousand dollars' worth of goods for the support of his family, his tax would be $5. He could bear that.

ENTRY OF UNITED STATES INTO THE WAR (H. DOC. NO. 154).

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, which will be read.

The message was read and, on motion of Mr. MARTIN, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

The Senate and House of Representatives:

I transmit herewith, for the information of Congress, a communication from the Secretary of State covering copies of a note from the British ambassador and the resolutions passed by both Houses of the British Parliament on April 18, relative to the entry of the United States into the war.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, May 26, 1917.

—

DEPARTMENT OF STATE,
Washington, May 23, 1917.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President a copy of a note from the British ambassador, transmitting, for the information of the Government of the United States, resolutions passed by both Houses of Parliament on April 18, relative to the entry of the United States into the war.

The undersigned has the honor to recommend that the inclosed copies of the resolution be transmitted to the Senate and House of Representatives for the information of Congress.

Respectfully submitted.

ROBERT LANSING.

—

[No. 142.]

BRITISH EMBASSY,
Washington, May 18, 1917.

SIR: I have the honor, by direction of His Majesty's Government, to transmit for the information of the United States Government the accompanying copies, signed, respectively, by the Lord Chancellor and the Deputy Speaker, of a resolution passed by both Houses of Parliament on the 18th of April, relative to the entry of the United States into the war. I have the honor to be, with the highest consideration, sir,

Your most obedient, humble servant,

CECIL SPRING-RICE.

The Hon. ROBERT LANSING,
Secretary of State of the United States, etc.

—

HOUSE OF LORDS, *April 18, 1917.*

That this House desires to express to the Government and people of the United States of America their profound appreciation of the action of that Government in joining the allied powers, and thus defending the high cause of freedom and the rights of humanity against the gravest menace by which they have ever been imperiled.

FINLAY,
Lord Chancellor.

—

HOUSE OF COMMONS, *April 18, 1917.*

Resolved, That this House desires to express to the Government and people of the United States of America its profound appreciation of the action of that Government in joining the allied powers, and thus defending the high cause of freedom and the rights of humanity against the gravest menace by which they have ever been imperiled.

JOHN HENRY WHITLEY,
Deputy Speaker.

Mr. VARDAMAN. At the request of the chairman of the committee, I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 15 minutes p. m., Saturday, May 26, 1917) the Senate adjourned until Monday, May 28, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 26, 1917.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God of Hosts, we bless Thee for the pure, the true, the great of every age who have answered to the call of duty and have become beacon lights to guide us along the rugged highway of civilization. In the crucial test through which the world is passing help us as a people to continue to answer the call from our allies across the sea, that righteousness may be vindicated and truth sustained, that the world may continue to answer to the calls of duty until a civilization shall be maintained and established which shall insure peace and tranquillity. And Thine be the praise. In His Name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the war-revenue bill by inserting an article recently written by Otto Kahn, of New York, and published in the New York Times of May 21, 1917.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the amendment of the House of Representatives to the amendment of the Senate to the bill (H. R. 328) to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 282. An act providing for the purchase or condemnation of a site for a target range at or near Great Piece Meadows, in the State of New Jersey.

The message also announced that the President had approved and signed bills and joint resolutions of the following titles:

On May 12, 1917:

S. 1845. An act to authorize PETER GOELET GERRY to enter into a contract with the Secretary of the Navy, in behalf of the United States, for the use of the steam yacht *Oweera;* and

S. J. Res. 42. Joint resolution authorizing the President to take over for the United States possession and title of any vessel within its jurisdiction which at the time of coming therein was owned in whole or in part by any corporation, citizen, or subject of any nation with which the United States may be at war, or was under register of any such nation, and for other purposes.

On May 22, 1917:

S. 1006. An act authorizing the county of Morrison, Minn., to construct a bridge across the Mississippi River in said county;

S. 1007. An act authorizing the city of Bemidji, Minn., to construct a bridge across the Mississippi River at or near that place; and

S. J. Res. 61. Joint resolution to grant authority for the erection of temporary buildings at the headquarters of the American Red Cross, Washington, D. C.

URGENT DEFICIENCIES (H. REPT. NO. 61).

Mr. FITZGERALD. By direction of the Committee on Appropriations I report back the bill H. R. 3971, the urgent deficiency appropriation bill, with Senate amendments.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments, on account of war expenses, for the fiscal year ending June 30, 1917, and for other purposes.

The SPEAKER. What does the gentleman desire to do with it?

Mr. FITZGERALD. Refer it to the Committee of the Whole House on the state of the Union.

The SPEAKER. It is ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. MANN. Can the gentleman say when he probably will call it up?

Mr. FITZGERALD. Mr. Speaker, in reply to the gentleman from Illinois, I desire to say that I expect to call this bill up Monday about 2 o'clock p. m. It is impossible for me to be here before that time on Monday, but the amendments should be acted upon on Monday, so that the bill may go to conference.

Mr. MANN. Is it likely that the House will finish the consideration of the bill during Monday and Tuesday?

Mr. FITZGERALD. It should do so, unless a very unusual amount of time is taken up on the Senate amendments. With the exception of Senate amendment No. 2, known as the emergency shipping fund, which gives the power and the appropriation to obtain about 3,000,000 tons of shipping in the next three months, the amendments are of a character which the House usually consents to have go to conference without previous discussion. This amendment may take some time in its consideration, but I do not believe under any circumstances it should take two days.

Mr. MANN. I should think so, too. A great many Members would like to know whether the House will be in session on Wednesday next, Memorial Day.

ADJOURNMENT OVER MEMORIAL DAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns Tuesday, May 29, it adjourn until 12 o'clock m. Thursday, May 31.

The SPEAKER. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that when the House adjourns Tuesday it adjourn until Thursday, May 31, at 12 o'clock noon. Is there objection? [After a pause.] The Chair hears none.

URGENT DEFICIENCIES.

Mr. HUDDLESTON. Mr. Speaker, I understand the conferees on the part of the House have been holding some hearings on this bill, and I want to inquire whether they will be ready for us at the time the gentleman calls up this report?

Mr. FITZGERALD. Mr. Speaker, the Committee on Appropriations have been holding hearings on matters connected with the Senate amendments. The hearings are of a dual character. Some of the statements on some matters are of a highly confidential character, and that information is not for public discussion or diffusion. The committee has taken a very considerable amount of testimony upon the activities and work of the Advisory Board of the Council of National Defense. It is believed that the information that has been obtained will be of very great value from many standpoints, and the committee expects to have it in print and available for the use of the Members by Monday morning.

Mr. HUDDLESTON. I see from the papers that there is a switch from a fleet built of wood, which would very materially affect the lumber industry, to steel ships, and I want to inquire whether the hearings treated of that subject.

Mr. FITZGERALD. The information on that question will be placed at the disposal of the House.

Mr. HARRISON of Mississippi. If the gentleman will yield, I will say that I read in the paper this morning what the gentleman is probably alluding to. The information was in a speech made by Gen. Goethals. I called up Mr. Denman, the head of the Shipping Board, and he told me that the Shipping Board is not to build all the ships out of steel, but will go ahead with the program and build some of the boats out of wood and the others out of steel, so as to get the ships as soon as possible.

Mr. FITZGERALD. The information will be available. Gen. Goethals said before the committee that he thought at present the number of wooden ships would necessarily be limited to 150 and 200. That information will be placed at the disposal of the House. There are some matters connected with the policy involved in the construction of the ships that should not be publicly discussed.

Mr. DRANE. Can you state whether it is the policy of this board to proceed with the building of these wooden ships at this time?

Mr. FITZGERALD. It is. I can say to the gentlemen that they are perfecting plans to go ahead to the extent of one hundred and fifty to two hundred 3,000-ton wooden ships at this time.

Mr. HUDDLESTON. May I ask the gentleman a question? Gen. Goethals is quoted as saying that he found that contracts had been let for which there were no specifications.

Mr. FITZGERALD. I think that the statement in the press is inaccurate. A number of conferences had been arranged, but no definite arrangements of any kind had been made, and the statement in to-day's press to which the gentleman refers must be an inaccurate report of what Gen. Goethals said, having in mind what he stated in the Committee on Appropriations.

Mr. SLAYDEN. May I ask the gentleman from New York a question?

Mr. FITZGERALD. Yes.

Mr. SLAYDEN. Would Gen. Goethals have anything to do with the letting of contracts?

Mr. FITZGERALD. The idea is to let the entire work of building the ships to Gen. Goethals.

Mr. SLAYDEN. It strikes me that there might be a modicum of truth in that report, in that Gen. Goethals will have charge of the construction, but other people will let contracts for the ships to be constructed under the direction of Gen. Goethals. That might make the report accurate.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HICKS. Do I understand my colleague to say, and also the gentleman from Mississippi, that they called up the department and ascertained that they propose to build some wooden and some steel ships?

Mr. FITZGERALD. Yes; that is the advice I have from the department.

INVESTIGATION OF PNEUMATIC MAIL-TUBE SERVICE.

Mr. BELL rose.

The SPEAKER. For what purpose does the gentleman from Georgia rise?

Mr. BELL. To ask unanimous consent that the Committee on the Post Office and Post Roads be discharged from the further consideration of Senate joint resolution 66 and that the resolution be immediately considered.

The SPEAKER. The gentleman from Georgia asks unanimous consent that the Committee on the Post Office and Post Roads be discharged from the further consideration of Senate joint resolution 66 and that the same be immediately considered.

Mr. COX. Reserving the right to object, Mr. Speaker, what does it refer to?

Mr. STAFFORD. Mr. Speaker, let it be read.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Joint resolution (S. J. Res. 66) making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

Resolved, etc., That the appropriation for the investigation of the pneumatic mail-tube service, under the provisions of the act approved March 3, 1917, be and the same is hereby, made immediately available.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

REGISTRATION DAY, JUNE 5.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to insert in the RECORD an editorial on registration on June 5, as published in the Miami Metropolis.

The SPEAKER. The gentleman from Florida asks unanimous consent to print in the RECORD an editorial on registration day, as indicated. Is there objection?

There was no objection.

Following is the editorial referred to:

[From the Miami Metropolis, Monday, May 21, 1917.]

JUNE 5 NO OCCASION FOR JUBILATION.

Tuesday, June 5, is the day fixed in President Wilson's proclamation for the registration of all men in the United States who have passed their twenty-first and have not reached their thirty-first birthday.

Only one day will be permitted for this registration, and all citizens are called upon to assist in getting the lists completed by sundown of that day. Persons too sick to present themselves for registration must send a competent person to the county clerk on May 24, and the clerk will give instructions for registration; and persons who expect to be out of town on June 5 are also ordered to secure from the county clerk registration cards on May 24 and mail them to the registrars in their precincts so as to be included in the regular registration lists on June 5.

In Dade County there should be an effort to get this registration done early in the day of June 5. It would be creditable for this county—and for every county in the United States—to try to get this duty performed in the shortest time possible and with the quiet soberness that is befitting the occasion.

Signing up their lives for cannon feed, if need be; signing away their privilege to lives of their own choosing; signing away their opportunity for peaceful homes and happy associations with those they love; signing away their chances for the fulfillment of their ambitions; signing up their all for their country, these men should be honored by the rightful attitude on the part of the people who by the luck of age or infirmity are not required to offer themselves for conscription.

Let there be no jubilation on that day. It is not a day for gayety and holiday crowds. It is not a time for bands and parades and

wordy oratory. It, above everything else, is a day for prayer, heartfelt appeals to the Ruler of this universe, that somehow that hideous conflict across the sea may be ended before sons of peace-loving America can be called into service.

In Dade County let there be an earnest determination to make a record for prompt registration. Let every man within the ages specified go early to the registration place in his precinct and get the duty done with. Let the proceeding be marked by respectful sympathy for the families of these men, not by the cheap "patriotism" of holiday crowds and brass-band music and spell-binding orators.

Thousands of the men who will register that day, while willing to serve their country in any way they are called to serve, feel no enthusiasm for this war. If there had been universal enthusiasm for this war there would have been no need of this draft plan. And to endeavor to inject enthusiasm at a time when every honest thinker knows that men are signing up their lives for military service for no reason except that it has been asked of them by the country to which they owe allegiance smacks of hypocrisy and tawdry jingoism.

Let the day be an occasion for sober meditation and kind thoughts for those who are placing duty above happiness and peace. Let each precinct vie with its neighboring precincts in completing the registration early in the day, and let a great prayer go up from every home in the United States that this registration duty will be the only one demanded of the country's young manhood—a prayer for a conclusion of the war in Europe before our boys can be called into service.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. LONGWORTH, for one week, on account of important business.

To Mr. TILSON, for three days, on account of official business.

To Mr. NICHOLLS of South Carolina, for three days, on account of official business.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4188.

The SPEAKER. The gentleman from South Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) for the distribution of agricultural products. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, with Mr. HAMLIN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4188, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The CHAIRMAN. The Chair understands that when the committee rose on yesterday several amendments were pending, among them one offered by the gentleman from Texas——

Mr. LEVER. Section 5 of the bill had been read, but I do not recall that any amendment was pending to that section. I think an amendment was to be offered as a new section.

The CHAIRMAN. The Chair is advised that there was no amendment pending to that section of the bill.

Mr. BYRNES of South Carolina. Mr. Chairman, I have an amendment which I desire to offer as a new section.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BYRNES of South Carolina: On page 4, at the end of section 5, add a new section, as follows:

"SEC. 5. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for nitrate of soda necessary for the production of food or feed crops he is authorized to purchase such nitrate of soda, store it, and sell it to the farmers at cost, including transportation and all other expenses, such cost price to be payable in advance. The Secretary of Agriculture is authorized to require any person having at his disposal a supply of nitrate of soda to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such nitrate of soda and pay for it at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such nitrate of soda on delivery the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such nitrate of soda; and jurisdiction is hereby conferred upon the United States district courts to hear and determine all such controversies. For the purpose of carrying out the provisions of this section the Secretary of Agriculture is authorized to cooperate with the Secretary of the Navy or any other agency of the Government, and for such purpose there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000. Any moneys received by the United States from the sale of nitrate of soda to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts."

Mr. FITZGERALD. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Does the gentleman from New York make a point of order?

Mr. FITZGERALD. Yes.

Mr. BYRNES of South Carolina. What is the point of order?

Mr. FITZGERALD. That it is not germane to the bill.

The CHAIRMAN. The gentleman from New York makes the point of order that the amendment is not germane to the bill.

Mr. BYRNES of South Carolina. I submit to the Chair that this amendment is germane to this bill. Under the rule, a general subject may be amended by a specific proposition of the same class. The general subject of this bill is certainly the increase of the food supply of this country.

I know that the subject matter of a bill is not necessarily covered by the title of the bill; it may or may not be properly stated in the title. But the title of this bill is, "To stimulate agriculture." The first section of the bill provides for the more effective carrying on of the war with Germany. How? By increased production. It gives to the Secretary of Agriculture the powers thereinafter provided. There are four or five sections of the bill providing different methods, each method tending only to one common object, namely, the increased production of foodstuffs in this country. If the subject matter of this bill is not the increased production of foodstuffs, then there is no subject matter to it. In section 4 of the bill, page 3, the increased production is provided for by the purchase and distribution of seeds. In section 9—and I desire to call the attention of the Chair to the language of section 9, page 6—on line 5, the bill reads as follows:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others, $4,500,000.

Now, Mr. Chairman, if I should move to strike out all after the word "production," in line 5, and substitute therefor language that would cause the paragraph to read as follows: "For increasing food production the Secretary of Agriculture is authorized to procure and sell at cost nitrate of soda, $4,500,000," would it not be in order?

Mr. FITZGERALD. No.

Mr. BYRNES of South Carolina. Would it not be germane to the paragraph which provides for increasing food production? And if it is germane to that, then it is germane as a separate section, as a specific proposition of the same general class.

Now, Mr. Chairman——

The CHAIRMAN. Will the gentleman permit the Chair to ask him a question right there?

Mr. BYRNES of South Carolina. Yes.

The CHAIRMAN. On that paragraph that the gentleman is discussing, while it does not provide directly for increasing food production, it provides for it by a specific method, by educational and demonstrational methods, through county, district, and urban agents, and others.

Now, does the gentleman think his amendment would be germane to that provision?

Mr. BYRNES of South Carolina. Mr. Chairman, I contend that the fact that the bill provides one certain method does not preclude the possibility of any Member of the House suggesting another method or an additional method. Are we to be limited entirely to the method provided by the committee for increasing production? Is it to be declared that there is no possibility of securing consideration of a method other than that which is provided by the committee, or of an additional method? If so, it is impossible to suggest any amendment for increasing food production that would be held germane. The subject matter of every section in this bill is the increase of food production. That is only one method in this section. There are a number of other methods suggested. Now, the method contained in this amendment is simply an additional method to that which is provided in the bill. I know that the Chair on the day before yesterday cited two or three decisions tending to suggest that a subject might be related and yet not germane.

The CHAIRMAN. Before the gentleman proceeds the Chair wishes to ask another question. Does the gentleman think it would be germane to this bill to submit by way of amendment a proposition for the Government to buy land and sell it at cost on credit under the guise of stimulating production, or to irrigate land, or to buy horses and mules and wagons and plows and sell to farmers?

Mr. BYRNES of South Carolina. If that proposition were submitted, clearly the Agricultural Committee would not have

jurisdiction over the subject of irrigating land. That would be one test of germaneness. You might go on and suggest any other number of things; but here is a proposition which is distinctly germane, because it is supplemental to the other methods increasing the food supply by the purchase of seeds, by establishing a survey, by providing educational and administrational methods. A proposition to irrigate arid lands could not go to the Agricultural Committee, which would have no jurisdiction of the subject; but it would have jurisdiction of the subject of nitrate of soda. Now, day before yesterday, in rendering a decision as to the germaneness of a proposition, the Chair said that he was influenced by the decision cited in the manual where an amendment was offered to a bill regulating interstate commerce as to the control of intrastate commerce. But clearly that is an entirely different proposition. The subjects are distinctive. It is not as in this case, where the one subject is the increased production of the food supply.

The Chair also called attention to the fact that to a bill proposing the admission of one Territory an amendment proposing the admission of another Territory was not germane. That is true; but it has been held that where two or more Territories were provided for in a bill and a general class was thereby established a specific proposition adding another Territory to the general class is in order.

I know, Mr. Chairman, that on any question affecting the germaneness of an amendment great discretion necessarily rests with the Chair. The Chair is not bound by any hard and fast precedents, because necessarily each proposition must be considered upon its merits and must appeal in great measure to the common sense and discretion of the Chair. Now, I do not believe the Chair will say that the subject matter of this bill is not the increase of the food supply of this country. If that is once established as the subject matter of the bill, there can be no doubt as to the germaneness of this amendment as a specific proposition to be added to a general subject of the same class.

The CHAIRMAN. Does the gentleman from New York [Mr. FITZGERALD] desire to be heard?

Mr. FITZGERALD. Mr. Chairman, the rule of germaneness is that the proposed amendment is one which reasonably and logically and necessarily would be suggested in connection with the bill under consideration. An examination of this bill would not suggest anything in connection with it which contemplated the purchase of nitrate of soda or of any other form of fertilizer in order to enable the Secretary of Agriculture to engage in the business of selling fertilizer to farmers. It is as if it were suggested that provision be made for the reclamation of these lands, or for their drainage, or for some other purpose that might aid in the stimulation of production, but yet not so related to the method contained in the bill as to make it germane.

The Chair called the gentleman's attention to the fact that on page 6, in the paragraph for increasing food production and eliminating waste, the provision was confined to educational and demonstrational methods, and that any suggested method for the increasing of food production would not necessarily be germane unless related to those two methods of increasing food production. In answer to the suggestion of the Chair about reclamation, the gentleman from South Carolina [Mr. BYRNES] urged that that was a subject over which the Committee on Agriculture did not have jurisdiction. But it has been held time and again that the mere fact that a committee has jurisdiction over a subject does not make a proposition affecting such subject necessarily germane to the provisions of a particular bill. This amendment is to introduce into this bill legislation upon a subject matter entirely foreign to anything enumerated or found in it and which is unrelated to it. If it would be in order to propose that authority be given to purchase nitrate of soda, authority could be proposed to be given for the purchase of any character of fertilizer or for the cooperation of any other department of the Government. It seems to me that under the well-established rules and practice of the House of Representatives the subject matter of this amendment is not germane to the subject matter of the bill.

The CHAIRMAN. The Chair realizes that it is not always an easy matter to determine just what is germane and what is not. This amendment is not offered as an amendment to any particular section in the bill, but as a new section. The Chair also realizes that there is a well-established principle that one individual proposition may not be amended by adding another individual proposition. That was true in the case that the Chair passed upon the other day, cited by the gentleman from South Carolina [Mr. BYRNES].

The Chair is also aware of the fact that a single proposition may be added to a general proposition if it is otherwise germane. The Chair is not prepared to discuss generally the rules governing the proposition of germaneness, except in a general way, but will offer this suggestion: The Chair thinks in order to be germane to the subject matter of the bill an amendment must relate directly to something in the bill, and is not germane simply because it relates to some similar subject, or to the same kind of a subject covered by the bill. It seems to the Chair that if this amendment should be held germane it would throw open the floodgates. In other words, if this amendment is germane, then a proposition for the Government to purchase mules or horses or wagons or plows or harrows, or even land itself, or to reclaim land, and sell these things to the farmer at cost would be germane, because that might tend generally to stimulate agriculture or the production of food products. If this is germane, either one of those other propositions would unquestionably be germane, and the Chair does not think that the bill contemplates anything of the kind. The Chair realizes that it is rather a close question, and he realizes that he may be wrong, and would be glad to leave it to the judgment of the committee. If the gentleman desires to appeal from the decision, the Chair would be very glad to have him do so. But it is the opinion of the Chair that the amendment is not in order on this bill, and the Chair sustains the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] had an amendment printed in the RECORD for information, which he desires to offer.

Mr. SUMNERS. Mr. Chairman, I offer the amendment which was read last night.

The Clerk began the reading of the amendment.

Mr. LEVER. Mr. Chairman, the reading of the amendment so far shows that it is subject to a point of order, and inasmuch as it is printed in the RECORD it is not necessary that it should be read again, and I make the point of order.

Mr. SUMNERS. Will the gentleman reserve the point of order?

Mr. LEVER. I will.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. MOORE of Pennsylvania. Mr. Chairman, I have an amendment, which I have sent to the Clerk's desk. The amendment reserves to the Secretary of Agriculture the right to cooperate with such State and local officials and with such public agencies as he thinks necessary.

The CHAIRMAN. Let the Clerk report the amendment.

The Clerk read as follows:

Page 4, line 22, after the word "public," strike out the words "and private agencies or person" and insert the word "agencies."

Mr. LEVER. Mr. Chairman, I make a point of order on that amendment that it comes too late, that we have already passed section 5.

Mr. MANN. No; we quit on section 5 last night.

Mr. LEVER. But an amendment was offered as a new section.

Mr. MANN. The gentleman from Pennsylvania gave notice that he desired to offer an amendment to section 5.

The CHAIRMAN. There was a new section offered, to which the point of order was sustained, but the Chair thinks the gentleman's amendment is in order.

Mr. MOORE of Pennsylvania. Mr. Chairman, the amendment, as I stated, reserves to the Secretary of Agriculture the right to cooperate with such State and local officials and with such public agencies as he thinks necessary to carry out the purposes of this act. But it strikes out the authority for him to cooperate with private agencies or persons. It has been stated in debate during the last few days that it is expected that many persons will volunteer their services to the Secretary of Agriculture to assist persons whom he may appoint, who will serve the Government without compensation in an effort to conserve the food supply, and otherwise assist in bringing down the price of foodstuffs to the people. There is a wide diversity of opinion as to whether there is a scarcity of foodstuffs in the country at this time. Perhaps it is not the time to engage the services of too many persons who are willing to serve for nothing who happen to know a great deal about business, and may perchance have some personal interest in the market the Government is creating.

It has been suggested in the matter of copper, which it is said the Government was able to secure by reason of the activity of some of these volunteer agents at 16 cents a pound, that 8 cents a pound, or certainly 12 cents a pound, would have been a good price—the inference being that some patriotic efforts are not so patriotic when it comes to the matter of disposing of commodities to the Government.

In the matter of food, to which this bill pertains, concerning which I would advise the Secretary to steer clear of too many

uncompensated advisers, the Attorney General of the United States in an official statement, under date of May 17, says:

I am not an authority on foodstuffs of the country; that belongs properly to the Department of Agriculture, but I am led to believe from the reports submitted to me—

And he is the officer of the Government who knows whether there are any trusts or combinations in restraint of trade—

that there is much hysteria occasioned by the reports of food shortage. It is ridiculous to think that there will be starvation or want in this country. There will be sufficient food.

Now, that comes from an officer of the Government, a member of the President's Cabinet, who says that it is ridiculous to assume that there is going to be a shortage of food, and yet at the same time we read from the Price Current——

Mr. RUBEY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. RUBEY. In connection with the statement that the gentleman just read, will the gentleman read the statement made by another member of the Cabinet?

Mr. MOORE of Pennsylvania. Yes; I will read from a statement made by Secretary Redfield, of the Department of Commerce, who, in advising the people to do more gardening, says: "I am fond of roses, but potatoes are more needed now."

Mr. RUBEY. Does not he state that we are in need of foodstuffs?

Mr. MOORE of Pennsylvania. Yes; but there is a difference of opinion between these two learned members of the President's Cabinet——

Mr. RUBEY. One says that the shortage is not going to be great, and the other says that it is.

Mr. MOORE of Pennsylvania. The Attorney General, who knows about trusts and combinations, and who keeps in touch as to whether the people are unduly short of foodstuffs, says that it is ridiculous to think that there will be starvation in this country.

Mr. RUBEY. The Secretary of Commerce, who is engaged in familiarizing himself with trade throughout the world, says that there will be a great shortage.

Mr. MOORE of Pennsylvania. The Attorney General thinks it is a matter of transportation more than anything else, and in a way I agree with him. I know that foodstuffs would be cheaper, especially in the cities, if so many cars were not held up carrying munitions of war.

Mr. LEVER. Mr. Chairman, I trust that the amendment of the gentleman from Pennsylvania will be defeated. I do not know that this language carries any additional authority to the Secretary of Agriculture. On the contrary, I am satisfied that the Secretary of Agriculture now has authority to undertake the cooperative arrangements that he may think necessary in carrying on the work provided for under this act. A few years ago we inserted in one of the great Agricultural appropriation bills language with reference to one bureau of the department to this effect:

Provided, That the expense of such service shall be defrayed from this appropriation and such cooperative funds as may be voluntarily contributed by State, county, and municipal agencies, associations of farmers, and individual farmers, universities, colleges, boards of trade, chambers of commerce, other local associations of business men, business organizations, and individuals witnin the State.

That language applies to only one feature of the work of the Department of Agriculture.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. MILLER of Minnesota. Can the gentleman briefly state, excluding the last two lines of the paragraph, 24 and 25, what power the balance of the section confers on the Secretary of Agriculture that he does not now possess?

Mr. LEVER. I do not think, as a matter of fact, as I was endeavoring to say, that it confers on the Secretary any power that he does not now have.

Mr. MILLER of Minnesota. Nor do I.

Mr. LEVER. But this is the thought: When we put this language which I have just read in the Agricultural appropriation bill some few years ago the Secretary of Agriculture adopted the policy, believing it was the wish of Congress, that he would not cooperate with outside agencies except as provided in the annual appropriation act. Because he has been following that policy this provision is in the bill to give the Secretary of Agriculture congressional sanction to cooperate with every kind of agency that he thinks he can use for the benefit of the country in working out the plans contemplated under this bill.

Mr. MILLER of Minnesota. Without this language is it the gentleman's opinion that the Secretary would not cooperate with these agencies?

Mr. LEVER. My judgment is that if this language were stricken out the Secretary of Agriculture would take it to mean that the Congress did not desire him to cooperate except as he now is cooperating, in a very limited way. If the language stays in the bill, it is an indication to the Secretary of Agriculture that Congress is granting him its consent—not exactly its consent either, but is saying to him that it is willing that he should cooperate, giving him direction to cooperate, in the very broadest manner.

Mr. MILLER of Minnesota. Then, to retain this language in effect will be to cast a vote of confidence in the Secretary of Agriculture?

Mr. LEVER. Not exactly that, either.

Mr. MILLER of Minnesota. I do not like the language at all, but if it will do what the gentleman says, I shall vote for it.

Mr. LEVER. As I say, Congress itself limited in one bureau of the Department of Agriculture the kind of cooperation it could set up in doing its work. The Secretary of Agriculture, acting upon that thought, conformed his cooperative efforts to the will of Congress as expressed in that one section. This is merely the secretary's coming here and asking us to give him legislative sanction to cooperate in the broadest way with individuals and agencies of all descriptions.

Mr. MOORE of Pennsylvania. Is not this the paragraph and are not these the particular words under which it is proposed to nominate an administrator of the food supply?

Mr. LEVER. Oh, not at all.

Mr. MOORE of Pennsylvania. But if another bill which the gentleman has in mind should fail, would there not be sufficient power in this paragraph for the Secretary of Agriculture to appoint the food administrator?

Mr. LEVER. I do not think that the Secretary of Agriculture would stretch his power to do anything like that.

Mr. MOORE of Pennsylvania. I merely call the attention of the gentleman and of the House to the language of the paragraph:

The Secretary of Agriculture is authorized to cooperate with such State and local officials, and with such public and private agencies, or persons as he finds necessary, and to make such rules and regulations.

And so forth.

Mr. MILLER of Minnesota. That would not authorize him to create a food administrator.

Mr. LEVER. Mr. Chairman, I trust the amendment will be voted down.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I think the amendment ought not to prevail. We know that in many of the States organizations have been effected for the very purpose of cooperating with the Secretary of Agriculture in these matters, and those organizations are not public agencies, but are private. In some of the States they have been appointed by the governors, but not authorized by law, and they would not be public agencies. In some places they are appointed by the mayors of the different cities, but they are not authorized by law. I doubt if they would be recognized by the Secretary if this amendment prevails. They are organizing all over the country for efficiency, for cooperation in this important work. Many organizations of that kind have been effected, and they are private agencies, private persons, able to do good work.

It seems to me the Secretary of Agriculture ought to have authority to call upon them to help him. He might possibly have authority, as the chairman of the committee suggests, under some other law or under his general power and authority, but this would be a direction to him not to exercise that authority. It seems to me that it would be unwise.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. SLAYDEN. Does not the gentleman think that with the army of employees we now have, with agents, field agents, inspectors, and all sorts of officers, the Secretary of Agriculture is able to get all of the information that he wants, plus such as he can get through the Department of Commerce and the Bureau of Statistics, without going to this great additional expense, and if he can not do as they have done in the Department of Agriculture in reference to cotton, with which I am familiar, go to the merchants and dealers and producers and get this information without any further creation of officials or further lodging of power?

Mr. McLAUGHLIN of Michigan. This is an emergency, and nothing of the kind has ever arisen before, making necessary work of a kind and to an extent never imposed upon the Secretary of Agriculture before, and it has been found necessary to recognize and prepare to cooperate with and to accept the services of these private associations throughout the country. It seems to me the suggestion the gentleman from Texas makes that the Secretary confine himself to talking to merchants and dealers would not meet the situation at all.

Mr. SLAYDEN. The gentleman perhaps misunderstood me. I did not suggest that the Secretary should confine himself to a discussion with or inquiries of merchants and dealers.

Mr. McLAUGHLIN of Michigan. Pardon me, but probably the gentleman from Texas thinks that we are still talking about this food-survey section of the bill.

Mr. SLAYDEN. Oh, no.

Mr. McLAUGHLIN of Michigan. We are talking now about the general workings of this bill.

Mr. SLAYDEN. We are talking about section 5.

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HELM. The word "cooperate" in this section is not used in the sense of employing somebody and paying a salary, but in the sense of working in connection with persons who are now working in the same line of business. Is not that the correct interpretation of the language?

Mr. McLAUGHLIN of Michigan. I think the gentleman is right about that, although this is to be in the discretion of the Secretary of Agriculture, and I do not know that he would in no case employ anyone. This simply authorizes him to act with these associations.

Mr. MOORE of Pennsylvania. Would it not admit of the employment of numerous persons at $1 a year, which is an objectionable feature in the minds of many?

Mr. McLAUGHLIN of Michigan. I do not know why it is objectionable at this time and in the particular kind provided for in this bill.

Mr. MOORE of Pennsylvania. We abolished it in the matter of educators a short time ago.

Mr. McLAUGHLIN of Michigan. Yes; because there was a vicious practice connected with that. A private organization in this country handling immense sums of money had offered the Secretary of Agriculture a large amount of money for the employment of men on condition that the officers of that private organization were permitted to name the men. And they were actually undertaking, through the agricultural colleges and the Department of Agriculture, to employ and send over the country a lot of their men to disseminate their doctrines; and if men were employed and paid in this way—the department paying each man $1 per year and the private organization the remainder—they would have the dignity and authority of the department while actually representing private interests.

Mr. MOORE of Pennsylvania. If the members of the Southern Wholesale Grocers' Association offered their services at $1 per annum, what is the difference? Is not that a vicious proposition—men engaged in business offering their services to the Government for nothing, when they are engaged in the business of selling commodities to the Government?

Mr. McLAUGHLIN of Michigan. The gentleman confuses this bill with the bill H. R. 4630, the food-control bill. This bill relates to nothing but the food survey and to accelerating and increasing the production of foodstuffs. It has nothing whatever to do with the matter the gentleman has talked about so much.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KING and Mr. CAMPBELL of Kansas rose.

Mr. LEVER. Mr. Chairman, I wonder if we could not limit debate on this. Does the gentleman from Kansas desire to be heard?

Mr. CAMPBELL of Kansas. I wanted to direct the attention of the——

Mr. LEVER. Mr. Chairman, I ask unanimous consent that the debate on this section and amendments thereto be closed in 40 minutes. I am inclined to be liberal with the time on this, as it may save time. I ask that it be yielded to the gentleman from Texas, Mr. DIES; the gentleman from Louisiana, Mr. ASWELL; the gentleman from Alabama, Mr. HEFLIN; the gentleman from Missouri, Mr. RUCKER; the gentleman from South Dakota, Mr. NORTON; the gentleman from Illinois, Mr. KING; the gentleman from Illinois, Mr. MANN; the gentleman from Kansas, Mr. CAMPBELL; and the gentleman from Texas, Mr. SLAYDEN; and that I have five minutes.

Mr. ASWELL. I wish to offer an amendment. May I have it read now?

Mr. KING. I believe I have the floor, Mr. Chairman.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, reserving the right to object, I hope that this discussion will be limited strictly to this section and amendments thereto. Yesterday we wandered far afield and discussed everything, charges against public officials and other things, and I surmise there are some gentlemen that want to speak now who will want to make explanations. And I judge by the explanations that have been made heretofore, some one will have to explain some of the explanations.

Mr. CAMPBELL of Kansas. I want some explanation as to this bill.

Mr. McLAUGHLIN of Michigan. If the gentleman would remain here he would get the explanation.

Mr. CAMPBELL of Kansas. I have heard no one on this committee who has been able to explain this bill.

Mr. KING. Mr. Chairman, I decline to yield. [Cries of "Regular order!"]

The CHAIRMAN. The regular order is the proposition of the gentleman from South Carolina [Mr. LEVER]. What is the proposition?

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 50 minutes.

Mr. CANNON. I suggest the gentleman make it 60 minutes. I would like 5.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that debate on this section and amendments thereto close in 50 minutes.

Mr. LEVER. Close at 2 o'clock.

The CHAIRMAN. The gentleman from South Carolina moves that all debate on this section and amendments thereto close in one hour. Is there objection?

Mr. HAUGEN. Reserving the right to object, may my colleague have 10 minutes of that time?

Mr. LEVER. The time has been agreed to. I think there are five minutes left.

Mr. HAUGEN. May I have five minutes?

Mr. LEVER. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina [Mr. LEVER]? [After a pause.] The Chair hears none.

The gentleman from Illinois [Mr. KING] is recognized.

Mr. KING. Mr. Chairman, I propose to speak, if permitted to do so, for a moment or two, strictly to the amendment which has been offered by the gentleman from Pennsylvania [Mr. MOORE].

The purpose of his amendment, as he has indicated to the committee, is to prevent the appointment of a food dictator. Now, Mr. Chairman, if that is the purpose of the amendment it ought to be voted down without any hesitancy on the part of this committee. If anything is needed in this country to-day it is an absolute dictator of food. I have just received this morning, for instance, a communication from an organization of soft-coal miners in the State of Illinois stating that if the Government did not do something immediately to relieve the food situation in this country that they themselves would take the matter into their own hands. I also received another communication from the city of Farmington, from an organization of 500 miners, who state they are not getting enough wages to live upon, and that if the Government and Congress does not give them immediate relief they will take the matter into their own hands.

I received this communication this morning, which I will read, from a most conservative place—the city of Galesburg, where I live—from a business man, showing the situation there. He says:

GALESBURG, ILL., *May 1, 1917.*

Hon. E. J. KING, M. C.,
Washington, D. C.

DEAR SIR: The people here unanimously demand a food dictator and demand that he be appointed quick. There are mutterings among the people, who are struggling to keep body and soul together at these high prices, that bodes ill to patriotism and the country unless Congress acts at once.

Very truly, yours, F. W. ROCKWELL.

And for that very reason, Mr. Chairman, if this portion of this bill will permit the appointment of a food dictator in this country, I claim that the amendment of the gentleman from Pennsylvania should be voted down.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes.

Mr. MOORE of Pennsylvania. Would the gentleman approve of the appointment of a myriad of business men at $1 per annum under this paragraph?

Mr. KING. No. I think the matter ought to be held largely under the control of the officials of this Government, but I can see no reason why some man like Mr. Hoover, who is familiar with the situation in other countries, should not be given the control.

Mr. MOORE of Pennsylvania. Would the gentleman favor the mixing of wheat flour with corn and serving that out to the people for bread?

Mr. KING. We may have to do it.

Mr. McLAUGHLIN of Michigan. That is in another bill.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes; I yield to the gentleman from Ohio.

Mr. FESS. I want to ask the gentleman whether we are not likely to have bad effects from building up false hopes of what a food dictator would be able to do, if that is the spirit throughout the country, demanding that we have food dictators because conditions are not as they ought to be? Does not the gentleman think that the appointment of a food dictator will ultimately produce a bad effect because he will not be able to do what these people think he ought to do?

Mr. KING. No. I believe it will give confidence in the hearts of the people that they will not be starved to death. The intimation is given out now that they will be starved. We are at war with starvation. They call it a "war of democracy," but I say it is a war of the human race against starvation.

Mr. FESS. I will say that confidence is but a poor diet for a man's stomach.

Mr. BURNETT. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes.

Mr. BURNETT. Does the gentleman think Mr. Hoover is a man of experience along that line—a man with experience along the mining line?

Mr. KING. Well, there are a lot of lawyers experienced along the line of law business, and they have made good in other lines.

Mr. BURNETT. And does the gentleman think a blacksmith might?

Mr. KING. Yes; I think a blacksmith might, and there was once a carpenter who made good.

Mr. HOWARD. As to Mr. Hoover, he was administering a charity over in Europe, but this is a free people that he has to deal with here.

Mr. HAUGEN. Rather than the appointment of a dictator, would it not be better to do away with the conspirators?

Mr. KING. Yes. I believe the people will wipe them off the face of the earth in a few months if the present conditions go on.

Mr. MOORE of Pennsylvania. Does the gentleman believe we ought to let ourselves get into a condition where we will have a food dictator surrounded by food conspirators?

Mr. KING. I did not vote against the gentleman yesterday on that proposition.

Mr. MOORE of Pennsylvania. The gentleman thinks a food dictator could be appointed under the provisions of this paragraph?

Mr. KING. It seems to me possible to do so, and therefore I am opposed to the gentleman's amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON. Mr. Chairman, I have listened with much interest to the remarks of my colleague [Mr. KING]. I can not agree with him as broadly as he puts the various propositions, especially the one about a food dictator.

Now, what is the fact? One-third of the people are farmers. They can be exempted under the draft law by the President. So can the miner and the railroad man and various other people. It is necessary, I presume, for that authority to exist and to be used by the President.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I can not yield just now. I may a little later. Now, then, why all this trouble about the regulation of the prices of food? If the laws that we now have against conspiracies could be executed, speculation in food could be prevented. [Applause.]

Did you ever stop to think that two-thirds of our people are not farmers? The farmers are their customers. The constituents of my colleague are largely farmers, and so are mine. Is anybody agonizing about this $10 pair of shoes that I have on? [Laughter.] The miner has to buy the shoes and clothing and many other things that other people produce, and the truth of the matter is that there has been as much of an advance in prices of other products as there has been in the price of the farmers' products. If you are going to have a dictator for one-third of the people, why not have dictators for the other two-thirds? [Applause.]

The men in the city are agonizing, you know; the business men, by telegrams, by letters, agonizing. They say "Great Heavens! The price of food is intolerable; let us have a dictator." Do not you know there is the selfishness coming out—"Me and my wife and my son John and his wife, and us four, and no more, and all for all glory"—and the farmer does not seem to come in at all. [Laughter.] If you are going to dictate the price of his product, you have got also to dictate the price of the labor that he pays to produce it.

Let us get rid of this hysteria, this foolishness that abounds in the newspapers, that abounds in Congress, that abounds in the pulpit. If we are going to have as a war measure universal control by an autocrat—and I am not speaking disrespectfully of the present President or anybody else—let us have it operate all along the line. [Applause.] For me, I am willing to try, without lodging this immense authority that is winked at in this bill and which is to be followed by a more severe bill later on. I am willing that the law known as the law of supply and demand shall operate, with enforcement of the law against conspiracy to stop production or to bull prices. If you want to give somebody jurisdiction to control the farmers' products and prices, then give him jurisdiction—autocratic jurisdiction, if you please—to control prices of all products and all who produce those products. [Applause.]

Mr. DIES. Mr. Chairman and gentleman of the Congress, I have no doubt that it is true, as the Secretary of Agriculture says, that there is, or is likely to be, a food shortage in this country due to the short crop, and due to the fact that our exports abroad to our allies must be greater than in normal times. But that is no reason for all the foolish laws about to be enacted, or for all the foolish statements being made in Congress and in the press with regard to farmers and food production.

My good friend from Pennsylvania [Mr. MOORE] wants to encourage food production by a $2.50 tax on cotton, which would affect one of the most important agricultural products of the country. My friend from Illinois wants to encourage beef production by requiring the farmers to keep their cattle until they get to a certain age. Somebody wants to encourage the conservation of wheat by reducing the price from $3 to $1 a bushel, as if that would conserve it. The truth about the business is that foolish and idle things are being said, and the country is in danger of having foolish and idle laws thrust upon it. Why, there is just so much wheat. Do you think that people are not eating it fast enough? I thought the argument was that they were about to eat up the old crop before the new crop could be harvested. Well, if they are eating it as fast as they are now at $3 a bushel, how fast would they eat it at $1 a bushel? [Laughter.] You want them to stop killing calves because they will grow up to be cows. Well, quit eating eggs, because they will become hens if you set them under some other hen. [Laughter.] Quit eating squabs and let them grow to be pigeons. Quit eating pigs' feet and wait till the pigs grow to be 400-pound porkers. [Laughter.] Do not eat roasting ears, but wait till they get to be hard corn. [Laughter.] Have some sense. If you let the farmers of America alone with your foolish laws and your foolish talk, they will come to the rescue of America and of Europe and produce the food for you. [Applause.] You will not get them to make more cottonseed oil and cottonseed meal to feed the world by offering an amendment to tax cotton $2.50 a bale. You will not get them to take better care of their cows and calves by telling them that you are going to see that they keep Old Bully on hand till he is 10 years old rather than kill him as a calf. [Laughter.] You are not going to encourage the wheat farmer to march earlier to the field with his team, to fertilize the earth, to call his family to the plow and the hoe, to make the wheat and the corn by threatening to curtail the price of his wheat.

Why, my friends, if you want to conserve the supply of food on hand, we will take wheat as an illustration; when wheat is worth a dollar a bushel we feed it to our chickens because it is good chicken feed, and we throw the broken bread from the table to our neighbor's dog, and we eat bread in abundance. When wheat is $3 a bushel we do not feed it to the chickens. We feed them on cheaper chicken feed, and we save the ends of the bread and put milk on them and make milk toast. We conserve the supply. Let me tell you, nothing is stimulating production in this country like high prices. City folks are being converted into farmers. Farmers are planting their fence corners in grain and food, while you talk about tinkering with them, about putting a damper upon their energy and industry. [Applause.] High prices are the greatest reward and the greatest stimulus to food production in the world and low prices are the greatest stimulus to food consumption. If you bring down the price that the farmer receives you curtail production by deadening his energy and you increase consmption by making food cheaper to everybody who wants to buy it. You are not going to hurt the farmer by your foolish laws or your foolish talk, but you are going to hurt the city folks, who want cheap food. Land has been broken to the plow this year that has lain fallow for many years. Men are marching steadfastly from daylight till dark in the furrows in this country who have not been in the fields before for decades. Just let them alone, Mr. Tinkerman, and let them work out the salvation of this country without your attempting to fix the prices for their food products. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Chairman, there is a shortage of food products in the United States and throughout the world. There are some 300,000,000 bushels of wheat locked up in Russia, that can not reach those who ordinarily would consume it, on account of blockade. The wheat crop in the United States was more than 400,000,000 bushels short. Millions of men for the past two years and a half have been taken from the productive activities to destructive war. This creates a situation that gives theorists who have been attempting to foist their theories and themselves upon the country for years an opportunity to get a day in the Congress of the United States. They have had their day before the Committee on Agriculture, and they have that committee. The committee is here with a bill giving them what they have wanted for years. They get $18,500,000 out of the Treasury. What will the people of the Untied States get for that $18,500,000?

Mr. DOOLITTLE. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No. They will get a food survey that will be completed after it is too late to be utilized. They will have foisted upon the country over 7,500 men who ought to be engaged in producing something to eat. They will be paid salaries on an average of from $1,800 to $2,500 a year. What I want the Committee on Agriculture to do is to show what the people of the United States are to get for this $18,500,000 of money. The people need bread and meat. What are you giving them? An army of investigators and of theorists. What the farmers need are hands to help till the soil, to produce something to eat.

Mr. BURNETT. Does my colleague think these surveyors have produced anything, or ever will produce anything?

Mr. CAMPBELL of Kansas. Probably not. And they ought not to be paid from $1,800 to $2,500 a year by people who do produce things.

Mr. BURNETT. Why not conscript them to go to war? [Applause.]

Mr. CAMPBELL of Kansas. I am not so sure but they would be of more service conscripted as farm hands, and I am sure they will be of no service whatever to the producers of the country or the consumers of the country as food surveyors, or add more food and cheaper food to that we already have. That is what we need. Take this $18,500,000 and send it out as soon as it is appropriated, to supply the immediate necessities of those who are hungry, and you will serve a useful purpose; but to give it to men simply to demonstrate that they know something about the theories upon which wheat is produced, upon which cattle may be multiplied and made to grow larger and fatter, will not add anything to the food supply of the country.

Mr. GORDON. If I understand the gentleman, the point he makes is that the people are asking for bread and they are given a survey. [Laughter.]

Mr. CAMPBELL of Kansas. That is it exactly. The gentleman from Ohio often hits the animal squarely in the eye, and he did it this time. I want something done for those who need bread and meat. This bill will not increase the wheat product of the United States 1 bushel. It will not increase the meat product of the United States 1 pound, or relieve the immediate necessities of the people or their necessities for the next year. If you will prohibit gambling in the price of food and prosecute and convict those who violate that law, you will help some. But the money appropriated in this bill will be spent, the people will have a report that nobody will read, and the food shortage will go on until the war is over and the millions now destroying life and property again become producers of products that supply the necessities and contribute to the comforts and happiness of life. [Applause.]

Mr. ASWELL. Mr. Chairman, I offer an amendment as a new section, and ask that it be read in my time.

The Clerk read as follows:

Amendment by Mr. ASWELL: Page 4, line 19, after the word "receipt," add a new section, as follows:

"That agricultural colleges and experiment stations shall be, and are hereby, authorized and permitted (a) to investigate and to teach the science and art of producing, refining, and combining vegetable and animal oils and fats, including butter, into palatable and wholesome food forms; and (b) to investigate and to teach the uses to which such food forms are advantageously adapted; and (c) to use, in the respective dining halls and boarding houses maintained by such colleges and stations, for their own faculties, student bodies, or employees, such foods so produced by them free from any tax. In event any such institution shall in the course of such investigations and teaching produce quantities of such foods in excess of its own requirements, such excess may be placed upon the market subject to all the laws, rules, and regulations which are now, or may hereafter be, provided for the production, sale, and distribution of such food.

"That upon application to the proper authorities by any such agricultural college or experiment station through its duly authorized officer or agent a license for the manufacture of oleomargarine shall be issued to such agricultural college or experiment station without the imposition of any special tax and without the execution of any bond, but such agricultural college or experiment station so licensed shall, through its duly authorized officer or agent, comply in all other respects with the laws, rules, and regulations governing the manufacture, sale, and distribution of oleomargarine."

The CHAIRMAN. The Chair will call the gentleman's attention to the fact that we have passed that section.

Mr. ASWELL. It is offered to come in following section 5.

Mr. LEVER and Mr. HAUGEN reserved points of order.

Mr. ASWELL. Mr. Chairman, the amendment merely offers an opportunity to the agricultural institution to increase the food supply without any cost to the Government. It will enable them to carry on experiments in various animal and vegetable oils and thereby increase the food product vastly in the country, with no cost to anyone, either individually or to the Government. It seems to me that if there ever was a time when such a measure should be considered favorably it is now.

Mr. HAUGEN. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. ASWELL. Upon what ground does the Chair sustain the point of order?

The CHAIRMAN. On the ground that it is not germane.

Mr. LEVER. I reserve the point of order on the ground that it is not germane.

Mr. HEFLIN. Mr. Chairman, the speeches in the main this morning have been on the question before the House, and I hope to see that continue until this debate is closed. My good friend from Pennsylvania [Mr. MOORE] rarely makes a speech that he does not inject partisan politics into it or bitterly criticize the administration, the power that is to conduct this war against Germany. Sometimes he makes a bold and straightforward attack on the President, the Commander in Chief of the Army and Navy, and then again he makes a flank attack, as he did on yesterday. I do not know why he does that. I take it that his constituents are loyal and will be. There are many German people in Philadelphia of the old stock; they have been here many years, and they are going to be as loyal in this war as anybody else in the country, and they are more loyal now, to my way of thinking, than some gentlemen on this floor who can not refrain from attacking the administration in one way or another.

Gentlemen, let us quit that. Let us differ as we may on matters of legislation, but let us say nothing here that will encourage the German spies, the anarchist, and the bomb thrower anywhere. The press of to-day tells us that the Kaiser, out of pity for us, is holding back his agents and spies because he would like to have our good offices at the end of the war; that he does not want to punish us except on the high seas and on the battle field.

Let us stand as one man, so that the world will know that there is now no divided opinion in the Congress of the United States as regards the war with Germany. Let nobody at this critical time try to play politics.

My friend from Pennsylvania [Mr. MOORE] never would have offered to tax cotton if it had been produced in Pennsylvania. They grow a lot of wool in Pennsylvania, but he does not offer to tax wool; he does not offer to tax flax; he does not offer to tax silk. Why did he undertake to tax cotton? Gentlemen, we will not produce more than enough cotton to supply our munition plants and the cotton factories of the United States. The boll weevil is sweeping the cotton belt of the South, and the Government will need a great deal of cotton to make gunpowder and explosive shells. Cotton is the greatest explosive power in the world, and yet you want to lay an additional tax on it and on the Government itself, for when you strike cotton you strike the most powerful defensive power that we have in this war. Quit doing and saying things here that excite sectional feeling and prejudice. God knows we have had enough of that. We are far enough removed from the War between the States to speak as Americans from every quarter of our country. [Applause.] I want to see that time come quickly. I want my friend from Pennsylvania to reach the time when he can get up here and discuss a question so that no man who listens to him will think that he is deep down in his heart trying to handicap the administration in its prosecution of the war. Let him give the reason for objecting to positions taken by this side or that side, but let no man put a statement in the RECORD or a newspaper that is unfriendly to our purposes that a spy can take up anywhere and say, "Here is what a Member of Congress said." Gentlemen, the time has passed for differences of that character. Let us all be loyal Americans now.

This matter of conserving the food of the country is necessary. We want to know what the food supply of the country is, and when you go to the farmer and find out how much foodstuff he has, and you take his name, you are rendering him the greatest service possible, because he wants to know where the markets are, and this gives to the farmer the information that he wants.

You take his name, and you know where to go to get wheat and to get corn and meat, and every farmer in the country will welcome that service. [Applause.]

Mr. MANN. Mr. Chairman, it gets rather wearisome to have the gentleman from Alabama constantly lecturing the House on patriotism and giving information to the German spies, which information is not correct, that there are a lot of men in the great American Congress who are not patriotic, but are uttering treasonable statements. If there is anything of that kind said, it is the language the gentleman from Alabama has used frequently in the House on that subject. I would advise him to follow the example he urges others to follow. No one on this side of the House needs the lecture of the gentleman from Alabama on patriotism, and no spy will get any comfort from what has been said on this floor, except from what the gentleman from Alabama himself has said.

Mr. HEFLIN. Will the gentleman yield? Can the gentleman point to any statement of mine that will give comfort to a German spy?

Mr. MANN. Certainly; the gentleman said that Members on the floor of this House were not patriotic in the speeches they made; that they were uttering almost, if not quite, treasonable utterances. If that does not give comfort to a German spy I do not know what would.

Mr. HEFLIN. I said that the statement of the gentleman did not sound patriotic.

Mr. MANN. There is no one in this House who is not patriotic.

Mr. HEFLIN. Does the gentleman agree with the gentleman from Pennsylvania [Mr. MOORE] when he said that the allies had made a glove for us to fight with, and that we were fighting their battles?

Mr. MANN. Oh, I am not under cross-examination by the gentleman from Alabama. Mr. Chairman, the pending amendment is to strike out certain language relating to private agencies or persons. I believe that we will have to revolutionize all of our ideas about government and government control before this war is over, and that the sooner we do it the better we will be off. Gentlemen fear a food dictatorship. The first thing we ought to think of now is the increased production of foods and other articles which we need. The thing of primary importance is to increase production. Having increased production, the next in primary importance is to conserve the supply by allowing no waste; first, by allowing no waste in the fields where it is produced, and, second, by preventing waste by those who consume. If I understand this bill, which has been talked about as a food-survey bill, referred to even by the chairman of the Agricultural Committee as a food-survey bill, its primary and main purpose is to increase production, partly by furnishing seeds, if that be necessary, in places, and by attacking the enemies of growing crops. That is the real purpose of the bill.

Mr. LEVER. Will the gentleman yield?

Mr. MANN. I have not the time. I do not interrupt other gentlemen when they are making statements; to do so, is to consume time unnecessarily. That is what makes the House waste so much time. A man on the floor has a thought in his mind, and is interrupted, and seldom or never gets back to it. The purpose of this bill is to have the Government do everything it can to induce people to produce more and to aid them while they are producing. Who is opposed to that? You may say that the farmers will do just as well without advice or help. Let me give you one little illustration, if I have the time. You have read a lot about how the Boy Scouts are going to cultivate the fields down in Potomac Park. I go down there nearly every day, sometimes twice a day, for a ride, to get some fresh air. They have plowed up a great field there. I think they are planting corn there now, and it may be a good crop; but some time ago the Boy Scouts went down there one Saturday and planted; they planted some onion sets and some radish seeds. The onion sets were planted in rows about 14 inches apart when they ought not to have been more than 3 or 4 inches apart. The radish seeds were planted in rows about 3 feet apart when they ought to have been planted in rows not more than 12 or 14 inches apart, and were planted about 50 seeds to an inch. They need some aid from men who can give advice.

Mr. HAUGEN. All of it is under the supervision of these supervisors.

Mr. RUCKER. Mr. Chairman, I have been so much interested in the lectures given by gentlemen on agriculture that I had almost forgotten that I had asked for time. I want to make just a few observations. If this Nation is conspicuously great for anything, it is for its agricultural production. We are, indeed, a great agricultural country. Without the products of the farm and the field this Nation would not to-day occupy its exalted position among the nations of earth. The fact is apparent to everyone that old conditions are rapidly changing and new conditions are confronting us. Conditions in the great productive section of the West and the Middle West, the great agricultural States of Ohio, Indiana, Illinois, Iowa, Missouri, Arkansas, Kansas, Nebraska, and other States—that region of our common country from which the granaries of earth have been filled in the past and must be kept filled in the future—are changing. Old theories of production have been applied so long that the fertility of the soil is being wasted; it has become and is now of paramount importance that new theories be applied to the farm.

I want to say to you that in my judgment there is no department of government rendering to the hundred millions of people of this Republic such service, service of such inestimable value, as the Agricultural Department. All over this land wherever patriotic men are contemplating a response to the call to duty, the appeal to produce foodstuffs to supply the citizens and armies of this country and of our allies, men are appealing to the Agricultural Department for assistance, not necessarily for money, but for instruction and direction. They want the expert knowledge that has been gained through a long series of years by the Agricultural Department to be disseminated so it may be of use to the farmer. I know of sections where the people out of private funds have engaged gentlemen skilled in agricultural pursuits and accomplishments for the purpose of securing expert instruction for the farmers of the particular districts. Permit me to say, not by way of boasting, but as a mere recitation of a fact which is pertinent and may be of interest, the people of the agricultural county in which I reside have recently engaged a man of large experience, who was for many years connected with the Agricultural College of Missouri, at a salary of $5,000, contributed out of their private purses, to help the farmers produce this year the kind of crop they ought to produce from the fertile lands of the county.

I hope every amendment which seeks to disparage this bill or seeks to weaken the arm of the Government administered through the Agricultural Department will fail. I want to see this Congress stand by those in authority, when it comes to the question of producing and conserving food products for ourselves, our armies, and our allies. We have voted millions and billions of dollars for other purposes, and I say to you that there ought now to be voted ample money to enable the Agricultural Department to carry on all of its great activities, with the hope that the utmost good may follow to those patriotic citizens who will produce food supplies for the world.

Mr. NORTON. Mr. Chairman and gentlemen of the committee, the amendment before the committee proposes to strike out the words "private agencies or persons."

I believe that the work contemplated to be done under authority of this legislation should be in the charge of Government officials and Government agents. I do not believe that it is necessary for the Department of Agriculture to cooperate with private persons or with private agencies in carrying on this food survey. We have heard a great deal of criticism of the proposed food survey. I am confident that under proper supervision and under proper restrictions this food survey can be made of great value to the country, and it can be so conducted that there will be very little waste of the Government funds. But it is equally true that it can be so conducted that it will include a horde of useless and worthless employees, and the survey will amount to little or no good to anybody but to these employees to whom it will afford easy jobs.

There are men in the Department of Agriculture and in the different agricultural schools of this country and there are men engaged in scientific agricultural work who have done immeasurable good to the agricultural development of this country. There can be during this year a great deal done by such men to increase the production in the year 1918. I have found from my experience that one of the great faults with the Agricultural Department here is that it does not get its work done in time to be effective. Now, in the distribution of seeds as proposed here, if the same methods are employed during the coming year as I have observed to have been employed in the past, I would not at all be surprised to find the department sending out seeds to be planted in Nebraska, Kansas, and Montana for the season of 1918 in July, 1918.

I have a letter here that I received a few days ago from Prof. H. L. Bolley, of the North Dakota Agricultural College. Prof. Bolley during the past 30 years, and I say this advisedly, has done more to increase the production of flax, wheat, and oats than any other man in the United States. Many of the best students of the science of agronomy credit him with having done more to increase the production of wheat and flax during the past 30 years than any other man in the world. Besides be-

ing a distinguished scientist he is also a most practical man. He writes a letter here which I have and which I shall insert in the RECORD to Mr. Galloway, of the Department of Agriculture. He says in that letter that nothing can be done now to increase the production for this year except to apply the best and least wasteful methods of harvesting of the crops that have already been sown. But he says that now is the time to start work for next year to increase the acreage and the bushelage. He proposes that an investigation be made now to determine the sections of the country where wheat and other grains can be produced to the best advantage next year.

He has been for 30 years a student of the diseases of flax, wheat, oats, and barley.

NORTH DAKOTA AGRICULTURAL COLLEGE,
Agricultural College, N. Dak., May 15, 1917.

Hon. PATRICK D. NORTON,
House of Representatives, Washington, D. C.

DEAR SIR: I inclose a copy of a letter which I am sending to Hon. B. T. Galloway, in charge of the food conservation service of the Department of Agriculture. On account of your acquaintance with my work, this letter will probably be self-explanatory. I believe that the proper solution of this more intensive wheat cropping—the getting of more bushels of wheat from the same or less number of acres—has much to do with the future prosperity of the entire Northwest. The sooner this question of deteriorated grain due to constant cropping is faced and overcome the sooner will come the economic results and the proper development of the agriculture of this region.

I am sure I may bespeak your interest and cooperation in this matter and any aid that you may give looking toward getting something definitely done toward assuring a more satisfactory wheat crop, not only for next year but for time to come, for I believe that now when the world is demanding a greater bushelage is the time to get the proper methods introduced for insuring this bushelage and for improving the crop.

Yours, respectfully,

H. L. BOLLEY.

—

FARGO, N. DAK., *May 14, 1917.*

Hon. B. T. GALLOWAY,
Department of Agriculture, Washington, D. C.

DEAR SIR: I have written the Secretary of Agriculture offering my services for any duty connected with agriculture or the conservation and expansion of our food supply.

I write you more fully, because well known to you. You have known of my potato work, flax work, and, in part, as to my wheat studies. Chiefly, it is with reference to wheat that I feel that I may, perhaps, be of greatest service. If the Nation is to soon increase the wheat output, a real change of method with reference to handling the crop for the control of cereal diseases must be put on.

This crop has had only general agricultural methods applied. It is time that intensive methods be started. Since the propaganda for the prevention of stinking smut was started there has been no proper consideration or consecutive campaign looking toward improving the agriculture of the crop in its relation to seed and soil-borne diseases. To fight these there must be put on a persistent and consistent campaign for (1) right harvesting, to prevent invasion of seed coats; (2) right grading, to eliminate as far as possible the lightweight, disease-infected seed; and (3) right treatment to destroy external infection and, as far as possible, internal infection which has not been removed by selection, all to be closely coordinated in each district according to cropping conditions, with proper land handling as to previous crops on the land, drainage, tillage, seeding processes, etc.

When you were first starting your work in Washington in the fall of 1890 you wrote asking me to accept a special assistantship in plant pathology for three months, at $100 per month. That was when I was just getting interested in the pathology of potatoes and of the great wheat crop of the Northwest. I wanted to accept, but did not. For over 25 years I have literally lived with this wheat crop and the other crops which are associated with it. I have daily either worked in the field and in field plots or with the seed and with the farmers to get them to apply the methods advised. That I have succeeded with the potato-scab propaganda and the flax-wilt propaganda because of the results with our resistant flax, is no longer in doubt. The last two years has seen an average increased bushelage per acre in North Dakota largely because of the results from our work, and I am sure now that the farmers of the Northwest when called upon for this flax crop, can produce it, for our tabulated data begins to show even greater yields on old flax-sick soils than were ever raised upon virgin lands. You are aware also of the success of my campaign for the use of formaldehyde against wheat and oat smut.

I hope you will understand my enthusiasm and that you will not discount it when I tell you that I would like to be of special service to mankind at this time when it appears that in the next few years sufficient wheat to properly feed the people can scarcely be produced unless they be exceptionally favorable years. I would like to aid you of the United States Department of Agriculture, if the time can be adjusted with our authorities here, and I think it can, to put on a real campaign for a real wheat crop for the season of 1918, and particularly for 1919, when this country, and perhaps the world, is sure to need the wheat as it never has before. You will pardon me for appearing skeptical, but except only in dry years can the great Red River Valley wheat regions of the North produce a big bushelage or on favorable years; and this is but the story of the constantly cropped areas everywhere, particularly California and the Northwest. I think you will agree with me that the wheat bushelage can not be greatly increased by just sowing more bushelage on the same old areas in the same old way. What has plant pathology done for the grape industry, for the citrus-fruit industry, for the apple crop of the apple regions, etc.? Let's do it for the wheat crop of 1918 and 1919.

Much can be done to better save and conserve the wheat now growing. Nothing can be done to increase the total bushelage except by better thrashing and storage. Much must be done if the Nation wishes to escape the ravages of the root and seed destroying parasites of wheat, such as scab and the various fusaria and holminthosporio attacks. These are far greater than you or anyone not familiar with the constantly cropped wheat areas can contemplate. You will understand when I tell you that it is practically impossible on the newest lands of Montana and Alberta to find a sample of wheat with more than 50 per cent of the kernels free from internal infection with holminthosporium, fusarium, or alternaria. It is these which in constant cultivation prevent the stooling and prevent the filling, even though the rust years are not on. When rust is reasonably bad the straw becomes a rag because of these internal tissue-destroying semisaprophytes. As soon as the roots come in contact with the old stubble they are cut off and can not reach the moisture of the subsoil, and when the hot winds come the shriveling occurs, whether fertility and water are available or not.

These last-named disease producers—the so-called "imperfects"—did far more harm on the old wheat lands last year than the rust. Had there been rust only, we would still have had wheat in abundance.

I truly wish to be of service at this time, and feel that I can put before you a plan which will mean a real revolution in the agriculture of wheat which shall be of immediate effect and of lasting character, for the demonstration only needs to be made to our farming public. They now understand things when they see, though some of our supposed highest-trained agriculturists, and even the chemists, do not go into the field often enough to understand.

If you wish, I will gladly come to Washington to confer with you and others, as you may choose. The general thought is, in short, (1) how to arrange for high-quality seed for 1918 crops, and (2) how to get the acreage for 1918 not only safely increased but largely put on to essentially new (virgin) lands, or upon lands which have previously had the right list of crops or the right tillage to insure reasonable freedom from the wheat diseases. It is the seed and soil sanitation problem put into operation for wheat. It needs governmental and State aid in a broad way, properly supervised and coordinated. There are, of course, many side phases to the problem. I name only a few of the areas which would be affected. North Dakota has over half its land virgin, untouched by the plow; Montana a larger percentage, and no doubt many Western States and Eastern States have similar areas. You may not believe it, but we do not so much need fertile lands as we need disease-free lands; at least this is so in the wheat belt. Remember the California problem. Why have they ceased wheat? There are immense areas in the semidry regions of Washington, Oregon, and California, but the universal thrasher soon so filled the ground with the smut spores that the formaldehyde treatment is not effective. It did more, it filled these soils full of these other imperfects. These States have countless acres of semiarid land which can be put under proper tillage when they are located, but to have them ready for next year means immediate work in the way of plowing. There is also the great wheat belt of Minnesota, North Dakota, and South Dakota, where the farmers will still continue to work the old plowed areas if it is not in some way interrupted sufficiently to attract their attention. These are valuable lands for other crops. Let us get them to give the wheat crop a chance. It will not do to take the old seed from the old cropped areas for use on the new or clean lands.

Finally, pardon me for this lengthy suggestion, but understand that I am at your service and, I believe, can so arrange my investigation and seed-commissioner work here that I could give time to aid you in any special food problem which you may assign, though, of course, I am nowhere so well known as here in the Northwest.

If the work of which I speak is to be done so as to be effective on the 1918 crop it must start very soon, before harvest, 1917, and continue so as to arrange for proper seed quality and to have time to put on a proper general soil survey, accompanied by an intelligent campaign and propaganda to carry out the work. The areas of chief diseases of the wheat crop, so far as soil and seed diseases are concerned, should be located and those lands be utilized for other crops just as vital perhaps as wheat. Lands which are either new or which have been under proper tillage, so as to be nearly free from the troubles, should be located and, so far as the spring-wheat areas are concerned, early plowed, so that the seed could go into the ground early the coming spring.

Yours, respectfully, H. L. BOLLEY.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. NORTON. Mr. Chairman, may I have a few minutes more?

The CHAIRMAN. The time has been limited. The gentleman from Texas [Mr. SLAYDEN] is recognized.

Mr. SLAYDEN. Mr. Chairman, this bill is a preliminary step, as I understand it, to one that is to follow. It provides for what is called a survey, the value of which was testified to by our friend from Alabama [Mr. HEFLIN] in his closing remarks. He says it will be, in effect, an establishment of a bureau of markets for farmers and that after this survey has been taken any buyer of wheat will know to what farmer he can go and buy the produce of his farm. With all due respect to my friend from Alabama, having had 20 years or more of experience in business, having observed the movement of crops from the field to the consuming market, factory, mill, or whatever it may be, I am sure that is not true. The farmers do not raise crops to hold. But in that connection I want to say, Mr. Chairman, that the market price of wheat to-day is the finest stimulant to greater production that can be had.

Mr. BURNETT. May I ask my colleague if we have not already a Bureau of Markets?

Mr. SLAYDEN. We have a Bureau of Markets, a Bureau of Statistics, and everything else that can be suggested.

There is real distress in some sections of the country, and as was so clearly and sensibly pointed out by the gentleman from Illinois [Mr. CANNON], it is not the distress of city population and manufacturing centers only. The distress of high prices bears also upon the farmer. And it does sometimes seem to be true that this is a conspiracy on the part of—I adopt Mr. CANNON'S figures—two-thirds of the people to depress the prices received by one-third of the people. The price of farm commodities will certainly go down and without legislation because the price they are bringing to-day, for wheat and cotton and oats and corn and other productions of that sort, has stimu-

lated the cultivation, and there will be an excessive production of all food crops this year, so far as it may be done, and certainly next year, if prices continue at a profitable level.

We do not need anything more than the old and, fortunately, unrepealed law of supply and demand.

I do not believe that the survey will be of any value. I think the only thing to be accomplished by this bill will be the expenditure of a great deal of money at a time, of all times, when we should exercise economy. It may be the gentlemen have had their minds attuned to the expenditure of billions to that degree that the waste of ten, fifteen, twenty, or thirty million dollars appears to them a trifling matter. But I remember the time in this Congress when if a man had proposed such an expenditure as this to make a special census under such circumstances, he would have been laughed out of court. Farm produce is never held, and a survey taken on Monday is comparatively worthless on the following Saturday, because 100,000,000 people have been consuming and shipping out their production, and in 30 days after it was reported it would be absolutely without any relation to the facts.

I want to mention one or two little experiences from my own district, which have come under my observation and which have a direct bearing on this food-supply question. I had a letter a few days ago from a constituent and a farmer who is doing his best to increase the food supply, more than his best at this time, because the prices are very favorable. He told me that he had 200 acres of wheat. He produces in an ordinary year from 20 to 30 bushels of wheat to the acre. He says the drought and adverse weather conditions have destroyed the crop so completely that he would not find it worth his time to cut it, and he had decided to put the land in corn. I had a letter from another friend down there, a former Member of this House, who told me he had 350 acres of wheat, and that there was so little prospect of getting back the money that it would cost to harvest it that he had decided to plow it up and put the land in cotton.

Now, gentlemen, those things are what account for the high prices of wheat. And the high price of wheat will explain the tremendously increased effort on the part of people to increase production.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. SLAYDEN. Yes.

Mr. MANN. Will not those facts have a tendency to increase the price of wheat?

Mr. SLAYDEN. You mean the scarcity? I do not quite understand the question of the gentleman.

Mr. MANN. I say these facts that the gentleman narrates will increase the price.

Mr. SLAYDEN. Yes. There is hardly a merchant engaged in his city that does not know it perfectly well.

Mr. MANN. Would it not be a good thing to let every farmer in the spring-wheat-growing region know it, so that they will raise wheat in the expectation of a high price for it?

Mr. SLAYDEN. Yes; I think so.

Mr. MANN. That is what this will do.

Mr. HAUGEN. Mr. Chairman, I yield five minutes of my time to the gentleman from Pennsylvania [Mr. MOORE].

Mr. NORTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HAUGEN. I do not see Mr. MOORE present. I suggest that the gentleman from South Carolina use some time.

Mr. LEVER. Mr. Chairman, I would not take the time of the committee at this moment except to reenforce what the gentleman from Illinois [Mr. MANN] so well said a moment ago. There has arisen confusion as to what this bill means from the fact that it has been referred to as a food-survey bill, as distinguished from the other bill which we intend to bring in later, which is to be known as the food-control bill. But this bill is limited in no sense of the word to a food survey. A food survey, in my judgment, is just about one-third of the importance of this bill; probably not that much.

I think a survey of the food situation in this country, to know just "where we are at" on food supplies, is absolutely necessary; but this bill goes very much further than that. This bill undertakes not only to have a complete food survey of this country made, but also to stimulate food production, and at the same time to stimulate food conservation in this country.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. LEVER. No. The gentleman from Indiana would not let me interrupt him when he was speaking.

Mr. PURNELL. How long does the gentleman think, in his judgment, it would take to make a survey?

Mr. LEVER. I will be glad to answer that. Many misstatements have been made on the floor of this House, both as to the amount of the appropriation contained in this bill, the number of employees, and the time it will take to make this food survey. The Secretary of Agriculture in a letter addressed to me under date of May 22 says:

> I think we can get a fairly accurate view of the situation within a few weeks, or within not more than 30 days.

Mr. BURNETT. Then, will the term of office of these canvassers stop?

Mr. LEVER. Yes.

Mr. BURNETT. The bill does not say so.

Mr. LEVER. You are not going to have employees that are not working, and nobody dreams of that kind of situation.

Mr. SWITZER. Mr. Chairman, will the gentleman yield?

Mr. LEVER. No; I can not yield. The testimony comes before the committee that in European nations this food survey was made in anywhere from 20 to 30 days, and they admit that they did not have the machinery for doing this work that we have in this country. Every man who testified before the committee paid the highest tribute to the machinery of the Department of Agriculture for getting information.

Mr. PURNELL. Mr. Chairman, will the gentleman yield now?

Mr. LEVER. If I yield to the gentleman, I will have to yield to the gentleman from Ohio [Mr. SWITZER].

Mr. PURNELL. Will the gentleman yield for another question?

Mr. LEVER. Well, yes.

Mr. PURNELL. I want to ask what the gentleman thinks of the proposition advocated on the floor, that this survey might be taken by the county agents and the agricultural institutions of the country, and perhaps, as suggested by the gentleman from Indiana [Mr. COX], through the assistance of the rural carriers?

Mr. LEVER. I am much obliged to the gentleman for that question. It is a pertinent and sensible question. The Secretary of Agriculture desires to use every agency at the command of the Department of Agriculture; the county agent, the statistical agent, the crop reporter, the township agent; the meat inspection force, wherever it can be used to advantage; the inspectors employed in the administration of the food and drugs act, wherever they can be used to advantage, and the gin reporters; and I take it that the rural carriers themselves, if it is thought wise, may be called upon to furnish information if they have any on this subject. We are going to work this thing out in a sensible way, and I am trying to defeat the amendment of the gentleman from Pennsylvania, because we want the broadest cooperation on the part of everybody.

Mr. HAUGEN. Mr. Chairman, I said I yielded my time to the gentleman from Pennsylvania [Mr. MOORE], but he is not here, so I will use the time myself. [Laughter.]

Mr. LEVER. I wanted to close the debate. I hardly think that is a fair thing to do.

Mr. HAUGEN. I have had five minutes reserved.

Mr. LEVER. All right; go ahead.

Mr. HAUGEN. Mr. Chairman, the chairman of the committee has stated that there have been numerous misstatements made on this floor. He states that the Secretary now hands him a letter asserting that this survey can be made within 30 days. I call the gentleman's attention to the statement made by the gentleman from Alabama [Mr. HEFLIN], who admits now, as did Mr. Brand, that it is his purpose to visit every granary, and that the farmer will welcome these Government agents. We have in this country more than 10,000,000 granaries.

Mr. Brand says we must have a certified statement from every one of them. They are to go to these granaries; they are to measure the bins. They will not trust other agents to do this work because they are not "experts" along that line. We called the attention of Mr. Brand to the fact that this work could be done in the Census Bureau. He told the committee it was necessary to be done by his "experts." Oh, no; the average man can not be trusted with making a food survey!

Another gentleman has stated that it is necessary to increase and stimulate food production in the United States. The gentleman from Illinois believes that this very appropriation is going to increase the price of food products. Why, we have appropriated $200,000,000 in the last 10 years, all under the pretense that we would increase the food production of the United States. Two hundred millions has been appropriated. Instead of food production increasing, food production has been decreased. It has gone up and it has gone down, and now as a whole it is practically where we started. But when the department was confronted with the fact that the yield had not increased another propaganda was started and pushed with great

vigor. And what was it? Oh, they told us first that the yield had increased to such an extent that figures were scarcely adequate to describe the increase. Later they come in and say the trouble is not with the increase of the yield. They say, "We have talked as eloquently as possible; we have failed in our efforts. What is necessary to do now is not for the farmer to increase the yield, but he must produce less; he must grow fewer apples."

The gentleman has referred to Europe. The United States has 3,000,000 square miles. Some of the European countries have less than 200 square miles. Some of the countries referred to are only twice as large as the congressional district which I have the honor to represent. Many of these European countries referred to are only twice as large as the State of Iowa. Yet here we would apply the same plan to Iowa or to the United States. The population in the United States is less than 30 people to the mile. In some of the European countries it is 500 to the mile. How can you compare conditions in a country which has only 200,000 square miles with the United States, which has 3,000,000 square miles? The population per square mile was as follows in 1902:

	Number of square miles.	Population.	Population per square mile.
German Empire	208,850	58,549,000	280
Italy	110,646	32,475,000	293
France	207,054	38,962,000	188
United Kingdom	121,371	41,961,000	345
Belgium	11,373	6,694,000	588
United States	3,025,600	80,372,000	26.56

The United States is more than six times, or nearly seven times, as large as Italy, France, Belgium, and the United Kingdom combined.

Italy is only twice as large as Iowa, with 55,475 square miles.

Belgium is about twice as large as my district, with 5,624 square miles.

The United States has 6,361,622 farms. Each farm has a granary, and many of them have two. Besides these we have thousands of elevators, cold-storage houses, and various other places containing food products; also the kitchens and cellars. If we are to have a food survey and know the exact amount of food on hand, I take it if enough experts can be employed to carry out such a plan the survey will be extended to the kitchens and cellars as well as to the larger storehouses. I take it that it is just as important to have information as to the number of eggs on hand as it is to know the number of bushels of cereals.

Now a word as to the increase in yield. First, as to the number of blades of grass that have been increased.

Hay dropped from 1.50 short tons per acre in 1908 to 1.31 short tons in 1913. The yield of oats from 1866 to 1875 was 28.01 bushels, and dropped to 27.02 bushels in 1897.

Rye from 1866 to 1875 yielded 13.06 bushels, and in 1914 it went up to 16.08 bushels. Barley from 1866 to 1875 averaged 22.09 bushels, and dropped down to 20.04 in 1900, but went up to 25.08 in 1914.

Potatoes, exclusive of sweet potatoes, yielded 95.4 in 1907 and only 90.04 in 1913.

The Statistical Abstract of the United States Census for 1915, on page 123, gives the production of wheat and corn as follows:

Production of wheat.

	Bushels.	Average number of bushels per acre.
1911	621,338,000	12.5
1912	730,267,000	15.9
1913	763,380,000	15.2
1914	891,017,000	16.6
1915	1,011,505,000	16.9

Production of corn.

	Bushels.	Average number of bushels per acre.
1911	2,531,488,000	23.9
1912	3,124,746,000	29.2
1913	2,446,988,000	23.1
1914	2,672,804,000	25.8
1915	3,054,535,000	28.2

Recent reports estimate the crop of wheat for 1916 at 639,886,000 bushels.

The corn crop for 1916 is estimated at 2,582,000,000 bushels.

So we have increased the yield by the action of this department. As stated by the gentleman from Illinois, there was some planting done right here in the District of Columbia, and he told about where they planted 40 seeds where only 3 should be planted and 3 where more should have been planted. Gentlemen, that was under conditions similar to those proposed in this bill. [Laughter.]

Considering the present condition of our Treasury and the urgent need for money all along the line, the difficulty that we have in disposing of our bonds, with $7,000,000,000 of bonds and Treasury certificates already authorized, with more than $5,000,000,000 already appropriated, can we in view of the results attained, and under existing conditions, afford to make the appropriation called for in this bill?

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment of the gentleman from Pennsylvania.

The question being taken, the amendment was rejected.

The Clerk read as follows:

SEC. 6. That the President, by and with the advice and consent of the Senate, may appoint two additional Assistant Secretaries of Agriculture, who shall perform such duties as may be required by law or prescribed by the Secretary of Agriculture, and who shall each be paid a salary of $5,000 per annum.

Mr. DOWELL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DOWELL offers the following amendment: Page 5, strike out all of section 6.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. LAGUARDIA. I have an amendment that I wish to offer.

Mr. LEVER. In 15 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this section and amendments thereto be concluded in 15 minutes. Is there objection?

There was no objection.

Mr. DOWELL. Mr. Chairman, just why two additional secretaries are needed in this department has not been made clear. This section provides for an additional expense of $10,000 for this department, and, to my mind, this is unnecessary. The Secretary of Agriculture now has one assistant. Whatever is to be done in the department under this bill evidently has been arranged or is being arranged by the head of the department. The carrying out of this plan no doubt will be done under his direction, and I assume it will be unnecessary to employ more secretaries to draw more salaries.

I have been somewhat interested in the discussion relating to the purposes of this bill, but I do not intend to go into this question.

I concede that there are many things that may be done to assist the farmers of the country; but as I understand it, in this bill you are providing for a lot of employees who may know but little about the subject to assist the farmers in raising agricultural products. In my opinion, if the farmers are given an opportunity, without too much restriction and legislation, they will properly raise the products of the country.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. DOWELL. Certainly.

Mr. YOUNG of North Dakota. Does not the gentleman have some requests for representatives of the department to appear before farmers' gatherings in his districts? I know I have.

Mr. DOWELL. Yes; and we have an agricultural college at Ames, Iowa, in the district which I have the honor to represent, which is the best in the world, and we have there the best experts in the country on the various subjects of agriculture.

Mr. YOUNG of North Daktoa. The gentleman has not answered my question.

Mr. DOWELL. What is the gentleman's question?

Mr. YOUNG of North Dakota. Ever since I have been down here there has been quite a demand from the people in my State for representatives of the department in Washington to appear at various farmers' gatherings.

Mr. DOWELL. But there is no demand that I have heard of for putting two additional secretaries in the Agricultural Department at $5,000 a year, the principal duties being, I fear, to draw the salaries.

Mr. KING. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. KING. Is the gentleman that the gentleman from Iowa refers to, Dr. R. A. Pearson, president of the Iowa State College?

Mr. DOWELL. No, sir.

Mr. KING. Is Dr. Pearson an authority in your State?

Mr. DOWELL. He ought to be; he is president of the State Agricultural College in Iowa, and, as I said, one of the best in the world.

Mr. KING. Did he not testify as follows: "Doctor, if you will permit, is not that one of three important things to be done—this food survey proposition;" and did not Dr. Pearson say, "By all means"?

Mr. DOWELL. I am not discussing that part of it, and that has nothing to do with this section. My objection is to unnecessarily providing for numerous employees.

The CHAIRMAN. The gentleman from New York wants to offer an amendment.

Mr. LAGUARDIA. Mr. Chairman, I would like to have this amendment disposed of before taking up my amendment.

Mr. LEVER. Mr. Chairman, I yield two minutes to the gentleman from Texas [Mr. YOUNG].

Mr. YOUNG of Texas. Mr. Chairman, as a member of this committee I have felt that some things reported in the bill were not defensible, but I have yielded my convictions in this emergency to certain items of appropriation. I would rather spend a little money, even if spent foolishly, than to take the risk of leaving undone some things that ought to be done in this great emergency that confronts us.

What I want to refer to is the Assistant Secretaries of Agriculture. When the bill was first reported these two positions were permanent positions. I raised the question in the committee and I raise it here and now that when emergency legislation is offered in this House—the emergency being this war—that whether it be the Agricultural Department or any other department of this Government, they ought not to take advantage of the emergency legislation to fasten on this country these expensive official positions that they are seeking in the various departments. [Applause.] So this bill—when I raised that objection the committee that reports this bill limited these official positions to the emergency that actually exists, and when this emergency ceases these two positions cease. That is the point I am making. I think every department of this Government and this Congress ought to say that when these departments come before Congress seeking to fasten on the taxpayer these expensive new positions that we ought to read every bill carefully and provide for the emergency and not let them put over on Congress positions that are permanent but make them emergency positions.

Mr. LEVER. Mr. Chairman, I yield one minute to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, I am in favor of the two Assistant Secretaries of Agriculture as a permanent thing, and for this reason: In North Dakota, where we produce the greatest amount of wheat, where we produce the greatest amount of flax of any State in the Union, the great agricultural State of the Nation, we have been waiting for about 25 years to get the Secretary of Agriculture out there, and he has not been there yet. In 25 years we have had one Assistant Secretary there. Now, we have frequent calls at large gatherings of farmers for representatives of the department. They do not want underlings or subordinates, $1,800 men, as the gentleman from Iowa says; they want the Secretary or an Assistant Secretary. There is really a demand for this class of men as representatives of the department. I want to say also that the Department of Agriculture ought to be of equal dignity with the other departments, and the other departments have more than one Assistant Secretary.

Mr. Chairman, may I also call attention to an important conference of grain growers from the States of Minnesota, Wisconsin, North Dakota, and South Dakota, held at Fargo this week. It was called for the purpose of considering the legislation proposed in House bill 4630. Little has been heard from the farmers of the country upon this subject. I am sure the committee will be glad to consider the resolutions adopted by the conference, as follows:

Your committee begs leave to report as follows:

"That the conference called at Fargo May 23, 1917, for the purpose of discussing governmental control of food prices, hereby goes on record for the following principles:

"1. We believe that the present war emergency and the world-wide shortage necessitate that our Federal Government shall take upon itself larger powers, in order to encourage greater food production and to control the sale and distribution of food products. We believe that such action would be in the interest of producers and consumers.

"2. We favor a rigid governmental guaranty to the farmers of profitable prices for staple farm products. Such guaranties are necessary for farmers to know how to reorganize their farming operations and to secure an increased production. Such reorganization incurs extra outlays of capital and extra expenses for labor and other essential factors. In the event that the Government should see fit to fix the prices of food products that farmers shall obtain, we also favor a rigid governmental control of the prices of other commodities than food, such as fuel, clothing, and agricultural requirements necessary or incident to the manufacturing and the mobilization of farm products. We believe that the principal factor in determining the prices of farm products to farmers should be the average cost of producing such products.

"3. We earnestly suggest that in line with the course of other warring nations the Government shall immediately prepare itself to seize and operate, whenever and wherever necessary, all transportation agencies and terminal elevators and warehouses.

"4. We hereby empower the committee which has been designated to represent us at Washington to systematize and present all necessary data and to ascertain the wishes of this conference and of other grain-growing interests as to what is considered by the farmers to be a fair price guaranty on the standard grades of grain.

"5. This conference also takes the opportunity to express its loyalty to the President and the Government of the United States, and to state the desire of farmers' organizations of the Northwest represented here to cooperate in the working out of this most important policy of food-production control.

"6. Your committee, after careful consideration of such facts and data as it has available, is of the opinion that the prices guaranteed by the Government for our 1917 crop of wheat shall be $2.50 per bushel for No. 1 northern wheat, at northwestern terminals, and we believe that the delegation to be sent to Washington to represent this conference shall use every legitimate method to establish this price."

BENJAMIN DRAKE,
Minneapolis, Minn.
CHAS. W. HOLMAN, Jr.,
(For Frank L. McVey),
Grand Forks, N. Dak.
MAGNUS JOHNSON,
Kimball, Minn.
H. R. WOOD,
Deering, N. Dak.
P. A. SUHUMSKIE,
Lisbon, N. Dak.
CHAS. E. DROWN,
Page, N. Dak.

The following resolution was then proposed from the floor of the conference, and unanimously adopted:

"7. *Resolved further*, That future trading in farm products be prohibited not as a temporary war measure, but as a permanent governmental policy."

Mr. HAUGEN. Mr. Chairman, I want five minutes.

Mr. LEVER. The time for debate has been closed by agreement.

Mr. HAUGEN. We have a number of members of the committee who would like to be heard.

Mr. LEVER. I think the chairman of this Agricultural Committee has been exceedingly liberal as to time, and gentlemen ought not to impose on the chairman.

Mr. HAUGEN. I have not taken any unnecessary time on this bill.

Mr. LEVER. I asked the gentleman from Minnesota and he said that he did not want any time on this section.

Mr. ANDERSON. I said if the time was closed I was satisfied, but if the time is to be extended I want five minutes.

The CHAIRMAN. The Chair will call the attention of gentlemen to the agreement that debate was to be closed in 15 minutes, but there still remains 7 minutes. The gentleman from New York had 5 but did not use it.

Mr. LAGUARDIA. But, Mr. Chairman, I am going to use it on my amendment. I have sent an amendment to the desk that has not been read.

Mr. LEVER. Then I ask the gentleman to consume his time, now.

The CHAIRMAN. The Chair understood the gentleman from New York to say that he did not want to offer his amendment until this amendment that is now pending was disposed of.

Mr. LAGUARDIA. I did so state, Mr. Chairman, but I understand that in order to speak on my amendment I will have to offer it now.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from New York.

The Clerk read as follows:

Page 5, section 6, after the period on line 6, add the following: "And all other appointments made in pursuance of the provisions of this act, including the appointment of inspectors, agents, experts, clerks, and employees by the Secretary of Agriculture, as authorized in this act, shall be in accordance with the provisions of the civil-service act of January 16, 1883: *Provided*, That all male citizens appointed by virtue of this act shall not be less than 31 years of age."

Mr. LEVER. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. LAGUARDIA. I want to be heard on the point of order.

Mr. CANNON. What is the gentleman's point of order?

Mr. LEVER. I make the point of order that the amendment is not germane to this section.

Mr. TOWNER. Let me suggest, Mr. Chairman, that the point of order can not be made now. This amendment is not in order. It is offered for information.

The CHAIRMAN. The Chair would like to inquire why the amendment is not in order?

Mr. TOWNER. I say the objection is not in order because the amendment has not been offered yet.

The CHAIRMAN. It is offered.

Mr. LEVER. If the gentleman from New York is offering the amendment merely as a matter of information, the gentleman from Iowa is right about it.

Mr. TOWNER. That is all that can be done, because there is already one amendment pending.

Mr. ANDERSON. That is not necessarily true, Mr. Chairman, because the amendment offered by the gentleman from Iowa is to strike out, and the amendment offered by the gentleman from New York is to perfect the section, and therefore is preferential.

Mr. LAGUARDIA. I want to be heard on the point of order, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. LAGUARDIA. Mr. Chairman, this section provides for the appointment of two Assistant Secretaries of Agriculture, and the bill provides further for the appointment of agents, clerks, employees. If we can not provide in this bill for the manner in which they shall be appointed, and limit the age, then I do not know what could be germane. These men must be selected by some one, and it certainly is germane to limit in this bill the manner of their appointment.

Mr. MEEKER. What is the age the gentleman fixes?

Mr. LAGUARDIA. That they shall not be less than 31 years of age.

Mr. LEVER. Mr. Chairman, I think the Chair is familiar with the rule, and I do not care to be heard unless the Chair desires to hear me.

The CHAIRMAN. The Chair would like to have the gentleman suggest why this is not germane.

Mr. LEVER. The Chair evidently has in mind that we are considering an appropriation bill. We are not considering a general appropriation bill in the ordinary sense of the word. There is nothing in this bill upon which this might be a limitation. The fact of fixing the age of employees, the fact of saying how the employees shall be appointed, certainly could not be germane to this bill.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the Chair indulge me for a moment?

The CHAIRMAN. The Chair will hear the gentleman from Kansas.

Mr. CAMPBELL of Kansas. Mr. Chairman, this is a law providing for the conduct of certain phases of work to be done in the Department of Agriculture. It provides, among other things, for employees, to accomplish the purpose of the bill. It seems to me that in providing for employees we have authority to provide at the same time the manner in which they shall be appointed and especially that they shall come within the scope of the civil-service law.

Mr. TOWNER. Mr. Chairman, just one observation, if the Chair will bear with me. All these provisions for the application of the civil-service rules must come up just as this does in this instance, by amendments to provisions for the appointment of officers. So it certainly seems to me that it must be clear to the Chair and to everyone that we never can make the civil-service rules applicable unless we can attach them to provisions for the appointment of officers. It is not necessary that it should apply particularly to this section. It is perfectly within the rules to make it apply to all of the sections of the bill, if it is attached to any one of them, and, in fact, that is the way the civil-service rules are usually applied. Whenever there is an arrangement made, an appropriation made, a distinct provision of existing law made by which directly or indirectly new offices are to be created, it is always pertinent and in order—it is always germane—for such a provision to declare that civil-service rules shall apply.

Mr. LEVER. Mr. Chairman, I would call the Chair's attention to the title of the regular appropriation bill.

The CHAIRMAN. The Chair does not think that this can be regarded as a general appropriation bill. All bills, simply because they happen to carry an item appropriating money, are not necessarily appropriation bills.

Mr. LEVER. If the Chair admits that, then this can not be germane.

Mr. CAMPBELL of Kansas. Mr. Chairman, may I take a moment's time of the Chair? The very fact that this is not an appropriation bill, that this is a bill creating certain offices, providing for the employment of certain individuals, gives the House the right to provide in just what manner these employees shall be appointed.

Mr. LANGLEY. If it is not in order when you are creating offices, when is it in order?

Mr. CAMPBELL of Kansas. This is the only time when the Congress will ever have an opportunity to say how these men shall be employed. When the next regular Agriculture appropriation bill comes up for consideration it would not be in order to provide that these men should be employed under the civil service.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of Kansas. But to-day, when Congress is making the law to provide for these positions, we have a perfect right to say in what manner they shall be appointed.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. TOWNER. Do not these rules apply only to general appropriation bills?

Mr. CAMPBELL of Kansas. Yes.

Mr. TOWNER. And is not that the language of the rule itself?

Mr. CAMPBELL of Kansas. That is the language of the rule.

Mr. TOWNER. And this could not be considered as a general appropriation bill.

Mr. CAMPBELL of Kansas. I am placing it upon the fundamental principle that this is the law that creates these positions. It is the last chance that Congress will have to say how these employees shall be employed. This is our day to say to the Department of Agriculture how these men shall be appointed. We provide for them, we create the positions, and we have a perfect right to say under the rules of the House in what manner they shall be employed.

Mr. LEVER. Mr. Chairman, in view of the statement of the gentleman from Kansas, I desire to call the attention of the Chair to the language of the section and what is proposed to be done in the section. It reads:

That the President, by and with the advice and consent of the Senate, may appoint two additional Assistant Secretaries of Agriculture, who shall perform such duties as may be required by law or prescribed by the Secretary of Agriculture, and who shall each be paid a salary of $5,000 per annum.

Now, the amendment offered by the gentleman from New York [Mr. LAGUARDIA] undertakes to say that all employees that may be employed under the terms of this bill shall be employed in a certain way, and I believe that he even fixes the age at which they may come into the service, which in itself is against the civil-service regulations and the law; and it seems to me that a section which provides for the appointment of two Assistant Secretaries, fixing their salaries and fixing their method of appointment, can not be amended in any germane manner by a proposition that undertakes to fix the method of how other employees may be chosen.

Mr. HELM. Will the gentleman yield for a moment?

Mr. LEVER. I will yield for a question.

Mr. HELM. The employees of the different departments are under the classified service. This is an office. Does the gentleman know of any offices created by Congress to which officers are appointed by the President and confirmed by the Senate that are in any way affected by the classified service?

Mr. LEVER. That is what I am arguing. An amendment which proposes to classify other employees would not be germane at this point.

Mr. KING. Is it not a fact that the present civil-service law, passed as early as the eighties, applies as to appointive clerkships, and that if you desire to pass a bill exempting such from examinations you must specifically state it in the bill? Therefore, it seems to me it is out of order, because it is already covered by existing law.

Mr. LANGLEY. If the gentleman will pardon me——

Mr. LAGUARDIA. If the gentleman will admit that to be the purpose of the bill, I will withdraw my amendment.

The CHAIRMAN. An amendment is offered to section 6, which section provides:

That the President, by and with the advice and consent of the Senate, may appoint two additional Assistant Secretaries of Agriculture, who shall perform such duties as may be required by law or prescribed by the Secretary of Agriculture, and who shall each be paid a salary of $5,000 per annum.

Of course this amendment could not possibly apply to that section or limit the President's authority to nominate or the Senate's right of confirmation or refusal to confirm men whom the President may nominate. No other section of the bill that the Chair knows of provides for the appointment of any employees other than those perhaps he may have now in the employ of the department. The Chair does not think that the amendment is germane, and therefore sustains the point of order.

Mr. LAGUARDIA. Mr. Chairman, I appeal from the decision of the Chair.

Mr. LEVER. Mr. Chairman, I move to lay the appeal on the table.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken; and there were—ayes 54, noes 24.

So the decision of the Chair stood as the judgment of the committee.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. All time on this amendment has expired.

Mr. LAGUARDIA. Mr. Chairman, I still have five minutes.

Mr. MOORE of Pennsylvania. I think there was no agreement as to time on the paragraph.

Mr. LEVER. I think there are eight minutes remaining.

The CHAIRMAN. The gentleman is correct. There are eight minutes remaining. The gentleman from Pennsylvania is recognized for five minutes.

Mr. LEVER. Mr. Chairman, I understood that five minutes of that time belonged to the gentleman from New York [Mr. LAGUARDIA].

Mr. McLAUGHLIN of Michigan. Mr. Chairman, is the name of the gentleman from Pennsylvania [Mr. MOORE] on the list?

Mr. MOORE of Pennsylvania. Is this selective conscription?

Mr. McLAUGHLIN of Michigan. Yes.

The CHAIRMAN. The Chair thinks that if the gentleman from New York [Mr. LAGUARDIA] does not care to use his five minutes, the Chair may recognize somebody else.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word, and I yield to the gentleman from Pennsylvania [Mr. MOORE].

The CHAIRMAN. Does the gentleman from New York [Mr. LAGUARDIA] want to use his five minutes of time?

Mr. LAGUARDIA. I do not.

The CHAIRMAN. Then the gentleman from Pennsylvania [Mr. MOORE] is recognized.

Mr. HAUGEN. Mr. Chairman, I suggest to the Chairman that the time be extended 10 minutes. We will make time by it.

Mr. YOUNG of North Dakota. Mr. Chairman, I object.

Mr. MOORE of Pennsylvania. Mr. Chairman, I would like to have a full five minutes. The time is running now.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] is recognized for five minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am glad my friend from Alabama [Mr. HEFLIN] has returned to the Hall, because it is in my mind to make some response to him before I take my seat.

Mr. HEFLIN. I will say to the gentleman from Pennsylvania I have just returned from lunch.

Mr. MOORE of Pennsylvania. Then the gentleman feels better. I realize the magnitude of the task imposed on me in attempting to reply to the gentleman from Alabama [Mr. HEFLIN], more especially as I am but an humble Member of this House and he is the eloquent spokesman of the administration. The gentleman from Alabama, who may be regarded by those he criticizes as a foeman worthy of their steel, was in excellent form this morning. Cotton advanced yesterday to 21 cents a pound on the heels of the tax bill of $1,800,000,000 last week, in which we permitted cotton to go free of taxes.

Now, the gentleman from Alabama is not only the spokesman of the administration in matters political, secret and public, but he is also the special representative upon this floor of the great cotton monopoly, which, of course, is confined to certain States, which I may not mention here for fear of becoming sectional. [Laughter.]

The gentleman from Alabama knows that by reason of the war in Europe and the particular preference given to cotton during that war, at least $1,500,000,000 worth of wealth went to cotton producers last year on which they paid no excise taxes. Hence the enthusiasm of the gentleman from Alabama this morning. He knew that everything that is produced from cotton that is fabricated from cotton pays taxes, and pays them heavily, in the bill recently passed, but that cotton itself is exempt.

Mr. HEFLIN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Alabama?

Mr. MOORE of Pennsylvania. I have not time in five minutes; but to my gracious friend I will, even though it robs me of that which I have not. [Laughter.]

Mr. HEFLIN. The gentleman must admit that even the whole cotton belt is not deriving any profit like that enjoyed by the Steel Trust.

Mr. MOORE of Pennsylvania. Well, the gentleman from Alabama knows more about the Steel Trust than I do; but I will say to him that the Steel Trust is on particularly intimate terms with the present administration. [Applause on the Republican side.] But it may be unpatriotic to mention these things now, because we are at war with Germany and, in the language of the gentleman, we might reveal something to some German spy, if we should dare to speak of so pertinent a matter.

Mr. HEFLIN. The gentleman has made the statement. Will he explain how and why and in what way the Steel Trust is shown to be on intimate terms with the present administration?

Mr. MOORE of Pennsylvania. I think some very large contributions were made in the last campaign, but now that we are at war with Germany, it may be unpatriotic to mention such things. [Laughter.] It is intensely unpatriotic to refer to the jobs being created in this bill. Why, if I should say that 7,500 new Democratic job holders are to be fixed and taken away from conscription while the country is at war with Germany, through the passage of this bill, it would be unpatriotic. The President might not like it, and the gentleman from Alabama might come rushing down the aisle to denounce as pro-German anyone who would hint or suggest such a thing. But there are a large number of jobs in this bill, and they are going "to deserving Democrats," and the gentleman from Alabama and his colleagues just voted against civil-service regulations to control these appointments. I suppose that is unpatriotic. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WASON. Mr. Chairman, I ask unanimous consent that the time be extended for five minutes to enable my colleague, Mr. HAUGEN, to speak.

Mr. LEVER. I have no objection.

The CHAIRMAN. The gentleman from New Hampshire asks unanimous consent that the time be extended five minutes, so that the gentleman from Iowa [Mr. HAUGEN] may have that amount of time. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, if there was any need for the two additional secretaries it does not exist at this time. As the chairman of the committee will agree, the plan was that the Secretary of Agriculture should serve as food dictator. That plan has been changed. We are to have another food dictator, Mr. Hoover. Now, I can not conceive that there is any need of any two additional secretaries, or a need for the additional $10,000 to be paid these two secretaries.

Another thing: There is no use in denying the fact that there is a sentiment in this country that the Assistant Secretary, Mr. Vrooman, is the best friend the farmer has. Many go to the extent of claiming that he is the only friend the farmer has. Some have gone so far as to suggest a change of the name of the department, and suggesting that the word "agriculture" should be dropped from the name of the department. I do not share in the opinion as to that.

I have often said that in the Department of Agriculture we have a corps of scientists; I believe the best in the world. So far as I know, every one of the 17,000 men in that department pursues his duty with fidelity and rectitude of purpose; but when I say that they are not agriculturists I can not be charged with criticizing the department or discrediting knowledge. Their knowledge is on certain lines. Knowledge is power. It always was and always will be power; and certainly in a Government like ours, that must rely upon the intelligence and morality of our people, and my advice to every young man is to seek for knowledge as he would for a hidden treasure. It is the greatest security for freedom. But the fact that a scientist may have a large number of textbooks and dime novels stored away does not qualify him as an expert in agriculture.

tI requires training and experience in agriculture as it requires experience in other lines of activity.

Now, then, that we have in the department a real farmer; now that we have a man with experience, whose heart is with the agricultural people, why undermine him in this way? Of course, under existing conditions it would not do to take him by the nape of the neck and throw him out; but the result will be the same. If we are to preserve the good will—whatever there may be of it in the country—toward the department, let us not undermine this man. If we have a man in whom we have confidence, why not leave him in the department?

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. CANNON. To which one of the officials does the gentleman refer?

Mr. HAUGEN. I am referring to the Assistant Secretary of Agriculture, Mr. Vrooman.

Mr. CANNON. Does the gentleman propose to move to strike out this section?

Mr. HAUGEN. The gentleman from Iowa [Mr. DOWELL] moved to strike out the section.

Now, Mr. Chairman, in support of my statement, Mr. John A. McSparran, of Furniss, Pa., representing the National Grange, appeared before our committee, and I will read one sentence of his testimony. Remember, he represents thousands and thousands of farmers throughout the country. The National Grange is one of the largest and most useful agricultural organizations in the United States. Here is what he has to say:

We have provided a Department of Agriculture over here, and yet when we come in here on the question of oleomargarine we do not get any help from the Department of Agriculture. When we come here on the question of denatured alcohol we can not get any aid out of the Department of Agriculture. If it had been constructed expressly to help the Beef Trust and the Standard Oil Trust, it would not do it any better.

Now, gentlemen, that is the sentiment throughout the country. Representatives of these agricultural people have been here representing these various organizations, and many have voiced the same sentiment.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAMILTON of Michigan. I want to ask the gentleman a question for information. What is there for these two additional secretaries to do?

Mr. HAUGEN. Nothing whatever. As I said, the first thought was to make the Secretary of Agriculture the food dictator, but that plan has been changed.

Mr. HAMILTON of Michigan. The food dictator has been provided for?

Mr. HAUGEN. The food dictator has been provided for, and there is no need for any additional secretaries.

Mr. SNOOK. I want to ask the gentleman a question along the line of the argument made by the gentleman from Texas [Mr. YOUNG]. I want to ask the chairman of the committee if he believes that the provisions of section 10 of this bill, limiting the effect of the bill to the present emergency—that is, the present war—will limit the terms of office of these two Assistant Secretaries of Agriculture, and that they will go out of office automatically at the end of that time?

Mr. LEVER. Unquestionably. There is no question in the minds of the committee about that.

Mr. SNOOK. Another question along the same line. In view of the argument made by the gentleman from Illinois, the distinguished minority leader [Mr. MANN], the other day, that he never heard of anybody who had gone into office going out again, can the gentleman give us any hope that even if limited by this bill these offices will cease at the end of this emergency?

Mr. LEVER. The only way they could be continued would be by act of Congress, and that would be up to Congress.

Mr. HAMILTON of Michigan. Will the gentleman allow me to ask him a question?

Mr. LEVER. As soon as I complete my statement.

Mr. HAMILTON of Michigan. I want to ask the gentleman a question for information pretty soon.

Mr. LEVER. All right. The reason why we are asking for these two assistant secretaries is that we have very largely increased the work of the Department of Agriculture in this bill if it goes through. We are going to provide between 3,500 and 4,000 additional employees. In addition to that the present Department of Agriculture controls the activities of 17,000 employees. It enforces 35 great statutes passed by Congress, and yet it has had no increase in its secretarial force since the act creating the Department of Agriculture was passed. Within recent years, since I have been a Member of Congress, the work of the Department of Agriculture has practically been quadrupled, and gentlemen who have been Members of the House as long as I have know that to be a fact. Within the last six years we have given to the Department of Agriculture the enforcement of the cotton-futures act, the grain-grades act, the Federal warehouse act, and various and sundry great big pieces of fundamental legislation.

Mr. LANGLEY. Will the gentleman yield?

Mr. LEVER. Let me finish this. I want to give the House some information.

Mr. LANGLEY. I want to help the gentleman do that.

Mr. LEVER. I happen to know personally that the Secretary of Agriculture is absolutely overwhelmed with the duties of his position. He is an overworked man now. Not only does he perform the duties of the Secretary of Agriculture, but he is on the Council of National Defense. He was selected to help locate the Federal reserve cities. Also, he is on the nitrate board, to select the location of the nitrate plants, and he needs assistance and needs it badly. Now, we provide in this bill that the terms of these two assistants shall cease at the end of this emergency. That is all there is to it, gentlemen.

Mr. HAMILTON of Michigan. I have a high regard for the gentleman except for his politics, and I want to ask him a question for information.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAMILTON of Michigan. I want to ask the gentleman if it would not be possible for two high-grade employees in the department to perform this service, and all the service that could be performed by creating these two additional offices of assistant secretaries?

Mr. LEVER. I do not think so, for this reason: If the Secretary of Agriculture happens to be away and the Assistant Secretary of Agriculture happens to be away, which frequently happens, there is nobody to sign the official mail of the Secretary except the Chief of the Weather Bureau.

Mr. HAMILTON of Michigan. Let us pass a little statute giving somebody authority to sign the mail.

Mr. LEVER. I think he needs the assistance of these men now.

Mr. HAMILTON of Michigan. Somebody signs his name to his mail now.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment of the gentleman from Iowa [Mr. DOWELL] to strike out the section.

The question being taken, on a division (demanded by Mr. DOWELL) there were—ayes 42, noes 64.

Mr. DOWELL. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed Mr. DOWELL and Mr. LEVER.

The committee again divided; and the tellers reported—ayes 47, noes 68.

Accordingly the amendment was rejected.

Mr. GOOD. Mr. Chairman, I move to strike out the last word. I do it for the purpose of asking the gentleman from South Carolina a question. I observe that section 6——

Mr. LEVER. We have concluded the debate on section 6.

Mr. GOOD. It is about the language in that section.

Mr. LEVER. We can do it by unanimous consent.

The CHAIRMAN. Without objection, the gentleman will have that privilege.

Mr. GOOD. The language of section 6 is to the effect that these two additional assistant secretaries shall perform such duties as may be required by law or prescribed by the Secretary of Agriculture. The wording is rather peculiar, and the question I want to ask the gentleman is whether or not, if we adopt that provision, the Secretary of Agriculture can delegate to these assistants certain work not authorized by law?

Mr. LEVER. I should not think so.

Mr. GOOD. Then what is the object in stating it in the alternative in the bill?

Mr. LEVER. I will say to the gentleman very frankly that this language was drawn by the department, and the committee did not change it.

Mr. LANGLEY. Will the gentleman from South Carolina permit a suggestion?

Mr. SAUNDERS of Virginia. Mr. Chairman, I desire to offer a new section.

The CHAIRMAN. The gentleman from Virginia [Mr. SAUNDERS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SAUNDERS of Virginia: Insert as a new section the following:

"The terms of all officials created by or under this act shall ipso facto expire at the termination of the existing state of war."

Mr. LEVER. I will ask the gentleman from Virginia if he has read section 10?

Mr. SAUNDERS of Virginia. Yes. There seems to be some question as to its effect, and I want to make it certain.

Mr. LEVER. Does the gentleman think there is any ambiguity about section 10?

Mr. SAUNDERS of Virginia. It might not accomplish what I desire to accomplish, and this simply makes it certain.

Mr. LEVER. Why not offer it as an amendment to section 10?

Mr. SAUNDERS of Virginia. I have no objection to that. I will ask unanimous consent of the committee to withdraw it now.

The CHAIRMAN. Without objection, the gentleman from Virginia will be permitted to withdraw his amendment for the present. The Clerk will read.

The Clerk read as follows:

SEC. 9. That for the purposes of this act the following sums are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended: For the prevention, control, and eradication of the diseases and pests of live stock;

the enlargement of live-stock production; and the conservation and utilization of meat, poultry, dairy, and other animal products, $2,010,000.

Mr. LEVER. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

On page 5, line 24, strike out "$2,010,000" and in lieu thereof insert "$885,000."

Mr. MOORE of Pennsylvania. Mr. Chairman, will the chairman of the committee inform us whether he proposes to offer an amendment to other appropriation paragraphs?

Mr. LEVER. I think, Mr. Chairman, if I may make a brief statement it will clarify the situation. The bill as originally introduced carried $18,510,000. The original estimate by the Department of Agriculture was $25,000,000. The committee therefore reduced the Secretary's estimate by something over $6,000,000, but inasmuch as considerable time has elapsed from the reporting of the bill until this time I took it upon myself to consult the Secretary of Agriculture and made the suggestion to him that I thought it possible to reduce these appropriations. The Secretary took the matter under advisement and recommended to the committee in a supplemental statement a reduction of what was carried in the bill, as reported by the committee, of $2,579,300, making the estimate for this work $15,930,700.

The Secretary furnished me a memorandum of how these appropriations were to be expended. I went through it myself carefully and laid the memorandum before the committee. The committee itself then reduced the appropriation from $15,930,700 to $14,522,400, so that the total carried in the bill, as recommended by the committee, is $14,522,400.

Mr. MOORE of Pennsylvania. What other appropriation bills will the Committee on Agriculture bring in in addition to this?

Mr. LEVER. The only other bill that the Committee on Agriculture has considered, or that the chairman has in mind, is the so-called food-control bill.

Mr. MOORE of Pennsylvania. Is it under that bill that the so-called food dictatorship will be inaugurated?

Mr. LEVER. I would not call it a dictatorship, but a food administrator; yes.

Mr. MOORE of Pennsylvania. I did not use the term in an offensive way. How much money will be provided for in that bill?

Mr. LEVER. The committee has not determined. The bill was introduced with the appropriation left blank. Neither the department nor anyone else has made any suggestion as to the amount.

Mr. GOOD. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. GOOD. I observe this section provides for funds to eradicate diseases and pests of live stock as well as to increase production. Has the gentleman any figures as to how these sums are to be expended?

Mr. LEVER. I can give the figures in the rough and shall be glad to do so. We shall expend out of this sum about $150,000 to undertake to increase the poultry production of the country. The chairman of the committee has had in mind that there were two ways of quick production of meat in this country—the pig and the poultry—and we are providing about $150,000 to organize poultry clubs and stimulate poultry production as much as we can.

We are providing about $46,000, in round numbers, for the encouragement of dairying in this country by the organization of dairy routes in sections of the country where dairying is not so well developed.

We propose, also, to spend $200,000 in attacking anthrax, blackleg, tuberculosis, and other animal diseases, with the exception of two mentioned specifically. In addition to that we are proposing $231,000 for a very strong attack upon hog cholera.

Then we propose to use $182,000 for a further drive upon the cattle tick, and about $12,000 to extend the eradication of dourine.

Mr. GOOD. Then, if I follow the gentleman correctly, one-half of the $800,000 will be spent for the eradication of diseases and pests and the remaining one-half for production.

Mr. LEVER. A little more than one-half for diseases.

Mr. GOOD. Now, the question I wanted to get at is, Does not the gentleman believe that instead of making appropriations of this kind in a lump sum it would be better to segregate them?

Mr. LEVER. The gentleman and I do not agree on that proposition at all. The gentleman knows that if it had not been that we were acting under a tremendous pressure we would have brought in a bill with these segregations. The original bill as introduced by me at the instance of the Department of Agriculture—and there is no concealment about it—carried a lump sum appropriation of $25,000,000. The committee, knowing the attitude of Congress on the segregation of such appropriations, undertook to segregate as nearly as we could these appropriations.

Mr. GOOD. As the gentleman knows, I think it is a very dangerous practice.

Mr. LEVER. It is.

Mr. GOOD. Would the gentleman have any objection to striking out the word "expended," in line 20, and inserting "June 30, 1918," making it available for the fiscal year? These large sums ought not to be available until expended. Some bureau chief could practically, under the way moneys are expended in the departments, expend it for something that it ought not to be expended for.

Mr. LEVER. The gentleman means 1919.

Mr. GOOD. No; for the fiscal year 1918. We will meet in December, 1917, and make appropriations for the next Agricultural appropriation bill, and that money will be available in 1919.

Mr. LEVER. The committee had this thought in mind in making the funds available until expended, and that was that probably the department would feel more free in working out the program if it knew that it was going to have the funds; but if the gentleman has any serious objections to it, I do not think the committeee would object to his amendment.

Mr. GOOD. That is what we have been doing in large appropriations for carrying on the war.

Mr. LEVER. I think the committee will have no objections if the gentleman will offer his amendment.

Mr. MANN. Mr. Chairman, just a commentary upon this situation which may be interesting. This bill was introduced into the House on May 4. It was reported to the House on May 7 with this paragraph in it. Since May 7 the Committee on Agriculture of the House have given further investigation and consideration to the matter. As originally introduced, the paragraph contained $2,010,000, and the committee now offers an amendment to reduce that sum to $825,000. The same item precisely was introduced in a bill in the Senate on May 21. That was after the Committee on Agriculture in the House had obtained its information from the Secretary of Agriculture, which caused the House committee to reduce the sum of $2,010,000 to $825,000. The bill was introduced in the Senate by request, by Senator GORE, the request evidently being the request of the Department of Agriculture. As I say, that was on May 21. On May 23 it was reported to the Senate. Evidently the Secretary of Agriculture had not given the same information to the Senate Committee on Agriculure that he had given to the House Committee on Agriculture, because, while the House Committee on Agriculture, after receiving the information, recommended a reduction of the appropriation for this item from over $2,000,000 to less than $900,000, the Senate committee recommended an increase of the item from $2,000,000 to $4,500,000. What are the sources of information which these committees have? Here is precisely the same item, one in a bill in the House and the other in the bill in the Senate. At the same dates they get their information, and the House committee on the information that it receives proposes to cut a $2,000,000 appropriation in half, and the Senate committee proposes to double it.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MANN. Not now. I wonder what the conferees will do. Is the purpose of this amendment, not intentional of course upon the part of the gentleman from South Carolina [Mr. LEVER], to fool the House into agreeing to the item and then have the Department of Agriculture insist that the amount they have asked for in the Senate shall be the amount taken by the conferees, which more than doubles this amount?

Mr. LEVER. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. MANN. The object of my speech is to get the gentleman interested.

Mr. LEVER. I am not sure that I state correctly the facts, but I shall undertake to verify them as soon as I can leave the floor conveniently. My impression is that the same memorandum furnished me by Secretary Houston on May 22 was furnished to the Senate Committee on Agriculture at the same time; and I may say further to the gentleman that I think the gentleman knows the conferees from this side of the House well enough to know that they take fairly good care of the House on these propositions.

Mr. MANN. It is such a remarkable proposition.

Mr. LEVER. It is a very remarkable proposition.

Mr. MANN. Of course the Senate included in its recommendation an amendment to insert the words "hog cholera, cattle ticks, and contagious abortion of cattle," but that was already covered by the language of the House. How does it happen that with the same bill in two different bodies, acted upon by two committees on the same information from the Department of Agriculture—if it is the same information, and I do not know about that—each one endeavoring to comply with the wishes of the department, one reduces the appropriation from $2,000,000 to eight hundred thousand and odd dollars and the other increases the appropriation from $2,000,000 to $4,500,000?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. YOUNG of Texas. Mr. Chairman, I have listened to the criticisms directed against this bill and the same bill now being considered in the other end of the Capitol. I would not be candid with myself or with gentlemen of the House, as a member of the Committee on Agriculture, if I did not get up here now and state that so far as the particular items in this bill are concerned there is not a member of our committee who is satisfied with the evidence presented to us by the Agricultural Department. This bill has not had the consideration at the hands of our committee that the annual appropriation bills have. The fact of the matter is that they lost their heads down there in the department, and many items submitted in the bill as originally introduced have been withdrawn in supplemental estimates.

Mr. HAMILTON of Michigan. I suggest that they ought to have at least two more Assistant Secretaries of Agriculture.

Mr. YOUNG of Texas. Mr. Chairman, I tacitly agreed that this bill should come out of the committee, and do you know why I did it? This bill was a part of a bigger proposition. Oh, there are some good items in the bill, and I shall discuss some of them. The bill, as I say, was a part of a bigger proposition that came before our committee for consideration, and that bigger proposition was to find some man in this Nation who has more brain and intellect than the combined American people and give to him the power to fix the prices of the farm products of this country in the hands of the farmer! I would not be candid with myself or with this House if I did not say to you now that I agreed that the propositions now under consideration should be cut out of the other bill and be considered as a separate measure. I would willingly vote to tax the American people $18,500,000 as proposed in the bill under consideration and run the risk of much of it being wasted rather than grant the other proposition that is in the bill now pending before the committee, namely, to name some man as food dictator of this country who can autocratically fix the price of the stuff that the farmers in my district and in yours grow. [Applause.] So I agreed that this bill should come out. I am doing my utmost to defeat the proposition of granting such power to any man or any set of men. I am talking about myself individually; I am not speaking for anyone else. It will be remembered that I made a little speech on the floor the other day in which I took issue with one of my colleagues. I did touch this bill in the high places. I practiced law for a good many years, and I have had cases that had weak points in them, and I always found it a good policy, if I wanted to win my case, in discussing it to smooth over the weak points and come out strong on the stronger ones. There were two items in the bill that I discussed with some emphasis. One was for $500,000 which they led us to believe was going to be expended to eradicate hog cholera, and now they come in with a supplementary estimate and tell us that they can not spend but little more than $200,000 for that purpose, and there I am on record in that talk as telling you in advance of this bill that $500,000 was to be expended in that way.

Now, see what shape I am in. [Laughter.]

Another proposition I thought was a strong point in the bill, and that was in the statement made before the committee, I was led to believe that $500,000 was to be spent for the cattle-tick item. I knew I could support that. Now, in the supplemental estimate they say they will be able to use less than $200,000 on this important item.

I want to say to you that I am just in a position where there are develish few of the items in this bill I can defend. As an emergency proposition, I am going to vote for it; I am going to swallow it. I do not want to do anything that would cripple our Government in this emergency which is confronting us, and I am willing to risk the expenditure that will help create a food supply in this country. But God pity the man in the Agricultural Department that would waste one dollar of this trust fund on useless salaries for men that ought not to be employed! [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I wish to oppose the amendment.

Mr. LEVER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The gentleman will state it.

Mr. LEVER. The Chair will observe that section 9 is a section which contains what in an ordinary appropriation bill would be numbered paragraphs. I desire to inquire of the Chair if the Chair would hold that the subparagraphs in section 9 are really not paragraphs, and section 9 could be considered as a whole?

Mr. TOWNER. Let me suggest that that might be subject to the rule of appropriation bills, because these are appropriation paragraphs, and each paragraph should be considered separately.

Mr. LEVER. I am asking for information.

Mr. TOWNER. The gentleman will agree it would be perhaps best to consider them separately, does he not?

Mr. LEVER. I think I should if I could be assured there was not going to be interminable debate on the proposition.

Mr. TOWNER. Let me suggest that this debate will occur in any event.

Mr. LEVER. Probably. I will say to the gentleman from Iowa [Mr. TOWNER] that I am anxious to complete the bill this afternoon, and if we can do that I have no objection at all.

Mr. YOUNG of North Dakota. Is there any reason why we can not agree as to time when we will reach the final vote on the bill?

The CHAIRMAN. The Chair will say to the gentleman from South Carolina that the gentleman could reach the question very readily by asking unanimous consent that this section be considered as one paragraph. That was done the other day in respect to another bill.

Mr. TOWNER. Mr. Chairman, I ask unanimous consent that this portion of the bill be considered under the rule governing appropriation bills, and that amendments be offered at the end of the paragraph.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that this particular section shall be considered by paragraphs.

Mr. MANN. We were considering it by paragraphs.

Mr. LEVER. Mr. Chairman, I raise the point whether or not it should be considered by paragraphs or by the entire section, and then go back and offer amendments. I am trying to know what to do in order to make the most time.

Mr. MANN. The section is an appropriation section. I suppose under the practice it would be considered by paragraphs.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa [Mr. TOWNER]. Is there objection to it?

Mr. LEVER. I have no objection to it. I think we should make time.

The CHAIRMAN. The Chair hears no objection. The gentleman from Pennsylvania [Mr. MOORE] is recognized.

Mr. MOORE of Pennsylvania. Mr. Chairman, I regret that my distinguished friend from Alabama [Mr. HEFLIN] was not here to listen to the address of the distinguished Representative from Texas [Mr. YOUNG]. I think he and I might have differed as to the patriotism of the gentleman from Texas, because that speech was not in entire harmony with the bill, the bill being an administration bill, which should have been defended by the gentleman from Alabama [Mr. HEFLIN]. The gentleman from Texas [Mr. YOUNG], being a member of the committee, is not satisfied with the bill the committee presents. I hope that is not giving aid and comfort to the enemy. I hope no German spy may pick up that bit of information and harry the soul of the gentleman from Alabama, the defender of the administration. But what the gentleman from Texas said and what was said before the gentleman from Texas spoke, illustrates more than anything else that Congress ought not to abdicate its constitutional functions in matters of this kind. Congress now is confronted——

Mr. MEEKER. Will the gentleman yield?

Mr. MOORE of Pennsylvania (continuing). With this strange proposition.

Mr. MEEKER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield; yes.

Mr. MEEKER. The gentleman from Texas was only expressing a predicament of a Democratic Congressman who is caught short on appropriations.

Mr. MOORE of Pennsylvania. I take it he was expressing a mild regret for a bill he approves. But the matter confronting the Congress is this, that a department representating the administration, which asks everybody to be quiet and not talk about public expenditures, presents estimates for $25,000,000.

Then by a system of conferences the estimate is changed and revised until the bill finally calls for only $14,000,000. In other words, the original estimate made by the department is cut substantially in half, and as the bill comes to the House even the members of the committee are not united upon it.

This bill provides for certain emergency expenditures. I suppose they are sacred because we are at war with Germany. We are expected to pass this bill without question, apparently, because, according to the gentleman from Alabama, it might be "giving aid and comfort to the enemy," if we suggest even that the bill provides for certain jobs that are already covered by the Agricultural bill.

Let us see: The first appropriation paragraph of the bill provides for an expenditure of $2,010,000. The committee comes in and drops the amount to $885,000 without giving any special reason as to why the Secretary of Agriculture or the administration changed its mind. We have already appropriated, up until June 30, 1918, a total of $3,555,000 for the Bureau of Animal Industry, which is to receive this $885,000 additional. For what is this additional sum needed?

The next paragraph provides for an expenditure of $6,500,000, which, I suppose, will be cut down when we reach it—voluntarily cut down by the committee itself—whereas in the pending bill we have provided for the Bureau of Plant Industry $3,143,000. This is a big addition to sums already in hand.

I could run on, showing how we have already appropriated $24,000,000 for the very purposes that are provided for in this bill. It has been stated here—and it has not been denied—that it is proposed to create 7,500 new places by the additional appropriation provided for in this so-called war emergency measure. I presume from the viewpoint of the gentleman from Alabama [Mr. HEFLIN] that it is still unpatriotic to refer to a matter of this kind, and yet I commend to the Members of the House the utterances of the distinguished gentleman from Texas, who "let the cat out of the bag" as to the "sacredness" of this measure. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROSE and Mr. SUMNERS rose.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that the debate on the committee amendment be closed at this time.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that the debate on the pending amendment, which is a committee amendment, be now closed. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. REAVIS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. REAVIS: On page 5, at the end of line 24, add the following:

"*Provided, however,* That no part of the money herein appropriated shall be used in the payment of the salary of any employee who is less than 31 years of age."

Mr. LEVER. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. The gentleman from South Carolina reserves a point of order on the amendment.

Mr. REAVIS. Mr. Chairman and gentlemen of the committee, I have no desire to take five minutes in discussing the amendment I have offered. I want no time further than may be sufficient to state the purpose of the amendment. I have grown somewhat tired of the repeated stories that are being told about men high in the public life of the Nation who were very eager for America to become a participant in this war and yet have ever since war was declared been making every effort to get their own sons in places of safety. I do not intend any reflection on any given individual, but I have not the greatest admiration in the world for the patriotism of a man or of the men who wanted this country to engage in this war with the secret intention in their minds that it should be fought by the sons of other men.

There are many Members of this House who have contributed their sons to the service of their country with no restriction or limitation upon the dangers to which they shall be subjected, nor upon the hardships which they will endure. My colleague from my own State [Mr. SHALLENBERGER] in a very short time will be informed that the son he has given to his country's cause will be crossing the ocean on his way to the trenches of France. The gentleman from Kansas [Mr. CAMPBELL] has a boy to-day somewhere on the sea. He does not know where; he does not know what he is doing nor what danger is lurking and waiting upon him. The Speaker of this House has given his only son to the service of his country without restriction, without limitation. The gentleman from Colorado [Mr. TAYLOR], the gentleman from Ohio [Mr. GORDON], the gentleman from Michigan [Mr. BACON], the gentleman from Iowa [Mr. TOWNER], the gentleman from Pennsylvania [Mr. TEMPLE], the gentleman from North Carolina [Mr. KITCHIN], as well as many other Members, have offered the greatest hopes of their lives upon the altar of the Nation. [Applause.] The membership of this House has given more than any similar body in the Nation.

I want to see this bill fixed, if possible, so that it will not make places for 7,500 slackers who, by the provisions of this bill, will get into the employ of the Nation and thereby be withdrawn from liability to the selective draft. [Applause.] If we must make places for 7,500 men, if it is necessary at this time to do it, I am in favor of it; but let us put in this employment and in these places men that are beyond the age of the selective draft, and not make these places a perfect harbor for the slackers of America and for the men who want their sons assigned to places of safety during the progress of this war. I hope that the amendment will be adopted. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. LEVER. Mr. Chairman, I am inclined to think that the amendment is in order. I am doubtful if it is subject to a point of order, and therefore I shall withdraw the point of order.

I have listened with a great deal of interest to the gentleman from Nebraska [Mr. REAVIS], as I always do, because he always enlightens the House when he addresses it, and I am in sympathy with a good deal that he says. But it does seem to me, Mr. Chairman, that he is going rather far when he attempts to fix by statute the age at which employees of the department may be taken into the public service, and as I understand the gentleman's amendment it undertakes to do that.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. LEVER. I yield.

Mr. MANN. Would the gentleman agree to an amendment providing that no persons employed under the provisions of this bill should be exempt from conscription?

Mr. LEVER. I would not object to that.

Mr. REAVIS. With that understanding I will withdraw my amendment.

Mr. LEVER. I have no objection to it, although there may be serious objections to it. The question is sprung suddenly on me, but for the time being I think I would accept the proposition. I may want to study it in conference.

Mr. MANN. I ask unanimous consent, Mr. Chairman, that the gentleman from Illinois [Mr. MCKENZIE] may have an opportunity to offer the amendment that he sends to the desk to be read.

The CHAIRMAN. The gentleman from Illinois asks that his colleague may have the opportunity to have read an amendment at the desk for information. Is there objection?

There was no objection.

The Clerk read as follows:

Add after the word "necessary," in line 12, on page 7, the following: "*Provided,* That the employment of any person under the provisions of this act shall not except any such person from military service under the provisions of the selective draft law approved May 18, 1917."

Mr. LEVER. If the gentleman from Nebraska will withdraw his amendment, I will make no objection to that amendment.

Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman may have leave to offer the amendment.

The CHAIRMAN. Is there objection to the request preferred by the gentleman from Illinois? [After a pause.] The Chair hears none.

Mr. REAVIS. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the request of the gentleman from Nebraska will be agreed to.

There was no objection.

Mr. MCKENZIE. Mr. Chairman, I offer the amendment in the hands of the Clerk.

The Clerk read as follows:

Add, after the word "necessary," in line 12, on page 7, the following:

"*Provided,* That the employment of any person under the provisions of this act shall not exempt any such person from military service under the provisions of the selective-draft law approved May 18, 1917."

Mr. MCKENZIE. Mr. Chairman, if the committee will permit me just a minute. I do not care to make any speech, but I want to say to the gentlemen of the committee that I offer the amendment to this bill not only to have it apply to this act, but to serve notice on these civilian employees in other departments of the Government that the Congress of the United States does not favor the policy that will permit them to be excused from military service, as has been advocated in the columns of some

of the Washington newspapers. We want these men to take their chances along with the other boys. [Applause.]

Mr. CANNON. Would not the gentleman enlarge his amendment so as to apply to the whole public service?

Mr. McKENZIE. I do not think that would be in order.

The CHAIRMAN. Without objection, the vote will be taken on the amendment offered by the gentleman from Illinois at this time.

There was no objection.

The question was taken, and the amendment was agreed to.

Mr. TOWNER. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The Clerk will report the amendment.

Mr. TOWNER. I understand, Mr. Chairman, that the gentleman from Iowa [Mr. GOOD] has an amendment to perfect the section, and as my amendment is to strike out I have no objection to his offering his first.

Mr. GOOD. Mr. Chairman, I move to amend by striking out the word "expended," in line 20, page 5, and inserting the words "June 30, 1918."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 20, strike out the word "expended" and insert in lieu thereof the words "June 30, 1918."

Mr. LEVER. The committee has no objection to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. TOWNER. Now, Mr. Chairman, I offer my amendment. The Clerk read as follows:

Page 5, line 17, strike out lines 17 to 24, inclusive.

Mr. TOWNER. Mr. Chairman and gentlemen of the committee, I am very glad that the committee has reduced the amount this bill carries from $2,210,000 to something over $800,000. I am sure they acted wisely. I believe there are very few Members who would not gladly have supported what purported to be the object of this bill. This bill is known as the food-census bill. I am as much in favor of taking this food census as any member of the committee or any Member of the House can be. I think it should be done, but I am informed that to take the food census as contemplated by the department would only have cost about $600,000, and yet the department comes before Congress in the first place and asks for a lump-sum appropriaton of $25,000,000.

It is evident they had not considered how they would expend this money, for we find that when they come to give estimates upon the items as required by the committee it was reduced at once to $18,500,000. We find, again, that upon a reconsideration the amount was again reduced to about $14,000,000.

Now, gentlemen, is it necessary that any of these additional appropriations should be made? I ask your attention——

Mr. LEVER. Will the gentleman yield? I know the gentleman wants to be correct in his facts. The department's estimate for $25,000,000 was reduced by the committee to $18,500,000. At the suggestion of the members of the committee the Secretary himself voluntarily asked that that amount be reduced $2,579,000, and the committee further reduced it.

Mr. TOWNER. I agree with the gentleman that the committee has endeavored to deal fairly with the House and the country, but I am submitting now to the Members of this House, to the members of this larger committee, the Committee of the Whole House on the state of the Union, the question as to whether we ought to make any additional appropriation than that for a food census. Gentlemen will know, if they have been familiar with general Agricultural appropriation bills in this House, that this appropriation contained in this paragraph is in reality an additional appropriation for the Bureau of Animal Industry.

Now, the regular appropriation bill already passed and now a law carried $3,555,326 for this Bureau of Animal Industry, including liberal appropriations for the very items contained in this bill. That amount has already been made available for the use of this department.

This bill makes a lump-sum appropriation for the prevention of diseases of live stock, for the enlargement of live stock production, and for the conservation and utilization of meat, poultry, dairy, and other animal products. This is the declared purpose of the paragraph in the pending bill. Gentlemen, if they will examine the appropriation bill we have already passed, will find that for salaries of the officers engaged in the Bureau of Animal Industry we have already appropriated $440,370; for inspection and quarantine work, $628,280; for the eradication of the southern cattle tick, $631,560. It may be pertinently suggested that it would be somewhat difficult to set in motion new machinery for the eradication of the southern cattle tick through an appropriation of this sort. New organizations can not be effected, and the only extensions of present activities practicable is by adding more men. To say the department needs more men to eradicate the cattle tick, or to stamp out hog cholera, is to give little idea of how the money may be expended to bring about the desired results. The estimates of the department were made the basis for appropriations already given. But there are no estimates upon which to base this new appropriation. We only know the department wants to enlarge the number of its employees.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. TOWNER. Mr. Chairman, I ask unanimous consent for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TOWNER. For the dairy industry $378,930 was appropriated in the regular appropriation bill. I am as much interested in the dairy interests of the country as any member on the floor of this House, and I do not believe that now additional appropriations can be made that will be utilized without extravagance and without great loss and waste. Already we have expended $277,580 for special investigations all along the line in the Bureau of Animal Industry, and for further investigation $134,000, and for the investigation and control of hog cholera, $413,000. Certainly the men of Iowa who have a greater interest in the swine industry than any other State would be glad if something really practical could be done to eradicate hog cholera, but we are quite sure, all of us, I think, that all of the money that can be effectively expended by the department has already been appropriated in the regular appropriation bill. For meat inspection we have already appropriated $501,620.

Would it be wise now to go to the country asking for these extraordinary appropriations when every dollar of this appropriation and every dollar of these other enormous appropriations must come from taxation to be placed upon the people? Would it be wise to go to our constituents and attempt to defend such appropriations as this under the guise that it is for the purpose of carrying on the war in Europe? It seems to me that it must be apparent to every man that we certainly can not successfully defend such a claim, and therefore I believe that we would be acting wisely, that we would be acting fairly and justly, if we should strike out these extraordinary appropriations that have nothing whatever to do with the carrying on of the war in Europe. If I thought that one million or ten million dollars could be added to this bill that would in reality more effectively prepare us for the emergency that confronts us, I would certainly be in favor of voting for it, but I can not defend, because it is impossible, in my judgment, to defend, these large appropriations that must be expended, almost every dollar, in the salaries of additional men who will be selected by this administration to go into the field, to little or no purpose so far as practical results are concerned. To put 7,000 additional men on the pay roll can not add in any considerable degree, if at all, to the production of food products in this country during the war. If that be true, there is no justification for the large appropriation carried in this bill.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate upon this paragraph and all amendments close in 15 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that debate upon this paragraph and all amendments thereto close in 15 minutes. Is there objection?

Mr. MOON. Mr. Chairman, I reserve the right to object in order that I may ask the chairman of the committee a question, and if he can answer it I shall not object.

Mr. LEVER. I was going to take five minutes myself in order to answer questions.

Mr. MOON. The gentleman had better extend his time, then, three or four minutes, because he is going to need it. I do not object.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEEKER. Mr. Chairman, I would like to ask the chairman of the committee just one question. The appropriations which he mentioned a while ago, those which are already specified, I think he gave as amounting to about half of the $885,000. Is the other half for administrative purposes?

Mr. LEVER. Oh, it covers a great deal more than that. There is one item of $150,000, one of $40,000, one of $200,000, another of $230,000, another of $200,000, and one of $12,000.

Mr. MEEKER. That practically covers the entire amount.

Mr. LEVER. Yes.

Mr. MEEKER. Mr. Chairman, I want to say that following the remarks of the gentleman from Iowa [Mr. TOWNER], the last half hour's discussion of this bill has had more to do with upsetting my belief in the whole proposition than the proceedings down to that time. I am sure that the House has absolute confidence in the committee, and yet we find that even in the committee itself there is a wide difference of opinion as to what these appropriations are for and as to whether they will really be of service. It seems to me that we should set this one policy on appropriations during this session especially: That unless this Congress can be convinced that there is absolute, imperative need for the administration of our domestic institutions for an appropriation we should spend less money during this stress than we do at other times. Whenever we can pry off a million or two—of course, that is a very insignificant sum these days—or a hundred millions, we should do so and thereby economize at home. We are going to the country soon with a tax bill that will amount to $1,250,000,000 to be placed as a further burden upon the people.

Mr. COX. One billion eight hundred million dollars.

Mr. MEEKER. Oh, the Senate is going to cut that amount down.

The gentleman from Iowa raised a very practical question as to whether under the appropriations made in the regular annual appropriation bill brought in by the committee, with the addition of $150,000 in one place and $200,000 in another concerning hog cholera, cattle tick, and things of that sort, it would be possible to use that much more money when the machinery of the department for this year has already been set in motion. When that practical question was raised I felt that the Members of the House should have a right to know from the committee or from the department how it will be possible for them during this year to render any great service to the country by simply having this additional amount of money. I will say to the chairman that during the consideration of his bill in the last session I was glad, representing a city constituency, to follow most eagerly every suggestion he had to make as to the increase of appropriations for the control of these animal diseases and plant diseases and things of that sort, which do vitally affect the whole economic and food problem of America. But when we find gentlemen like the gentleman from Iowa [Mr. TOWNER], who comes from an agricultural district, and the gentleman from Texas [Mr. YOUNG] pointing out the fact that these appropriations will be of no practical service this year, surely it seems to me that when a department knows nothing more about its business than the department that has spoken here, when it comes within about $14,000,000 of being right on a $25,000,000 appropriation, it is time for the Congress not to pass this bill this afternoon, nor to pass it next week, if necessary, until we have had an opportunity to hear from the department again, and maybe it will turn out that $6,000,000 will do the whole job. If the chief function and purpose of this bill is to pay salaries, I am against it. If it is for giving information to the people and actually spending this money where it is going to increase our food supply, and if that is the business of the department, then let us vote all the money necessary. But the last hour's discussion has done more to knock my faith in this whole proposition than anything that has come up yet during the week, and I hope that the chairman will not insist on our going to a vote on this immediately. Pumpkins will grow, and so will greens, during to-day and during next week, whether this bill passes or not. [Applause.]

Mr. CANNON. Mr. Chairman, I do not know that I can say much that will interest the committee or seek to do anything except to confirm my present judgment not to vote for this bill.

Under the leadership of the gentleman from South Carolina [Mr. LEVER], representing his committee, we appropriated, in round numbers, $27,000,000 at the last session of Congress for the Agricultural Department for the coming fiscal year. Since that time, however, war has been declared, and now the gentleman from South Carolina comes with this bill asking $20,000,000 more on account of the war, which he reduces to $14,000,000. Now, let us see for a minute. This bill was prepared and I believe reported on the supposition that the Secretary of Agriculture would be the food dictator from this on, or at least during the coming fiscal year; and this bill provides two Assistant Secretaries of Agriculture, who, with the present one, make three Assistant Secretaries of Agriculture. So far as I know, the Secretary of Agriculture is an efficient one. I am throwing no stones at any individual. The bill was introduced and reported upon the theory that the Secretary of Agriculture would be food dictator for the coming fiscal year; but now it is an open secret, proclaimed daily, that he is not to be food dictator, but that a man by the name of Hoover—is that his name?—is to be food dictator, responsible, as he has stated, according to the newspapers, in public speeches, to the President alone. The President and Hoover, or Hoover and the President, are to dictate the food prices. Now I will ask the gentleman from South Carolina [Mr. LEVER] if that bill that has been introduced and spoken of several times, which in effect is to make Mr. Hoover food dictator with a great personnel, is to be reported from his committee?

Mr. LEVER. If the committee agrees with the chairman, the bill will undoubtedly be reported.

Mr. CANNON. Precisely. Then I will say that the reason for passing this bill disappears, because this wonderful department has grown and grown and grown in usefulness, and by a bill that passed in February last, at the expense of $29,000,000, is prepared to care for the service of the Agricultural Department for the coming fiscal year.

Mr. HAMILTON of Michigan. It got all the money it asked for then.

Mr. CANNON. I believe it got all the money it asked for; at least it received liberal appropriations. Now, the reason for the present bill having disappeared, do you not think we had better not only strike out this paragraph but defeat the whole bill?

Mr. HAMILTON of Michigan. Mr. Chairman, has the gentleman forgotten that it is suggested that we need two new Secretaries of Agriculture to sign the Secretary's name when he is absent?

Mr. CANNON. They were probably inserted on the theory that the Secretary of Agriculture would perform the duties that Mr. Hoover is to perform, responsible alone to the President. If Mr. Hoover is intrusted with that power and is to fix the prices and control the sale of agricultural products, he will need an army of assistants that will amount in the aggregate to more than the Agricultural Department now costs to maintain its thousands of employees. Somebody says it will cost $75,000,000 per annum. God only knows.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEVER. Mr. Chairman, I desire the committee to understand very fully the situation that confronts us. The gentlemen who are moving to strike out this appropriation, and who are supporting the motion to strike it out, are against this bill in toto. They are against the food survey of this bill, they are against the seed provision of this bill, and they are against the appropriations here by which we hope to stimulate production and at the same time to stimulate the conservation of the food supply of this Nation. Do not misunderstand the situation. It is perfectly patent to me that by befogging the issue here gentlemen would strike from this bill important provisions which are absolutely necessary if during the next 12 months we are going to stimulate the production of food in this country, and if we are going to conserve that food when it has been produced. Do not misunderstand the situation.

Now, I yield for a question.

Mr. MOON. I wanted to ask the gentleman how much money this bill carried.

Mr. LEVER. It carries something more than $14,000,000.

Mr. MOON. How much of that is in addition to appropriations that have already been made?

Mr. LEVER. For this purpose?

Mr. MOON. For similar purposes.

Mr. LEVER. I can not tell the gentleman offhand, but the total appropriation for the Department of Agriculture, in round numbers, is $25,000,000.

Mr. CANNON. Over $27,000,000.

Mr. LEVER. Not all of that increase goes to this purpose at all. I should say that probably, without figuring it up, five or six million dollars are appropriated for this purpose.

Mr. MOON. Can the gentleman tell what the exact duties of these men that must be employed will be?

Mr. LEVER. I can. If you will permit me to proceed, I will do it.

Mr. MOON. They are going to enforce the sections of the bill that provide for the ascertainment of the amount of food supply, and so forth, in the United States?

Mr. LEVER. Six hundred thousand dollars of this will go to the food survey.

Mr. MOON. How many employees are carried in this bill?

Mr. LEVER. About 3,500.

Mr. MOON. In all?

Mr. LEVER. In all.

Mr. MOON. They are to be paid what salaries?

Mr. LEVER. The salaries differ. They run from $600 up to $2,400.

Mr. MOON. There is nothing in this bill fixing the salaries?

Mr. LEVER. No.

Mr. MOON. I want to ask the gentleman this: Does this bill confer the power upon the Department of Agriculture in the use of these employees to take possession of and control and confiscate for Government use or any use corn, wheat, and potatoes and other seeds of that sort in the hands of the individual farmers of this country?

Mr. LEVER. It does not. It was specifically amended on the floor yesterday so as to prevent that, and it never was in the minds of the committee to grant such authority.

Mr. MOON. It would not permit any sort of taking of it at all?

Mr. LEVER. Absolutely not.

Mr. MOON. So that this section of the bill that provides that they may take and pay such prices for seed as the Government desires is not now to be considered as a part of the bill?

Mr. LEVER. It is a part of the bill, but the provision is made that it shall not apply to seed in the hands of the producer of the seed. That was an amendment that was passed yesterday.

Mr. MOON. I was not here yesterday at the time and did not know of the amendment proposed. Now, does the gentleman think that these extraordinary powers that are given here and this increase in the appropriation and the large increase in employees of the Government are in any way essential at this particular time?

Mr. LEVER. I do think so, and I was going to show why.

Mr. MOON. I will be glad if the gentleman will show me why, because these are powers that ought not to be exercised if it is possible to avoid it.

Mr. LEVER. That is true, and ordinarily I would not support this myself.

Mr. MOON. They are against our views of government and against all ideas of democracy and republicanism. This power should not be used except in an imperative emergency.

The CHAIRMAN. The question is on the next amendment, offered by the gentleman from Iowa [Mr. TOWNER].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For procuring, storing and furnishing seeds, as authorized by section 5 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products, $6,500,000.

Mr. LEVER and Mr. RAKER rose.

The CHAIRMAN. The gentleman from South Carolina [Mr. LEVER], the chairman of the committee, is recognized.

Mr. LEVER. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from South Carolina offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 5, line 24, strike out "five" and in lieu thereof insert "four."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. RAKER. There is nothing like that on page 5.

Mr. LEVER. Evidently the Clerk has a copy of the bill that I do not have down here. Has he the copy of the bill that was reported from the committee?

The CHAIRMAN. Yes, sir. The Clerk informs the Chair he has.

Mr. LEVER. There are two prints of this bill, and it makes confusion. Let me alter the amendment.

Mr. YOUNG of North Dakota. I will say that I have an amendment here that covers both of those items.

Mr. LEVER. It is on the top of page 6, line 1.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 6, line 1, strike out the word "five" and insert "four," so that it will read "authorized by section 4 of this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. LEVER].

The question was taken, and the amendment was agreed to.

Mr. HAUGEN. Mr. Chairman, I offer an amendment.

Mr. LEVER. Mr. Chairman, I have another amendment.

Mr. HAUGEN. I yield, then, to the gentleman from South Carolina.

Mr. LEVER. Mr. Chairman, I have another amendment, changing the total.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 6, line 4, strike out "$6,500,000" and in lieu thereof insert "$6,219,000."

Mr. McLAUGHLIN of Michigan. Will the gentleman yield to me now?

Mr. LEVER. Yes; I yield to the gentleman from Michigan.

Mr. McLAUGHLIN of Michigan. An amendment has just been adopted, on page 6, line 1, striking out "five" and inserting "four." That is as the sections are numbered in this bill. Does the gentleman remember that section 2 was stricken out?

Mr. LEVER. The Clerk will be authorized to make these corrections.

Mr. McLAUGHLIN of Michigan. Would he make that correction we have just made?

Mr. LEVER. Yes.

The CHAIRMAN. Without objection, the Clerk will be authorized to make that correction.

Mr. MANN. The Clerk would not be authorized to change an amendment which is agreed to.

Mr. LEVER. Then, that amendment there ought, by unanimous consent, to be made to read "section 3" instead of "section 4."

Mr. MANN. What ought to be done in all these cases is to strike out "section 5" and leave it "authorized by this act," and not state every particular number.

Mr. LEVER. I think that is a good suggestion.

Mr. MANN. If the gentleman would strike out the language "section 5" it would cover the case.

Mr. GOOD. That practically would make a lump sum of $14,000,000, any part of which could be expended for doing anything that is enumerated in this bill.

Mr. MANN. Oh, no. The gentleman is mistaken.

Mr. GOOD. No; I am not mistaken.

Mr. MANN. The authorization is in the act.

Mr. LEVER. Amend it so that the language will read "section 3 of this act" instead of "section 4."

The CHAIRMAN. The gentleman from South Carolina asks to modify the amendment.

Mr. RAKER. Mr. Chairman, I have an amendment, which I I send to the Clerk's desk.

The CHAIRMAN. The gentleman can not be recognized now.

Mr. RAKER. Why not?

The CHAIRMAN. Is there objection to the modification of the amendment proposed by the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from South Carolina, as modified.

The amendment was agreed to.

Mr. LEVER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from South Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Page 6, line 4, strike out "$6,500,000" and insert in lieu thereof "$6,219,000."

Mr. YOUNG of North Dakota. Mr. Chairman, I desire to offer an amendment to the amendment.

Mr. HAUGEN. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. Is the amendment of the gentleman from Iowa an amendment to this amendment?

Mr. HAUGEN. Yes.

The CHAIRMAN. The gentleman from Iowa offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Mr. HAUGEN offers the following amendment: Page 6, line 1, after the word "act," strike out the semicolon and insert a comma.

The CHAIRMAN. That does not seem to be an amendment to the amendment.

Mr. HAUGEN. It sets aside a certain sum for the purchase of seed, and $200,000 for the other purposes. It separates the appropriations.

Mr. LEVER. I thought the gentleman from North Dakota [Mr. YOUNG] was going to offer that amendment. I have no objection to it.

Mr. YOUNG of North Dakota. Mr. Chairman, I sent an amendment to the desk a moment ago. I thought I was recognized before the gentleman from Iowa.

Mr. HAUGEN. I beg the gentleman's pardon.

The CHAIRMAN. The gentleman from Iowa, a member of the committee, was recognized to offer an amendment to the amendment. Is this an amendment to the amendment of the gentleman from South Carolina?

Mr. HAUGEN. Yes.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Iowa.

The Clerk read as follows:

Page 6, line 1, after the word "act," strike out the semicolon and insert a comma, and after the comma the word "for," and in line 4, page 6, strike out "$6,500,000" and insert "$200,000."

Mr. HAUGEN. Mr. Chairman, that sets aside $6,000,000 for the purchase of seeds and $200,000 for the other purposes of the section.

Mr. LEVER. Mr. Chairman, I understood the gentleman from Iowa [Mr. HAUGEN] and the gentleman from North Dakota [Mr. YOUNG] had agreed upon an amendment. I would oppose the amendment offered by the gentleman from Iowa for the reason that it proposes to expend only $5,800,000 for the procurement of seeds. It is proposed to expend $72,000 for rust and smut work and $19,000 for enlarging the work on vegetables, peas, and beans, and $150,000 for work on perishable products by the dehydrating process and other processes, and for the Bureau of Animal Industry $200,000. If the gentleman would modify his amendment so as to carry the segregation as agreed upon I would be willing to accept it. That would give what the committee provided.

Mr. HAUGEN. What is the $150,000 for?

Mr. LEVER. For the conservation of perishable products.

Mr. HAUGEN. We made liberal appropriations for the other items in our annual appropriation bill. We appropriated $25,929,113, much of it for work contemplated in this bill. However, I will accept the gentleman's suggestion. My purpose was to set aside a certain sum for the purchase of seeds, so that we may know what is provided for that purpose and not for the "joy rides" and what might be done otherwise. I accept the amendment suggested by the gentleman making it $5,570,000.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment. Will he give the figures to the Clerk?

Mr. LEVER. It is $5,777,000. I have no objection to making it $5,777,000 instead of $6,000,000.

The CHAIRMAN. The Clerk will report the modified amendment.

Mr. TOWNER. Mr. Chairman, I suppose the amendment provides that the five million and odd dollars be expended for seeds in this appropriation?

Mr. LEVER. Yes.

The CHAIRMAN. The Chair has not been able to get the totals yet.

Mr. MANN. Mr. Chairman, while they are fixing it, I want to say a word in the hope that we may make a further modification.

I called attention a little while ago to the fact that upon the first appropriation in this section the House committee, on the same information that the Senate committee had, proposed to reduce the appropriation from $2,000,000 to less than $1,000,000, while the Senate committee proposed to increase the appropriation from $2,000,000 to $4,500,000; and I might have said then, if I had wanted to stop at that item, that it was natural to suppose that the House, in an economical frame of mind, always reduces the appropriation, while the Senate, noted for extravagance, increases it. But in this case here are two items which are identical, in precisely the same language in the House bill as in the Senate bill. The department asked for $6,500,000. The House committee, in a spirit of economy, has suggested to the House that it be reduced to $6,219,000, which is cutting off something less than $300,000. But the Senate was really economical. The Senate committee proposed to reduce the item from $6,500,000 to $2,500,000, saving $4,000,000.

Mr. LEVER. How about the item above that, where they increased it about $2,000,000?

Mr. MANN. I have spoken about that; but the two items have nothing to do with each other.

Now, I agree with the gentleman from South Carolina on the preceding item, and I am inclined to agree with the Senate committee on this item. On the same information the Senate committee thought this item ought to be $2,500,000. The House committee recommend over $6,000,000. What is going to be done with it? Nobody has told us.

Mr. HAMILTON of Michigan. They are going to spend it. [Laughter.]

Mr. MANN. The Senate committee acted on information from the Department of Agriculture. On the other item evidently the distinguished Senators acted on their own information and did not take the information furnished them by the Department of Agriculture as accurate. I should like to know whether in this case the Senate committee acted upon the information of the Department of Agriculture and the House committee acted upon the information of its individual members?

Mr. LEVER. If the gentleman will yield to me I will answer that question.

Mr. MANN. The gentleman can get his own time always. I believe we ought to be a little economical. I am in favor of giving to the department everything it can use. I believe the Senate have figured out all that can be done under this item. Every man in the United States who is not essential in the work of direction ought to be engaged in the work of production. Every cent of money ought to be saved that can be saved.

Mr. RAKER. I should like to have five minutes.

The CHAIRMAN. Let the amendment be reported as modified. Let us get that straightened out.

The Clerk read as follows:

Mr. HAUGEN offers the following modified amendment: Page 6, line 1, after the word "act," strike out the semicolon and insert a comma, and after the comma insert "$5,578,000; for"; in line 4, page 6, strike out "$6,500,000" and insert "$441,000," so that as amended the paragraph will read:

"For procuring, storing, and furnishing seeds, as authorized by section 5 of this act, $5,578,000; for the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products, $441,000."

Mr. LEVER. I have no objection to either of those amendments.

The CHAIRMAN. The question is on the amendment of the gentleman from Iowa [Mr. HAUGEN] as modified.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. I desire to offer an amendment to this section, and I do not want to be cut out of my opportunity.

The CHAIRMAN. The gentleman will not be cut out.

Mr. LEVER. Let us vote on this, and then the gentleman can come in with his amendment.

Mr. RAKER. I would rather be heard now and offer my amendment later. I want to be heard for five minutes if I can.

The CHAIRMAN. The gentleman from California [Mr. RAKER] is recognized for five minutes.

Mr. RAKER. Mr. Chairman, I understand the purpose of this bill is to stimulate food production, to actually produce food supplies for the American people. You will find in lines 2 and 3 that a large sum is appropriated for the prevention, control, and eradication of insects and plant diseases. Now, I am going to ask the chairman of the committee if he would have any objection to inserting, after the word "diseases," in line 2, the words "and animals"?

Mr. ANDERSON. If the chairman does not object, I will.

Mr. RAKER. I did not ask the gentleman from Minnesota whether he would object or not.

Mr. LEVER. The chairman of the committee would very seriously object to that.

Mr. RAKER. Well, now, that shows how little some people know. I am going to talk plainly, because I am talking of facts as they actually exist.

We are expecting to spend millions of dollars for the purpose of examination and for the eradication of insects, for the purpose of finding out how many insects to destroy that are injurious to agriculture; and, as a matter of fact, every western man knows that in certain localities from one-eighth to one-third of every man's crop is actually destroyed by the animals—rodents—that are raised, reared, and bred upon the public domain. The Biological Survey in certain parts of the United States has done wonderful service and has practically eradicated these animals by which crops are destroyed. I want to tell this House that in the States of Nevada and Oregon and California I have ridden miles and miles and have observed places where a third or half of a man's crop has been absolutely and literally destroyed by the squirrels and animals bred upon the public domain. Now, if you want to conserve the crops of the farmers, if you want actually to put grain into the farmer's bin and hay into his stacks, why do you not give the Biological Survey some money with which they can destroy these pests that are being bred upon the public domain?

Mr. McKENZIE. Will the gentleman yield?

Mr. RAKER. I yield for a question.

Mr. McKENZIE. How do they destroy these animals?

Mr. RAKER. They destroy them with poison. I have seen them do it. I have followed them in the field. They go out in the spring and summer, and by poisoning these animals they save thousands of acres of as fine grain as was ever sown.

Now, here is a sample from men that I know, men who live in Surprise Valley, one of the most productive valleys in California. I have ridden up and down that valley for the last 30 years, and I have seen at least one-third of these immense fields destroyed. They were destroyed by animals, by squirrels that came from the forest reserve. Let me read:

FORT BIDWELL, CAL., *May 12, 1917.*

Hon. JOHN E. RAKER,
Washington, D. C.

DEAR MR. RAKER: I am inclosing petition signed by most of the farmers in this vicinity asking for Federal aid in the extermination of the ground squirrel. It seems a fair petition inasmuch as they are not asking that the Government work on deeded land, but on the Government lands adjoining.

Knowing the conditions as they exist here, we thought you could do more than they could get done by sending the petitions direct. Others from Surprise Valley will probably reach you shortly.

Thanking you for your attention to the matter, I beg to remain,

Very truly, yours,

R. R. BAKER, *Cashier.*

Hon. JOHN E. RAKER, M. C.,
Washington, D. C.:

We, the undersigned, farmers in the Surprise Valley, Modoc County, State of California, respectfully petition that you endeavor to get us Federal aid in the extermination of ground squirrels on vacant Government land adjoining our farms. We are effectively using poisons and other means of exterminating the squirrels on our own lands, but in this country where there is so much range lands joining us it is impossible for us to work on them there. As it now is, we may rid our lands of the pest, but within a week after they will be as plentiful as before, coming on us from the outside lands.

In view of the fact that the President has asked us to produce as much crop for the country as we can and our desire to do so being manifested by an extra large acreage, it appears to us that we should have the aid of the Government in an endeavor to rid our crop lands of the ground-squirrel pest. We are doing our part on our own land, and if the Government will do what it can on the Government land near us we believe that it will be the means of very materially increasing the yield in this valley.

C. H. Fee, E. P. Sessions, Fred A. Ash, Mrs. R. F. McConnaughy, James H. Conlan, E. W. Conlan, Mary Conlan, Arthur Miles, Geo. W. Bucher, R. C. Mulkey, Roger Munroe, Ora Hanks, Joe Conlan, Hugh McManus, Mr. and Mrs. Frank Bucher, David Baty, W. B. Routson, E. A. Peterson, H. H. Peterson, E. G. Peterson, L. H. Sessions, A. H. Sessions, Harve Drew, H. L. Heryford, W. H. Schamp, Jacob Neasham.

Mr. LEVER. If the gentleman from California will permit, I want to see if we can not get along by agreeing on closing debate. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in 20 minutes. Is there objection?

There was no objection.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. HAMILTON of Michigan. I am much interested in what the gentleman is saying. Are these squirrels suitable for food?

Mr. RAKER. No; they are not.

Mr. HAMILTON of Michigan. I thought perhaps we might conserve the food supply by killing them.

Mr. MEEKER. Could not we give the food dictator power to make them edible?

Mr. RAKER. The distinguished gentleman from Missouri means business. He does not believe in sending men out to tell men what to do in sowing grain or harvesting their crops when he has a thousand acres in wheat and knows that before the season is over one-third of it will be destroyed by the squirrels that are bred and reared on the public domain.

A MEMBER. A thousand acres?

Mr. RAKER. Why, a thousand acres of wheat in California is a bagatelle. Now, I want to call attention to the fact that our law of the State compels a man to kill the squirrels on his own land, and the farmers are doing it. If a man fails to do it the expense of killing them by the State becomes a lien on his land and his land is sold to pay it. Notwithstanding he kills the squirrels and animals on his own land, right adjoining for 100 miles along the mountain range are the forest reserves, and here are the hives and dens of the squirrels that come down on the man's land and eat up his crops. If you really are in favor of conservation, if you mean to try and save the man's crop and put more bushels of grain in his bins, more vegetables, more corn, more potatoes, more cabbages, and everything else in his houses that are now destroyed by these squirrels, why do not you give some appropriation to the Department of Agriculture, to the Biological Survey, which has done so much good?

Now, some of these men that sign this petition which I have read I am personally acquainted with and have known for 30 years, and they are successful farmers in that country.

Mr. HOWARD. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. HOWARD. I want to ask two questions in connection with this matter. What percentage of the crops are destroyed?

Mr. RAKER. All the way from one-sixteenth to one-third in many places. In some places the crops have been entirely destroyed.

Mr. HOWARD. Can the gentleman give us the area of the country in which these crops are destroyed?

Mr. RAKER. It is almost unlimited—Nevada, California, Washington, Idaho, and Montana.

Mr. HOWARD. Are the squirrels good for human food?

Mr. RAKER. I have answered that question; they are not. Some people will eat almost anything, but I understand that the ordinary man will not eat squirrels.

Mr. HOWARD. I thought that we might conserve the meat product by killing them and eating them.

Mr. WINGO. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. WINGO. What practical methods do they use to destroy them?

Mr. RAKER. The Biological Survey has had wonderful success in destroying them by poison. In some places they have eradicated them practically entirely.

Mr. WINGO. Is it not practical for the farmer to put poison on his land?

Mr. RAKER. The farmer kills the animals on his own land, but they come in from the forest reservation over which he has no control and destroy his crops.

Mr. WINGO. Can not he put poison on his own land?

Mr. RAKER. No; you want to put the poison in the squirrel holes and rat holes.

Mr. WINGO. Would not he eat it in the fields?

Mr. RAKER. He is too smart to pick it up when he can get green foliage. He will not eat dry poison when he can get green crops. The poison should be applied at the right time and place. The Biological Survey knows how to do that. Help them in this work.

Now, Mr. Chairman, I want to offer my amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 6, line 2, after the word "diseases," insert the words "and animals."

Mr. ANDERSON. Mr. Chairman, I make the point of order on the amendment that it is not germane to the section.

The CHAIRMAN. The point of order is sustained.

Mr. RAKER. Mr. Chairman, the Chair's voice was a little weak and I did not quite understand.

The CHAIRMAN. The Chair sustains the point of order.

Mr. RAKER. I would like to have been heard on the point of order, but I realize now that it is too late.

Mr. ROSE. Mr. Chairman, in the midst of this heated and interesting debate upon the bill providing for the distribution of agricultural products, and for other purposes, I desire to thank the distinguished chairman of the committee for granting to me the time necessary to bring to the Members of the House a message of good cheer, a message which is deserving of special mention at this particular time. I have the honor to represent in this Congress the nineteenth district of Pennsylvania, a district composed of the counties of Bedford, Blair, and Cambria. This country is now at war with the Imperial German Government, and in order to provide the funds necessary to carry on the war our people have been requested to subscribe for a bond issue in the enormous sum of $2,000,000,000. It has been repeatedly said that the people of the United States are not responding to the call as speedily as the administration anticipated, but I am happy to state that the county of Blair now occupies the seat of honor for the entire State of Pennsylvania, in that her people have taken upon themselves a pledge to invest in what is popularly called liberty bonds to the extent of $10,000,000. In this action they have shown, in a substantial way, their loyalty and patriotism and have rightfully earned the position in which they are placed by the executive chairman of the liberty loan committee. While many persons are talking and advocating war, the people of Blair County come forward, and in a commendable manner do their bit by a subscription for bonds surpassing any yet reported in the great State of Pennsylvania. [Applause.]

Mr. Chairman, I ask that there be read by the Clerk, in my time, an item appearing to-day in the columns of the Philadelphia North American.

The Clerk read as follows:

BLAIR'S $10,000,000 LEADS WHOLE STATE FOR LIBERTY BONDS—WORKERS IN COUNTY'S INDUSTRIAL PLANTS TO BUY THEM—BIG SPURT HERE FOR NATION'S WAR LOAN.

Blair County yesterday set the pace for all Pennsylvania in the liberty-loan campaign by pledging itself to take $10,000,000 worth of liberty bonds. Announcement to this effect was received by Walter C. Janney, executive chairman of the liberty-loan committee here, in a telegram from the committee in Blair County.

Details of how much each subscriber is to take were not given in this message. It was explained, however, that the big industrial plants of the county will take the entire amount and then distribute among their employees on the installment plan all the workmen may be willing and able to handle.

News of this subscription came at a time when the campaign was going at top-notch speed in this city, but it served to make the 3,000 bond salesmen redouble their efforts. When the headquarters of the committee closed last night it was estimated that 15,000 subscriptions had been obtained for liberty bonds.

Spurred by the action of Blair County, committees in every other district in the State for the sale of the liberty bonds got to work yesterday lining up merchants, manufacturers, bankers, capitalists, and working people to procure a maximum subscription.

Mr. ANDERSON. Mr. Chairman, I listened to the remarks of the gentleman from California [Mr. RAKER] with a great deal of interest. What he had to say indicated that we have made a very grievous mistake during this session of Congress. Instead of conscripting men and sending them to the trenches of Europe, we should have conscripted them and sent them out into the State of California to fight prairie dogs and ground squirrels. Instead of conscripting men to send to the trenches of Europe with guns on their shoulders, we ought to send them out to California with guns on their shoulders and poison in their pockets to make a campaign against the ground squirrels and the prairie dogs in the national forests. We are only spending $265,000 a year for that purpose now.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. I yield.

Mr. RAKER. Does the gentleman make any distinction between sending men out to destroy animals that destroy crops and sending men out to destroy little bugs and insects that destroy crops? Can the gentleman make any distinction?

Mr. ANDERSON. I think there is a great distinction.

Mr. RAKER. I would like to hear the gentleman make the distinction. One gentleman here suggests that one is a bug and the other is a squirrel.

Mr. ANDERSON. We are not sending men out to destroy bugs in the national forests.

Mr. MEEKER. You are not? You have a large appropriation of over $200,000 for sending men out to destroy bugs.

Mr. ANDERSON. We have a large appropriation to investigate diseases and insects. We do not send men out and pay them salaries to destroy the insects.

Mr. RAKER. That is exactly what you do.

Mr. ANDERSON. We do not.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. MEEKER. According to what the gentleman from California says, if we had conscripted the squirrels and sent them to Europe we would have settled the war. They would have eaten up everything.

Mr. HAMILTON of Michigan. They would have reduced the food supply at any rate.

Mr. ANDERSON. There may be something in what the gentleman says. I am surprised that the gentleman from California, who is usually so alert in the interest of his constituents, should have overlooked the fact that his amendment was germane to the preceding section and did not offer it then instead of at a place where he should have known at least that it was not germane. I am surprised that the gentleman, usually so alert, should have been asleep at the switch, as he proved to be on this occasion.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. MOORE of Pennsylvania. The gentleman from California was alert enough to get 10 minutes on the wrong paragraph.

Mr. ANDERSON. The gentleman from California is usually alert enough to get 10 minutes when he is wrong.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and the Speaker having resumed the chair, a message, in writing, from the President of the United States was announced by Mr. Sharkey, one of his secretaries.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

The committee resumed its session.

Mr. MONDELL. Mr. Chairman, I desire to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MONDELL. Was the debate limited to this section or to this amendment?

The CHAIRMAN. The debate has been limited to the paragraph and all amendments thereto.

Mr. MONDELL. Was the section read as a section?

The CHAIRMAN. It was not.

Mr. MONDELL. Mr. Chairman, I offer as an amendment on line 2, page 6, after the word "of" to insert the word "rodents."

The CHAIRMAN. The Chair will advise the gentleman from Wyoming that there is an amendment to the amendment now pending. He may offer his amendment later.

Mr. MONDELL. My amendment is, on page 6, line 2, after the words "eradication of," to insert the word "rodents."

The CHAIRMAN. There is an amendment pending to that paragraph now.

Mr. MONDELL. I simply offer my amendment that it may be pending.

The CHAIRMAN. Without objection, that may be done.

Mr. LEVER. Mr. Chairman, I reserve the point of order on the amendment.

The CHAIRMAN. The Clerk will report the amendment, and it will be considered pending.

The Clerk read as follows:

Mr. MONDELL moves to amend page 6, line 2, after the words "eradication of," by inserting the word "rodents."

Mr. MONDELL. Mr. Chairman, it has been well said at one time and another that truthful words are frequently spoken in jest. The gentleman from Minnesota [Mr. ANDERSON] is not ordinarily a jester, but it pleased him to speak in a jesting mood with regard to what the gentleman from California [Mr. RAKER] just said about the devastation by the ground squirrels in California. That is no joke, I will say to my friend from Minnesota. If it is true, as has been frequently said, that it is as important to furnish our allies with food as it is with men, I do not know but that it would be good governmental policy—if it is good governmental policy to draft men at all, which I doubt—to draft men for the eradication of prairie dogs and ground squirrels in this country. The American prairie dog, I estimated after a somewhat careful survey of the subject, which did not cost as much as the survey we are proposing in this bill, occupies somewhere from 20,000,000 to 25,000,000 acres of American soil, and in occupying it and securing his living he makes a desert of it. A prairie-dog town is always on land that produces grass, otherwise the prairie dog would not be there, because he could not make a living. He does not leave any grass for live stock. Estimating 10 acres for summer feed for a steer upon that area, if my mathematical calculation, hurriedly made, is correct, the prairie dogs of the country deprive about 2,500,000 steers of grazing land annually. The probability is that we could carry at least a million more cattle the year round than we do on the grazing lands of the West if the prairie dogs were all killed. We could perhaps carry 10,000,000 more sheep than we do if the prairie dogs were eradicated. The Department of Agriculture is doing very good work in the eradication of the prairie dogs.

I know of no governmental expenditure with which I am familiar that is more clearly and definitely and beyond question of real value. I believe every dollar the Government has spent in my State and in other States in the eradication of these harmful rodents has led to the expenditure of at least $20 by private individuals for every dollar that the Government has spent. The Government has, in cooperation with our people, cleaned up in my State vast areas, running into the millions of acres, of prairie-dog towns in the last few years. By so doing they have added just that much to our available grazing lands, as effectively as though we had newly created it. We bought some islands down in the south seas a short time ago, at some $300 an acre; but we made available right at home several million acres in the last year or two at the cost of a few cents an acre by the very simple process of killing off the rodents that have been consuming all the grasses that grow on those lands.

Mr. HICKS. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. HICKS. Has any effort been made to market these prairie dogs as a matter of food?

Mr. MONDELL. No man who lives in a prairie-dog country ever thinks of eating one, and would not want to offer them to anyone else.

Mr. HICKS. Why not?

Mr. MONDELL. The gentleman told me privately a moment ago that he knew they were very delicious; but you would have to have a campaign of education that would cost more than the appropriation in this bill in order to get the people in the prairie-dog country to believe they are good eating.

Mr. HICKS. I have eaten prairie dogs many times, and they are as fine a meat as I have ever eaten.

Mr. MONDELL. Perhaps they are. I never tried them. I have heard people say that muskrats were good eating, but somehow in a muskrat country nobody eats them.

Mr. HAMILTON of Michigan. What do these prairie dogs feed on?

Mr. MONDELL. Prairie dogs feed on grass and roots; they are strict vegetarians. They keep the grass clipped down as fine as any lawn mower on earth could do it.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. Mr. Chairman, I ask for five minutes more, and that that be added to the time. I ask unanimous consent to add five minutes to the time already allotted.

Mr. LEVER. I trust the gentleman will not insist on that.

Mr. MONDELL. I will say to my friend that I have not taken any time at all on his bill up to this moment. There have been several times that I was tempted to speak, but I wanted to help him get his bill along.

Mr. LEVER. The trouble with the gentleman is that he has been in the Committee on Appropriations.

Mr. MONDELL. It is partly due to that fact, but this is an important and interesting matter.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] asks unanimous consent that the time be extended five minutes. Is there objection?

Mr. LEVER. I will not object.

The CHAIRMAN. The Chair hears no objection.

Mr. MONDELL. The prairie dog occupies the dry grazing lands of the intermountain West. He is a grass eater, and he keeps the grass for a considerable distance around his burrow constantly fed down. Formerly the devastation of the prairie dog was confined almost wholly to the eating of the grasses on the public domain, and by so doing reducing the grazing area on which was grown and fattened the great range herds and flocks, but in the last few years the prairie-dog country has been invaded by the settler and homesteader. They are now utilizing these lands for the growing of crops, and a grain crop planted on or beside a prairie-dog town is doomed unless the dogs are killed. The prairie dog begins to eat it as the grain comes up, and keep it perfectly trimmed down all the season.

I have considerable doubt about the benefits that will be derived from a large portion of the expenditure contemplated by this act, but I have no doubt as to the direct benefit that will be derived by the use of some of these funds in the eradication of rodents—prairie dogs and squirrels—from the public domain and the adjacent privately owned lands.

Mr. MEEKER. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. MEEKER. What would be the rodential effect of your amendment? [Laughter.]

Mr. MONDELL. To increase the production of grain and reduce the price of bread, speaking seriously.

Now, fortunately, no amendment is needed to this section to authorize the use of a certain portion of these funds for the eradication of predatory wild animals, and money can be used as advantageously for that purpose as for the eradication of rodents. I saw somewhere an estimate that a good, stout gray wolf, within the conscription age, destroys about $1,300 worth of live stock per annum. A good husky coyote, our people estimate, will get away with anywhere from 20 to 50 sheep in a year. That is from $100 to $250 of toll that each one of those animals levies on the live stock of the country in a year. We are growing predatory wild animals in the forest reserves——

Mr. MOORE of Pennsylvania. Mr. Chairman——

Mr. MONDELL. Since the reserves have been created predatory wild animals have increased. It is necessary to consider the work of——

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. MONDELL. I am sorry I can not yield to my friend.

Mr. MOORE of Pennsylvania. It is a very important question.

Mr. MONDELL. It is highly important that we should continue and increase the work of the eradication of these animals, which has been carried on for a number of years very successfully by the Biological Survey of the Department of Agriculture. There is no use that can be made of the money appropriated in this bill which would be more helpful, more useful, or bring greater benefit or greater increase in live stock and in grain, than the use of moneys for the purpose I have suggested.

I yield now to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. The gentleman uses a very comprehensive term when he uses the word "rodents" in his amendment.

Mr. MONDELL. It is all embracing, and that is why I used it.

Mr. MOORE of Pennsylvania. I wanted to ask the gentleman if the prairie dog maintained any social relations with the California squirrel? [Laughter.]

Mr. MONDELL. Whether or not the prairie dog confines his sociability entirely to the owl and to the rattlesnake that occupy his den with him I do not know, but I have no doubt that when the prairie dog and the ground squirrel are found in the same locality they exchange calls and occupy the same hole. [Laughter.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. ROSE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. LEVER. Mr. Chairman, how much time remains?

The CHAIRMAN. Two minutes.

Mr. LEVER. Mr. Chairman, I desire to say to the committee that the amendment offered by the gentleman from Iowa [Mr. HAUGEN], dividing this lump appropriation, should be adopted. I trust that the other amendments may not be adopted. I ask for a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. HAUGEN] to the amendment offered by the gentleman from South Carolina [Mr. LEVER].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from South Carolina as amended.

The amendment as amended was agreed to.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] offers an amendment. Did the gentleman from South Carolina withdraw his point of order to that?

Mr. LEVER. I ought not to have withdrawn the point of order, but I have done so. [Laughter.]

The CHAIRMAN. The point of order is withdrawn. The question is on agreeing to the amendment offered by the gentleman from Wyoming.

The question was taken; and the Chairman announced that the noes seemed to have it.

Mr. MEEKER. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 36, noes 50.

Mr. MONDELL. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Wyoming demands tellers. The Chair will count. Gentlemen favoring the taking of the vote by tellers will rise and stand until they are counted. [After counting.] Not a sufficient number. Tellers are refused.

So the amendment was rejected.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that I may revise and extend the remarks that I made a moment ago.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others, $4,500,000.

Mr. LEVER. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from South Carolina offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 6, line 8, strike out "$4,500,000" and in lieu thereof insert "$4,348,400."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I wish to speak as briefly as I can and still tell the House what I think it ought to know concerning the farm-demonstration work for which a large amount of money is to be appropriated.

Referring to the discussion of this bill when it was pending before the House several days ago, several gentlemen spoke of this work and evidenced such lack of information and indulged in so many misrepresentations—unintentionally, of course—concerning it that I feel justified in explaining it at some length. The work which it is proposed to supplement by this appropriation is carried on largely under what is known as the Lever Act, approved May 8, 1914. The bill which became law was introduced by the gentleman from South Carolina [Mr. LEVER], the chairman of the Committee on Agriculture.

The value of farm-demonstration work, coming to the attention of agricultural colleges and the Department of Agriculture, led to the preparation of that bill. A number of years ago—just when, some gentlemen will remember better than I—the boll weevil made its appearance in the Southern States and devastated the cotton fields, and the Representatives of the South came to Congress and told of the devastation and asked for appropriations of money to assist them in combating the evil. The result was an appropriation, increased from time to time until the present.

That work was begun, as I remember, under Dr. S. A. Knapp, at one time president of the College of Agriculture of the State

of Iowa, and it was carried on so well and so successfully that he actually saved the South from the awful loss that would have been involved in the total destruction of the cotton-growing industry and produced a situation which has led men living in and coming from that section to say that the boll weevil has in reality been a blessing to the South. Dr. Knapp carried on his work largely by interesting farmers, by engaging men as county agents, enlisting the services of those who were more than usually well informed to go out among the farmers to encourage and assist them in planting, cultivating, and marketing what we may call diversified crops, advising and inducing the planters in that section of the country to give up and get away from the one-crop idea. Dr. Knapp conducted that work until his death, only a few years ago, and the Representatives from the cotton-growing States will indorse what I say to the effect that the people in those States are still singing his praises.

I have read of meetings held from time to time in that section of the country to pass resolutions commending his work. Memorial services were held all over the South at the time of his death. During his life he was loved and respected by all the people of the South who knew of his splendid work in their behalf; by his intelligent effort agriculture of that part of the country was practically revolutionized; he did more for its agricultural interests than any other man who ever lived.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. McLAUGHLIN of Michigan. Dr. Knapp's work, involving all problems of agriculture, included as one of its important features, farm-demonstration work, as it was called. He was the pioneer and proved the inestimable value of that kind of work, the work which is so misunderstood in this House, and concerning which there has been so much criticism and so much misrepresentation. The first draft of the bill which finally became the Lever law, was prepared by the executive committee of the Association of Agricultural Colleges of the country. The first draft prepared was placed in my hands, and I introduced it in the Sixtieth Congress, but I failed to get a favorable report from the Committee on Agriculture upon it. At the next Congress a new and improved draft of the bill was introduced by the distinguished gentleman from South Carolina [Mr. LEVER]. It passed the House in that Congress, but failed to pass the Senate. In the next Congress it passed both Houses and became a law. It provides $10,000 a year for each of the States for extension work. It provides $600,000 additional to be divided among the States the second year of the life of the law and each year following for seven years, provided an additional $500,000 above the appropriation of the previous year, until, at the end of seven years, when the law will mature, the total amount of the annual appropriation will be $4,580,000. Ten thousand dollars then goes to each State each year without condition, except that it is to be used for extension work. All appropriations, above the $10,000 per year to each State, are apportioned among the States according to, or in proportion to, their rural population, on the express condition that the legislature, the college, or some other public agency set forth in the law, shall make available an equal amount for expenditure each year, and on the further condition that the money shall be devoted to extension work, which, as you understand, includes this very important work of farm demonstration.

It has been frequently and vehemently said in this House, and it is sometimes said outside of Congress, that this law is unpopular; that it is not working well; that it is antagonized by the colleges and by prominent agricultural societies of the several States. Mr. Chairman, that statement is made in absolute ignorance of the operation and of the results of the law. The law has been approved by every State in the Union, and by positive, affirmative action each State has approved it and signified its willingness and its desire to operate under it, to make appropriations and come in line, so that the appropriations from the Federal Treasury—which I say are made to the States only on condition that equal amounts are provided for by the States—may be obtained by the States.

During the early days, before the Lever law placed farm demonstration on a sound and satisfactory basis, there was some objection to the work in the North, where occasional or scattered attempts were made to carry it on, but that objection was, as I learned, due solely to the fact that the agents were employed by the Department of Agriculture and sent into the States to work under the direction of the department, entirely independent of the agricultural colleges of the States and independent of any direction or control except that of the department by whom they were appointed and paid. Some of the men connected with agricultural colleges objected to men coming into their States and assisting and advising farmers without the consent of or independent of the colleges. There was a feeling of jealousy and some feeling of rivalry, I believe, between the colleges and the department, and that feeling was directed against the county agents who were sent into the State. But to-day, Mr. Chairman, this Lever law, by which these large amounts of money are paid to the States, is accepted and approved by every agricultural college in the country. It operates in this way: The money is paid to the agricultural colleges of the State directly, and each college annually presents to the Department of Agriculture its plan of operations, setting forth in detail the manner in which the money is to be spent; the department approves it, and the work is taken up and carried on by the county agents. In each State a State agent is employed on the recommendation of the agricultural college of the State and approved by the department, so the State agent, who directs the work of all county agents in the State, is the choice of the college itself; he directs all the extension work in the State. When an agent is employed in a county the department contributes $600 a year toward his salary, the agricultural colleges contributes $600, and the county, either through its board of supervisors or other governing authority, or, in many cases, by private contributions, contributes the rest of the money, in the aggregate on an average about $2,700 for a county; that is, $2,700 per year is the average of the salary and expenses of a county agent. This work can not be imposed upon any county. The college itself must approve the application of the counties for agents and contributes $600 for each agent, and the county supplies, on an average, $1,500 a year for its agent.

These agents are selected in this way: The State agent, having knowledge of men fitted for this kind of work, recommends to the county the names of several men whom he thinks are suited for the work. The county authorities call those men before them—one by one, I presume—and examine them until they find a man whom they think has the requisite knowledge and experience properly to take care of the work which he has to do. So there is no imposition upon a county. The county contributes most of the money. County authorities do it cheerfully, if they do it at all. They themselves select the man; if they are not satisfied with men offered them, they ask for others until a suitable and satisfactory man is found.

Mr. BORLAND. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I yield to the gentleman from Missouri.

Mr. BORLAND. Do I understand the gentleman to say that this item of $4,000,000 is for the extension of the Lever bill?

Mr. McLAUGHLIN of Michigan. A part of it, yes.

Mr. BORLAND. How much of it?

Mr. LEVER. Two items—$2,460,000 and $1,599,000.

Mr. BORLAND. Making in all how much?

Mr. LEVER. Making in all nearly $4,000,000.

Mr. BORLAND. I am in thorough accord with the purpose of the Lever Act. I have seen its operation. I think it is a good thing.

Mr. McLAUGHLIN of Michigan. Just a question now. My time is limited.

Mr. BORLAND. But why should it be an emergency appropriation in this particular bill to extend that work?

Mr. McLAUGHLIN of Michigan. Very soon after the declaration of war the Secretary of Agriculture called a conference of the agricultural men of the country, and they met in St. Louis. A conference of a similar nature was held in Berkeley, Cal., I believe. That was attended by representatives of 32 States who considered the needs of the situation and recommended a plan of work, and this extension of county-agent work was a prominent feature and strongly recommended. Dean Russel, of the University of Wisconsin, attended that conference. He came before our committee and told us that the work is successful in his State, is satisfactory, and ought to be extended as rapidly as possible. Dr. Thompson, the president of the State University of Ohio, spoke to the same effect. The president of the University of Iowa—the State of the gentleman, the ranking Republican member of this committee, the gentleman who has so viciously attacked this appropriation—came before the committee and told us that the work in that State was satisfactory and he wished the work continued. I will say that the Legislature of the State of Iowa in meeting appropriations made by the Federal Government has appropriated more money for this particular work during the last three years than any other State in the Union. [Applause.] There have also been more

private contributions by the people of Iowa than in any other State. All of which shows conclusively that this demonstration is successful and popular in Iowa.

Mr. HAUGEN. Mr. Chairman, I want to correct the gentleman and say that the gentleman is not president of the University of Iowa.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN of Michigan. If I may have five minutes more, there are other things I want to mention.

Mr. MOORE of Pennsylvania. I ask that the gentleman have five minutes more, and I want to couple with that a request for five minutes.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close in 25 minutes, and then I will ask that the committee rise.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on the paragraph and amendments thereto close in 25 minutes.

Mr. RAKER. Reserving the right to object, I want five minutes to talk out of order on another matter that has just passed. I do not want to leave it unless you want to quit now, for I am going to have an opportunity to be heard at this time so that it will go in the RECORD before we adjourn. That is all there is to it.

Mr. LEVER. I think there will be no objection to that.

Mr. RAKER. I want five minutes to speak out of order.

Mr. LEVER. There will be no objection to giving the gentleman from California five minutes.

Mr. HAMILTON of Michigan. Does the gentleman propose to try to get a vote on the bill to-night?

Mr. LEVER. No; I want a vote on all the amendments to this paragraph.

Mr. HAMILTON of Michigan. And the gentleman does not propose to read the whole bill through to-night?

Mr. LEVER. I do not. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close in 30 minutes. Of that time I ask that the gentleman from South Carolina [Mr. BYRNES], the gentleman from California [Mr. RAKER], the gentleman from Pennsylvania [Mr. MOORE], the gentleman from Ohio [Mr. FESS], the gentleman from Nebraska [Mr. SLOAN], the gentleman from Iowa [Mr. HAUGEN], and the gentleman from Michigan [Mr. McLAUGHLIN] may each have five minutes.

Mr. HAUGEN. If the gentleman does not mean to close the reading of the bill to-night, I will take my time on Monday.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in 30 minutes. Is there objection?

There was no objection.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the gentleman from Iowa disputed my statement when I said that Dr. Pearson is president of the University of Iowa. The gentleman is right. Dr. Pearson is not president of the university; he is president of the Iowa State College of Agriculture and Mechanic Arts.

Now, as I said, the Lever law has been accepted by every State in the Union and, with three exceptions, every State has, year by year, made an appropriation necessary to bring itself within the law and avail itself of the appropriation coming under the Lever law from the Federal Treasury. I said with three exceptions, and one of those exceptions is Michigan. There the appropriation by the legislature to the agricultural college is so large and was practically made for the purpose of having the college use a part for cooperating under the Lever law that Michigan is not really an exception. The other two States are Rhode Island and Illinois. But in the latter State the work has been carried on extensively, the value is so well recognized, and is so generously approved that private subscriptions have been large enough to enable the State to avail itself of the money coming from the Lever law. In the States of the Union the money appropriated for this kind of work over and above the amount of money necessary to enable the States to avail themselves of the money coming under the Lever law for 1916 amounts to the enormous sum of $2,300,000. That shows that the States do approve this work and that they appreciate the value of it. I might quote from the testimony of gentlemen who appeared before us—Dr. Pearson, the president of the Agricultural College of Iowa, who, as I remember, calls these county agents the State's "minute men"; Dr. Russell, the dean of the agricultural faculty at the University of Wisconsin, who speaks in the highest terms of the work of these men; and Dr. Thompson, the president of the Ohio State University. Every one of these gentlemen approves the work, and if three better men ever appeared before that committee I have never seen them during my 10 years of service. I doubt if any better men ever appeared before any committee, and I think no one will doubt their judgment on this important matter. It is proposed to use some of this money in organizing and carrying on boys' clubs. In the South, where Dr. Knapp started the work, and where it is very ably carried on by his son, there are more than 100,000 boys who have been organized into clubs, and the girls' club organizations have a membership of more than 65,000. Women's agricultural clubs have been organized in 500 counties of the cotton States. As to whether or not those boys' clubs do any good, I would say that they are taught by the county agents how to grow corn better and produce more; and at one meeting of the Committee on Agriculture the president of the Agricultural College of the State of Georgia appeared, and among the things he said as a part of his hearty approval of the farm demonstration work, that the farmers of Georgia paid little attention at first to the work of the boys, but later, being impressed with the value of it, they took it up and applied it in their own work, and as a result, the doctor told us, speaking about two years ago, that the year before the farmers of Georgia, taking advantage of the advice that had been given to the boys by the farm agents, and following the methods pursued by the boys, had increased the value of the corn crop in Georgia $10,000,000.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SLOAN. Mr. Chairman, I shall devote but a short time in discussing a question somewhat personal to my two colleagues, Mr. KINKAID and Mr. REAVIS, and myself.

We are engaged in a mighty international war. Some have their work laid out for them by the people. Others have theirs fixed by the Government. Apart for these there is a commendable sentiment among many to find a duty and do it.

It is somewhat regrettable that certain species of activity tolerated in time of peace should be selected as a duty now.

It is a time when truth and frankness should prevail and when libel and falsehood could well be spared.

My attention has recently been called to a letter written and addressed by Hon. C. F. McGrew, of Omaha, Nebr., to the Omaha Bee, Nebraska State Journal, the Nebraskan, and perhaps other papers, as the editorial comments of several have just come to my attention.

The clipping before me is as follows:

[From the Omaha Bee, May 14, 1917.]

HOW WOULD THE KAISER VOTE?

OMAHA, *May 12*.

To the EDITOR OF THE BEE:

When a Member of the American Congress is in doubt as to how he should vote on a pending measure it might be well for him to ask the question, "How would the Kaiser vote if he were a Member of this body?"

Had the Kaiser been a Member of Congress since the outbreak of the war the record would undoubtedly appear as follows:

Shall we stop the selling of war munitions to the allies? Kaiser Wilhelm votes "Yes."

Shall the armed neutrality bill pass? Kaiser Wilhelm votes "No."

Shall war be declared against Germany? Kaiser Wilhelm votes "No."

Shall Col. Roosevelt or some other fighting American who could raise a half million American volunteers in 10 days be permitted to lead them to France? Kaiser Wilhelm votes "No."

It is very much to be regretted that a number of Nebraska Representatives in Congress, including Senator NORRIS, Representatives SLOAN, KINKAID, and REAVIS, have at times been found voting as the Kaiser would vote, and it may be well for the voters of Nebraska to remember this when election day arrives.

The same rule might be used as guidance in smaller legislative bodies. If the Kaiser had been a member of the late Nebraska Legislature he would have voted against the repeal of the law requiring that German be taught in the public schools.

Were the Kaiser a citizen of Omaha, he would appear before the Omaha school board with a petition to continue the teaching of German in the Omaha graded schools during the present year in violation of the law.

If any citizen has any doubt as to his loyalty as an American, he should ask himself the question whether he stands with or against the Kaiser. No citizen of any country at war can remain neutral. He is either loyal to his country or he is a traitor, if not in action he is at least in thought. If he is elated when victory appears to be on the side of the Germans or not elated when the allies are winning, then he is not a true citizen of America.

Measure yourself up and decide on which side of the Atlantic you rightly belong.

C. F. MCGREW.

To couple the names of American Congressmen with the head of the nation with which our country is at war is a serious act which in the heat of passion might be palliated if any fact existed warranting the statement. But to deliberately write letters addressed to great newspapers so as to secure wide publication, when three out of four of the basic statements were known to be wickedly false, and the fourth a matter of legitimate debate, should meet the rebuke of all just men.

The first proposition, "Shall we stop the selling of war munitions to the allies? Kaiser Wilhelm votes 'Yes.'" As no such proposition was ever submitted to a vote of the House of Rep-

resentatives, neither my colleagues, KINKAID or REAVIS, nor myself voted thereon.

Second. "Shall the armed neutrality bill pass? Kaiser Wilhelm votes 'No.'" That was before the House of Representatives and KINKAID, REAVIS, and SLOAN voted for it. Congressman REAVIS made the first speech in either House or Senate favoring armed neutrality. This was even before the President recommended it. We desired to eliminate every possible cause that might plunge this country into the world war in the form we now find the country.

Third. "Shall war be declared against Germany? Kaiser Wilhelm votes 'No.'" There were two propositions submitted and voted upon. Each declared that a state of war existed. The one submitted by myself provided for placing our country in a state of thorough defense. This the second proposition omitted. My resolution provided for use of the Army and Navy to protect and enforce our rights on land and sea, and especially within the submarine-blockade zone. My resolution provided for the use of the immediately available resources of the Government. The other pledged all the resources of the country, which meant the pledging, if thought proper by Congress, the full value of all the people's property through bonds or its seizure through taxation. More than 100 Members, including my two colleagues named and myself, voted for my resolution. On the vote upon the war resolution 50 Members, including myself and two colleagues named, voted against and 373 for. I am content to leave my vote to the judgment of my people and posterity. The form and scope of the war adopted by Congress is the one now binding on myself and the country, and must be pressed to a successful finish.

Fourth. "Shall Col. Roosevelt or some other fighting American, who could raise a half million American volunteers in 10 days, be permitted to lead them to France? Kaiser Wilhelm votes 'No.'" KINKAID, REAVIS, and SLOAN voted for the Roosevelt army resolution and supported the measure in every way and at every opportunity. Congressmen KINKAID and REAVIS both made speeches on the floor of the House in support of this proposition. I was grieved to learn that the President felt constrained to take the advice of British officials as well as our own officials and refused to send Roosevelt, whose inspiring presence in France would be worth 10,000 men.

To conduct a great war it is said all activities must be continued, all utilities used, and every energy enlisted. Each of the unselected draftsmen may choose his part. I regret to see the libel mill and the falsehood factory chosen by one who could better do a better work.

Mr. HULBERT. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, what I am about to say will be painful to me. It grows out of an amendment that I offered a short time ago in regard to the destruction of rodents in the State of California. Unfortunately for the great intermountain States and the Pacific coast, neither upon the Democratic nor the Republican side is that great territory of over 17 States represented on this committee, and it is peculiarly unfortunate when a valid amendment comes before the House that a member of that committee should get upon the floor and practically state to the committee something as fact which he ought to know does not even exist. He talks about no money being expended in exterminating insects. He is a member of the committee and he voted, and he ought to know that upon the last appropriation bill, pages 22 to 25, there are appropriated $931,480 for the purpose of investigating insects affecting the citrus fruits and cereals, and for investigating insects affecting southern cotton fields and for investigating insects affecting forests $50,707. And then they stand upon the floor of the House against an amendment coming from a man from the Western States, when that entire territory has not had a member upon the committee to represent them, in behalf of an industry as strong and as great and as large as this, when millions of dollars' worth of property is being destroyed by the rodents and other animals upon the public domain, and tell the House that we are using no men for this service. When he reads his own bill he will find that there are 100 employees in the city of Washington, saying nothing about the other employees scattered over the United States. And he tries to create laughter in order to beat an amendment that will actually save the food products of this country, that will enable us to add more and more to our wheat and our corn and barley and other products. But I imagine that many of the Members of the House thought the statement of the gentleman was correct when he said that we were not spending any money for the destroying of insects, when, as a matter of fact, on the last appropriation bill there is $950,000 appropriated for that purpose. I am surprised at my friend from Minnesota [Mr. ANDERSON].

Mr. ANDERSON. Will the gentleman yield?

Mr. RAKER. I will.

Mr. ANDERSON. The "gentleman from Minnesota" did not say there was no money spent for investigating insects.

Mr. RAKER. Or no men employed?

Mr. ANDERSON. For investigating insects?

Mr. RAKER. Yes.

Mr. ANDERSON. I said there were men employed. I said there was no money spent for destroying insects by the Government.

Mr. RAKER. Can anybody conceive such an idea, when we are spending $900,000 for the very purpose of destroying insects? He was trying to beat a valid amendment, when there are 17 States—Pacific and intermountain States—with not a representative on the committee. I am disappointed that my friend should take that unfair advantage against the Pacific coast and intermountain States and deprive those farmers of the right of the protection of this Government, and not protect their property the same as you would protect it in other places. Here is an item for the investigation of insects affecting tropical and subtropical fruits. Here is an investigation affecting cotton, tobacco, rice, sugar cane, and so forth, $89,000. Of course, you do not destroy the boll weevil, do you? You just send a man around to look at him.

A MEMBER. Chain him.

Mr. RAKER. Chain him; yes. But when ground hogs and squirrels get on the farmer's land and eat up his crop there is nothing wrong about that. You send a man to inspect a boll weevil, but not to destroy him at all.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNES of South Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. There is a committee amendment pending.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask that my amendment be read, then.

The CHAIRMAN. Without objection, the amendment of the gentleman from South Carolina will be read.

Mr. MANN. Is this an amendment to the paragraph?

Mr. BYRNES of South Carolina. To the paragraph.

The CHAIRMAN. Without objection, the amendment will be read.

The Clerk read as follows:

Amendment by Mr. BYRNES of South Carolina: Strike out, on page 6, line 5, the language beginning with the word "and," down to and including the word "others," in line 8, and insert the following:

"The Secretary of Agriculture is empowered, whenever he shall find that there is or shall be a special need in any restricted area for nitrate of soda for the production of food or feed crops, to purchase such nitrate of soda, store it, and sell it to farmers at cost, including transportation and all other expenses, such cost price to be payable in advance. The Secretary of Agriculture is authorized to require any person having at his disposal a supply of nitrate of soda to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such nitrate of soda and pay for it at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such nitrate of soda on delivery the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such nitrate of soda, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies. Any moneys received by the United States from the sale of nitrate of soda to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts For carrying out the purposes of this section, $4,500,000."

Mr. ANDERSON. Mr. Chairman, I make a point of order on the amendment. It is not germane to this section.

The CHAIRMAN. The gentleman from Minnesota makes the point of order that it is not germane to the section.

Mr. BYRNES of South Carolina. Now, Mr. Chairman, I contend that this amendment is germane to this section. When I offered it this morning as a new section the question arose as to whether or not it was germane to any part of this bill. I then suggested that under this paragraph it was germane.

If the first part of my amendment should prevail, to strike out all after the word "production" down to and including the word "others," this paragraph would then read, "For increasing

food production, $4,500,000." Under that power the Secretary of Agriculture could use that $4,500,000 in any way that he saw fit to increase the food production. He might do it in any one of a hundred different ways.

Now, is it not germane to that to suggest, by way of an amendment, the method by which he shall increase food production in the expenditure of that sum of $4,500,000? The proposition to increase food production by educational methods is simply stricken from the paragraph, and substituted for it is the proposition to increase food production by the use of nitrate of soda.

I submit that it is germane and that no valid argument can be made to the contrary.

Mr. ANDERSON rose.

Mr. SAUNDERS of Virginia. Mr. Chairman, I would like to be heard on the point of order, but I will get recognition after the gentleman from Minnesota.

The CHAIRMAN. Does the gentleman from Minnesota desire to be heard on the point of order?

Mr. ANDERSON. I am perfectly willing that the gentleman from Virginia shall be heard on it now.

Mr. SAUNDERS of Virginia. The gentleman from South Carolina [Mr. BYRNES] stated the grounds on which this amendment is in order. I agree with him entirely that it is in order. I would like to hear what arguments the gentleman from Minnesota may have, showing that it is not in order.

Mr. ANDERSON. Mr. Chairman, if the theory of the gentleman from South Carolina [Mr. BYRNES] is correct, it will be in order on this bill to strike out everything after the enacting clause and to raise an army of 5,000,000 men. His theory seems to be that by striking out a portion of the bill he can insert an amendment which is apparently germane to the part that still remains. I submit that no such parliamentary doctrine is tenable.

But, Mr. Chairman, this section provides for increasing food production and eliminating waste by promoting conservation of food by educational and demonstrational methods. When the gentleman from South Carolina proposes an amendment which authorizes the Secretary of Agriculture to condemn nitrate of soda, to permit a suit to be brought against the United States to recover a sum which will be reasonable compensation for the property so taken, I submit that under no theory of parliamentary law can it be in order to such a section as this to provide for a suit against the United States to obtain compensation for property taken under a condemnation proceeding.

Mr. MANN. Mr. Chairman, the language of the paragraph is—

> For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others, $4,500,000.

The gentleman from South Carolina [Mr. BYRNES] proposes to strike out the essential item in this paragraph, which is "by educational and demonstrational methods" and to insert something in place of it. I wonder that the gentleman from South Carolina did not propose an amendment striking out all after the word "for." If the gentleman's theory is correct, that he can change what is germane to the paragraph by striking out all but a portion of it and then change the purpose of the paragraph, he could equally well have proposed an amendment striking out all after the word "for," or, on his theory, he could have stricken out all before the words "$4,500,000" and inserted an item, and then after that he could have changed the amount. The paragraph is for certain things by educational and demonstrational methods, and no amendment is germane which does not relate to that essential feature of the paragraph.

Of course, that part of the gentleman's amendment which authorizes suits against the Government is clearly not in order. But the whole amendment, even if that were eliminated, is not germane to this paragraph. If the Chair should hold that you can change the purpose of the paragraph by eliminating part of the language, you could strike out all but the word "a," if there were a word "a" here, and all before "an" and insert something before the word "an."

Mr. SAUNDERS of Virginia. Mr. Chairman, I have followed closely the arguments of the gentleman from Illinois [Mr. MANN] and of the gentleman from Minnesota [Mr. ANDERSON], in support of the point of order against the amendment of the gentleman from South Carolina. The ground taken by these gentlemen is not tenable. This is no freak amendment, but is entirely in order according to the accepted principles of germaneness that prevail in this body.

I agree entirely with the gentleman from Illinois that it is not in order to strike from a bill all the language of a paragraph, and then insert matter not germane to the bill, or any section of the same. If all of the language of this paragraph was stricken out, the amendment of the gentleman from South Carolina would not be in order, for the simple reason that there would be no subject matter in the bill to which the amendment could be related. There would be no subject matter to which the amendment would be germane. Nor could you strike out all the words of this paragraph following the word "for," and then argue that the pending amendment, or any other amendment for that matter, would be germane to the subject matter of the paragraph. Strike out all of the words of the paragraph, but the word "For," and this residuum would be meaningless. The proposition of the gentleman from South Carolina is an intelligible proposition, but it is not claimed on its behalf that it would be germane to the single and disconnected word "For."

The CHAIRMAN. Will the gentleman permit a question right there?

Mr. SAUNDERS of Virginia. Yes.

The CHAIRMAN. The gentleman would not contend that the amendment would be germane if a certain portion of the paragraph were not stricken out?

Mr. SAUNDERS of Virginia. Certainly not.

The CHAIRMAN. Then, does the gentleman contend that you can strike out a portion of the paragraph which if retained would render the amendment out of order, and get that out of the way, and thus make the amendment germane?

Mr. SAUNDERS of Virginia. That is my contention. That is precisely the proposition that I am undertaking to present.

It is always in order to strike out any portion of a paragraph under consideration. If you strike out the language suggested by the Chair, that action will leave an intelligible residuum. Is it not competent for the committee to take that action? Is it not in accord with familiar principles of parliamentary law to strike out the language to which the Chair directed my attention?

Suppose that is done, what is left? An unintelligible sentence, a meaningless jumble of words? Not at all. On the contrary, the language left in the paragraph affords a very large and definite grant of power to the Secretary of Agriculture, to do anything and everything within the limits of the appropriation, that in his discretion will increase food production. Strike out the language indicated by the gentleman from South Carolina and the paragraph will read as follows:

> For increasing food production, $4,500,000.

Suppose the gentleman from South Carolina [Mr. LEVER] had reported his bill in that form, would anyone contend that the amendment of the gentleman from South Carolina [Mr. BYRNES] would not be in order? This amendment proposes a very rational plan to increase food production, and would certainly be germane to a paragraph affording a large appropriation to be applied in the discretion of the Secretary to one or many methods of increasing the food supply of the country. Further it is a part of the amendment of the gentleman from South Carolina, to reduce, by elimination, the paragraph under consideration to a general grant of power to the Secretary of Agriculture. The language, "For increasing food production, $4,500,000," which is all that will be left of this paragraph, if the motion to strike out prevails would empower the Secretary to use any available means to the above end, leaving the determination of those means to the discretion of this official.

The only limitation upon the extent of his operations, would be the amount of the appropriation. Within the limits of that appropriation the widest latitude would be afforded to try out, and apply plans, and materials for increasing food production. Afford this power to the Secretary of Agriculture and who would contend that an amendment directing the Secretary to furnish free seeds, and free fertilizer to the farmers who would use them under an agreed plan, would be out of order? But if such an amendment would be in order, in the event the bill had been reported in the form suggested, why would it not be in order if by appropriate parliamentary motions the bill is reduced to that form? Instead of combining the motion to strike out, and insert, the gentleman from South Carolina could first move to strike out the language suggested, thereby reducing the paragraph to the form: "For increasing food production $4,500,000," in the event the motion prevailed, and then offer his amendment to the paragraph in the new, and abridged form. This residuum would be subject matter in the bill, and as such could be amended by a germane amendment. Subject matter in a bill may be either subject matter, as originally reported, or subject matter remaining after the original matter has been subjected to the processes of amendment. This paragraph might be amended by the addition of new matter without objection, that would make the amend-

ment of the gentleman from South Carolina in order, or it may be amended by the excision of existing matter, as is proposed, so as to leave an intelligible residuum which would be subject matter of the bill, and therefore open to germane amendment. Now the gentleman from South Carolina has embodied the two motions in one, as he had a right to do. In substance he first moves to strike out the language to which I called the attention of the Chair, and then in lieu of that language offers other language which is germane to the paragraph in its new form.

The amendment of the gentleman from South Carolina directs the Secretary of Agriculture, for the purpose of increasing food production, to use one of the means which it would be competent for the Secretary of Agriculture to use if he was clothed with the general power to stimulate this production. In terms the amendment directs the Secretary of Agriculture, for the purpose of increasing food production, to secure nitrates and furnish them to the farmers, for the purpose of increasing the yield of the food-producing areas.

Will not this action increase food production? Strike out the language proposed and the amendment will be directly related to what is left, and therefore germane. I followed the ruling of the Chair this morning when the Chair ruled out this amendment of the gentleman from South Carolina when it was first offered. The ruling of the Chair at that time was perfectly correct. It was in accord with reason and justified by precedent. If the gentleman from South Carolina, without making his motion to strike out, should offer his amendment to the paragraph in question as contained in the bill, it would fall within the principles announced by the Chair, and be out of order. But this is an entirely different situation, and the same principles which made the amendment out of order when first submitted now serve to make it in order. The combined proposition in the motion to strike out and insert first proposes to strike out certain language. Unless that is done by the affirmative vote of the committee, the proposition to insert does not come into operation, since the insertion is to follow the excision. But when the excision takes place, reducing the paragraph to the words "for increasing food production, $4,500,000," then the material proposed to be inserted is germane to this subject matter, and to the avowed purpose of the bill. I submit therefore that the motion of the gentleman from South Carolina is in order.

Mr. BYRNES of South Carolina. May I ask one question with reference to the statement made by the gentleman from Illinois [Mr. MANN] as to the right conferred by the amendment to sue in the United States court? That language is the identical language. In fact, the whole amendment is identical with section 4 of this bill. It is the exact language and certainly is nothing but mere details of the method provided by which the Secretary can increase food production.

Mr. MANN. Mr. Chairman, paragraph 7 of Rule XVI is so plain—

> And no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

That was what this rule was adopted for. They used to hold that you could make any change in the proposition under consideration—introduce new matters—but this rule is the rule of the House and in effect. Now, no one will contend that the subject matter under consideration in the bill is for anything except doing things by educational and demonstrational methods. That is the subject matter under consideration, and the express written rule of the House forbids a change under color of amendment by introducing a different proposition.

Mr. SAUNDERS of Virginia. Mr. Chairman, the rule cited by the gentleman from Illinois is the rule upon which I stand. It is the rule upon which I base my argument. I concede that if the language is not stricken out, the amendment of the gentleman from South Carolina would not be in order. But after it is stricken out, then what is left in the bill is the subject matter of the bill, and may be amended by a germane amendment. The amendment of the gentleman from South Carolina [Mr. BYRNES] is not directed to a paragraph containing the language cited by the gentleman from Illinois. So long as that language remains in the paragraph the amendment of the gentleman from South Carolina would not be in order. But this amendment is proposed to a paragraph from which this language will be stricken out, if the motion to strike out prevails. And when that motion prevails, the amendment will be in order to the subject matter then remaining. It has been asked if an amendment would be in order to furnish farmers with free lands to cultivate, or to supply free teams for agricultural purposes. Not at all, so long as the bill is in its present form. But if the committee had reported this paragraph in the following form, "For increasing food production, $4,500,000," it would have been competent under that authority for the Secretary of Agriculture to furnish lands to parties agreeing to cultivate them, or teams to farmers without teams. Hence an amendment to either effect, in the event the bill had been reported in the form suggested, would be in order. Further if the paragraph under consideration is reduced to this form by the use of the motion to strike out, the above amendments, or the amendment of the gentlemen from South Carolina is in order. It is for the House to determine by its affirmative action on the motion to strike out whether it will reduce the paragraph in the bill to the form which will make the amendment of the gentleman from South Carolina in order. While the gentleman subjects as one motion the motion to strike out and insert, a favorable vote of the committee on that motion would in substance amount first to striking out the language suggested, thereby making in order the language which the action of the House would next insert.

Mr. MANN. It is sufficient to say that the language has not been stricken out.

Mr. SAUNDERS of Virginia. That is a part of the motion. When that is done, the matter to be inserted is in order.

The CHAIRMAN. The gentleman from South Carolina [Mr. BYRNES] offers an amendment to which the gentleman from Minnesota [Mr. ANDERSON] makes a point of order. The Chair has before him the rule to which attention has been called. It is in this language:

> No motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

This paragraph sought to be amended reads as follows:

> For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others—

And so forth.

The gentleman's amendment provides for the Government buying nitrate of soda and selling to the farmers, and so forth, and argues that it is in order for the reason that such action would tend to increase food production. Clearly the food production provided for in this paragraph is in a specific way, and that is by "educational and demonstrational methods." The gentleman from Virginia [Mr. SAUNDERS] fair, as he always is, admits that unless certain language now in the paragraph is stricken out the amendment of the gentleman from South Carolina [Mr. BYRNES] would not be in order, but contends that the language now in the paragraph which stands in the way of the amendment, in the face of a point of order, can be stricken out and the other language contained in the amendment inserted at the same time. The Chair does not think that this can be done. In the face of a point of order the affirmative matter contained in the amendment offered can not even be considered. You can not do by indirection that which can not be done directly. A motion to strike out certain language in the bill would, of course, be in order, but the very fact that that motion has coupled with it matter which is not in order renders the whole amendment out of order. If this amendment is in order, you could amend the bill by providing for the purchase of a million acres of land to be given to the farmers of the country to encourage food production. The Chair thinks this is clearly out of order and sustains the point of order.

Mr. BYRNES of South Carolina. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNES of South Carolina. The motion to strike out would be in order, and if that motion was made and sustained the Chair would hold in order the amendment?

The CHAIRMAN. The Chair will cross that bridge when he gets to it.

Mr. BYRNES of South Carolina. Mr. Chairman, I move to strike out all after the word "production," in line 5, page 6, down to the word "others," in line 8, page 6, and I announce that if that is adopted I will move to amend by inserting the language I have referred to.

The Clerk read as follows:

> Page 6, line 5, strike out all after the word "production" down to and including the word "others" in line 8.

Mr. LEVER. A parliamentary inquiry, Mr. Chairman. How much time has been taken up of the time allotted for debate?

The CHAIRMAN. There are 20 minutes remaining.

Mr. LEVER. And the motion of the gentleman from South Carolina [Mr. BYRNES] is pending. The debate has been limited to this paragraph and all amendments thereto, and 20 minutes of that time remain.

The CHAIRMAN. The gentleman is correct.

Mr. MANN. I reserve a point of order on the amendment.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4188) to provide further for the national security and defense and had come to no resolution thereon.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 282. An act providing for the purchase or condemnation of a site for a target range at or near Great Piece Meadows, in the State of New Jersey; to the Committee on Military Affairs.

BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 14. An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 328. An act to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 66. Joint resolution making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

ENTRY OF THE UNITED STATES INTO THE WAR (H. DOC. NO. 154).

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying documents, was ordered printed and referred to the Committee on Foreign Affairs.

Mr. MANN. I suggest, Mr. Speaker, that the message and accompanying documents be printed in the RECORD. They are not very long.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The message and accompanying documents are as follows:

The Senate and House of Representatives:

I transmit herewith, for the information of Congress, a communication from the Secretary of State covering copies of a note from the British ambassador and the resolutions passed by both Houses of the British Parliament on April 18, relative to the entry of the United States into the war.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, May 26, 1917.

DEPARTMENT OF STATE,
Washington, May 23, 1917.

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President a copy of a note from the British ambassador transmitting, for the information of the Government of the United States, resolutions passed by both Houses of Parliament on April 18, relative to the entry of the United States into the war.

The undersigned has the honor to recommend that the inclosed copies of the resolutions be transmitted to the Senate and House of Representatives for the information of Congress.

Respectfully submitted.

ROBERT LANSING.

[No. 142.]

BRITISH EMBASSY,
Washington, May 18, 1917.

SIR: I have the honor, by direction of His Majesty's Government, to transmit for the information of the United States Government the accompanying copies, signed, respectively, by the Lord Chancellor and the Deputy Speaker, of a resolution passed by both Houses of Parliament on the 18th of April, relative to the entry of the United States into the war.

I have the honor to be, with the highest consideration, sir,
Your most obedient, humble servant,

CECIL SPRING-RICE.

Hon. ROBERT LANSING,
Secretary of State of the United States.

HOUSE OF LORDS, *April 18, 1917.*

That this House desires to express to the Government and people of the United States of America their profound appreciation of the action of that Government in joining the allied powers, and thus defending the high cause of freedom and the rights of humanity against the gravest menace by which they have ever been imperiled.

FINLAY, *Lord Chancellor.*

HOUSE OF COMMONS, *April 18, 1917.*

Resolved, That this House desires to express to the Government and people of the United States of America its profound appreciation of the action of that Government in joining the allied powers, and thus defending the high cause of freedom and the rights of humanity against the gravest menace by which they have ever been imperiled.

JOHN HENRY WHITLEY,
Deputy Speaker.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. KENNEDY of Iowa, for two weeks, on account of sickness.

To Mr. SMITH of Michigan, for one week, on account of important business.

HOUR OF MEETING ON MONDAY.

Mr. LEVER. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. Monday.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. Monday. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

By unanimous consent, the following Members were given leave to extend remarks in the RECORD: Mr. JONES of Texas on the conference report on the Army bill, Mr. MCLAUGHLIN of Michigan, and Mr. IGOE.

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House, under its previous order, adjourned until Monday, May 28, 1917, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of the Treasury, transmitting copy of a communication of the Secretary of War submitting estimates of appropriation required for the service of the War Department for the fiscal year ending June 30, 1916 (H. Doc. No. 153), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. ADAMSON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, reported the same without amendment, accompanied by a report (No. 62), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (S. 1816) to amend the act to regulate commerce as amended, and for other purposes, reported the same with amendment, accompanied by a report (No. 63), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KALANIANAOLE (by request): A bill (H. R. 4722) to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended on April 2, 1908, and on May 27, 1910; to the Committee on the Territories.

By Mr. FITZGERALD: A bill (H. R. 4723) to provide an emergency shipping fund; to the Committee on Appropriations.

By Mr. DILL: A bill (H. R. 4724) to permit suspension of annual assessment work on mining claims entered by persons who made entry on mining claims previous to the beginning of the pending war; to the Committee on Mines and Mining.

By Mr. LENROOT: Resolution (H. Res. 90) amending the rules of the House by the creation of a committee on salaries of officers and employees; to the Committee on Rules.

By Mr. MANSFIELD: Resolution (H. Res. 91) providing that the United States Government shall insist upon the independence

of Bohemia at the close of the war; to the Committee on Foreign Affairs.

By Mr. VARE: Concurrent resolution (H. Con. Res. 10) relating to claims for exemption from military service; to the Committee on Military Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, relating to the conservation of food supplies; to the Committee on Agriculture.

By Mr. CARY: Memorial of the Legislature of the State of Wisconsin, relating to the conservation of food supplies; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: Memorial of the Legislature of the State of Pennsylvania, favoring daylight saving; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER: A bill (H. R. 4725) granting an increase of pension to Arthur J. Fry; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 4726) to correct the military record of James Hennessy; to the Committee on Military Affairs.

Also, a bill (H. R. 4727) to correct the military record of Andrew K. Hite; to the Committee on Military Affairs.

Also, a bill (H. R. 4728) to correct the military record of the late Warren W. Wilkinson; to the Committee on Military Affairs.

By Mr. POWERS: A bill (H. R. 4729) granting a pension to N. Ellen Peters and George W. Peters; to the Committee on Invalid Pensions.

By Mr. SCULLY: A bill (H. R. 4730) to compensate the J. Fischer Co., of Keyport, N. J., for damages sustained due to the dredging operations in Matawan Creek, N. J., by the United States dredge named *Sucker*; to the Committee on Claims.

By Mr. SHOUSE: A bill (H. R. 4731) granting a pension to Samantha Crews; to the Committee on Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 4732) granting a pension to Jemima Hall; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Merchants' Association of New York, relative to food control; to the Committee on Agriculture.

Also (by request), memorial of American Federation of Labor relative to food control; to the Committee on Agriculture.

Also (by request), memorial of the Grand Lodge, Knights of Pythias, of Missouri, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Memorial of the Merchants' Association of New York, relative to control of food supply; to the Committee on Agriculture.

Also, memorial of Real Estate Board of City of New York, relative to price of coal; to the Committee on Interstate and Foreign Commerce.

By Mr. DALLINGER: Memorial of Blair Baraca Class, of Medford, Mass., favoring establishment of zone around military camps; to the Committee on Military Affairs.

Also, memorial of Greek Liberals, of Haverhill, Mass., pledging loyalty and support to the United States; to the Committee on Foreign Affairs.

By Mr. DOOLING: Memorial of the Merchants' Association of New York, relative to control of food supply; to the Committee on Agriculture.

By Mr. DRUKKER: Petition of Leonard Roughgarden, of Hawthorne, N. J., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. EAGAN: Memorial of the Merchants' Association of New York, relative to food control; to the Committee on Agriculture.

Also, memorial of National Association of Employing Lithographers, against increase of postage on postal cards, etc.; to the Committee on Ways and Means.

Also, memorial of market committee of American National Live Stock Association, relative to food control; to the Committee on Agriculture.

Also, petition of the Interstate Cotton Seed Crushers' Association, Dallas, Tex., offering resources and services to country; to the Committee on Military Affairs.

Also, memorial of the New England Society of the Oranges, favoring universal military training; to the Committee on Military Affairs.

By Mr. ESCH: Memorial of the Merchants' Association of the State of New York, relative to control of food supply; to the Committee on Agriculture.

Also, petition of Trades & Labor Council, of La Crosse, Wis., against increase of postal rates on second-class matter; to the Committee on Ways and Means.

By Mr. FITZGERALD: Memorial of the Merchants' Association of New York City, favoring the control of food supply; to the Committee on Agriculture.

By Mr. FULLER of Illinois: Petition of 64 citizens of Rockford, Ill., favoring food conservation by national prohibition; to the Committee on Agriculture.

By Mr. GALLIVAN: Memorial of Division 35, Ancient Order of Hibernians, of Newton, Mass., relative to independence for Ireland; to the Committee on Foreign Affairs.

By Mr. GOOD: Petitions of sundry citizens of the State of Iowa, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HASTINGS: Memorial of the First Methodist Episcopal Church, of Okmulgee, Okla., favoring prohibition and asking that liquor be not sold to soldiers; to the Committee on Agriculture.

By Mr. HUDDLESTON: Petition of Margaret R. Booth, Elizabeth A. Johnson, Mrs. M. A. Murphy, and many other citizens of Massachusetts, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of J. B. Crippen and others, of Birmingham, Ala., favoring prohibition of the manufacture of intoxicating liquors as a measure of food conservation, and immediate prohibition of the sale of liquors as a beverage, to conserve health, wealth, labor, etc.; to the Committee on the Judiciary.

By Mr. HULBERT: Petitions of 477 citizens of New York, against any kind of prohibition legislation; to the Committee on the Judiciary.

Also, petition of 54 citizens of the city of New York, protesting against any kind of prohibition; to the Committee on the Judiciary.

Also, memorial of the Merchants' Association of New York City, N. Y., favoring food control; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: Petition of citizens of Wilkinsburg, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petition of H. Fellman, of Woonsocket, R. I., protesting against tax on jewelry; to the Committee on Ways and Means.

Also, petition of Joseph P. Whitaker, of Providence, R. I., favoring daylight-saving plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of Pawtucket (R. I.) Chamber of Commerce, favoring daylight-saving plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of Westcott, Slade & Balcom Co., of Providence, R. I., protesting against increase in rates on letters; to the Committee on the Post Office and Post Roads.

Also, petition of C. B. Cottrell & Sons Co., of Westerly, R. I., protesting against increase of rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. LONERGAN: Petition of E. J. Blake Brass Foundry and others, of Hartford, Conn., against national prohibition; to the Committee on the Judiciary.

Also, memorial of Woman's Christian Temperance Union, of Hartford County, Conn., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LUNDEEN: Telegrams of Minneapolis Furniture Co., Northwestern Fruit & Jobbers' Association, Gamble-Robinson Co., Emerson-Brantingham Implement Co., J. I. Case Plow Works, and Parlin & Orendorff Plow Co., of Minnesota; Marshall Oil Co., the John Leslie Paper Co., Salisbury-Saterlee Co., Minneapolis Hedding Co., Oliver Chilled Plow Works, Simmons Hardware Co., Janney, Sample, Hill Co., Produce Exchange of Minneapolis, Minneapolis Paper Co., and Northwestern Knitting Co., opposing Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, letters of R. R. Howell & Co., Forman, Ford & Co., Minneapolis Iron Store Co., and Laurence H. Lucker Co., opposing Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. McKEOWN: Petition of Mrs. T. O. Griffith and others, of Pottawatomie County, Okla., favoring immediate enactment of legislation prohibiting the manufacture and sale of alcoholic

liquors as a measure of food conservation; to the Committee on the Judiciary.

By Mr. McLEMORE: Petitions of citizens of Travis and Williamson Counties, Tex., against a tax on railroad freight and passenger charges; to the Committee on Ways and Means.

By Mr. MOORE of Pennsylvania: Memorial of Philadelphia Board of Trade, protesting against retroactive income tax; to the Committee on Ways and Means.

Also, petition of Retail Grocers' Association of Philadelphia, relative to food control; to the Committee on Agriculture.

By Mr. MORIN: Petition of the Legislature of the State of Pennsylvania, indorsing the efforts of the business interests in trying to secure the passage by Congress of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. NOLAN: Petition of Alameda County Soda Water Manufacturers' Association, of Oakland, Cal., against tax on soda water; to the Committee on Ways and Means.

By Mr. PRATT: Petition of Rev. Robert E. Brettle, Rev. I. K. Libby, Mr. D. F. Lane, and sundry other citizens of Painted Post, N. Y., favoring the enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for prohibition of the sale of alcoholic liquors for beverage purposes; to the Committee on the Judiciary.

Also, petition of John Engle, C. E. Quick, Arnold Mosher, D. A. Wainwright, and sundry other citizens of Elmira, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of George B. McPherson, J. A. Moody, Ernest Colwell, and sundry other citizens of Newark Valley, N. Y., favoring the immediate enactment of certain prohibitory measures; to the Committee on the Judiciary.

Also, petition of Dr. G. W. Mitchell, Martin Miller, and sundry other citizens of Hornell, N. Y., favoring the Gronna-Randall bill for the conserving of the foodstuffs used in making intoxicating beverages; to the Committee on the Judiciary.

By Mr. RAINEY: Petition of Illini Lodge No. 4, Independent Order of Odd Fellows, Jacksonville, Ill., favoring legislation forbidding use of grains in the manufacture of alcohol; to the Committee on the Judiciary.

Also, petition of Henry Love and 37 other citizens of Athens, Ill., favoring prohibition; to the Committee on the Judiciary.

Also, petition of B. D. Mallison and 48 other citizens of Scottville, Ill., favoring national prohibition; to the Committee on the Judiciary.

By Mr. RAKER. Petitions of 15 jewelry men of San Francisco, Cal., relative to amendments to revenue bill in interest of jewelry business; to the Committee on Ways and Means.

By Mr. ROBBINS: Petitions of sundry citizens of Webster, Pa., favoring national prohibition as a war measure; to the Committee on Military Affairs.

By Mr. SANDERS of New York: Petitions of sundry citizens of the State of New York, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCULLY: Memorial of the New England Society of the Oranges, favoring universal military training and proper sites and sanitation for military training camps; to the Committee on Military Affairs.

Also, petition of citizens of Lakehurst, N. J., protesting against the use of grains for the manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of citizens of Sayreville, N. J., protesting against the use of grains in the manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of teachers and pupils of school No. 12, Raritan Township, Middlesex County, N. J., protesting against the use of grains in the manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of citizens of Belford, N. J., against the use of grains in the manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of New York Association for the Protection of Game, favoring legislation to give effect to the treaty between the United States and Great Britain for the protection of migratory birds; to the Committee on Foreign Affairs.

By Mr. SHOUSE: Petition of Rev. E. N. Cunningham, of Kiowa, Kans., favoring national prohibition; to the Committee on the Judiciary.

By Mr. SLOAN: Petitions of N. B. Murray and 70 others, of Friend, and Rev. W. L. Austin and 53 others, of Geneva, Nebr., favoring national prohibition; to the Committee on Agriculture.

By Mr. SMITH of Michigan: Petition of Rev. A. R. Johns and 33 citizens of Albion, favoring prohibition; to the Committee on the Judiciary.

Also, petition of W. D. Toland and 100 citizens of Kalamazoo, favoring prohibition; to the Committee on the Judiciary.

Also, petition of Claribel Hubert and 116 citizens of Albion, favoring prohibition; to the Committee on the Judiciary.

Also, resolution of faculty of Albion College, favoring prohibition, etc.; to the Committee on the Judiciary.

Also, petition of Arta Fisher and 50 citizens of Scotts, favoring prohibition; to the Committee on the Judiciary.

By Mr. SNOOK: Petition of 27 citizens of Continental, Ohio, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. STRONG: Petition of the citizens of Shippensville, citizens and members of the Methodist Church of Manor, and United Presbyterian Sunday School of Apollo, all in the State of Pennsylvania, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TEMPLE: Petition of residents of West Bridgewater, Pa., favoring enactment of national prohibition law in view of present war situation; to the Committee on the Judiciary.

Also, petition of residents of Woodlawn, Pa., favoring enactment of national prohibition law in view of the present war; to the Committee on the Judiciary.

Also, petition of 105 residents of Beallsville, Pa., favoring enactment of national prohibition law in view of the present war situation; to the Committee on the Judiciary.

Also, petition of residents of Scenery Hill, Pa., and vicinity, favoring enactment of national prohibition law in view of the present war situation; to the Committee on the Judiciary.

Also, petition of 38 citizens of New Castle, Pa., favoring the enactment of national prohibition law in view of present war situation; to the Committee on the Judiciary.

By Mr. TEMPLETON: Petition of sundry citizens of Wilkes-Barre and vicinity, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. TILSON: Memorials of Swedish Baptist Church, of New Haven; First Methodist Episcopal Church, of Wallingford; and Methodist Episcopal Church, of Milford, Conn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: Memorial of the Colorado Equal Suffrage Association, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TINKHAM: Petition of League of Greek Liberals, of Haverhill, Mass., pledging loyalty and support to United States; to the Committee on Military Affairs.

By Mr. VARE: Memorial of Retail Grocers' Association, of Philadelphia, Pa., relative to control of food supply; to the Committee on Agriculture.

By Mr. ZIHLMAN: Petition of Prince Georges County (Md.) Pomona Grange, relative to food control; to the Committee on Agriculture.

SENATE.

MONDAY, *May 28, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou are the creator and also the preserver of Thy universe. Peace and harmony and justice are the products of Thy law. We have sinned and come short of Thy glory. We turn to Thee for Thy forgiveness and for Thy blessing. Where we can not see the way we ask Thy guidance. In all that we do we pray that we may act with open vision, looking to the establishment of a fuller life and nobler brotherhood of men and nations, to the honor and glory of Thy name. For Christ's sake. Amen.

The VICE PRESIDENT resumed the chair.

The Journal of the proceedings of the legislative day of Friday, May 25, 1917, was read and approved.

WORK OF THE SESSION.

Mr. LODGE. Mr. President, I ask leave to have printed in the RECORD a statement made by the senior Senator from Virginia [Mr. MARTIN] as to the work that has been accomplished by Congress in the present session. It is a very important statement, and I think it ought to be placed in the permanent RECORD for reference.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The statement is as follows:

GREAT RECORD OF ACHIEVEMENT IS CONGRESS'S WAR LEGISLATION, SENATOR MARTIN TELLS CRITICS—CALLS UNFAIR IMPATIENCE OF MEN TO PLACE COUNTRY ON A WAR BASIS AT EARLIEST POSSIBLE MOMENT—GRIST OF MOMENTOUS LAWS ENACTED DETAILED—WAR RESOLUTION IN FOUR DAYS—DRAFT ACT—HUGEST REVENUE BILL—PROMISE THAT NEXT 45 DAYS WILL BE AS BUSY AT CAPITOL AS 45 DAYS BEHIND.

Senator MARTIN, majority leader in the Senate, has issued a statement in reply to criticism that Congress has been unnecessarily slow

in enacting war legislation. He shows that, on the contrary, within the short time the session has proceeded the progress has been unusually rapid when the magnitude of the measures submitted is considered. Senator MARTIN'S statement follows:

"The present extraordinary session of Congress has been marked by a greater volume of legislation and the enactment of measures of more momentous import than have ever been considered in any similar period in the parliamentary history of the country. The criticism, therefore, that has been leveled at the House and Senate, growing out of the impatience to place the country upon a war basis at the earliest possible moment, in my judgment, is unfair and indicates a lack of appreciation or knowledge of the enormous amount of work which the two Houses of Congress have performed.

HARDLY TAKE TIME TO SLEEP.

"From April 2 to May 23 there were exactly 45 working days, and the membership of this Congress has scarcely taken time to eat or sleep because of the responsibilities which the war has imposed upon them. It must be remembered that it was a new Congress that met in response to the call of the President, and that at the very outset it was confronted with the necessity of organization, a process ordinarily requiring time and involving many contests. In the present instance, however, the committees of both Houses were named on April 3, the work of selecting them having been done during the vacation period.

"At the special session of the Senate, immediately preceding the extra session of Congress, there was passed a modified cloture rule under which public business might be expedited. The adoption of such a rule was accomplished within a few days after its introduction, a result that could not have been attained in any other period of our history short of months of debate, if at all.

NO DELAY IN WAR RESOLUTION.

"On April 2 the German war resolution was introduced in the House, and on April 6, or four days after the assembling of Congress, the President attached his signature to that measure. Certainly no delay was involved in the passage of this resolution, perhaps the most important ever offered, whether in this or any other Congress.

"Since that time Congress has considered and passed appropriation bills of enormous magnitude for the conduct of the war. It has authorized the greatest bond issue ever brought forward by any Government at a given time and has proceeded far toward the enactment of other measures considered necessary to equip the Government for active participation in the war. A brief survey of the action so far taken might be enlightening. Bills have passed as follows:

APPROPRIATION BILLS PASSED.

"1. Sundry civil appropriation bill, carrying a total of $156,293,031.17.

"2. Army appropriation bill, carrying $273,046,322.50, and the Military Academy appropriation bill, carrying $1,345,496.18.

"3. General deficiency appropriation bill, carrying in all $163,841,400.52.

"4. General Army and Navy deficiency appropriation bill, carrying, as it left the Senate, $3,342,404,131.22, the greatest single appropriation budget of this or any other Government. Of this sum $400,000,000 was actually appropriated for the establishment of a great merchant fleet for war purposes, and the expenditure of an additional $350,000,000 for the same purpose was authorized.

"5. A bill authorizing a bond issue of $7,000,000,000 'for the national security and defense.'

MADE DRAFT BILL A LAW.

"6. An act to authorize the President to increase the Military Establishment by selective draft to 1,000,000 men and to increase the strength of the Regular Army to 300,000 men and that of the National Guard to approximately 330,000 men.

"7. A joint resolution authorizing the President to take over for the United States the German interned ships in American ports.

"8. A bill to temporarily increase the commissioned, warrant, and enlisted strength of the Navy and Marine Corps from 87,000 to 150,000 men, in the first instance, and from 17,400 to 30,000 in the second.

"9. A bill to punish acts of interference with the foreign relations, neutrality, and foreign commerce, generally known as the 'espionage' bill.

"Bills have also been passed making important amendments to the reserve-bank law and to the interstate-commerce law, the latter giving the Interstate Commerce Commission two additional members and the control of freight-car distribution.

WAR-REVENUE BILL IN HOUSE.

"It should also be noted that the House of Representatives has passed a very comprehensive and far-reaching bill for the purpose of raising the revenue necessary for carrying on the war. That bill has been sent over to the Senate, where the Senate Committee on Finance has given a great deal of attention to it, and will soon be ready to report it to the Senate for consideration.

"This summary does not take into account the great amount of preliminary work in connection with pending legislation. For instance, at this session the Senate committees have made 67 reports on bills and resolutions, and those of the House have made 50 reports. The Senate, moreover, has passed every bill which it has received from the House.

FORTY-FIVE DAYS AHEAD TO BE AS PROLIFIC.

"This record of achievement speaks for itself. Congress owes it to the country to carefully consider every piece of legislation which is offered, whether it be important or not. Notwithstanding this, the past 45 days have been crowded with action of far-reaching importance, and the next 45 days will probably find as much more work behind us. The foundation already has been laid for the passage of the remaining measures on the war program."

THE BEET-SUGAR INDUSTRY.

The VICE PRESIDENT laid before the Senate a communication from the Federal Trade Commission, transmitting a copy of a report on the beet-sugar industry in the United States bearing date May 24, 1917, which, with the accompanying paper, was referred to the Committee on Finance.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Vice President:

H. R. 328. An act to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes; and

S. J. Res. 66. Joint resolution making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

PETITIONS AND MEMORIALS.

Mr. LODGE presented a petition of the Liberal League, of Haverhill, Mass., expressing loyalty to the United States and urging the recognition of the Venizelos government in Greece, which was referred to the Committee on Foreign Relations.

Mr. MYERS presented a petition of sundry citizens of Livingston, Mont., praying for national prohibition, which was referred to the Committee on the Judiciary.

Mr. SAULSBURY presented a petition of sundry citizens of Dagsboro, Del., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. KNOX presented petitions of sundry citizens of Pennsylvania, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

Mr. PAGE presented a petition of the Vermont Conference of the Congregational Churches, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which was referred to the Committee on Agriculture and Forestry.

Mr. TOWNSEND presented memorials of the Public Forum Organization of Grand Rapids, and of the Trades and Labor Council of Lansing, in the State of Michigan, remonstrating against an increase in the postage rates on second-class mail matter, which were referred to the Committee on Finance.

He also presented a petition of the Trades Council of Jackson, Mich., praying for the enactment of legislation to grant pensions to superannuated civil-service employees, which was referred to the Committee on Civil Service and Retrenchment.

He also presented petitions of sundry citizens of Portland, Paw Paw, Albion, Hudson, and Alto, all in the State of Michigan, praying for the prohibition of the manufacture of intoxicating liquor from foodstuffs, which were referred to the Committee on Agriculture and Forestry.

He also presented petitions of sundry citizens of Royal Oak, Amasa, Petoskey, Saline, Albion, Flint, and Port Huron, all in the State of Michigan, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Three Rivers, the County Federation of Women's Clubs of St. Joseph County, and of the faculty of Albion College, Albion, all in the State of Michigan, praying for the protection of the morals of the young men at military training camps, which were ordered to lie on the table.

Mr. NELSON presented a petition of sundry citizens of Minneapolis, Minn., praying that Congress take action to the end that church property be subject to the same tax which is imposed on other corporations owning real property, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Minneapolis, Herman, Amboy, Willmar, Rushmore, Faribault, Fergus Falls, Biglow, and of the Kandiyohi County Loyalty League, all in the State of Minnesota, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

He also presented petitions of sundry citizens of Faribault and of the City Council of Duluth, in the State of Minnesota, praying for Government control and sale of foodstuffs, which were referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the bill (S. 2180) to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States, reported it without amendment.

Mr. POINDEXTER, from the Committee on the Judiciary, to which was referred the bill (S. 315) to punish the storing of foodstuffs for the purpose of cornering the market, and for other purposes, reported it with amendments and submitted a report (No. 47) thereon.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (S. 2116) to increase the salary of

the United States district attorney for the district of Rhode Island, reported it with an amendment.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 2368) granting an increase of pension to James E. Leonard (with accompanying papers); to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 2369) granting an increase of pension to W. H. Jones; to the Committee on Pensions.

By Mr. NEWLANDS:

A bill (S. 2370) to promote interstate commerce, agriculture, and the general welfare by providing for the development and control of waterways and water resources; for water conservation; for flood control, prevention, and protection; for the application of flood waters to beneficial uses; for the coordination of the national services engaged in the investigation, use, and control of water and water resources; and for cooperation in such work with States and other agencies; and for other purposes; to the Committee on Commerce.

COMMISSION ON NAVY YARDS AND NAVAL STATIONS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, Report No. 4 of the Commission on Navy Yards and Naval Stations.

The attention of the Congress is especially invited to the request of the Secretary of the Navy that certain portions of the report and appendices be not printed.

WOODROW WILSON.

THE WHITE HOUSE, *May 28, 1917.*

The VICE PRESIDENT. The papers will be referred, in confidence, with the message to the Committee on Naval Affairs.

LAWS OF PORTO RICO (H. DOC. NO. 159).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Pacific Islands and Porto Rico:

To the Senate and House of Representatives:

As required by section 24 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of the acts and resolutions enacted by the Eighth Legislative Assembly of Porto Rico during its third session (Feb. 12 to Apr. 18, 1917, inclusive).

These acts and resolutions have not previously been transmitted to Congress and none of them has been printed.

WOODROW WILSON.

THE WHITE HOUSE, *May 28, 1917.*

MANUFACTURE OF DRUGS.

The VICE PRESIDENT. The morning business is closed.

Mr. POMERENE. Mr. President, before the closing of the morning business I desire to say a few words with respect to Senate bill 2363, which I introduced on Saturday, and which now lies on the table.

It is the purpose of this bill to give to the Secretary of War or the Secretary of the Navy the right to contract for the manufacture of drugs, medicines, remedies, or patent devices which may be protected by patent or trade-mark when in their judgment it is necessary for the health either of the Army or the Navy or of the public at large.

My belief is that either the Secretary of War or the Secretary of the Navy now has this power; but it occurred to me if this bill, or some measure akin to it, is passed, it would help very materially to solve some of the difficulties which now confront the American people.

When I prepared the bill I had especially in mind the manufacture of a drug know as salvarsan. It is protected by German patent and trade-mark. It has at times been manufactured in this country. At present it is impossible to get the drug from Germany, and the men who own the patent in the United States have advanced the price of this drug so that it is next to impossible for a patient or a physician who desires to administer the drug to get it at a reasonable price. At the present time the drug is sold at $4.50 per dose, when it can be manufactured and sold at a reasonable profit at 25 cents per dose.

I wish to call the attention of the Senate to an article which was published in the Journal of the American Medical Association for April 21, and which appears on page 1203. It is signed by Dr. J. W. Vanderslice, Dr. J. H. Walsh, and Dr. W. A. Pusey, of the Chicago Medical Society. I wish to read only two or three paragraphs showing the extent to which the public and the medical profession are victimized by those who are now controlling this drug. They say, in part:

Now is the best opportunity we shall ever have to get rid of these patents. Our experience with salvarsan during the last two years has been almost intolerable. Salvarsan and its related products during this time have been obtainable only through the grace of one man, Mr. H. A. Metz, in New York City. The drug is covered, we understand, by all the protective privileges that can possibly be used in caring for the pecuniary interests of those owning proprietary remedies. The name is copyrighted, the drug itself is a patented product, and the processes of its manufacture are patented. Under these patents the German owners and their American representative have made millions from the sale of the drug in America.

Although the facts are familiar to most physicians, it may be worth while to review the situation in regard to this drug that has developed during the war: First, Mr. Metz used his supply and what he could obtain from Germany in such manner as he saw fit. He distributed the drug to physicians, giving them such amounts as he thought they should have and limiting them in any way he pleased. We are not saying that he did not act wisely and in the best way he knew how or with public spirit, but at best he was a public-spirited and wise autocrat, dictating to the whole body of men who have the sickness of 100,000,000 people in their charge as to the supply of a drug that is at times essential.

Then omitting a portion of the article it reads:

Next, when he was no longer able to supply the drug himself, he allowed the Dermatological Research Laboratory of Philadelphia to make it under an agreement by which he could stop their manufacture of it immediately whenever he saw fit. That laboratory, it may be said in passing, is not organized for profit, and their large profits from the manufacture of salvarsan during a short period have been dedicated to research in medicine. That institution, it may also be said, made a salvarsan which, in the opinion of some competent men, was less toxic than the commercial product from Germany. Finally when the Deutschland succeeded in getting over here and brought a new supply of salvarsan, Mr. Metz immediately stopped the distribution of the Philadelphia salvarsan, and for the last several months we have been compelled to rely, as far as salvarsan is concerned, on such supplies as he has seen fit to furnish us. Sometimes he has furnished it; sometimes he has not. It rests with him whether or not a physician gets a supply; and your patient or mine can get the salvarsan he needs or not, according to Mr. Metz's decision. The situation is as though the supply of quinine for this country was absolutely in one man's hands.

Recently Mr. Metz has seen fit to send out a circular letter to the profession, in which he makes the explicit threat of exacting legal penalty from those who use any substitute for the patented article—this in spite of the fact that the new supply of salvarsan received from Germany, according to published reports by competent, disinterested men, has proved less free from danger than the salvarsan we got from Germany before the war or the salvarsan made in Philadelphia. In the same letter Mr. Metz informs us that he is going to try to make it in this country pretty soon. He is going to furnish it at the old price—a price which represents millions of dollars of profit annually from the American sale of the drug. Whether he is going to succeed or not in making a satisfactory article nobody knows; but we do know that if it were not for rights that rest in Germany, and do not belong to Mr. Metz except through German title, we have persons in this country who could make a first-class salvarsan and who would be glad to sell it at from one-third to one-fourth the price that Mr. Metz wants for it and that we have been made to pay for it heretofore.

The question may well be raised of the moral right of profiting to the extent of great fortunes from patents on drugs of necessity to the sick. Certainly it is abhorrent to the ethics of the medical profession. But even if there be nothing wrong in this, it may be said in the case of salvarsan that the drug has already yielded profits amounting to millions of dollars, and every one interested in the ownership of the drug has already been well provided for. This doubtless applies to the Ehrlich family, and there is every reason to believe that his agency for the drug in this country has added greatly to Mr. Metz's large wealth; so that no injustice would be done anyone by abolishing these patents and giving the sick for the future the benefit of the reduction in price and providing assurance against further failure in supply of the drug.

Mr. President, I have several letters here, one from Dr. F. E. Bunts, of Cleveland, Ohio, another from Dr. J. M. T. Finney and Dr. George Walker, of Baltimore, Md., and resolutions from the secretary of the Columbus (Ohio) Medical Society, which I ask permission to insert in the RECORD without reading.

The letters referred to are as follows:

CLEVELAND, *May 22, 1917.*

Senator ATLEE POMERENE,
Washington, D. C.

SIR: I am taking the liberty of writing you in hopes that you may see your way clear to assist in enacting legislation for the abrogation of patents on salvarsan, a proprietary German remedy. Should we be able to make it in this country, the price will probably be reduced from $4.50 per dose of 6 decigrams to 50 cents or less. The use of it has become so important and so established in this country that it is probable that municipalities will take up the administration of it in many institutions, and it is extremely desirable that the price should be made low enough to permit its general use.

Respectfully,

F. E. BUNTS.

BALTIMORE, *May 15, 1917.*

Senator ATLEE POMERENE,
The Highlands, Washington, D. C.

DEAR SIR: We write to ask you if you could devise some means by which the patent rights on the drug salvarsan, or 606, a medicine used for the cure of syphilis, could be abrogated or the conditions so changed that the cost would be materially lessened. The reasons for this request are as follows:

Syphilis is very widespread among the whole population, and especially so among the poorer classes, where it is found to the extent of from 10 per cent to 15 per cent; among the criminal classes it ranges from 20 per cent to 30 per cent; in some hospitals for the insane examinations have shown it to be as high as 22 per cent. In the negro population of cities it is over 20 per cent. It is now recognized to be the sole cause of locomotor ataxia, general paresis, and certain forms of paralysis and aneurism. It enters as a very decided factor in diseases of the blood vessels, of bones, and the brain and nervous system. It is an important predisposing cause in cancer of the tongue and of the rectum; it forms a basis of certain diseases of the heart and aorta; and it renders the human system less resistant to many other maladies.

Salvarsan is of the greatest possible value in the treatment of syphilis; it is about thirty times more efficacious than the usual remedies (mercury and iodide of potash); one dose is about as effective as one month's administration of mercury; and there are many instances where one or two doses have produced complete cures when given in the very early stages.

You can readily appreciate, therefore, the great benefit to the people of this country and to the soldiers of the Army if this drug could be obtained at a price within the reach of those who so urgently need it. There are now about 8,000,000 syphilitics in the United States, the majority of whom can not procure the medicine.

The patent on this drug is held by a large German dye company of Frankfort, Germany. It is protected in a most comprehensive way by over 30 grants, so that it is impossible for it to be made in this country without infringement. The price at the present time for one dose of 6 decigrams, or about 9 grains, is $4.50. This can be manufactured by our chemists at an estimated cost ranging from 14 to 35 cents. One firm who has made it promises to put it on the market after a short while at 50 cents. If we estimate the cost of production at 25 cents and the selling price by the German concern at $4.50, one sees that there is a profit of 1,700 per cent.

There are about 3,000 doses used in a day in the United States. Would it not appear, therefore, that during the five years in which the German manufacturers have owned the patents that they have made enough, and that it is now time for the syphilitics of our country to come in for their share and to have the drug put at a price within their reach? Here is a case where the welfare of humanity is interfered with and the restoration to health of a large number of people prevented by a technical law which denies them their fundamental rights and enables a German firm to exact millions of undeserved profit.

We sincerely trust that you will give this matter your earnest consideration, as it is a subject of most serious and far-reaching significance to this Nation. We are,

Very truly,

J. M. T. FINNEY.
GEO. WALKER.

THE GENERAL PRACTITIONERS' MEDICAL SOCIETY,
OFFICE OF THE SECRETARY,
COLUMBUS, OHIO.

Resolution passed at meeting, May 10, 1917.

Whereas salvarsan and neosalvarsan are of vital importance in the treatment of syphilis and other diseases; and

Whereas salvarsan and neosalvarsan are not obtainable by reason of German patents and the war; and

Whereas salvarsan and neosalvarsan can be made in the United States of America for 400 per cent less than the German patent agents have formerly charged us: Therefore be it

Resolved by the General Practitioners' Medical Society, of Columbus, Ohio, That Congress be earnestly requested to immediately abrogate the patents on salvarsan and neosalvarsan.

G. W. KEIL, M. D., *Secretary*.

Mr. POMERENE. I desire to call attention especially to one paragraph in the letter of Dr. Finney and Dr. Walker, in which they say:

The patent on this drug is held by a large German dye company of Frankfort, Germany. It is protected in a most comprehensive way by over 30 grants, so that it is impossible for it to be made in this country without infringement. The price at the present time for one dose of 6 decigrams, or about 9 grains, is $4.50. This can be manufactured by our chemists at an estimated cost ranging from 14 to 35 cents. One firm who has made it promises to put it on the market after a short while at 50 cents. If we estimate the cost of production at 25 cents and the selling price by the German concern at $4.50, one sees that there is a profit of 1,700 per cent.

Mr. NELSON. Will the Senator yield to me for a minute.

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. POMERENE. I do.

Mr. NELSON. I desire to say to the Senator that some two or three weeks ago at the instance of Dr. Mayo, of Rochester, Minn., and his staff, who called my attention to this matter, I introduced a bill on the subject and it was referred to the Committee on Patents. I gave the letter from the Mayo staff to the chairman of that committee. There is a bill pending before the Committee on Patents upon the subject.

Mr. POMERENE. I was not aware of the fact that the Senator had introduced the bill. I had seen the letters from the Drs. Mayo and know fully their position on the subject.

There is a statute now on our statute books, which was passed June 25, 1910, and is found in Thirty-sixth Statutes at Large, page 851, which it seems to me gives to the Government the power to manufacture these articles and leaves the patentee, if he has been injured thereby, to the Court of Claims to assert his claim for damages. But I believe that under the present conditions it might be well to have either the War Department or the Navy Department instructed to begin the manufacture of this drug for the protection of the health of the Army and the Navy and the public.

In order that Senators may be advised as to the legal phase of the question I desire to call attention to the case of Crozier against Krupp, in Two hundred and twenty-fourth United States Reports, page 290, and ask, without taking the time of the Senate, that the paragraph beginning on page 304 and ending on page 305 be printed in the RECORD, and also the syllabus in the case of the Marconi Wireless Telegraph Co. of America against Simon, in Two hundred and twenty-seventh Federal Reporter, page 906. This latter case was affirmed by the circuit court of appeals and their decision will be found in Federal Reporter, Two hundred and thirty-first, page 1021.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

In other words, the situation prior to the passage of the act of 1910 was this: Where it was asserted that an officer of the Government had infringed a patent right belonging to another—in other words, had taken his property for the benefit of the Government—the power to sue the United States for redress did not obtain unless from the proof it was established that a contract to pay could be implied; that is to say, that no right of action existed against the United States for a mere act of wrongdoing by its officers. Evidently inspired by the injustice of this rule as applied to rights of the character of those embraced by patents, because of the frequent possibility of their infringement by the acts of officers under circumstances which would not justify the implication of a contract, the intention of the statute to create a remedy for this condition is illustrated by the declaration in the title that the statute was enacted "to provide additional protection for owners of patents." To secure this end, in comprehensive terms the statute provides that whenever an invention described in and covered by a patent of the United States "shall hereafter be used by the United States without license of the owner thereof or lawful right to use the same, such owner may recover reasonable compensation for such use by suit in the Court of Claims"; that is to say, it adds to the right to sue the United States in the Court of Claims already conferred when contract relations exist the right to sue even although no element of contract is present. And to render the power thus conferred efficacious the statute endows any owner of a patent with the right to establish contradictorily with the United States the truth of his belief that his rights have been in whole or in part appropriated by an officer of the United States, and if he does so establish such appropriation that the United States shall be considered as having ratified the act of the officer and be treated as responsible pecuniarily for the consequences. These results of the statute are the obvious consequences of the power which it confers upon the patentee to seek redress in the Court of Claims for any injury which he asserts may have been inflicted upon him by the unwarranted use of his patented invention and the nature and character of the defenses which the statute prescribes may be made by the United States to such an action when brought. The adoption by the United States of the wrongful act of an officer is, of course, an adoption of the act when and as committed, and causes such act of the officer to be, in virtue of the statute, a rightful appropriation by the Government, for which compensation is provided. In substance, therefore, in this case, in view of the public nature of the subjects with which the patents in question are concerned and the undoubted authority of the United States as to such subjects to exert the power of eminent domain, the statute, looking at the substance of things, provides for the appropriation of a license to use the inventions, the appropriation thus made being sanctioned by the means of compensation for which the statute provides.

1. Injunction, 137. Preliminary injunction. Grounds for denial.

An injunction pendente lite is always of grace and not of right, and will not be granted where it would be prejudicial to public or governmental interests.

2. Patents, 287. Appropriation of license by United States. Contractor for making device for Government. Liability for infringement.

Act of June 25, 1910, chapter 423 (36 Stat., 851; Comp. St., 1913, sec. 9465), which provides that the owner of a patent covering an invention which shall be used by the United States without license, may recover reasonable compensation for such use by suit in the Court of Claims, in effect provides for the appropriation by the Government, by right of eminent domain, of a license to use any patented invention, which includes also the right to make the patented device; and, having such right, the Government may contract for the making of all or any part of the same, and the contractor is protected against liability for infringement, the owner of the patent being limited to the remedy provided by the statute.

Mr. POMERENE. Mr. President, I am not very particular as to what committee this bill shall be referred. It is probable that either the Committee on Patents or the Committee on Military Affairs would have jurisdiction on it.

Mr. NELSON. Inasmuch as the matter is patented, I think the bill ought to go to the Committee on Patents.

Mr. KNOX. Will the Senator from Ohio yield for a question?

Mr. POMERENE. Certainly.

Mr. KNOX. Does not the Senator from Ohio believe that a broader course than the one suggested by his bill is advisable not only in respect to the patents upon salvarsan but in respect to all German patents? Why should the bill be limited to permit the Secretary of War and the Secretary of the Navy to manufacture salvarsan under the German patent? Why should not all American citizens be permitted to manufacture under German patents not only salvarsan but all other articles, such as dye material and half a dozen other important things that go into American manufactures and are covered by patent. That is the course which has been pursued by Great Britain, and I think it is the course which should be pursued by the United States.

Mr. POMERENE. I had that matter in mind. The Senator will find that the bill is broader in its scope than he seems to

think. It does not apply to salvarsan alone, but applies to all drugs, medicines, remedies, or devices which are covered by patents and relating, however, to the subject of the public health It may be that the committee in its wisdom will see fit to amend the bill so as to make it apply to all patents, trade-marks, and copyrights. For myself I should doubt the wisdom of that course.

Mr. KNOX. That was my understanding of the scope of the bill which was introduced by the Senator from Minnesota [Mr. NELSON]. The bill of the Senator from Minnesota is broad enough to include all patent rights, as I understand.

Mr. NELSON. Only those in which this preparation, salvarsan, is introduced.

Mr. KNOX. Does not the Senator from Minnesota think that this ought to extend to all German patents, following the British precedent?

Mr. NELSON. Yes; I think it would be very wise; but it seems to me the bill ought to go to the Committee on Patents.

Mr. KNOX. I quite agree with that.

Mr. POMERENE. Mr. President, I had in mind the further fact that Americans have many patents in these foreign countries, and I was not quite clear in my own mind as to whether or not we should at this time be willing to go so far as to invalidate all patents held by enemy countries, but should leave that matter to be determined a little later. I felt quite sure that no objection could be urged from any source if we should permit the Government to manufacture these articles, and then provide that patentees living in the United States might have their remedy in the Court of Claims, to assert any claims for damages which they might care to assert.

Mr. NELSON. Will the Senator from Ohio yield to me?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. POMERENE. I do.

Mr. NELSON. I want to call the Senator's attention to the fact that the bill which I introduced simply suspends the rights of patentees and allows our people to manufacture freely, leaving the question of whatever compensation may be due the patentees to be subsequently adjusted. The bill simply throws the door open so that our own chemists may manufacture freely in this country.

Mr. BRANDEGEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Connecticut?

Mr. POMERENE. I do.

Mr. BRANDEGEE. I will ask the Senator from Minnesota if his bill was referred to the Committee on Patents?

Mr. NELSON. The bill was referred to the Committee on Patents, together with a letter from the Mayo Bros., of Rochester, and their entire staff.

Mr. BRANDEGEE. I did not hear the answer of the Senator from Ohio [Mr. POMERENE] to the question which was propounded by the Senator from Pennsylvania [Mr. KNOX]; which was, Why should not anybody be allowed during the war to manufacture drugs on which Germans hold patents, instead of having that right limited to the Secretary of War and the Secretary of the Navy?

Mr. POMERENE. I have no doubt of the right of the Government to use such patented articles for its own purposes under the law of 1910. I had some doubt, however, about the wisdom of allowing private individuals to manufacture these drugs or articles in violation of what might be the patent rights of bona fide holders.

Mr. BRANDEGEE. But the Senator, in his bill, provides that the Secretary of War and the Secretary of the Navy may sell the articles generally to the people.

Mr. POMERENE. I do so provide; yes.

Mr. BRANDEGEE. Therefore I do not see any distinction between allowing the people to make these articles for themselves or buying them from the Government.

Mr. POMERENE. Perhaps there is not a very wide distinction, but I am not particularly enamored of this form of bill. I simply want some relief for the people. I hope the matter will be referred to the committee, and that we may have an early report from the committee.

Mr. President, it seems to me, in view of the fact that the bill of the Senator from Minnesota [Mr. NELSON] was referred to the Committee on Patents and is now before them, this bill ought also to be referred to that committee.

Mr. BRANDEGEE. Mr. President, I will say to the Senator from Ohio that though I am a member of the Committee on Patents I did not know that the bill of the Senator from Minnesota had been referred to that committee; but I am glad the Senator from Ohio has called attention to the matter and has introduced his own bill. So far as I am concerned, I shall use every endeavor to give it the very earliest consideration.

Mr. POMERENE. Mr. President, I want to assure the Senator from Connecticut that I have no pride of opinion as to the form of the bill. All we want is relief.

Mr. BRANDEGEE. I understand.

Mr. CALDER rose.

Mr. BRANDEGEE. If the Senator from New York will allow me, in connection with this matter I send to the desk a letter, which I have just received from a prominent physician of my State, calling attention to resolutions of two prominent medical societies, which I should like to have printed in the RECORD.

The VICE PRESIDENT. In the absence of objection it is so ordered.

The letter referred to is as follows:

HARTFORD, CONN., *May 26, 1917.*

Senator FRANK B BRANDEGEE,
Room 425, Senate Office Building, Washington, D. C.

DEAR SIR: The patents on salvarsan are held by a German firm. The price is $4.50 per dose of 6 decigrams. If our chemists were permitted to make it, the drug could be sold after a short time for 50 cents or less.

There is a great deal of interest now being manifested in Congress regarding the abrogation of the patents on salvarsan. It is most desirable to declare them void or to enact such legislation as would relieve the situation permanently and not simply during the period of the war.

At the meeting of the Hartford Medical Society about a month ago, and at the spring meeting of the Middlesex Society held in Middletown, resolutions were passed recommending the abrogation of these patents.

Very sincerely, yours,

HENRY F. STOLL.

Mr. CALDER. Mr. President, in connection with the discussion of this subject I notice that the Senator from Ohio [Mr. POMERENE] has spoken of Mr. Herman A. Metz, of the city of New York, who represents, as I understand, the German owners of the salvarsan patent. I know Mr. Metz intimately. At one time he was the comptroller of our city, and he was recently a Member of the House of Representatives. He is a patriotic American citizen, and if the War and Navy Departments call upon Mr. Metz to give to the Government the free use of these patents during the continuance of this war, there is not the slightest doubt in my mind but that he would willingly do so. I contemplate calling his attention to the discussion to-day in the Senate, and shall personally ask him to do this.

The VICE PRESIDENT. The bill will be referred to the Committee on Patents.

INVESTIGATION OF DEFECTIVE ORDNANCE.

Mr. FRELINGHUYSEN. Mr. President, I request the Chair to lay before the Senate Senate resolution 71, which was submitted by me on Friday last and went over under the rule.

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a preceding day, which will be read.

The Secretary read the resolution (S. Res. 71) as follows:

Whereas a few days ago a lamentable accident occurred on the merchant ship *Mongolia*, whereby two Red Cross nurses, who were en route to the battle fields of Europe upon an errand of mercy, were instantly killed, said accident being due, it is charged, to defective shells employed in gun practice, under the direction of officers and enlisted men of the United States Navy; and

Whereas, according to newspaper reports, based upon statements alleged to have been made by a rear admiral of the United States Navy, previous accidents of a similar nature have occurred, though not attended by fatalities; and

Whereas this Nation is now engaged in the greatest war in the history of the world, in which its Navy is likely to play a conspicuous part, a participancy in which the element of accident should be reduced, if possible, to a negligible quantity: Therefore be it

Resolved, That a committee of five Senators be appointed by the President of the Senate to make a careful inquiry into the causes of the recent accidents on shipboard, due to defective ammunition, or otherwise, with a view to preventing similar occurrences hereafter.

Mr. FRELINGHUYSEN. Mr. President, in presenting this resolution I wish to disavow any other than a patriotic purpose, born of my desire to serve my country and protect her sons and daughters.

No Senator on this floor was readier than I to vote for the resolution declaring a state of war; none more willingly supported the $7,000,000,000 loan act, the conscription bill, the $3,000,000,000 appropriation for the equipment of our Army and Navy. Furthermore, I do not hesitate to say that, in the trying months to come, I shall support every proper measure which will clothe the administration with the power to carry on this war effectively and successfully.

But there is one fundamental fact which I propose to emphasize with all the power at my command. This is not a one-man war; this is not a one-party war; this is not the President's war; this is not the war of the War Department or of the Navy Department. There are many agencies, but only one principal—the United States of America. This is a war of the American

people, and every American citizen is called upon, or will be called upon, to render the highest degree of service of which he or she is capable toward a successful issue of this supreme struggle.

Such being the case, every citizen of the Republic has the right to know—and that right I sustain—every phase of national development along the line of offensive or defensive service, unless such publicity is reasonably certain to prejudice the success of our arms.

Of the many remarkable expressions to which the Chief Magistrate of the Nation—a past master in the art of word painting—has given utterance, none has so strongly commended itself to me as "pitiless publicity." Upon more than one occasion the President has reiterated his belief in that doctrine, in the enunciation of which he awakened a responsive echo in every American heart.

I do not wish to be misunderstood, Mr. President. I appreciate the importance, the absolute necessity, of concealing from the enemy certain facts appertaining to the movements of our land and naval forces, and therefore the withholding from general circulation of news which might prejudice our cause; but I denounce that mawkish and stupid doctrine that the people of America must be kept in total ignorance of every material fact bearing upon the preparation for war and the prosecution of it, when every loyal citizen of the Nation, with his breast ablaze with patriotic ardor, is awaiting, alert, vigilant, and expectant for some item of news which will keep his soul on fire and his enthusiasm up to the highest possible pitch.

During the first year of this great world war the British nation "muddled" along, ineffective, nonprogressive, demoralized, always on the defensive. To-day she is the dominant power among the continental nations, and, with the material aid of America, will eventually save humanity and civilization from the despotism which the mad monarch of central Europe seeks to superimpose upon the world. And what has brought about this remarkable transformation? Nothing save the "pitiless publicity" of the great newspapers controlled by Lord Northcliffe, which, almost unaided, and against the protests of thousands of reactionary Englishmen, overturned cabinets, evolved order from chaos, and placed the destinies of the British nation and of the civilized world in the keeping of the greatest of modern Europeans, Lloyd George.

We must not lose sight of the supreme fact that we Americans are upon the outer edge of the most stupendous war which the pages of history record. We will soon be involved in the awfulness of actual warfare, of a character which human ingenuity can not foresee and can cope with only by the exercise of extraordinary application and efficiency. Indeed, Mr. President, I feel persuaded that former Ambassador Gerard spoke only the truth when he said a few days ago:

> If Russia stacks arms and German submarines continue to litter the ocean with corpses of the merchant marine, Uncle Sam will have to bear the brunt of the great battle practically alone.

This is a momentous responsibility we face. Yet we must face it gravely, like men, and wise men at that. The time is not far distant when some of our gallant young Americans must meet the enemy, and blood will flow. We shall deplore this, but such is war, and we must expect it, at the same time steeling our hearts against undue emotionalism.

However, we have a right to expect that the element of accident shall be reduced to a minimum, to a negligible quantity. We surely have a right to demand that none of our brave young men shall suffer death at the hands of their comrades or as a result of defective equipment placed at their disposal.

Within two weeks, I understand, five of our aviators have met death in experimental or training work. Whether these accidents were due to carelessness upon the part of the victims or to defective machinery I do not know. I can only venture the opinion that such results are deplorable.

The most shocking occurrence, however, along this line is that brought to our attention a few days ago when the merchant ship *Mongolia* steamed back to New York Harbor with the information that two Red Cross nurses had been killed as the result of the premature explosion of a shell fired in gun practice.

This was a pitiful story. A band of brave young American women had embarked for the scene of carnage across the sea, to bind up the wounds of suffering victims of Prussian brutality and to soothe the fevered brows of men stricken with those innumerable diseases incident to twentieth-century warfare. As they sat upon the deck of the ship, with no thought of danger, instant death came to these angels of mercy.

It will, Mr. President, ever be a cause for unspeakable regret that the first American victims in this war were women, accidentally killed by the firing of guns on an American ship by American gunners.

Following this distressing occurrence, we learn from information open to the public that similar accidents took place a few days previously, one of our rear admirals having made a statement to that effect, so I am informed. In these other cases, happily, there were no fatalities.

My sole purpose in offering this resolution, Mr. President, is to learn just how these accidents occurred, not with a view to punishing anyone or to cast any aspersions upon any official or any department. My one object is to prevent such accidents hereafter. I am sure every Senator upon this floor will agree with me that this is a duty we owe the 180,000 young men we have called into our service to uphold the prestige of our Navy and to honor the Nation.

Upon this point publicity can do no harm; it may do much good, for it may save many precious human lives. I feel convinced, Mr. President, that the country demands this information, and I call upon Senators upon both sides of the Chamber to support this resolution, which is presented in no partisan or hypercritical spirit, but solely for the public good.

Let us stand by the President in his demand for "pitiless publicity." We never will win this war by supine secretiveness. I ask, Mr. President, for the adoption of this resolution.

Mr. SWANSON. Mr. President, I have no objection to the adoption of this resolution, if it is amended so as to provide that the investigation shall be conducted by the Naval Committee, which has charge of naval matters; and I will offer an amendment to that effect, which, I understand, the Senator from New Jersey is prepared to accept.

I wish to say, in this connection, that there is a misconception, possibly a misunderstanding, on the part of the Senator from New Jersey as to the accident on the *Mongolia*. Something more than 200 ships in the merchant marine have been armed by the Navy, and between four and five thousand sailors have been furnished these ships in the merchant marine. The accident on the *Mongolia* and the premature explosion of some shells on the *St. Louis* have been practically the only mishaps that have occurred on merchant ships or in practice in the Navy. This is a phenomenal record of efficiency worthy of great praise.

As to the *St. Louis*, of the 45 shells which were fired 9 exploded in the gun and 4 exploded before the shells struck the mark. As soon as this occurred and the *St. Louis* returned, 89 shells were taken off that ship—and they were shells for 6-inch guns—and sent to be tested at the Indianhead Proving Ground. Out of those 89 shells 87 were perfect, there being no trouble whatever with them. Two of the 89 prematurely exploded. These were examined, and one was found to be a shell made in 1898. The other was a shell of which the lining, as it might be called, was thinner than the regulations now require.

There has been a great dispute between naval authorities as to the thickness of shells. The thinner the shell is the more powder can be put in it for explosive purposes when it hits the mark; and, on the other hand, it is contended that the less powder there is in the shell and the thicker its walls the greater its penetrating qualities will be. Since that time the Navy has prohibited the use of shells made prior to 1898, and prohibited the use of any shells that have not been lined in accordance with recent specifications.

The *Mongolia* did not have on board shells made prior to 1900. All shells made prior to 1900 have been discarded. The shells on the *Mongolia* were all right. The shell struck all right. There was no premature explosion of the shell. On the 6-inch gun, however—and this is the only gun that has this arrangement—the shells are entirely too heavy for one man to handle. The shell weighs 105 pounds, and the cartridge in which the powder is placed that shoots the shell out of the gun weighs 60 pounds, so they had it made in two parts, a cartridge in which the powder is put and then the shell, inside of which there is the powder which explodes the shell when it enters an enemy ship. These are the only guns the shells for which are so made. Now, to make effective powder made with nitrate of cotton, we put over the cartridge what is known as a mouth cover, composed of copper, which prevents any air from getting in. If any air gets in, our powder is not as effective as the English powder. They tell me that if there is no air or moisture to it the powder made out of cotton is more effective than the powder made out of glycerine with nitrate.

The remarkable thing about the shell that killed these two nurses in that unfortunate accident is this: The shell was all right; it went off all right, but the copper mouthpiece or cup that was over the top went out and came back, due to a reaction, in some way. It is supposed that it hit the water, rebounded in some way, hit one of the posts that supported the upper deck,

broke into three pieces, and killed two nurses. I have inquired, and have been told that they know of only one accident of the kind that ever occurred before. It occurred once on the battleship *Wyoming*. It has been stated that a similar accident occurred on a French liner not long ago, coming over, in practice. That the mouth cup of the cartridge that held the shell could go out and come back to the ship again is such a remarkable thing that I do not believe the naval experts would have believed it if it had not actually occurred.

There is a misconception in the country to the effect that shells like those that were on the *St. Louis*, and which it was found had not been entirely up to the standard, were used on the *Mongolia*. As I understand, the shells on the *Mongolia* were perfect, and they have here in the Navy Department the mouth cup that was over the cartridge, showing that this was the cause of the accident.

Mr. FRELINGHUYSEN. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from New Jersey?

Mr. SWANSON. I yield to the Senator.

Mr. FRELINGHUYSEN. I should like to ask the Senator a question. Does not Admiral Earle's report state that shells were in use made prior to the year 1900?

Mr. SWANSON. They were on the *St. Louis*.

Mr. FRELINGHUYSEN. That is proof, then, that the Navy Department is now using shells 17 to 19 years old, is it not?

Mr. SWANSON. If the Senator will permit me, a copper shell, if it is made of the proper thickness, does not deteriorate. They put the powder in these shells quite recently. The powder was put in along last August or October, and they were tested in every way. The way shells are tested—they can not be tested in any other way—is this: They take 3 out of the 500 shells; those 3 are sent to the proving grounds and tested. They pick out what they think are the three worst ones. Then the shells are inspected by a naval officer and a civilian, and they watch the entire process of manufacture of every shell. After they have been reported on favorably by an inspector and a civil officer they are then put in a magazine. All of this ammunition was taken out of a regular magazine. It had been inspected, and none was put in there until it was inspected.

If the Senator will permit me, at the battle of Jutland some of the German shells did not explode at all and some of them exploded prematurely. If it had not been for that, the few battleships of the English fleet that were in that battle would have been absolutely destroyed. It is nearly impossible to make every shell explode at the proper time, not prematurely. It is intended that when the shell hits something, by a reaction or the stoppage of the shell, a cap explodes it. If there is any interruption in the travel of the shell through the gun, it will explode in the gun. It is a very intricate piece of machinery; and what I want to impress on the Senate at this time is simply that the accidents which have occurred in the American Navy, with 200 merchant vessels armed hurriedly, have been very small in comparison with the accidents in other navies.

Mr. FRELINGHUYSEN. Mr. President, may I ask the Senator another question?

The VICE PRESIDENT. Does the Senator from Virginia further yield to the Senator from New Jersey?

Mr. SWANSON. I do.

Mr. FRELINGHUYSEN. Does the Senator believe and state that shells 17 years old are effective?

Mr. SWANSON. If they have the proper thickness. They do not put the powder in them immediately. The shell is inspected. This powder was loaded in the shells last August or October or December; I do not know the exact date. I simply make this statement because, while we shall be glad to investigate it thoroughly, to the satisfaction of the Senator, I have here a statement as to who made the shells, by whom they were inspected, when they were put in the magazine, when the powder was put in, who attended to that, and so forth. All that detail will be furnished the Senator.

I simply want to impress on the Senate at this time the fact that the shells that it was said would not be used after the premature explosion on the *St. Louis* have not been used. These shells on the *St. Louis* have not been used since, and this shell did not explode prematurely. It was simply a rebound of the copper mouth cup in the cartridge that kept the powder absolutely dry.

Some nations use zinc. We found that zinc will not keep out air and moisture as well as copper. It is only used in the 6-inch guns. In a gun over 6 inches, on account of the nature of the gun, you put in the shell first and then you put in the bag of powder. It is kept absolutely dry in a kind of box or tank on all shells over 6 inches. Those under 6 inches are all made together, and consequently no trouble could occur with them of this character; but there has been, not only in the case of this nation but other nations, more difficulty with the 6-inch shell than others on account of the fact that they are separated, and you must have this mouth cup to keep the powder absolutely dry.

I have an amendment here which I will offer in a moment. I wish to say that the Secretary of the Navy has not the slightest objection to the very fullest and most thorough investigation of this matter; neither has Admiral Earle, who is the Chief of the Bureau of Ordnance, one of the most capable and most efficient men in the Navy. He invites the fullest investigation of this matter. I wish to assure the Senator that the Naval Committee will be delighted to examine the matter thoroughly, take any suggestions from him, summon before the committee any persons whose names he may suggest, and ask any questions that he may suggest.

I offer the amendment which I send to the desk.

Mr. FRELINGHUYSEN. Mr. President, before the amendment is offered, may I request that the chairman of the Naval Affairs Committee permit the insertion in the RECORD from the Official Bulletin of the report of Admiral Earle, ordered by the Secretary of the Navy?

Mr. SWANSON. I have no objection to that being done.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Official Bulletin of Wednesday, May 23, 1917.]

REPORTS ON THE AMMUNITION FURNISHED ARMED VESSELS.

Secretary of the Navy Daniels has given out the following report of Rear Admiral Earle, Chief of the Bureau of Ordnance, made at the direction of the Secretary, in regard to the alleged defective ammunition furnished to armed merchantmen:

"Acting in accordance with your verbal instructions, the following report is submitted relative to the defective performance of certain ordnance material recently placed on board armed liners:

"The first American liner to be armed was the steamship *Manchuria*, on March 10, 1917. The arming of other large liners followed immediately. The guns used were of the best type known at the present date and were nearly all absolutely new, having fired but the rounds necessary to test them for strength before permitting them to be used with service charges.

ALL AMMUNITION TESTED.

"The ammunition for these guns was assembled according to standard methods in December, 1916. The usual thorough tests of all this ammunition were made at the naval proving ground, and all tests resulted in perfect performances.

"The armed liner *St. Louis*, on her first trip to Liverpool, where she arrived about March 26, 1917, fired 45 service shells at an iceberg for a target. This firing was held in accordance with the instructions of the bureau in order to test the mounts, guns, ammunition, and to train the guns' crews. Several shells burst prematurely, some inside the bore of the guns, others before striking the target. The damage to the bore of the guns caused thereby was sufficient to necessitate their being relined.

NEW GUNS PLACED ON LINER.

"Upon her return to New York the guns and shells were immediately removed and new guns, with a new supply of shells, issued to the ship. Later on one other shell exploded prematurely, as well as one of the same caliber on both the *Mongolia* and the *St. Paul*. In none of these cases was the gun damaged beyond remedy by relining, which relining has been done.

"The development of modern ordnance has been extremely rapid, and the comparative freedom of our Navy from serious accidents in connection therewith has been a source of satisfaction to the service, but mishaps with ordnance material can not be absolutely prevented.

EXPLOSIVES RETESTED.

"It is necessary in all work on explosives to draw deductions from the actual tests made at the proving ground. However, it must be borne in mind that material used as an explosive is designed to spend all of its force in an instant space of time and can not be relied upon with absolute certainty to give the same result in all cases. An example of this is well shown by the subsequent action of the supposedly defective ammunition taken from the steamships *St. Louis* and *Mongolia*. Eighty-nine rounds of this ammunition were fired at the proving ground immediately following the premature bursts in an effort to develop a reason for such incidents. These rounds were fired, nearly all, at higher chamber pressures than were the service rounds fired on board these vessels. In 87 rounds both the shell and the fuses functioned perfectly. One shell broke up, investigation showing that it had been made prior to 1900, but had been accepted as a suitable 6-inch shell, and the second one was a shell that had been examined prior to firing and found to have been a little thinner walled than the latest design in use.

REASON FOR PREMATURE BURSTS.

"The conclusion reached is that all 6-inch shells and fuses manufactured since the year 1900 are satisfactory, and that the premature bursts so unfortunately occurring on our armed liners may be attributed to shell made prior to 1900 and made possibly with slightly thinner walls than the latest type of shells.

"On the return of the *St. Louis* from her first trip, about April 9, 1917, all such shells were removed, and no such shells are afloat now on armed liners. This procedure was also adopted at once in the case of all 6-inch ammunition for vessels of the Navy.

"Prior to this happening the Bureau of Ordnance had every reason to expect that every shell in its magazines of 6-inch caliber was a satisfactory shell."

Mr. FRELINGHUYSEN. I desire to point out, for the information of the Senate, the section which reads:

On the return of the *St. Louis* from her first trip, about April 9, 1917, all such shells were removed, and no such shells are afloat now on armed liners. This procedure was also adopted at once in the case of all 6-inch ammunition for vessels of the Navy.

And three weeks later the defect, whatever it was, was found in the shell on the *Mongolia*.

Mr. SWANSON. The Senator makes this mistake: Out of 89 shells taken off the *St. Louis* and tested at the Indianhead Proving Grounds, two were found defective—one made in 1898 and the other made of thinner material than is now required. Those two were the only ones that were defective. Those shells were removed, and none of them have been given out.

If the Senator will read the account of the *Mongolia*, there was no trouble with the shell. The shell did not explode. The shell went on its way. The mouth cup—that is, the head of the cartridge, in which is the powder that drives the shell out, went out and came back on the ship, hit a post, and broke into three pieces. They have that here. That was no defect in the shell. It was something, as I have said, that never happened before, except on the battleship *Wyoming*. It has been stated that it happened once on the *Wyoming*, and it hurt a man on his face. There was no defect in the shell. It was an occurrence so remarkable that it would not have been believed that the force that carried the shell out would have failed to carry the mouth cup out; but for some unaccountable reason it came back with a rebound. There was no defect in the shell. That has been the misconception in the papers, and that is the misconception under which the Senator is laboring. The language in the statement might not have been as clear as it ought to have been, but the shell report will show that it went out perfectly, exploded perfectly, and the only trouble was with the mouthpiece that is part of the cartridge which explodes and drives the shell out, which came back with a rebound.

I should like to say that the Navy is now trying to see if it can not get something that will answer as well as copper, and I should like to say also that on a battleship nothing like that could have occurred, because the guns are all behind shields on a battleship.

The VICE PRESIDENT. The Senator from Virginia offers certain amendments, which will be stated.

The SECRETARY. In line 1 it is proposed to strike out the article "a" and to insert the words "the Naval Affairs"; strike out the words "five Senators" and insert in lieu thereof the words "the Senate"; in line 2, strike out the words "appointed by the President of the Senate" and insert in lieu thereof the word "directed"; after the word "careful," insert the words "and searching"; also, on page 2, after line 3, to add: "*Resolved*, That the report of such findings shall be made to the Senate not later than June 15, 1917."

The VICE PRESIDENT. The question is on agreeing to the amendments.

Mr. FRELINGHUYSEN. Mr. President, I shall be very glad to accept the amendments suggested by the Senator from Virginia.

The amendments were agreed to.

The resolution as amended was agreed to, as follows:

Whereas a few days ago a lamentable accident occurred on the merchant ship *Mongolia*, whereby two Red Cross nurses, who were en route to the battle fields of Europe upon an errand of mercy, were instantly killed, said accident being due, it is charged, to defective shells employed in gun practice, under the direction of officers and enlisted men of the United States Navy; and

Whereas, according to newspapers reports based upon statements alleged to have been made by a rear admiral of the United States Navy, previous accidents of a similar nature have occurred, though not attended by fatalities; and

Whereas this Nation is now engaged in the greatest war in the history of the world, in which its Navy is likely to play a conspicuous part, a participancy in which the element of accident should be reduced, if possible, to a negligible quantity: Therefore be it

Resolved, That the Naval Affairs Committee of the Senate be directed to make a careful and searching inquiry into the causes of the recent accidents on shipboard, due to defective ammunition or otherwise, with a view to preventing similar occurrences hereafter.

Resolved, That the report of such findings shall be made to the Senate not later than June 15, 1917.

The VICE PRESIDENT. If there be no further concurrent or other resolutions, morning business is closed.

CALLING OF THE ROLL.

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Colt	Frelinghuysen	Husting
Beckham	Culberson	Gerry	James
Borah	Curtis	Gore	Johnson, Cal.
Brady	Fall	Hale	La Follette
Brandegee	Fletcher	Hardwick	Jones, N. Mex.
Calder	France	Hollis	Jones, Wash.
Kellogg	Newlands	Saulsbury	Sutherland
Kenyon	Overman	Shafroth	Swanson
Kirby	Page	Sheppard	Townsend
Knox	Penrose	Sherman	Trammell
McCumber	Phelan	Shields	Vardaman
McKellar	Pittman	Smith, Ariz.	Walsh
McLean	Poindexter	Smith, Ga.	Watson
Martin	Pomerene	Smith, Md.	Weeks
Myers	Ransdell	Smoot	Williams
Nelson	Reed	Sterling	Wolcott

Mr. CURTIS. I desire to announce that the senior Senator from Vermont [Mr. DILLINGHAM] is absent on account of illness in his family. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I wish to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will let this announcement stand for the day.

Mr. WATSON. My colleague [Mr. NEW] is absent on very important business.

Mr. TOWNSEND. I announce the absence of the senior Senator from Michigan [Mr. SMITH] on important business. He has a general pair with the junior Senator from Missouri [Mr. REED]. This announcement may stand for the day.

Mr. CALDER. I desire to announce the absence from the Senate of my colleague [Mr. WADSWORTH] on important business.

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. GERRY. I desire to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Kansas [Mr. THOMPSON], the Senator from Wyoming [Mr. KENDRICK], the Senator from Utah [Mr. KING], the Senator from South Dakota [Mr. JOHNSON], and the Senator from South Carolina [Mr. SMITH], on account of official business; also the necessary absence of the Senator from Illinois [Mr. LEWIS], on account of important business. I ask that this announcement may stand for the day.

Mr. SHAFROTH. I desire to announce the unavoidable absence of my colleague [Mr. THOMAS] and to state that he is paired with the senior Senator from North Dakota [Mr. MCCUMBER].

Mr. HUSTING. I wish to announce that the senior Senator from South Carolina [Mr. TILLMAN] is detained on account of illness.

Mr. GERRY. I have been requested to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the Senator from California [Mr. PHELAN] are detained on official business.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

AGRICULTURAL PRODUCTS.

Mr. GORE. I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. VARDAMAN. Mr. President, I requested the chairman of the committee in charge of the bill to pass over section 7 until I could hear from the head of the Bureau of Animal Industry. In conversation over the phone I got the impression that the department desired the full amount of the sum proposed by the committee in this section. Instead of getting a letter from the head of the Bureau of Animal Industry, I have a letter from the Secretary of Agriculture, Mr. Houston, which is not in accord with the information that I understood was intended to be given to me over the telephone. I am going to ask the Secretary to read this letter.

Before the letter is read I wish to say to the Senate that if this great campaign against the cattle tick, which is so disastrous to the cattle industry of the country, shall be brought to an early and effective settlement it must be done by continuous, persistent effort. Every time the work is stopped this insidious, voracious little enemy to the cattle industry recovers the territory from which it has been driven. It would be wise economy, I submit, for Congress to appropriate sufficient money to carry on the work to an effective and complete termination. It is a matter of vital concern to the people of the entire Republic directly, and remotely to the whole world.

I ask the Secretary to read the letter from the Secretary of Agriculture. It explains itself.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The Secretary will read the letter.

The Secretary read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, May 26, 1917.

DEAR SENATOR VARDAMAN: The following indicates the objects and amounts of expenditures for the Bureau of Animal Industry as revised May 22:

	June, 1917.	Fiscal year 1918.	Total.
1. General administration	$5,300	$62,200	$67,500
2. Poultry and poultry products	11,100	133,300	144,400
3. Dairying	21,600	258,600	280,200
4. Animal diseases, exclusive of hog cholera, tick eradication, dourine	52,000	625,300	677,300
5. Eradication of hog cholera	17,900	213,400	231,300
6. Eradication of cattle ticks	14,000	168,900	182,900
7. Eradication of dourine	1,000	11,600	12,600
Total	122,900	1,473,300	1,596,200

This revision of the former statement was made because of the passage of time and of an opportunity for fuller consideration. You will note that the item included for the eradication of the cattle tick is $182,900. The original estimate for the increase in the cattle-tick work was $400,000, as indicated in my statement before the Senate committee. I have some doubt whether, in view of the difficulty of getting a sufficient force of experienced men, of securing the requisite effective cooperation from communities, and of overcoming certain difficulties in the legislation of some States, we could expend efficiently more than the amount of the revised estimates. I do not see how, in any circumstances, we could expend a larger sum than the original estimates. You will recall that we have $631,560 available in the regular appropriation act for the next fiscal year.

Very truly, yours,

D. F. HOUSTON, *Secretary.*

Mr. RANSDELL. Mr. President, I should like to have a few words to say upon the cattle-tick subject. I had the honor of introducing the first bill that was passed on this subject, which became a law in June, 1906. Since that time we have spent in the neighborhood of $3,000,000 in trying to eradicate the cattle tick from the South. We have succeeded in driving it out of about 43 per cent of the territory.

I do not believe Senators appreciate the importance of the eradication of the cattle tick and what it would mean to the American people.

When the question first came up in 1906 we had a very elaborate hearing before the House Committee on Agriculture, which was attended by the then Secretary of Agriculture, Mr. Wilson. I will never forget a three-minute speech that he made before that committee. A number of eminent agriculturists came from the South, who testified. Mr. Wilson sat in the back of the room and listened for several hours to these southern scientists. When they got through, at my earnest solicitation he advanced to the table and spoke in about these words:

Mr. Chairman and gentlemen of the committee, you doubtless recall that about three years ago, when the foot-and-mouth disease broke out in New England you gave me $500,000 to drive it out. I drove it out at an expenditure of about $300,000. I did not keep the balance of the money. I returned $200,000 to the National Treasury.

Mr. Chairman and gentlemen, if you will give me money enough I will drive the cattle tick into the Gulf of Mexico.

And he meant what he said. If we had given enough money the cattle tick would long ago have been completely eradicated.

After a great deal of effort the bill pending at that time was passed, carrying $82,500 for cattle-tick eradication, and since then the fight has gone on slowly but progressively, and this awful pest has been driven from many portions of the South.

Mr. BORAH. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. RANSDELL. I am delighted to yield.

Mr. BORAH. The Senator and others have spoken about the cattle tick having been driven from certain territory. After it is driven out does it stay out of the territory?

Mr. RANSDELL. It does, Senator. The cattle-tick fever is caused by the bite of a little insect known as the Texas cattle tick. It produces the splenetic fever. That tick can be completely eradicated from a given area by pursuing certain methods, which I will attempt to describe briefly in a few moments; and when you once get rid of it, it rarely ever comes back. It can be introduced again, but if you are watchful and careful it will never come back. As a matter of fact, the tick has been completely exterminated from over 300,000 square miles since we began the fight in June, 1906, and it has not gone back. In some little of that territory it has returned, but in the main it has been exterminated.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kansas?

Mr. RANSDELL. I will be delighted.

Mr. CURTIS. The Senator, of course, understands that if cattle infected with ticks are permitted to go into a territory again the tick would be introduced.

Mr. RANSDELL. That is very true, but we do not allow cattle infected with ticks to go into the territory. One of the means is to quarantine very carefully against tick-infected animals. We preserve a strict quarantine against the tick-infested territory, just as we have a general law now establishing a quarantine line. I will state where it ran when I first began this investigation several years ago it has been lowered since. It then ran from about Norfolk, Va., across the lower line of the State of Virginia; thence into Tennessee; thence, crossing the river and taking in the greater portion of the State of Arkansas, southwesterly through Oklahoma; thence southwesterly, leaving most of the State of Texas below the line, to the Rio Grande. Then, following the Rio Grande, going across the southern border of New Mexico and Arizona, reaching the California boundary, it went north for quite a distance and then across to the Pacific Ocean, leaving a large portion of the State of California in the tick area. Since that time all of Virginia has been freed, all of Tennessee has been freed, all of Kentucky freed, the greater portion of North Carolina freed, much of Arkansas freed, and practically all of Oklahoma freed. A large portion of Texas and all of California that was infested has been freed of the tick, and very great benefits have accrued.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. RANSDELL. I will be delighted.

Mr. KENYON. My question to the Senator is in no controversial spirit, but I should like to inquire if there has been complete cooperation between the States and the Federal Government. I will state the reason why I ask the question. The Secretary of Agriculture, as the Senator knows, appeared before our committee and suggested that $400,000 of this sum the Bureau of Animal Industry desired for the eradication of cattle tick. I voted against it, and I think some others did, but the committee put in two or three million dollars more to be used for that and other purposes. The Secretary said that there were difficulties in the way of largely increased expenditures. Some of the communities, he said, are not prepared to cooperate effectively. Then he went on and spoke of the law of Louisiana, and stated that compulsion under the Louisiana law is not effective until 1918. It was not explained at that time what he meant, and I have been curious to know.

Mr. RANSDELL. I will state to the Senator that the Louisiana Legislature passed a law requiring everyone to dip his cattle for the purpose of eradicating the cattle tick, but the law was not made compulsory until some time in the year 1918. People were allowed to go ahead and get used to it, in the first place, and, in the second place, it requires considerable time to prepare the vats. The vats are quite expensive. Moreover, it requires a great deal of educational work to train the people up to do something new. It is the old story of prejudice against this thing arising from the ignorance of many in the community, and I am sorry to say that some of those in my own State are ignorant. We want the law to be thoroughly explained to them. We wanted them to have plenty of time to get the dipping vats built and in good shape before we began to prosecute criminally, as we will do next year, those who do not comply with the law.

Mr. KENYON. Is it not the theory, then, of the Secretary that until you have this cooperation and until these communities are educated along the line the Senator suggests we can not use the large fund that is sought to be given in this bill?

Mr. RANSDELL. My understanding is, I will say, that we can not use the full amount of the $400,000 probably. He said in a letter which he has written the Senator from Mississippi [Mr. VARDAMAN] that he could use, I believe, $182,000.

Mr. KENYON. At any rate, he was pretty sure that he could not use more than $400,000.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Oklahoma?

Mr. RANSDELL. Gladly.

Mr. GORE. I should like to have read in the RECORD at this place an extract from the statement of Mr. Rawl before the House committee, to the effect that he can use $400,000 by adding to and perfecting his present organization. I think the document is at the desk.

Mr. RANSDELL. I have the document before me, if the Senator would like to have me read it.

Mr. GORE. Very well; I will ask the Senator to read it. It shows the foundation upon which is based the contention for a larger amount than $400,000.

Mr. RANSDELL. I will read from Mr. Rawl's statement.

Mr. GORE. I call the Senator's attention to page 62.

Mr. RANSDELL. Mr. Rawl says:

Another item of a million and a half is for the purpose of suppressing diseases of live stock, and it is proposed to put on additional men, averaging about 10 to each State. The more important live-stock States would, of course, use many more than the less important ones. These men would be utilized in suppressing all animal diseases, such as tuberculosis, contagious abortion, blackleg, anthrax, etc.

The CHAIRMAN. Would you regard that as an emergency proposition?

Mr. RAWL. Yes. If there is an outbreak of disease in a community and it can be suppressed quickly and the animals saved from destruction we shall have so many more animals; hence this is considered an emergency measure.

The CHAIRMAN. Take up your next item.

Mr. RAWL. In addition to that just mentioned for general disease suppression, there is an item of $500,000 for the eradication of hog cholera.

The CHAIRMAN. What is the total for your bureau?

Mr. RAWL. A little more than $4,000,000. I have not the exact totals, including an item of $400,000 for tick eradication and $35,000 for the eradication of dourine.

Mr. GORE. I ask the Senator to turn to page 62.

Mr. RANSDELL. Continuing on page 62:

Mr. ANDERSON. What I am getting at is this: I think it is very doubtful that you can get the men this coming year to carry your plan into full operation, and that it is quite possible estimates are very much higher than the amount which you will possibly expend, in view of that fact, and consequently I ask the question whether the estimates are based on what you think ought to be done and hope might be done, or whether they are based on any real information on the number of men you can actually get.

Mr. RAWL. I should say that the estimates are based upon what we hope to accomplish. In some instances we have some idea of the number of men available. I do not think there will be any doubt about getting veterinarians enough to do the veterinary work and utilize that money advantageously. I think there are a sufficient number of them in the country to supply that need. Now, as to some of the other items, as to whether there are enough or not, I do not know absolutely.

Mr. President, I wish to read into the RECORD at this time a statement prepared for me by Mr. Rawl of the Bureau of Animal Industry and again I ask the attention of Senators. It is not very long and it will show the vast importance of this general subject.

TICK ERADICATION A NECESSITY.

"The cattle tick is to-day one of the greatest obstacles in the path of agricultural progress in the South. Nature intended the South to be one of the great cattle regions of the world, but the tick has interposed its veto. Because of the tick the meat supply of the entire country is curtailed and the southern farmer is prevented from realizing the full possibilities of a sound, diversified agriculture. Without live stock on the farm such an agriculture is impossible; with the tick, live stock can never take its proper place in farm management. As a feeder of stock, the farm in tick-infested sections can not compete successfully with the farmer in tick-free sections.

"Statisticians have variously estimated the annual loss to the country from the tick at from $40,000,000 to $100,000,000."

That is a pretty good sum, Senators—from forty to one hundred million dollars annually by reason of the ravages of this tick.

"As a matter of fact, no figures can adequately represent the effect upon the country of a pest the evil influence of which is felt in so many different ways. We can estimate, perhaps, the tax which the tick levies upon the cattle industry to-day, but we can not fix the extent to which the industry could be developed were this crushing burden once removed. The cattle tick, and the cattle tick alone, is responsible for splenetic fever, which not only kills annually thousands of cattle, but also prevents the importation of pure-bred stock into the infested region. From such animals as the tick does not kill it sucks large quantities of blood, greatly reducing the weight of the animal and its value as beef. It reduces the milk flow of dairy cattle in severe cases as much as 42 per cent, and under all circumstances very appreciably. It ruins the hides for use in the finer grades of leather and depreciates their price in consequence. It necessitates onerous quarantine regulations which restrict the markets for ticky cattle, increase the cost of disposing of them, and further lowers the price to the farmer.

"These facts are beyond question. They affect the income in one way or another of practically every farmer in the tick-infested States and they hinder the development of sound agriculture over a large and fertile area. Unfortunately, the South has so long been accustomed to the tick that the extent of the evil is not thoroughly appreciated. If it were, the tick would now be a thing of the past, for the possibility of complete eradication has been demonstrated as absolutely as the desirability."

That is as true as gospel. They have been used to cattle ticks all their lives, and do not understand what could be accomplished if they were destroyed.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from New Mexico?

Mr. RANSDELL. Certainly.

Mr. FALL. As a general rule, in the South cattle which have remained there for any length of time, or which have been bred there, are practically immune from splenetic fever, are they not?

Mr. RANSDELL. That is true.

Mr. FALL. But cattle which are imported, which are being brought in there, the new blood, will have splenetic fever?

Mr. RANSDELL. That is true.

Mr. FALL. Then, the cattle which are exported from the South, from the fever and tick districts, are liable to infect the ranges where they are sent?

Mr. RANSDELL. That is true.

Mr. FALL. And to cause splenetic fever in other cattle?

Mr. RANSDELL. Yes; and for that reason we can not improve the breeds of cattle in the South by bringing the finer breeds from the North; and when we take our cattle away we are obliged to dip them for immediate slaughter and they have to be sold at from half a cent to a cent a pound less than are cattle which might be fed in other places and that could be kept indefinitely or turned on ranges if necessary. So it handicaps us in every way.

Mr. FALL. I thought those were the conditions.

Mr. RANSDELL. Yes, sir; those are the conditions, and I thank the Senator for the suggestion. This statement continues:

"When systematic eradication work was understaken in 1906, 741,515 square miles were under quarantine because of the cattle tick."

And by "quarantine" is meant there was a line drawn right across that territory and no animals could be carried from that territory into the tick-free sections except under the strictest regulations and subject to immediate slaughter. These animals to-day are subject to that terrible backset or disadvantage of half a cent to a cent a pound lower price.

"On March 1, 1917, a total area of 312,012 square miles, or approximately 43 per cent of the original territory, had been cleaned of the tick and freed from quarantine. To free what remains is merely a matter of determination on the part of the tick's victims—the farmers of the South—for the expense involved is insignificant in comparison with the results that are certain to follow resolute work."

This gentleman says "the tick's victims—the farmers of the South." I say the whole American people are its victims, Mr. President, because if we had the South freed from the cattle tick to-day beef would be much cheaper than it is. It is now one of the highest-priced things we have to buy. There is no better region for raising cattle anywhere on earth than in the Southern States if it were not for the cattle tick and the Texas fever resulting therefrom. The winters are mild; grasses of every kind grow throughout the entire year there; we are not obliged to feed the cattle; they can live on the range for 365 days out of every year; and we could raise more cattle and raise them cheaper than anywhere else in the United States if we did not have this pest. It is a matter in which every citizen of the United States and every citizen of the world is interested.

Mr. GORE. And every allied army.

Mr. RANSDELL. The Senator from Oklahoma also suggests that every allied army is interested in it, and I accept the suggestion. They are very much interested.

Listen, now. This is all we want the Government to do.

"The Federal Government should contribute its share by supplying Federal inspectors, expert advice and supervision, and assistance in organizing and conducting campaigns of eradication. From the beginning of the work to the present time, the Department of Agriculture had expended for this purpose approximately $3,000,000."

We are not asking the Government to build cattle-dipping vats; we do not ask the Government to furnish the poison which we use to kill these ticks; we simply ask the Government to educate our people, to educate people who are densely ignorant on this subject, because they have been used to these ticks all their lives; they do not know any better, and it is hard to make them learn better.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Oklahoma?

Mr. RANSDELL. I do.

Mr. GORE. I should like to make the suggestion at this point in the Senator's remarks that for every dollar contributed by the Federal Government the States, counties, and localities contribute $2; which is the best possible guarantee of economy and wisdom in the expenditure of the money.

Mr. RANSDELL. I am satisfied that is correct. I do not know the exact proportions, but the various States and localities must have contributed a great deal more than the National Government has ever contributed.

Mr. FALL. Mr. President, will the Senator yield to me for a moment?

Mr. RANSDELL. I am delighted to do so.

Mr. FALL. The inspectors, of course, referred to in this letter are those whose duty it is to see that before cattle are shipped from an infected district in interstate commerce they are free from ticks, or that they have been held in quarantine a certain length of time; that they have been dipped once, for instance, and held 10 days, and dipped again, and, if in the judgment of the inspector it is necessary, he can hold them for such further length of time in quarantine, as he may command, and order them dipped again before the cattle are allowed to be shipped. That is the only jurisdiction which the Government has.

Mr. RANSDELL. That is all; except in an educational way. The inspectors go around and tell the farmers how beneficial it would be to them to have their cattle dipped and encourage them to submit to dipping, and some of them assist in the dipping.

Mr. FALL. Mr. President, if they take part in the dipping it is simply because the cattle can not be shipped in interstate commerce, for the railroads will not take a shipment in interstate commerce unless the cattle are shipped from certain districts which have been inspected.

Mr. RANSDELL. That is true.

Mr. FALL. All the expenses, with the exception of the certificate of inspection, are paid by the cattle raisers and shippers.

Mr. RANSDELL. That is my understanding.

Mr. FALL. The inspection cost is the only expense that the Government is put to in any way, and the object of the appropriation is simply to provide inspectors and, as the Senator has said, for educational work.

Mr. RANSDELL. For inspection and educational work; that is all.

Mr. FALL. For instance, in my State of New Mexico the Government has never assisted in the eradication of the ticks; in fact, New Mexico was never, except temporarily during one year, I think, in the quarantine district at all, and that was because of the driving of a herd of cattle from Texas into New Mexico.

We have eradicated not only the ticks but the splenetic fever without the assistance of the Government. The inspector comes to the vat. With his instruments he measures the dip and sees that it is in the proper proportion, and unless he does that one can not ship the cattle in interstate commerce.

Mr. RANSDELL. I think the Senator states it correctly, as I understand the proposition. Continuing the reading, Mr. Rawl says:

"Kentucky, Missouri, Tennessee, and California have succeeded in completely wiping out the cattle tick. There is little doubt but that the entire State of Mississippi will be released from quarantine before the close of 1917. In all probability the States of North Carolina, South Carolina, and Alabama will be free from cattle tick during the year 1918."

I am sorry that I can not say the same for my own State. I am afraid it will not be free within the next year.

"The work is being pushed as rapidly in other States as the existing conditions and means at hand will permit.

"Hundreds of letters have been received in the United States Department of Agriculture from farmers and other interested persons, all residents of the tick-free territory of the South, testifying to the benefits derived from the destruction of the tick. The consensus of opinion in these letters indicates that on the average cattle are enhanced in value about $10 a head. They weigh one-fifth heavier, they grade one-fourth better, and that they are saved from Texas fever and from shrinkage on account of ticks; also that the cattle industry is increasing, that there is an increase in improved blood, that the milk yield of cows is increased about one-fourth, and that there is an increase of forage crops and silos.

"The department, however, is powerless to help those who do not wish to help themselves. The States and the counties must supply the materials and the labor for building and maintaining the dipping vats and must enforce local regulations for continuous, systematic dipping of all herds in the area in which work is in progress. Spasmodic, half-hearted, disorganized efforts will fail as certainly as regular, systematic work will succeed.

"The tick feeds entirely upon cattle and can not reproduce unless it obtains their blood. It lays its eggs, however, on the ground, preferably in some sheltered spot, where they hatch in from two to six weeks. The young ticks, or larvæ, as they are called, can subsist for a long time without nourishment and have been known to do so for months. As soon as they are able, they crawl up on the leaves of grass or weeds or to any position from which they can reach the bodies of cattle. There they fasten themselves to the softer portions of their victim's skin and proceed to suck blood. At this stage they are still so small that they are scarcely visible to the naked eye, but, nourished by the blood they draw, they develop rapidly until, in about two weeks, they are capable of reproduction. After this the female continues to increase until, thoroughly gorged with blood, she drops to the ground, lays her eggs, and dies."

She is, then, about the size of the end of my small finger, a rough, vicious-looking brute:

"This life history makes possible the eradication of the tick by systematic dipping of cattle in a plunge bath containing a standard arsenical solution. This solution is a virulent poison to the tick and kills all those with which it comes in contact. The cattle should be dipped once every two weeks. Since the ticks live for about three weeks on an animal, this offers two opportunities for the poison to reach them. Ticks cast off their skins twice in the course of their brief life and during this process of molting it is possible that the skin may protect the molting tick within from the effect of the poison. If two dippings are given, with an interval of two weeks between, the tick is sure to be caught once in an unprotected state and destroyed. The two dippings, however, are not enough to insure permanent eradication, because new seed ticks from infested pastures and premises attack the cattle afresh. For this reason dipping is continued at intervals of two weeks for four months or more, the final result being complete elimination of the entire breed.

"This method is not only more effective, but is in the end cheaper and simpler than such practices as spraying, pasture rotation, and similar precautions, which may diminish the evil temporarily but do not effect a permanent cure. The success of dipping is dependent, however, upon the cooperation of the entire community, for one neglected herd will in time reinfect its neighbors.

"That this cooperation can be secured if the situation is once thoroughly understood there is little doubt."

And here, Senators, let me say, is the necessity for the Government help. You all know that when the Government representative comes into a community, standing there for the might and jurisdiction of this great country of ours, people will listen to him who will pay no attention at all to local men. It is in the splendid educational work that has been done by these representatives of the Department of Agriculture, as well as in the inspection work, that we have received so much aid from the department in tick eradication.

"In Texas 28,805 square miles have now been freed from quarantine. The average cost has been only $5.25 per square mile, and the returns have exceeded this small sum to a degree that it is impossible to estimate.

"In this connection, however, although other factors unquestionably enter into the problem, it is instructive to compare the average values of beef cattle over 2 years old in tick-free areas with those in tick-infested areas, even before the present war-emergency prices became prevalent."

I hope Senators will listen to these figures:

"Texas had a higher average than any of the other tick-infested States, but this average of $40 a head compared most unfavorably with the average of $64 in Wyoming, $60 in Montana, $56 in Ohio and Illinois, and $54 in Iowa, Nebraska, Kansas, and Colorado. In the other tick-infested States the difference is much more striking. In Florida and Georgia the average was only $18 a head"—

Think of that, Senators—$18 per head for a 2-year-old beef in Georgia as compared with $64 per head for the same beef in Wyoming—

"In Alabama it was $20, in Mississippi $22, and in Louisiana $24.

"A similar difference appears in the prevailing prices per pound of beef on the hoof. In Texas, again, this average was higher than in any of the other tick-infested States, but it was only 5.4 cents, while in by far the great majority of the tick-free States it was more than 6 cents. With the exception of Louisiana, where the average was 5.1, and Florida, where it was 5.3, none of the badly infested States had averages as high as 5 cents a pound.

"The principal causes for this difference in value are not far to seek. A severe infestation of ticks will result in the loss by sucking of 200 pounds of blood a year from an animal."

A loss by sucking of 200 pounds of blood per year. How can the animals thrive? How can such beef as that be good for man to eat?

"This blood has been made at the expense to the farmer, of pasture, feed, and labor. It should have been turned into sound beef, but instead it has gone to support the tick. The cattle are inferior in weight and in quality to those produced elsewhere, and consequently bring less on the market. Furthermore, outside of the quarantine area, ticky cattle can only be shipped in interstate commerce for immediate slaughter."

Senators will see what a terrible handicap that is. The cattle must be shipped for immediate slaughter.

"They can not be sold as feeders and they can not be transshipped to other markets which do not maintain quarantine pens. In consequence they sell too frequently for what the buyer is disposed to offer, and this is usually from one-half to 1 cent a pound less than the tick-free cattle bring.

"In addition, as long as the tick prevails it is impossible for the cattle owner to grade up his herd and realize the profit which comes from the production of graded stock instead of scrubs. To import pure-bred stock into a tick-infested area for the purpose of grading up a herd is to throw away money. The animals merely succumb to fever. Immunization of cattle has, it is true, been tried with some degree of success, but the process is expensive and at best gives only temporary relief. The tick is still there sucking blood and vitality from the animal.

"A less obvious but equally important effect of the tick upon the beef industry is the fact that it turns what should be a conservative business into a speculation. Even native cattle are not always immune to tick fever, and many banks are becoming reluctant to lend money on live stock in the tick-infested area."

I will say that in my State they are not in the habit of lending money at all on cattle; we have not established the business of lending money on cattle because of the ticks, and I am sure that is true of most of the Southern States.

"The security is not considered good. Credit is as essential in successful farming as it is in any other form of business, and the tick's influence in hindering its extension is proving a serious drawback to the development of southern agricultural prosperity."

Let me add, and also to the development and benefit of the entire Nation, for the resultant prosperity would not be confined to the South. No portion of this country can thrive and prosper without the other portions of the country reaping a benefit; and, on the other hand, no portion can be as much handicapped as the South has been by the cattle tick without the balance of the Union suffering in proportion.

"To the dairyman the tick is as great an enemy as to the beef raiser. Recent experiments have shown that the flow of milk is reduced by ticks by a percentage ranging from 18 to 42 per cent, depending upon the degree of the infestation. The owner of a herd of 20 cows, which should produce 8 quarts per day, will lose, therefore, with milk at 5 cents a quart, from $290 to $670 a year, estimating the milking period for each cow at 200 days in the year. In one case the owner of a herd of 42 cows obtained an increase of 16.6 per cent of his daily yield of milk one week after he began dipping his cattle. He was selling his milk at 35 cents a gallon, so that this meant $3.50 a day additional income as the result of a single dipping in the arsenical solution.

"Such instances as this could be multiplied indefinitely. There is abundance of evidence to show the profit in dollars and cents that comes directly to the farmer from tick eradication, and there is an equal amount of evidence to show the practicability of such eradication. A study of this evidence can not fail to convince even the most skeptical that the tick is to-day one of the greatest and at the same time one of the most unnecessary obstacles in the way of the southern farmer. Its eradication will open the door for an agriculture in which the raising of live stock will play its proper and effective part in the creation of prosperity."

Mr. President and Senators, I now wish to read a very brief extract from the resolutions passed by the great cut-over lands conference held in New Orleans about four weeks ago—a conference representing 85,000,000 acres in the Southern States. It reads as follows:

Whereas in the present national crisis the production of food, especially of meat and dairy products, is of equal importance to the manufacture of munitions of war; the success of the United States and her allies in the great war will largely depend on the maintenance and increase of the supplies of food-producing animals in the United States; the largest area of undeveloped but potentially valuable cattle-producing territory in the country is situated in the Southern States, and the greatest obstacle to the extension of the cattle industry of the South is the Texas fever cattle tick: Therefore be it

Resolved, That the rapid, efficient, and complete eradication of the Texas fever cattle tick has now become a patriotic obligation upon those States comprising within their borders areas still under quarantine; and be it further

Resolved, That this conference urge upon the legislatures of those States which have not already done so to pass without delay State-wide tick-eradication laws, and that the Government of the United States, if necessary as a war measure, exercise the power vested in the Secretary of Agriculture of the United States by act of Congress to facilitate the complete eradication of the Texas fever cattle tick within one year.

I commend that to the careful attention of the Senate.

In conclusion, Mr. President and Senators, let me impress upon the Senate the great importance of this homely, practical, common-sense problem—the production of a greater amount of beef by the eradication of a disease which prevents the successful growing of cattle in a very large portion of our country. Let me remind the Senate that Congress undertook the eradication of this disease 11 years ago, and during the 11 years it has only succeeded in driving it out of 43 per cent of the territory affected. A thing that is worth doing at all is worth doing well, and is worth doing promptly. We have spent $3,000,000 on this work. We have driven the tick out of 43 per cent of the infested area. Let us spend whatever is necessary to drive it out of the remainder of this country, and to drive it out promptly.

Mr. McKELLAR. Mr. President, I have listened with a great deal of interest to the very interesting speech which has just been made by the Senator from Louisiana [Mr. RANSDELL]. I was inclined to think before that in some of these appropriations we are duplicating previous appropriations to a greater extent than is necessary, and since listening to the able argument of my distinguished friend from Louisiana I am more convinced of it than ever.

I want to call the attention of the Senate to the fact that it has not been two months since we appropriated a very large sum of money for the eradication of the tick evil for the fiscal year 1917–18. I call the attention of the Senate to the act of March 4, 1917. On page 5 thereof there is an item reading as follows:

For all necessary expenses for the eradication of southern cattle tick, $631,560.

Mr. President, here we have a letter from the Secretary of Agriculture, which has just been read in the Senate, in which he says he can not use any more than that sum of money; that that is all that is necessary. Yet, in the face of this expert advice that the Department of Agriculture can not use more than the $631,560 for the eradication of the tick, we are asked to appropriate in this bill, for this and two other pests and certain other undefined purposes, the enormous sum of $4,500,000.

Why, Senators, have we gone mad? Have we become so excited that we can not act as ordinary business men? I just want to say that I am for any appropriation that will make us more effective in the prosecution of this war and which will add to our beef supply or to our meat supply; but when we have already appropriated by law just passed on March 4, 1917, as much as the department say they can expend, why, in the name of Heaven, should we appropriate an enormous sum like this? How can we use it?

Mr. STONE. Mr. President——

The PRESIDING OFFICER (Mr. SHAFROTH in the chair). Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I yield to the Senator from Missouri.

Mr. STONE. The Senator from Tennessee says that the Department of Agriculture declares that six hundred and some odd thousand dollars is the total amount the department can judiciously expend for the time being.

Mr. McKELLAR. Oh, no; for the year 1917–18.

Mr. STONE. Well, that is for the time being.

Mr. McKELLAR. Yes, sir; it may be expressed in that way.

Mr. STONE. It is the period covered by this bill for the eradication of the tick.

Mr. McKELLAR. That is true.

Mr. STONE. Then the Senator says that the bill provides an appropriation of $4,500,000 for the eradication of the tick, and also two other pests, and the other incidental purposes mentioned in this section.

Mr. McKELLAR. Hog cholera and contagious abortion of cattle, and the others.

Mr. GORE. Mr. President——

Mr. RANSDELL. Mr. President, I am sure the Senator wants to be fair——

The PRESIDING OFFICER. Does the Senator from Tennessee yield, and to whom?

Mr. McKELLAR. I yield first to the Senator from Missouri. Then I shall be delighted to yield to the other gentlemen just as soon as he gets through.

Mr. STONE. Yes; but unless I complete my question the Senator can not answer it.

Mr. McKELLAR. Surely; it was not my fault that the Senator was interrupted.

Mr. STONE. No; it was not the Senator's fault. The Senator says that the bill carries four and a half million dollars for the eradication of the tick evil and two other pest evils. Now, if the Senator has the information, how much of the $4,500,000 would be used to eradicate the tick evil?

Mr. McKELLAR. On last Friday, I think, I asked my esteemed friend from Oklahoma what the figures were and how these very large sums, as they seemed to me, were to be expended. Of course to ordinary people such sums as $4,500,000 do not amount to much; but I am one of those to whom that still seems to be quite a sum, and I asked for the detailed figures, but I have not seen them in the RECORD. I have no doubt that the Senator from Oklahoma will furnish them at the proper time for the enlightenment of the Senate.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Oklahoma?

Mr. McKELLAR. I yield to the Senator, of course.

Mr. GORE. I will say that I put those figures in the RECORD last Saturday, I think, two or three times. In answer to the Senator from Missouri, I will say that the department prepared two separate estimates—one carrying a total of approximately $4,100,000. Out of that sum, if it had been appropriated, $4,000,000 would have been used to eradicate the cattle tick and $500,000 to arrest and control the hog cholera. I have no separate estimate as to the other particular disease. That sum was afterwards cut down in a subsequent estimate to $2,010,000 Now, if $2,010,000 are appropriated, of that sum $182,000 will be used for the eradication of the cattle tick and $231,000 for the arrest and control of the hog cholera. The $4,000,000 is to be devoted to a great variety of different uses, and only those limited amounts to the two objects mentioned.

Mr. RANSDELL. Mr. President, will the Senator yield to me now?

Mr. McKELLAR. In just one moment I will, because I do not want this to pass over.

This same item appears in the House bill. The House is considering that bill now. The House committee, as I understand, reported something like $2,000,000; and on Saturday, after hearing all the facts, the House cut down the whole appropriation for all the purposes mentioned in the first paragraph of section 7 to $825,000 or thereabouts. With the Secretary of Agriculture sending in here a letter which has been read this morning, addressed to the Senator from Mississippi [Mr. VARDAMAN], saying that they can not use any more than has already been appropriated economically or fairly or so as to better the conditions, I for one am utterly unable to see how we can defend this additional appropriation. The only way in which it can be defended is that we have a war on hand, and it is our duty to spend as much money for each department as possible; that some of the other departments, like the War and Navy Departments, are getting large appropriations, and that therefore we want to pass in with the same lavish hand some of the spoils to the Department of Agriculture.

Senators, as it seems to me, it is important that we should conserve all of our resources. It is our duty to conserve our meat resources and every other one of our food resources; but at the same time we should give just a little attention to the conservation of our money resources, and we ought not to appropriate these immense sums of money when the department comes in, and, desirous as it always is to have larger appropriations, says to us that it can not use these additional appropriations. Under those circumstances do you not think it is our duty to conserve our money resources just a little?

Unless I am greatly mistaken, we are in a long war. We are going to have use for every dollar of our money. We ought to be exceedingly careful how we spend this money. We ought not to spend any sum of money unless there is an apparent reason for it; unless there is a logical reason for it; unless there is an urgent reason for it. We can not defend appropriations like this on the ground that we are in war.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Louisana?

Mr. McKELLAR. I yield to the Senator, with pleasure.

Mr. RANSDELL. The Senator has repeatedly made the statement that the Department of Agriculture did not want this money. Now, I should like to read what Mr. Rawl, the head of that bureau, said before the Agricultural Committee just a few days ago.

Mr. McKELLAR. Will the Senator yield just there? The Senator read that statement just a few moments ago, and there is a conflict, as we all know, between Mr. Rawl, whoever he may be—I do not know him—and his chief, Secretary Houston.

Mr. RANSDELL. I propose to read what his chief said, as well as Mr. Rawl said, if the Senator will give me the opportunity.

Mr. McKELLAR. Both have been read this morning.

Mr. RANSDELL. It will not do any harm to read them again. The Senator has said three or four times that the department was against this appropriation. I want to show the Senate that the department is in favor of this appropriation.

Mr. McKELLAR. Very well; I will yield to the Senator to have them read again.

Mr. RANSDELL. All right.

The chairman asked Mr. Rawl:

What is the total for your bureau?

Mr. GORE. That was Mr. LEVER, the chairman of the House committee.

Mr. RANSDELL. Yes; this is from the House hearings. That is true.

Mr. RAWL. A little more than $4,000,000—I have not the exact totals—including an item of $400,000 for tick eradication and $35,000 for the eradication of dourine.

That is what Mr. Rawl says; and he states further, later on, that that amount is necessary, in his judgment.

Now, here is what Mr. Houston, the Secretary of Agriculture, himself said before the Senate committee on April 23:

Secretary HOUSTON. I said a moment ago that the Bureau of Animal Industry had given me an estimate for increasing meat production of $4,000,000. Only $400,000 of this sum is suggested for the eradication of the cattle tick.

Then he goes on to say:

There are a number of difficulties in the way of large increased expenditures.

Mr. Houston said in the letter to the Senator from Mississippi [Mr. VARDAMAN], which was just read, that he doubted if he could wisely expend this year, in addition to the $631,000, more than $182,000; but he does state there very plainly that that $182,000 can be wisely expended, and possibly they can wisely expend the $400,000.

The Senator has stated several times that this appropriation of $4,500,000 was for the cattle tick and one or two other things. Here is the way it reads——

Mr. McKELLAR. I have read that.

Mr. RANSDELL. I beg the Senator's pardon; I did not hear him read this:

For the prevention, control, and eradication of the diseases and pests of live stock—

Thousands of diseases and pests of live stock—

Including hog cholera, cattle tick, and contagious abortion of cattle; the enlargement of live-stock production; and the conservation and utilization of meat, poultry, dairy, and other animal products.

The Senator, in his extreme fairness, forgot to mention any of those things which are included in this item. As the chairman of the committee suggests, blackleg, tuberculosis, and hundreds of other things, all of the diseases of cattle, come in under that appropriation. It is not confined to the cattle-tick work.

Mr. McKELLAR. I will say to the Senator, in reply to that, all those things have been appropriated for in the current appropriation bill that was passed on March 4 last, less than three months ago.

Now, I want to say another thing in answer to the Senator from Louisiana. He tells us that what has been done in the eradication of the tick has been successful to a very large extent, that we have done away with the cattle tick in Virginia, Kentucky, Tennessee, largely in Mississippi and Alabama and in Georgia, and to some extent in Louisiana, and altogether, I believe, in California. That was the greater part of the area, he says, infested with ticks.

Mr. RANSDELL. Only 43 per cent.

Mr. McKELLAR. Forty-three per cent, and our appropriations have increased on this subject. The less territory infested the more money we are asked to appropriate. I think the last appropriation of March 4 was the largest appropriation we ever made—$631,000—and the Secretary of Agriculture stated that that is all that he can use fairly and justly. Why? What is the cause of the emergency? If we had more ticks and cholera in Tennessee and other States, if they were more prevalent there, if we had a report here from the Secretary of Agriculture saying that the cattle industry was going to be ruined and that the cattle were in danger because of not having a great Federal force at work on this subject, there would be some reason for this emergency or war measure granting this large sum for this purpose.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Oklahoma?

Mr. McKELLAR. I yield.

Mr. GORE. I will say to the Senator that at the present rate it will require 12 more years to complete the work. There is still subject to the cattle tick an area larger than Germany and France, entailing an annual loss that is estimated at from $40,000,000 to $100,000,000.

Mr. McKELLAR. Yes; and unless I am greatly mistaken our appropriation will continually grow up and be spent as long as the Senator and I are here and probably long after we have been gathered unto our fathers.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. McKELLAR. I yield to the Senator.

Mr. VARDAMAN. I will ask the Senator from Tennessee if I correctly understand the trend of his argument. I hope the Senator is not opposed to the appropriation for the extermination of the tick?

Mr. McKELLAR. Quite the contrary; I am very much in favor of it; but while I am in favor of eradicating the tick, I believe we have already appropriated all the money necessary to eradicate the tick next year. I am not in favor of what I believe there is in this bill, namely, an effort to build up an organization in the Department of Agriculture simply because they regard it as a good time to get the money. I do not believe there is any necessity for it, and I say that upon the strength of the statement of the Secretary of Agriculture himself. At this time, when we need every resource we have, when we need every dollar we have to prosecute this war to a successful conclusion, I do not believe that we ought to be voting a million dollars of our money for the eradication of cattle ticks, when we have already voted all the money for that very purpose which the department has asked for. Not a dollar of that enormous sum of $631,000 has yet been spent, and yet the committee wants to give more.

Mr. VARDAMAN. There is no difference between the Senator and myself on the question of economy and prudence in the expenditure of public money.

Mr. McKELLAR. I am sure there is not.

Mr. VARDAMAN. But money properly expended for this purpose is not an extravagance. It is not a liability, it is a fine investment, and unless we are going to wage an energetic, relentless war against the cattle tick—a war of extermination—it were better to call off the hounds and quit the chase altogether. Let the work be done effectively or not at all. No half-way or half-hearted work will count for anything in this campaign against the ubiquitous tick. I yield to no Senator in my firm adherence to the idea on and policy of economy. Extravagance in the expenditure of public money is akin to crime, in my judgment; but it is quite as reprehensible to withhold the necessary funds from a righteous cause. I think the error of parsimony is just about as bad as the sin of extravagance.

The sooner this work is completed the less expensive it will be and the more profitable to the American people, because if you do not take up the work and push it through to a successful issue, if you have to stop and wait for another appropriation, then the pest recovers some of the territory from which it has been driven.

I agree, I repeat, with the able Senator that all these things ought to be economically and prudently prosecuted, but the good that will come from the eradication of this pest is almost immeasureable in terms of dollars and cents.

Mr. McKELLAR. Now, let us see about what we are doing. Here is the Committee on Agriculture of the Senate and the Committee on Agriculture of the House. Less than three months ago they held hearings where everyone who was interested in this matter came before them. After considering the testimony, they reported out a bill in which they stated how much it would take to eradicate this pest. They had all the hearings before them. Anyone who was interested in the cattle tick, wherever he might come from, had a right to come before those committees. The Department of Agriculture was present by duly constituted officials or agents. After hearing all the proof, the House committee and the Senate committee reported what it would take to eradicate this pest, and after both branches of Congress considered it they agreed upon a bill, and they held that $631,500 would be ample and sufficient means to be placed in the hands of the department to eradicate this pest during the next two years. They asked for it, and we gave it to them; and now, before they have spent a dollar of the $631,500, before they have even gotten ready to spend it, before the law permits them to spend it, under the excuse of a war measure we are asked to make this appropriation. What has the war to do with the cattle tick? Do we have any more cattle ticks because we declared war? Do we have more hog cholera because we have declared war? That idea is absurd. But within two months, without a hearing, without any further information than the committees already have, we are met by the request, not from the department but from certain men in the department, and it resolves itself down to the request of one man in the department. We are asked to make this large additional appropriation. There is only one man, according to the record here, and that is Mr. Rawl, of the department, who is really demanding this large sum, and in this demand he is antagonized by his chief, Secretary Houston.

If it is necessary, I will vote for this appropriation as quickly as any man in this Chamber. I would not hesitate a moment if there was any proof here that it was necessary, that it was needed, that the conditions have changed. If the tick or cholera had appeared in large numbers and where it had not been before, I would vote for it instantly. I would not hesitate to conserve the food resources of our country in every possible way. But I say when a bill is brought in here within two months after the passage of a previous bill for the identical purpose and an appropriation was made that was considered ample at the time, when nothing in the world has transpired to change the circumstances except the declaration of war with Germany, we ought not to spend the Government's funds in such a way as that, and we can not defend it. Whoever is attacked for spending the Government's money in that way can not successfully defend the attack before the people when we go back home, and we ought not to do it.

Mr. President, so much for the cattle tick. I did not intend to speak so long upon it. What I have said in regard to the cattle-tick eradication applies with equal force to the hog cholera. I asked here on Saturday if there has been any more hog cholera since March 4. Here is an enormous sum, a large part of the $2,500,000, that is to be used for the eradication of hog cholera. Do you know how much money we have already authorized to be spent? We authorized on the 4th of March, two months ago, the enormous sum of $3,500,000 for the eradication of hog cholera in this country, one million straight out, and then all the unexpended balance of the previous $2,500,000 appropriation. We have no knowledge whether it has been expended or not, but it is possible under the present law of March 4, 1917, that there can be spent this enormous sum for the eradication of hog cholera.

Mr. President, I am in favor of the eradication of hog cholera. But the first thing we know, we will have built up an organization in the Department of Agriculture bigger than the hog interests. After having appropriated $1,000,000 this year for the eradication of hog cholera and after having given the deaprtment the right to spend all of $2,500,000 that had been previously appropriated if it had not been spent, then, within two months afterwards, without obtaining any new facts, without a hearing, without a report from anybody except some one official down in the Agricultural Department who differs with his chief—they do not even all come here together—they come and ask for their proportion of $4,500,000 more.

Mr. President, I am confident the Senate will never on the showing made here authorize this enormous expenditure for any such purpose, and we ought not to do it. It is a woeful waste, it seems to me, a woeful waste of the people's money, if we agree to it, and I hope the Senate will not agree to it.

Now, Mr. President, one or two other things before I take my seat. I did not intend to talk so long. Listen to this, on page 5 of the bill:

> For procuring, storing, and furnishing seeds, as authorized by section 2 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products, $2,500,000.

If you buy some seed now, what are you going to do with them? It is too late to get them out among the people to plant. If you hold them over until next year, they will not be worth planting. Seed will deteriorate very quickly in value. What are you going to do with the $2,500,000 to do away with insects on plants. It is nonsense, it seems to me, with all due respect. I do not mean that in any offensive sense; but the idea of spending $2,500,000 of the people's money at the time when we are at war, when we are selling bonds, when we have to borrow enormous sums to carry on the war successfully, we are spending $2,500,000 to look after insects and plant insects, and we do not know what nor where. There are a great many plants in the world. What plant is your investigation going to be used on? Have we any information about it? Not a word.

Two months ago, or a little more, we passed a bill providing for this amount. This is not an original appropriation; this is an additional appropriation; this is a supplemental appropriation. It is not the first money that has been appropriated for this very purpose this very year. It is a war measure. Are

you going to have more insects on plants in our country because war has been declared, and have we to appropriate $2,500,000 to meet it? Where are we going to get the money back?

I for one can not vote for that appropriation. I should like to vote for any measure that my distinguished and greatly admired friend from Oklahoma reports out here. I esteem him as much as I esteem any man. I should like to be with the organization always; but I can not go that far. I can not vote to put the people's money on a mission like this. It is asking the Senate more than I can agree to. I can not vote for that provision of the bill. I shall seek to have it stricken out or greatly reduced.

I want to vote for the bill, and unless it is loaded down I am going to vote for it. I think we ought to do everything we can to conserve the food supply of this country in every way, but I do not believe we can conserve the food supply of the country by a willful waste of the people's money on projects like these.

I remember as a boy being told by my mother frequently that a "willful waste made a woeful want," and I will say that if we continue to make this kind of appropriations, these lump-sum appropriations, no man in the Senate can tell where they are going to end. There will be a woeful want of this very money before very many years elapse.

Now, let us take the next item. I am glad to see the last paragraph on page 5, and I heartily concur in it. I think we ought to adopt it, by all means. I think the amount is too much, but we will see about that when we come to it. It reads:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents, and others, $3,000,000.

I think the words "and others" ought to be stricken out, but with that exception, while it is an enormous sum—$3,000,000—I am even willing to vote for that part of it, because I believe they are doing good work. I hope, however, the chairman will be willing to reduce the amount. They have an excellent organization, and they are teaching the people of the country how to farm, how to manage cattle and other stock. They are doing excellent work, and I am heartily in favor of that provision and I shall not oppose it, although I will ask the chairman, in the interest of his amendment found on the last page, if the words "and others" ought not to be stricken out?

Mr. STERLING. Mr. President——

Mr. McKELLAR. I will yield to the Senator in a moment. That is a general provision under which this money could be spent with profligacy. We ought not to have general provisions in the bill, and before I yield, and I will yield in just a moment, I want to commend most heartily and cordially the Senator from Oklahoma and his committee, which has reported out as an amendment that provision of the bill which is found on page 7 and which is as follows:

It shall be the duty of the Secretary of Agriculture to submit to Congress at its regular session in December of each year a detailed report of the expenditure of all moneys herein appropriated.

Mr. President, unless we put some provision like that in this bill, unless when we make this large lump-sum appropriation we then take the bridle off and say to these gentlemen, "Spend the money as you will," we will make ourselves the laughingstock in this country, and we have got to meet it at some time in the future.

Now, I take pleasure in yielding to the Senator from South Dakota.

Mr. STERLING. I merely wish to ask the Senator from Tennessee what he means in his reference to the item of appropriation on page 5 of $3,000,000? I understood the Senator to speak approvingly of an appropriation for demonstration work.

Mr. McKELLAR. Yes; I did.

Mr. STERLING. And he was inclined to favor the item on account of that particular feature. I wondered if the Senator's attention had been called to the appropriation in the last Agricultural appropriation act under the head of "States relation service."

Mr. McKELLAR. On what page?

Mr. STERLING. On page 28 of the last appropriation act, where, in the first instance, there is appropriated an item of $720,000, and then on page 29, "for farmers' cooperative demonstration work outside of the cotton belt, including the employment of labor in the city of Washington and elsewhere, supplies, and all other necessary expenses, $578,240."

Then in the next paragraph following that there is another item of $659,560.

Mr. McKELLAR. Yes; my attention has been called to that.

Mr. STERLING. I wondered if it would not occur to the Senator that these items themselves are sufficient to cover all necessary and reasonable demonstration work.

Mr. McKELLAR. I will say to the Senator from South Dakota that I rather carefully read the bill passed March 4, and I had noticed those items. Notwithstanding that, I believe that this Congress ought not to leave a stone unturned that will conserve the food resources of our country and add to them.

I have not had a great deal of experience as a farmer, but I have enough of general understanding of the methods employed by the department along this line to know that the Government is doing a splendid work along that line, and it is one that we ought to further.

Mr. GORE. Mr. President——

Mr. McKELLAR. In just a moment. It is one we ought to further in every way we can. We ought to build it up and because it is an emergency and there will be an unusual demand for live stock and all other foodstuffs I am willing to vote for the expenditures, even though I think they are large. I hope the Senator from Oklahoma will be willing to reduce it to a reasonable amount, but I am willing even to go beyound what I think is reasonable in order to carry out the policy that we think the Government ought to adopt at this time, and that is to make every dollar more of the farmer's products that we can.

I now yield to the Senator from Oklahoma, and I beg pardon for not yielding before.

Mr. GORE. I wish to say in this connection in response to the Senator from South Dakota that at present there are 2,850 counties in the United States, and about two-thirds of those counties are under demonstration work. This increased estimate is designed to extend that service to the remaining 900 or 1,000 counties. I think that accounts for it.

Mr. STERLING. If the Senator from Tennessee will permit me, I should like to ask the Senator from Oklahoma if through the State instrumentalities themselves a great deal of this work is not being done as to the agricultural products in the several States?

Mr. GORE. I assume now that the State and Federal authorities cooperate in many of these services, and I assume a great many of these services could have been performed by the States alone without any cooperation or assistance on the part of the Federal Government. Of course the whole agricultural establishment and department in the Senator's judgment may be a mistake. But we are committed to that mistake. Of course, we ought not to aggravate it, but I think that whatever we can do to improve the agriculture of this country ought to be done; that it is wise economy, before the emergency taxes are laid upon this country and the farmers pay about 70 per cent of our total national revenue and receive in return a mere trifle. That may suit the Senator from South Dakota; it does not suit me. I think that whatever can be done judiciously to improve and to extend the agricultural interests of this country and to better the condition of the farmers ought to be done.

For my part I am not disposed to haggle about an appropriation of this sort when we have the authority of the Secretary of Agriculture that it can be wisely expended. I deem it wise to defer to his judgment. Of course, I have not had an opportunity to go out and make a survey of each and every farm in the United States; there are some six million of them. I must in a way accept the judgment of others.

Mr. McKELLAR. I agree to what the Senator from Oklahoma has so well said about building up the agriculture of this country, especially at the present time. It was that view which I had that leads me to think that I would run the risk of making a mistake, and a very large mistake, if I voted for this appropriation in the bill.

Now, I come to the next provision:

For gathering authoritative information in connection with the demand for and the production, supply, distribution, and utilization of food, and otherwise carrying out the purpose of section 1 of this act; extending and enlarging the market news service; and preventing waste of food in storage, in transit, or held for sale, directing the market movement or distribution of perishable products, and otherwise carrying out the purposes of this act, $2,522,000.

I may vote for that. We are going to have another bill introduced in both Houses in which the food supply is going to be handled in an entirely different way, and it may be that this information might aid and do the country a great deal of good if the other bill is passed. When we are at war we should have a very accurate knowledge of what our food supply is, and I am willing to forego any opposition to this provision of the bill. If it were in time of peace, I most assuredly would be opposed to it. In such a time as this I am willing to vote for it, but I hope the amount will be reduced.

There are other provisions in the bill. I now come to the second paragraph on page 6:

For miscellaneous items, including the salaries of Assistant Secretaries appointed under this act; special work in crop estimating; aiding agencies in the various States in supplying farm labor; enlarging the

informational work of the Department of Agriculture; and printing and distributing emergency leaflets, posters, and other publications requiring quick issue or large editions, $1,200,000.

I am opposed to creating new offices at this time. I do not think we need two Assistant Secretaries of Agriculture. Let us see what it means: It just means that there are probably two delightful gentlemen who are getting less than $5,000 and who will be promoted in that department to a salary of $5,000. I doubt the wisdom of increasing these salaries. These men will do the same work whether they are Assistant Secretaries or not. It is just another method of increasing the salaries of men who are probably all right. I do not know who they are; I have no knowledge of that subject at all, but what is the reason for two new Secretaries at this time? What is the work which is to be done? I do not know just who in that department asked for it; I do not know whether the Secretary of Agriculture asked for it or not.

Mr. GORE. Mr. President——

Mr. McKELLAR. I have no doubt he has. I yield to the Senator.

Mr. GORE. I will say to the Senator that the Secretary of Agriculture made the request for two additional secretaries and I attached additional weight to his recommendation, because last fall I conceived the idea from a consultation with various heads of divisions in the department that there ought to be one additional Assistant Secretary. I took the matter up with Secretary Houston and he advised against it, and said that he would arrange to administer the department without an additional secretary. But further duties have been devolved upon that department, the services are to be expanded, and he has now reached the conclusion that two additional secretaries are necessary. I think the fact that he declined to recommend the proposition in the fall and the fact that he does recommend it now ought to lend additional weight to his judgment and to his recommendation in the premises.

Mr. McKELLAR. That may be true. I do not know but that a man who is frank enough to take the two positions at two near-by different times ought to have credit for frankness in so presenting the matter. At the same time the question arises, What evidence have we except the ipse dixit of one man that two additional high officers are required? This is a time when we are asking the country to be saving. We are asking the country to save their food and their raiment, and we are asking the country to economize. Why should we not begin some economy right here?

I think we might cut down salaries rather than raise them. We are obliged to raise an immense amount of money. The gentlemen who are doing the work down there I have no doubt are doing it well; but why could they not serve during this war without any increase in salary or any increase in title? It does seem to me that, upon reflection, the Secretary of Agriculture could get along with his department without having two additional secretaries. I think this whole item ought to go out. To be perfectly frank, I am fair about it, I really think the only two appropriation items that ought to be left in the bill are the item of $3,000,000, at the bottom of page 5, and the item of $2,522,000, at the top of page 6, and both of these ought to be greatly reduced. All the rest of the section, I think, ought to be stricken out. I believe it would be but fair and just to the country at this time; that it would make for the increase and betterment of our agricultural resources not to take, as I understand they propose to do, several thousand young men from the various parts of our country and put them in the department. We had better have those men producing something. They could not produce as much there.

If it is proposed to take them from the farm, we had better leave them on the farm. If it is proposed to take them from other avenues of business, we had better leave them where they are. I do not believe that we ought to go to such an extent in the building up of what is called in departmental phrase "organization." I think we had better proceed as far as we can with the organization we have in the Government departments that are not warlike. Of course, we all know that in the military department of the Government and in the naval department of the Government we shall have to have an immense number of additional employees. That is all right. We ought to let that go and be exceedingly liberal all along the line in those departments; we are in war; but I do not think when we are borrowing money, when we are begging the people to take the bonds of the Government, is the time to increase so largely the organization in the various departments. I do not think it is a time when we ought to be lavish with our expenditures in the other departments of the Government, and especially when the department itself does not come here asking for these very lavish expenditures and when there is a difference of opinion in the department itself. I suppose Mr. Rawl is the head of some bureau down there, and he seems to differ very greatly with his chief. The committee last year seemed to have acted largely on Mr. Rawl's testimony, but they do not seem to have Mr. Rawl's testimony in this case. I believe, in all fairness, that we ought to let them get together. They ought to be willing to get together in recommending these tremendous appropriations of money before we cheerfully give it to them.

Mr. KENYON. Mr. President——

Mr. McKELLAR. Just one moment. If we go along in this way, the first thing we know we had better merely pass a general law that any department of the Government which wants money can come and get it; take the bridle off, and let them have it as long as it is there. I do not believe in that kind of legislation. I think we ought to know for what purpose money is appropriated. I think we ought to have an estimate of how every dollar of this money is to be expended before we provide that it shall be expended.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Iowa?

Mr. McKELLAR. I must first yield to the Senator from Nebraska [Mr. HITCHCOCK], and then I will yield to the Senator from Iowa. I now yield to the Senator from Nebraska.

Mr. HITCHCOCK. I think possibly the question I intended to ask is answered in the last paragraph of the bill. I had not noticed that at the time I rose. I wanted to inquire whether or not these two positions which are to be created by the bill are to be permanent? Of course the bill itself is an emergency measure, but there is nothing in paragraph 3, creating the two Assistant Secretaries of Agriculture, to indicate whether or not they were to be permanent officials.

Mr. McKELLAR. Apparently that is obviated in section 8 of the bill.

Mr. HITCHCOCK. I think possibly it is.

Mr. McKELLAR. But I have my doubts about it. We all know whenever we create new offices that they are not going to be abolished. How many offices have we abolished down there? How many offices have we abolished in any of the departments? We are not going to do that. We must look at things just exactly as they are, in a plain, everyday way, as it seems to me. I do not think we ought to make this increase at this time.

Now I yield to the Senator from Iowa, and I beg his pardon for not having yielded before.

Mr. KENYON. I want to suggest to the Senator that the Secretary of Agriculture, as he knows, is now a member of the Council of National Defense.

Mr. McKELLAR. Yes; I understand that.

Mr. KENYON. That is a new duty which has been imposed upon him, and one which requires a great deal of his time.

Mr. McKELLAR. Yes.

Mr. KENYON. And the Senator also knows that the Secretary of Agriculture is on the board to locate the Federal reserve banks?

Mr. McKELLAR. Yes; he has been on that board now for quite a while.

I will say to the Senator, in answer to that suggestion, that we all have additional duties which have been imposed upon us by this emergency. I do not think there is a Senator here whose work has not been doubled and probably trebled. That is one of the fortunes of war. I do not think that a Cabinet officer, any more than a Senator, should complain of additional work which we are obliged to do in this emergency. I think we ought to do such work with pleasure; that we ought to serve the country with pleasure; that we ought not, if an additional duty is imposed upon us, to ask to have an additional officer created to help us or to ask for an additional secretary.

Mr. KENYON. That is true; but there have been great duties placed on the Secretary of Agriculture in the last few years. He has had no increase of his secretarial force since the department was organized. We have placed upon that department the enforcement of some very important statutes—something like 30 Federal statutes—and within the last two years we have placed in that department the enforcement of the cotton-futures act, as the Senator knows; the grain-grading act; and the Federal workhouse act, as I call it—all very important acts. So all that has tremendously increased the work of the Department of Agriculture, besides the war questions that are coming on now. These two secretaries are only temporary secretaries, for section 8 of the bill limits its operation to the time of the war.

I agree with the Senator about an increase in officers, and all that; but I do believe that the Department of Agriculture has such tremendous work upon it that it should have at least one extra secretary, if not two. I am not entirely familiar with the necessities for two, but I am as to one.

Mr. McKELLAR. Mr. President, I will say to the Senator in just one word——

Mr. CALDER rose.

Mr. McKELLAR. Now, let me reply to one at a time, and I will be delighted to yield to the Senator from New York in just a moment.

I will say to the Senator from Iowa that every time we have placed an additional duty on the Secretary of Agriculture or upon any other department—for instance, like dealing with the "cotton-futures" act or any one of the various other acts which have been passed—we have added to his force almost immeasurably. We have an army of clerks and subordinates in every one of the new departments. I see no reason in the world why we should make these increases at this time. Now I yield to the Senator from New York.

Mr. CALDER. I merely desired the Senator from Tennessee to yield to me in order that I might offer an amendment to the pending bill. The Committee on Commerce, of which I am a Member, is in session, and may be in session all afternoon; so I desire to offer a very slight amendment, to which I think the chairman of the committee will agree without discussion.

Mr. McKELLAR. I yield to the Senator from New York for that purpose.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The SECRETARY. On page 5, line 25, after the word "others," it is proposed to insert:

And for labor necessary to conserve and preserve perishable products of the farm or garden.

Mr. McKELLAR. Mr. President, one other matter, and I shall yield the floor. I desire to call the attention of the Senator from Oklahoma especially to the last paragraph of the bill on page 6, which provides:

Such part, not exceeding 5 per cent of any of the foregoing sums as the Secretary of Agriculture may find not to be required for carrying out the purposes of the particular item for which specifically appropriated may, by his order, from time to time, be transferred to any other such item or items, or may be otherwise used for carrying out the purposes of this act, including the payment of such rent, the expense of such printing and publications, and the employment of such agencies in the Department of Agriculture, such persons, and such means, in the city of Washington and elsewhere, as the Secretary of Agriculture may deem necessary.

Does not the Senator from Oklahoma think that that is a very unwise provision to have in this bill or in any other bill? Before the Senator answers, I will illustrate what I am going to say by telling him and the Senate what I think that means. In my part of the country, where cotton is a great staple, men engaged in the cotton business have what they call a "yellow-dog account"; that is, a fund that arises from the sale of cotton samples and various trifles in connection with the business. That "yellow-dog fund" is used for almost any purpose, and sometimes it has been the cause of lawsuits, because officers of cotton companies have frequently misused the "yellow-dog fund" on the ground that it is merely a "pick-up," and that any officer of such a company had the right to use it as he saw fit. Now, when we take 5 per cent of these very large appropriations and turn it over to the Secretary of Agriculture—and that does not necessarily mean the Secretary of Agriculture but it means the various agents of the department—when we take 5 per cent of all these appropriations it amounts to a very large sum of money, and we make of it a "yellow-dog fund"; that is, the department can use it for almost any little thing which may be desired. It may be used for automobiles or it may be used for this, that, or the other thing, which Congress never dreamed they would use it for. It gives them an opportunity, if there is not enough for some purpose in one fund, to take it from another; they can just change it around; and it will be lawful for them to do that, and the account will pass the Comptroller of the Treasury. I do not think that is a good provision; I think it is unwise legislation. I do not think that Congress ought to legislate in that way. We are willing to give the department all they want for whatever purposes are right, but I do not believe in what I am pleased to term "yellow-dog funds." I think it is bad policy to enact such legislation. I think it is a bad practice. I think it will give rise to trouble in the future. I think such methods give rise to large expenditures of public money that ought not to be expended; and I hope the Senator will agree to an amendment to strike that out. I ask him, because I know he is a fair and honest man and wants to do exactly the right thing, in the name of our Government, would it not be better to strike out that particular provision of the bill?

Before I yield to the Senator, I desire to say that I notice originally the bill provided a "yellow-dog fund" of 20 per cent, and I desire to commend the Senator and his committee for cutting it down from 20 per cent to 5 per cent. The only criticism I make, if I may be permitted to criticize for just a moment, is that the committee did not cut it out entirely instead of reducing it to 5 per cent. I repeat, I do not believe in this kind of a fund. I think it is a practice that ought to be frowned upon by the Congress. Surely, if the departments of the Government do not know for what they need money, Congress ought not to appropriate it for them. Now, I yield to the Senator from Oklahoma.

Mr. GORE. Mr. President, I will merely say that I agree with the Senator in the main, with reference to his opposition to lump-fund appropriations. I think it is an unwise policy, and I may say that the committee has for years been converting lump-fund appropriations for the Agricultural Department into specific and detailed appropriations. Owing to circumstances, it is necessary that the Department of Agriculture should have a larger fund than that which is ordinarily given to other departments. They employ a great many scientists. It is not always possible to calculate in advance just the compensation which will be required in that direction, so that they must be allowed more leeway than other departments; but we have been pursuing a fixed, steady, and unvarying policy from lump-fund appropriations to specific appropriations.

As suggested, the committee cut down this item from 20 per cent to 5 per cent. There were members of the committee who desired to limit it as low as 2 per cent. I think it important that there should be some appropriation of this kind for this reason: These are emergency appropriations; that is the theory of the bill. Of course, if the theory of the bill is false the entire legislation is misdirected, but it is not possible to calculate in advance the exact cost of many of these services. Some of them are new services. Finite wisdom can not foresee just what the expenditures will be. It might happen, if the Senator's idea should be adopted in this connection, that some policy, when it was on the eve of completion, would be arrested for the want of sufficient funds to carry it forward. I should think it extremely undesirable to agree to a fixed amount which could not be varied, because it might operate as a stroke of paralysis.

These funds can only be transferred from one of these items to another item, the general purpose being designated in the bill. So far as the amount is concerned, I do not think that is so material as it is that we should, at least, allow some available fund to carry forward this work, if necessary at all, to completion.

Mr. McKELLAR. Mr. President, I totally disagree with the Senator in regard to the necessity for this fund. Congress is in session practically all the time. It has been only about two months since we passed a bill providing virtually for all the items that this bill provides for now, and providing for them liberally, giving the department exactly what they wanted, and yet, two months afterwards the department wants fifteen or twenty million dollars more, and they come here and get it. Are we not going to ask them to come for it? Are we just going to say:

"Take it, without coming for it. Here, we give you a lump sum. You need not come to us in the future; just use it for what you want; just take as much as you want of it. The United States Government is rich. You may not want to use it this year, then use it some other year; you may not want to use it all in the eradication of the cattle tick, then use it for hog cholera; you may not want to use it for hog cholera, then use it for insects injurious to violets or other plants. Use it for any purpose you want, and if you can not find any other purpose for it, you can give some man a job. There are a lot of men in this country who need jobs, and you can help them along by giving them extra jobs. You do not have to make any accounting to us for the money. You have it, and it is interchangeable. Just take it, and use it as you please, and we will try to fix it so that you need not have to bother about it. You can draw on it at will; you do not have to come to Congress; you do not have to make any report as to that fund. We will just give you a general 'yellow-dog fund,' and you can use it at will as long as it holds out; and if it should ever give out, come and ask us for more"?

I do not believe in that kind of legislation. I hope that every appropriating item in this bill will be stricken out except the two that I have mentioned. I want to ask the Senators to seriously consider this. It is not a matter that I have any interest in one way or the other except as a legislator, sworn to do my duty to protect the Government of the United States. I believe that we are about to pass a bill with items of expenditure in it that we ought not to pass. There is no one man in the Senate that is more friendly to the farmers than I am. I was born and reared one. I know all about them. I know all about cattle and ticks, and all of the conditions which have been so graphically

described here this afternoon. I repeat, I was reared on a farm and know all about farming, and my every sympathy is with the farmer. I am willing to vote any amount of money that will help build up his interests and build up the interests of the country thereby; but I am not willing just to take off the lock and turn the Treasury over to the Department of Agriculture, and say, "Go as far as you like; there is no limit so far as you are concerned; we will stand by you in an unlimited amount so long as our money holds out." I believe it is an unwise method of legislation. I believe it is an unwise policy, and I sincerely hope the Senate will eliminate the various items in this bill which I have discussed. Senators need not say the farmers want this, for the farmers are not asking for it here. It is the department that is asking, simply to build up its organization.

Mr. GORE. Mr. President, I rather admire the Senator's enthusiasm for economy; but I am sorry that he desires to cut out the first pound from the farmer's heart. It is not the first time that the American farmer has experienced this fate at the hands of his friends. It seems to me that the farmer has more friends before the election and fewer friends after the election than any other class of our citizenship. I suggested a moment ago that before emergency revenue measures were passed it was estimated that the American farmer paid more than 70 per cent of our entire national revenue, and out of the billion dollars so raised he receives something like $20,000,000 for his special improvement and advancement.

Last week we appropriated $3,400,000,000 to exterminate human life. We were driven by an overpowering necessity. Now we higgle about a modest appropriation to exterminate pestilence and disease and to multiply the means of maintaining human life. I wish that economy prevailed in other departments and was not concentrated on the farmer, particularly when it is designed, as this appropriation is designed, to save a loss of from $40,000,000 to $75,000,000 a year by arresting hog cholera, and an annual loss of from $40,000,000 to $100,000,000 by staying the ravages of the cattle tick. What better insurance could possibly be made than to conserve the food supplies of our civilian population and to conserve the food supplies of our military force? I can imagine no more shortsighted policy than that of submitting to these enormous annual losses, instead of meeting our duty as statesmen, arresting these evils, and protecting our people against these incalculable losses.

Mr. President, it seems to be evident that there is a great deal of opposition to the pending appropriation item, and I wish to offer three amendments, which constitute really a whole, to cut down the amount from $4,500,000 to $2,083,000; to strike out the words "including hog cholera, cattle tick, and contagious abortion of cattle," and then to add, after the sum appropriated, namely, "$2,083,000," the words "of which sum $400,000 shall be available for the eradication of the cattle tick and $500,000 shall be available for the arrest and control of hog cholera."

I move the adoption of those amendments as one amendment.

Mr. JONES of New Mexico. Mr. President, I should like to ask the chairman of the committee how much of that money is supposed to be used for the general purpose of "the enlargement of live-stock production"?

Mr. GORE. Mr. President, I will furnish the Senator an itemized statement in regard to this appropriation. I am not able to answer him offhand.

Mr. JONES of New Mexico. There is also in the paragraph the general language "conservation and utilization of meat, poultry, dairy, and other animal products." I should like also to know whether or not the committee is able to furnish the Senate with any indication of the specific purposes which are supposed to be cared for under that general language?

Mr. GORE. I will say that information is contained in the document which I have sent to the Senator.

Mr. SMOOT. Mr. President, the pending amendment, as I understand, is the one just offered by the Senator from Oklahoma. That amendment proposes to add, over and above the amount of $1,596,200, which the Secretary of Agriculture claims is all that he as Secretary could use efficiently, $487,000 for the purpose of increasing the estimate of $213,400 made by the Secretary of Agriculture for the eradication of hog cholera and the estimate of $168,900 made by the Secretary of Agriculture for the eradication of the cattle tick.

I take it, Mr. President, that the chairman of the committee has the right to perfect the committee amendment, and I have no objection to having his suggested amendment adopted now in place of the committee amendment, with the understanding, however, that an amendment can be offered to it before the bill leaves the Committee of the Whole.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from Utah ask unanimous consent that that be done?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that the amendment offered by the Senator from Oklahoma be now voted upon, with leave to him to offer an amendment as to the whole section later. Is there objection? The Chair hears none; and it is so ordered. The question is on the adoption of the amendment offered by the Senator from Oklahoma, which will be stated.

The SECRETARY. On page 5, Mr. GORE moves to disagree to the committee amendment inserting the words "including hog cholera, cattle tick, and contagious abortion of cattle"——

Mr. SMOOT. And to strike out "$4,500,000" and insert "$2,083,000."

The PRESIDING OFFICER. There seems to be some difference about the matter. Will the Senator from Oklahoma state exactly the amendment?

Mr. GORE. The motion was to strike out the amount "$4,500,000" and insert "$2,083,000"; to strike out the amendment proposed by the committee inserting the words "including hog cholera, cattle tick, and contagious abortion of cattle," and to add after the amendment——

The PRESIDING OFFICER. Let that be taken up afterwards. The Senate will vote first on the amendment just stated.

The SECRETARY. On page 5, lines 12 and 13, it is proposed to disagree to the committee amendment, inserting the words "including hog cholera, cattle tick, and contagious abortion of cattle."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment, offered by the Senator from Oklahoma [Mr. GORE], will be stated.

The SECRETARY. On page 5, line 16, it is proposed to strike out "$4,500,000" and insert "$2,083,000, of which sum $400,000 shall be available for the eradication of the cattle tick and $500,000 shall be available for the prevention, control, and eradication of hog cholera."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Oklahoma.

The amendment was agreed to.

Mr. SMOOT. Now, Mr. President, I move to strike out "$2,083,000" and insert in lieu thereof "$1,596,200."

Mr. SMITH of Georgia. Where does that come in?

The PRESIDING OFFICER. The amendment will be stated by the Secretary.

The SECRETARY. On page 5, line 16, it is proposed to strike out "$2,083,000" and insert "$1,596,200."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

Mr. SMOOT. Mr. President, just a word. I want it distinctly understood that I am perfectly willing to give to the Secretary of Agriculture every dollar for which he asks for the purposes named in section 7 of the pending bill. In the letter dated May 26, 1917, only last Saturday, and addressed to the Senator from Mississippi [Mr. VARDAMAN] the Secretary of Agriculture sets out in detail just what he wants the money for and how it will be expended, and then states:

> I have some doubt whether, in view of the difficulty of getting a sufficient force of experienced men, of securing the requisite effective cooperation from communities, and of overcoming certain difficulties in the legislation of some States, we could expend efficiently more than the amount of the revised estimates.

The Senator from New Mexico asked how much money would be expended for each of the items named in section 7. From this letter, Mr. President, I will call the Senator's attention to the amounts.

First, the Secretary of Agriculture provides for an extra appropriation for the month of June of this year; or, in other words, he wants an additional appropriation made in this bill in order to force extra work just as soon as the bill becomes a law. Then he asks for an additional appropriation for each of the items in that section for the fiscal year 1918; and the total of all the requests made is $1,596,200—the amount that I have named as an amendment to the total amount provided in the bill.

First, there is the general administration. The Secretary desires an additional appropriation of $5,300 for the month of June, also $62,200 for the fiscal year 1918, or a total of $67,500.

Second, poultry and poultry products, for June of this year, $11,100; for the fiscal year 1918, $133,300; or a total of $144,400.

Third, for the dairy industry, $21,600 for June; $258,600 for the fiscal year 1918; or a total of $280,200.

Animal diseases, exclusive of hog cholera, tick eradication, and dourine, for June, $52,000; for the fiscal year 1918, $625,300; or a total of $677,300.

Eradication of hog cholera, $17,900 for June; $213,400 for the fiscal year 1918; or a total of $231,300.

Eradication of cattle tick, $14,000 for June; $168,900 for the fiscal year 1918; or a total of $182,900.

Eradication of dourine, $1,000 for June; $11,600 for the fiscal year 1918; or a total of $12,600.

Making a total for all purposes, as enumerated in section 7 of the bill, of $1,596,200; and that, Mr. President, is the amount that I have offered in the way of an amendment to the $2,083,000 now provided.

The Senator from Louisiana [Mr. RANSDELL] called attention to the fact that in 1906 the first appropriation was made for the eradication of the tick; and it is well for us to remember that that appropriation carried an amount of only $82,000. The Senator took particular pains to call attention to the fact that there have been, during all the 11 years, but $3,000,000 spent for this purpose. Remember, $3,000,000 for the whole 11 years; and he also said that during that time the tick has been eradicated from a great portion of the tick-infested parts of our country. Now, it is asked, with the appropriation that has already been made, an amount that is more than a third of all that has been appropriated for the whole 11 years, and we are told by the Secretary of Agriculture that it is impossible to use the money efficiently. I am perfectly willing to give to the Secretary of Agriculture every dollar that he says can be efficiently used for that purpose, for I recognize the fact that we ought, in order to conserve the meat products of our country, to get rid of that pest among our cattle.

Why, Mr. President, the House, after this matter was fully discussed, has reduced the amount appropriated in the bill as introduced from $2,010,000 to $825,000 for all purposes, and my amendment carries nearly twice what the House has decided to be the proper amount.

I am not going to criticize the whole bill, Mr. President; but, as I read it, it seems to me that the money that is appropriated can never be expended to the advantage of the American people. Thirteen million dollars! Why, after all the expenses have been paid to carry men to be employed from one end of the country to the other, there will be at least $10,000,000 remaining, an amount sufficient to pay the salaries of an army of 7,000 men. The Secretary of Agriculture has well said that he is in doubt about securing a sufficient force of experienced men to do this work; and I think it is the height of unwisdom to make an appropriation of millions, as we are doing, when a committee of this body at the present time is meeting from early morning till late at night devising means of taxation to pay for these appropriations, and the burdens that will be put on the American people will not be easily met, to say the least.

I know it is very unpopular to fight against increased appropriations. I have almost become discouraged in undertaking to see that economy is exercised by our Government; but I believe it is the duty of us all to know when we appropriate money what it is to be expended for. Why, we are appropriating moneys now by the billions, and millions are scarcely considered worthy of our notice. Anything less than billions the office boy can attend to. While we are spending these billions I think we ought to scan the millions. Therefore I hope the amendment I have offered, or even a lesser amount, will be agreed to.

Mr. GORE. Mr. President, the Senator from Utah has rather a peculiar idea of economy. He seems to think that it is good economy to lose from forty to one hundred million dollars worth of cattle every year, with steak at 50 cents a pound. The Senator seems to think that it is good economy to lose from forty to seventy-five million dollars worth of hogs annually, when the price of meat and the cost of living are soaring out of the reach of the common man; and yet the Senator insists that these enormous losses are in the interests of economy.

It is estimated that by appropriating three and a half million dollars we could entirely eradicate the cattle tick from the United States and save this annual toll, amounting up to nearly $100,000,000. Now, I think that would be in the interest of economy. I think that would be in the interest of sound public policy, particularly with the grinding of the poor to-day under the increasing prices of foodstuffs.

I saw a pathetic statement in connection with the work of the commission appointed by this city to investigate market conditions in foodstuffs in this city, to the effect that the smaller stores in the poorer communities were no longer selling the better cuts of meat, but were selling inferior cuts. Here in the Capital of the United States the poor are resorting to less and less nutritious food, and yet the Senate of the United States is seriously debating whether we shall save an annual loss of $250,000,000 worth of live stock.

Mr. President, think of the millions of mouths that this would help to satisfy; think of the weapon it would provide to wage war against the wolves of war; and yet Senators insist that we shall not increase a miserable pittance of $480,000. When the farmers pour into the National Treasury a golden stream amounting to six or seven hundred millions annually, yet they shall not receive in return this miserable pittance to increase the welfare of the farmer and to increase the larder and the pantry of the poor; yet in the name of economy we are asked to sacrifice a quarter of a billion dollars worth of foodstuffs annually, taking it from our city population, taking it from our armies in the field.

Mr. President, I would rather have the reputation of eradicating the cattle tick in America than to have the reputation of having taken a fenced city. It has been said that the man who makes two blades of grass grow where only one has grown before is a greater hero than he who wades through slaughter to a throne; and yet we sit here and pare cheese with the American farmer when a quarter of a billion dollars are trembling in the balance, and in the name of economy, in the name of enlightened statesmanship, in the name of a far-sighted policy, we are going to cut down an appropriation of $480,000 to save the Nation incalculable treasures in the way of foodstuffs. We have wasted already almost one-tenth of the amount asked for in our deliberations upon this bill.

I hope the amendment offered by the Senator from Utah will be defeated by the Senate, because the Senate of the United States, it must be said, has dealt more generously with the American farmer than any other branch of the American legislature. I trust that that reputation will not be forfeited on this occasion.

Mr. SMOOT. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] desires to secure a vote upon an amendment that he intends to offer, which carries a smaller amount than the amount named in the amendment I have offered. Such being the case, I now ask unanimous consent to withdraw my amendment, in order that the Senator from Tennessee may offer his amendment and secure a vote upon it. Of course, if that fails, I shall offer my amendment again.

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Without objection, the amendment offered by the Senator from Utah is withdrawn.

Mr. MCKELLAR. Mr. President, I move to strike out, on page 5, line 16, the figures "$2,083,000," and insert in lieu thereof "$825,000"—the same amount that the House has already appropriated.

Mr. GORE. I move that the amendment be laid on the table.

Mr. SMOOT. Upon that I ask for the yeas and nays.

Mr. HITCHCOCK. Mr. President, I hope the Senator from Oklahoma will withhold his motion for a moment.

Mr. GORE. Certainly; if the Senator desires to be heard, I will withhold the motion.

Mr. HITCHCOCK. Mr. President, I shall support the amendment of the Senator from Tennessee or any other amendment which will cut down the tremendous appropriations which are provided for in this bill. I not only believe they are unnecessary, but I believe the Members of the Senate believe they are unnecessary. I believe there is a disposition here to crowd appropriations upon the consideration of Congress, and, in a sort of hysterical way, denounce anyone who opposes extravagance, and insist that measures be put through here for what I call the looting of the Public Treasury without due consideration or warrant.

I call the attention of the Senator from Oklahoma to the fact that the regular agricultural appropriation bill, which carried $29,000,000 and over, was only approved by the President March 4. If there was any such urgency as the Senator indicates for spending vast sums of money, why was not the urgency shown at that time? That bill did provide hundreds of thousands of dollars for the eradication of disease. The Senator from Utah [Mr. SMOOT] is authority for the statement that this bill proposes to appropriate even more than the Secretary of Agriculture asked. I call the attention of the Senator from Oklahoma to the fact that not one dollar of the $29,000,000 provided in the regular appropriation bill, upon which the President's signature is hardly dry, has been expended up to the present time; yet it is proposed to come in here now and appropriate vast other sums of money, when the statement is made upon the floor here that more money is being asked for than the Secretary of Agriculture himself desires, and more than he can wisely expend.

Mr. President, it is a very easy thing to take the attitude that we can cure evils by appropriating money out of the Public Treasury; that we can promote agriculture by putting a lot of people on the pay roll; that we can conserve the supply of food in this country simply by increasing the machinery of the Government. You will not add one dollar to the agricultural prod-

ucts of this year, and we all know it; and it is this year that we are looking out for in this emergency bill. I come from a farming region, and I say to the Senator from Oklahoma that the farmers of the region from which I come are more active in denunciation of extravagance and the increasing of governmental machinery here than they are in condemning men who stand up in opposition to these extravagant appropriations.

It is very evident, from the amendments which have been offered to this bill and from the amendments that the chairman of the committee himself proposes to this bill, that there is no certain or definite knowledge of the amount of money that is required. We are simply getting into the habit, at this special session of Congress, of voting any amount of money that anybody proposes for any particular thing, without any particular or definite idea that it can usefully be used.

I think one of the crying evils of the day, one mistake that we are committing in this extraordinary session of Congress, is the increasing of Government machinery and the appropriating of vast sums of money which the people are required to pay, when there is no definite and certain or reasonable prospect of a corresponding benefit to be derived from them. Let us wait until we have expended some of the money already provided in the Agricultural appropriation bill, that was passed only a few weeks ago, before we undertake to appropriate more out of a Treasury that is now almost empty.

Mr. McKELLAR. Mr. President, I will say to the Senator that not one dollar of the money that is already appropriated can be used until the 1st of July, and here we are adding to it in this very large way.

Mr. GORE. Mr. President, the Senator from Nebraska seems to have forgotten a very important incident in recent history. He chaperoned through this body, I believe, a joint resolution declaring that a state of war existed between this country and the Imperial Government of Germany, involving this country in the worst war in all human history. We appropriated recently—last week, I believe—$3,400,000,000 to carry forward that war to success, an amount approximately equaling the entire cost of the Civil War. I presume the Senator from Nebraska voted for that bill. I assume that he voted for it upon the recommendation of the Secretary of War not upon any intimate and thoroughgoing familiarity derived by his own investigation as to the necessity of those various amounts.

The Senator from Nebraska and the Senator from Tennessee either have a great deal more faith in the Secretary of War than they have in the Secretary of Agriculture, or else they do not attach as much importance to agriculture as a foundation of military operations as others of us feel obliged to do. This is supposed to be an emergency measure. It is believed by the Secretary of Agriculture, who is a member of the Council of National Defense, that he can increase the Nation's supply of foodstuffs by the appropriation in this bill. This war is largely a battle of bread. It is a contest between commissaries. Those who have the amplest and most continuous supplies will ultimately be victorious in this contest.

I am not willing to be responsible for fettering the activities of the Department of Agriculture. I am not willing to enlist famine, if you please, among our antagonists.

Mr. JONES of New Mexico. Mr. President——

Mr. GORE. If it is to be done, it must be done by others. I am simply undertaking to carry forward the estimates of the Department of Agriculture. I am obliged to take the word of the Secretary as authority. I have not made a personal canvass of the various farms of the United States, and I can not speak of my own knowledge.

I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, a few moments ago I asked the chairman of the committee what was intended to be done with this money, and he sent to my desk a statement which he said would show the purposes for which this money is asked. I have looked over this statement; I have added up the figures which I find here, and the total asked for by this statement is $1,596,200.

Mr. GORE. Yes, sir.

Mr. JONES of New Mexico. Now, the committee proposes to appropriate something over $2,000,000.

Mr. GORE. Yes, sir.

Mr. JONES of New Mexico. Will the Senator please give us some information as to where he expects to use the additional sum?

Mr. GORE. Why, Mr. President, that statement was made time and time again. Once more I will repeat it, and I should like to have the Senator from Nebraska [Mr. HITCHCOCK] listen.

The original estimate of the Department of Agriculture under this item was approximately $4,100,000. Based on that total, $400,000 would have been available for the eradication of the cattle tick and $500,000 for the prevention of hog cholera. The committee in the House cut down the amount to $2,010,000. Upon that estimate there would have been available $231,000 for hog cholera and $182,000 for the cattle tick. Another and revised estimate, it seems, has now been submitted reducing the total from $2,010,000 down to $1,596,000. The reason for the last figure I am unable to give. I have based my conduct upon the statement of the Secretary of Agriculture before the Committee on Agriculture and Forestry and the statement of Mr. Rawl, who administers this fund, before the House committee.

I have just moved to raise the amount from $1,596,000 to $2,083,000. If that is done, then the various pests and diseases which it is intended to arrest by this section can be cared for; but it restores the amount of $500,000 originally estimated for hog cholera and it restores the amount of $400,000 originally estimated for arresting cattle disease. If this money can not be expended judiciously, of course it will not be expended at all. It will lapse and return to the Treasury. If it can be wisely expended, then there is no expenditure which the Government can make which will bring such vast returns for the amount of the outlay.

I believe it is wise foresight and sound policy to check these diseases even in time of peace, when no emergency exists and when no extraordinary draft upon our food supplies exists. I think it is doubly important to take these steps of conservation when there is such an extraordinary demand upon the supplies of our country and when we confront the prospect of being obliged to deny ourselves our customary rations in order to provide our allies with supplies suitable to enable them to carry forward their arms to victory. Of course, I may be mistaken in this. It is a matter concerning which Senators can easily differ. It is merely a matter of prudence and foresight. I think it ought to be done. Perhaps other Senators think otherwise.

Mr. JONES of New Mexico. Mr. President, I think it would be quite illuminating to a good many if this statement were read, and I ask that it be read by the Secretary. It shows, if I am able to understand it, that all of this money is to be used in the payment of salaries, and the total specified in the statement which will now be read is only $1,596,200. I should like to have the communication read.

Mr. KENYON. Mr. President, I should like to inquire if that statement has not been read once this afternoon. My impression is that it has been.

Mr. JONES of New Mexico. If it has been I have not heard it.

The PRESIDING OFFICER. It is the understanding of the Chair that part of the communication has been read this afternoon—not the entire communication. The entire communication will be read, at the request of the Senator from New Mexico.

The Secretary read as follows:

STATEMENT OF PROPOSED ACTIVITIES AND EXPENDITURES UNDER THE BILL (H. R. 4188) FOR STIMULATING AGRICULTURE AND FACILITATING THE DISTRIBUTION OF AGRICULTURAL PRODUCTS.

"For the prevention, control, eradication of the diseases and pests of live stock, the enlargement of live-stock production, and the conservation and utilization of meat, poultry, dairy, and other animal products" ($2,010,000), $1,596,200.

BUREAU OF ANIMAL INDUSTRY.

General administration: To provide for the supervision of the field forces from the department at Washington, D. C., including necessary clerical and other administrative expenses in connection with the administration of the projects named below, $67,500:

Objects of expenditure.	For June.	Fiscal year 1918.	Total.
Salaries	$3,000	$42,800	$44,400
As follows:			
1 poultry husbandman, $2,500.			
6 poultry husbandmen, at $2,000 each.			
1 dairy husbandman, $2,500.			
1 dairy manufacturing specialist, $2,500.			
2 dairy manufacturing specialists, at $2,200 each.			
1 veterinarian, $1,800.			
2 clerks, at $1,400 each.			
11 clerks, at $1,200 each.			
1 clerk, $1,000.			
Traveling expenses	500	5,500	6,000
Miscellaneous expenses, including rent	1,200	13,900	15,100
Total	5,300	62,200	67,500

Poultry and poultry products: To increase the production of poultry and poultry products, which can be brought about by poultry specialists working in conjunction with county agents and other agencies, $144,400.

Mr. KENYON. I ask unanimous consent that the reading be dispensed with as no one is listening to it. It is merely occupying time.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Will it be satisfactory to the Senator from New Mexico to have the remainder printed in the RECORD?

Mr. JONES of New Mexico. If I can not get attention to it in any other way, I will read it myself. I think I can perhaps get a little more attention than the reading at the desk. There are some things in it that I believe Senators ought to know.

Mr. BRADY. May I ask the Senator from New Mexico if it is printed in the RECORD, will not that answer his purpose? I believe the Senate should have this information.

Mr. JONES of New Mexico. I presume the matter will not come to a vote this afternoon, and if that is so I shall not object to having it printed in the RECORD for Senators to see it to-morrow. Unless the matter is coming to a vote this afternoon I would just as soon take that course. I want Senators to understand the number of offices provided for in the bill. One item alone is for 240 veterinarians. The whole thing is simply for the employment of men. How many dairy husbandmen are provided for ought to be known. When you take the whole thing together it only foots up $1,596,000, and every dollar of it is to be expended in the employment of men and the payment of their traveling expenses. Yet, the chairman of the committee asks for over $2,000,000.

Mr. KENYON. Mr. President, I wish to withdraw my request for unanimous consent in the interest of saving time. I observe that no one is paying any attention, even to the Senator from New Mexico.

Mr. BRADY. Mr. President, I wish to say that I am very much in favor of the Senate receiving the information contained in the document, and I believe the Senator from New Mexico was entirely right in asking that it be presented. When there were very few Members in the Senate it seemed to me we could gain time and be able to put the facts before the Senate by reading it into the RECORD rather than by simply having the remainder of it printed in the RECORD. I am in entire sympathy with the purpose of the Senator from New Mexico.

The PRESIDING OFFICER. The Secretary will continue the reading.

Mr. HITCHCOCK. Before the reading proceeds, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brady	James	Overman	Smoot
Calder	Johnson, Cal.	Owen	Sterling
Culberson	Jones, N. Mex.	Page	Sutherland
Curtis	Kellogg	Poindexter	Swanson
Fall	Kenyon	Pomerene	Trammell
France	Kirby	Ransdell	Vardaman
Gerry	Knox	Robinson	Walsh
Gore	McKellar	Saulsbury	Watson
Hale	Martin	Shafroth	Weeks
Hitchcock	Myers	Sheppard	Wolcott
Hollis	Nelson	Smith, Ariz.	
Husting	Newlands	Smith, Ga.	

Mr. SHAFROTH. I desire to announce the unavoidable absence of my colleague [Mr. THOMAS] and to state that he is paired with the senior Senator from North Dakota [Mr. MCCUMBER].

Mr. CURTIS. I was requested to announce that the senior Senator from Washington [Mr. JONES] is detained from the Senate on official business.

The VICE PRESIDENT. Forty-six Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of the absentees.

The Secretary called the names of absent Senators, and Mr. MCLEAN, Mr. REED, Mr. TOWNSEND, Mr. UNDERWOOD, and Mr. WILLIAMS answer to their names when called.

Mr. LA FOLLETTE, Mr. LODGE, Mr. MCCUMBER, Mr. SIMMONS, Mr. FRELINGHUYSEN, Mr. PENROSE, Mr. BANKHEAD, Mr. FLETCHER, and Mr. HARDWICK entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present. The question is on the amendment of the Senator from Tennessee [Mr. MCKELLAR] to strike out "$2,083,000" and insert "$825,000."

Mr. MCKELLAR. On that I ask for the yeas and nays.

Mr. HITCHCOCK. There was being read a statement offered by the Senator from New Mexico [Mr. JONES] at the time the quorum call was made.

Mr. MCKELLAR. I did not understand that.

Mr. JONES of New Mexico. In view of the fact that a considerable portion of the statement was read when there were only a few Senators present to hear it, I ask that it be printed in the RECORD, and that I may be permitted to state in substance just what it contains. I think then we can reach a vote upon tabling the amendment of the Senator from Tennessee. I ask unanimous consent that that may be done. If the Secretary will send the paper to me, I will make a very short statement.

Mr. SMITH of Georgia. I wish to suggest that the Senator from Oklahoma has announced his purpose to withdraw his motion to table upon the ground that a direct vote would determine the question just as easily as a motion to table.

Mr. JONES of New Mexico. Mr. President, I desire to make a brief statement. The bill as it came to the Senate provided for an appropriation of $4,500,000 for the prevention, control, and eradication of diseases and pests of live stock, and there was some general provision for the conservation and utilization of meat, poultry, dairy products, and so forth.

I asked the chairman of the committee to give us a statement of the purpose for which this sum of money was to be used. The chairman sent to my desk a table, which I hold in my hand. I have been informed since that this is a later estimate from the Department of Agriculture than had previously been given. This estimate calls for an expenditure of only $1,596,200. In looking it over, I find that practically every dollar of it is to be expended in the employment of additional men, experts along various lines, and some terms are used which I do not fully understand.

I will refer to just some of them. One poultry husbandman, $2,500; 6 poultry husbandmen, at $2,000 each; 1 dairy husbandman, $2,500; 1 dairy manufacturing specialist, $2,500; 2 dairy manufacturing specialists, at $2,200 each; 1 veterinarian, $1,800; 2 clerks, at $1,400 each; 11 clerks, at $1,200 each. Those are to be employed in the department here in Washington.

Then, under the head of "Poultry and poultry products," 45 poultry husbandmen, at $2,000 each. Then, under the head of "Dairy cattle," 4 dairy extension agents, at $1,800 each; 6 veterinary extension agents, at $1,500 each.

Dairy products: Seven dairy husbandmen, at $2,000 each; 7 assistant dairy husbandmen, at $1,620 each; 6 scientific assistants in dairying, at $1,320 each; 7 dairy extension agents, at $1,800 each.

In the cheese industry: Five dairy manufacturing specialists, at $1,800 each; 10 assistant dairy manufacturing specialists, at $1,500 each; 6 scientific assistants, at $1,320 each.

In the skim-milk and buttermilk industry: Twenty-three dairy manufacturing specialists, at $1,800 each.

In the cheese industry: Six dairy manufacturing specialists, at $1,800 each.

Animal diseases: Two hundred and forty veterinarians, at an average salary of $1,800 each; 10 specialists in animal pathology, at $2,500 each.

In the eradication of hog cholera: Ninety veterinarians, at salaries ranging from $1,600 to $1,800 each.

In the eradication of cattle tick: Twenty-five veterinarians, at $1,800 each; 47 agents, at $1,200 each.

Those are the purposes for which this sum of money is asked. It must be borne in mind that this is in addition to the regular Agricultural appropriation bill, which was only passed within the last two or three months, and there is nothing in this estimate of expenditures which indicates the great emergency for which the appropriation is asked.

Has the situation changed as to hog cholera or any other disease of animals? Is there any special reason at this time which did not exist three months ago to develop the cheese industry?

There may be; but, even if that be so, the Agricultural Department itself only made an estimate as to how it can possibly use $1,596,200. Yet the chairman of the committee is asking us to appropriate over $2,000,000.

Mr. BRADY. I should like to ask the Senator before he takes his seat how large an appropriation he thinks should be made?

Mr. JONES of New Mexico. I must say that I am in the dark, just the same as many other Senators evidently are. I do not believe we have sufficient information here on which to cast an intelligent vote in an appropriation of any sum whatever.

Mr. BRADY. Does not the Senator believe that the information furnished by the Secretary of Agriculture is reliable?

Mr. JONES of New Mexico. It depends on what he wants to do with the appropriation; but as to the necessity for it there is not a line.

Mr. BRADY. Does the Senator believe that the Secretary of Agriculture would make an estimate for that amount if he did not believe it was necessary?

Mr. JONES of New Mexico. Mr. President. I have great respect for requests from the various departments of the Government, and I have no doubt but what the money could be used in this way, and that it may serve some useful purpose; but I have heard statements made on the floor here as to the amount of money appropriated in the general appropriation bill; and whether they may need 240 veterinarians for the specific purpose named or whether they may need 24 I am sure I am unable to answer.

Mr. BRADY. I fully agree with the Senator that we should economize wherever it is possible to do so. I may say that the statement of the chairman of the committee relative to the addition of $3,000,000 was all the information I had at the time it was presented to the committee as to the amount named in the amendment; but I do think we should give the Secretary of Agriculture at this particular time what he estimates that he should have. I believe that, owing to the present emergency, it is very essential, indeed, that we should encourage agriculture in every possible way, and that we should not try in any way to hinder the splendid work which the Secretary of Agriculture is doing. I know full well that is the intent and purpose of the Senator from New Mexico, and, that being the case, I think we should at least give the amount the Secretary of Agriculture asks in his estimate.

Mr. JONES of New Mexico. I must say that my attention was attracted to this bill by the very general language contained in the bill itself, and on that I formed my chief objection to the bill.

On Saturday at the usual hour when most Senators go to lunch I analyzed in a short way some of the provisions of the bill, and at that time sought to draw out the specific purpose for which this appropriation was asked. But only a few minutes ago were we furnished with any detailed estimate regarding this expenditure. The general language of the bill after naming certain specific purposes for which the appropriation is made says "the enlargement of live-stock production," a most general term. If that is to be used in a generic sense and relate back to the specific purposes preceding it, I see no objection to it; but if it is to be an enlargement of the purposes, and I do not doubt that it is from the language used, then it simply gives carte blanche to the Department of Agriculture to use this money for any purpose whatsoever may be determined to be necessary or advisable for the enlargement of live-stock production. It may be used in the purchase of farms or otherwise.

Mr. REED. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Missouri.

Mr. REED. Does not the Senator think that it is a little late for Congress to be inquiring as to the purpose for which the money is to be employed? Are we not straining at a gnat when we cavil about a few million dollars to be given to the Secretary of Agriculture when we are confronted with a bill sent up here from the department which proposes to appoint a food dictator to fix the price of everything we eat and everything we sell? Does not the Senator think it is rather going back on modern, progressive ideas?

Mr. JONES of New Mexico. I can only answer that by saying the inference from the question might be applicable to the Senator himself and the older Members of this body, but the newer Members have not been here long enough to come under the criticism which is implied in the Senator's question. I trust that we may profit by the experience of those older in the service.

Mr. REED. Mr. President, if the Senator will pardon me, he has been talking here, it seems to me, in a strange degree of temerity about the undefined powers, powers that are unlimited being granted by this bill. I wish to ask him what he thinks of this kind of a proposition:

That there is hereby established a governmental control of necessaries, which shall be exercised and administered for the purposes of this act by the President, and which shall extend to and include all necessaries and all the processes, methods, and activities of and for the production, manufacture, procurement, storage, distribution, sale, marketing, pledging, financing, consumption, and use of necessaries; and for the purposes of this act all such processes, methods, and activities are hereby declared to be affected with a public interest?

That section is followed with an absolute power to fix prices and to regulate all of those things. When we are confronted by legislation of that kind why cavil about a few million dollars to be turned over to the Secretary of Agriculture to do with as he sees fit? Why not adopt the philosophy of the Senator from Idaho, that whatever the Secretary of Agriculture asks that, indeed, should be granted, for I understood that to be the amount of his statement?

Mr. McKELLAR. If the Senator from New Mexico will yield to me for just a moment, I may say to the Senator from Missouri that this is a case where the Secretary of Agriculture really does not seem to ask it. He is in doubt about whether or not he can use or spend it at all.

Mr. JONES of New Mexico. I am glad to state, Mr. President, that the language read by the Senator from Missouri is not found in the bill under consideration. If it were, I should feel quite sure that we would have more Senators in the Chamber considering its provisions than we have here at the present time.

Mr. SMITH of Georgia. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. I desire to assure the Senator from New Mexico that the Committee on Agriculture has not yet favorably reported the provision which has been read by the Senator from Missouri.

Mr. JONES of New Mexico. I also called attention on Saturday to the language of the next paragraph, which reads:

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture.

That is somewhat specific; we can understand that perfectly, although that is very general language; but when it uses the language "and the conservation and utilization of plant products," I submit that leaves the Senate entirely in the dark. On another page one of the things for which the appropriation is made is, "and otherwise carrying out the purposes of this act." It seems to me that these provisions are entirely too general. When, after coming in with the appropriation of four and one-half million dollars, now cutting it down to something over two million dollars, and then furnishing to the Senate an estimate from the Department of Agriculture that what it now desires to use is only $1,596,200, I must say that I looked with a little surprise when the Senator from Idaho wanted to know whether we could understand how much is needed or what should be done with it.

It seems to me that this measure ought to be very carefully considered. It is an appropriation, it is true, of only about twelve or fifteen million dollars; but that is a good deal of money at this time or at any other time. We ought, as stated by the Senator from Tennessee, to conserve our money resources as well as the other resources of the Government. We want to do all that is necessary, but we do not want to expend any money for purposes which are not in the nature of an emergency. This is an emergency session of Congress. The statement has been made here on the floor that the Agricultural appropriation bill passed last March carried over $600,000 for the eradication of the cattle tick. It was said then that that was all that could be used. So with some of the other items of this bill.

I submit, Mr. President, that the emergency does not appear. Therefore, it seems to me, it is unwise to make any appropriation until the emergency does appear.

Mr. McKELLAR. I ask for the yeas and nays on my amendment to the committee amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. OVERMAN (when his name was called). I have a general pair with the Senator from Wyoming [Mr. WARREN]. Not knowing how he would vote if present, I withhold my vote.

Mr. SIMMONS (when his name was called). I desire to inquire whether the junior Senator from Minnesota [Mr. KELLOGG] has voted?

The VICE PRESIDENT. He has not.

Mr. SIMMONS. I withhold my vote in his absence, as I have a pair with that Senator.

Mr. SMITH of Maryland (when his name was called). I have a general pair with the Senator from Vermont [Mr. DILLINGHAM]. In his absence I withhold my vote.

Mr. STERLING (when his name was called). I am paired with the Senator from South Carolina [Mr. SMITH]. I transfer that pair to the Senator from Indiana [Mr. NEW] and vote "yea."

The roll call was concluded.

Mr. HUSTING. I desire to announce the pair of the senior Senator from Delaware [Mr. SAULSBURY] with the senior Senator from Rhode Island [Mr. COLT].

Mr. GERRY. I have a general pair with the junior Senator from New York [Mr. CALDER], who is absent on official business. I therefore withhold my vote.

Mr. JONES of New Mexico (after having voted in the negative). Upon the theory that a little evil is better than a greater one, I desire to change my vote from "nay" to "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from New Hampshire [Mr. GALLINGER] with the Senator from New Jersey [Mr. HUGHES];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from North Dakota [Mr. MCCUMBER] with the Senator from Colorado [Mr. THOMAS].

Mr. SIMMONS. I transfer my pair with the Senator from Minnesota [Mr. KELLOGG] to the Senator from Kansas [Mr. THOMPSON] and vote "yea."

Mr. SHAFROTH. I desire to announce the unavoidable absence of my colleague [Mr. THOMAS], and to state that he is paired with the senior Senator from North Dakota [Mr. MCCUMBER].

Mr. UNDERWOOD (after having voted in the negative). I have a general pair with the junior Senator from Ohio [Mr. HARDING], which I desire to transfer to the Senator from Illinois [Mr. LEWIS], and will let my vote stand.

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Arizona [Mr. ASHURST] and vote "yea."

Mr. KNOX. I have a general pair with the Senator from Oregon [Mr. CHAMBERLAIN], which I transfer to the senior Senator from New York [Mr. WADSWORTH] and vote "yea."

Mr. NELSON. I desire to say that my colleague [Mr. KELLOGG] is paired with the Senator from North Carolina [Mr. SIMMONS].

The result was announced—yeas 35, nays 24, as follows:

YEAS—35.

Beckham	Jones, N. Mex.	Penrose	Stone
Borah	Jones, Wash.	Poindexter	Sutherland
Brandegee	Knox	Reed	Swanson
Fall	Lodge	Robinson	Townsend
Hale	McCumber	Sherman	Walsh
Hardwick	McKellar	Simmons	Watson
Hitchcock	Martin	Smith, Ariz.	Weeks
James	Myers	Smoot	Williams
Johnson, Cal.	Nelson	Sterling	

NAYS—24.

Bankhead	Frelinghuysen	La Follette	Sheppard
Brady	Gore	McLean	Smith, Ga.
Culberson	Hollis	Newlands	Trammell
Curtis	Husting	Page	Underwood
Fletcher	Kenyon	Ransdell	Vardaman
France	Kirby	Shafroth	Wolcott

NOT VOTING—36.

Ashurst	Gerry	Lewis	Shields
Broussard	Goff	New	Smith, Md.
Calder	Gronna	Norris	Smith, Mich.
Chamberlain	Harding	Overman	Smith, S. C.
Colt	Hughes	Owen	Thomas
Cummins	Johnson, S. Dak.	Phelan	Thompson
Dillingham	Kellogg	Pittman	Tillman
Fernald	Kendrick	Pomerene	Wadsworth
Gallinger	King	Saulsbury	Warren

So Mr. MCKELLAR's amendment to the committee amendment was agreed to.

Mr. SMOOT. Mr. President, there is a part of the amendment agreed to on motion of the Senator from Oklahoma, following the numerals of the appropriation, that ought now to be disagreed to.

Mr. GORE. Mr. President, I rise to ask that that part of the amendment following the sum appropriated be stricken out.

The VICE PRESIDENT. Without objection, the vote whereby that portion of the amendment was agreed to is reconsidered, and the amendment is rejected.

The Secretary will state the next amendment.

The SECRETARY. On page 5, line 21, it is proposed to strike out "$6,500,000" and to insert "$2,500,000."

Mr. STERLING. Mr. President, I desire to call attention to some things in connection with this amendment. This amendment provides an appropriation of $2,500,000—

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products.

It seems to me it is wholly unwarranted and that there is no real need for such legislation at this time.

Mr. President, I will not yield to the Senator from Oklahoma or to any other Senator, for that matter, in my interest in the agricultural industry. I know something of that industry. I was raised in it; it formed a great part of my early associations in life, and I am quite in sympathy with everything and every appropriation that is proper and legitimate for the promotion of the welfare and the interest of the farmer; but, Mr. President, I think it quite appropriate that I should call attention right here to appropriations made on March 4 last, the items of which are again covered in this paragraph of the pending bill. They total $680,945. Let me read some of them:

For investigations of plant diseases and pathological collections, including the maintenance of a plant-disease survey, $62,500.

Second:

For the investigation of diseases of cotton, potatoes, truck crops, forage crops, drug and related plants, $87,800, of which sum $5,000 shall be immediately available.

Further on:

For the investigation and improvement of cereals and methods of cereal production, and the study of cereal diseases, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $186,505: *Provided*, That $40,000 shall be set aside for the study of corn improvement and methods of corn production: *Provided, also*, That $20,000 shall be set aside for the investigation of the diseases of wheat, oats, and barley known as black rust and stripe rust.

Then comes an appropriation of $56,015—

For sugar-plant investigations, including studies of diseases and the improvement of the beet and beet seed and methods of culture.

And so forth.

Then there is a further appropriation, Mr. President, of $160,000—

For the investigation and improvement of methods of crop production under subhumid, semiarid, or dry-land conditions.

This same paragraph, which the Senate is now considering, refers also to the eradication of insects. I want to call attention to the appropriations in the Agricultural appropriation bill approved March 4 last, under the heading "Bureau of Entomology." First, I read the following:

For investigations of insects affecting deciduous fruits, orchards, vineyards, and nuts, $83,380: *Provided*, That $9,600 of said sum shall be available for the investigation of insects affecting the pecan and method of control of same.

Again:

For the investigation of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, * * *

And then:

For investigations of insects affecting truck crops, including insects affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, * * * $47,760.

So, Mr. President, we have for the very items included within this paragraph appropriating $2,500,000, appropriations already made, which will take effect and be available on the 1st of July next, amounting to $680,000. Where is the need for the additional appropriation of about $2,000,000, and how will it be used?

It seems to me, Mr. President, that it involves a possible great waste of money and an unnecessary burden on the people to now appropriate this large sum when it is quite likely that the appropriations already made on the 4th of March last will no more than be used within the next fiscal year and will be as much as can be judiciously and wisely used within that time.

Hence, Mr. President, I for one protest against this additional appropriation. We have seen no estimate for any one of these items. There is none to be found in the testimony of the Secretary of Agriculture before the committee, as I understand it, but the committee have assumed to add this large sum here and to ask for an appropriation now. I think, in the face of present conditions, it would be very unwise to make an appropriation of this kind.

One great trouble about the various items in this bill, Mr. President, is that it ignores the initiative, the self-reliance, and the independence of the farmer himself, who ought now, and who, I believe, is willing to relieve the Federal Government of some of the burdens that it has to bear.

Mr. LODGE. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Massachusetts?

Mr. STERLING. I yield to the Senator.

Mr. LODGE. I desire to ask the Senator a question. As I understand, he is speaking of the seed provision?

Mr. STERLING. Yes; although I have not yet called attention to that especially.

Mr. LODGE. I desire to ask if it is not now too late to use those seeds for this season?

Mr. STERLING. I will say to the Senator that I think so. So far as the appropriation is meant to cover the purchase and distribution of seed among the farmers, it is wholly useless, and it would be unavailing for the present season.

Mr. LODGE. Would it be of any value to buy the seeds now and hold them over until next year?

Mr. STERLING. None that I can see, I will say to the Senator.

Mr. LODGE. Then, why not strike it all out?

Mr. STERLING. It would seem to me that it would be the part of wisdom to strike it all out. I think it will appear, when this is inquired into, that, so far as the appropriation for seed is concerned, it will be useless for the present year.

Mr. NEWLANDS. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Nevada?

Mr. STERLING. I yield to the Senator.

Mr. NEWLANDS. I will suggest that the Senator from North Carolina [Mr. SIMMONS] stated on Saturday, I think, that it would not be too late to aid the Southern States of the country, the Atlantic coast section. I imagine that it is not too late to plant there, and that region can add largely to the food supply of the country.

Mr. McKELLAR. Mr. President, will the Senator from South Dakota yield to me for a moment?

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I yield to the Senator.

Mr. McKELLAR. I think it is entirely too late now, for practically all of the crops have been planted in the South. Of course, there are some crops that can be planted a little later, such as corn, but the department never has provided corn for planting generally. Furthermore, it strikes me that it is more likely to be too late for planting in the South than it is in the North where the seasons are late.

Mr. STERLING. I should think so, Mr. President.

Mr. FALL. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from New Mexico?

Mr. STERLING. I yield.

Mr. FALL. Mr. President, there are some parts of this great country of ours other than the South and the North. In the Great Plains country, in the Central West and the Southwest, crops, such as feterita, milo maize, and kafir corn, which now constitute a great portion of the grain crops for the feeding of animals, and I may also say for the feeding of human beings who eat breakfast foods, are planted as late as June. Furthermore, we raised 22,000,000 pounds of beans in the State of New Mexico last year by dry-land farming. Beans are not planted before the 15th of June, from then until the 1st of July. We raise such crops as are planted about the time the rainy season comes on, and the rainy season comes in July. We have a rainy season——

Mr. McKELLAR. Mr. President——

Mr. FALL. Pardon me just a moment. We have a late season there; for the rainy season comes in July and crops, as a general thing, are not harvested until the middle of October. We plant beans in the latter part of June, which gives them time to mature before the frost strikes them. So that, so far as the plains country is concerned, including the States of Kansas, Colorado, and parts of Utah, New Mexico, Arizona, and I may say also a portion of Nevada, if seeds of the character which should be provided to those people were purchased before the 1st of July, they would still reach there in time to be of very great material benefit, particularly in view of proposed legislation looking to opening up the public lands of that section of the country.

Mr. McKELLAR. Mr. President, will the Senator from South Dakota yield to me for a moment?

Mr. STERLING. I yield to the Senator.

Mr. McKELLAR. I want to ask the Senator from New Mexico [Mr. FALL] a question. Is there any especial emergency making it essential for the Government to buy seeds for the farmers out in that part of the country?

Mr. FALL. There is this consideration: We have millions and millions of acres of public lands. We are trying to avail ourselves of the act passed by the Congress opening up the western country under the 640-acre homestead act. So far we have been unsuccessful. The State of New Mexico has leased of the State lands 25,000 acres to the farmers of that State, because they can not get homesteads under the act which we passed. They are taking up and planting that land now, and the State legislature has just met and from its funds has appropriated $750,000, is buying the seed, and loaning the people the money to assist them in that State at their own expense to do this thing.

Mr. STERLING. The Senator——

Mr. VARDAMAN. Mr. President——

Mr. STERLING. If the Senator from Mississippi will excuse me a moment, the Senator from New Mexico has just made a statement which appeals to me very strongly. In the first place, before seeking the aid of the Federal Government, as is contemplated by this bill, the appeal should be made to the State; but the bill is constructed on altogether a different theory from that, as many agricultural appropriation bills are. They ignore the activities of the State; they ignore the activities of the community and the initiative of individuals and what they might do for themselves in the way of self-help to begin with.

Mr. FALL. Mr. President, if the Senator from South Dakota will stay with the Senator from New Mexico on other items of other bills appropriating money directly from the Federal Government whenever they come up, we will have no difficulty in getting together; but this is a different line of attack. This bill itself carries appropriations for use in the States themselves; and the line of attack, as developed here so far, has been simply that the purchase of seed now would be too late. The Senator has public lands in his own State. Certainly those who go upon the public domain and endeavor to cultivate little farms there need assistance if any people in the world ever did. If the purpose of the bill is to vote Federal money for use in any States, then, sir, I think that its use in the public-land States of the West is one of the beneficial purposes to which the money of the Federal Government should be devoted.

Mr. STERLING. I do not deny that in certain limited sections of the Union seed might still be planted, but I do not believe that justifies this Federal appropriation bill.

Mr. VARDAMAN. Mr. President, will the Senator yield to me for a moment?

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Mississippi?

Mr. STERLING. I yield to the Senator from Mississippi.

Mr. VARDAMAN. To keep the record entirely straight, I want to say that the statement is altogether erroneous that the crops of the South have all been planted. As a matter of fact, we plant cotton there and make great crops as late as the 15th of June. That is, before the advent of the boll weevil. We plant corn there that yields abundant crops after the 1st of June; but, of course, this bill is not intended to supply that section. There is no widespread scarcity of seed in the South for planting at this time; but this bill is not intended to meet an emergency for the year 1917 exclusively.

This is a war measure, enacted with the view of conserving or promoting the interests of the agriculturists of this entire country during the existence of the war. If the war goes on for 12 months longer, then the provisions of this section of the bill will be needed. As the Senator from New Mexico has said, the whole country now is interested in planting a full crop, and if the States do not do their duty in providing their citizens with seed, it is perfectly proper for the United States Government to come to the rescue. We can not escape the responsibility for failing to do it by saying that it is a matter the respective States should attend to. We need a full crop throughout the entire Republic, and that is the splendid purpose of this section of the bill. This is no time to indulge in constitutional polemics or hair-splitting technicalities. If safely within constitutional limitations, as I am sure we were in the instant case, we should boldly do the thing needful for the public welfare and provide against every possible emergency.

Mr. STERLING. Mr. President, in answer to the Senator from Mississippi, I will say that Congress will convene again next December. If there is any emergency apparent then, an appropriation can be made for the purchase of seed by the Government and the distribution of it.

Mr. VARDAMAN. But the seed ought to be gotten before that time and stored for use another year.

Mr. FALL. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from New Mexico?

Mr. STERLING. I yield to the Senator.

Mr. FALL. My interjection a few moments ago was brought about by the fact that in my State we have possibly more recent settlers on the public domain, or those who are attempting to make homes, than in almost any other State. Large areas of our land have been opened up in one way or another. I have had such demands upon me from New Mexico to secure feterita, kafir corn, milo maize, and other forage-crop plants that I long ago not only exhausted any available supply of my own, but by exchange I secured supplies allotted to other Senators who did not need them, whose constituents did not call for them, and still I am having hundreds of applications that the Government might send out these dry-land seeds. As I say, those are yet to be planted. There is time enough yet to plant them. I am farming in that country myself, and my bean crop will be planted in June, as late as the 27th of June. There are possibly two or three hundred acres of beans not in the ground now at all, but they will be planted by the 27th of June. I may say, if the Senator will allow me, that I am not asking the Government for any beans, but I am stating the situation as it exists.

Mr. STERLING. Let me ask the Senator this question: Having in mind the need or the demand, as he describes it, and the requests that he has had, would he say that an appropriation of this kind by the Federal Government for the purchase and distribution of these seeds would be quite justifiable?

Mr. FALL. I think it would inure to the benefit of the Federal Government as much as anything that could possibly be done; but the Senator is entirely in error in understanding that these seeds are to be given away. This appropriation is made under section 2 of this act, and section 2 provides that they shall be bought by the Government and sold to the farmers for cash at cost.

Mr. STERLING. I understand that now. I have said that a number of times, as far as that is concerned.

Mr. FALL. Then you are not giving my people anything.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Iowa?

Mr. STERLING. I yield.

Mr. KENYON. I should like to ask the Senator from South Dakota if he feels that the purchase of seeds by the Government and their sale to the farmers for cash is a worse proposition than the sending out by Members of Congress of seeds to their constituents absolutely free, at the public expense?

Mr. STERLING. Oh, I think not, perhaps. I think it would be more commendable, probably, that the farmer should buy the seed, if he can, than that he should receive it free.

Mr. KENYON. I thought the Senator would say that. I tried very hard for some years to have the free-seed provision stricken from the Agricultural appropriation bill. I note that in the vote of July 3, 1916, upon my motion to strike it out the Senator from South Dakota voted to retain it.

Mr. STERLING. Yes.

Mr. KENYON. So the Senator is in the position of voting in favor of sending out free seeds to the people, but he now takes a position against selling the farmers seeds for cash when they are in distress.

Mr. STERLING. I will say to the Senator from Iowa that I am not sure but that if the proposition were again before the Senate I would still vote for free seeds, and I would do it because of the great benefit it is to thousands of people in my own State of South Dakota, out in the semiarid region west of the Missouri River, where I have had requests continually coming to me for the free seeds and where they have been of great advantage and benefit to the people.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I do.

Mr. McKELLAR. Is not sending out free seeds at the proper time of the year, when the farmers can use them and make them of great benefit to themselves and to the country in the raising of all kinds of crops, a very different proposition from the appropriation now of $2,500,000 to buy seeds at a time when they can not be used?

Mr. STERLING. I think it is quite a different proposition, so far as that is concerned.

Mr. BRADY. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I yield to the Senator.

Mr. BRADY. It appears to me, from the argument of the Senator, that he is under the impression that this appropriation is to meet an immediate emergency for this year. Now, that was not the intention of the committee. We did not figure that the war would end this year, but we felt that it would be necessary to prepare for the following year, and for that reason section 8 was added, which says:

> The provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than the beginning of the next fiscal year after the termination, as ascertained by the President, of the present war between the United States and Germany.

We discussed that very fully in the committee; and, if the Senator will notice, we added an amendment, so that it would read, "the beginning of the next fiscal year after the termination of the war." The thought in making this appropriation at this time was that we would secure some seeds for whatever part of the country they could be secured for to advantage this year; but that if the Secretary of Agriculture knew that this appropriation was available—and it will not be used unless the emergency requires it—he would encourage men to raise crops for seed purposes, so that they could be purchased by the farmer in 1918. I hope the Senator will give that matter serious consideration.

Mr. STERLING. Mr. President, I should like to ask the Senator from Idaho a question. Was the question considered as to the success of the farmers in raising crops during the present year?

Mr. BRADY. That was considered.

Mr. STERLING. Was there any question raised as to whether there might not be seeds in abundance, without the Government going into the business of purchasing seeds and selling them for cash to the farmers? And may I ask the Senator further this question: Could not that better wait until Congress convenes in December, and we know then, at the end of the year, what the crops have been and whether or not seeds have been raised in sufficient quantities?

Mr. BRADY. I will say to the Senator that in the consideration of this matter before the committee there was a large majority of the committee present, and we considered it very carefully and discussed it pro and con, and decided that it was necessary and essential, and agreed to ask the Senate to pass the bill with that section in it. In discussing that matter we thought there might be some question as to how this money should be used and when it should be used, and we also inserted this amendment:

> It shall be the duty of the Secretary of Agriculture to submit to Congress at its regular session in December of each year—

Now, that anticipates another year—

> a detailed report of the expenditure of all moneys herein appropriated.

In other words, we desired that the Congress should know next year exactly what had been done with this money, for I am frank to say that it was the general opinion of the members of the committee that this war was very likely to continue not only for one year but for two or three years, and we were providing for the future as well as for the present.

Mr. STERLING. But, Mr. President, it seems to me that it is a big appropriation before the ascertainment of the need, and we will not be able to ascertain the real need until the crops of 1917 are harvested and we know whether or not they are abundant and know whether or not there is enough of corn seed throughout the country, whether or not there is enough of wheat seed, and the price at which it can be obtained; whether there is enough of beans and potatoes, and all the varied seeds for the varied food products raised throughout the country. Congress convenes again on the first Monday in next December, and we will then know to a reasonable certainty as to the need on the part of the Government to enter into the business of purchasing seeds and selling them to the farmers.

Now, Mr. President, I want to ask the Senator another question. This item covers several things. It is not confined to the purchase of seeds but is, first, "for procuring, storing, and furnishing seeds, as authorized by section 2 of this act"; second, "the prevention, control, and eradication of insects and plant diseases injurious to agriculture"; third, "the conservation and utilization of plant products"; all told, $2,500,000. How much for seeds? How much for the prevention, control, and eradication of insects and plant diseases? How much for the conservation and utilization of plant products? Was there any estimate made by the committee as to how much for either of these three several purposes?

Mr. BRADY. I will say to the Senator that that very matter was discussed by the committee, and after discussing it we unanimously, I may say, agreed that we would leave the expenditure of this money to the Secretary of Agriculture, to be expended in whatever way he thought was for the best interests of the farmers and the producers of this country; and in order to know just what he did with it, so that we could act intelligently another year, we had the section relative to the accounting inserted.

I will say further to the Senator that he must take this bill as a whole, not any particular section. We were not confining ourselves in that room down there just for pleasure. We were honestly and conscientiously trying to do something that would be of some help in this emergency. There was no disagreement among the committee. There was no misunderstanding as to what we were trying to do. We discussed this matter for days and had hearings upon it and listened to the testimony of Mr. Hoover and Dr. Taylor and the Secretary of Agriculture and a great number of other men, and secured their views. After hearing all their views we then took up the bill as formally reported and cut out over three-fourths of it, and only brought to the Senate what we honestly thought should be passed.

As I said before, the Senator in discussing this matter should be fair——

Mr. STERLING. I want to be fair.

Mr. BRADY. And I will say that I am sure the Senator intends to be fair.

Mr. STERLING. Surely.

Mr. BRADY. For that reason the Senator should consider the bill as a whole. If he will notice, in another section it is said that the Government shall furnish these seeds to the farmer at cost. We had testimony before the committee showing that it was not only a question of the cost of the seed but of the inability of the farmer to secure it, and that the Government could purchase seeds by wholesale, ship them by wholesale to a community, and distribute them at cost, so that they could be had at a reasonable and fair price, and the farmer would be willing to pay for them at that rate even if the Government did not help him. In other words, the testimony before us and the information we received showed that help could be given to the farmer almost as much by the ability of the Government to secure the seeds at wholesale and furnish them to the farmer at wholesale as by furnishing him the money.

This $2,500,000, when you consider it as an emergency measure, and when you consider it in connection with the war, is a very small matter. All of these items that the Senator speaks of, about the prevention, control, and eradication of insect and plant diseases injurious to agriculture, and the conservation and utilization of plant products, are an enlargement of the bill that we formerly passed, that we believed should be made for the reason that the emergency at this time demands it. We must have greater crops. We must encourage production wherever we can. I believe that the man on the farm, the man who produces the crops, is performing a loyal duty and serves his Nation just the same as the man on the firing line, and for that reason I believe that this item of $2,500,000 is a small one.

We vote $5,000,000,000 in bonds; we give a single man authority to sell them under very liberal restrictions, and to say whether they shall bear 3½, 4, or 5 per cent interest, when that will make millions and hundreds of millions of dollars' difference to the taxpayers of this country; yet here is an item of $2,500,000 scatterel over the United States for the purpose of helping to eradicate insects and diseases injurious to agriculture and for the conservation and utilization of plant products. It is a commendable purpose; and I may say, in closing my very lengthy answer to the Senator, that that very section was adopted after a long and earnest discussion by the committee and cut down from $6,500,000 to $2,500,000. I believe, in all fairness, that that amount could be advantageously used.

Mr. STERLING. Mr. President, I think I might take issue with the Senator from Idaho, so far as considering this bill as a whole is concerned, except that the part of section 2 that relates to the furnishing of seeds to the farmers for cash at cost might by implication be carried over to this paragraph. But each one of these items stands, so far as that is concerned, as a separate and independent proposition, as a separate bill, and you can not read into this particular paragraph anything else concerning any of these items, except that part of section 2 that relates to the sale to the farmer at cost and for cash of the seeds that the Government furnishes.

Mr. BRADY. If the Senator will permit me just one moment more, we discussed the question of whether the Government should sell those seeds to the farmer on time or for cash, and it was agreed that it was a sufficient accommodation to the farmer to receive the seeds, and that he would be ready to pay cash for them in case he did receive them; so we do not lose this money. Every dollar of it will be paid back to the Government the minute the seeds are delivered to the farmer.

Mr. STERLING. Just a further word, Mr. President, in regard to this appropriation and the need of making it now. Referring back to the appropriations made for the investigation of plant diseases, for the eradication of insects, and so forth, amounting in the aggregate to $680,945, not one cent of which is available until the 1st of July next, it seems to me that an appropriation here of $2,500,000 for these three purposes, without any knowledge whatever as to how much of that $2,500,000 will be devoted to any one of the three, and without knowledge as to the needs of any, would be a most unwise and improvident thing for the Congress to do.

Mr. BRADY. Mr. President, may I interrupt the Senator again?

Mr. STERLING. Yes.

Mr. BRADY. The Senator says that he thinks it would be an unwise investment. It is not really an investment; it is simply a loan of the money. That is, I mean, it is not a permanent investment.

Mr. STERLING. The question is whether there will be a need of the loan of the money or not. That is the very point in dispute between myself and the Senator from Idaho. I say you will not know how much of the $2,500,000 will be needed for expenditure for that particular purpose until the crops of 1917 are harvested; and there will be ample time then, when we ascertain what the emergency is, to meet the emergency.

Mr. BRADY. We appropriated $50,000,000 the other day to buy ships.

Mr. STERLING. Because there was an emergency.

Mr. BRADY. Is there any reason to suppose that we will have to spend all that money for the purchase of ships?

Mr. STERLING. It is known that there is an emergency existing—a present emergency. We do not know whether there will be an emergency a year hence or not for the purchase of these seeds.

Mr. BRADY. Does the Senator mean to say that there is no emergency existing for the purpose of raising crops?

Mr. STERLING. Not this year, so far as pertains to the purchase of seeds by the Government and selling them to the farmers. There has been the rather isolated case suggested by the Senator from New Mexico a while ago, where forage crops of certain kinds are yet to be raised, or may yet be sown or planted; but the great part of the crops in the South are planted already. I think that is admitted. Away in the Northwest, in my own State, I do not know of any seeds that could be furnished now by the Department of Agriculture that would benefit our section of the Union. The corn and the wheat, the oats and the barley, and the potatoes are all planted, or will have been by the time this proposed appropriation could be made available, the seeds purchased and sent to the farmers.

Mr. WALSH. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield to the Senator.

Mr. WALSH. I want to inquire of the Senator from South Dakota if he knows of any good reason why the National Government should be furnishing seed to the farmers of South Dakota, even if the planting season had not ended?

Mr. STERLING. I do not.

Mr. WALSH. Does the Senator have any kind of an idea that the Government could buy seed and furnish it to the farmers out there cheaper than they could themselves get it on the market?

Mr. STERLING. I have not, nor do I see any reason why it could.

Mr. WALSH. Can the Senator from South Dakota tell us whether they have experienced any difficulty in getting seed in South Dakota?

Mr. STERLING. I have not heard of any.

Mr. FALL. Mr. President, will the Senator yield to me for a moment?

Mr. STERLING. I yield to the Senator.

Mr. FALL. If the question just asked by the distinguished Senator from Montana has anything in the world to it, then abolish your Agricultural Department. If the object of this bill is in any way to help the consumer and the producer, this is one of the objects, because the Government is going to put its machinery to work. I am not interested in this; I do not care particularly about it; but the idea of the Senator asking a question of that kind is so preposterous to me, in view of the general tenor of the bill itself, that it answers itself; and the Senator from South Dakota agrees with him, when the proposition is not, if the Senator had noticed, to buy the seed and give it to the farmers. It is for the Government to buy it and sell it to the farmers. The Senator is perfectly aware that there is another bill, a companion bill, which the administration is insisting on going along with this, now being considered in the House. This is one of a series of bills. Under the other bill, particularly, the Government of the United States is provided to be not only the purchaser but the seller of all these seeds and of all the farming products. If the Government of the United States, through its machinery, can purchase seed and furnish them where they are wanted at cost to farmers who are not able to purchase them in their local markets, it is the business of the Government of the United States to do it, or else it should abolish its Agricultural Department and pass no more agricultural appropriation bills.

Mr. WALSH. Mr. President, I trust the Senator from South Dakota will indulge me a little further. I think that the continued existence of the Agricultural Department and the voting of this appropriation to buy seed by no means run together. We voted an appropriation of some $29,000,000 in the month of March last to keep the Agricultural Department going. I voted very cheerfully for that and for every other general appropriation bill for the Agricultural Department. I do not like to have the

Senator from New Mexico put me in the attitude of advocating the abolition of the Agricultural Department because I do not see any occasion for this appropriation.

But I wanted to make an inquiry of the Senator from New Mexico, if the Senator from South Dakota will pardon me. The Senator from New Mexico told us a little while ago that seeding time has not yet gone by in his State. It is not complete, either, in my State. However, I should like to learn from the Senator from New Mexico whether there are conditions in his State which seem to call for this legislation. What particular seed or seeds are still necessary in the State of New Mexico which ought to be furnished by the Government to the farmers of that State rather than be matured by them in the usual way?

Mr. FALL. The Senator evidently has not paid any attention to what I have said heretofore.

Mr. WALSH. On the contrary, Mr. President, I was paying very close attention to the Senator.

Mr. FALL. I mentioned, and I will mention again, that as late as the latter part of June in various of the Southwestern States they yet plant what is known as the native pinto bean and the frijole, or Mexican red bean, on the dry land, because the rainy season is supposed to start on the great plateaus about the 24th of June.

Mr. WALSH. If the Senator will pardon me, I followed his statement.

Mr. FALL. Let me answer the Senator's question. The forage crops which are provided to be raised under the 640-acre homestead law which was passed in December, the forage crops as we know them in the entire southwestern country, consist of different varieties of kafir, milo maize, and feterita. If the frost holds off until the 20th day of October, as it does in southern New Mexico and in southern Arizona, for example, then planting can be successfully made even in the latter part of June. Some of those crops, and particularly feterita and white milo maize, will yet mature a grain crop, and if not, they will produce a large forage crop in that part of the country. Therefore seeds available at all even by the latter part of June are of use in that portion of the country.

The Senator is asking as to the necessity of the farmer to have the seed. The old farmers in that country raise their crops entirely by——

Mr. WALSH. If the Senator will pardon me, that is not the question I raised at all. I followed the Senator very carefully.

Mr. FALL. What is it the Senator asked? He asked me whether there was any necessity for it.

Mr. WALSH. Not any necessity for the seed. The Senator is going on to tell me about the necessity for the seed. That is not the question I asked him. I asked him if there are any conditions in his State that make it necessary or advisable for the United States to go in and buy the seed and sell it to the farmers for cash rather than have the farmers purchase the seed?

Mr. FALL. The Senator is always able to explain his question, and is always desirous of explaining his answer, but when he asks a question he wants an answer yes or no without an explanation.

Mr. WALSH. No.

Mr. FALL. I will proceed to answer the Senator's question if the Senator from South Dakota will allow me to presume on his time.

Mr. STERLING. I yield.

Mr. FALL. The old farmers in our portion of the country raise their crops by irrigation. Recently there have been something like 3,000 applications in New Mexico made under the 640-acre homestead act. An attempt is being made to secure the use of those lands through action by the Secretary of the Interior so that a crop can be planted this year. People from Kansas, Oklahoma, Texas, and from other portions of the country have leased 25,000 acres of land from the State. They would like to raise these crops, but there is a shortage of beans and feteritas in New Mexico. There is not sufficient to supply the demand. I presume if those people had plenty of money and were located where they could earn daily wages they might be able to send off to some company and purchase those seeds, if the Government had not secured them. The Government is constantly in the market for seed. As soon as those people know that the Government has seed for sale at cash they will buy them. I will guarantee that New Mexico would take $250,000 worth of those seeds right now.

As I said to the Senator, as further showing the necessity for this, the State of New Mexico itself has appropriated $750,000 for the same end. The State, however, would loan the farmers the money which they would pay the Government of the United States for the seed.

Mr. WALSH. That is exactly the point that I am directing the attention of the Senator from New Mexico to. This provision does not propose to loan a dollar to anybody.

Mr. FALL. I understand that.

Mr. WALSH. It proposes that the United States shall go out and by these seed and sell the seed for cash to the farmer. The question I addressed to the Senator he has not answered at all, namely, Why does not the farmer go out into the market and himself buy seed?

Mr. FALL. The Senator is so obtuse, I presume, that he can not understand the Senator, and he is unfortunate in not being able to understand the Senator from Montana. I have thrown as much light on this particular phase of the case as I can.

Mr. WALSH. I had a suspicion that there was not any very good answer to it.

Mr. STERLING. Mr. President, I should like to add this to the suggestion of the Senator from Montana: If the individual farmer himself has difficulty in finding out where the seeds are to be purchased, I wonder that there are not public agencies in the State of New Mexico that would help the farmers of New Mexico in the matter.

Mr. FALL. The State of New Mexico is one of the States of the Union—not your State, but my State—which called a special session of the legislature, and, poor as we are, appropriated money not only to help our people but they appointed a war council which is in daily communication with the branches of this Government and is pronounced by your Agricultural Department and Mr. Hoover and his committee to be the one State, with the exception of Iowa, which has perfected any kind of an organization which amounts to anything. As poor as we are and as much restricted as we are by the Government restrictions, we are spending our money and we are not asking you to give us a cent. New Mexico is asking nothing of you.

Mr. STERLING. Then, so far as New Mexico is concerned, there is no need for this appropriation.

Mr. FALL. There is need for it for the reason given, which any man ought to understand, it seems to me. The Government of the United States being a great purchaser in the market has facilities for purchasing stuff needed which the individual farmer in New Mexico has not.

Mr. SMITH of Georgia. Will the Senator from South Dakota yield, that I may suggest to the Senator from New Mexico that the Government of the United States, through its Agricultural Department, reaches every section of every State in the Union? They know just exactly what seeds there are and at what prices they can be procured. They have the information, and they have the facilities to obtain any quantity of seed needed in any other part of the country—facilities that no State and no business organization has.

Mr. STERLING. Will the Senator from Georgia allow me to suggest this question? Then if there is a cooperation between the Federal Government and the State of New Mexico, as suggested by the Senator from New Mexico, why can not the authorities in New Mexico obtain the information and the help that will enable them to buy seeds for their farmers?

Mr. FALL. When the question comes up on the Agricultural appropriation bill generally, I propose to enlighten the Senator from South Dakota, if I am alive at that time, about some of the items which go into his State, particularly for the benefit of the people of his State. All the seeds for every one of the crops that I have mentioned, with the exception of native beans, have been bought by the United States at an immense cost from Afghanistan, from India, from China, from the far reaches of the globe. They have been introduced here and have been sent out to the western country, and they have been experimented with there by farmers in cooperation with the Department of Agriculture. The Department of Agriculture is doing a magnificent work. The work that it has done in the South, which is so often referred to here, has been of inestimable value, just as in your State and in mine. But there are peculiar conditions. The conditions in different States are not the same. As I attempted to explain to the Senate when the Senator was insisting on the passage of the 640-acre homestead act, it can not apply as written to my State; it can not apply to relieve the conditions I am now undertaking to explain, but the provisions of that act could be availed of and be of wonderful benefit to the central and southwestern part of the country. The balance of the country has not received any benefit.

Mr. STERLING. Mr. President, just a word. I and other Senators have occupied more time than I intended.

Mr. HUSTING. Before the Senator leaves this question, I wish to say that, as far as Wisconsin is concerned, we have not by any means planted our potatoes, and we will still plant in the month of June. I doubt very much whether the corn is planted, owing to the backward weather we have been having;

and in view of the very heavy frost we had in Wisconsin I believe we will have to reseed at least a part of our ground. Of course time is passing, and if the consideration of this bill is going to last any great amount of time longer, it will not be of any service to the farmers for the coming season.

Mr. STERLING. I should like to ask the Senator from Wisconsin if, notwithstanding there is not yet time to procure the seed necessary, it can not be done through agencies within the State without an appropriation in the first instance by the Federal Government? That is the question.

Mr. HUSTING. I wish to say, if the Senator will permit me, that the farmers have found it necessary in that part of the country to use the medium of men not engaged in the seed business at all, editors of papers and the like. They have tried to mobilize the seed supply of the State through the newspaper agencies. In other words, there has been a necessity to supply the farmers with seed. The seed is not there to take care of an emergency situation like the present.

Mr. STERLING. Just this word, Mr. President: I do not want to be understood for a moment as depreciating the work of that great department, the Department of Agriculture. It has done and is continually doing a splendid work. I acknowledge the benefit of that work in my own State of South Dakota. But, Mr. President, I acknowledge also benefits done by the agencies within the State, the agricultural colleges and the State authorities, and what has resulted from the individual initiative and enterprise of individuals, of communities, and of State authorties generally.

I think we ought to observe that principle a little more in our legislation. I do not want to vote against anything that I believe will be for the real welfare and interest of the farmers, but I can not yet appreciate the need of $2,500,000 appropriated in this bill for these several purposes. It has led to a discussion of the seed question, as though it was in the minds of Senators that a great part of the appropriation of $2,500,000 would be expended for seed. Next December we will know what are the real needs of the country in that respect, and we can then govern ourselves and appropriate accordingly.

It seems to me that an appropriation such as this would be ill advised for seed purposes, and, as we have already seen, there are ample provisions in appropriations already made for the other items in this one paragraph of the bill.

Mr. NEWLANDS. Mr. President, I have looked over the report of this bill and have found no specific information regarding its items. I inquired whether there has been any communication to the Secretary of Agriculture on the subject and was handed a letter of May 22, 1917, directed to the chairman of the Committee on Agriculture, which contains a lengthy statement of some 30 pages in detail of the proposed activities and expenditures under the bill, for stimulating agriculture and for the distribution of agricultural products. It contains an index of the items under the head of the Bureau of Animal Industry, Bureau of Plant Industry, Bureau of Entomology, State Relations Service, and so forth. It seems to me it is a summary full of great value in this debate, and I would ask the Senator in charge of the bill whether it would not be advisable to have this statement printed in the RECORD or printed as a public document for the use of the Senate. I will first inquire whether it has already been printed?

Mr. GORE. I did not understand the Senator's inquiry.

Mr. NEWLANDS. I asked whether the communication addressed to the Senator from Oklahoma by the Secretary of Agriculture dated May 22, 1917, explanatory of the items regarding proposed activities of the Agricultural Department has been printed either in the RECORD or as a public document?

Mr. GORE. I will say to the Senator from Nevada that the Senator from New Mexico [Mr. JONES] put it in the RECORD. I called attention to it and stated that it would be read into the RECORD if anyone desired. There was no wish expressed at that time.

Mr. NEWLANDS. May I inquire of the Senator from New Mexico whether this was the statement?

Mr. GORE. I ought to state to the Senator from Nevada that the Secretary of Agriculture appeared before the Committee on Agriculture and made a statement which has been printed.

Mr. NEWLANDS. Yes; I observe it here in the report. It is contained in a volume of probably some five or six hundred pages. So far as I am concerned, I am disposed to follow the judgment of the Committee on Agriculture upon this matter, but there seems to be so much disposition to contest the various items and in view of the very meager information and the complaint made of the information furnished by the department, it seems to me that this document ought to be printed. I do not understand that the Senator from New Mexico had read the entire communication. Has the Senator any objection to having it published in the RECORD?

Mr. GORE. None whatever.

The PRESIDING OFFICER (Mr. HOLLIS in the chair). The Senator from Nevada requests that the statement be printed in the RECORD.

Mr. SMITH of Georgia. Let it be printed at the Government Printing Office as a document for the use of the Senate.

Mr. NEWLANDS. Very well.

The PRESIDING OFFICER. The Senator from Nevada asks that it be printed as a public document. Without objection, it is so ordered.

Mr. SMOOT. I object to having it printed as a Senate document. We would have to send it, all but a few copies, to the libraries of the country and to all the departments of the Government.

The PRESIDING OFFICER. Objection is made.

Mr. GORE. I will state to the Senator from Nevada that I will have a committee print made.

Mr. SMOOT. That is all that is necessary.

Mr. NEWLANDS. That will be satisfactory.

Mr. BRADY. I think that the document should be printed, and I hope some arrangement will be made by which it will be printed.

The PRESIDING OFFICER. The Chair will state that the chairman of the Committee on Agriculture says he will have the document printed.

Mr. McKELLAR. Mr. President, I move to strike out that part of the bill beginning on line 17 and ending with "$2,500,000," on line 21, page 5. I do not want to discuss it this afternoon, and I hope the Senate will not proceed further with the bill to-night.

Mr. BRADY and Mr. MARTIN addressed the Chair.

The PRESIDING OFFICER. Before the Chair recognizes any other Senator he will state that there is an amendment now before the Senate on which a vote was taken but no result was declared, the Chair is informed, and perhaps that question had better be finished before taking up another.

Mr. McKELLAR. What amendment was that?

Mr. SMITH of Georgia. What was the amendment?

The PRESIDING OFFICER. The Chair is informed that a vote was taken on the committee amendment, in line 21, page 5, but the result of the vote was not announced.

Mr. SMITH of Georgia. That is a mistake. Before the vote was completed it was suggested that there was an objection to the vote, as there was a desire to amend the committee amendment. I do not think it would be fair to the balance of the Senate to have it announced that the committee amendment was adopted. I think there were Senators upon their feet who desired to object to the committee amendment, and the vote was not announced, in deference to the desire expressed, the Chair feeling that it would not be fair to the Senate to allow it to come to a vote.

The PRESIDING OFFICER. That is exactly what the Chair undertook to say. We will have to take another vote on this proposition. The present occupant of the chair, of course, can not rule whether the vote carried the amendment or not, because he was not then in the chair. Therefore the vote will have to be taken over again.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 29, 1917, at 12 o'clock m.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 28, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God, Author of life and thought and action, impart unto us life more abundantly, and give us wisdom that we may think clearly and act in consonance with the eternal fitness of things and meet the test through which we are passing calmly, with a firm resolve to do our part in regenerating the conditions of the world with a view of making it a safer place to live in and advance to larger life in Christ Jesus our Lord. Amen.

The Journal of the proceedings of Saturday, May 26, 1917, was read and approved.

CHANGE OF REFERENCE.

By unanimous consent, at the request of Mr. CLARK of Florida, reference of House joint resolution 94, authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smith-

sonian grounds, was changed from the Committee on the Library to the Committee on Public Buildings and Grounds.

UNIFORMS OF UNITED STATES EXPEDITIONARY FORCE.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. HICKS. Mr. Speaker, my purpose in rising this morning is in reference to a newspaper article, which probably all of you read, appearing in yesterday morning's Washington Post, which contained a statement that from somewhere, from some Army headquarters, an order had gone out that the American troops about to be sent to France were to be uniformed in the uniforms of the Canadian militia. That statement, if true, in my judgment, would be unwise, unpatriotic, and unjust to our American boys serving with the flag. [Applause.] This morning I called up Gen. Bliss, of the War Department, and he stated to me that that report was absolutely without foundation and that no order to that effect had been given. I merely desire to lay these facts before the House.

Mr. MILLER of Minnesota. Did Gen. Bliss indicate further that no such order would be made?

Mr. HICKS. That I did not ask him, but I imagine that he would not sanction anything of that kind.

Mr. MILLER of Minnesota. I trust that is the situation.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The question was taken.

Mr. CANNON. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. LEVER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk proceeded to call the roll.

Mr. ADAMSON (interrupting the call). Mr. Speaker, I understand there is an issue pending—a motion to go into the Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman is mistaken.

Mr. ADAMSON. But we did vote.

The SPEAKER. The vote had already been taken.

Mr. ADAMSON. The gentleman made the point upon the vote that there was no quorum present, and he was up trying to make it and did make it upon that vote.

The SPEAKER. A call of the House has been ordered, and the Clerk is calling the roll.

Mr. ADAMSON. I understand; but the gentleman from Illinois was up making the point of order that there was no quorum present.

The SPEAKER. The gentleman's point comes too late for one thing, and, in the second place, we will accomplish the same purpose by calling the roll. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Davis	Gallivan	Hutchinson
Ashbrook	Decker	Garland	Johnson, Wash.
Bacharach	Dewalt	Garner	Jones, Va.
Barkley	Dill	Glass	Kahn
Bathrick	Dooling	Godwin, N. C.	Kearns
Bowers	Doremus	Goodwin, Ark.	Kennedy, Iowa
Brodbeck	Doughton	Gordon	Kennedy, R. I.
Bruckner	Drukker	Gray, Ala.	Kettner
Butler	Eagan	Gray, N. J.	Kincheloe
Caldwell	Eagle	Green, Iowa	Kraus
Capstick	Edmonds	Griest	Kreider
Carew	Ellsworth	Griffin	Lesher
Carlin	Fields	Hamill	Linthicum
Carter, Mass.	Fisher	Hamilton, N. Y.	Lobeck
Chandler, Okla.	Fitzgerald	Harrison, Va.	Longworth
Coady	Flynn	Haskell	Lunn
Cooper, Ohio	Focht	Hayes	McClintic
Cooper, W. Va.	Fordney	Heaton	McCormick
Cooper, Wis.	Francis	Heflin	McCulloch
Copley	Freeman	Hill	McFadden
Costello	Fuller, Ill.	Howard	McLaughlin, Pa.
Dale, N. Y.	Fuller, Mass.	Hull, Iowa	Madden
Davidson	Gallagher	Husted	Maher
Mann	Peters	Saunders, Va.	Sullivan
Martin, Ill.	Platt	Scott, Pa.	Tague
Mason	Porter	Scully	Talbott
Mays	Pou	Shackleford	Taylor, Ark.
Mondell	Pratt	Shallenberger	Templeton
Moon	Price	Sherley	Tilson
Morin	Ramsey	Siegel	Treadway
Neely	Riordan	Slemp	Vare
Nelson	Robbins	Smith, Idaho	Venable
Nicholls, S. C.	Roberts	Smith, C. B.	Walsh
Nichols, Mich.	Rogers	Smith, T. F.	Williams
Oliver, Ala.	Rowe	Snell	Wilson, Ill.
O'Shaunessy	Rowland	Snyder	Winslow
Paige	Sabath	Stafford	Wood, Ind.
Park	Sanders, N. Y.	Steenerson	Woods, Iowa
Parker, N. Y.	Sanford	Stiness	Woodyard

The SPEAKER. On this vote 268 Members, a quorum, have answered to their names.

Mr. JUUL. Mr. Speaker, I have been requested to announce the absence of Representative MASON owing to illness.

Mr. LEVER. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

LEAVE OF ABSENCE.

Mr. MASON, by unanimous consent, was granted leave of absence indefinitely on account of illness.

EXTENSION OF REMARKS.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter, which I have received from the Secretary of State inclosing a note from the Danish minister to this country in reference to the exports of food from Denmark to Germany during the war.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The following is the correspondence referred to:

DEPARTMENT OF STATE,
Washington, May 23, 1917.

The Hon. HENRY D. FLOOD,
Chairman Committee on Foreign Affairs,
House of Representatives.

SIR: I have the honor to inclose for your information a copy of a note dated May 16, 1917, from the Danish minister at Washington relative to the attitude of the press in certain European cities, and the consequent misunderstandings that have arisen in the United States in regard to the amount of exports of food from Denmark to Germany during the war.

I have the honor to be, sir,
Your obedient servant,
ROBERT LANSING.

(Copy of note from Danish minister.)

THE DANISH LEGATION,
Washington, D. C., May 15, 1917.

The honorable the SECRETARY OF STATE,
Department of State, Washington, D. C.

SIR: You are no doubt aware that for some considerable time certain newspapers in Europe, more particularly the London Morning Post and the Paris Echo de Paris, have at intervals directed a veritable campaign of suspicion and accusation against Denmark, alleging on the strength of incorrect and incomplete statistics and of unwarranted conclusions, that during the whole of the present war Denmark had, to the loss and detriment of the allies, carried on an important and lucrative trade with Germany, especially in articles of food. This campaign has in part been taken up by certain newspapers in this country, and in my personal experience the belief is very general here, that there is a considerable foundation of truth in these newspaper statements.

I have, of course, not neglected to inform the Danish Government of these conditions here, calling attention to the danger that, if the erroneous statements and conclusions were not contradicted with the necessary authority and weight, they might be considered as giving a true and exact description of the situation even by the Government and Congress of the United States.

I have reason to believe that as a consequence of my reports the Danish Government will shortly send to this country certain experts thoroughly acquainted with the conditions of export and import in Denmark, and who will remain here at least temporarily in order to meet questions of this nature when they arise, and of this mission I shall have the honor to transmit further information to you as soon as I hear definitely from Copenhagen.

Meantime, by a cablegram received yesterday the Danish Minister of Foreign Affairs has informed me as follows:

The London Morning Post and the Paris Echo de Paris continue their agitation against Denmark by publishing the following figures of export from Denmark to Germany in 1916 and 1913:

1913.	Tons.
Bacon (pork)	1,448
Lard	3,341
Other fats	106
Preserved meats	113
1916.	
Bacon	14,280
Lard	96,720
Other fats	72
Preserved meats	100,800

The correct figures are the following:

1913.	Tons.
Bacon	2,100
Lard	3,341
Other fats	1,695
Preserved meats	113

1916.

Bacon	19,483
Lard	6,266
Other fats	2,542
Preserved meats	14,566

As you will perceive, Mr. Secretary of State, the figures published by the two newspapers in question are, on important points, as compared with the Danish official statistics, very far from exact and in some cases vastly exaggerated. But it is of no less gravity that the said papers leave out of consideration, therefore, the size and resources of our country truly enormous supplies of food which at all times, and also during this war, Denmark has constantly sent to Great Britain.

The figures of this trade will later be placed before you, if you so wish, and I may add that in the cablegram above referred to the Danish minister of foreign affairs states that in 1916 alone Denmark exported to Great Britain 84,801 tons of bacon.

In this connection I beg leave to call attention to the debate in the British Parliament on March 27 last, of which I inclose a copy from the London Times of March 28, and more particularly to the statements made in the House of Commons on that day by Lord Robert Cecil, the blockade minister of Great Britain, regarding the strict compliance of Denmark with all the requirements of neutrality and of certain special undertakings relating to imports and exports.

Lord Robert Cecil summed up his remarks concerning Denmark by saying:

"It has been suggested that Denmark has been guilty of great delinquencies as regards ourselves. I know that that has been very much resented in Denmark. I wish to say, speaking for the British Government, that I make no such charge against Denmark at all. I remember the Danish agreement and the campaign then set on foot and I can only say that that agreement has been carried out with admirable fidelity by the Danish parties to it. I believe that it has proved exceedingly useful and that it has been well observed by the whole Danish population with very few exceptions. It has been suggested that even if that be true of the first Danish agreement, there is some other agreement into which Denmark has entered which she has not kept. So far as Denmark is concerned—I am not speaking of Holland—there has been no agreement with respect to agricultural products. Both sides, we as well as Denmark, are perfectly free in the matter. Discussions have certainly taken place and assurances have certainly been given, but I desire to say, with the utmost emphasis that in my judgment the Danes whenever they have given us any assurances have endeavored honestly and honorably to fulfill them. For these reasons, so far as Denmark is concerned, I am authorized by His Majesty's Government to say, after full consideration of all the aspects, that they do not see any reason to modify their present blockade policy with respect to that country."

A more unreserved and complete contradiction of all the incorrect newspaper statements in question and a more full acknowledgment of the conscientiousness with which Denmark has under the great difficulties, and with due regard for its own national life and existence, carried out the impartial neutrality of the country toward all the belligerents could hardly be looked for or, indeed, conceived.

The Danish minister of foreign affairs has directed me to place these statements before you, in order that the American Government may from authentic sources have correct information of the conditions to which I have alluded, and in carrying out my instructions I venture to ask that you will be pleased to convey information of the contents of my present note to all departments of the Government of the United States which are concerned in this matter, including also the Council of National Defense and its committee on food control and supply, and furthermore to the two Houses of the Congress of the United States, who as well in the open daily meetings as in meetings of the competent committees have recently had occasion to discuss the questions alluded to in my present note.

I have the honor to be, sir, with the highest consideration,
Your most obedient and humble servant,

C. BRUN.

EXTENSION OF REMARKS.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of the Klamath Bird Reservation.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

The SPEAKER. The House resolves itself into the Committee of the Whole House on the state of the Union, and the gentleman from Missouri [Mr. HAMLIN] will take the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4188, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The CHAIRMAN. When the committee rose last Saturday there was an amendment pending, offered by the gentleman from South Carolina [Mr. LEVER], and also an amendment offered by the gentleman from South Carolina [Mr. BYRNES]. Unanimous-consent agreement had been made to finish the debate on the paragraph under consideration and all amendments thereto in 35 minutes, I believe, and there were 20 minutes remaining. The gentleman from Illinois [Mr. MANN] reserved the point of order to the amendment offered by the gentleman from South Carolina [Mr. BYRNES]. There are 20 minutes remaining for debate on the paragraph and all amendments thereto, and the gentleman from South Carolina [Mr. BYRNES] is recognized.

Mr. BYRNES of South Carolina. Mr. Chairman——

Mr. ANDERSON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Minnesota rise?

Mr. ANDERSON. Mr. Chairman, I have no objection to the gentleman from South Carolina proceeding under the reservation of the point of order, but it strikes me that it might be desirable to dispose of the point of order immediately. Therefore I make the point of order that the amendment of the gentleman from South Carolina is not in order on this paragraph.

Mr. SAUNDERS of Virginia. Will the gentleman yield to me just a moment?

Mr. ANDERSON. I yield.

Mr. SAUNDERS of Virginia. Is that a point of order against the simple motion to strike out?

Mr. ANDERSON. Yes.

Mr. BYRNES of South Carolina. That is the only motion pending. I would like to ask the gentleman from Minnesota to state the ground for the point of order against the motion to strike out.

The CHAIRMAN. Does the Chair understand the gentleman from Minnesota [Mr. ANDERSON] to make the point of order to the amendment offered by the gentleman from South Carolina to strike out certain words in the paragraph?

Mr. ANDERSON. Yes; I make the point of order to that.

The CHAIRMAN. Does the gentleman from Minnesota want to be heard?

Mr. ANDERSON. I would like to be heard.

The CHAIRMAN. The Chair will hear the gentleman briefly.

Mr. ANDERSON. Mr. Chairman, I very readily admit that upon the face of things the amendment of the gentleman from South Carolina is apparently in order, but in order to determine whether it is in fact in order or not we must have recourse to the entire bill and to the effect which the amendment of the gentleman from South Carolina will have on the entire bill and the section to which it relates. I want to call the attention of the Chair to the unanimous-consent agreement which was entered into with respect to the consideration of the appropriation items in this bill. My contention is that section 9 of this bill relates solely to appropriations; that legislative provisions are not in order as amendment to it; that they should be considered, and, under unanimous-consent agreement of Saturday, must be considered, in the light of a general appropriation bill. I call the attention of the Chair to the unanimous-consent agreement which was entered into on Saturday. The Chair will find it on page 2947 of the CONGRESSIONAL RECORD. It says:

Mr. TOWNER. Mr. Chairman, I ask unanimous consent that this portion of the bill—

That is, the portion relating to appropriations—

be considered under the rule governing appropriation bills, and that amendment be offered at the end of the paragraph.

The Chair did not put the question in exactly the form submitted by the gentleman from Iowa. But if the request made by the gentleman from Iowa [Mr. TOWNER] was the request upon which the committee acted on Saturday, the committee is now considering the appropriation sections of the bill under the rules governing appropriations, and it would not be in order as to any section to offer an amendment changing existing law, or to amend the section so that as amended it would change existing law. Now, under existing law the increasing of food production and eliminating waste by educational and demonstrational methods are obviously in order. But if the language "and promoting conservation of food by educational and demonstrational methods" is eliminated, that will leave simply the language "for increasing food production and eliminating waste."

Now, that language obviously contemplates and authorizes the doing of things which are not authorized by law. The gentleman from South Carolina [Mr. BYRNES] himself contends that if that language remains in the bill it will authorize the addition of a paragraph which makes new law, and if it does it is new law standing alone. My contention is that the amendment of the gentleman from South Carolina is not in order because in effect it changes an appropriating section in such a way as to make it new law.

Mr. SAUNDERS of Virginia. Mr. Chairman, just a moment in that connection. The gentleman from Minnesota [Mr. ANDERSON] I think entirely misapprehends the agreement to which he refers. There was no agreement to consider this as an appropriation bill, but the understanding was that the analogy of a general appropriation bill should be pursued with respect to reading, and considering of this section by paragraphs. That was all; merely for the purposes of convenience; it was agreed that we should consider this particular section paragraph by paragraph, rather than read it as an entire section, preliminary to the submission of amendments. The motion to consider this section by paragraphs was made by the gentleman from Iowa [Mr. TOWNER].

Now with respect to the parliamentary objection raised by the gentleman from Minnesota [Mr. ANDERSON] to the motion to strike out, I wish to say that this objection should not be sustained. It is perfectly competent at any time to strike out anything. We could strike out this entire paragraph. The committee can not be hindered by anything in parliamentary law from taking this action. Why should not the committee strike out this entire paragraph if it so desires? If it is competent for the House to do the greater thing, then it has the power to do the lesser thing therein included. If it can strike out the entire paragraph, it can strike out any language forming a part of the paragraph.

Now as to the committee's next step, neither the Chair, nor anyone in the committee is competent to anticipate what that step may be. The motion to strike out may propose a foolish thing, but if it is in parliamentary form, it is not for the Chair to determine whether the action proposed is wise, or foolish. The one thing for the Chair to determine is whether the motion is in order as a parliamentary proposition.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield there?

Mr. SAUNDERS of Virginia. Yes.

Mr. ANDERSON. Of course the gentleman would not contend that on an appropriation bill you could change the language of a section in such a way as to change the existing law?

Mr. SAUNDERS of Virginia. I call the attention of the gentleman to the fact that this motion does not do that. This motion does not change existing law, by striking out the language proposed. The gentleman is trying to anticipate the possible action of the committee, and argues that because the suggested action may not be in order, therefore the pending motion is not in order. If you strike out the proposed language of this paragraph, what existing law do you change? Existing law is left unchanged, if the pending motion is sustained. If the committee strikes out the language proposed, the Secretary of Agriculture will still be empowered to do in his discretion, the very things contemplated by this language.

Now as I have said, Mr. Chairman, it would be perfectly competent for the committee to strike out everything in this paragraph but the word "For." As to whether or not that would be a wise thing to do, is not a matter for parliamentary determination. I maintain that it is within the competency of the committee, or of the House, to strike out anything in a bill at any time when it is in order to make that motion. That is all that is presented at this time.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. SAUNDERS of Virginia. Certainly.

Mr. FESS. Is it not a well-defined principle of parliamentary procedure that you can not reach a thing by indirection that you can not reach by a direct measure?

Mr. SAUNDERS of Virginia. On the other hand, I may say that it is perfectly competent to do by direction, what you can by indirection. But the gentleman is anticipating something to follow the motion to strike out. The gentleman's idea is that the Chairman should rule that the motion to strike out is not in order, on the ground that some later motion not in order will be made. But you can not anticipate such action, so as to make out of order a perfectly competent pending motion.

Mr. FESS. On Saturday it was declared out of order to strike out and insert in the same motion.

Mr. SAUNDERS of Virginia. Certainly.

Mr. FESS. Here you propose to strike out in one motion and insert in another.

Mr. SAUNDERS of Virginia. They are separate things. These motions are not tied up with each other.

Mr. FESS. You can not do indirectly what you are not allowed to do directly.

Mr. SAUNDERS of Virginia. You can not anticipate what will be done. There may be a thousand things done. We are not concerned with anything but the simple motion to strike out, and whether, or not, that is in order.

Mr. FESS. That is a fiction.

Mr. SAUNDERS of Virginia. It is not a fiction at all, because our rules expressly provide that you can move to strike out and insert, or merely to strike out.

Mr. FESS. Let me ask the gentleman a specific question.

Mr. SAUNDERS of Virginia. Certainly.

Mr. FESS. Can you reach by two motions a thing that you can not reach by one which is out of order?

Mr. SAUNDERS of Virginia. Unquestionably. But even that has nothing to do with the pending situation. This is a proposition to strike out certain language in the bill——

Mr. FESS. So as to insert something else.

Mr. SAUNDERS of Virginia. Not at all. It is just to strike out. I would like to have some parliamentarian in this House undertake to say why you can not strike out this language from the bill.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Virginia yield to the gentleman from New Jersey?

Mr. SAUNDERS of Virginia. Certainly.

Mr. PARKER of New Jersey. As I understand it, the phraseology belongs in an appropriation bill.

Mr. SAUNDERS of Virginia. This is not an appropriation bill. The suggestion has nothing to do with the situation.

Mr. PARKER of New Jersey. There was an agreement.

Mr. SAUNDERS of Virginia. The gentleman is mistaken about that.

Mr. PARKER of New Jersey. Very well; I am not arguing on that. But at any rate, I only want to ask the gentleman whether the present language is not "increasing food production and eliminating waste and the conservation of food by educational and demonstrational methods"?

Mr. SAUNDERS of Virginia. Yes.

Mr. PARKER of New Jersey. If you strike out those words, you strike out the limitation in the law and broaden the law.

Mr. SAUNDERS of Virginia. These words are the limitation in the proposed law, and it is perfectly in order to strike out of this law, any limitation, or any language. That is all it is. It is simply a parliamentary proposition.

Mr. PARKER of New Jersey. Is not that a limitation that exists now in the Agricultural appropriation bill?

Mr. SAUNDERS of Virginia. I do not know whether it is or not, but that does not make a particle of difference. Let the gentlemen have in mind the parliamentary status of this proposition, and keep the merits of it out of consideration. We are concerned with what this committee is able to do as a parliamentary body, what it can, or can not do. There is nothing before us except the motion to strike out.

Mr. PARKER of New Jersey. I disagree with the gentleman on the subject of whether it is being considered as an appropriation bill or not.

Mr. SAUNDERS of Virginia. I waive that.

Mr. PARKER of New Jersey. I find that on this subject the Chairman said:

> The question is on the motion of the gentleman from Iowa [Mr. TOWNER]. Is there objection to it?

And the gentleman from Iowa [Mr. TOWNER] had asked unanimous consent that this portion of the bill be considered under the rule governing appropriation bills. That is on page 2947 of the RECORD.

Mr. SAUNDERS of Virginia. The gentleman does not read far enough. What the gentleman from Iowa proposed was that this bill, so far as this section was concerned, should be considered by paragraphs, and that was what the Chair put.

Mr. PARKER of New Jersey. That was only one part of it. The gentleman from Iowa [Mr. TOWNER] asked the whole thing.

Mr. SAUNDERS of Virginia. The gentleman from Iowa [Mr. TOWNER] is here. He can speak for himself.

Mr. TOWNER. The RECORD shows what I asked.

Mr. SAUNDERS of Virginia. I appeal to the gentleman from Iowa if that was what was asked. I happened to be in the chair at the time.

Mr. TOWNER. The RECORD states exactly what was done.

Mr. SAUNDERS of Virginia. For the purpose of convenience, to consider this section by paragraphs.

Mr. TOWNER. The statement was made by the Chair that the request was that it be considered by paragraphs.

Mr. SAUNDERS of Virginia. The gentleman from Iowa sustains exactly my recollection of what took place on Saturday which was that the committee agreed that this section should be considered by paragraphs.

The CHAIRMAN. The Chair is ready to rule. The Chairman of the committee was temporarily absent for a few moments on Saturday, when the unanimous-consent agreement to which reference has been made was made. Consequently his attention had not been called to it until now.

The Chair observes that the gentleman from Iowa [Mr. TOWNER] asked unanimous consent that this portion of the bill, referring to these paragraphs, which contain certain appropriations, be considered under the rules governing appropriation bills, and that amendments be offered at the end of the paragraph. But it seems that the proposition stated to the committee by the then occupant of the chair was—

> The gentleman from Iowa asks unanimous consent that this particular section shall be considered by paragraphs—

And that was agreed to. Now, of course the Chair takes it that the question is not as to what a Member may ask by way of unanimous consent, but it is the proposition which was actually

submitted to the committee, and to which the committee agreed; and that in this case was that this particular portion of the bill, which is not an appropriation bill, be considered by paragraphs instead of by sections, as it would otherwise be considered. The Chair thinks that it is clearly in order to strike out certain portions of a paragraph or a section, whichever way the committee may be considering it. In holding that way the Chair is sustained by precedents galore. He will only take the trouble to cite two.

Mr. Speaker CLARK on one occasion held that it is always in order to strike anything out of anything.

As the gentleman from Virginia [Mr. SAUNDERS] said, the amendment is not seeking to add anything to the bill but seeking only to strike out certain portions of it.

On March 31, 1904, Mr. Theodore E. Burton, of Ohio, when acting as Chairman of the Committee of the Whole House on the state of the Union, held that amendments simply striking out words already in a bill will not be held not germane; and among other comments that he made, the Chair will read only this:

It is to be noted that this amendment consists not in adding to the language of the paragraph but in striking out certain words that constitute a portion of the paragraph—

And the motion was therefore held in order. The Chair thinks that whether you consider this paragraph under the rules governing appropriation bills or otherwise the point of order is not well taken, and that the amendment is in order. The point of order is overruled.

Mr. ANDERSON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSON. I have no doubt that the statement of the Chair is correct. The Chair does not, however, really decide the point I was trying to raise, and that is whether this appropriating section is to be considered under the rules which apply to appropriation bills or under the rules which apply to general legislation.

The CHAIRMAN. The Chair held strictly to the proposition submitted by whoever was occupying the chair at the time it was submitted, and would have to hold that the only request submitted to the committee was to consider this particular section by paragraphs and not under the rules governing appropriation bills.

Mr. BYRNES of South Carolina. Will the gentleman from Minnesota yield?

Mr. ANDERSON. Yes.

Mr. BYRNES of South Carolina. I am going to make a request that possibly will comply with the desire of the gentleman from Minnesota and bring this matter before the House, and possibly save time by doing it. Mr. Chairman, the Chair having held in order my motion to strike out, if that motion should prevail it is my purpose, as I announced on Saturday, to follow it with a motion to insert in lieu of the language stricken out the amendment heretofore offered by me authorizing the Secretary of Agriculture to secure and furnish at cost, payable in advance, nitrate of soda.

I have no desire to consume the time of the Committee of the Whole, nor have I any desire to attack this particular section of this bill. If I can not accomplish the object I have in mind, I do not desire to discuss this specific motion to strike out the language containing the authority for the increase of foodstuffs by the educational and demonstration method. Therefore I propound this parliamentary inquiry again: Assuming that my motion to strike out shall prevail, and that I follow it with the motion I have indicated to insert in lieu thereof the language of the amendment with which the Chair is already familiar, I desire to ask whether or not the Chair will now rule on the question as to whether that would be in order? If the Chair rules that it is not in order, then the time of the House will be saved.

Mr. LENROOT. Mr. Chairman——

Mr. BYRNES of South Carolina. I ask that I be not interrupted for one or two minutes, anyway. If this language is stricken out——

Mr. LENROOT. Mr. Chairman, I make the point of order that the gentleman is not presenting a proper parliamentary inquiry at this time. I do that to save time.

Mr. BYRNES of South Carolina. I submit that the only purpose I have in mind is to save time. If the Chair rules that it is out of order, then the proposition is at an end.

Mr. LENROOT. I think it would save more time by not having this discussion as to the point of order unless it properly comes before the House.

The CHAIRMAN. The Chair certainly would not anticipate a matter that is not before the committee. The Chair meant to embody in his ruling a while ago the very point raised by the gentleman from Ohio [Mr. FESS], that the Chair can not anticipate, even though he may have intimations as to what may follow, and he will not anticipate his ruling on a proposition until it is submitted in a regular, orderly way to the committee.

Mr. TOWNER. Let me state that the gentleman from South Carolina stated that the only purpose the gentleman has in striking out this language is to insert the language he has already stated, so that everyone will understand exactly what will be the effect of the vote; and so I do not think we need to anticipate the point that the gentleman has stated.

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. The proposition before the House is to strike out the educational and demonstrational provision in paragraph 5, leaving the appropriation to stand?

The CHAIRMAN. The motion is to strike out the language beginning with the word "and," in line 6, page 6, down to and including the word "others," in line 8, page 6.

Mr. BYRNES of South Carolina. Mr. Chairman, am I not entitled to speak under the agreement of Saturday?

Mr. MOORE of Pennsylvania. But the gentleman has been speaking for five minutes.

Mr. BYRNES of South Carolina. No; I was arguing a point of order. I spoke on a parliamentary inquiry, and was interrupted by the gentleman from Wisconsin on a point of order. I ask now to be heard five minutes under the agreement of last Saturday.

The CHAIRMAN. The Chair thought that the gentleman was taking his five minutes.

Mr. BYRNES of South Carolina. No; Mr. Chairman, much as I desire the information of the committee, I was addressing my remarks to the Chair.

The CHAIRMAN. The Chair will recognize the gentleman from South Carolina.

Mr. BYRNES of South Carolina. Mr. Chairman, I stated to the House, in proposing the parliamentary inquiry, that I had no desire to defeat the provision of the bill providing for educational and demonstrational methods. Every man in this House knows that if my motion should prevail and that language be stricken from the bill it would hereafter find its way back into the bill, and therefore no man who is heartily in favor of that proposition could vote against my motion to strike out because he believes that it would discontinue the educational and demonstrational methods provided for in this bill to increase food production.

Gentlemen who live in sections of the country where the land is so fertile that commercial fertilizer is not necessary to the production of food can hardly realize the situation which confronts the States along the Atlantic seaboard because of the sandy soil, where commercial fertilizer is necessary. At this time, when the Government is calling upon the farmer to increase his food production, the farmers are met with this situation in regard to nitrate of soda, which can be imported only from Chile. Prior to the war it sold at $50 a ton, and to-day, by reason of the absence of shipping, the cost of nitrate of soda when delivered to the farmer is $85 to $90 a ton. The Government receives a superior grade of nitrate of soda delivered at Indianhead for $53.87 a ton, according to the figures of the War Department. The difference of $35 or $40 a ton will prevent the continuance of the production on the Atlantic seaboard of foodstuffs, potatoes, garden truck, which can not be produced unless a sufficient supply of nitrate of soda can be secured for the next year.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. HAMILTON of Michigan. How much ground will a ton of nitrate of soda fertilize?

Mr. BYRNES of South Carolina. They use about 100 pounds to the acre. The gentleman can figure it out himself. It means that this next year nitrate of soda will be harder to procure. Nitrogen enters into practically every fertilizer, and as the price of the fertilizer increases the production of foodstuffs will decrease and the cost of garden truck and potatoes and such food will increase in value. This amendment does not call for one dollar of loss to the Treasury of the United States. It provides that the soda shall be sold to the farmers at cost, including all expense, payable in advance, so that no man can receive a pound of nitrate of soda unless he pays in advance. It costs the taxpayer nothing, and it will increase production, and that means a decrease in the cost to the consumers of the country, and it is of as much benefit to the cities along the Atlantic seaboard as it is to the farmers. It will not injure a single industry in this country, because this nitrate all comes from Chile. We are to build a large number of ships to trans-

port supplies to Europe, and we can divert two or three ships to go to Chile and bring back nitrate of soda, without which we can not produce the foodstuffs to send to Europe. Common sense dictates such a course, and I can not see why any man should have any opposition to it. If we had the ships we would not ask for it, but without the ships we are bound to do it.

Mr. McKENZIE. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. McKENZIE. Suppose we adopt the gentleman's proposition, would it be possible to get any nitrate so that it could be used for this year's crops?

Mr. BYRNES of South Carolina. We can not get it for a month or two, but it will come here soon enough to use on late corn, and we would have it to use on the grain planted this fall. The production of wheat in the South has been doubled during the last few years through the agency of fertilizers. Nitrate of soda is necessary in Florida, Georgia, North Carolina, Virginia, Maryland, and New Jersey, where truck is raised in a great measure, and if we do not get the nitrate there will be a decreased production and an increased price to the consumer.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. HAMILTON of Michigan. How much nitrate of soda is imported into this country?

Mr. BYRNES of South Carolina. More than 250,000 tons were used last year for commercial fertilizer. I appeal to the House to pass this amendment, for I know that if it is adopted in the Senate the provision for the extension of the demonstrational and educational method will be put back into the bill, and I will vote for it.

Mr. TOWNER. Mr. Chairman, I ask leave to extend my remarks in the RECORD by printing at this place a letter in regard to the production of food products in Iowa.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. TOWNER. Mr. Chairman, I have a letter from a farmer in my district in Iowa regarding the conditions now existing as to the production of food products that I think may help Members to understand the situation, as viewed from the farmer's standpoint. The farmer who writes the letter owns and operates a large farm. He is a man of large experience and great intelligence, and he knows what he is writing about. He says:

I write you something of my own experience, presuming it may be typical of others situated as I am. My only son, who had been staying at home helping to operate the farm, joined the National Guard and went to the border. We had our corn plowed twice and so got along pretty well. We had 210 acres and raised about 8,000 bushels. Had a hard time getting it gathered, however. Help was poor quality, and we had to pay a big price. Men would get a little money and then quit work to spend it. But we got by.

Conditions are different now. Uncle Sam is calling lustily for men, unmarried men, and you know farm work must be largely carried on by boys from 18 to 30, and these are the fellows the Government is after. As a result, we are compelled to reduce, rather than increase, our corn acreage. We can not increase our potato acreage, and have cut our prospective big crop in two. We can not carry as many cattle as we should. My son is now at home, but is subject to call any day. We have two hired men, one a Dane and the other a city boy from Omaha. Neither of them much good without a boss right with them to tell them how to do things.

The future is not bright. My son will soon go. The help I have may also be called. Do you think a prudent man under such conditions would dare to put in a big crop when prospects are so poor for cultivating and harvesting it?

My neighbor across the road is struggling to get 100 acres ready for corn, but because of weather conditions and lack of help not an acre has yet been plowed. He has a boy to help, 18 or 19 years old—just the right age to enlist. If he goes, how can my neighbor raise his 100 acres of corn?

Proclamations from the President, resolves from Congress, buncombe from city booster clubs don't plow a furrow or plant a hill of corn. Somebody must expend some elbow grease. In fact, it takes real hard work and lots of it to raise a crop. Talk about inexperienced city boys 14 or 15 years old working on a farm to insure a crop. It is positively dangerous to give such a boy a modern team of from three to six horses. Some city parents are anxious to get their boys on a farm but stipulate they must not work in the hot sun. You can imagine how useful a boy would be if he did not work while the sun was shining.

The people in high places say we farmers must raise a bigger crop than ever before. How can we do this? We can not work more hours a day or more days in the year than we do now. We can not work more land without more help, and instead of getting more help they are taking from us what we have.

Is it not plain that if we are to even hold our own in producing crops recruits must be obtained elsewhere? I don't think a man should be taken from the farms who will stay and work on them. I hope the President and Congress will help us and not cripple us if they want to obtain the best results.

Another letter received is from two brothers conducting large farming and feeding interests. They are entirely reliable, and their statement is in line with many other letters received from those engaged in farm operations in Iowa.

We have between 400 and 500 head of cattle on hand and are feeding part of them corn on the blue-grass pasture and had expected to feed them all summer, but we see a great deal in the papers about the Government making a maximum and minimum price some time in the future on foodstuff, and we are at a loss to know what these prices are to be based on. We are paying $1.50 per bushel for the corn and in order to make any money on these cattle would have to receive prices fully as high or higher than the present market.

We are anxious to produce all the foodstuff possible on our farms this season but do not care to go up against a proposition that might cause us a material loss.

Any information you may be able to give us will be duly appreciated.

Mr. RAKER. Mr. Chairman, I want five minutes on this amendment.

The CHAIRMAN. The time was limited by agreement last Saturday and apportioned among certain Members.

Mr. RAKER. I do not find the apportioning in the RECORD.

The CHAIRMAN. The Chair was furnished with a list on Saturday covering that apportionment. The gentleman from Pennsylvania is recognized.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am opposed to the paragraph which appropriates $4,500,000 additional for increasing food production by educational and demonstrational methods through county, district, and urban agents, and I am also opposed to the nitrate substitution. We have already provided liberal appropriations for these purposes. I believe neither proposition should be adopted at this time. Neither is a war proposition, although this is supposed to be a war emergency bill. There is testimony before the Committee on Agriculture to show that the average farmer is getting tired of these "educational, demonstrational" methods. They want more practice and better prices.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I can not yield in five minutes. I quote from the testimony of Mr. McSparran, acting for the president of the National Grange:

In the first bill, No. 4188—that is, this bill—there are some $18,000,000, as I take it, to be given over for the development of agriculture, and a good many of those general classifications, as we have been able to understand their meaning, are very largely a question of jobs and an enlarged Department of Agriculture; or, as some choose to call it, putting the Department of Agriculture on a war footing.

This farmer's representative thinks this bill creates "jobs." That is the opinion of the legislative officer of the National Grange here upon the ground in Washington—that this appropriation is largely a matter of jobs. That is a significant answer to the proposition as to whether this is a war bill or not. Now, as to the educational part of it. The same gentleman, Mr. McSparran, in his testimony, says that the farmer wants to get rid of a lot of "this machinery" that Congress is imposing upon him through these "educational and demonstrational methods." Says he:

I want to say for the intelligent farmers of the United States that we are getting sick and tired of being served out education whenever we come to a Congress or a legislature for justice and for an equal show before the law. The farmers of the United States can grow stuff and can attend to their own business, and they very largely know how. There may be certain sections where that is not true, but, as a rule, there is somebody in every section who knows the business of farming and the people of his immediate neighborhood have more confidence in him than anybody the Government at Washington or the governments in the capitals of the several States can send into that community; and we are getting a little restive under this infernal information business. We have been swamped with information, and we have been ruined by lack of adequate legislation to give us a fair chance on the markets of the world and in the general social status of the world with regard to taxation and all those affairs. Therefore I want to call your attention to the fact that we do not feel at this time that it is a wise thing to litter up the industry of his country with a lot of high-paid supervisors and people standing over us and telling us what to do.

Then there is this proposition which you must not forget and that is, the American farmers do not have to farm. Just as quick as the conditions are made such that he can not make a living, he will go into the cities and crowd the city boy and girl off the bench. He has been doing it generation after generation, and he can continue to do it and he will do it just as soon as conditions do not pay on the farm. They are not paying now, and they have not paid, and therefore in all your consideration of this question of agriculture you must bear that in mind. We do not ask for class legislation. We do not want the Government to make pets of us. We do not want the Government to put us on a plane by ourselves, and we have in certain cases resented some attempts on the part of the States and the Nation to do that to a certain extent.

Mr. HAUGEN. You mean that you do not want to be treated as wards?

Mr. McSPARRAN. No; we do not have to be.

Mr. HAUGEN. We have treated the Indians as wards, but have recently released them. Now, then, the white people ought to have something to say about it, also.

Mr. McSparran further says:

It has gotten to be the fashion or custom to delegate everything to the President. Now, I do like that. I think that you gentlemen were given certain powers in this most wonderful Government that the world has ever seen, and that there was a coordination of power and responsibility. That was done very wisely, and it was done for the purpose not of destroying the influence of a good ruler but of preventing the dictation of a bad one, and whenever you set up this precedent of giving over to the President the control of anything outside of the control of the safety of the country you are doing a dangerous thing. It has always been recognized as a fact that the President must be the Commander in Chief of the Army, but when it comes to the control of the food supplies of the United States, and things of

that kind, it seems to me that, inasmuch as he must give into the hands of subordinates the absolute control of this proposition, because he can not personally see to all of these different things——

Mr. ANDERSON (interposing). Do you think that the idea that you have just expressed applies with the same force during the present emergency that it does to ordinary times of peace?

Mr. MCSPARRAN. Well, we have found this, I think, to be true in our country, that many times a so-called emergency has been the excuse for the inception of a principle that could not have been established in times of peace. For instance, if you will look back to every war that we have ever had, you will find that at the conclusion of the war we have had saddled upon this country a larger military establishment than we thought was necessary before the war.

Mr. Chairman, it is proposed in this bill to give the farmer $4,500,000 for more instruction, not for more work on the farm but for more educators to tell the farmer how to work, and some farmers apparently resent it, according to the testimony of the National Grange. The proposition of the gentleman from South Carolina is to strike out this educational, demonstrational business and insert $4,500,000 for nitrate for three States. That is not a fair proposition.

Mr. MEEKER. Mr. Chairman, will the gentleman yield for a correction?

Mr. MOORE of Pennsylvania. Yes.

Mr. MEEKER. I think it is about $10,000,000 instead of $4,000,000.

Mr. MOORE of Pennsylvania. No; this paragraph would carry $4,500,000. The $10,000,000 proposition is before the Committee on Appropriations at the present time, and before that committee Secretary Houston, testifying as to this very nitrate matter, said:

Secretary HOUSTON. Well, of course, their two main crops are cotton and corn. The South, unfortunately, although it is as largely agricultural as any other section of the country, does not produce enough foodstuffs and feedstuffs for itself; it imports from the West in foodstuffs and feedstuffs anywhere from six hundred to seven hundred millions annually.

Mr. SHERLEY. But there is an economic reason for that; they think it better, normally, to raise cotton and sell it and then buy the others?

Secretary HOUSTON. That is the impression there, Mr. SHERLEY; but I do not share that impression, and I do not share it for this reason, if I may take the time of the committee for a moment: The farm load in the South in those two crops comes very nearly at the same time, and the dependence of the South on those two crops involves an economic use of labor. Unquestionably if the South were to practice greater diversification and use its labor more fully, more nearly the year round, I think she would be in a very much better condition agriculturally and economically—a very much safer condition—than she is at present. We made a farm survey of three counties in South Carolina with which I am quite familiar, the Piedmont district, beyond Greenville; and allowing for Sundays, holidays, and rainy days, excluding them and taking the days that were available for work, it was estimated that their labor was used about 45 per cent of the time. There are many factors to be considered; but I should say that the dependence of the South on two crops is very uneconomic and that the South can well afford to raise, and can raise, enough foodstuffs and feedstuffs to be self-sustaining.

The CHAIRMAN. Do you know the acreage to which it has been customary to apply nitrates?

Secretary HOUSTON. It is used mainly in the three States—North Carolina, South Carolina, and Georgia—but I can not give you the acreage on which nitrate is used.

* * * * * * *

I asked that question of one of our people this morning—Mr. Knapp—who is in charge of the demonstration work in the South. He said that other ways of increasing yields, such as seed selection, better cultivation, rotation, use of clover crops, etc., would be five or six times as important as the simple use of nitrate at a high price. It seems clear to me that even if you could get shipping with which to bring nitrate from Chile and you could deliver it at the same rate at which the Government is getting it—approximately $60—it would be unprofitable for the average farmer to use it at such a price.

Mr. Chairman and gentlemen of the House, are you going to vote into this bill this second proposition of $4,500,000 for three States, where they refuse to rotate their crops, are dependent on one crop only, and have to buy the necessaries of life from other States? Is this such a war measure as warrants the purchase of nitrates for these several States where the soil might be improved by crop rotation? That is the proposition before you now. You are told that this is a war measure, and you learn as you read the testimony that nitrate is coming in under the cover of a war measure. It looks more like special privilege.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes, if I have the time.

Mr. CANNON. I was present at the hearing before the Committee on Appropriations, a part of which the gentleman has just read. In order to get these nitrates you would have to use the Navy transports, and the Secretary stated in substance that so far as he knew or believed they could not be used first, because Chile was neutral——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON. And for many other reasons.

Mr. MILLER of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Minnesota. I understand by agreement of the committee that the time has been fixed and allotted on this entire paragraph and all amendments thereto.

The CHAIRMAN. Yes.

Mr. MILLER of Minnesota. If the amendment offered by the gentleman from South Carolina should prevail, I have an amendment which I would like to offer, and I want to know if my agreement is in order to offer that amendment?

The CHAIRMAN. It will be.

Mr. MILLER of Minnesota. I can offer it at any time prior to the taking of a vote?

The CHAIRMAN. Yes. The gentleman from Ohio [Mr. FESS] is recognized for five minutes.

Mr. FESS. Mr. Chairman, I do not believe that we ought to adopt this amendment to strike out this educational feature. I do not see this work from the same angle as does my friend from the city district who has just addressed the committee. I think that the representative of the grange whom he quoted a while ago is speaking rather from prejudice than information, because this extension act under the Lever Act has been indorsed by a great number of legislative acts in the various States in which they have increased their burdens to more than meet the requirement of the Federal Government in making the act operative.

Coming from an agricultural district, I think I know something about the reception of that law in my district, and I doubt very much whether there has been any law in the last 25 years that has met with such universal response and favor as the Lever extensional work in agriculture. I would deplore an act of the House in eliminating it, because it would be an expression on the part of the Federal Government that the thing that the States have so welcomed is not regarded of importance by the Federal Government, and therefore I hope we will not strike out this particular feature that is provided by the amendment.

I appreciate the need of the nitrates proposed by the amendment of the gentleman from South Carolina [Mr. BYRNES]. I recognize that the exportation of potash from Germany is cut off. I recognize also the need of this particular element for enriching the soil. However, I doubt very much whether it would be of any particular value at this time to add the amendment of my friend from South Carolina [Mr. BYRNES]. We have taken steps to ultimately supply the country with fertilizer of this character. I hope that that will not be a disappointment ultimately to the Government. But what I especially wanted to say to the committee is that while I have looked with a good deal of suspicion upon any measure of this character, because I am a little fearful we can not get the results that are recommended, I am positively convinced that in the range of prices covering all subjects some governmental regulation must be resorted to. The law of supply and demand in normal times is safe, but I do not believe that prices ranging as they are would range in this way if we were certain of our information. I think this bill will be justified in that it proposes to give us the information upon which the price regulation can be effected.

Mr. Chairman, the war situation is distressing because of the possible embarrassment to grow out of a lack of food supply. In normal times we need concern ourselves but little over such a question; but we are now in the midst of the most alarming abnormal conditions.

These abnormal conditions will display the most serious results upon feeding the warring nations.

A food shortage seems imminent, due to numerous causes, the chief of which is war's destruction.

Our statisticians tell us we are destined to have a short crop, due to seasonal causes. Then the general withdrawing of Europe from the production classes to enter the consumption class reduces the product in the warring countries. The destruction of food ships and cargoes of food by the submarine is the most potent cause of the shortage. The general disintegration of the labor market, which sees fabulous wages paid labor in fields other than agriculture, robs the farm of its native labor and embarrasses the farmer by a most deficient character of labor, and at prohibitive wages. The farm-labor problem is alarmingly serious.

The productiveness of the farm will also be less this year because of the lack of fertilizer. The German potash, so necessary for maximum production, is entirely cut off. The Chilean nitrates are also commandeered for the production of ammunition, and the fertility of the soil thus lost becomes a permanent loss this year, because we have no substitute.

It is estimated that the shortage of the world's crop of wheat this year will amount to at least 150,000,000 bushels. It may go far beyond that figure. As the season progresses very disquieting reports are being made. It is now estimated that this

year's wheat crop will not reach 550,000,000 bushels. The average crop of the last 10 years has been 725,000,000 bushels.

Our exports of wheat the first year of the war reached over 300,000,000 bushels, while the average exportation for the past 10 years was only half that figure.

The annual domestic consumption for a period of 10 years preceding the war was 570,000,000 bushels, or considerably more than the estimated yield of this year.

It is too early to estimate the situation of the other crops, only to say that the season is not a promising one, either in cereals or fruits.

This shortage of production facing us, and the inevitable increased demand from Europe due to the war, can have but one effect upon the price.

What is true of farm products will be equally true of live stock. There is an inevitable sympathy, measured in prices, between live stock and the food that must supply them. High-priced corn means high-priced hogs. The danger here is the price of grain has already reached the figure where it is no longer safe to feed it to stock. It is a surer money maker for the grower to turn it into cash than feed it to animals to risk an epidemic. This means a scarcity of meat. In turn it means, accordingly, a falling off of the supply of milk and butter. All this means an ascending scale of prices.

There is positively no indication of any relief from the high price from the operations of the law of supply and demand.

The scarcity of labor, the shortage of crops from various reasons, the uncertainty of the operations on the sea all conspire to make the grain market most uncertain, and offers the greatest operation for the speculator in foodstuffs possible.

While I am just as much opposed to paternalistic activities interfering with the individuality in production and distribution of food as any other man, yet our people must do certain things.

First. They must increase production. While it may be too late this year to do much on the basic farm product, the plans must be made ready to do it at all hazards.

Second. We must cut off our wicked wastefulness. The average American family in its prodigal methods wastes enough to keep it. We must adopt methods of conservation of what we have as well as increase the supply. It is not enough to reach the maximum in production, but we must also insure the minimum of useless consumption.

I see no sure and safe guaranty of this outside of governmental action.

While in normal times the law of supply and demand can safely be relied upon to regulate these matters, we must soon awake to the real situation, unlike anything the world has ever experienced.

We must look to the farmer for increased production, and to all our citizens for decreased wasteful consumption.

For increased production the farmer must have farm labor, fertilizers, and transportation facilities. If the range of wages on the farm keeps pace with those in the industries, the farmer will be compelled either to secure increased prices for his product or else reduce his acreage to his personal ability. If he can not secure fertilizers, his own labor will be discounted to the extent of lost production. If transportation facilities are not supplied for seasonal purposes, his crops can not realize their value to him, no matter how great the demand elsewhere.

In abnormal times, such as we now witness, the price current is sensitive to the situation, and is easily manipulated by the food speculator. Speculation thrives upon ignorance of the real situation. A fright caused by the possibilities of an uncontrolled submarine campaign will induce wild buying among the housewives as well as the stockbrokers. This fear of exhaustion of food necessities induces the payment of fabulous prices, such as now rule. This will continue so long as uncertainty prevails. Had we the knowledge of food possibilities, both present and future, this fear could be allayed. At least proper steps could be taken to forestall this panic in prices. If there is a remedy it will rest largely with definite information of the public.

Mr. Chairman, there is one feature of this subject that I think should be considered—the refusal to continue the manufacture of grains into alcoholic beverages. We are furnished the statistics on this question. We are informed that more than 110,000,000 bushels of grain are used in the production of beverages, 415,000,000 pounds of grapes, and 152,000,000 pounds of molasses; in all, the amount of 7,500,000,000 pounds of food thus used each year. It has been estimated that this amount is sufficient to supply a 1-pound loaf of bread every day to an army of 11,000,000 men.

In the face of these bewildering facts, both in production of food and the dangers of submarine activity in destruction, it would seem a wise step to take to prohibit for the period of the war, at least, further use of foodstuffs in the manufacture of alcoholic beverages.

Mr. Chairman, I repeat that I greatly deplore the necessity of supporting any measure that may lead to price dictation of foodstuffs. But I am quite convinced that unless we can by existing law prevent the gambling in food necessities we will be compelled to resort to dictation.

It is, I admit, undemocratic, and it will be resented by those of us who believe in the greatest possible freedom in all legitimate pursuits of the citizen, yet this is an unusual situation which faces us. It is different from any situation ever presented to us before and will demand new methods of dealing with it.

In the belief that this proposed measure will assist in both increased food production and conservation of what we have against useless waste I am going to vote for the measure.

Mr. LEVER. Mr. Chairman, let us see what the situation is. The amendment of my colleague is to strike out certain language in the paragraph providing for increasing the educational, demonstrational work of the Department of Agriculture and to insert in lieu thereof a proposition to insure a nitrate supply for the crop year of 1918. With the purposes of my colleague's amendment I am in hearty sympathy. No man appreciates more than I the value of nitrates in the production of crops, particularly in that section of the country along the Atlantic coast from the northern point of Maine to the southern point of Florida. It is, of course, an absolute necessity in order to get the largest production to have nitrogen in the shape of nitrates. Heretofore we have been importing from Chile. But I anticipate that my colleague will find a point of order made against his amendment when it is offered to the section which he proposes to modify; and I anticipate also that that point of order will be sustained, because with my small knowledge of general parliamentary law I do not believe the amendment which will be offered and which is necessary to accomplish the purposes of my colleague can possibly be sustained on a bill of this kind. I do not believe it to be germane. So I do not feel, therefore, that as chairman of the committee reporting this bill, with a responsibility not only to myself but to the committee of which I am the head, and the House of Representatives, I can afford to take the chance of emasculating that which has been carefully thought out in order to get the doubtful advantage of an anticipated piece of legislation for which I am heartily in favor, especially in view of the fact that I do not believe that the amendment can possibly be held to be germane to this section.

Mr. FORDNEY. Will the gentleman yield?

Mr. LEVER. For a question.

Mr. FORDNEY. The gentleman from South Carolina stated a few minutes ago that the value of nitrate was $85 a ton. For the calendar year 1916 there were imported 1,218,000 tons, having a value of $31.29 a ton.

Mr. LEVER. I have no doubt the statement is absolutely correct, that to the farmer in the Southland on the seaboard the price of nitrate at this time ranges from $85 to $100 a ton. I know.

Mr. BYRNES of South Carolina. There is no doubt about that proposition, but with regard to what the gentleman from Illinois [Mr. CANNON] said as to the statement of the Secretary of Agriculture, Mr. Houston, that transports could not be sent to Chile without violating international law, may I say that, at the request of the War Department, Secretary Lansing has submitted that to the Chilean authorities, and they say it will be no violation of international law. The State Department has so advised me. And I ask my good friend whether he does not think that the statement of international law from the authorities of Chile and the Secretary of State of this country should be accepted in preference to the statement of the Secretary of Agriculture?

Mr. CANNON. If I may be allowed, in that hearing it is shown, even if it is true and we had the naval transports to spare and those were the only things that could carry the nitrate, it would cost $76 a ton to lay it down on the Atlantic and $73 on the Pacific coast.

Mr. BYRNES of South Carolina. No, sir; Secretary Houston said it can be laid down at Indianhead to-day for $53.76 a ton.

Mr. LEVER. Now, Mr. Chairman, as to the purpose of the appropriation in this paragraph, we propose here, according to the statement of the Secretary, to put into every agricultural county in the United States the best experienced, full-grown farmer whose patriotism and experience the Secretary of Agriculture can requisition. The statement has been repeatedly made on this floor, not justified by the facts, that we are proposing to send out to instruct these farmers, and to help them, a lot of inexperienced schoolboys. That statement does not represent the facts.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. LEVER] has expired. All time has expired.

The question is on the adoption of the amendment offered by the gentleman from South Carolina [Mr. BYRNES] to strike out certain portions of the paragraph.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. BYRNES of South Carolina. A division, Mr. Chairman.

The committee divided; and there were—ayes 37, noes 108.

So the amendment was rejected.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from South Carolina [Mr. LEVER].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For gathering authoritative information in connection with the demand for, and the production, supply, distribution, and utilization of food, and otherwise carrying out the purpose of section 4 of this act; extending and enlarging the market news service; and preventing waste of food in storage, in transit, or held for sale, directing the market movement or distribution of perishable products, and otherwise carrying out the purposes of section 6 of this act, $3,500,000.

Mr. HULBERT. Mr. Chairman, I move to strike out the last word for the purpose of asking a question.

The CHAIRMAN. The gentleman will suspend for the consideration of a committee amendment. There are two amendments printed in the bill.

Mr. LEVER. Those are our committee amendments.

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. MEEKER. The Clerk read, on line 12, "section 4." Is that correct?

The CHAIRMAN. That is exactly the amendment that the Clerk will read.

The Clerk read as follows:

Committee amendment: Page 6, line 12, strike out the word "four" and insert the word "three."

Mr. LEVER. Mr. Chairman, it ought to be "two."

The CHAIRMAN. The gentleman from South Carolina asks to modify the amendment by making it "two" instead of "three." The Clerk will read the modified amendment.

The Clerk read as follows:

Modify the amendment by striking out the word "three" and inserting the word "two."

The CHAIRMAN. The question is on agreeing to the modified amendment.

The modified amendment was agreed to.

The CHAIRMAN. The Clerk will read the next.

The Clerk read as follows:

Committee amendment: Page 6, line 16, strike out the words "of section 6."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

Mr. LEVER. This is an amendment dealing with the total.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Committee amendment: Page 6, line 17, strike out "$3,500,000" and insert "$2,522,000."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Miss RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The lady from Montana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Miss RANKIN: Page 6, line 17, after the figures "$3,500,000," add the words:

"*Provided*, That the Secretary of Agriculture shall, so far as practicable, engage the services of women for the work herein provided for."

[Applause.]

Mr. LEVER. Mr. Chairman, I reserve a point of order on that.

Miss RANKIN. Mr. Chairman, the work provided for in this paragraph—such as gathering information, extending and enlarging the news service, and preventing waste—includes activities that we have been accustomed to seeing women engaged in. And when these activities are so closely related to the home as is the food question, women are especially well fitted by their training and experience to do this work.

It is self-evident that women are going to fill many positions that have been filled by men in the past, and this is one of the places where they can be used effectively.

Women officials, with their understanding and sympathy for home problems, will inspire a confidence in the home woman, and will encourage her to cooperate with the Government in this emergency.

Women as housekeepers must learn to think of food in carload lots, in transit, in storage, in the board of trade, and in the national markets as well as in the small portions on the family table.

By using women officials to aid in this work we will concentrate the attention of all women on the larger bearings of the food problem. It will bring the home woman into closer cooperation with the Government.

Our higher educational institutions have been turning out a large body of women who are trained to deal with fundamentals from a scientific standpoint. We have in these women a new source of service which we should not waste at this time. I feel sure that these women will be capable and faithful in doing this constructive work. It would be to the advantage of the Government to utilize the services of trained women in the place where they would count the most for the country during this present crisis and also in the future.

Food conservation on a national scale is but the natural outgrowth of woman's traditional work. Women in the past have been concerned with the immediate preparation of food from one meal to another. They must now consider the food supply for the year. They must be individually concerned with the food supply for the whole country. And now, as we face this international problem of feeding the people, the responsibility is placed on all of us.

We know that with our unparalleled resources and improved methods of production there is no need that anyone should go hungry. Women must take an intelligent and responsible share in the world's work if we are to see that all the people are fed all the time. [Prolonged applause.]

Mr. LEVER. Mr. Chairman, I am satisfied that I would not represent, as the chairman of the Committee on Agriculture, either the good judgment or the chivalry of that committee, if I should make any objection to this amendment. [Applause.]

A MEMBER. Discretion is the better part of valor. [Laughter.]

The CHAIRMAN. The question is on the amendment offered by the lady from Montana.

Mr. MOORE of Pennsylvania rose.

Mr. HOWARD. Mr. Chairman, I did not catch the full purport of that amendment; only part of it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. HOWARD. That is all right.

Mr. MOORE of Pennsylvania. I believe the figures 83-500,000 have been stricken out.

The CHAIRMAN. Yes; that amount has been reduced. The question is on the amendment offered by the lady from Montana [Miss RANKIN].

The amendment was agreed to.

The announcement of the result was received with applause.

Mr. CANNON. Mr. Chairman, in lines 14 and 15, I desire to move to strike out the following words:

Directing the market movement or distribution of perishable products and otherwise carrying out the purposes of this act.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CANNON: Page 6, line 14, strike out the following language, beginning line 14: "Directing the market movement or distribution of perishable products and otherwise carrying out the purposes of this act.

Mr. ANDERSON. Will the gentleman yield just a moment?

Mr. CANNON. Yes.

Mr. ANDERSON. If I may have the attention of the chairman of the committee, Mr. LEVER, I would like to suggest to him that it strikes me that the language the gentleman from Illinois has moved to strike out was language which related solely to section 6, and which might very well be eliminated.

Mr. LEVER. If the gentleman from Illinois [Mr. CANNON] will make his statement, I will look it up in the meantime.

Mr. CANNON. This bill, if enacted into law as it now stands, will duplicate the functions of officials in the Government employ authorized to act and those who are to be authorized to act when the President and Mr. Hoover get to work, as the gentleman from South Carolina [Mr. LEVER] has notified us that he is to introduce a bill from his committee on that subject in the near future.

I am not here to discuss the propriety of appropriations that have heretofore been made. They dwell in law and in appropriation. But if you take this bill and run through it, you will find that the proposition contained in this bill, not hinted at but provided for, instead of being an investigation to obtain information vests power in the Secretary of Agriculture to

dominate absolutely and boss the marketing of agricultural products. It runs all through section 2, if you will read it. True, I believe section 2 was stricken out by an amendment. Whether that amendment is to be agreed to when we get into the House, I know not; but I will not further refer to it, because that was the strongest provision connected with the bill that would enable the Secretary of Agriculture to regulate the shipment and prices of grain, and so forth.

But let us go over to section 5:

That the Secretary of Agriculture is authorized to cooperate with such State and local officials, and with such public and private agencies, or persons, as he finds necessary, and to make such rules and regulations and to issue such orders as are necessary effectively to carry out the preceding sections of this act.

Now, you might strike out the words "such orders." In fact, I was told by one Member of the House that there was an amendment that had stricken out those words "such orders." If such an amendment was agreed to in committee, the House may refuse to agree to the amendment. Yet you may take the whole bill, and if you strike out those words, the authority to make regulations connected with the various sections of the bill and with the words that I propose to strike out here leaves without such amendment a great department not only to control, in the language that is proposed to be stricken out, the directing of the market movement or distribution of perishable products but also the broad language, "and otherwise carrying out the purposes of this act."

Now, I quite understand that under the war power of the Government we can do many things that we can not do in time of peace.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEVER. Mr. Chairman, let us see if we may agree on a time limit on this paragraph.

Mr. HULBERT. Mr. Chairman, a parliamentary inquiry. At the conclusion of the reading of this paragraph the Chair recognized me on a former motion which I made in order that I might interrogate the chairman on certain matters in which I am interested. I then gave way in order that the chairman might offer some committee amendments. I should like to know if I have lost my right to speak on this section?

The CHAIRMAN. The gentleman has not lost his rights.

Mr. LEVER. Would the gentleman from Illinois [Mr. CANNON] like five minutes more?

Mr. CANNON. I should like about 10 minutes more.

Mr. LEVER. The gentleman from Illinois can get anything he wants from the gentleman from South Carolina. And I will reserve for myself 10 minutes, of which I will yield a part. I ask unanimous consent that the debate on this paragraph and all amendments thereto be limited to 55 minutes, the gentleman from Iowa [Mr. HAUGEN] to have 10 minutes, the gentleman from Illinois [Mr. CANNON] 10 minutes, the gentleman from Missouri [Mr. MEEKER] 5 minutes, the gentleman from Wyoming [Mr. MONDELL] 5 minutes, the gentleman from Massachusetts [Mr. DALLINGER] 5 minutes, the gentleman from Georgia [Mr. HOWARD] 5 minutes, the gentleman from Kentucky [Mr. HELM] 5 minutes, the gentleman from New York [Mr. HULBERT] 5 minutes, the gentleman from Texas [Mr. SUMNERS] 5 minutes, and, as I say, I will reserve 10 minutes for myself.

Mr. MEEKER. I have withdrawn my request for five minutes in favor of the gentleman from Illinois [Mr. CANNON].

Mr. YOUNG of North Dakota. Mr. Chairman, it seems to me everybody in the House has had a chance to speak on this bill at one time or another, and I wonder if we could not get an agreement to have a final vote on the bill by 2 o'clock? I understand the gentleman from New York [Mr. FITZGERALD] will bring in another bill at that time.

Mr. LEVER. I am inclined to think we will have no difficulty in passing this bill by the time the chairman of the Committee on Appropriations is ready to go on. I have requests, Mr. Chairman, for 60 minutes, and I ask that the debate on this paragraph and all amendments thereto close at that time.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this paragraph and amendments thereto close in one hour. Is there objection?

Mr. RAGSDALE. I object.

Mr. CANNON. I think we had better not close it in one hour.

The CHAIRMAN. The gentleman from South Carolina [Mr. RAGSDALE] objects.

Mr. CANNON. There may be interruptions which will run us over an hour.

The CHAIRMAN. The Chair will state that perhaps he was in error, that the Chair should have said 60 minutes instead of one hour. [Laughter.]

Mr. CANNON. I do not know the difference between 60 minutes and an hour, but I do know that my request was for 10 additional minutes. Various matters may come up in the nature of interruptions which may run over the hour.

The CHAIRMAN. The gentleman from South Carolina [Mr. RAGSDALE] has objected, and that ends it.

Mr. LEVER. Then, Mr. Chairman, I move that all debate on the paragraph and all amendments thereto close in 60 minutes of actual debate, the time to be allotted to the various gentlemen as suggested.

The CHAIRMAN. The gentleman from South Carolina moves that all debate on the paragraph and amendments thereto close in 60 minutes, actual debate, the time allotted to be as suggested.

Mr. RAGSDALE. Mr. Chairman, I make the point of order that no quorum is present.

The CHAIRMAN. The gentleman from South Carolina makes the point of order that no quorum is present, and the Chair will count. [After counting.] One hundred and twenty-seven Members present, a quorum. The question is on the motion offered by the gentleman from South Carolina [Mr. LEVER].

Mr. MEEKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MEEKER. The motion is that there shall be 60 minutes of actual debate?

The CHAIRMAN. Yes. The question is on the motion of the gentleman from South Carolina.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The gentleman from Illinois [Mr. CANNON] is recognized for 10 minutes.

Mr. CANNON. Mr. Chairman, this whole bill taken together, if enacted, not only obtains information but read through section by section as it stands does give power, in my judgment, without any doubt, so far as the agricultural products of the country are concerned, to the Secretary of Agriculture to regulate the market. I have, however, stated that before.

Now, I speak of the war power of the Government. In time of war, of course, the Government may not only conscript its citizens for service in the Army but under certain conditions martial law may be declared, and under certain conditions the writ of habeas corpus may be suspended, and possibly in the present condition in the United States legislation giving the Secretary of Agriculture the power that he would have under this bill may be sustained. Let us say that it can be for the sake of what I desire to say. Is it best to give him that power? Here we are 3,000 miles from the seat of war, with 100,000,000 people, the greatest producing country on earth, loaning our allies large amounts of money that will have to be increased to send our armies across the sea. By the hundreds of millions of dollars we are appropriating to build ships for the merchant marine. Somebody has said that if this war lasted two years longer that outside of the extraordinary expenditures that we must make we would probably owe $30,000,000,000.

I am not here as a pessimist; I am not here as an obstructionist; I am not here to make an attack on the administration, but I am here for the purpose, in the brief time that I have, to say that we ought to be careful about legislation made under the present hysterical conditions, with the pulpit, with the newspapers, with two-thirds of the people who are not farmers, following their callings, agonizing about the price of food, the price of food, the price of food, and calling for legislation that will regulate the price in the markets; and it is here in this section.

Well, is food the only pebble on the beach? [Laughter.] There is some legislation pending to regulate the newspapers under the espionage bill. What it is to result in I do not know; but the newspapers are quite able to take care of themselves, so far as that is concerned. Is anything said about the price of copper? Is anything said about the price of zinc? Is anything said about the price of coal? Great heavens! The prices of those products have been multiplied by 3. Is anything said about all the other industries? No; it is the price of food, the price of food, the price of food; the law must regulate that. Is anything said about the price of labor that produces the food? Are prices to be placed on agricultural products and the products to be seized? Will the President or the Secretary of Agriculture determine what the price shall be and then send you, if you are dissatisfied with it, to the courts of the country to recover if you do not get price enough, or to recover what you ought to have from an economical standpoint in man's chancery or God's chancery? That is a great privilege to one-third of the population of the country.

I would like to see this bill amended, and if this legislation is to be enacted I would like to see it cover all the productions in the United States. Why have this class legislation? Oh, well, it is said, the prices have gone up so very high. Why, wheat went up to $3 a bushel, and now it is $2 a bushel. Speculation probably is responsible for it; a conspiracy put it

up, and that conspiracy, if conviction was had, means a felony. There is plenty of law, if it can be enforced.

It is said that we all have to eat. Yes; we all have to eat; we all have to have clothing; we all have to wear shoes; we all have to have coal; we all have to have oil; we all, or the most of us, including the farmer, have to have gasoline; and so on and so on and so on.

Now, I say again, if the Government is to take possession of the market of the farmer's product, throwing aside the law governing supply and demand, saying that you will take so much or we will seize your property—let it be extended to cover everything along the lines of public industry; cover, if you please, the mining industry; cover, if you please, all grades of agriculture, including cotton, including the products of the whole country. I am not here to scold about cotton. It is way up three times the price now that it was two or three years ago. It is the great necessity for munitions. If fully utilized, as I stated a day or two ago, from all I could ascertain, probably three or four hundred million dollars' worth of good food can come from the cotton seed. Let us not do this by piecemeal. I do not constitute myself the sole defender of the farmer. I have a farming constituency, I have a manufacturing constituency, and I have a mining constituency. We are all interested in the welfare and prosperity of each and every citizen as well as our own individual welfare, but in conclusion, I say, let us be square. In calling into being the war powers of the Government, let the war powers cover all of the hundred million of people instead of only one-third of the hundred million of people. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MONDELL. Mr. Chairman, the amendment offered by the gentleman from Illinois [Mr. CANNON] ought to be adopted, unless the language he seeks to strike out can be amended; but my opinion is that we should amend that language, not strike it out. When this bill was originally drawn it contained a section 6, exceedingly far-reaching in its effect, authorizing, and in fact directing, the control of shipments of perishable goods, and if this had been a part of the law it would have been necessary to follow that section with a provision under which if the shipment proved disastrous the shipper could recover; but the Committee on Agriculture struck out that section 6 before the bill appeared on the floor, so that there is now nothing in the bill that gives the power to direct and compel shipments unless that power be granted by the word "directing," on page 6, line 14, "directing the market movement or distribution of perishable products." That language was entirely proper in the bill so long as the original section 6 was in the bill, but the Committee on Agriculture has determined that we shall have nothing in this bill, at least, whatever we may do in other bills, that will authorize the Secretary to say to a shipper, "You shall ship to a certain point," and therefore the word "directing" should be stricken from the bill and other words be substituted therefor. In view of that fact I now offer as a substitute for the amendment offered by the gentleman from Illinois the following, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. MONDELL, as a substitute for the amendment offered by the gentleman from Illinois [Mr. CANNON]: Page 6, line 14, strike out the word "directing" and insert in lieu thereof the words "advise concerning."

Mr. MONDELL. Mr. Chairman, the amendment will then authorize the Secretary of Agriculture to advise concerning the movement or distribution of perishable products. Certainly we should not in this bill, the committee having stricken out section 6, which proposed a direction of shipments, leave anything as a remnant of that section 6 which would authorize any direction to the shipper; but, on the other hand, I think it is exceedingly important if this bill is to become a law that the Secretary shall be specifically authorized to advise concerning shipments of perishable products. I think there is a very valuable work that can be done along those lines.

I think the Secretary can be exceedingly helpful to the shippers of vegetables and fruits by making inquiries and investigations relative to markets and making suggestions to the shippers as to the market that is likely to be favorable to their shipment. A splendid work could be done along that line. The Agricultural Department is doing that kind of work to-day, and it is well, if we are to give the department the additional appropriations for the enlargement of their work, that we should give additional appropriations for work of this character.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. RAGSDALE. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from South Carolina makes the point of order that there is no quorum present. The Chair will count. [After counting.] Ninety-five Members present; not a quorum.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise, and upon that motion I demand tellers.

The CHAIRMAN. The gentleman from South Carolina moves that the committee do now rise, and upon that demands tellers.

Tellers were ordered; and the Chair appointed Mr. HAUGEN and Mr. LEVER to act as tellers.

The committee divided; and there were—ayes 0, noes 109.

So the motion was rejected.

The CHAIRMAN. The vote discloses the presence of a quorum, and the Chair recognizes the gentleman from Massachusetts [Mr. DALLINGER] for five minutes.

Mr. DALLINGER. Mr. Chairman, I have been very much surprised that throughout the debate upon this bill there has been a disposition on both sides of the House to filibuster and also to offer amendments with the purpose of defeating the object of the bill. As the chairman of the committee has said, a good many such amendments have been offered, among others an amendment to strike out section 3. The paragraph which we are now discussing provides for an appropriation for the carrying out of the provisions of that section, which is now numbered section 2.

I can not understand the position of Members of this House, either upon the Republican or the Democratic side, who come from large centers of population, particularly those who come from the large cities of the East and of New England, when they assume that attitude upon this bill. It was my good fortune to read the special report made to the Attorney General by George W. Anderson, Esq., United States district attorney for the district of Massachusetts, who was recently appointed by the Department of Justice to investigate the question of the high price of food, which is the most vital question before the people of this country to-day, because in my opinion if something is not done pretty soon you will have food riots in all of the big cities of the country. What did Mr. Anderson say? He said he was unable to find out the real situation and get the facts by which he could secure the indictment of these men who are cornering the necessaries of life in this country without legislation authorizing somebody in the Government to find out where this food is, and that is the object of what is now section 2 of this bill. In other words, this bill which is a short bill, which does many other things which are admirable, but which are not of such great importance, does this thing which the Department of Justice says is necessary in this crisis, and I am in favor of the bill, and I shall vote against every hostile amendment, because if there is one thing which the people of this country can not afford to have when we are fighting this great war, it is bread riots in the cities of our own country. [Applause.] And I trust that those Members who have been thinking of voting against this bill because of one little thing or another will recognize the real object of it and see to it that it becomes a law at the earliest possible moment.

Mr. FESS. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. FESS. I am sure I am in sympathy with the position that the Member has taken. The question of speculation seems to be the one we are trying to reach and must reach. Do you think we can do it in this bill?

Mr. DALLINGER. I certainly think, Mr. Chairman, that under section 2 the Secretary of Agriculture can obtain this information, which would be the basis of the prosecution by the Department of Justice against those men who have stored large amounts of food and are letting it out gradually at the highest possible price, and who to-day, without any law authorizing the Government officials to go and find out how much they have got, say that the supply is short. [Applause.]

Mr. FESS. Is it not a fact that if we knew how much food supply there was, the speculators could not play the game as they do?

Mr. DALLINGER. Absolutely.

Mr. HAUGEN. If I may be permitted, I would like to state for the information of the gentleman from Ohio [Mr. FESS], that when the bill was first introduced and was first reported by the committee, it had a provision punishing the conspirators as to food supplies, and an order came from the Department of Agriculture to cut it out, and the committee promptly acted upon the suggestion of the department. It is out of the bill. It was there once, but it is out now.

Mr. DALLINGER. I will say in answer to that question that it is not necessary to have a provision of that kind in this bill, because under the provisions of the Sherman law you can get this information, and even under the common law of the English-speaking people the Department of Justice can solve this question and can

at least get indictments under the common law and the Sherman Act if they can get the facts. Moreover, in another bill which is shortly to be reported by the Committee on Agriculture, officials of the executive department of the Government are to be given the power to fix the maximum prices at which the necessaries of life may be sold, which will solve the problem of extortionate prices in a most effective manner. In the meantime, however, this legislation is absolutely necessary to secure indictments under existing law, and thus meet the immediate exigency that confronts us. [Applause.]

Mr. RAGSDALE. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The gentleman from South Carolina makes the point of no quorum

Mr. LEVER. Mr. Chairman, I move that the committee do now rise, and upon that I demand tellers.

The CHAIRMAN. The gentleman from South Carolina moves that the committee do now rise, and upon that he demands tellers.

Tellers were ordered.

The committee divided: and the tellers (Mr. LEVER and Mr. HAUGEN) reported—ayes 0, noes 104.

So the committee refused to rise.

The CHAIRMAN. The vote has developed that there is a quorum present. The gentleman from Georgia [Mr. HOWARD] is recognized.

Mr. HOWARD. Mr. Chairman, I have refrained from saying anything on this bill up to this particular moment as I have almost continuously been engaged in other official duties; but I will say as to the amendment of the gentleman from Illinois [Mr. CANNON]—and I know he means to perfect this bill by it—I think the entire trouble could be cured by using the word "advise" instead of "direct." One of the greatest losses sustained by the people of the United States during any given year is the loss in perishable foodstuffs by the wholly inadequate system that we have in vogue in the United States in marketing those products. The truth of the business is that the marketing system of perishable stuff in the United States at one time became so bad that few men were willing in some sections of the State of Georgia to engage in the truck-farming business, as in most instances they lost instead of gaining by such business. We could do nothing better in this time of stress and food shortage than to provide liberally for the intelligent distribution of perishable foods throughout the country and direction in the distribution of that food.

Now, let me give you an illustration of what has been done in Georgia. There is a gentleman now in Washington in consultation with the Assistant Secretary of Agriculture who has rendered very valuable service to our State in food conservation. When war was declared we found out that there was a very great shortage in cans for the conservation of vegetables and fruits, that very necessary food supply of this country. This young man went out in Georgia and organized farmers before they had put the seed in the ground to agree to plant so many acres of corn for the purpose of canning it. They agreed to plant so many acres of English peas for the purpose of canning those peas, and so on. In fruit they did the same thing. They agreed to can all of the available fruit that they had. Now, then, they come up against the problem of getting cans. The banks all over the State, several hundred of them, combined for the purpose of advancing money at low rates of interest to any of these farmers who wanted to buy fertilizers or wanted to buy cans or canning appliances for the conservation of this food.

Now, as I say, we are up against the proposition of getting cans. So they found out by application to the Secretary of Agriculture that they have a list of people throughout the country from whom we can get cans at reasonable prices. The banks are going to furnish the money to get these cans, and furnish them to these people. All of that information has been gathered largely by the Agricultural Department.

I do not know so intimately about some other features of this bill. The people of this country are paying a fictitious price for food in many instances, and the false profits are being made by the speculator. There is no question about that. I can draw a bill of seven or eight lines, and I believe when I state its provisions every gentleman in this House knows it would cure this situation. If we were to put on the statute books a law providing that the Secretary of Agriculture through his proper agencies could condemn and seize all food not in the hands of the actual producer, but which is being held for speculative purposes, and we sell that food to the American people at its intrinsic food value, and permit these speculators to sue the Government of the United States in any court of competent jurisdiction for the difference between the price so paid by the Agricultural Department as the real value of the food and what the speculator claims it to be worth, within six months from the day of its confiscation, I will guarantee you would see a great decrease in the price of food. That is where the trouble is. There is not any question about it.

And as far as the coal situation is concerned, I would put two-thirds of them in the penitentiary. The coal situation presents to a suffering public a situation that is absolutely unjustifiable. It is a source of much regret to me that our able staff in the Attorney General's Office has failed so far to take any real notice of this situation. They could have had at least a half hundred of these coal barons on the way to the penitentiary if they had taken notice of the condition confronting the people as to their fuel.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Kentucky [Mr. HELM] is recognized.

Mr. HELM. Mr. Chairman, I am one of those Members of the House who is so anxious to do everything in his power as a Member of the House to help our country along during the existing crisis that I am liable to vote for something that I do not fully understand and do not entirely approve. In my zeal to do the right thing I am afraid that I, like some of the rest of us, am liable to do the wrong thing.

Now, what is the situation? In five minutes' time it is a hard proposition to state any case, but let us look at the map of the world in connection with the question of the food supply. The world is at war with Germany. The Western Hemisphere, with all of its resources, is accessible to the allies, because they have command of the sea. The great Dominion of Canada, the United States, all Central America except Mexico, entire South America, Australia, Africa, and portions of Asia are open to the commerce of the world, the allies commanding the seas. The central powers have the Empires of Germany, Austria-Hungary, Serbia, Turkey, Bulgaria, and Roumania at their command for resources. It is the most staggering situation ever presented to me to think that with the central powers restricted to that narrow area, comparatively, and the allies with the command of the rest of the world, we here in the United States are in the midst of a panic of high prices.

I believe that this condition will readjust itself and that we are entering on a period of recession. As I stated the other day on the floor of this House, the allies at the outbreak of the European war, having placed enormous contracts in the United States for every character and kind of supplies, have been bidding against each other and the American manufacturers for the output of our factories and our mines and our fields, and prices have simply been soaring because the allies and the American contractors have been bidding against each other, and the producers of material and supplies of every kind have been knocking off the products on which they have been bidding to the highest bidder.

Now, since the United States has entered the war the situation is beginning to change and in a measure equalized and readjusted on lower levels. Certainly out of all this complex situation some organization will be effected by which our allied partners in the prosecution of the war will cooperate. If a partner in any business bids against his own partners for the raw materials that go into their manufactures they would soon bankrupt their own enterprise. The time has come when the allies must quit bidding against each other and knocking the products of the mine and field and factory off to the highest bidder. But that is simply a part of the situation.

The other part of the proposition is that here is $14,000,000 appropriated that is already in large measure covered by other bills for the identical purposes. Let me show you some of the troubles that confront me. It is not because I am chairman of the Committee on the Census that I mention them. I want to push this thing along as much as I can. But the last census was taken in round numbers for $15,000,000, a census embracing the population of the United States, manufacturing, mining, and agriculture, and involving almost a thousand different questions. The Census Bureau now has an available trained force that could perform almost all of the work outlined in this bill at a nominal cost to the Government. Here we are appropriating $14,000,000 to cover a great many lines of work that are already in the regular appropriation bill of $27,000,000—the highest figures that have ever been voted by Congress for agricultural purposes.

Now we are right in the middle of the season. The regular session of Congress is coming on, and the time for the performance of most of this work is passed. There is the difficulty that confronts me in this situation. I want to do the right thing, but I see here that we are liable to appropriate a vast sum of money—not so vast, however, in comparison with other figures we are considering at this time—but if we could save a

few million dollars out of these large sums for one thing and another I think it would be worth consideration.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. RAGSDALE. Mr. Chairman, I make the point of no quorum.

Mr. BYRNES of South Carolina. There is certainly a quorum present.

The CHAIRMAN. The gentleman from South Carolina [Mr. RAGSDALE] makes the point of no quorum. The Chair will count. [After counting.] One hundred and eleven gentlemen are present—a quorum.

Mr. RAGSDALE. On that I demand tellers.

Mr. LEVER. Tellers on what?

The CHAIRMAN. You can not order tellers on that.

Mr. LEVER. I make the point of order that that is out of order.

Mr. CLARK of Missouri. Mr. Chairman, I make the point of order that the committee is not in order.

The CHAIRMAN. The committee will be in order.

Mr. HULBERT. Mr. Chairman, in my time I desire very briefly to interrogate the chairman of the committee with regard to a feature connected with this bill in which I am very much interested, and in which I think the Members of this House, when they have learned more of it, will be very much interested.

A day or two ago I attempted to get the attention of the gentleman from Texas [Mr. SUMNERS], who has just concluded speaking, for the purpose of asking him if he was familiar with the subject and could enlighten the House upon the dehydrating of vegetables, a process economical in its use, and one which would permit the farmer to conserve the products of the farm which now rot upon the ground because of his inability to find an immediate market for these products in their natural state.

I would like to ask the chairman of the Committee whether specific provision has been made in this bill for the purpose of having the Government experiment with the subject of dehydration, which has been so successfully used in Germany, and which has made it possible for Germany, without being able to get great quantities of food from the outside, to feed its own people during the war?

Mr. LEVER. I am very glad to give the gentleman that information. In the memorandum furnished by the Secretary of Agriculture to the chairman of the committee for the use of the committee, the statement is made that in the Bureau of Plant Industry it is proposed to use 20 or 30 experts in dehydration. In the Bureau of Chemistry, which would cooperate very closely with the Bureau of Plant Industry, it is proposed to make an expenditure of something like $50,000 for the purpose of doing that class of work. I think the Department of Agriculture, and certainly I know the membership of the Committee on Agriculture, recognize very thoroughly the importance of that line of work in the conservation of our food supply, and we are all very earnestly in favor of it, and I think the gentleman will be very well satisfied with what will be done on that subject.

Mr. HAMILTON of Michigan. I do not want to break in if the gentleman wishes to ask any further questions.

Mr. HULBERT. I merely want to supplement the statement of the chairman of the committee [Mr. LEVER], with which I am very much pleased, by the statement that I hope the appropriation he has referred to will make it possible and that the department will act upon the theory of providing a limited number of dehydrating plants for purposes of experimentation, which dehydrating plants can be put on flat freight cars and sent out into farming communities, and the farmers of those communities be given an opportunity to bring their produce down to the station and have it dehydrated. By dehydration, I do not mean the old-fashioned process of drying which destroys the cells, but the new, modern process which preserves the cells, so that when you eliminate the water and put the material away for a long time it remains in its natural state ready to absorb the quantity of moisture that was taken out, and when it is cooked and served it is just as palatable as if it had been served when taken from the ground.

I yield to the gentleman from Michigan [Mr. HAMILTON] for a question.

Mr. HAMILTON of Michigan. It strikes me this is a very important matter. Now, in order to make it practicable and useful, would it not be necessary to construct dehydrating plants in various parts of the country near the source of supply, and with that end in view would it not require a much larger sum than has been suggested here by the chairman of the committee?

Mr. HULBERT. Personally I think that is desirable, but the proposition is in its experimental stage, and like everything else you can not jump into it all at once.

Mr. HAMILTON of Michigan. We need it all at once. We need it now.

Mr. HULBERT. It will be enough to come back here and get such appropriations as the results of the experiments provided for in the appropriation demonstrate necessary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HULBERT. Can the gentleman give me one minute more?

Mr. LEVER. If I have 10 minutes, by unanimous consent I will yield 1 minute to the gentleman from New York.

The CHAIRMAN. The gentleman from South Carolina, by unanimous consent, yields one minute to the gentleman from New York. Is there objection?

There was no objection.

Mr. HULBERT. In that one minute I merely want to say that I have some samples of dehydrated vegetables which I have had in my office for nearly two years. They are just as fresh and palatable now as they were when I got them, and I am going to leave them on the table, in order that anyone who would like to examine and taste them may be able to do so. [Applause.]

Mr. HICKS. Will the gentleman yield?

Mr. HULBERT. I have only one minute. Noting the activities of the committee, and particularly of the chairman, upon this subject, I want at this time to ask unanimous consent to extend my remarks in the RECORD by inserting an editorial from the New York American of Friday, May 25, 1917, which is highly and justly commendatory of the efforts of the chairman of this committee, the gentleman from South Carolina [Mr. LEVER]. [Applause.]

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The editorial referred to is as follows:

ABSOLUTE FOOD CONTROL BY THE GOVERNMENT IS THE COUNTRY'S MOST URGENT WAR NEED.

As Mr Hearst pointed out in a signed editorial in the New York American on Wednesday, Congress is to be commended for the deliberate and careful manner in which it has reviewed intended legislation to meet the requirements of the present crisis.

To the credit of Congress and to the country at large represented by Congress, our legislators in Washington have not been stampeded into hasty or ill-advised action, and it is a most encouraging sign that Congress has not given any indication at any time of wielding its tremendous war-time powers except after statesmanlike consideration of every matter brought before the assemblage for decision.

The war-time food bills prepared by Congressman LEVER, of South Carolina, offer an excellent case in point. These two bills—the food-survey bill and the food-control bill—have been most thoroughly dissected and discussed by the House until now it may be safely said that they are well and sufficiently understood both in and out of Congress.

And, what is more to the point, this analysis of the two bills shows them to be very fair and very wise bills. They provide legislation that is needed above all other legislation.

They equip the United States Government with the machinery by which the Government will be enabled to preserve itself and its own people and to perform the herculean task of feeding the rest of the world in addition.

The world is facing famine. The countries at war are perilously near starvation; the countries not at war are not far removed from the same condition.

In this country prices are soaring to new high levels. Unless drastic restrictive and protective measures are enforced, and enforced very soon, this rich country will not only not be able to feed the nations of Europe but will find its own people suffering a degree of want and privation never before recorded in our history.

Apparently Congress realizes that no time is to be lost in thus preparing for the work ahead of us. And surely all haste should be made in passing these two bills that is compatible with a complete understanding of them.

Mr. LEVER has done his work well. The first bill, requiring a survey of the national food resources, is vitally necessary to the successful execution of the provisions of the second bill, which gives the Government absolute control of the food of the country and of its dispensation.

Germany, largely cut off from outside assistance, has been able thus far to withstand her enemies because in the very beginning Germany instituted a food survey. When Germany began to fight, Germany knew to the pound almost what was in her larder, and knew in addition what portion of the larder's contents could be replaced by what Germany could grow and manufacture.

Having this information, Germany arbitrarily assumed control of the empire's food supply and doled it out in exact proportion to its needs instead of its wants. Speculation in food, such as was carried on daily and hourly in New York to profit a few at the cost of suffering to the many, became a prison offense and soon stopped.

The submarine is Germany's great offensive weapon, but food control has been Germany's great defensive weapon, and is the answer to the ever-recurring question as to how Germany "is able to hold out."

On the other hand, England had no food survey, had no food control, that is, not while there was still plenty of food for the time being. England did not awaken to the necessity of such control until the visible end of her supply came in sight. The very lack of food control, such as it is now proposed we shall have, is the explanation of England's inability to longer withstand the ravages of the submarine.

These are plain, matter-of-fact illustrations of the necessity of absolute food control, of the vital necessity of vesting in the National Government unrestricted power of food distribution.

Only in this way can our resources be brought to the highest pinnacle of production and maintained at the highest possible level of constant supply. Only in this way can unfair discrimination be prevented. Only in this way can those less able to meet high prices be

assured of protection against those wolves whose rapacity is not less keen nor less relentless in times of the direst peril.

Mr. Hoover, the choice of President Wilson for the position of food controller, has already opened headquarters in Washington and is now selecting his assistants. It is to be hoped that actual control will pass into the hands of Mr. Hoover as soon as possible. When that is done, this country will have taken its most important step in its business of war.

Mr. LEVER'S food bills are most excellent measures, and able hands are waiting to put them formally into operation when they shall have become law.

We suggest, Members of Congress, that they be made law at the earliest possible date.

Mr. HULBERT. Now, if I have any time, I will yield it to the gentleman from New York [Mr. HICKS].

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAUGEN. Mr. Chairman, in reply to the statement made by the chairman of the committee [Mr. LEVER] a few minutes ago, in which he charged that misinformation had been given to the House as to the character of the men to be sent to the field, I desire to call his attention to Dr. True's statement on page 118 of the hearings. Dr. True says:

> There will be considerable difficulty in finding an adequate number of competent and sufficiently trained women to do this work, who can give all their time to this service. It will therefore be necessary to employ teachers and others on part-time contracts in order to have representatives of this service in as large a number of counties as possible.

The chairman now states that the Secretary's plan is to select practical and experienced farmers to go out and teach the farmer how to farm. I desire to call his attention to the statements made before the committee when the Lever bill was under consideration. We were then told that practical, experienced farmers would be employed. If the chairman will consult the hearings he will find that instead of employing practical, experienced farmers the men have been selected from schools and colleges. If the plan has not heretofore been carried out, what assurance have we that the Secretary's suggestion will be carried out now?

Before a vote is taken on the bill it seems proper to point out some defects in the bill.

First. A brief history of the bill:

The department's first proposition, section 16, provided for a lump-sum appropriation of $25,000,000, to be immediately available. The bill was referred back to the department with instructions to itemize. The department came back with H. R. 4125, introduced by Mr. LEVER on May 3, containing section 2, which made it unlawful for any person to hoard or to hold or to enter into any contract or arrangement for any necessary in excess of an amount reasonably needed, and so forth. The apparent aim of this section was to do away with evil speculation and manipulations, but no penalties were provided for. Of course, without a penalty clause it is even satisfactory to the gamblers. The committee amended the bill by inserting a penalty clause. The bill was reported. At the request of the department the bill was recalled and H. R. 4188, of May 7, now under consideration, was reported without the section making evil speculation and manipulations unlawful. In this bill the appropriation was cut to $18,510,000.

The absurdity of the whole proposition was pointed out. The agricultural papers and people in general have commented, when it was made clear to the department that the country, especially under existing conditions, will not stand for any such absurdity and robbery.

Now comes the proposition to reduce the appropriation, and instead of providing for some 7,400 fat jobs the number is to be considerably reduced.

The appropriations are made under the pretense of increasing the food supply by increasing the yield. Gentlemen, we have appropriated in the last 11 years more than $200,000,000 in hopes of increasing the yield. Instead of increasing the yield, the yield has gone up and down, and on the whole it is practically the same as when we started. We were at first told that the proposition was to grow two blades of grass where one grew before. Experts and scientists told us for many years that the yield was so enormous that figures could not be found to describe the increase.

But when the department was confronted with the fact that the yield instead of increasing was decreasing a new propaganda was inaugurated and pushed with much vigor. We were told that the increased yield proposition was a failure, and the necessary thing to do was to teach the farmer how to grow less!

Here is what Mr. Spillman, Chief of the Office of Farm Management, had to say, on pages 26 and 27 of the hearings, Sixty-fourth Congress:

> Mr. SPILLMAN. They are pretty nearly doing that.
> The point I am making, gentlemen, is this: That to go out and teach the farmer how to grow 200 bushels of potatoes to the acre instead of 100 bushels does not solve the problem; to go out and teach him how to grow 50 bushels of corn to the acre where he is now growing 30 does not solve the problem. But that is the kind of teaching that most of us have been doing in the past, and I am as guilty as anybody. I have talked eloquently—as eloquently as I could—to get the farmer to grow more corn to the acre and to try to teach him how to grow two blades of grass where one grew before. But that does not solve the farmer's problem, gentlemen.
> Temporarily there may be underproduction, but taking the average of a long series of years there is a permanent and unavoidable overproduction of apples.
> Mr. REILLY. What is the remedy for that proposition?
> Mr. SPILLMAN. To grow fewer apples.

The committee in Congress spent months in considering the annual appropriation, and $25,929,113 was appropriated in addition to the regular annual appropriation of $17,000,000, making a total of $42,000,000. Liberal allowances were made all along the line. Practically everything that was asked for or estimated for was allowed. Now comes the opportunity to reach into the depleted Treasury for a number of millions more, not to meet any emergency such as an outbreak of the foot-and-mouth disease and various other things, but under the pretense of increasing the production, which, according to the department's own statements and according to official reports, has not been and can not be increased.

The bill provides for two additional assistant secretaries. Under the law assistant secretaries are not even authorized to act in the absence of the Secretary. That honor has been conferred upon the weather man! Besides, when this bill was prepared by the department it was then the intention to have the Secretary act as food dictator. That plan has been abandoned, and according to reports Mr. Hoover is the man. Therefore at the present time there is about as much need for two assistant secretaries as for a fifth wheel to a coach.

The bill provides for a food survey. Judging from the progress made by the commission in fixing the physical valuation of railroads, and the progress made by numerous other Government agencies, the information intended to be furnished by the food survey may probably be available for our grandchildren; certainly not for this generation. In the first place, we have several thousand elevators, numerous terminal elevators, many packing houses, a large number of cold-storage plants, and more than 6,000,000 farms, each farm with one or more granaries. The content of every granary and every bin is to be measured and ascertained. Dr. Brand says we must have a certified statement from every granary, which means that not less than 10,000,000 certificates must be issued; but he says these certificates can be supplied by simply sending out a request and a blank form for making the return. If these certificates are to be of any value, they must, of course, be sworn to before a proper authority, for of what value is a certificate made by the food conspirators unless made under oath? If a conspirator hoards grain in violation of the law, and is liable to imprisonment or a fine of $5,000, or both, if found guilty, would his certificate, unless sworn to, be of any value?

But, you say, the Secretary is given authority to swear witnesses and compel attendance.

Yes; and if all the certificates are to be sworn to, 6,000,000 farmers must sit down and make out a statement and hunt up a notary public or a justice of the peace. After his certificate is sworn to, if he fails to answer all the questions or to stop his work in the field to wait on the Government's agent, he goes to jail for two years or pays a fine of $5,000, or both—a most generous provision!

Now the question is, if the farmer or merchant, or other honest and conscientious person, pursuing his vocation and duty in providing food to feed our Army, deserves to go to jail for two years and pay a fine of $5,000, would it not be fair to give the food conspirator at least one day in jail and make him pay a fine of at least $1?

No; the bill says not. The bill first reported provided a fine and imprisonment for evil manipulation of prices, but when it was thus amended orders came from the department to cut out this provision, and the committee promptly complied with the command. We are now told that such a provision will be made later. That is an old story. It is an old trick. It is old and absurd and not even a backwoods farmer will take stock in it. For more than a decade we were appropriating money for the fixing of standards, and it took 10 years before we could get a law to authorize the establishment of a standard. The objection made then is made now. The argument made then was to put it off and trust to the future. The same argument is used now. The same argument was used to delay and defeat the pure-food bill and practically every other remedial bill enacted. Yes; we are to enact a bill to punish the farmer, but the process of robbing the farmer by depressing the price of his product when he has grain to sell, and robbing the consumer after the evil speculator and manipulator has had an

opportunity to do his work, is to go on. Not a word, not a syllable to affect him. As in the past, so in the future, he is to be denounced from the stump and glorified and crowned on this floor.

What has Mr. Leiter to say about these slippery gentlemen who are to be immune from prosecution for their evil doings? Here is what he is reported to have said:

[Clipping from Washington Times, May 12, 1917.]

"I can not imagine a more treasonable, unprincipled thing than for an American citizen to speculate in any grains or foodstuffs at this time," said Mr. Leiter. "The action of the Chicago Board of Trade in stopping all trading in wheat futures should have been taken months ago.

"Similar action should be voluntarily applied by every exchange in the country on which there is any kind or form of speculation in foodstuffs.

"As for myself, I haven't turned a speculative penny in the grain market—one way or the other—in 17 years. I did my last operations of that nature in 1900.

"There ought to be a law providing for hanging high any man who speculates in food products of any kind at this precarious time."

Leiter has been through it all. He is a competent witness. He knows all the ins and outs of the business.

Food conspirators have been viciously denounced by the press and by Members of Congress, especially in statements made from the stump. What are you going to do about it? Departments have been criticized for not enforcing the laws. To a certain extent it may be true that the laws have not been enforced; but, gentlemen, the trouble is not so much with the departments as it is with Congress. It is the joker slipped into the bills passed which makes the laws inoperative. It is the omission of laws and the enactment of defective laws such as the one proposed here to-day. Just as the Federal Trade Commission act giving the commission authority to investigate corporations but not authority to investigate companies and individuals that do the dirty work for the corporations. Hence all go scot free.

In another bill under consideration by the committee a food dictator—probably I should say a food manipulator—is to be provided. According to report, he is already appointed, and with the aid of the Beef Trust and sundry other trusts and organizations is going to fix the prices to be paid the farmers. Of course the Beef Trust and the other trusts sitting at the table, and the food conspirators, volunteering their services without pay, will fix prices that are satisfactory to the farmer and the consumer. With these people at work fixing prices, what need will there be to deal further with the food conspirators? No; put it off; put it off. Why should the farmer, designated as the most ignorant and least deserving of all of our population, object to $150,000,000 profit for the Beef Trust, or the meager profits made by the food conspirators? Why should he object to the practices of these high-handed outlaws now controlling prices, and putting a few additional millions in their pockets? Why should he object to giving the Beef Trust a free hand and absolute power to force out the smaller packing houses, and run prices up or down to suit their own sweet will? Why should the farmer and consumer object to allowing Armour and Swift and others to continue their practices? Why should the farmer object to holding down the price of wheat? Why should the consumer object to paying 15 cents for a loaf of bread? Why should the farmer object to a two years' jail sentence and a fine of $5,000? If he has no right to object, by all means do not disturb the evil manipulators, but pass this bill.

What a delightful message it will be to the producer and the consumer! How pleased the farmer and the consumer will be to see us come back! How they will rejoice—rejoice in the victory won for the conspirators. With renewed vigor the farmer will plant and harvest, and will place additional mortgages on his farm in order to feed an army, and for our return the consumer will work night and day and aid the much loved and favored few, the manipulators, and will pray early and late for our return.

Of course, some will object. Judging from Mr. McSparren, a member of the legislative branch of the National Grange, who appeared before the committee as a representative of the National Grange, an organization with a membership of several hundred thousand farmers, many will object. If you will turn to pages 204 and 205 of the hearings, you will find that he had this to say:

I want to call your attention to some of those propositions: In the first bill, No. 4188, there are some $18,000,000, as I take it, to be given over for the development of agriculture; and a good many of those general classifications, as we have been able to understand their meaning, are very largely a question of jobs and an enlarged Department of Agriculture, or, as some choose to call it, putting the Department of Agriculture on a war footing.

I want to say for the intelligent farmers of the United States that we are getting sick and tired of being served out education whenever we come to a Congress or a legislature for justice and for an equal show before the law. The farmers of the United States can grow stuff and can attend to their own business, and they very largely know how.

We have been swamped with information, and we have been ruined by lack of adequate legislation to give us a fair change on the markets of the world and in the general social status of the world with regard to taxation and all those affairs. Therefore I want to call your attention to the fact that we do not feel at this time that it is a wise thing to litter up the industry of this country with a lot of high-paid supervisors and people standing over us and telling us what to do.

On page 206 McSparren says the farmer has the education, he has the brains, he has the common sense.

On page 207:

A great many of the farming people have been to town once or twice, and they know what an up-to-date water-closet is; but the trouble is they have not had the money to put in those things, and the ones who have had the money have put them in and are continuing, just as they are able to do so, to put such improvements on their farms.

We do not ask for class legislation. We do not want the Government to make pets of us. We do not want the Government to put us on a plane by ourselves, and we have in certain cases resented some attempts on the part of the States and the Nation to do that to a certain extent.

I will read to you from one of the many letters received, which indicates what the farmers think of the bill:

Robert L. Case, Stamford, Conn., says:

Thanks and more than thanks for your speech against $18,000,000 for the Agricultural Department. Had better leave the farmer alone. Bucking against the weather is enough for any man. If you fellows at Washington did as we do, you would have 100,000 men in France now; so, if you will take the advice of a farmer, you will provide for men in the trenches and not legislate to keep them out.

An editor of one of the country papers recently said:

It is easy for Congress and the other spellbinders to tell the farmers what to do in the way of increasing crops. They seem to forget that the weather man is the first one to be let into the consultation.

I might read to you from hundreds of letters and papers received, but this is sufficient to indicate the sentiment toward the proposed bill. I might add that every one of the hundreds of communications received are against the proposition.

As stated by Mr. McSparren, they are sick and tired of being interfered with. The Indians have recently been liberated. Thanks for that. For years they have been treated as wards of the Government. Millions of their money have been appropriated for so-called "expert" advice and attorney's fees. Now comes the proposition to place the white man—the farmer—under guardianship and control, and millions of dollars are to be extracted from the Treasury under the pretext of giving expert advice to the white farmer.

What unpardonable sin has the farmer committed that he should be burdened with this heavy taxation and deprived of protection against evil gambling and the food conspirator? Has he not done his bit? Must he come to Washington to get his just recognition? Politicians and Congress have been most generous in the dispensation of eulogies and good promises from the stump, but, as McSparren says, the people are getting sick and tired of the rock handed to them. They have been served with jokers and have been deceived long enough. It is about time for Congress to wake up and do something. Read party platforms and campaign pledges and demonstrate to the farmer and consumer that platforms were made to stand on and not to get in on.

I have been severely criticized by Members for objecting to some of the provisions of this bill and for my attempt to amend the bill in such a manner as to provide a punishment and penalty for the food conspirator. It is possible that I was in error in these humble efforts and that those conspirators should be immune to the provisions of this bill; but as I have been reinforced on the floor of the House and have received numerous letters commending my action in pointing out the apparent injustice and absurdity in the bill I find that I am not alone; and when, after the criticism has been made, I find that the department condescends to have the bill cut to $3,000,000 and the committee offers an amendment to cut it down another million, I assume that I was right to the extent of four and a half million dollars, so that having saved four and a half million dollars out of the proposed amount, if we can in the three days given to the consideration of the proposed bill amend it so as to do away with evil gambling and manipulation we shall be well paid for our efforts. If, in the end, the section making evil gambling and manipulation unlawful, and providing for a fine and imprisonment, is inserted in the bill, together with section 3, we shall, in my opinion, perform a valuable service, and if we enact the bill into law in its amended form and then go home and leave the farmer alone he will continue to produce the food, and if the department does its duty in enforcing the law the consumer will buy his food at a reasonable price while instead of buying Ford cars for 7,000 people to ride in all over the country we shall not only have 7,000 more men to send to the trenches but we shall have saved an immense amount of money to the Government; and if we cut out all of $18,510,000 we shall save a sum sufficient to more than pay 50,000 soldiers at a rate of $30 per month for an entire year.

Now, a word about the appropriations.

On March 4, 1917, less than three months ago, Congress appropriated $25,929,113 besides $17,000,000 as a permanent annual appropriation, all told, $42,000,000, the major part of this amount being appropriated for the identical purposes proposed in this bill. Practically every dollar for which estimates had been made was appropriated.

Now comes the department and asks for $18,510,000. It was made clear that the Congress would not stand for any such outrage and the committee suggested that the department be given $14,000,000.

The first bill made every dollar available for joy riders, which would enable the department to add 10,000 new people to the 17,000 now employed, at an average salary of $2,500 per year. Under the bills reported later it will be possible to employ more than 7,000 new people. If cut to $14,000,000, with the amount available for salaries and expenses, 5,600 may be employed. True, $5,777,000 has been set aside for the purchase and distribution of seed, but Dr. Taylor told the committee it is not the intention to purchase the seed this year, as it is too late. The seeds were planted months ago. By the time this bill is passed and the money is available the farmers will be close on to harvest, so there is no immediate need for the seed provision.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. YOUNG of North Dakota. I understood the gentleman to say that the bill carries an appropriation of over $14,000,000, but to be accurate the gentleman should take into account that $5,770,000 of this amount is in the shape of a revolving fund which will eventually come back into the Treasury of the United States, which would leave the real appropriation a little over $8,000,000.

Mr. HAUGEN. I was referring to the bill as it was reported by the committee, and what the gentleman alludes to was put into the bill in the House by an amendment offered by me.

As to the other appropriations, the $42,000,000 already appropriated will be available July 1. Why these additional millions? For what are they to be raised? Turn to page 56 of the hearings, read Dr. Rawl's statement, and you will find that he has made a new discovery. He has discovered cottage cheese. Just think of that! The department has discovered that cottage cheese can be made out of milk! How it was ever discovered in the department is a mystery; but, be that as it may, cottage cheese has been found. Dr. Rawl says that there are hundreds of thousands of farmers that can make and use a pound or two of cottage cheese a day. To that I agree. To my personal knowledge cottage cheese has been made and used for 50 years, and I presume many hundreds of years before, but, like the discovery of alfalfa 100 years after Jefferson discovered it, cottage cheese has been discovered!

Now that it has been discovered, the question is, What is to be done with the cheese? Here is what the doctor has to say:

I believe that if you go into a county and teach the domestic science agent how to make cottage cheese, and how to make it on the farm—

And so forth.

The suggestion is, first, to teach the domestic science agent how to make cottage cheese. Nothing absurd about that. As some of you doubtless know, the process is a most difficult and technical one. [Laughter.] It requires both skill and science to fill a clean cheesecloth bag with clabbered milk, hang the bag on a hook overnight, take it down in the morning and empty it, add a little salt to the "cheese," and serve. Of course, if a little butter and cream is added, the quality of the cheese is improved. A quicker method, that of scalding the thick milk, is sometimes used, but results in a dry, often lumpy, product, more difficult of digestion than the cheese made by the slower method of draining in a cheesecloth bag.

At any rate, an expert is to be sent from Washington to nearly every county to instruct the county agents. There will be about 2,700 of these experts. After the domestic agent has been instructed and qualifies as an expert in placing thick, sour milk in a cheesecloth bag, and so forth, one step will have been advanced. What is the next step? The doctor says:

* * * and if that agent goes back the next week and gives two or three more demonstrations, and the next week does the same thing—

And so on, he believes the farmer's wife can be made to make and eat cottage cheese. [Laughter.]

So the proposition is, first, to employ domestic-science agents, next to employ experts to teach the agents, the agent in turn to teach the farmer's wife, and the next to make her eat the finished product, by just what process is not stated, but I take it, most likely by a force pump. If so, the farmer's wife and her family are to be pumped full of this cottage cheese, to begin with, only three times a week, and after several weeks it is believed that the farmer's wife will have attained the requisite degree of skill to fill the bag, hang it on the hook, take it down, and empty it. Nothing absurd about this, as there is not a 10-year-old farmer's girl in the country who does not know how to make cottage cheese and make it much better than any expert sent out from Washington.

Only $64,000 is estimated for this experiment, in addition to the $15,000 carried in the annual appropriation bill. And, as the doctor says, it is not a commodity that can be shipped across the country. Hence only a limited amount can be utilized.

For centuries farmers' wives have been making cottage cheese. What can not be used on the table is used as food for chickens and hogs.

Gentlemen, the cottage-cheese proposition is on a par with numerous other provisions of the bill. The question is, With the apparent slow sale of bonds, with $7,000,000,000 bonds and Treasury certificates offered, with a $245,000,000 annual interest account already added, with more than $5,000,000,000 already appropriated, can we afford to reach into a depleted Treasury for $14,000,000 to accommodate a number of most excellent people who are looking for a job?

The bill contains a number of wise provisions which, by all means, should be enacted into law; but, gentlemen, the price is high. Is it necessary to reach into the Treasury for $14,000,000 in order to get for the farmer, for whom we all profess so much esteem, his just dues?

Considering the intense opposition that has developed, and the general demand for a provision to punish the conspirator, it seems to me the wise thing to do is to recommit the bill to the Committee on Agriculture.

Mr. COX. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. COX. Is there anything in the other bill, the sister bill to this, which will punish the food speculator?

Mr. HAUGEN. There is a provision which makes it unlawful, but they forgot to include the penalty clause. Of course any provision making it unlawful to do a certain thing without a penalty clause means but very little.

Mr. COX. Could not the committee put the amendment in?

Mr. HAUGEN. The bill came without the penalty clause, and the committee had the penalty clause put in, but it was instructed to strike it from the bill.

Mr. HAMILTON of Michigan. Who instructed the committee to strike it from the bill?

Mr. HAUGEN. The order came from the department.

Mr. HAMILTON of Michigan. Does the department run the committee?

Mr. HAUGEN. Oh, no; the department does not run the committee. No department runs any committee, but as the gentleman knows, the committees generally do what the departments tell them to do.

Mr. Chairman, as I started to say, considering the opposition to the bill and the urgent need of improving it the bill ought to be recommitted. The committee can then consider it in connection with the food-control bill and incorporate in it the wise provisions in this bill. By so doing there can be no loss of time. Time will have to be given to the consideration of the food-control bill. The items in this bill have been thoroughly thrashed out and will not have to be reconsidered.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. LEVER. Mr. Chairman, I do not desire to take the time of the committee explaining the reasons for this appropriation which have been made very clear in the discussion which has been going on for two or three days upon this bill. I rise only for the purpose of saying that the committee, as I am advised, has no objection to the amendment suggested by the gentleman from Wyoming [Mr. MONDELL]. In fact, we feel that the amendment very much helps the bill, inasmuch as it undertakes to put in definite language what the committee had in mind in using the language now in the bill. I only desire to say that, and I suggest that the other amendment suggested by the gentleman from Illinois may be voted down. I ask for a vote.

The CHAIRMAN. The question is on the amendment of the gentleman from Wyoming, in the nature of a substitute, to the amendment of the gentleman from Illinois [Mr. CANNON].

The substitute was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment of the gentleman from Illinois, as amended.

The amendment was agreed to.

The Clerk read as follows:

For miscellaneous items, including the salaries of Assistant Secretaries appointed under this act; special work in crop estimating; aiding agencies in the various States in supplying farm labor; enlarging the informational work of the Department of Agriculture; and printing and distributing emergency leaflets, posters, and other publications requiring quick issue or large editions, $2,000,000.

Mr. McKENZIE rose.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 45 minutes, the time to be allotted to the gentleman from Illinois [Mr. McKENZIE], the gentleman from Indiana [Mr. Cox], the gentleman from Tennessee [Mr. BYRNS], the gentleman from Wyoming [Mr. MONDELL], the gentleman from Illinois [Mr. CANNON], the gentleman from New York [Mr. WALDOW], the gentleman from Missouri [Mr. RUCKER], the gentleman from Pennsylvania [Mr. FOCHT], and myself.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LEVER. Mr. Chairman, I first desire to offer a committee amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Page 6, line 24, strike out "$2,000,000" and insert in lieu thereof the figures "$547,400."

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, having been born and reared on a farm, and having been interested practically all of my life in farming and associated with farmers all of my life, having been engaged for a number of years in buying and shipping live stock to the Chicago market, and having the honor to represent one of the greatest farming districts in the United States in this body, I believe that I know something about farming and farmers; and I want to say in the few minutes that I have that I expect to support this bill, but if I had it in my power I would strike from the bill everything except the provision for a survey of the products of our country and the provision making an appropriation for a reserve stock of seed for next year. I would do that because I have but little patience with the so-called educational and demonstrational features of the bill. I live in a district where we have many young men who are graduates of our agricultural colleges, men who are up-to-date in every way, who have been taking for years the leading farm journals of the country, and they need no instruction along the line of operating their farms. I am heartily in favor of the proposition of taking a survey of the food supply of the country, and I will tell you why I am in favor of it. I think we ought to know how much wheat we have in this country, and how much corn we have in this country in order that we may know how much of that supply we may be able to export to the countries of Europe who are now our allies.

I feel this way about it. Having a knowledge that we know exactly or very nearly how much it will take to feed the American people, we should first take care of them. We have gone into a war, and we went into it for the purpose of upholding the rights of American citizens on land and sea, and, in my judgment, one of the rights of an American citizen is that out of his toil he shall have a sufficient amount to eat. I want to see to it that before we export our wheat and corn to other countries we have a sufficient supply in our country to feed our own people first. The idea of men going over the country talking to the people and saying that the time is soon coming when we will have to eat potato flour and corn bread, because the Englishmen and Frenchmen will not eat corn bread or potato flour and must have our wheat in order that they may have white bread! We have gone into this war on our own responsibility to defend American rights, and for one I am in favor of seeing that the American citizen is fed first, in order that we may carry on the war successfully.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. HARDY. Does not the gentleman think that all of this hysteria is useless, and that we can really raise more foodstuffs in this country than we can export and eat both?

Mr. McKENZIE. I do, and I want to say to the Members of the House and to the country that, in my judgment, the time has come for some one to make a few optimistic speeches over this country instead of preaching so much pessimism.

The idea that in this great land we are going to starve to death is to my mind perfectly absurd. [Applause.]

The CHAIRMAN. The gentleman from Indiana [Mr. Cox] is recognized.

Mr. COX. Mr. Chairman and gentlemen of the committee, for fear that I may go wrong and put myself in opposition to real necessities of my country I intend to vote for this bill, because I intend to resolve every doubt that may possibly arise in my mind in favor of my country upon the conservation of food supplies as well as the marshaling of all the resources of our Nation in order to finance, support, and maintain our armies and the armies of our allies in this world-wide war. There are certain provisions in this bill that I would rather not see in it. In my opinion, the great Committee on Agriculture, if left alone and permitted to write its own bills in conserving our food and food supplies, could do it in less than a dozen lines much better than the present bill, and which would give the Department of Agriculture a scientific, complete, and correct survey of all food supplies in the country at a cost of less than $100,000. [Applause.]

Section 3 of this bill is the section which gives to the Secretary of Agriculture power to "investigate and ascertain the demand for, the supply, consumption, cost, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feed, seeds, fertilizers, agricultural implements, and machinery," and so forth. I recognize the absolute, the burning, necessity for a complete survey of present food supplies in the country; but the machinery outlined by the Secretary of Agriculture in this survey is top-heavy, unwieldy, and inflexible.

Mr. Chairman, who produces the food of the country? The farmer. We have to-day in the United States 43,513 rural-route carriers traveling upward of 2,000,000 miles every day of the week. There is in the neighborhood of 11,000 star-route carriers by whom the people living in the country are supplied by mail in boxes. If it be the desire of the executive department to have an accurate survey of the number of bushels of wheat, rye, oats, and barley to be thrashed in the country in the next four months, the only thing that would be needed would be for the Department of Agriculture to print cards, turn these cards over to the postmasters out of which emanate the rural-route carriers or star-route carriers, and let these agents of the Government deliver these cards on their routes to the farmers and let the farmers answer the questions propounded to them as to how many bushels of grain they thrashed this year, and give the farmers franking privilege back to Washington City. If this method was adopted, inside of four months you would know exactly how many bushels of wheat, rye, oats, and barley were thrashed in this country this summer and fall. There would be no guesswork about it. It would be positive, certain, accurate, and correct. By this simple process we could quickly gather how many bushels of potatoes, corn, tons of hay, bushels of apples, and, in fact, everything the farmer grows and produces. We could quickly learn exactly how many cattle, hogs, sheep, goats, horses, and mules there are in the United States. It could easily be carried down to the poultry yards of the farmers, not only getting the actual number of chickens on the farms but the number of eggs produced each month.

This is plain, simple, requires no additional machinery, and it gets results. It is simply utilizing and using in a practical way and manner the machinery already in force and in daily operation in the United States. The only possible additional cost it would be to the Government would be to assemble and tabulate the information at Washington after it was returned directly by the farmer. It would not require any extra compensation to the rural-route carriers or the star-route carriers in taking this preliminary survey. How does the department propose to get this infomation in the pending bill? To expend something like $14,000,000 hiring men and women at salaries ranging fro $2,500 to $3,000 per year to travel over the country and make this report, and after you have gotten it you would not get one-half as accurate and correct a report as you would by getting it direct from the farmer along the lines herein mentioned.

Mr. HAMILTON of Michigan. How long will it take?

Mr. COX. Thirty days.

Mr. HAMILTON of Michigan. I mean, the report provided for in this bill.

Mr. COX. I do not know. Six months, I suppose.

Mr. HAMILTON of Michigan. What will be the use of it then?

Mr. COX. I can not see any useful purpose it would serve at all if it should take that long a time.

Mr. WHEELER. Does not the gentleman believe that the Government reports are fairly accurate now?

Mr. COX. Oh, probably so; but they are not going to be gotten and can not be gotten as quickly as you would get it under the plan I have suggested. There is a provision in this bill carrying four and a half million dollars which proposes to stimulate food production by "educational and demonstrational methods," and so forth. If gentlemen will read the hearings before the Agricultural Committee on this item, I believe they would agree with my friend from Iowa [Mr. HAUGEN]. I have a right to assume that Mr. Rawl, who was before the Agricultural Committee, was talking in behalf of the Agricultural Department. While before the committee Mr. Rawl said, "The department proposes to hire 260 men at salaries ranging from $2,500 to $3,000 per year." These men were not to be county agents, but to go around and talk to and advise men who were county agents, and they in turn to go out among the farmers

and tell the farmers how they can conserve horse feed. All of which could quickly be done by a bulletin. To me this is an amazing idea. It is a revelation. It is somewhat startling in its nature to have a large number of men traveling over the country talking to county agents, lecturing to them, giving them advice, and they in turn to go out and tell the farmers where they are wasting feed to their stock. The farmer may not be highly educated in books. He may not know how to solve problems in algebra, geometry, or trigonometry, but he is a graduate at the hard school of experience. For 40 years he has learned exactly how to conserve his feed while feeding his stock. I have an old man on my farm, uneducated except in the school of practical experience, who would make one of these men look like 30 cents if he would enter his barn lot and proceed to tell him what mistake he was making in feeding his stock.

This paragraph contains another item of $75,000 to hire women to travel around through the country and talk to women agents and tell the women agents how they could go to the country and tell the farmer's wife how to make "cottage cheese."

One amongst the first recollections I remember while on the farm, upward of 40 years ago, was the way and manner that my mother made cottage cheese. No one ever told her how to do it. No bulletin, no book, no literature on this subject ever found its way to her home, but she learned it as the farmers' wives learn things—by the school of experience. It is these things and many others I could call attention to if time permitted that I do not like in this bill; but, as above stated, I intend to support it and continue to support every bill and every measure which comes upon the floor of the House which even in the remotest degree may tend toward not only conservation of our food supplies but an increased production of them.

Our soldiers must be fed and clothed, and fed and clothed well. We will have burdens cast upon us to feed and clothe the soldiers of our allies, and I am willing to vote every dollar, at whatever cost, which the administration wants along the line of conserving our food supply and increasing its production. [Applause.]

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, it has been stated a number of times on the floor of this House during this debate that we are facing a very serious situation on account of the shortage of food. That is true, and it is due no doubt largely to the shortness of the crop production and also to the necessity of furnishing our allies with food supplies. I am going to vote for any proposition which, in my judgment, will serve to increase the food supply of this country. I may say frankly that I think the present uneasiness in this country over this question is due to a very large extent to some of the reports and statements which have gone out from the department here in Washington, and others more or less indirectly connected with it, with reference to our food supply and the food situation. These statements have served to make the people of this country believe that we are actually facing starvation. They have brought about a situation where many people have increased the supplies in their homes beyond present necessity, and I know of nothing that has served so effectually to boost food prices as these hysterical statements which have been published over the country from time to time in the last month or two. I am frank to say to you that I doubt very seriously that the bill now pending before the House will serve to any great extent to relieve the present situation. For the life of me I can not understand how in this present emergency the employment of 3,500 or 4,000 people, as stated by the chairman of the Committee on Agriculture, or 7,000 persons, as stated by the gentleman from Iowa [Mr. HAUGEN], the ranking minority member of the committee, is going to serve to any great extent in relieving the situation which now confronts this country.

Mr. SWITZER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield.

Mr. SWITZER. Do you not think that the starvation propaganda has been ushered into existence for the very purpose of influencing Members to vote for these food bills?

Mr. BYRNS of Tennessee. I do not know. The gentleman may be partially correct in that statement. I would not undertake to say what were the motives of those who have made these statements. So far as I am concerned, I am perfectly willing to believe they were made in the utmost good faith and with the best of intentions.

Mr. REAVIS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. REAVIS. In view of the incentive that high prices would give the farmer, does the gentleman believe that any of these agents going out through the country would tend to increase the production in any one district if high prices would not increase it?

Mr. BYRNS of Tennessee. I do not. I was just about to say that I think that there are a great many people—and in saying this I want to say that I do not underestimate for a moment the tremendous importance of the splendid service that the Department of Agriculture is rendering to the entire people of this country—but I do believe that there are some people possibly who underestimate the intelligence of the American farmer. [Applause.]

I do not believe that the American farmer needs from four to seven thousand experts, so called, who, judging from past experience, possibly have a technical education, but most of whom are without any practical experience in matters of farming, to tell him what to do in this emergency. I do not believe that the American farmers need these experts to go out among them and undertake to tell them at this time, when the prices of foodstuffs are higher than ever before in the history of this country, that they should devote all their energies to the raising of foodstuffs. [Applause.]

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Michigan?

Mr. BYRNS of Tennessee. Yes.

Mr. HAMILTON of Michigan. I do not know how it is in the gentleman's district, but I assume that it is there like it is in my district and in other districts, that there is a great scarcity of farm help and that it is difficult to procure labor on the farm. Will the employment of these experts help that situation?

Mr. BYRNS of Tennessee. Not at all. And I will say that that unfortunate situation is increasing down in my section of country every week and every month.

I would like to see the Committee on Agriculture bring in a bill that would open the doors of the cold-storage plants of this country. [Applause.] I would like to see legislation passed that would open the cold-storage plants, which now have on hand a great supply of our foodstuffs and which are for their own selfish purposes daily and weekly gathering in additional supplies which ought to be turned loose, so that the people of this country may have it to eat. I would rather see the Committee on Agriculture bring in a bill that would undertake to control and wipe out gambling in farm products and prevent such a situation as occurred in Chicago a week or two ago, when the price of wheat was increased to an enormous extent, to the great detriment and positive distress of the people of the country, and without benefit to the wheat grower, who long ago parted with his product. [Applause.]

I would like to see the committee bring in a bill which would break up the conspiracies which have been formed for the boosting of food prices and put the conspirators where they belong. I would like for the committee to report a bill such as has been proposed by the gentleman from Michigan [Mr. HAMILTON] to prevent the slaughtering of very young calves. The passage of bills like these would, in my judgment, do vastly more to afford real relief in the present crisis, and their enforcement would not cost the people $14,000,000, as the present bill will do.

I repeat, Mr. Chairman, I do not believe the employment of several thousand experts in addition to those now employed will serve any good purpose or benefit the farmer in his work in any way. I do not question the value of those now in the field, but this additional army, at salaries ranging up to $2,500 a year, could be better employed helping to actually produce the foodstuffs on the farm or in some other employment, taking the places of those who go to war, if they are not to go themselves. I believe in the campaign of education and demonstration, but I do not believe the present emergency should be taken advantage of to create so many thousand jobs at the expense of the people. I voted to strike this paragraph out in committee, and I hope I may have an opportunity to again vote to eliminate it before the bill is put on final passage. There are one or two provisions in this bill which have my approval. One is the provision providing for a food survey. I think it important to know just how much food there is in the country and where it is. We ought to know, so that those speculators who are hoarding food for higher prices may be reached, and also that we may see to it that our people are not deprived of all their food by its shipment out of the country. Another provision is the one relating to a reserve seed supply. I have received a number of letters complaining of the inability to get seed at reasonable prices.

This provision, I hope, will make such a condition impossible next year by enabling the farmer to get his seed at reasonable and proper cost.

I am aware that this bill does not legislate on food control, although as first brought in it winked very strongly at it. But, for the benefit of the members of the Agricultural Committee, which is now considering a food-control bill, and of the membership of the House, I want to ask the Clerk to read this letter from Col. A. M. Shook, of Nashville, one of the most prominent and successful citizens of the State and the South.

NASHVILLE, TENN., *May 25, 1917.*

Hon. JOSEPH W. BYRNS,
Washington, D. C.

MY DEAR MR. BYRNS: The question of "food control" in this country is more than a man's job. You can no more regulate the price of food without simultaneously regulating the prices of all materials that enter into the cost of production than you can regulate the ebb and flow of the tides without regulating the earth's revolutions, and also regulating the movements of all the other planets that surround it, and hold it in its orbit.

Three-dollar wheat and 30-cent cotton are not higher than $45 pig iron. You can no more raise wheat and cotton without the products of pig iron than you can make pig iron without fuel. In normal times $1 for wheat, 10 cents for cotton, and $15 for pig iron are regarded as good prices. The cost of all these commodities is largely based on the cost of labor. If the labor cost is increased 100 per cent by reason of the increased cost of living, certainly the laborer is entitled to 100 per cent advance. If the cost of tools and implements has increased 300 per cent by reason of the increased cost of iron and steel, then the manufacturer is entitled to the increased cost imposed by the higher prices of labor, and also to the additional increased cost imposed by higher prices for tools and implements and increased taxes.

Because pig iron is selling at $45 per ton does not mean that the manufacturer is making $30 per ton more profit than he did when pig iron was selling at $15 per ton. All of the materials that enter into the cost of pig iron have advanced. The normal price of coke, when pig iron was selling at $15 per ton, was $2.50 per ton. To-day coke is selling at from $10 to $12 per ton, and while the prices of finished iron and steel are higher than ever known, it does not follow that the advance between the selling price of to-day and the selling price of five years ago is all profit and goes into the pockets of the manufacturer.

Therefore you can not regulate the price of any product without going back to the ground and regulating the prices of labor and raw materials that enter into the product. For this reason you can not control by legislation the prices of food products without at the same time controlling the prices of all labor and materials that enter into the cost of production.

Yours, very truly,

A. M. SHOOK.

[Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. MONDELL. Mr. Chairman, I propose to vote for a motion to recommit this bill, and if that vote shall fail I shall vote for this bill, and it occurs to me that in voting for the bill one really ought to give some sort of an excuse for so doing. I am proposing to give my excuse. First, I would like to incorporate in my remarks the remarks of the gentleman from Indiana [Mr. COX]. I agree largely with what he said.

I have still other reasons for voting for the bill than the reasons he gave. It is my purpose to go just as far as I can without violating what I consider important and fundamental principles in meeting the views and desires of the administration, and I vote for this bill, not because I feel overhopeful of the good it will accomplish but because I feel that the worst that can be said of it is that it will not be specially helpful and that some of the moneys we propose to appropriate at least may be extravagantly and wastefully expended. In a time like this we can not hope that all of our appropriations will be expended with that care and with that economy that ought to characterize governmental expenses always, and that do to a certain extent characterize them in times of peace.

There are other measures proposed and to follow this from the same committee for which I can not vote, as I view the matter now. I at least want to be in the position of saying that I went as far as I possibly could in meeting the views of the administration and of the Secretary of Agriculture relative to the encouragement of the growth of food products, relative to their conservation, in order that when we are asked to do something that is revolutionary and that, in my opinion, would be infinitely harmful, I can be in the position of having gone as far as in good conscience I can go.

While I shall therefore vote for this bill, I am not expecting very much benefit out of section 3 of the bill—this food survey—because I realize that by the time the agents of the department get into the field the spring-wheat crop will be in harvest, and in a short time almost the entire spring-wheat crop will be added to the Nation's food supply, and the department will have to change its figures every day in order to keep pace with that increase of supply. Following that will come the winter-wheat harvest, and then again the department figures will have to be changed in order to meet the new condition, in order to set forth the supply as increased by the winter-wheat crop. In the meantime the potato crop is coming on, and the barley crop which we are going to use for other purposes than the Milwaukee purpose, it is hoped, this coming year. [Laughter.] The rye crop and all these other sources of food supply will follow, so that I doubt whether we will get very much valuable information by the food survey we would not have or secure otherwise. But we will at least accomplish this: We will give the Department of Agriculture something to do. [Laughter.] The gentlemen up there will have something else to do besides speculating upon the shortage of food. They will be so busy trying to find out how much we have that they will cease frightening us all by their dire prophecies of a shortage of food. [Applause.]

I am one of those who believe that the apparent shortage, as indicated by the high prices, is due to a considerable extent to the constant and sensational statements from official and unofficial sources as to shortages of foodstuffs now grown and growing. The farmers may be depended upon to raise all they can, in view of the high prices prevailing and likely to prevail, and if we do not hamper them and interfere with their operations or scare them as to price they will produce a great quantity of produce. I hope this bill will help and not hinder in that good work. I hope at least some good will come of it, and therefore I vote for it, though I do feel very enthusiastic as to some of its provisions.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. CANNON. Mr. Chairman, I shall offer an amendment on page 7, lines 7 and 8, commencing with the word "including," in line 7, as follows: "Including the payment of such rent." I suppose it will be defeated. The reason why I offer this amendment is that if there is anything that any department desires or any bureau desires it is more room. Have you run to these departments much? I have been compelled to, because I must answer queries made by my constituents. I say frankly to them that the whole service is civil service, and that portion of it which is not under civil-service law I am not entitled to be heard upon, and if I sought to be heard I would be turned down, with which I have no quarrel. But I wish you would go down and look at this new Department of the Interior Building, and go up and examine where the General Land Office has its abiding place, and then go up and examine where the Geological Survey had its abiding place, with the furniture and so on, and travel all around to all the new buildings that are rented in the District, many of them magnificent buildings. I am not here to say that all of them are unnecessary. But if there is anything that is needed, if we listen to the employees at the head of the bureaus, it is more room, more room, more room. In a hearing before the Committee on Appropriations, when more room was urgently requested, I called the attention of a Cabinet officer to the fact that from Fourteenth Street up to the White Lot, east and west, and from Pennsylvania Avenue down to the Monument Grounds, covering probably somewhere from 20 to 30 acres, the land was all covered by buildings owned by the Government and substantially all unoccupied, and that which is occupied is at a nominal rent, I understand, from month to month. It was said it would be looked into, but so far as I know and believe it has not been looked into. There is plenty of room now for the purposes of this bill if they will utilize it, and there is no trouble about getting the authority to utilize it. Years ago this Congress enacted a law that it would be unlawful for any department to lease buildings unless specially authorized. Here comes the chairman of the committee saying, I believe, that 4,500 new employees—and the gentleman at the head of the minority saying 7,500 employees—are provided for by this bill. The Agricultural Department is authorized to rent and to utilize this amount of money. This information can be gathered better without any man going away from the Capital; gathered by telegraph, by reports, and I will state again, as I said once before, that they know accurately now more than six months' investigation, going from neighborhood to neighborhood, would tell them about how much there is of wheat and corn and cattle and products in this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. This bill ought to be recommitted. I will vote to recommit it if somebody will make the motion.

Mr. CLARK of Missouri. Mr. Chairman, I ask that the gentleman from Illinois have five minutes more. I want to ask him a question or two.

The CHAIRMAN. The gentleman from Missouri [Mr. CLARK] asks that the time of the gentleman from Illinois be extended five minutes. Is there objection?

There was no objection.

Mr. CLARK of Missouri. The gentleman from Illinois [Mr. CANNON] touched on a subject that I have studied about a good deal, and that is, Why do they not go on and build these build-

ings that are needed? The ground on the southeast corner of Lafayette Square, between Pennsylvania Avenue and the Belasco Theater, was purchased when the gentleman from Illinois [Mr. CANNON] was Speaker, or before that, for the purpose of building a Department of Justice building. Now, why do they not build it?

Mr. CANNON. Search me. [Laughter.]

Mr. CLARK of Missouri. The land which the gentleman mentioned, down by the Sherman Statue, was condemned five or six or seven years ago.

Mr. CANNON. Yes.

Mr. CLARK of Missouri. To build a State Department and some other department building.

Mr. CANNON. Department of Justice.

Mr. CLARK of Missouri. Have any steps ever been taken to build those buildings?

Mr. CANNON. I understand plans were made at one time, but they have not been adopted, so far as I know.

Mr. CLARK of Missouri. I will ask the gentleman another question. He has been here a long time. Does he not think it would be a saving to the Government and a wise performance for the United States Government to build every building in this town that it needs for its own business as soon as it can? [Applause.]

Mr. CANNON. I made an investigation once about the room occupied by the State Department, the whole southern wing of the War, State, and Navy Building. I found then, when we wanted a place to put the official records of the war, that the whole south wing of the War, State, and Navy Building was devoted to the State Department, and that, including clerks, officials, messengers, and watchmen, there were but 51 employees housed in that wing, and it cost $10,000 to house every employee. Well, now, there was a remedy provided, and by legislation put a force from the War Department in charge of the official records in that south wing of the building with the records, and after that we did not have to wait three or four years before you could get a report from the War Department as to the services of men in the Civil War.

Now, here is the trouble about it: There is a disposition on the part of architects, or somebody in charge—and I am not abusing the gentleman's party or abusing my own—to put in ornamentation and architecture and that kind of thing, which does not add to the housing of an office force. I think the new building recently rented for the Department of Justice at the corner of K Street and Vermont Avenue is the best office building that I know anything about. I presume there are others equally good. Now, the Government ought to build practical office buildings and dispense with architectural and unnecessary ornamental decoration in its buildings for clerical work.

Mr. SIMS. What are you going to do with the Fine Arts Commission?

Mr. SLAYDEN. Can the gentleman tell us whether the Government, which owns a good deal of valuable real estate that it has rented to other people, is getting anything like a fair market value return on the property from the rental it receives?

Mr. CANNON. What does the gentleman mean by fair market value?

Mr. SLAYDEN. The Government owns the property where the Poli Theater is, I think.

Mr. CANNON. Yes. And that hotel building there, and clear down to the Monument Grounds.

Mr. SLAYDEN. What percentage on its investment is the Government receiving on its property that it rents? I do not say anything about the property that is vacant year after year, like the ground south of the Belasco Theater; but for that which is rented, is the Government receiving a fair return on its investment?

Mr. CANNON. We are, I suppose, receiving a small rental for a few of those buildings owned by the Government. But the Government can build practical office buildings.

Mr. SLAYDEN. And economical buildings.

Mr. CANNON. Yes; fairly economical, and do much better.

But for the purposes of this bill, instead of authorizing the renting of buildings out of this appropriation of $14,000,000 or $15,000,000 I say, measuring my words, that it is my judgment that all the new employees authorized by this bill could be housed in the vacant buildings that the Government now owns. [Applause.]

Mr. RUCKER. Mr. Chairman, I intend to vote for this bill, and will offer no apology for doing so. I am going to vote for it because I believe it provides remedies for existing conditions that will be of great value to the American people. It is somewhat unfortunate that some of the arguments which I have listened to here to-day were made. I would not vote for this bill or any other measure if I thought, as stated by one gentleman, that it merely authorized some one to put his hands into a depleted Treasury and abstract money with which to buy automobiles and finance joy rides. But, Mr. Chairman, I do not think the gentleman who uttered that language spoke with his usual deliberation. Of all the departments of the Government, I do not believe there is one—unless it is the Post Office Department, possibly—which responds more freely to the great necessities of the American people than the Department of Agriculture. I do not believe that the present management or any management that I ever knew—and I have served here when that great department was administered by a great citizen of the State represented by one member of the Agricultural Committee—I do not believe that any man who ever administered the affairs of that great department would deliberately put his hands into the Federal Treasury and take out and expend money idly, uselessly, and wantonly for automobile joy rides.

Mr. HAUGEN. Will the gentleman yield?

Mr. RUCKER. Yes.

Mr. HAUGEN. The gentleman would not have them walk around the country, would he; he would have them ride?

Mr. RUCKER. No; I would have them ride.

Mr. HAUGEN. They are using automobiles now.

Mr. RUCKER. Certainly; and I am in favor of their using them. The gentleman named the Ford, which, I think, is the best machine on the market; and I am not selling them, either. [Laughter and applause.]

When you come to the man who produces the stuff that feeds the Nation, we find so many farmers in Congress, expert farmers, that have farms of their own, and so many have spoken of their broad acres and their close relation to the soil that I would feel embarrassed if I did not confess also that I have a farm. [Applause.]

Now, having made this gratifying confession, let me make the further suggestion that most of these political farmers who exhaust their entire energies in seeking election to Congress, just as I do, spend most of their salaries to keep the farm going. [Laughter.] It is for that reason that we want to extend assistance to the honest yeomanry of the country, to the men who actually farm, and not the men who farm the farmers, with an earnest desire and purpose to help the man who actually produces in the hope that he may learn to produce two bushels of corn where he now produces one. If we can do that, even Members of Congress can make their farms self-sustaining and have their salaries left to spend in the pursuit of pleasure while they joy ride in magnificent Ford machines. [Laughter and applause.]

Mr. Chairman, this bill may not do all that gentlemen hoped for. It may not accomplish as much as individuals want, but it is a step in the right direction, and I bid Godspeed to the chairman and members of this great committee and to the great Agricultural Department in their efforts to do these things which are so much demanded and so sorely needed by the great American people. I will vote for the bill and will vote for every such bill which has the support of the Agriculture Committee. [Applause.]

Mr. WALDOW. Mr. Chairman, I am deeply interested not only in this bill but in any bills that are going to aid the farmer. I have in my hand the bulletin issued by the New York State Food Supply Commission for patriotic agricultural service. I understand that we will not spend a dollar for salaries to anyone in carrying out the plan of our New York association. I am not going to take up a great deal of time trying to read the entire bulletin, but I ask unanimous consent to have it printed in the RECORD so that it will be available for all of you.

Mr. BARNHART. Will the gentleman state how many pages there are in the bulletin.

Mr. WALDOW. Three or four. Now, gentlemen, I merely want to state that at the present time we have an organization that is perfected, and they are doing real work. A survey has been made through the school district and the survey has not cost a cent of money. An increased production of acreage, in other words, the amount of land the farmer has plowed for the year 1917 in excess of 1916, is large. We will plow over 60,000 more acres for potatoes this year than we did last. We have plowed 148,000 more acres for corn and 200,000 more acres for oats, 16,000 more acres for barley, and in that way in almost every line we have increased our production. I am not going to find fault with the committee in bringing in this bill. I believe it may do some good, and I am going to vote for it. [Applause.]

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The matter referred to is as follows:

Upon instructions from the commissioner of education, the district superintendents of schools, teachers, and agricultural pupils were enlisted to make this survey. The survey includes questions designed to find out what the farmer needs in the way of farm labor, seeds, fertilizers, machinery, etc., and to determine the exact crop outlook for 1917 as compared with 1916. Farmers were asked to give their proposed acreage of various crops in 1917 as compared with 1916; also the number of animals kept in these two years.

The commission has undertaken to mobilize, and to make available to farmers, all the farm boys of the State who have had farm experience, and who are therefore capable of doing efficient work on the farms.

Mr. WALDOW. We have a farm-loan fund that lives up to its name. It loans money to the farmers.

We have taken up the matter of transportation not only for our crops but for immediate transporting of seed, farm implements, and other necessities used for the planting of crops.

We have taken an inventory of all available seed, and are ready to distribute them wherever they are needed. This next section is very important:

In order to safeguard the interests of farmers who respond to the appeal to increase their production of farm products and to protect them against possible loss, the commission has expressed itself as favoring action by the National Government looking toward guarantees for the farmer against financial loss resulting from overproduction of staple crops.

I sincerely hope the chairman will embody in some bill that is presented to this Congress—and I will vote for almost any amount of money—that which will protect and assure the farmer of a fair profit for these immense crops we are asking him to raise.

We have asked the farmer to work harder and more hours, if that is possible. We have voted millions of dollars for this, that, and God knows what not. But up to the present very little, if any, assurance has been given to the farmer that he will be able to find a market for his products that will give him a fair profit on his labor.

Another very important part of the commission's plan includes a systematic effort to lower the cost of distribution of food products from the producer to the consumer, with the view of protecting farmers and the general public against the present high cost of marketing farm products, in the hope that the producers may secure a larger return without increasing the cost to consumers.

Gentlemen, if our governor, the Hon. Charles S. Whitman, can carry out to a successful end the ideas he has expressed in that last paragraph, his name will live in history as the greatest public servant the State of New York has ever had.

I sincerely hope the Department of Justice will make a special effort to stop all food speculation.

THE AGRICULTURAL CENSUS.

In a preliminary report submitted to Gov. Whitman on May 3 the New York State Food Supply Commission showed an increase in the acreage of grain crops in New York State of from 20 to 25 per cent in comparison with last year's acreage. The figures from 52 counties of the State and covering 189,602 farms indicate this result. The increase in acreage is one which the commission regards as most creditable to the farmers of the State.

The first step taken by the commission was a census of the agricultural resources of the State. Great care was taken by those in charge of the census to insure accuracy, so the commission would be in possession of information showing the crop prospects for this year.

An increase of 67,000 acres of potatoes over the acreage of last year is shown by the report. Last year the acreage reported in 52 counties was 284,364, while this year the farmers in the same counties will plant 351,091 acres of potatoes. This is an increase of 20 per cent.

An increase of nearly 50 per cent in the acreage to be devoted to corn for grain is another result which shows the commission the State is responding to the call for increased production. The census report shows 301,622 acres of corn in 1916. For this year it shows a corn acreage of 449,704, the increase being 148,082 acres.

In oats the total acreage in the 52 counties covered last year was 1,051,180. This year the census gives 1,203,636 acres to be planted in oats.

The report shows an increase of 16,000 acres over the barley acreage of 89,598 of last year, and one of 40,095 acres over the buckwheat acreage of last year of 252,400.

The spring-wheat acreage is another which shows a big advance. Last year the spring-wheat acreage was 11,626. This year 31,225 acres will be planted. Winter wheat shows an increase of 40,000 acres over the 315,393 acres of 1916.

Field beans show an increase of 80,000 over the 182,707 acres of last year, and alfalfa an increase of 18,000 acres over 150,360 acres of last year.

In other hay a decrease of 100,000 acres is shown. In the counties covered the census showed a total of 3,740,495 acres of hay this year, with 3,867,534 in hay last year. This indicates that land devoted to hay last year is to be given over to other crops this year, causing a shrinkage in the hay acreage.

The cabbage acreage shows an increase of about 80 per cent and 26,000 acres. The total for 1916 was 32,250 acres. Members of the commission pointed out that cabbage is a perishable product and that there might not be a great advantage in increasing so greatly cabbage production.

A substantial increase in canning-factory crops is shown by the census, the acreage last year being 41,507, the increase this year being 12,871 acres.

The census in the remaining 10 counties will be finished within a short time, so that the figures will be available on the total acreage in the State.

The commission is obtaining other figures through the census to aid in carrying out its plans to increase production.

THE COMMISSION WILL OPERATE FARM TRACTORS.

At its weekly meeting on May 4 the New York State Food Supply Commission purchased 22 tractors for farm use and took options on 40 additional machines, which will be distributed through the State in accordance with regulations.

If we had a few more States as well organized as New York State, there would be no necessity of having a Mr. Hoover.

I am afraid Mr. Hoover is comparing this vast country of ours, with its unlimited resources, to that little dot of land in the North Sea. The people of England have never been able to free themselves from the fear of famine, even in times of peace.

I doubt if the passage of this bill will assist the farmer to any great extent this coming year. We in New York State have been organized and have had our organization in working order for over a month.

By the time this bill becomes a law, if it does become a law, the planting season in the greater portion of our country will be over.

I am not in favor of the employment of an army of men, paying them fancy salaries, when they could be of real benefit tilling the soil. However, there is a possibility of some sections of our country receiving a benefit by the passage of this act, and I am going to take a chance, believing it may do some good, and vote for it.

Mr. LEVER. Mr. Chairman, if I may have the attention of the committee for a moment, I desire to direct attention to the fact that in a few moments we will be called upon to vote yea or nay on this bill. I have listened for three days to criticisms directed at this possible legislation. That criticism has come from those who do not feel that there is any necessity for the American people to awaken to the fact that some kind of control of the food situation is absolutely necessary.

I am not an alarmist, but facts have been presented to the Committee on Agriculture—some of them in executive session—by men who ought to know, that have convinced me at least, and, I think, a large majority of the Committee on Agriculture, that it is absolutely necessary, if we are to feed our own people and our allies, to look to the conservation of the food supply of this Nation.

I want to direct the attention of gentlemen to another fact. The heavy artillery of the so-called economists lumbered into action this afternoon. The cry of economy has gone up on this small bit of legislation, carrying, in comparison with other legislation, an insignificant appropriation, which has not gone up on any bill that has been presented to this Congress at this session. We are proposing to expend, in round numbers, $9,000,000, through the agencies of the Department of Agriculture, to stimulate production and conserve the food resources of this Nation. We are proposing to expend, in round numbers, $6,000,000 to insure a reasonable seed supply for the next crop year, and yet the cry of economy has been raised here—economy on this little bill carrying an appropriation of less than $15,000,000. It is not economy that these gentlemen desire to effect that accounts for the opposition to the bill. It may be that the opposition can be accounted for because we are carrying power in the bill to go into the storage concerns and find out who is hoarding and who is speculating. [Applause.]

Oh, gentlemen cry economy. On an appropriation bill carrying a lump sum, in round numbers, of about $3,000,000,000 there was not a peep, not a chirp, not a cry of economy raised by these gentlemen who are now raising that cry upon this little bill. Let us be consistent. We are trying here to produce something. We are making an investment which, in my judgment, will bring a return of 100 per cent upon every dollar invested, and yet they cry economy! That is not the fear. Do not be deceived. They say that we ought to hit the speculator and the cold-storage people and the liquor people. Wait until we get the other food bill and see if we have not done that, but do not throttle this bill here because somebody may be afraid that through the powers conferred in it we are going to get information that may put somebody in the penitentiary. I ask for a vote.

The CHAIRMAN. The question is on the amendment of the gentleman from South Carolina.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Such part, not exceeding 20 per cent of any of the foregoing sums as the Secretary of Agriculture may find not to be required for carrying out the purposes of the particular item for which specifically appropriated may, by his order, from time to time, be transferred to any other such item or items, or may be otherwise used for carrying out the purposes of this act, including the payment of such rent, the expense of such printing and publications, and the employment of such agencies in the Department of Agriculture, such persons, and such means, in the city of Washington and elsewhere, as the Secretary of Agriculture may deem necessary.

Mr. LEVER. Mr. Chairman, there is a committee amendment, which I ask the Clerk to read.

The Clerk read as follows:

Page 7, line 1, after the word "centum," insert the words "of the total."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CANNON. Mr. Chairman, I have listened to the remarks of the gentleman from South Carolina [Mr. LEVER]. He talks about some one who is opposing this bill, trying to protect somebody else. Mr. Chairman, so far as the remarks apply to me, the gentleman, speaking mildly, is mistaken. I voted for the passage of the deficiency bill, yes, carrying, as it did, a large amount of money. The Senate has added a large amount to it, and it is still pending and, I presume, will be considered, perchance, this afternoon. It carries large sums; yes. We are speaking now in millions and in billions. Ah, but there comes on measures like this, to be followed by worse measures from the gentleman's committee in a day or two or in a few days. Oh, this is a good time to hitch on this thing. When the money is spent and the knowledge is gathered it will be useless. It provides for employees—yes; by the thousands—which they are seeking to fasten upon the Treasury of the United States in this war time, hoping to get by without its being observed. I speak respectfully of the gentleman's committee and not disrespectfully of any member of it, and I speak respectfully of the Agricultural Department, but there is in the RECORD within the last week enough to show how it was one thing a week ago and another thing now, from the head of the department down—seeking to fasten upon the Republic in this great struggle an expenditure of $14,000,000 that might be overlooked with the billions that are necessary to appropriate for the real defense of the country.

Mr. MOORE of Pennsylvania. Mr. Chairman, I desire to speak on the amendment before the House.

Mr. LEVER. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in five minutes. The gentleman from New York [Mr. FITZGERALD] is here with a great conference report, and he desires to go on this afternoon. I had a tentative agreement with him that he might do so.

Mr. YOUNG of North Dakota. Mr. Chairman, I have an amendment to offer, and I will ask the chairman of the committee whether he has any objection to it. I propose to strike out the entire paragraph.

Mr. LEVER. I will say to the gentleman that I do not object to it.

Mr. YOUNG of North Dakota. Then why take any time to discuss it?

Mr. LEVER. Let the gentleman offer his amendment.

Mr. YOUNG of North Dakota. Mr. Chairman, I offer the amendment which I send to the desk and ask to have read.

Mr. MOORE of Pennsylvania. Mr. Chairman, there is an amendment pending now, is there not?

The CHAIRMAN. There is no amendment pending. The gentleman from North Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. YOUNG of North Dakota offers the following amendment: Page 7, strike out lines 1 to 12, both inclusive.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Dakota.

Mr. REAVIS. Mr. Chairman, I would like to be heard.

Mr. MOORE of Pennsylvania. Mr. Chairman, I think I was recognized by the Chair originally.

The CHAIRMAN. The gentleman from North Dakota would be entitled to recognition.

Mr. LEVER. Mr. Chairman, let me say to gentlemen that if they desire to make any statements, they make them on something that is pending and pertinent. The committee is going to accept this amendment. Their statements may come on the next section.

Mr. HAUGEN. Will the gentleman give time to these gentlemen at that time?

Mr. LEVER. I will try to be reasonable about the matter.

Mr. MOORE of Pennsylvania. I would like to speak for five minutes upon this paragraph.

Mr. LEVER. I suggest that the gentleman get time on the next paragraph.

Mr. MOORE of Pennsylvania. Very well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. LAGUARDIA offers the following amendment: Page 6, at the end of line 24, strike out the period and insert a colon, and add the following:

"*Provided*, That the appointment of inspectors, agents, experts, clerks, and employees by the Secretary of Agriculture as authorized in this act"——

Mr. LEVER. Mr. Chairman, I make the point of order that we have already passed this.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to be heard upon this. I do not believe this ought to be steam rollered over in this manner.

Mr. FOSTER. I object.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 10. That the provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than one year after the termination, as ascertained by the President, of the present war between the United States and Germany.

Mr. BYRNS of Tennessee, Mr. MOORE of Pennsylvania, Mr. REAVIS, Mr. LAGUARDIA, and Mr. YOUNG of Texas rose.

The CHAIRMAN. The gentleman from Texas is a member of the committee and is entitled to recognition.

Mr. MOORE of Pennsylvania. May I inquire if the gentleman from Texas is going to make a regular motion or just a pro forma motion?

Mr. YOUNG of Texas. I am going to make a very important proposition here.

Mr. FOCHT. Mr. Chairman——

Mr. YOUNG of Texas. I will make a pro forma amendment, then.

Mr. MOORE of Pennsylvania. May I make a motion to strike out the paragraph?

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 20 minutes.

Mr. LAGUARDIA. Reserving the right to object——

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that debate on this paragraph and all amendments thereto shall close in 20 minutes. Is there objection?

Mr. LAGUARDIA. Mr. Chairman, I object.

Mr. LEVER. Then I move that all debate on this paragraph and all amendments thereto close now. [Applause.]

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. MOORE of Pennsylvania. Tellers, Mr. Chairman.

Tellers were refused.

So the motion to close debate on the paragraph and all amendments thereto was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment as an extra paragraph.

The CHAIRMAN. The gentleman from New York [Mr. LAGUARDIA] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: At end of bill insert:

"*Provided*, That the appointment of inspectors, agents, experts, clerks, and employees by the Secretary of Agriculture as authorized in this act shall be in accordance with the provisions of the civil-service act of January 16, 1883."

Mr. LEVER. Mr. Chairman, I make a point of order against that. It is not germane.

The CHAIRMAN. The point of order is sustained.

Mr. LAGUARDIA. Mr. Chairman——

Mr. MOORE of Pennsylvania. Awhile ago I asked if I would be recognized to make a motion and the Chair said I would. The gentleman from South Carolina [Mr. LEVER] stated that I would have time to speak upon that motion. I merely ask whether I will have an opportunity now in view of these agreements to make a motion and speak on it?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE], I am sure, appreciates the situation that finally came up. The Chair meant to keep his word to the gentleman but the committee by almost unanimous vote moved to close all debate.

Mr. YOUNG of Texas. Mr. Chairman, I had had recognition from the Chair.

The CHAIRMAN. The point of order has been sustained and all debate is closed. The gentleman from South Carolina [Mr. LEVER] is recognized.

Mr. LAGUARDIA. A parliamentary inquiry, Mr. Chairman.

Mr. YOUNG of Texas. Mr. Chairman, I ask for a ruling on the proposition.

Mr. LEVER. Mr. Chairman, I move that the committee rise and report the bill to the House as amended, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, and had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. LEVER. Upon that, Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered,

The SPEAKER. Is a separate vote demanded on any amendment? [After a pause.] If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time.

Mr. HAUGEN. Mr. Speaker, I move to recommit the bill to the Committee on Agriculture.

Mr. LEVER. Mr. Speaker, upon that I move the previous question.

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] moves to recommit the bill to the Committee on Agriculture, and on that the gentleman from South Carolina [Mr. LEVER] moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Iowa [Mr. HAUGEN] to recommit the bill to the Committee on Agriculture.

Mr. HAUGEN. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] demands the yeas and nays. All those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Twenty-nine gentlemen have risen in the affirmative; not a sufficient number.

Mr. GOOD. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. The gentleman from Iowa [Mr. GOOD] makes the point of order that no quorum is present. The Chair will count. [After counting.] One hundred and sixty-three gentlemen are present, not a quorum.

Mr. KEATING. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. KEATING. If the Chair ascertains there is not a quorum present, will the vote come on the motion to recommit?

The SPEAKER. It will.

Mr. KEATING. Having asked for the yeas and nays, and the yeas and nays having been refused?

The SPEAKER. The Chair knows, but the gentleman from Iowa raised the point of no quorum.

Mr. KEATING. That was after the yeas and nays were refused.

The SPEAKER. The Chair finds there was no quorum, and the House was dividing.

Mr. CANNON. Mr. Speaker, when it was announced that 29 gentlemen had risen, not a sufficient number, the other side, just as that was announced, or just before, was asked for.

The SPEAKER. The Chair never heard anybody ask for that.

Mr. CANNON. I asked it myself, and somebody else asked for it.

Mr. HAUGEN. Yes; I asked for it.

Mr. CANNON. And then the point of no quorum was raised.

The SPEAKER. The Chair would have recognized the gentleman if he had heard it.

Mr. CAMPBELL of Kansas. Mr. Speaker, was the question put to a vote? It seems to me as the Chair stated the question the gentleman from Iowa [Mr. HAUGEN] rose and demanded the yeas and nays before the vote was taken, so that the House was not dividing.

The SPEAKER. The House was dividing, and then the Speaker counted one side, and the yeas and nays were demanded, and they did not get enough for the yeas and nays, and the Chair did not hear anybody demand the other side.

Mr. CANNON. I demanded it.

Mr. CAMPBELL of Kansas. That was not on the motion to recommit, but on the motion to close debate.

The SPEAKER. The Chair started to put the motion to recommit and counted one side, and then the point of order that no quorum was present was made by the gentleman from Iowa [Mr. GOOD].

Mr. CAMPBELL of Kansas. Mr. Speaker, as I remember, the gentleman from South Carolina [Mr. LEVER] moved the previous question on the bill and amendments.

Mr. LEVER. No; on the motion to recommit.

Mr. CAMPBELL of Kansas. Yes. That question was put——

Mr. LEVER. Yes; put and carried.

Mr. CAMPBELL of Kansas. And then the Speaker stated that the qusetion now recurred on the motion to recommit, and on that, before a vote was taken, the gentleman from Iowa [Mr. HAUGEN] demanded the yeas and nays. I think that is according to the record. That was before the House divided.

The SPEAKER. The House was dividing. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll on the motion to recommit. The Clerk will call the roll. Those in favor of the motion will answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 81, nays 222, answered "present" 6, not voting 120, as follows:

YEAS—81.

Anthony	Fairfield	McCulloch	Sterling, Ill.
Austin	Focht	McLemore	Strong
Bacon	Garrett, Tenn.	Magee	Summers
Black	Gillett	Miller, Minn.	Sweet
Bland	Good	Mondell	Switzer
Blanton	Goodall	Moore, Pa.	Taylor, Colo.
Buchanan	Gould	Mott	Thomas
Campbell, Kans.	Green, Iowa	Norton	Timberlake
Cannon	Hamilton, Mich.	Purnell	Tinkham
Clark, Pa.	Haugen	Ragsdale	Towner
Cooper, Ohio	Heaton	Ramseyer	Vestal
Cramton	Heintz	Rayburn	Volstead
Curry, Cal.	Hicks	Reavis	Wheeler
Dempsey	Houston	Rose	White, Ohio
Denison	Ireland	Sanders, Ind.	Wilson, Ill.
Dowell	Knutson	Scott, Iowa	Wood, Ind.
Dunn	Kraus	Sells	Woods, Iowa
Dyer	La Follette	Sisson	Zihlman
Edmonds	LaGuardia	Slayden	
Fairchild, B. L.	Langley	Steenerson	
Fairchild, G. W.	Littie	Stephens, Miss.	

NAYS—222.

Adamson	Eagle	Kelley, Mich.	Reed
Alexander	Elston	Kelly, Pa.	Robinson
Almon	Emerson	Kettner	Romjue
Anderson	Esch	Key, Ohio	Rouse
Ashbrook	Estopinal	Kiess, Pa	Rubey
Aswell	Evans	King	Rucker
Ayres	Farr	Kinkaid	Russell
Bankhead	Fess	Kitchin	Sanders, La.
Barnhart	Fitzgerald	Larsen	Schall
Bell	Foss	Lazaro	Scott, Mich.
Blackmon	Foster	Lea, Cal.	Sears
Borland	Frear	Lee, Ga.	Shallenberger
Bowers	Freeman	Lehlbach	Sherley
Brand	French	Lenroot	Sherwood
Britten	Gandy	Lever	Shouse
Brodbeck	Gard	Linthicum	Sims
Browne	Garrett, Tex.	London	Sinnott
Browning	Glass	Lonergan	Slemp
Brumbaugh	Glynn	Lundeen	Small
Butler	Goodwin, Ark.	McAndrews	Smith, Idaho
Byrnes, S. C.	Graham, Ill.	McArthur	Smith, C. B.
Byrns, Tenn.	Gray, Ala.	McKenzie	Snook
Campbell, Pa.	Greene, Mass.	McKeown	Steagall
Candler, Miss.	Greene, Vt.	McKinley	Stedman
Cantrill	Gregg	McLaughlin, Mich	Steele
Caraway	Hadley	Mansfield	Sterling, Pa.
Carter, Okla.	Hamill	Mapes	Stevenson
Cary	Hamlin	Martin, La.	Swift
Church	Hardy	Meeker	Temple
Classon	Harrison, Miss.	Miller, Wash.	Thompson
Claypool	Hastings	Montague	Tillman
Condy	Hawley	Moores, Ind.	Van Dyke
Collier	Hayden	Morgan	Venable
Connally, Tex.	Heflin	Nelson	Vinson
Connelly, Kans.	Helm	Nichols, Mich.	Voigt
Cooper, Wis.	Helvering	Nolan	Wahlow
Copley	Hensley	Oldfield	Walker
Cox	Hersey	Oliver, Ala.	Walton
Crago	Hilliard	Oliver, N. Y.	Ward
Crisp	Holland	Osborne	Wason
Crosser	Hollingsworth	Overmyer	Watkins
Currie, Mich.	Hood	Overstreet	Watson, Pa.
Dale, Vt.	Howard	Padgett	Watson, Va.
Dallinger	Huddleston	Paige	Weaver
Darrow	Hulbert	Park	Webb
Davis	Humphreys	Parker, N. J.	Welty
Dent	Igoe	Phelan	Whaley
Denton	Jacoway	Polk	White, Me.
Dickinson	James	Pou	Wilson, La.
Dies	Johnson, Ky.	Powers	Wilson, Tex.
Dill	Johnson, S. Dak.	Price	Wingo
Dillon	Jones, Tex	Quin	Wise
Dixon	Jones, Va.	Rainey	Young, N. Dak.
Dominick	Juul	Raker	Young, Tex.
Doolittle	Keating	Randall	
Dupré	Kehoe	Rankin	

ANSWERED "PRESENT"—6.

Booher	Ferris	Moon	Stephens, Nebr.
Burnett	Littlepage		

NOT VOTING—120.

Bacharach	Francis	Lobeck	Rowe
Barkley	Fuller, Ill.	Longworth	Rowland
Bathrick	Fuller, Mass.	Lunn	Sabath
Bruckner	Gallagher	McClintic	Sanders, N. Y.
Caldwell	Gallivan	McCormick	Sanford
Capstick	Garland	McFadden	Saunders, Va.
Carew	Garner	McLaughlin, Pa.	Scott, Pa.
Carlin	Godwin, N. C.	Madden	Scully
Carter, Mass.	Gordon	Maher	Shackleford
Chandler, N. Y.	Graham, Pa.	Mann	Siegel
Chandler, Okla.	Gray, N. J.	Martin, Ill.	Sloan
Clark, Fla.	Griest	Mason	Smith, Mich.
Cooper, W. Va.	Griffin	Mays	Smith, T. F.
Costello	Hamilton, N. Y.	Morin	Snell
Dale, N. Y.	Harrison, Va.	Mudd	Snyder
Davidson	Haskell	Neely	Stafford
Decker	Hayes	Nicholls, S. C.	Stiness
Dewalt	Hill	Olney	Sullivan
Dooling	Hull, Iowa	O'Shaunessy	Tague
Doremus	Hull, Tenn.	Parker, N. Y.	Talbott
Doughton	Husted	Peters	Taylor, Ark.
Drane	Hutchinson	Platt	Templeton
Drukker	Johnson, Wash.	Porter	Tilson
Eagan	Kahn	Pratt	Treadway
Ellsworth	Kearns	Ramsey	Vare
Fields	Kennedy, Iowa	Riordan	Walsh
Fisher	Kennedy, R. I.	Robbins	Welling
Flood	Kincheloe	Roberts	Williams
Flynn	Kreider	Rodenberg	Winslow
Fordney	Lesher	Rogers	Woodyard

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. BURNETT (for) with Mr. O'SHAUNESSY (against).

Mr. SNELL (for) with Mr. ROWE (against).

Mr. SANFORD (for) with Mr. TAGUE (against).

Mr. PARKER of New York (for) with Mr. GALLIVAN (against).

Mr. WINSLOW (for) with Mr. LOBECK (against).

Mr. KREIDER (for) with Mr. STINESS (against).

Mr. WOODYARD (for) with Mr. OLNEY (against).

Mr. TEMPLETON (for) with Mr. KENNEDY of Rhode Island (against).

Mr. ROWLAND (for) with Mr. DAVIDSON (against).

Mr. GARLAND (for) with Mr. FULLER of Massachusetts (against).

Until further notice:

Mr. SULLIVAN with Mr. MCFADDEN.

Mr. GODWIN of North Carolina with Mr. PLATT.

Mr. DRANE with Mr. MUDD.

Mr. CARLIN with Mr. KAHN.

Mr. HARRISON of Virginia with Mr. RAMSAY.

Mr. GRIFFIN with Mr. PRATT.

Mr. GORDON with Mr. HUTCHINSON.

Mr. EAGAN with Mr. GRIEST.

Mr. CALDWELL with Mr. DRUKKER.

Mr. DOUGHTON with Mr. FRANCIS.

Mr. CAREY with Mr. GRAY of New Jersey.

Mr. DOOLING with Mr. MCLAUGHLIN of Pennsylvania.

Mr. SHACKLEFORD with Mr. HILL.

Mr. SCULLY with Mr. HUSTED.

Mr. CHARLES B. SMITH with Mr. COSTELLO.

Mr. THOMAS F. SMITH with Mr. MASON.

Mr. FLYNN with Mr. KENNEDY of Iowa.

Mr. SAUNDERS of Virginia with Mr. HAYES.

Mr. TAYLOR of Arkansas with Mr. SCOTT of Pennsylvania.

Mr. GARNER with Mr. RODENBERG.

Mr. WELLING with Mr. SANDERS of New York.

Mr. MAYS with Mr. PETERS.

Mr. MAHER with Mr. MCCORMICK.

Mr. MARTIN of Illinois with Mr. HULL of Iowa.

Mr. DOREMUS with Mr. CHANDLER of New York.

Mr. FIELDS with Mr. ELLSWORTH.

Mr. DEWALT with Mr. BACHARACH.

Mr. FLOOD with Mr. FORDNEY.

Mr. BRUCKNER with Mr. HAMILTON of New York.

Mr. MCCLINTIC with Mr. ROGERS.

Mr. HULL of Tennessee with Mr. SIEGEL.

Mr. BATHRICK with Mr. WALSH.

Mr. RIORDAN with Mr. ROBERTS.

Mr. LESHER with Mr. WILLIAMS.

Mr. LUNN with Mr. KEARNS.

Mr. WEBB with Mr. GRAHAM of Pennsylvania.

Mr. KINCHELOE with Mr. SNYDER.

Mr. FISHER with Mr. LONGWORTH.

Mr. BARKLEY with Mr. ROBBINS.

Mr. DALE of New York with Mr. HASKELL.

Mr. NICHOLLS of South Carolina with Mr. TILSON.

Mr. DECKER with Mr. CARTER of Massachusetts.

Mr. STEPHENS of Nebraska with Mr. SLOAN.

Mr. FERRIS with Mr. CHANDLER of Oklahoma.

Mr. CLARK of Florida with Mr. FULLER of Illinois.

Until June 5:

Mr. TALBOTT with Mr. BROWNING.

Until June 1:

Mr. BOOHER with Mr. TREADWAY.

Until Wednesday:

Mr. GALLAGHER with Mr. MADDEN.

Until June 3:

Mr. LITTLEPAGE with Mr. COOPER of West Virginia.

Mr. BROWNING. Mr. Speaker, I have a general pair with the gentleman from Maryland, Mr. TALBOTT. I voted no, but if he were present he would vote the same way, so I let my vote stand.

Mr. LITTLEPAGE. Mr. Speaker, I have a general pair with my colleague, Mr. COOPER of West Virginia. I do not know how he would vote if here. I voted no. Out of respect to my pair I want to withdraw my negative vote and to answer present.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors. The question is on the passage of the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Michigan demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until they are counted. [After counting.] Thirty-five Members; not a sufficient number. The yeas and nays are refused. The ayes have it and the bill is passed. [Applause.]

On motion of Mr. LEVER, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE TO PRINT.

By unanimous consent leave was granted to extend remarks on the bill just passed to Mr. COX, Mr. LANGLEY, Mr. FESS, Mr. FARR, Mr. LAGUARDIA, Mr. RANDALL, Mr. KEATING, Mr. ROSE, Mr. BROWNE, Mr. GREENE of Massachusetts, Mr. TIMBERLAKE, Mr. LA FOLLETTE, Mr. MOORE of Pennsylvania, Mr. KINKAID, Mr. FOCHT, Mr. FAIRFIELD, Mr. MILLER of Minnesota, Mr. BACON, Mr. DILL, Mr. BYRNES of Tennessee, and Mr. CLARK of Pennsylvania.

Mr. McLEMORE. Mr. Speaker, I ask unanimous consent to print in the RECORD the speech delivered by Hon. JAMES L. SLAYDEN, our colleague from Texas, on the Elements of universal peace.

The SPEAKER. The gentleman from Texas [Mr. McLEMORE] asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

URGENT DEFICIENCIES.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent to discharge the Committee of the Whole House on the state of the Union from the further consideration of the Senate amendments to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments, on account of war expenses, for the fiscal year ending June 30, 1917, and for other purposes, to nonconcur in all the Senate amendments excepting Senate amendment No. 2, and to concur in Senate amendment No. 2 with an amendment, which I ask to have reported.

The SPEAKER. The gentleman from New York [Mr. FITZGERALD] asks unanimous consent to discharge the Committee of the Whole House on the state of the Union from the further consideration of H. R. 3971 with Senate amendments, and to disagree to all the Senate amendments excepting Senate amendment No. 2, and to concur in that amendment with an amendment. Is there objection?

Mr. KELLY of Pennsylvania. Reserving the right to object, I desire to ask the chairman of the committee a question in regard to Senate amendment No. 27, on page 39 of the printed bill. This amendment increases by $500,000 the appropriation made by the House for such purposes at Army and mobilization camps as post exchanges, schools, libraries, reading, lunch, and amusement rooms, gymnasia, and so forth. I do not desire to object to the request for a disagreement and reference to conference if we may be assured that this amendment will either be agreed to or that the House will have an opportunity to express itself upon it.

Mr. FITZGERALD. The Committee on Appropriations granted the full amount requested by the War Department for the purpose. If there be some reason for a greater sum, I am sure the managers on the part of the House desire to carry out

the purpose. I can not say that the managers on the part of the House would agree to the amendment without information as to the reason for the increase. The War Department presented the reasons to the committee, which the committee believed made it desirable to provide suitable recreational facilities for those camps. Upon the statement made by the War Department the committee in the original bill incorporated the sum requested, and that would indicate that, so far as the Committee on Appropriations is concerned, the committee believed it important and desirable to carry on the work. I hope the gentleman from Pennsylvania will be content with that statement.

Mr. KELLY of Pennsylvania. The gentleman from New York states that the War Department requested $150,000?

Mr. FITZGERALD. That was the amount requested when the bill was before the committee.

Mr. KELLY of Pennsylvania. I am reliably informed that the War Department states that the $500,000 additional is the minimum that should be appropriated, and that the War Department is in favor of the Senate amendment.

Mr. FITZGERALD. If that be true it is an opinion that has been formed subsequently to the consideration of the bill in the House, and something must have occurred to justify the change of opinion. That opinion has not been transmitted to the Committee on Appropriations.

Mr. KELLY of Pennsylvania. The amendment was added in the Senate without objection and with the approval of the War Department.

Mr. FITZGERALD. That may be, and if it be demonstrated that the additional sum is necessary I am in favor of adding it. My recollection is that the amount requested by the War Department is the amount passed by the House.

Mr. KELLY of Pennsylvania. Will the gentleman's attitude be to give the House a chance to vote on the amendment if the conferees do not agree to the Senate amendment?

Mr. FITZGERALD. I can not say as to that. All I can say is this, that if there were no reason for the increase and the managers on the part of the two Houses were able to make a complete agreement without agreeing to that amendment, I do not believe we would be justified in holding up this appropriation bill carrying more than $3,000,000,000 in view of the fact that expenditures are being made without authority and that the passing of this bill is very much needed. All I can say is, that as far as I know, all of the members of the Committee on Appropriations were in sympathy with the purpose for which the money was asked and recommended that the department's request be complied with. I have no doubt that if it be shown that the sum is inadequate and that additional money is needed for the same purpose that those who naturally will be the conferees will be in favor of it.

Mr. KELLY of Pennsylvania. Here is an amendment of vital importance. It concerns the welfare of every soldier in training at the great Army camps established and to be established. It will make possible the creation of an environment which will be of vast benefit. These educational and recreational provisions will help to take the place of the restraining influences of home and home society at a time when powerful influences are pulling the other way. I feel that the House ought to have a chance to vote on the increased funds provided by the Senate inasmuch as anything less than that would not be sufficient.

Mr. FITZGERALD. That may be true, but the War Department has not furnished the House of Representatives with any additional facts and the House has given every dollar that it requested. If there is additional information there ought to be an opportunity to consider it. I will say to the gentleman that there is no hostility to the provisions, but there might not be a justification for it. I imagine that what will be done will be satisfactory to the gentleman from Pennsylvania.

Mr. KELLY of Pennsylvania. If the gentleman from New York will give an indication that before it is decided adversely he will give the House a chance to vote on it——

Mr. FITZGERALD. That is equivalent to saying that if three Members representing the House think that this amount should not be increased the House managers will report a disagreement on this bill even if no other matter is involved, and I would not, in view of the importance of the bill, agree to do so.

Mr. KELLY of Pennsylvania. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KELLY of Pennsylvania. Is it in order to move to concur in the Senate amendment? If it is the proper time, I desire to make a motion to that effect.

The SPEAKER. If the request for unanimous consent by the gentleman from New York is granted, there is only one amendment in controversy, and that is amendment No. 2.

Mr. KELLY of Pennsylvania. I desire to move to concur in amendment No. 27 at the proper time.

Mr. CANNON. The thing to do is to discharge the Committee of the Whole House on the state of the Union from the further consideration of the bill and consider it in the House, disagree to the Senate amendments——

Mr. FITZGERALD. Mr. Speaker, I hope the gentleman from Pennsylvania will be content with the statement that I have made. I have no doubt that what will be done will be perfectly satisfactory. Personally, I believe that provision should be made for recreational facilities of a proper character for the camps. If the department presents good reasons why the additional sum should be given I have no doubt that it will be concurred in. I can not say that I shall agree to anything that the department requests, but if any reasonable request be made, if there is some complete plan showing that this amount is necessary, there will be no trouble about it.

Mr. KELLY of Pennsylvania. Mr. Speaker, in view of the statement of the chairman of the committee that this matter will be given consideration on the necessity shown by the War Department, and having confidence in his declaration of friendly attitude, I shall not object.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. LENROOT. Mr. Speaker, reserving the right to object, may I ask that the unanimous request be again restated?

The SPEAKER. The gentleman from New York asks unanimous consent to discharge the Committee of the Whole House on the state of the Union from further consideration of the Senate amendments to this bill, to disagree to all the Senate amendments except Senate amendment No. 2, and agree to that with an amendment.

Mr. LENROOT. Reserving the right to object, if that is granted, of course, there will be no discussion whatever, and I think before that unanimous consent is granted the gentleman from New York ought to state to the House the differences between the committee amendment to amendment No. 2 and the Senate amendment itself, so that we may have some information upon it.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent to discharge the committee from further consideration of the Senate amendments, nonconcur in all the Senate amendments except Senate amendment No. 2, and, if that be done, I shall then move to concur in Senate amendment No. 2 with an amendment and then make an explanation of that amendment.

I modify my request to that extent. I ask unanimous consent to discharge the Committee of the Whole House on the state of the Union from the consideration of the Senate amendment, nonconcur in all the Senate amendments except No. 2, and agree to the conference asked for. If that request be granted, I shall then move to concur in that amendment with an amendment.

The SPEAKER. The gentleman from New York asks unanimous consent to discharge the Committee of the Whole House on the state of the Union from further consideration of the Senate amendments, nonconcur in all the Senate amendments except No. 2, and agree to the conference asked for. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Speaker, reserving the right to object, I want to ask the gentleman as to amendment No. 1, respecting the Council of National Defense, which proposes, as printed in the bill, an additional appropriation of $500,000, which, I take it, is in addition to the $200,000 already appropriated for the Council of National Defense. May I ask the gentleman whether this amendment contemplates any enlargement of the powers of the Council of National Defense?

Mr. FITZGERALD. No; the Senate amendment specifically provides that the existence of a state of war shall not be construed to enlarge the powers of the Council of National Defense.

Mr. MOORE of Pennsylvania. So much has been said in the public print recently about the expenditure of $10,000,000,000 that I thought possibly the gentleman from New York might make some statement as to the attitude of the committee on that proposition.

Mr. FITZGERALD. Mr. Speaker, I should be glad to make a statement regarding it if we can get this request granted. I do not know of any amendment that it is desired to offer to that provision, but I should be glad to make a statement in regard to it after we dispose of the other amendments.

Mr. MOORE of Pennsylvania. I wish the gentleman would make the statement.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. FITZGERALD. Mr. Speaker, I shall make that statement after we dispose of this amendment. I move to concur in Senate amendment No. 2, with an amendment to strike out the Senate amendment No. 2 and insert the following, which I send to the Clerk's desk.

The Clerk read as follows:

Strike out all of Senate amendment No. 2 and insert:

"That the President is hereby authorized and empowered, within the amount herein authorized—

"(a) To order from any person such ships or material as he may determine to be necessary for the national defense and which are of the nature, kind, and quantity usually produced, or capable of being produced, by such person;

"(b) To modify, cancel, requisition, or suspend the performance of, any contract now in force or hereafter made for the building, production, or purchase of ships or material, or any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be utilized for shipbuilding;

"(c) To requisition the whole or any part of the output of any factory, or to take over and operate any factory or part thereof, that may be necessary for the purposes herein;

"(d) To purchase, requisition, and acquire the title and possession or use of any vessel of the United States, or of any vessel owned by a citizen of the United States, or by a corporation organized under the laws of the United States, or of any State or Territory thereof, together with its equipment and stores; or any part of such vessel or charter thereof, or interest therein; or any charter to any such citizen or corporation of any vessel of any nationality; or to charter or direct the voyage and use of any vessel owned or chartered by any such citizen or corporation; such requisition, charter, or control, and the rates, terms, and conditions thereof, to be as the President shall direct;

"(e) To purchase, lease, or requisition, in fee or for a specified term, any dock, wharf, warehouse, or fueling, loading, discharging, terminal, or other facilities, or any part or equipment thereof or interest therein; to operate the same and to make any alterations or extensions thereof that may be necessary.

"Compliance with orders issued hereunder shall be obligatory, and the President may determine the priority to be given such orders in their execution. If any person to whom such order shall be given shall refuse or fail to comply therewith or to give the priority in its execution determined as herein provided, or to execute at such reasonable price as the President shall determine, the President may take immediate possession of any factory of such person, or of such part thereof, as may be necessary for the execution of any such orders, and utilize the same in such manner as he may deem necessary.

"Whenever the President shall cancel, modify, suspend, requisition, or acquire any contract, or acquire, requisition, occupy, or make use of any factory or part thereof, or any material, or ship, charter, or space therein, or part thereof, or any dock, wharf, warehouse, or fueling, loading discharging, terminal, or other facilities, or equipment thereof, or order any ship or material as authorized herein the United States of America shall make just compensation therefor.

"The President shall ascertain in such summary manner as he may determine the compensation to be paid hereunder. If the person entitled to receive the same shall decline to accept the compensation so determined, he shall be paid from the sums herein or hereafter appropriated, within the amounts authorized herein, 75 per cent of the amount so determined by the President, and shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code.

"To enable the President to purchase or otherwise to acquire ships now constructed or in the course of construction, and for every expenditure incident thereto, $150,000,000: *Provided*, That the President is authorized to enter into contracts or otherwise to incur obligations for the same purposes not to exceed $100,000,000 in addition to the appropriation herein made.

"For the construction of ships, and for every expenditure incident thereto, $250,000,000 *Provided*, That the President is authorized to enter into contracts or otherwise to incur obligations for the same purpose not to exceed $250,000,000 in addition to the appropriation herein made.

"If any ship, vessel, ship stores and equipment, contract, factory, charter, or interest therein be purchased, used, or acquired on behalf or for the benefit of the War or Navy Departments, the expenditure therefor shall only be from appropriations made for those departments and available for the purposes specified.

"For the operation of the ships herein authorized to be constructed, or in any other way acquired, except those acquired for the Army or Navy, and for every expenditure incident thereto, $5,000,000.

"No obligation shall be incurred for any of the purposes herein authorized, except for vessels acquired for the Army or Navy as hereinbefore provided, in excess of the amounts herein specifically authorized.

"The authority granted herein to the President may be exercised through such agency or agencies as he at any time shall determine.

"The word 'person,' as used herein, shall include any individual, trustee, firm, association, company, or corporation.

"The word 'ship' shall include any boat, vessel, or submarine and the parts thereof.

"The word 'material' shall include stores, supplies, and equipment for ships, and everything required for or in connection with the production thereof.

"The word 'factory' shall include any factory, workshop, engine works; buildings used for manufacture, assembling, construction, or any process; and any shipyard or dockyard.

"The words 'United States' shall include all land and water subject to the jurisdiction of the Government of the United States of America.

"All authority herein granted to the President shall terminate six months after a final treaty of peace is proclaimed between the United States and the Imperial German Government."

Mr. FITZGERALD. Mr. Speaker, the provision in the Senate bill provides authority for the construction, purchase, or acquisition of approximately 3,000,000 tons of shipping in a period of 18 months. The proposed amendment which the House is asked to adopt is simply the rearranging the Senate amendment in more logical form and differs from it in four principal respects. First, it gives power to suspend contracts, as well as to cancel, modify, or requisition. In the Senate provision there was no authority to suspend a contract between private parties which might interfere with the Government requisitioning or requiring work to be done. In the next place, it makes provision for the requisitioning of docks, terminal facilities, fuel and storage facilities that may be necessary in the operation of ships acquired. In the third place, it eliminates a provision contained in the Senate amendment of the following character: The Senate provided that the money appropriated might be utilized to expedite the construction of ships on account of some other governmental agency or person than the United States.

The proposed amendment does not permit the appropriation to be utilized for the expedition of the construction of ships, except for ships that are to be requisitioned or taken over on account of the United States. The fourth proposition has to do with the authority of the President to delegate the powers conferred by the provision. This proposed legislation is of a most radical and unique character.

Mr. LENROOT. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. LENROOT. The gentleman is stating the omissions or things included in the Senate amendment that are not included in this? The Senate amendment gives authority to the President to operate these ships, but I do not find any such authority in the committee amendment.

Mr. FITZGERALD. Mr. Speaker, the intention is to give it to the President, and I shall discuss that in a moment. A question has been raised as to whether this amendment does confer that authority, and the understanding is that if upon closer examination that authority be not conferred, it can be perfected in conference, because one provision has been stricken out and it is proposed to insert another. This legislation is of a very radical, unique, and unusual character. It confers the most comprehensive powers ever proposed upon the President of the United States. It authorizes him to, requisition the entire output of a factory, a portion of a factory, to take over ships, to cancel contracts, to assume contracts, to suspend contracts, to operate the ships; and when the powers given here are exercised, provision is made to make just compensation for the taking over. Authority is given to the President to ascertain in a summary manner what the just compensation shall be, and if that compensation so determined shall not be satisfactory to the person affected then he shall be paid 75 per cent of that sum and given a right to proceed against the United States in the Court of Claims to recover such additional sum as will make just compensation. Under the Senate amendment the President is authorized to delegate all of those powers of a radical and comprehensive character to the general manager of the United States Shipping Board Emergency Fleet Corporation. That is a corporation organized by the Shipping Board under the authority conferred by the shipping act for the purpose of having constructed ships deemed essential at this time.

The general manager of that corporation is Maj. Gen. Goethals, who was selected by the Shipping Board to take control of the construction of these ships, and the intention of the Senate was to express its desire that as full power as possible should be given to Gen. Goethals. It appeared at once, however, that it would be a most extraordinary legislative act for the Congress to provide that these unique, radical, and comprehensive powers might be delegated to an officer of a private corporation, and could not be granted to anyone else, so the Committee on Appropriations has modified that provision so as to devolve all the power upon the President and authorizes him to exercise them through such agency or agencies and at such times as he shall determine to be advisable.

Mr. MILLER of Minnesota. Mr. Speaker, will the gentleman yield for a question?

Mr. FITZGERALD. Yes.

Mr. MILLER of Minnesota. Was the committee in any way actuated by any controversy now existing between the Shipping Board and Maj. Gen. Goethals?

Mr. FITZGERALD. Not at all; and I shall discuss that a little later.

This proposal, so far as I am informed, is satisfactory not only to the Shipping Board but satisfactory to Gen. Goethals. He did not wish to have those extraordinary powers conferred upon him for the requisitioning of various utilities for the operation of ships. The Shipping Board was confronted with a necessity that arose of making some practical suggestions to acquire within the next 18 months about 3,000,000 tons of shipping. A suggestion was made to the board that that amount of shipping could be obtained within that period by adverting to wooden ships and having constructed wooden ships of about 3,000 tons. After somewhat hasty consideration, it was first thought that

that was feasible. The Shipping Board organized this corporation, and then sent for Gen. Goethals and told him of the necessity for the work, the emergency of the situation, and requested him to accept the presidency of this corporation and to undertake the work. After some negotiation he acquiesced in the request to take control of the work, but requested to be made the general manager of the corporation and the chairman of its executive committee.

The Shipping Board informed him that it would make him the general manager of the corporation and also make him the executive committee without any other members, so that there would be centered in him full responsibility and power to do what was proposed. He immediately took up the question of how these ships could be acquired. He reached the conclusion that it was not possible to build 3,000,000 tons of wooden ships in 18 months, and as the result of an experience he had had in the construction of the Panama Canal, he concluded that steel ships could be turned out much more rapidly than was then contemplated or believed possible. He recalled that the gates for the locks of the Panama Canal were pontoons. They had been fabricated in the United States, shipped to the canal, and erected there; and it occurred to him that if a standardized ship were designed that they could be fabricated in the steel mills in the various parts of the country, the parts shipped to tidewater, and there assembled, in the same way that the gates of the lock were put together at the Panama Canal. He immediately took that question up with a number of the great steel manufacturers of the country and received assurances that not only could adequate steel be furnished but that one plant alone in the United States at the end of six months could turn out one ship and thereafter, I think, one a day. He also ascertained that instead of a 3,000-ton ship, by utilizing steel he could turn out ships of about 4,500 tons, with practically very little increase in cost. And so the program was modified to the extent that it was determined to begin at once the fabrication of steel ships as well as to build wooden ships.

Mr. HARRISON of Mississippi. Will the gentleman yield right there?

Mr. FITZGERALD. I think, if the gentleman will permit me to just complete a statement, it will then be of more value.

When before the committee on Wednesday or Thursday of last week—or early in the week, at any rate—the question of the tonnage to be constructed of wood or steel was raised by the committee. Gen. Goethals stated that he had reached the point when it was necessary to determine the extent of the wooden tonnage that was to be built at the present time; that in order to make his commitments and to enter into his arrangements with the various parties who would be furnishing materials to take part in this program it was necessary to know at this time how many wooden ships would be built, so that it would be possible to determine how much money would be required for wooden ships and how much would be available for steel ships. That had not been determined, but he made the statement that, in his opinion, it would be necessary at this time to limit the number of wooden ships to which we would be committed to about 150 or 200, and the program as agreed upon, or tentatively agreed upon, was to arrange at once for the construction of between 150 or 200 wooden ships of 3,000 tons and the entering upon a very extensive program in turning out the steel ships.

Mr. BRITTEN. Thirty-six hundred tons.

Mr. FITZGERALD. I am speaking approximately. The tonnage of the wooden ships was increased to approximately 3,600 tons, and the tonnage of the steel ships to approximately 4,500 tons.

There were many things to be taken into consideration. The amount of seasoned timber that would be required for 3,000,000 tons of wooden ships could not possibly be obtained in 18 months, and the use of timber with the sap in it will give a life to a ship, according to the statement of a very eminent wooden shipbuilder, of approximately two or three years. The necessity of obtaining ships quickly is the one important thing at this time, and after these investigations this particular program was arranged.

Mr. Speaker, I do not wish to be understood as speaking by authority for all the persons concerned. I do, however, wish to make this statement, that apparently a controversy, which is unfortunate, has been broached in the newspapers between Mr. Denman, of the Shipping Board, and Gen. Goethals. I think much of the misunderstanding that has been believed to exist as the result of these statements can be readily cleared up if anyone will appreciate that the statement which Gen. Goethals is quoted as having made, and which I am informed is inaccurate in some respects, was made before a gathering of men engaged in the steel industry. In discussing this question before men engaged in the steel industry the matter could be readily presented from a viewpoint that would not be taken if a statement were being prepared for publication for the entire country. But so far as I am informed, after information received by me to-day, the Shipping Board and Gen. Goethals are not at loggerheads. There is no great friction existing between the board and the general. There were some differences of opinion originally because of the manner in which the program had to be taken up and agreed upon, so far as I am aware, and it is based upon information that comes from a reliable source. There is no reason for alarm that there are to be dissensions that will in any way impair the effectiveness of the organization that has been perfected for building these ships.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. FITZGERALD. I will.

Mr. MILLER of Minnesota. In view of the desire for harmony, and of course there is desire on the part of everyone for harmony, does the gentleman think the following, which appeared in the morning press as a part of an interview given by Mr. Denman, will conduce or tend toward harmony? I read:

> We believe that the committees of Congress and not a public dinner with the head of the Steel Trust are the places for the discussion of matters of policy with regard to shipbuilding.

Is that anything else than an insult to Gen. Goethals?

Mr. FITZGERALD. That sounds like a statement I would be likely to make myself.

Mr. MILLER of Minnesota. Then I will say that it was an insult to Gen. Goethals from the way it was given.

Mr. FITZGERALD. I will say, as an intimate personal friend of Gen. Goethals and a sincere admirer of his ability, that it is very unfortunate that he has been quoted in the press as he was quoted. The statement, however, is not accurate. I think where there are differences of opinion they had better be thrashed out——

Mr. COOPER of Wisconsin. Was the report of the statement inaccurate?

Mr. FITZGERALD. They had better be thrashed out before committees of Congress or before the proper departments of the Government that are charged with the responsibility of this Government.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. COOPER of Wisconsin. The gentleman said that the statement was incorrect. Does the gentleman mean the newspaper report of the statement was incorrect, or Gen. Goethals's statement?

Mr. FITZGERALD. I believe the newspaper report of the statement is inaccurate, from the information conveyed to me.

Mr. COOPER of Wisconsin. That is different.

Mr. HAMILTON of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HAMILTON of Michigan. How much seasoned lumber is there estimated to be in the country available for the construction of wooden ships?

Mr. FITZGERALD. I do not know.

Mr. HAMILTON of Michigan. I supposed that had been given out.

Mr. FITZGERALD. What is known is that if one concern in the United States can do what is stated—turn out one steel ship at the end of six months and one a day thereafter, steel ships can be turned out more rapidly than was contemplated. Arrangements have been made by which at the end of five or six months 400,000 tons of steel monthly can be furnished to the Shipping Board for steel ships, and that is more than they can possibly utilize if they use all the resources of this country for that purpose alone.

Mr. HARRISON of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HARRISON of Mississippi. I understand the gentleman said that there was no great difference between Mr. Denman and Gen. Goethals. Was there a difference between the Shipping Board and Gen. Goethals as to the number of steel vessels and wooden vessels that could be built?

Mr. FITZGERALD. No. What happened was this: In the course of the investigation Gen. Goethals made the statement that in his opinion the time had been reached when it was necessary to determine the number of wooden ships that would be built, in order that it would be possible to make commitments in contracts, and he said that while it had not been decided, he believed it would be from 150 to 200 ships. There was no controversy about it.

Mr. HARRISON of Mississippi. I understood the gentleman to say when the matter came before them that it was stated that it would take three years for the timber to be seasoned so that the ships could be built.

Mr. FITZGERALD. That is not what I said. What I said was that the information I had from one of the largest and most successful builders of wooden ships in the United States was that timber with sap in it would probably last in a ship not to exceed a period of three years. I did not attribute that statement to Gen. Goethals.

Mr. FORDNEY. Will the gentleman permit an interruption?

Mr. FITZGERALD. I shall read just what happened in the committee. I asked Gen. Goethals in what proportion wooden and steel ships were to be turned out, and this is what transpired:

Gen. GOETHALS. I decided this morning that we would have to definitely decide upon the number of wooden ships that we contemplate building. We have prospective contractors all over the country. The very idea of getting a contract from the Government is appealing to everybody who has lumber, a shipyard, or some money. I do not see where we are going to come out unless we restrict it, and I am going to limit the first number of ships to within 150 or 200 wooden ships, and just see where I come out.

The CHAIRMAN. But the 3,000,000 tons does contemplate wood and steel?

Gen. GOETHALS. Yes.

Mr. DENMAN. I do not understand the General to mean that that is his permanent limitation for the entire 18 months, but for the matter of the present outlook and to see how the thing develops.

Gen. GOETHALS. Exactly.

Mr. DENMAN. Suppose we should find that through some permutation of things they could get these ships out in six or seven months. In that event it might be that we would pile more ships on the present contractors.

Gen. GOETHALS. That is true.

The CHAIRMAN. You are figuring on shipping of 3,000,000 tons in 18 months, which, as you are at present informed, is about all of our capacity?

Gen GOETHALS. Yes.

So that there was no difference of opinion apparent in the committee. In the examination that took place Mr. Denman freely made suggestions or asked questions of Gen. Goethals, and Gen. Goethals freely made suggestions relative to his relations with the board.

Mr. SINNOTT. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Mr. Speaker, will the gentleman permit me to answer the question about seasoned lumber?

Mr. FITZGERALD. Yes.

Mr. FORDNEY. There is at the present time in the hands of the manufacturers about 20 per cent of the entire annual cut of lumber, which would be between eight and ten billion feet of lumber. Seasoned lumber is not always required in building ships. The fir of the Pacific coast and the long-leaved pine of the South are not seasoned generally when put into a ship. It is put in green.

Mr. FITZGERALD. Of course, Mr. Speaker, there is no controversy, so far as the members of the Committee on Appropriations are concerned, between steel and lumber for ships. The emergency exists for the Government to get shipping, and I am indifferent as to whether these ships are built of steel or of wood, so long as they are obtained. The purpose of the Shipping Board and of Gen. Goethals is to determine what type of ship shall be turned out most quickly and in the greatest number.

Mr. RAGSDALE. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. RAGSDALE. As a matter of fact, as the gentleman probably knows, Circular No. 1 has been issued by Gen. Goethals, showing that they have already awarded contracts for steel and wooden vessels on the east and west coasts as far as Washington in the West and Florida in the South.

Mr. FITZGERALD. I understand so.

Mr. BRITTEN. The gentleman has repeatedly referred to 18 months as the limit in which the ships could be completed. Is there anything in the law requiring a limit in which the ships are to be completed?

Mr. FITZGERALD. No; but it is based on our requirements for shipping within that time on account of the present war.

Mr. BRITTEN. There is nothing in the law limiting the expenditure to that period, is there?

Mr. FITZGERALD. No; but that is the estimated amount of tonnage that we must obtain in 18 months for the successful prosecution of the war.

Mr. PARKER of New Jersey. Has the gentleman noticed the statement in the New York Sunday Tribune that it was also in contemplation by Gen. Goethals to build ships of 15,000 tons, divided into very many small compartments, so that they would be practically unsinkable?

Mr. FITZGERALD. That appeared in the New York Tribune, and I do not know that there is any foundation for it.

Mr. ALEXANDER. A similar statement appeared in the Washington Post.

Mr. MILLER of Minnesota. Was there any evidence submitted to the gentleman's committee as to the relative value of wooden and steel ships after the war is over if we have a supply on hand?

Mr. FITZGERALD. There is some information; yes. A steel ship is much more valuable.

Mr. MILLER of Minnesota. Is it not a fact that the wooden ships will be practically worthless except as barges?

Mr. FITZGERALD. I would not say they would be worthless, but the steel ship, of course, is a more permanent ship. Then, another thing, the wooden ships that would be built would not conform to the Lloyds requirements. They would be somewhat less in structural strength than the requirements of the Lloyds but would still be seaworthy and sufficient for the purposes required.

Mr. FORDNEY. Will the gentleman permit?

Mr. FITZGERALD. Yes.

Mr. FORDNEY. I will say to the gentleman, in respect to wooden and steel ships, the steel ship is far more modern than the wooden ship, but there are wooden ships to-day on the Pacific Ocean that are 40 years old that are in good condition.

Mr. FITZGERALD. That is true.

Mr. NOLAN. Is it not a fact that this whole wooden-ship program is based on the theory that we need the ships and need them immediately?

Mr. FITZGERALD. The wooden-ship program is based on the belief that it would be impossible to obtain steel in sufficient quantities to furnish the tonnage required.

Mr. NOLAN. That is the limitation?

Mr. FITZGERALD. And the wooden ship was a suggestion to meet that situation.

Mr. NOLAN. That is, that there would be a scarcity, not only of material but a scarcity of yards to build steel ships; a scarcity of material and a scarcity of labor, while on the wooden ship-building end of the proposition there was plenty of timber, plenty of opportunity to use the yards that are already building wooden ships, and plenty of opportunity at small cost to get wooden-ship yards in operation, and that we might utilize the wooden-ship builders that we have and get from the various trades men capable of building wooden ships. What we want is ships to carry our cargoes. We want them at the earliest opportunity, and I understand that is the basis for this wooden ship-building program of the shipping board.

Mr. FITZGERALD. The most imperative thing now needed is ships. The question is how to get them most quickly.

Mr. HARRISON of Mississippi. Gen. Goethals was appointed some six weeks ago, and this shipping board have been at work on this matter some two months. There have been many people here seeking to contract for ships for the past four or five weeks. What is the occasion for the delay in letting contracts for the building of these wooden ships?

Mr. FITZGERALD. It was necessary in the first place to determine the type of ship, and then it was necessary to standardize the type, and it was not very easy inside of two or three days to let contracts for the construction of ships and have any knowledge of what they will cost without having plans and specifications; and you can not draw those over night.

Mr. HARRISON of Mississippi. That is very true as to two or three days; but six weeks' time is quite different.

Mr. FITZGERALD. Even six weeks is a very short time to turn out plans for a standardized type of ships that will be most desirable.

Mr. ALEXANDER. I am reliably informed that Gen. Goethals said he would not contract for the building of ships until Congress provides the money. That is one reason, and a very good reason, why these contracts have been held up until the money is provided.

Mr. HARRISON of Mississippi. I have understood that they had the money.

Mr. FITZGERALD. Fifty million dollars, but this contemplates construction to the extent of $750,000,000.

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. GOODWIN of Arkansas. Can the gentleman inform the House as to the relative life of a wooden ship with a steel ship, barring submarines and torpedoes and such casualties?

Mr. FITZGERALD. As to ability to resist attack?

Mr. GOODWIN of Arkansas. Barring those things like torpedoes and submarines, I mean the relative life of a wooden ship as compared with a steel ship.

Mr. FITZGERALD. It depends a good deal on the construction of the ship. Some wooden ships are very long lived, depending upon the character of the timber, the seasoning of the timber, while some of the steel ships will not last very long if the plates are not of sufficient thickness or they are not properly riveted or properly covered by rust-protecting paint. But the steel ship is considered more economical. One reason is that the steel ship will stand the pounding of the engines, and a much larger steel ship can be utilized with a certain power than a wooden ship. The wooden ships, if too much power is put into them, will have their sterns pounded off.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HAMILTON of Michigan. Was not there another element entering into the consideration, and that was that inasmuch as both types of ships must meet torpedoes that the loss sustained by the construction of the wooden ship would be less than that of the loss of the steel ship?

Mr. FITZGERALD. That was not taken into consideration at all. The only thing taken into consideration was to get the ships quickly. It was realized that many of these ships would be lost, and that was the reason that they would be needed quickly. The question of relative cost of vessels had to be ignored.

Mr. BRITTEN. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. BRITTEN. The statement has been made on the floor of the House this afternoon that contracts have already been awarded to shipbuilders. If so, will the gentleman tell the House under what conditions contracts have been awarded, when the plans and specifications have just come out within the last three days?

Mr. FITZGERALD. I can not tell the gentleman——

Mr. BRITTEN. I have been told, was told a moment ago on the floor, that the corporation has entered into contracts with certain shipbuilders prior to the issue of plans and specifications. If that be true in the first instance, and 50 other shipbuilders are coming along to build under plans and specifications, where is the parallel going to be?

Mr. FITZGERALD. We are not worrying about the contractor.

Mr. BRITTEN. But we are worrying about the money.

Mr. FITZGERALD. It is very simple. If we require certain raw materials to fabricate certain parts in accordance with specifications that are to be furnished at a later date upon a cost-plus basis——

Mr. BRITTEN. They are not awarded contracts on a cost-plus basis.

Mr. FITZGERALD. Or so much a ton.

Mr. BRITTEN. No——

Mr. FITZGERALD. What kind of a contract are they making if they are not doing it on a cost-plus basis or gross sum?

Mr. BRITTEN. They are taking contracts all over the United States for a lump sum.

Mr. ALEXANDER. Does the gentleman say they are taking contracts for a lump sum?

Mr. BRITTEN. Yes.

Mr. ALEXANDER. That is not the fact.

Mr. BRITTEN. It is the fact.

Mr. ALEXANDER. I say it is not the fact.

Mr. BRITTEN. I will tell the gentleman that they are doing it.

The SPEAKER. The gentleman from New York has the floor and the time.

Mr. BRITTEN. But the gentleman from New York asked me a question.

Mr. FITZGERALD. Oh, Mr. Speaker, I shall stand for a good deal, but not for that. [Laughter.]

Mr. BRITTEN. The gentleman asked me what kind of a contract they awarded.

Mr. FITZGERALD. The gentleman can make his statement as to what is being done, and I have no objection to it. The gentleman is not giving information, but only some rumors that he has heard.

Mr. BRITTEN. I have positive information coming from Gen. Goethals's office that they are awarding contracts in lump figures at approximately $300,000 for the hull and $200,000 additional for the machinery.

Mr. FITZGERALD. I said they were making them on a cost-plus or tonnage basis. Of course, the gentleman does not seem to be aware of the fact that when they figure a ship of a certain tonnage, if they let a contract for a gross sum for the hull it is based on the tonnage. He may not know that fact.

Mr. BRITTEN. The gentleman is in error. They are asking for bids, and contractors have already taken contracts for the hull, and it is immaterial whether the net weight is 3,200 or 3,600 or 3,400, the price is $300,000 per hull, and it may be $220,000 or $280,000 for the machinery. The ship corporation has decided that it will not spend more than $300,000——

Mr. FITZGERALD. I shall repeat what I said before. The plans and specifications of the steel ship clearly provide how much steel is going into it; allowance is made for the fabrication of it, and the price is fixed on the tonnage.

Mr. BRITTEN. I am talking about wooden ships.

Mr. FITZGERALD. All I have to say about the contracts is that the best equipped man in the United States, Gen. Goethals, makes them in behalf of the United States Government. I do not know the particular method that he has adopted to arrive at what price should be paid, but he has demonstrated his capacity in the construction of the Panama Canal. The gentleman knows that if any impropriety has been adopted in arriving at the price, he can criticize the lump-sum contract——

Mr. BRITTEN. I am simply stating to the House what is going on; I am not criticizing the Shipping Board or the corporation or Gen. Goethals.

Mr. FITZGERALD. The gentleman seems to assume that because they are making lump-sum contracts that there is something improper about it.

Mr. BRITTEN. I am not; that is perfectly proper, but it is not a tonnage basis or fee basis, and the plans and specifications have only come out within three or four days.

Mr. FITZGERALD. It is a tonnage contract; and that is the only way they can reach the conclusion for the prospective bidder and person awarding the contract.

Mr. HICKS. Mr. Speaker, now that we have the matter cleared up, I would like to ask a question of my colleague, and with his fund of information he will undoubtedly be able to answer it. I have understood that there is a great shortage at the present time of steel riveters. Has that been taken into consideration in contracting for these ships? That is a big item.

Mr. FITZGERALD. They expect to get all of the trained mechanical help needed, and, if necessary, under this bill the President will have the power to suspend contracts where labor is utilized that can be utilized in shipbuilding, in order to get that labor diverted to the shipping work. That is one of the purposes of authorizing the suspension of contracts.

Mr. LENROOT. I would like to ask the gentleman whether he has considered in granting that power, which is not found in the Senate amendment, the power of Congress to delegate any such authority to the President of the United States, where it does not take over either the material or the men for any public purpose?

Mr. FITZGERALD. Mr. Speaker, I have not attempted to solve all of the constitutional questions that ingenious, learned, and expert attorneys may raise about this bill. There is one school of law that professes that under the war power we can suspend all of the provisions of the Constitution. I do not agree to that theory, but I am inclined to believe that, while we might not be able to conscript labor, we would have the power to say to a manufacturer that he shall stop doing work under a certain contract so long as we compensate him for the damage that he sustains; and then the theory is that labor, not finding an opportunity to be utilized there, would readily accept employment at the place where the opportunity was given by the Government.

Mr. LENROOT. Does the gentleman really think that that is a public purpose—merely to shut down a factory without taking over the use of the factory, the labor in the factory or the material produced in the factory?

Mr. FITZGERALD. Suppose we take the factory over and then close it down?

Mr. LENROOT. I do not think we would have any power to do that.

Mr. FITZGERALD. I hope the gentleman from Wisconsin will not put me in the attitude where I shall be compelled in advance to solve all of the problems that belong to the United States Supreme Court. We should leave a little for them to do, but this is the situation. The necessity for these ships is imperative, and the probability is that many of the powers that it is proposed to be given will never be exercised; that there will never be any necessity for it. If a situation does arise where it is necessary, then I am willing that the President should have the power to exercise them, and when anybody questions it, have that question determined in the courts; but the safety and the perpetuity of our Government is

the supreme matter at this time, and we ought not to hesitate to delegate the power necessary. [Applause.]

Mr. NOLAN. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. NOLAN. Does the gentleman know that the Shipping Board and Gen. Goethals have given some consideration to the curtailment of production of structural steel for building purposes?

Mr. FITZGERALD. That was discussed, and it was at one time believed that it might be necessary to suspend the construction of all great steel buildings and other works, but later information demonstrates that that will not be necessary.

Mr. NOLAN. If it could be done, it would turn loose a vast army of mechanics that could be utilized both in the shop and out of the shop for shipbuilding purposes. I have reference to structural ironworkers.

Mr. FITZGERALD. It is believed now that what was feared would be necessary will not be necessary.

Mr. PADGETT. Mr. Speaker, as illustrating what the gentleman says about not having to use the powers embraced in the legislation, I desire to call attention to the fact that the powers granted in the naval appropriation bill of March 4 it has not been necessary to exercise. The gentleman will bear in mind that we made an appropriation authorizing the condemnation of the basic patents for aeroplanes, but without exercising that power the result that the Government desired has been obtained, and I am told that they will not expend more than $100 out of the million and a half that was appropriated. The results are obtained when we have the legislation.

Mr. FITZGERALD. Mr. Speaker, the interruption of the gentleman from Tennessee [Mr. PADGETT] brings to my mind another matter in connection with the amendment. A paragraph was inserted in the Senate amendment the purpose of which was to enable the Navy Department to requisition, to commandeer ships that are essential for certain purposes connected with the Navy. There is no such power now. In the rearrangement of this amendment that power is retained, and the authority of the President to delegate this power or exercise it through such agency or agencies as he may determine proper is intended to permit him to exercise that part of the power intended for the Navy through the Navy Department, and provision is also made that if any vessels are commandeered under this power for the Navy Department or for the War Department payment on account of it shall be out of appropriations available for that purpose specifically made for the Army or the Navy. The object of that limitation is to insure the use of the $750,000,000 for obtaining ships of a cargo-carrying character for the use of the Government in the manner contemplated. If this provision be adopted, it must be understood that this does not complete the legislation that is essential. There are a great many other questions for which provision must be made, questions of very great importance. The Committee on Appropriations when it was confronted with the question of considering the Senate amendment determined that the only authority it would include in the bill was that authority necessary to enable the ships to be secured rapidly with the commandeering powers, and that if further legislation would be necessary other very important questions ought to be left to consideration in a bill that should not come from the Committee on Appropriations. For instance, there was considerable insistence that some determination be made of the revenues to be derived from the operation of the ships.

There will be an enormous fund derived from these ships, and the more ships that are sunk the greater the fund will be. The revenues for the operating of the ships will be enormous. It is a very serious question whether Congress intends to place all of that money at the disposal of the Shipping Board or the President, or anybody else, or whether a portion of it is to be placed there, or just what is to be done. That question ought to be worked out in a bill that will take up other questions that necessarily must be considered by the Committee on the Merchant Marine and Fisheries. In the draft of this proposed change attempt was made to limit it to the authority to appropriate the money and grant the powers necessary to get the facilities and to eliminate all other questions that necessarily must be considered. As far as I am personally concerned, I would have been better pleased if the matter had not been put in this bill at all. The Senate put it in there.

Mr. PARK. Will the gentleman yield? Will he state if he has the information of the relative time which it would take to construct the steel ships and the wooden ships?

Mr. FITZGERALD. No; I have not the information.

Mr. PARK. Then, can you answer this question——

Mr. SHERLEY. If the gentleman will yield; I can not give it in actual time, but under the plan that is going to be pursued the steel ships will be built faster than the wooden ships will be.

Mr. PARK. Well, the relative cost of the two——

Mr. SHERLEY. The cost will vary somewhat.

Mr. PARK. Does not the gentleman think that we want to build wooden and steel ships as fast as possible? In fact, faster than they can sink them?

Mr. SHERLEY. That is the proposition.

Mr. FITZGERALD. We have not started to build any yet. The program is to turn out wooden ships in the most rapid manner possible.

Mr. FARR. Did I understand the gentleman to say that at the end of six months we will be able to get one steel ship a day?

Mr. FITZGERALD. From one concern; I mean, fabricated. It will be necessary then to put it together.

Mr. FARR. How long will it be, then, before we will have that ship for use?

Mr. FITZGERALD. I do not know.

Mr. ALEXANDER. I will say for the benefit of the gentleman that when the Committee on the Merchant Marine and Fisheries were holding hearings on shipping, Mr. Fenton, the editor of the Iron Age, testified that the keel of one of those freighters on the Great Lakes, a 10,000-ton freighter, was laid and the vessel was built and under steam in 90 days; that that was a standardized ship. I do not think there is any question but that if the Shipping Board will adopt the standard of steel freight ships, that they can build them quicker than they can build wooden ships. And, of course, long ago we abandoned the wooden ship for the steel ship, although Great Britain saw the advantage sooner than we did, and in that way we lost advantage, largely, in the upbuilding of our merchant marine. I do not think it is the intention of the Shipping Board to recur to the old type except in matters of national emergency.

Mr. FARR. Will they be able to get the machinery as quickly as the hulls?

Mr. ALEXANDER. It is a question of the type of the ship.

Mr. VAN DYKE. I wanted to ask this question: Did not the gentleman state that they had limited the number of ships to 100, 150, or 200—the wooden ships?

Mr. FITZGERALD. For the present; yes.

Mr. VAN DYKE. Do I understand, then, that the board have made up their mind that that is to be the capacity of the country, in so far as the building of wooden ships is concerned?

Mr. FITZGERALD. No. But it was deemed advisable at this time to build between 150 and 200 wooden ships so that they could see where they were coming out on the expenditures. They have not unlimited authority, although they have $750,000,000. They have to consider the cost of every ship and the ability to get them, and they did not wish to make too many commitments to wooden ships that could not be built in the time desired.

Mr. VAN DYKE. The gentleman also stated, if I am correct, that the steel company had made the statement that they could turn out a ship a day after the expiration of six months.

Mr. BRITTEN. Will the gentleman yield for a suggestion?

Mr. FITZGERALD. I yield to the gentleman.

Mr. BRITTEN. I would like to say to the gentleman that I just telephoned Gen. Goethals, and am glad to say that the gentleman from Illinois was correct when he said to the chairman of the committee that they were not contracting for the wooden ships on a tonnage basis. The general said it is not the intention of the corporation to contract for these ships at all on the tonnage basis. He said the contracts that had been awarded up to the present time were awarded on this basis: That where a shipbuilder was asked for a bid on which he could construct a certain character of ship—whether it be 3,500 tons or 4,500 tons or 5,000 tons, it was immaterial—he presented his plans and specifications and said, "I am prepared to construct this character of ship now for so much money." And after the marine architects had O. K'd his plans and his price was found to be reasonable he got the contract for one or two or as many as he could build, after they had investigated his plant. The ships are not of any specific kind, but any kind of a ship that can be used in the service and that the builder can get out quickly. The 150 or 200 wooden ships that the shipping corporation is to get out will be contracted for not on the tonnage basis, but on lump-sum bids to be taken by various district officers representing the shipping corporation, and those prices will vary. They will be approximately in the neighborhood of $300,000 for the hulls and an additional $200,000 for the machinery. The machinery is not contracted for now, but will

be purchased by the Government and sent to the various shipyards as the hulls near completion. I have known Gen. Goethals for some years and regard him most highly as an engineer and a man of the highest integrity. I am sincerely pleased to see him given full control of the shipping corporation, where he will prove himself worthy of the great confidence being placed in him. He will get the ships out and on the high seas if anyone can.

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HUDDLESTON. Will the gentleman explain to the House what his amendment will do—as to whether these ships are to be wooden or steel?

Mr. FITZGERALD. It has nothing to do with it at all. We do not attempt in any way to control them.

Mr. HARRISON of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HARRISON of Mississippi. How many contracts for wooden ships have been let already?

Mr. FITZGERALD. I do not know.

Mr. HARRISON of Mississippi. That was not stated before the committee?

Mr. FITZGERALD. No.

Now, Mr. Speaker, I am not sure whether or not any time is desired by anybody. If not, I will be glad to have a vote.

Mr. LENROOT rose.

Mr. FITZGERALD. I was wanting to ascertain, if it were possible, how much time would be required.

Mr. LENROOT. I want to ask the gentleman a question.

Mr. FITZGERALD. I yield to the gentleman.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. LENROOT. Mr. Speaker, I ask unanimous consent that the gentleman from New York have five minutes more.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the gentleman from New York may have five minutes more. Is there objection?

There was no objection.

Mr. SHERLEY. I suggest that the gentleman from New York take an hour's time without losing the floor and then yield.

Mr. LENROOT. Mr. Speaker, I ask unanimous consent that the gentleman be given another hour.

Mr. FITZGERALD. I ask unanimous consent, Mr. Speaker, that I may have an hour.

The SPEAKER. The gentleman from New York asks unanimous consent that he may have an hour. Is there objection?

There was no objection.

Mr. LENROOT. The gentleman said, at the beginning of his statement, that he would discuss the operation of these ships. I do not find anything in the committee amendment that authorizes the President or anyone else to operate these ships, while there is such a provision in the Senate amendment.

Mr. FITZGERALD. I will state to the gentleman that the intention was to include that authority. If the Senate amendment is not incorporated, a provision to that effect will be put in, because the intention was to delegate to the President the authority not only to acquire, but also to operate the ships.

Mr. GILLETT. Mr. Speaker, I would like five minutes.

Mr. FITZGERALD. I yield to the gentleman five minutes.

Mr. GILLETT. I probably will not use a minute.

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. GILLETT. Mr. Speaker, I simply wish to say, especially to Members on this side of the House, that as one of the minority of the committee I am in general accord with the position stated by the chairman. I do not mean that I commit myself necessarily, any more than he does, to every item that has been prepared, but I feel that although we are here giving unprecedented and enormous power to the President of the United States, yet the crisis is unprecedented, and I can see no method of efficiently and adequately meeting it except by vesting in the Executive every weapon which can be safely and effectively used.

I might add that my cheerfulness in conferring this vast authority is not diminished by the fact that the President has in this instance exercised wiser judgment in the selection of his assistant and agent than at any previous time in his career, and that Gen. Goethals has my unbounded confidence. This legislation portends such a sweeping interference with our normal industrial life and allows such a diversion of both labor and capital from their natural channels into the Government service that it brings home to me quite as forcibly as any matter which has come before us the fact that we are just entering a war which is likely to change our whole course of business life and our whole viewpoint. This makes a large part of our manufacturing industry subordinate to the prosecution of the war, and indicates how we will all soon be forced to contemplate changes in our methods of life, and sacrifice not only our convenience and our pleasure but our serious interests to the changing Government needs. I believe that the people, as soon as they appreciate the necessity, will readily conform to it. We ought to act at once. Commitments and contracts and expenses are being made now without legal authority, but with faith that Congress will excuse and ratify them because of the great emergency, and we ought as speedily as possible end that condition by appropriating the necessary money. And so representing the minority of the committee, I urge that this bill be at once sent to conference.

I yield to the gentleman from Indiana [Mr. VESTAL].

Mr. VESTAL. Mr. Speaker, I do not rise to speak on this particular amendment that is now before the committee, but I desire to direct the attention of the committee to Senate amendment No. 15, on page 19, which reads as follows:

Provided, That the Secretary of War is authorized to enlist 1,200 competent cooks as sergeants, first class, Quartermaster Corps, for the duration of the war only, to be trained as cook instructors and to be employed as such.

I hope that the House, through the conference committee, will concur in this amendment. It is just as important to have efficient cooking for the soldier boys as it is to have the proper clothing and equipment for them. In the Spanish-American War of 1898 it is a well-established fact that many of our soldiers suffered sickness and death in concentration and drilling camps on account of the food and bad cooking. The trouble was not then, nor will it be in the future, with the supply of food, but with the unscientific handling and cooking of the same.

The amendment proposed by the Senate will, I believe, in a great measure solve the Army subsistence problem in this great crisis. It has the unqualified indorsement of the Army officials, who recognize the importance that ought to be attached to the proper feeding of the soldiers.

As a rule, the young men of our country who, because of their intense devotion to the flag, volunteer or are desirous of getting into the Army, want to carry a gun and saber at the front, and not be in the cooking tent. But if they are detailed to do the cooking the chances are they know nothing at all about the art of cooking. The older men, who have been trained in the art of cooking, usually are men of families and do not get into the Army at all. We will need thousands of Army cooks in this war, and some method ought to be employed to prepare these men for this particular work. There ought to be some inducement for young men to engage in Army cooking, and if they are trained as cooks they will have learned a real vocation, so that after the service of war is over positions will be waiting for them in the great hotels of the country. And the man who is a trained cook in the Army is just as patriotic as the man with a gun, and, in my judgment, as important a unit in his regiment as any private therein.

We all know that the soldier's life at best is hard enough and the Government ought to feed the soldiers with the very best cooked food.

I desire at this time to incorporate as a part of my remarks a letter to the Secretary of War written by Prof. M. D. Kelly, president of the Muncie National Institute, of Muncie, Ind., and indorsed by a number of the leading citizens of the United States; and also a letter written by the Secretary of War to the chairman of the Committee on Military Affairs in the United States Senate.

WASHINGTON, D. C., *May 17, 1917.*

To the honorable SECRETARY OF WAR OF THE UNITED STATES.

SIR: Reducing to more concrete form and in an attempt to arrive at a basis for concrete action in carrying out discussions and proposals heretofore had with the honorable Secretary of War, Gen. Hugh L. Scott, Gen. Sharpe, Adjt. Gen. McCain, Capt. Bjornshad, Senator GEORGE E. CHAMBERLAIN, Vice President MARSHALL, and a large number of other officials and interested persons from whom advice has been sought, the following statements, arguments, and proposals are hereby respectfully submitted:

First. The problem of proper feeding of an army in the field is of fundamental importance at all times and is a matter which at present must be of vital concern to the honorable Secretary and the various executive authorities in the Army, which it is assumed is under the Department of the Quartermaster General.

Second. The massing of the huge Army into training camps and into actual field service which is now contemplated, all of which must be done under conditions of haste, makes this problem of proper food regulation and service (always beset with difficulty) now a matter of more than usual hardship and one in which it is the desire of the proposer herein to be of service to the War Department and to the Army and to our common country.

Third. The Muncie National Institute, located at Muncie, Ind., is approximately the center of population of the United States, and is a

comprehensively organized and successfully conducted vocational school, where professional, technical, occupational, prevocational, and vocational courses of study are given to a large number of men and women numbering from 2,000 to 2,500 there attending annually. While it is an accredited institution where academic and cultural courses are supported, and is rated as a standard normal school for the training of teachers, as well as having a duly commissioned and accredited preparatory or high school department, and a college department in which the usual college degree courses are given, its primary and fundamental emphasis is laid upon agriculture, home economics, manual training, fine arts mechanical training, and cookery. Practical application is made of all theory to the end that instruction given and preparation made by students shall enable those who make their preparation there to actually put into execution and practically apply and teach all theoretical and fundamental principles under the actual working conditions which they will confront in the various trades and occupations into which they go. Although the institute has at present entered into only its fifth year of actual operation, upward of 6,000 men and women have been trained and are now engaged in industries and professions throughout the United States, and are meeting with success because of the practical and cultural attainments secured through the pursuit of some one or more of the various courses offered and the mental adjustment and inspiration which has been a result of their training in contact with the school atmosphere at Muncie. The institute has been brought into existence through the investment and contribution of various individuals who are interested in the promotion and advancement of the best ideals and practices in technical and vocational education for all schools, both public and private, throughout the country. These contributions and investments have been secured at the solicitation of the undersigned, who originated the movement at Muncie and has been its general leader from the beginning. The sum total expended up to date in bringing about this foundation exceeds the sum of $1,000,000. In addition to the magnificent main college building, having a floor space of nearly 2 acres in extent and located on a picturesque campus of 10 acres, the institute owns and operates in the vicinity of the school and its dormitories 160 acres of land for practical farm purposes. For a more comprehensive view of the scope and organization of the work in various departments reference is made to a copy of the general catalogue herewith submitted.

Fourth. It is the desire of the Muncie National Institute, through the undersigned, to offer the use and benefit of its entire resources, organization, laboratory and field equipment, executive management, etc. (or so much thereof as may be required), to the service of the War Department, with the object in view of cooperating with the said department to the end that a thoroughly competent corps of Army cooks and bakers shall be trained for the service of the Army, in the best and most approved methods now in use or which can be devised from knowledge of the present practices and equipment and schools of the United States Army and of other armies now engaged in modern warfare.

Fifth. It would seem that a feasible plan, and one that would secure immediate results, would be to have the Muncie National Institute recognized and designated as a central training camp for Army cooks and bakers and for instructors in this art, who, being once thoroughly trained and inspired to the service, can be sent wherever required in any department of the Army, wherever located, to instruct and direct others in this particular line of service. It is understood by the undersigned that some 1,200 especially trained men who will be qualified to act as instructors to others will be required in the actual feeding of the large army contemplated should be available by September 1. It is the hope of the institute that it may be permitted to cooperate or, better still, to have the actual responsibility for the training of this body of primary instructors under such limitations and directions and according to such required standards as the honorable Quartermaster General or your department may advise and require. By slight changes and additions to present facilities one company of Army strength, or 160 men, could be put in training immediately. To this number could be added other units, with comparatively short delay, until, if desirable, the full 1,200 men now required to be trained as instructors could be in actual training at this central point, and as rapidly as the service is required in the various departments of the Army they would be made available and held ready for call.

Sixth. It is assumed that the training to be given in this central training school shall be given under field conditions, and that a sufficient supply of camps, cooking and field supplies as actually used now in the Army will be supplied to the school by the Government. The location for the camp will be supplied by the institute, and is magnificently located at a point where natural drainage, proper sewerage, water mains, fuel supplies, and other necessary requirements should make the camp an ideal and a healthful location for the very special and important work contemplated. It has been the experience heretofore that not everyone who may apply for this grade of service or who may be arbitrarily assigned to it will be fitted by nature and their attributes to succeed in it. Aptitude in the service and ability to instruct in it will be discovered very shortly after candidates have been assigned to classes to begin taking practical instruction. Those unsuited for any cause or who show no likelihood of becoming expert and inspiring instructors in the art, after having been through the special training proposed, should be dropped, and only those who are especially apt and show good talent be permitted to continue and finally graduate.

Seventh. Military discipline and Army regulations for soldiers in the field should be at all times enforced at this central training camp. This it would seem would require a detail by your department of the proper military officers to control and supervise all matters pertaining to Regular Army life and to enforce military standards. The detail of the proper military officers and perhaps the arming of the proper executive officers of the institute with military power by your department would seem to be sufficient to cover these necessities, and would doubtless be arranged for by your department very easily, and with the assurance on our part of our thorough willingness to respond with alacrity to any regulations which will make the service most useful and quickly valuable to your department.

Eighth. We have made a comprehensive study of the present Army manual and requirements covering the subjects of baking and cooking. We have also called into conference and have had the benefit of reviewing the manuals now in use by the British Army. We have also studied the physical equipments and paraphernalia such as field ranges, methods of heating, fuels, tools for feeding an army on the march, cost accounting systems, menu sheets, food values, and the elements required, and substitutes therefor, for the production of the necessary number of calories, etc. Our aim and purpose will be to adopt the present manuals and to take the recommendations in all things of the Quartermaster General or his proper representatives, using these as the present basis for a course of study to be used in connection with the present forms of field equipment, camps, etc. It is our firm conviction, however, that by devoting our resources to an intensive study of the subject matter and through the application and practical trial of well defined theories which we have, and through cooperation with your department, an improved and more simplified and efficient manual and field equipment may be brought into existence and the service in the Quartermaster's Department very much facilitated, improved, and made more efficient.

Ninth. As a guaranty that this work will prove successful, if the responsibility therefor shall be delegated to the Muncie National Institute by your department, we cite the fact that this institution has already been indorsed as the one most desirable and properly organized agency in the whole United States as the affiliation for the proposed national hotel training school which is to be brought into existence through the joint effort and cooperation of the great hotels, restaurants, and food companies of the United States. This determination was arrived at at a national conference of the representatives of the great hotels and hotel organizations of the United States which was held on the ground at Muncie, Ind., on May 2 last. This was the culmination of the agitation and movement which has been conducted by the hotel men and hotel organizations of the United States which has lasted for more than six years last past, and during which every phase of this great undertaking and theories connected with its proper founding have been considered and ably discussed and minutely investigated, it being the desire of those who will stand sponsor for it that no mistake shall be made in the founding of a national vocational school, which shall represent the highest ideals and the best practices of the hotel and public feeding industry which is now the fourth greatest industry in this country, measured by the number of people engaged in it and the volume of money invested. (See account of meeting and resolutions adopted in Hotel World hereto attached.) The courses of study and practices in classes for schools of this kind now maintained in Germany, Switzerland, France, and England have been thoroughly investigated and the fruits of their experience in the way of courses of study which have been found workable and practicable will be incorporated and adopted as the basis for the various courses of study, designed for this institution. As will be readily seen, there are many phases and technical features into which the manifold and specialized departments of this work naturally fall. But the problem of the institute and its chief concern has been to work out along thoroughly scientific and practical lines various phases of vocational training, and to this end it has made liberal use of the proven theories of vocational guidance. The institute can now assure your department that it can summon to its assistance the very highest class of instructors which will be made available to it by the great hotel and restaurant interests of the country, and that it is assured of the hearty and thorough cooperation of the strong hotel and restaurant men and of their resources in every way and in such a degree as may be necessary in order to make its proposed work of training Army cooks and instructors in Army cookery thoroughly effective.

The desire of the hotel men as well as of the institute is to provide at this time the most generous and ample means possible for cooperation with the War Department in an American solution of the problem of thoroughly protecting and feeding an American Army in the interest of its health and efficiency, as well as likewise to utilize and conserve proper food values. The past successes, present operation, and actual attendance of students now at the institute, where operations continue practically the year around, plus the unanimous approval and indorsement and financial and moral aid which is guaranteed through assistance to be rendered in good faith by hotel interests of the Nation, indicate that there has been called into existence and raised up, centering at Muncie, Ind., the best available agency, in our opinion, with which the Army may at present cooperate in the solution of a problem which is quick with interest and considered fundamental to the success of the Army not only by those Army officers who face the problem but by the great body of American citizens who will stay at home and watch with the closest and most vital concern the welfare and progress of those sent forth to defend the Nation and to uphold its standards.

Tenth. As compensation for carrying into effect the plan of cooperation above suggested in all its phases, which will continually be responsive to the needs of your department and conducted according to the immediate and far-reaching necessities of the Army, the institute has this suggestion to submit:

That the Government shall supply all equipment, paraphernalia, food stores, etc., and that only the actual cost to the institute of providing location, authorized instruction, and training facilities and executive management necessary, plus 10 per cent overhead charge, payable to the institute, shall be chargeable to the Government or to the Army Department. An addition to the present facilities of the institute for the doing of this work in the way of the extensions of kitchens, laboratories, extension of water mains, sewers, etc., and as preliminary provision for the execution of the work on a scale extensive enough to train several hundred or perhaps a thousand men at one time, would require the investment on the part of the institute of a sum estimated roughly at this time at $25,000. This the institute will expect the Army Department to bear. No further compensation would be desired by the institute than what would be covered in the proposal herein suggested, namely, the actual cost of installation of equipment and instructing the men under such regulations as would be laid down by the Army authorities, plus the overhead charge or safety provision for the payment of, say, 10 per cent in addition to the actual cost to be paid to the undersigned.

Very respectfully submitted.

MUNCIE NATIONAL INSTITUTE,
By M. D. KELLY,
President and Legal Representative.

Executive committee representing hotel interests: J. W. Thompson, Jos. Beifeld, Frank C. Ball, H. L. Kitselman, Chas. A. Bookwalter, Max L. Teich, Henry W. Lawrence, E. M. Statler, Otto Seelbach, Ray Smith, W. C. Muschenheim, John McE. Bowman, W. W. Davis, Frank G. Warden, Henry J. Bohn, Frank A. Knapp, and M. D. Kelly.

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MAY 2, 1917.

CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate.

SIR: A number of trained cook instructors should be available in connection with the organization of additional military forces. These men should be enlisted and trained for their duties before the additional forces are actually organized. They must be recruited from a

great number of civilian cooks. They should then be trained by cook instructors now in the Army.

An opportunity presents itself to accomplish the above in connection with the training camps now being established for the training of reserve officers and candidates for appointment as such.

The War Department desires authority to enlist 1,200 expert civilian cooks as sergeants, first class, Quartermaster Corps, for the duration of the war only, and for use as cook instructors after being instructed in the duties of this position. Their instruction will be given during the time that they are employed as cooks at the training camps referred to. This plan would enable the War Department to assign one cook instructor to each battalion of new troops. It is requested that a proviso substantially as given below be included in the Army appropriation bill now in conference, or elsewhere:

"That the Secretary of War is authorized to enlist 1,200 competent cooks as sergeants, first class, Quartermaster Corps, for the duration of the war only, to be trained as cook instructors and to be employed as such."

The pay of a sergeant, first class, Quartermaster Corps, is $45 per month in the first enlistment.

Very respectfully.

NEWTON D. BAKER,
Secretary of War.

The question and method of training cooks is very thoroughly set forth in this letter from Prof. Kelly to the Secretary of War, and the need of such cooks is set forth in the letter written by the Secretary of War.

Prof. Kelly is a well-known educator along vocational lines and has the support of the leading hotel associations all over the United States.

As I have said and as indicated by the answer of the Secretary of War, the War Department has given this amendment its unqualified support, and I hope that the amendment will be concurred in by the House, through its conferees.

Mr. FITZGERALD. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. LENROOT] five minutes.

The SPEAKER. The gentleman from Wisconsin is recognized for five minutes.

Mr. LENROOT. Mr. Speaker, I wish to call attention to subdivision (b) of the committee amendment, which reads as follows:

To modify, cancel, requisition, or suspend the performance of any contract now in force or hereafter made for the building, production, or purchase of ships or material, or any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be used for shipbuilding.

It is this phrase to which I wish to call special attention:

Any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be used for shipbuilding.

I do not know that I shall offer any amendment, because all of these amendments will be disagreed to, and this entire matter must be settled ultimately in conference. But I do think that the House ought to understand what is proposed by this subdivision that I have read to the House. I, for one, believe that Congress has a wide and extensive power under what is popularly known as the war powers of Congress, or really implied powers growing out of specifically enumerated powers relating to the war, found in the Constitution. But I undertake to say that no one, upon careful consideration, will agree that Congress has any such power as proposed in this subdivision. For what does this subdivision do? I grant that we have the right to take over anything for a public use. We may take over the whole or any part of a factory for any use of the Government. We may take over material, and perhaps we may take men—conscript men for the Government service—even in shipyards. But this amendment empowers the President of the United States to shut down a factory or suspend a contract where the Government does not propose to take over a single pound of material or utilize a single man employed in the factory or use any portion of that factory. In short, it means that if this remains in the bill the President may shut down a factory in your town without making any use of it for the Government, and solely for the purpose of coercing the men who are employed in that factory to go to some Government works for a job or starve. That is exactly what it means.

Mr. MILLER of Minnesota. Would not the taking of the men there be for a public purpose?

Mr. LENROOT. No; because it does not propose to take the men.

Mr. MILLER of Minnesota. The gentleman said it proposed to take them.

Mr. LENROOT. No; that is not taking the men, for the initiative lies with the men. There is nothing in the bill that says these men shall be employed in any Government work.

Mr. MILLER of Minnesota. But the Government certainly would not take men away from their employment for a Government purpose unless it took them to work somewhere else.

Mr. LENROOT. But the Government does not take them under the bill. That is exactly the point I am making.

Mr. MILLER of Minnesota. But the gentleman assumes that is what the Government was going to do, to transfer the men.

Mr. LENROOT. I did not. I will repeat my statement. The purpose is to drive men out of employment so that they will voluntarily have to seek work in a Government yard or starve; but the Government does not propose to take them.

Mr. MILLER of Minnesota. Does the gentleman think the bill gives the Government that power?

Mr. LENROOT. I said it did not give the Government the power to take the men, but it does give the Government the power to shut down a factory, without any public purpose being served thereby. That is the point I make.

Mr. HARDY. If that is the case, would it not be unconstitutional?

Mr. LENROOT. I think it is unconstitutional. That is the point I make.

Mr. HARDY. And clearly inoperative in that respect.

Mr. STERLING of Pennsylvania. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. STERLING of Pennsylvania. The gentleman is presuming all the time that in a state of war, when the National Government is supposed to protect the interests of the citizenship of the country, it will act against the best interests of the citizenship. Now, if this right is given to the President, and he might want to exercise it in an emergency, might we not find even the laboring men at the manufacturing establishments, or the owner thereof sufficiently patriotic to meet that emergency and not raise any contest about it; and if it is not operative, it does not amount to anything.

Mr. LENROOT. I do not question that, but the power might be exercised without getting the men. My point is simply this: That under the decisions of the Supreme Court as they stand to-day it is difficult enough to sustain these various powers that we are granting to the President, and when we do grant those powers we are declaring against the latest decisions of the Supreme Court. I am willing to do that, trusting that the Supreme Court will in the future modify its decisions in that respect. But for the sake of sustaining legislation that is proper and legislation that is necessary, we should make it clear that we are resting everything that we do upon some basis that has some reason to stand upon.

The SPEAKER. The time of the gentleman has expired.

Mr. FITZGERALD. I yield five minutes more to the gentleman.

Mr. CHARLES B. SMITH. Suppose a steel company is now manufacturing steel for some purpose that is not in connection with the war and not for the purpose of carrying on the war, and suppose the Government wants to cancel contracts of that character and take the steel for ships or to build cars. Should not the Government have the right to cancel those contracts?

Mr. LENROOT. Absolutely, and that far I am not making the slightest objection.

Mr. CHARLES B. SMITH. Does this do more than that?

Mr. LENROOT. Yes; it does. For instance, a building is being erected in my town. The contractor owns the material. The Government desires not a pound of that material, but under this power it can suspend the erection of that building in my city or your city for the sole purpose of driving those men out of employment and seeking to compel them voluntarily to seek employment elsewhere.

Mr. CHARLES B. SMITH. Is not that an exaggerated assumption?

Mr. LENROOT. No; it is not an exaggerated assumption, for the reason that in the naval bill at the last session—I am violating no confidence in saying we were told that power was desired in the naval bill for that express purpose.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. LENROOT. I will yield to the gentleman from Vermont.

Mr. GREENE of Vermont. If as you say the President may close a factory in order to obtain the services of the workmen for the Government, would not that arresting of the earning capacity of the employer be equivalent to taking private property for public uses?

Mr. LENROOT. Not for public uses, because not one of those employees might enter the Government service.

Mr. GREENE of Vermont. I understand, but the President has arrested this employer's opportunity to make any return on his investment, or the use of his capital, has he not?

Mr. LENROOT. Yes.

Mr. GREENE of Vermont. And in that sense that man's property, his power to earn anything on that property, has been taken away from him?

Mr. LENROOT. Yes.

Mr. GREENE of Vermont. And he is entitled under the Constitution to just compensation.

Mr. LENROOT. Oh, yes.

Mr. FITZGERALD. And under this bill, too.

Mr. GREENE of Vermont. I do not see exactly the point the gentleman makes. The Government puts itself at a prejudice every time it does it.

Mr. LENROOT. Suppose the Government is paying $3 a day or $4 a day. A man in my town with a family is earning $3 a day. He could be thrown out of employment unless he came to the Atlantic coast to work for $3 a day. What justice is there in that?

Mr. GREENE of Vermont. I might say that while in individual instances it might work a hardship, it is no more a hardship than to take the body of the man and put him into the battle field.

Mr. LENROOT. If the bill undertook to conscript a man so that the Government retained his services it might be defended on constitutional grounds, but there is nothing to be gained for the Government so far as the bill is concerned, and I say it is absolutely beyond and outside of the constitutional power.

Mr. GREENE of Vermont. Does the gentleman concede that when the Government invokes the authority granted by this bill it puts itself under all the constitutional penalties of making the damages good?

Mr. LENROOT. If there is a riveter whom the Government needs and the Government has the power to take him, it ought to put its hand on the riveter and say the same as we are saying to the men under the selective-draft law, "Your country needs you and you are rendering a patriotic service in what you do," but we ought not, without doing that, deprive him of his means of employment and the power to feed his family, without at the same time putting him into the Government service.

Mr. FITZGERALD. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. FITZGERALD. Suppose instead of providing that the Government could suspend this contract and in that case it is to make compensation for the damage it occasions, the bill provided that the Government could conscript the labor, then the manufacturer would be in the position where his operations would be suspended and he would get no compensation.

Mr. LENROOT. That is true.

Mr. FITZGERALD. Under this form we do him justice because we say he is operating a plant the operation of which makes it impossible for the Government to get labor and we stop it and pay damages. In the other case we would take the labor and leave him without redress.

Mr. LENROOT. Let us see. Here is the situation: In the one case you take care of the manufacturer and compensate him, but as far as the laborer is concerned there is no compensation for the laborer.

Mr. FITZGERALD. The gentleman is assuming that when the Government employs the labor it is to treat the labor unjustly. I am assuming that the Government will treat it justly, because under the existing law it must pay the prevailing rate of wages.

Mr. LENROOT. I understand; but the gentleman knows that when you ask a man with a family to travel 1,500 miles to take a job at $3 a day he has lost money.

Mr. FITZGERALD. I am assuming that the Government would pay the expenses.

Mr. SHERLEY. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. SHERLEY. Does the gentleman think that labor would like the bill to carry a provision for requisitioning them?

Mr. LENROOT. I do not think so, and I do not think there ought to be any such power in the bill, for this reason: When you take over material in a factory you have reached out as far as it is necessary for the Government to reach in dealing with this question.

Mr. DEMPSEY. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. DEMPSEY. Does not the gentleman recognize in matters of construction the purpose of the act is to be taken into account as well as the language?

Mr. LENROOT. Yes.

Mr. DEMPSEY. There is no language in the act under which the President is empowered to close factories for the purpose of throwing workmen out of employment so that they may be compelled to enter the Government employ elsewhere.

Mr. LENROOT. Yes; there is; and that is the language I am objecting to.

Mr. DEMPSEY. Will the gentleman call my attention to it?

Mr. LENROOT. He is authorized "to suspend the performance of any contract now in force or hereafter made for the building, production, or purchase of ships or material, or any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be utilized for shipbuilding." That is exactly my objection. Not only that, I would not probably make the contention had I not reason to believe that it has been the intention of the administration to utilize that very power, to shut down industries in the United States for no other purpose than to deprive men of employment and compel them to seek employment under the Government.

Mr. FITZGERALD. If the gentleman will pardon me, I do not think he wants that statement to go in that form, that the administration intends to use that power to close down manufactories to deprive men of employment. They close down industries in order to be able to utilize labor in other capacities.

Mr. LENROOT. That is what I meant by my statement.

Mr. DEMPSEY. Will the gentleman yield again?

Mr. LENROOT. Certainly.

Mr. DEMPSEY. I ask the gentleman, Who placed that construction on it? Was it not the editor of a newspaper and not a lawyer, and does the gentleman believe that a lawyer or a court would place any such construction on the language?

Mr. LENROOT. I would like to ask the gentleman what it does mean, if it does not mean just the definition I have given to it.

Mr. DEMPSEY. I believe it means just this: That where the result of the action will be to give the Government the labor to do what is contemplated in the section, but I do not believe that it admits of the interpretation that you can shut down a factory where it does not result in giving the Government the labor necessarily as the result of what you do.

Mr. HULBERT. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. HULBERT. May I assume that the gentleman appreciates the patriotism of the man who is conscripted to fight in the trenches as comparable with the man conscripted to work in the factory or in the shipyard or on the farm for the purposes of agriculture?

Mr. LENROOT. Yes.

Mr. HULBERT. The gentleman has emphasized the fact that under this provision to which he refers a man may be compelled to give up his position in the gentleman's State and be removed with his family to some point in the State from which I come, at, it is true, an equal daily recompense; but he emphasizes the loss the man entails by reason of the necessity of his removal. What has the gentleman to say about the man who, perhaps, is earning five or ten thousand dollars a year, who is conscripted into the Army and sent to the trenches in France, where his recompense is $35 a month?

Mr. LENROOT. Mr. Speaker, the gentleman ought to appreciate the difference between a man conscripted into the Army, where he has honorable service and patriotic recognition of the service which he performs, and a man without any such status. If he is injured, what do we give him? If he dies, what do we give to his widow?

Mr. HULBERT. There is a little consideration.

Mr. LENROOT. Very little consideration.

Mr. PARKER of New Jersey. Does not this apply to an entirely different case, where you find a steel company or construction works doing a great, big job and the Government wants to employ them in building ships, and it says to the steel works, "We will employ you building ships and relieve you from your previous contract or suspend it, and you bring all of your laborers with you and work on ships in the same factory"?

Mr. LENROOT. But that is not the proposition here. That is covered by other provisions of the bill, which I entirely approve.

The SPEAKER. The time of the gentleman from Wisconsin has again expired.

Mr. FITZGERALD. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. SHERLEY].

Mr. SHERLEY. Mr. Speaker, the gentleman from Wisconsin [Mr. LENROOT], it seems to me, takes rather an extreme view touching the construction to be placed upon subsection (b) of the proposed amendment to Senate amendment numbered 2, and whether his view be extreme as to the law I feel certain that his view is unwarranted as to the intent. I do not think anything has happened which warrants the assertion that this administration, or any other administration, desires to close down factories for the purpose of putting men out of employment in order to compel them to work for the Government of the United States. But this situation is going to confront us: Beyond question we are going to see, not only in connection with the steel industry but in connection with many other industries, a total inability to perform the work for the Government that is necessary in the

prosecution of the war and at the same time perform the ordinary work that is performed in peace times, and no man when it comes to an issue of priority will hesitate for a moment as to the need and the right of the Government to claim that priority for that work which is essential for it to successfully prosecute this war. The difficulty that all of us are confronted with, a difficulty that perhaps none of us will ever be able to entirely remove, is that this war is of such tremendous magnitude and involves so many other things than simply fighting that it is impossible for the ordinary mind to grasp the complete revolution that is going to take place in our habits during the time of the war. This country is going to see many things that were permissible and permitted in times of peace necessarily stop, if we are to prosecute this great war with any efficiency whatever. What the committee had undertaken to do is to give to the President the powers that may be necessary in order to quickly build ships, for at the present time there is no matter so important for the successful termination of the war as the supplying of tonnage as far as it can possibly be supplied for the transportation of food, of men, and of munitions across the ocean, and it is a brave man who would want to stand in the way of the powers that may be necessary for that purpose. It may be desirable to modify paragraph (b) by substituting the word "necessary" for the word "utilized" found in the last part of the paragraph, so that it would read:

(b) To modify, cancel, requisition, or suspend the performance of any contract now in force or hereafter made for the building, production, or purchase of ships or material, or any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be necessary for shipbuilding.

The only effect of that would be to make further evident and apparent that the purpose of taking over or suspending or modifying a contract is because the performance of that contract necessarily interferes with the doing of something—in this instance the building of ships—necessary for the prosecution of the war; and in that way, I believe, it is easily possible to tie it within the powers that are given to Congress under the provisions of the Constitution that confer the right to declare war and necessarily prosecute it and to have all the powers that must flow from that first grant.

I want to say just a word, not about the form of this amendment, because, as the House is aware, the amendment is simply a substitute for the Senate amendment, and of necessity will have to be a matter of consideration by the conferees of the two Houses and subsequently by the Houses when it comes to an approval or disapproval of any conference report that might be submitted; but I desire to say a word or two about the shipbuilding program. The chairman of the Committee on Appropriations has accurately stated the present situation. I think it is extremely desirable at this particular time that men should be slow and that the press should be slow to exaggerate little matters into big matters. It is very easy by looking at a skin abrasion under a magnifying glass to believe that you have discovered a cancer, and it is very easy by exaggeration of differences on immaterial matters that may have arisen to discover that men are at loggerheads and that a governmental program is going to be set at naught, and the best possible way to set it at naught is to undertake to accentuate the differences that may or may not have existed and by accentuating them to lead to others. I believe I can state with knowledge, arrived at not only from statements made before the committee but from knowledge obtained at first hand, that there is now no substantial difference between the Shipping Board and Maj. Gen. Goethals touching what should be done in order to carry out the shipbuilding program.

It is the desire of everybody to build as many ships as quickly as we can, and facts, infinitely more than theories, are going to determine how far those ships can be built of wood, how far of steel, and how far of both. At present it is the intention to construct at least 150 to 200 wooden ships with a tonnage of about 700,000 tons and to construct the balance of steel, making an aggregate tonnage of 3,000,000 that it is hoped to reach at the end of 18 months. I have no doubt that when this program has been entered upon for a few months there will come of necessity modifications of it as it now exists. Whether those modifications will be one way or the other I am not wise enough to prophesy, and I doubt if anyone is. But I feel satisfied that when the real ability of America is turned onto this program that we will surprise ourselves in our capacity to turn out ships suitable for use in the North Atlantic trade, and ships that so far as possible will represent carrying capacity and speed such as to minimize the danger that they must run from the submarine. [Applause.] The important thing for Congress to do now is not to delay the matter by undertaking itself to determine how they had best be built. Congress is not the kind of body that can determine administrative problems of that sort. Our business is to furnish the money and the necessary power for the doing of the work. Then the responsibility rests where the committee has placed it, upon the President of the United States, who is given the power to employ such agency or agencies at such time and for such time as he may see fit. And then when men have been given a fair trial, if they have made good, all America will be grateful to them, and the world the better for their making good. If they fail, they, like other men in this great emergency, will have to be broken and men who can succeed will take their place. But for us here to undertake to determine these administrative matters would be to make a mistake of the first magnitude. I hope that it may be possible to send this bill in a few moments into conference, and that before the week is out we may have it upon the statute books, and have the money and the law to do things instead of debating and theorizing about how administrative officers should do things. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. HARRISON of Mississippi. Will the gentleman yield to me four or five minutes?

Mr. FITZGERALD. I will yield five minutes to the gentleman from Mississippi. The gentleman from New York [Mr. DEMPSEY] wanted three minutes, and I will yield to him now, and afterwards yield to the gentleman from Mississippi, and then ask for a vote.

Mr. DEMPSEY. Mr. Speaker and gentlemen, I do not think I will take three minutes, but I want to speak to the question raised by the gentleman from Wisconsin [Mr. LENROOT]. He called attention to section (b), and says that that means that the President is empowered to requisition labor when he can not utilize it for the purpose of building ships. I call attention to the language of the section, and I will read simply——

Mr. LENROOT. Will the gentleman yield?

Mr. DEMPSEY. I will.

Mr. LENROOT. I am sure the gentleman does not wish to misrepresent what I said. I never claimed the President had power to requisition the labor under this bill.

Mr. DEMPSEY. No. The gentleman did not understand me. I said, as I understood the gentleman from Wisconsin, his position was this, that the President would have the right to suspend operations under a contract by virtue of section (b), although the only effect of it would be to shut down a factory, and then by inference compel the employees to go a distance of 1,500 miles and take employment with the Government elsewhere.

Mr. LENROOT. That is right.

Mr. DEMPSEY. Now, I say that is not a reasonable construction of this statute, and that the primary rule of construction always is that it shall be reasonable. And I say, moreover, that it not only is not a reasonable construction of the contract but I say it is not in accord with the language which is actually used. I call attention to the language:

To modify, cancel, requisition, or suspend the performance of any contract now in force or hereafter made for the building, production, or purchase of ships or material, or any contract now existing or hereafter made for any purpose which requires in the execution thereof labor or material that may be utilized for shipbuilding.

Now, you grant power to modify or suspend any contract which requires labor or material. What kind of labor or material? That which may be utilized for shipbuilding. Is there any court in the world that is going to say you are utilizing the labor by throwing it out of employment and then the laborer saying, "If I go 1,500 miles somewhere I may possibly find employment"? Of course, no court in the world would for one moment entertain that as a reasonable construction or a construction which should be adopted.

Now, what that means, and what any court in the world would construe it to mean, is simply this: That if a plant is using material and labor for some other purpose, and that plant and that labor may be utilized for shipbuilding, then the President under this section would have the right, instead of allowing them to complete the labor which they have in hand and which is not useful for this great purpose which the Nation has in view, to go in and say, "We will utilize this labor and this material, and instead of building a store or a house we will use it for the purpose of shipbuilding." That is all it means. We will turn this particular thing over. We will not send these men 1,500 miles away to seek labor elsewhere. But in the language of the section we will simply utilize this labor and this material where they are for shipbuilding. That is all it says.

Now, I am not going to say anything more about the construction of this section, but I am going to say just one word in concluding. I have read this proposed amendment with the utmost care. I have compared it so far as I have been able to do with the Senate amendment, and I want to say that the House amend-

ment has been drawn with infinitely more care and more skill, and I can not pay too high a compliment to the gentleman who prepared it on his skill and great care in preparing it.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HARRISON of Mississippi rose.

The SPEAKER. The gentleman from Mississippi is recognized for five minutes.

Mr. HARRISON of Mississippi. Mr. Speaker, I had intended to offer an amendment to the amendment proposed by the Committee on Appropriations, which amendment would have read as follows:

Provided, That not less than 400 wooden ships of standard size and approximately 3,000 net tons each be constructed hereunder.

But I am not at this late hour going to embarrass the committee and precipitate a fight by offering it. I did want to express this thought, however, that there have been a great many conflicting statements made touching the policy of the Shipping Board and Gen. Goethals in the building of wooden ships. When the question first arose we were led to believe they were going to contract to build a thousand wooden ships. Then it changed to 200. Now the gentleman from Illinois [Mr. BRITTEN] quotes Gen. Goethals to the effect that he is going to let what few that are to be built on lump-sum bids, and I imagine in the end they will decide to construct no wooden ships at all. I am sorry that differences have arisen in the shipbuilding program, and I hope that whatever differences may have existed between the Shipping Board and Gen. Goethals heretofore touching the construction of wooden ships or steel ships have now been smoothed out, and that contracts will be let at once for the building of these wooden ships, so that we can get them immediately.

There is no question that you can build a wooden ship more quickly than a steel ship. It may be that after you have the patterns and the steel plates standardized you can construct a steel ship quicker than a wooden ship, but there is no question, and can not be any question, that you can build wooden ships for immediate use much quicker than you can build steel ships. I know that men have come from my district who are competent to build ships, and they tendered their yards to the Government four or five weeks ago. They were ready to commence construction at once, but up to this good hour they have been unable to obtain the contracts. I do hope that something will be done, so that we can get immediate results, and that can only be accomplished by letting out contracts for the construction of wooden as well as steel ships. Let me urge Gen. Goethals, as well as the Shipping Board, to bury any differences that may exist and get busy and build ships. [Applause.]

The SPEAKER. The question is on concurring in Senate amendment numbered 2 with the Fitzgerald amendment.

The Senate amendment numbered 2 with the Fitzgerald amendment was concurred in.

The SPEAKER. The Chair announces the conferees: Mr. FITZGERALD, Mr. SHERLEY, and Mr. GILLETT.

On motion of Mr. FITZGERALD a motion to reconsider the last vote was laid on the table.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

Sundry messages in writing were communicated to the House of Representatives by Mr. Sharkey, one of his secretaries:

BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 328. An act to amend an act entitled "An act to regulate commerce," as amended, in respect of car service, and for other purposes.

PRESIDENT'S MESSAGE—NAVY YARDS AND NAVAL STATIONS.

The SPEAKER. The Chair lays before the House a message from the President of the United States, covering Report No. 4 of the Commission on Navy Yards and Naval Stations. It is ordered printed and referred to the Committee on Naval Affairs. All the documents are to be printed except those as to which a request has been made that they be not printed.

The Clerk read the message, as follows:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, Report No. 4 of the Commission on Navy Yards and Naval Stations.

The attention of the Congress is especially invited to the request of the Secretary of the Navy that certain portions of the report and appendices be not printed.

WOODROW WILSON.

THE WHITE HOUSE, *May 28, 1917.*

PRESIDENT'S MESSAGE—ACTS OF THE PORTO RICAN ASSEMBLY (H. DOC. NO. 159).

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the Senate and House of Representatives:

As required by section 24 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of the acts and resolutions enacted by the Eighth Legislative Assembly of Porto Rico during its third session, February 12 to April 18, 1917, inclusive.

These acts and resolutions have not previously been transmitted to Congress, and none of them has been printed.

WOODROW WILSON.

THE WHITE HOUSE, *May 28, 1917.*

The SPEAKER. The message will be referred to the Committee on Insular Affairs and ordered printed. These things have been printed in a way, but whether they are considered printed in the sense in which we use the word "printed," the Chair does not know. Temporarily, at least, the accompanying documents will not be printed.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. TAYLOR of Arkansas, indefinitely, on account of illness.

To Mr. FESS, until June 9, on account of important business.

Upon request of Mr. DENT, to Mr. GORDON, Mr. CALDWELL, Mr. NICHOLLS of South Carolina, and Mr. HARRISON of Virginia, who are acting this week as members of the Board of Visitors to the Military Academy, at West Point.

ADJOURNMENT.

Mr. FITZGERALD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 29, 1917, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication of the Secretary of State, submitting an estimate of deficiency in the appropriation for relief and protection of American seamen for the fiscal year ending June 30, 1917, $20,000 (H. Doc. No. 155); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting copy of communication of the Postmaster General, submitting estimate of appropriation of additional sum for rent of stables for use of Post Office Department for the fiscal year ending June 30, 1918 (H. Doc. No. 156); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Great Kills, Staten Island, N. Y. (H. Doc. No. 157); to the Committee on Rivers and Harbors and ordered to be printed.

4. A letter from the secretary of the Federal Trade Commission, transmitting report on the beet sugar industry in the United States (H. Doc. No. 158); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FLOOD, from the Committee on Foreign Affairs, to which was referred the resolution (H. Res. 80) sending greetings to the people of the Republic of Cuba, reported the same without amendment, accompanied by a report (No. 64), which said resolution and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DYER: A bill (H. R. 4733) to provide a commission to secure plans and designs for a monument or memorial to the memory of the negro soldiers and sailors who fought in the wars of our country; to the Committee on the Library.

By Mr. FERRIS: A bill (H. R. 4734) to abolish the United States Land Office at Springfield, Mo.; to the Committee on the Public Lands.

By Mr. OSBORNE: A bill (H. R. 4735) making an appropriation for the obstruction and equipment of a sanitary, fireproof hospital on the grounds of the National Home for Disabled Volunteer Soldiers, Pacific Branch, in the county of Los Angeles, State of California; to the Committee on Military Affairs.

By Mr. VAN DYKE: A bill (H. R. 4736) for the purchase of site and erection of building for the use and accommodation of the post office at St. Paul, Minn.; to the Committee on Public Buildings and Grounds.

By Mr. STEENERSON: A bill (H. R. 4737) to regulate rates of postage; to the Committee on the Post Office and Post Roads.

By Mr. CURRIE of Michigan: A bill (H. R. 4738) to declare unlawful the purchase of supplies, articles, materials, munitions, or products for the Government from any person, firm, association, or corporation acting as the purchasing agent of the Government, or from any person who is a member of any board, commission, council, committee, or subcommittee acting directly or in an advisory capacity relative to such purchases, or from any firm, association, or corporation in which he is financially interested, and to make unlawful contracts with such persons, firms, associations, or corporations for the construction of buildings, ships, or other classes of building and construction work, and for other purposes; to the Committee on the Judiciary.

By Mr. HAWLEY: A bill (H. R. 4739) providing for the addition to the Federal Building in Eugene, Oreg.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4740) to provide for the construction of a dredge for use in improving the harbors on the Oregon coast; to the Committee on Rivers and Harbors.

By Mr. WATKINS (by request): A bill (H. R. 4741) making an appropriation for the improvement of the navigation of Red River, in the State of Louisiana, by protecting, where needed, the banks of that stream through the application of the Sewall system of bank protection; to the Committee on Rivers and Harbors.

By Mr. MUDD: A bill (H. R. 4742) authorizing the Secretary of the Navy to establish a Marine Corps post at Drum Point, Chesapeake Bay, Md.; to the Committee on Naval Affairs.

By Mr. EMERSON: Joint resolution (H. J. Res. 98) to establish in the War Department a clearing house of ideas; to the Committee on Military Affairs.

By Mr. COOPER of Wisconsin: Memorial of the legislature of the State of Wisconsin relating to the conservation of food supplies; to the Committee on Agriculture.

By Mr. OSBORNE: Memorial of the Legislature of the State of California, favoring devoting of revenues from national forests to the construction of works for flood control; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of California, relative to the construction and maintenance of a military highway along the Pacific coast from the Canadian border to the Mexican border; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of California, relative to needy Indians within the State of California; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of Pennsylvania: A bill (H. R. 4743) granting a pension to Marinda Maynard; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 4744) granting a pension to Martha A. Wright; to the Committee on Invalid Pensions.

By Mr. GANDY: A bill (H. R. 4745) granting an increase of pension to Thomas Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4746) granting an increase of pension to Hugh Beetem; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4747) granting a pension to Franklin R. Albert; to the Committee on Pensions.

By Mr. HEATON: A bill (H. R. 4748) granting a pension to John Dowdy; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 4749) granting a pension to Abbie M. Kelley; to the Committee on Pensions.

By Mr. KRAUS: A bill (H. R. 4750) granting an increase of pension to John H. Ream; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4751) granting an increase of pension to William Schmook; to the Committee on Invalid Pensions.

By Mr. MOON: A bill (H. R. 4752) granting an increase of pension to Walter P. Norris; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 4753) granting an increase of pension to George Hargis; to the Committee on Invalid Pensions.

By Mr. REED: A bill (H. R. 4754) to carry out the findings of the Court of Claims in the case of Asa S. Hugill; to the Committee on War Claims.

By Mr. SMITH of Idaho: A bill (H. R. 4755) granting an increase of pension to James D. Dunn; to the Committee on Invalid Pensions.

By Mr. THOMAS F. SMITH: A bill (H. R. 4756) granting a pension to Anna Margaret Venus; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 4757) granting an increase of pension to Isaac R. Raines; to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 4758) granting a pension to Catherine J. Dagg; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of County Carlow Society of New York, relative to independence for Ireland; to the Committee on Foreign Affairs.

Also (by request), petition of Lewiston (Idaho) Commercial Club, pledging support and services to the country; to the Committee on Military Affairs.

By Mr. BARNHART: Petitions of citizens of Akron, North Liberty, and New Paris, Ind., favoring national prohibition; to the Committee on the Judiciary.

By Mr. BROWNING: Petition of citizens of Haddon Heights, N. J., favoring national prohibition as a measure for the conservation of food and health; to the Committee on the Judiciary.

Also, petition of congregation of the Methodist Episcopal Church of Woodston, N. J., urging national prohibition during the war; to the Committee on the Judiciary.

By Mr. CANNON: Petition of Rev. C. E. Parsons and 37 other citizens of Brocton, Ill., favoring the prohibition of the manufacture of alcoholic liquors as a measure for the conservation of food, health, etc.; to the Committee on the Judiciary.

Also, petition of S. N. Wakefield and 125 other citizens of Georgetown, Ill., and vicinity, favoring prohibition of the manufacture and sale of alcoholic liquors as a measure for the conservation of food, health, etc.; to the Committee on the Judiciary.

Also, petition of Rev. A. A. Heinlien and 50 other citizens of Kansas, Ill., and vicinity, favoring the prohibition and sale of alcoholic liquors as a measure for the conservation of food, health, etc.; to the Committee on the Judiciary.

Also, petition of William Yanawisse and 50 other citizens of Hume, Ill., and vicinity, favoring prohibition of the manufacture and sale of alcoholic liquors as a measure for the conservation of food, health, etc.; to the Committee on the Judiciary.

Also, petition of E. G. Stevens and 27 other citizens of Rankin, Ill., and vicinity, favoring the prohibition of the manufacture and sale of alcoholic liquors as a measure for the conservation of food, health, etc.; to the Committee on the Judiciary.

By Mr. CARY: Petition signed by A. L. Loevenhardt, Walter J. Meek, Harold Bradley, Paul F. Clark, J. S. Evans, F. C. Rinker, Robert Van Valrah, S. I. Morris, J. D. E. Eyster, all of the University of Wisconsin, urging that something be done regarding the abrogation of the patents on salvarsan; to the Committee on Patents.

Also, petitions of citizens, mostly farmers and milk shippers of the town of Greenfield, Wis., signed by N. A. Jaeger, Peter Gunn, Charles Jaeger, E. C. Schmidt, P. J. Walter, Arthur Palmershein, Barney Leeser, Hayes Woodlack, Joseph Xternzing, Dan De Bach, B. Woodcock, L. Braun, C. Michelsen, Peter Heinz, Joseph Buck, Frank Anzka, Mike Peters, John Palmershein, and Joseph Zingahon, against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of P. F. Collier & Son, of Milwaukee, Wis., against any increase of postage on second-class matter; to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Petition of A. S. Lowenhart and others, of the department of pharmacology, University of Wisconsin, asking Congress to declare void the German patent on salvarsan; to the Committee on Patents.

Also, petitions of sundry citizens of Beloit, Menomonee Falls, Lyons, and Shopiere, Wis., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of L. Schepp Co., of New York City, against 10 per cent tariff on goods on free list; to the Committee on Ways and Means.

Also, petitions of sundry publishing companies of New York against any increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petition of the Pineoleum Co., of New York, against increase in letter postage; to the Committee on Ways and Means.

By Mr. DUNN: Petitions of Rev. George M. Harris and 16 others, of Webster; George E. Kingsley and 59 others, of Pittsford; and Rev. H. G. Ogden and 55 others, of Rochester, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ESCH: Memorial of citizens of Tomah, Wis., and National Association of State Universities, favoring prohibition as a war measure; to the Committee on Military Affairs.

Also, petition of sundry citizens of Madison, Wis., relative to abrogation of the patents on salvarsan; to the Committee on Patents.

By Mr. FOSS: Memorial of delegates of the Sunday Schools of Cook County, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of sundry women of the State of Illinois, relative to moral protection of the military and naval training camps in their State; to the Committee on Military Affairs.

By Mr. FOSTER: Petitions of citizens of Mount Vernon, St. Francisville, Centralia, Belle Rive, and Opdyke, Ill., protesting against manufacture of alcoholic liquor; to the Committee on Agriculture.

By Mr. GREENE of Vermont: Petition of residents of the first congressional district of Vermont, urging the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of residents of the first congressional district of Vermont, urging upon Congress the immediate submission of the Federal amendment for woman suffrage; to the Committee on the Judiciary.

By Mr. GRIEST: Petition of Long & Davidson, of Lancaster, and R. F. Zahm, assistant treasurer of the Sheet Metal & Supply Co., of Lancaster, Pa., protesting against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. HAMILTON of New York: Petitions of sundry citizens of Cuba, Dunkirk, Chautauqua, Panama, Falconer, Richburg, Westfield, Ashville, and Almond, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HILL: Petition of Rev. Frederick M. Hollister, of Wilton, Conn., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HUTCHINSON: Petitions of the Contemporary Club, the Monday Musical Club, the Friday Club, of Hightstown; the Flemington Woman's Club, of Flemington; and the Kleio Club, of Pennington, all in the State of New Jersey; favoring 5-mile zone against liquor and camp followers around all military and training camps; to the Committee on Military Affairs.

By Mr. KENNEDY of Rhode Island: Petition of John W. Hulme, of Pawtucket, R. I., against zone system of newspaper rates; to the Committee on Ways and Means.

Also, petitions of A. A. Thompson, Annie Donnelly, James Dow, jr., Mrs. James Dow, jr., James Bain, Mrs. James Bain, William Hall, Robert W. Knox, Mrs. Robert W. Knox, Alpha L. Harris, Mrs. Alpha L. Harris, and Deborah McCormick, all of Pawtucket, in the State of Rhode Island, protesting against high cost of living and favoring control of food supply by Government; to the Committee on Agriculture.

Also, petition of Newport Branch, No. 7, Civil Service Employees at Navy Yards and Stations, Newport, R. I., favoring passage of Hamill retirement bill; to the Committee on Reform in the Civil Service.

Also, resolution of Grand Lodge Rhode Island Retail Liquor Dealers' Association, protesting against passage of House bill 4459; to the Committee on the Judiciary.

By Mr. KIESS of Pennsylvania: Petitions of citizens of Mansfield and Methodist Episcopal Church, of Montgomery, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. KINKAID: Petitions of sundry citizens of Shelton, Garrison, and Ewing, Nebr., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MORIN: Petitions of the Pittsburgh Association of Credit Men and the United States Glass Co., both of Pittsburgh, Pa., protesting against the Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

By Mr. MOTT: Petitions of citizens of Adams and Pariah, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. NOLAN: Memorial of Merchants' Association, of New York, relative to food control; to the Committee on Agriculture.

Also, petition of International Woodcarvers of North America, San Francisco branch, protesting against amendment to Chinese exclusion act to permit the importation of Chinese into the United States; to the Committee on Immigration and Naturalization.

Also, resolutions adopted by Local No. 148, Journeymen Barbers' International Union of America; Furniture Handlers' Union No. 1; Local Union No. 8, International Union of Elevator Constructors, of San Francisco, Cal.; and communication from the Fresno County Building Trades Council, of Fresno, Cal., protesting against any amendment to the Chinese exclusion act to permit of the importation of Chinese into the United States; to the Committee on Immigration and Naturalization.

By Mr. PHELAN: Petitions of sundry citizens of Lawrence and Lynn, Mass., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PLATT: Petition of sundry citizens of the State of New York, favoring national prohibition as a war measure; the Committee on the Judiciary.

By Mr. RAKER: Memorial of Los Molinos Community Council relative to aiding the Government to bring about a victorious end to present war; to the Committee on Military Affairs.

Also, memorial of Chamber of Commerce of Sacramento, Cal., against raising first-class postage; to the Committee on Ways and Means.

Also, memorial of Merchants' Association of New York relative to food control; to the Committee on Agriculture.

By Mr. REED: Petition of the employees of the Hazel Atlas Glass Co., of Clarksburg, W. Va., urging the suppression of the liquor traffic in the United States during the time this country is in a state of war; to the Committee on the Judiciary.

By Mr. ROWE: Petitions of sundry citizens and publishers of New York opposing increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of I. Schepp Manufacturing Co., of New York, praying that if tariff is placed on raw material now free, the law should not go into effect for 60 or 90 days; to the Committee on Ways and Means.

Also, petition of the James Women's Christian Temperance Union, of New York, favoring the prohibition of the use of grains in the manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. SANDERS of New York: Petitions of sundry citizens of the State of New York, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCULLY: Petition of sundry citizens of Rahway, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, memorial of Ancient Order of Hibernians in America, relative to freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. SIMS: Petition of Rev. Wilbur L. Hart and 74 other citizens of McLemoresville, Carroll County, Tenn., favoring prohibition as a measure for the conservation of health and food; to the Committee on the Judiciary.

By Mr. SNELL: Petition of residents of Dannemora, N. Y., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of the citizens of Chazy, N. Y., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of citizens of Clintonville, N. Y., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation, and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of citizens of Beekmantown, N. Y., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation, and for

the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petitions of citizens of Potsdam, N. Y., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of citizens of Gouverneur, N. Y., favoring the passage of the Gronna-Randall bill to conserve the foodstuffs used in making intoxicating beverages and limit liquors on hand to nonbeverage uses, and protesting against taxing liquors and so raising higher revenue barriers to prohibition; to the Committee on the Judiciary.

By Mr. SNYDER: Petition of Norman McKinnon and others, of Utica, N. Y., for moral conditions in military camps and national prohibition; to the Committee on the Judiciary.

By Mr. STRONG: Resolutions of the Sunday School of the First Presbyterian Church and of the Sunday School of the Reformed Church, both of Apollo, Pa., favoring the enactment of laws preventing the use of grain for the manufacture of liquors during the period of the war; to the Committee on the Judiciary.

By Mr. TILSON: Memorials of members of Immanuel Baptist Church and St. Andrews Methodist Episcopal Church, of New Haven, Conn., urging prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TOWNER: Petition of Rev. E. M. Holmes and 54 other residents of Lenox, Iowa, petitioning for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. WASON: Petitions of 68 residents of the town of Enfield, N. H., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on Agriculture.

By Mr. WOODYARD: Petition of citizens of St. Marys, W. Va., favoring prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

TUESDAY, *May 29, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee, we trust, with an ever-increasing sense of our dependence upon Thee. As time moves on with its ever-increasing purpose it has brought us face to face with problems which test and try all the capacity of human life. We pray that in the unity of our spirit and counsel we may have the assurance that we are being led on by the great God of our fathers. Do Thou give to us the sense of security and peace that comes only when we put our trust in Thee. Guide us in the discharge of the duties of this day. We humbly ask, for Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

PROPOSED TAX ON DOGS.

The VICE PRESIDENT. The Chair lays before the Senate a communication, which will be read.

The Secretary read as follows:

BUCK GROVE, IOWA, *May 26, 1917.*

To the UNITED STATES SENATE,
Washington, D. C.

HONORABLE SIRS: If your respected body would care to raise a large amount of revenue and at the same time add, indirectly, to the food supply of the country, while at the same time inflicting no hardships on anyone, tax dogs. Put a tax of $5 a head on all boy dogs and $25 on each female dog. This is not a high tax for a luxury, which a dog is, to a vast majority of owners. To avoid the tax hundreds of thousands of the brutes would be killed, and that is where the saving of food would come in.

Twenty million is, I believe, a conservative estimate of the number of dogs in the United States. They will weigh, on an average, 30 pounds each, perhaps more. A dog of this size will consume as much food as the average human. Besides this loss, hundreds of thousands of sheep are annually slaughtered by dogs, and at frequent intervals a human life is sacrificed. All the dogs in the world are not worth one human life.

Pass a national law requiring that all dogs be taxed, and that, the tax having been paid, the animal shall wear a collar with a small jingling bell attached, and that any dog running at large without the bell may be killed by anyone on sight.

Respectfully, A. F. BONNEY.

Mr. STONE. Mr. President, I wondered why it was not proposed in this letter to use dogs for sausage and thus help along the general cause of conserving food. [Laughter.]

The VICE PRESIDENT. The communication will be referred to the Committee on Agriculture and Forestry.

CALLING OF THE ROLL.

Mr. JONES of Washington. Mr. President, I think we would make progress and save time by having a quorum before we start on general morning business. I think we should have had a quorum to have heard the letter read. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	James	Overman	Smith, Ga.
Brady	Johnson, Cal.	Page	Smoot
Brandegee	Jones, N. Mex.	Penrose	Sterling
Broussard	Jones, Wash.	Pittman	Stone
Calder	Kellogg	Poindexter	Sutherland
Colt	Kenyon	Pomerene	Townsend
Culberson	Kirby	Ransdell	Trammell
Curtis	Knox	Robinson	Vardaman
Fletcher	La Follette	Saulsbury	Walsh
Frelinghuysen	Lodge	Shafroth	Watson
Gerry	McCumber	Sheppard	Williams
Gore	McKellar	Sherman	Wolcott
Hitchcock	McLean	Shields	
Hollis	Myers	Simmons	
Husting	Nelson	Smith, Ariz.	

Mr. TOWNSEND. I announce the absence of my colleague [Mr. SMITH of Michigan]. He has a general pair with the junior Senator from Missouri [Mr. REED]. This announcement may stand for the day.

Mr. SHAFROTH. I desire to announce the unavoidable absence of my colleague [Mr. THOMAS]. I will state that he is paired with the senior Senator from North Dakota [Mr. MCCUMBER].

Mr. FRELINGHUYSEN. I wish to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will let this announcement stand for the day.

Mr. WATSON. I desire to announce that my colleague [Mr. NEW] is absent on official business.

Mr. SUTHERLAND. I wish to announce the absence of my colleague [Mr. GOFF] on account of illness. I will let this announcement stand for the day.

Mr. GERRY. I desire to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Utah [Mr. KING], the Senator from Wyoming [Mr. KENDRICK], the Senator from Kansas [Mr. THOMPSON], the Senator from California [Mr. PHELAN], and the Senator from Arizona [Mr. ASHURST] on official business. I wish also to announce the absence of the Senator from Illinois [Mr. LEWIS] on important business and the absence of the Senator from South Carolina [Mr. TILLMAN] on account of illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present.

CADETS AT MILITARY ACADEMY.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of War in response to a resolution of the 23d instant, which will be printed in the RECORD and referred to the Committee on Military Affairs.

The communication is as follows:

MAY 26, 1917.

To the PRESIDENT OF THE SENATE,
Washington.

SIR: In response to Senate resolution No. 67, of May 23, 1917, in which the Secretary of War is directed to furnish to the Senate as soon as possible certain information concerning the appointment and admission of cadets to the United States Military Academy, I beg leave to report as follows:

1. The total number of cadets in the Military Academy at West Point, and number from each State.

The total number of cadets in the Military Academy, including 3 foreigners, is 554. These cadets are apportioned among the States and Territories, the District of Columbia, the United States at large, the Philippine Islands, "honor schools," the National Guard, the Army, and foreign countries, as follows:

Alabama	13
Alaska	1
Arizona	2
Arkansas	6
California	19
Colorado	7
Connecticut	8
Delaware	2
District of Columbia	2

Florida	5
Georgia	13
Hawaii	0
Idaho	6
Illinois	22
Indiana	14
Iowa	15
Kansas	6
Kentucky	9
Louisiana	10
Maine	7
Maryland	8
Massachusetts	20
Michigan	12
Minnesota	10
Mississippi	5
Missouri	14
Montana	6
Nebraska	7
Nevada	2
New Hampshire	4
New Jersey	16
New Mexico	3
New York	43
North Carolina	12
North Dakota	3
Ohio	24
Oklahoma	10
Oregon	5
Pennsylvania	35
Philippine Islands	3
Porto Rico	1
Rhode Island	3
South Carolina	9
South Dakota	4
Tennessee	6
Texas	17
Utah	3
Vermont	3
Virginia	17
Washington	5
West Virginia	6
Wisconsin	10
Wyoming	3
United States at large	40
Honor schools	3
National Guard	9
Regular Army	3
China	2
Cuba	1

The admission of the 339 qualified candidates in June will bring the total number of cadets on the rolls up to 893. It should be noted, however, that the class of 1918, with 154 members, is to be graduated on August 30 next. The admission in August next of 7 ex-cadets will bring the total number up to 739 for the beginning of the academic year in September.

2. The total number of cadets that were to have been appointed under the examination held March 19, 1917, and the States from which they were to be appointed.

The act of Congress approved May 4, 1916, authorized an increase in the Corps of Cadets and specified that that increase should be divided into four annual increments, as nearly equal as practicable, and equitably distributed among the sources from which appointments to the Military Academy are authorized. Under this provision of the law the total number of cadets that can be admitted to the academy next June from all sources is 449, and it was believed that if every Senator and Representative who would have only one cadet after the graduation of the class of 1917 were invited to nominate candidates for examination in March, 1917, and that if nominations were also requested for all vacancies from the Army, the National Guard, the United States at large, and "honor schools," about the number needed to make up the total allowed by law would be obtained and that the cadets would be equitably distributed over the sources from which appointments are authorized. Consequently invitations to nominate candidates for examination last March were sent as follows:

Alabama	13
Arizona	4
Arkansas	12
California	7
Colorado	5
Connecticut	5
Delaware	4
District of Columbia	1
Florida	6
Georgia	13
Hawaii	2
Idaho	2
Illinois	33
Indiana	16
Iowa	10
Kansas	13
Kentucky	16
Louisiana	10
Maine	5
Maryland	8
Massachusetts	15
Michigan	16
Minnesota	14
Mississippi	14
Missouri	22
Montana	2
Nebraska	8
Nevada	4
New Hampshire	4
New Jersey	13
New Mexico	1
New York	46
North Carolina	12
North Dakota	7
Ohio	23
Oklahoma	10
Oregon	5
Pennsylvania	36
Philippine Islands	1
Rhode Island	6
South Carolina	9
South Dakota	6
Tennessee	18
Texas	21
Utah	5
Vermont	5
Virginia	7
Washington	9
West Virginia	10
Wisconsin	15
Wyoming	3
United States at large	16
Honor schools	7
National Guard	35
Regular Army	41

3. The number of cadets to be appointed as the result of the examination of March 19, 1917, and the number of vacancies remaining by reason of the failures in said examination and the States in which such vacancies occur.

As a result of the entrance examination held last March, 339 candidates are to be admitted to the Military Academy next June. There are 15 cases pending owing to sickness. These candidates are to report at West Point in June for examination and for admission if qualified. Under the act of Congress, mentioned above, only 1,000 cadets can be on the rolls July 1, 1917. By deducting 893 from this number it will be seen that there are only 107 actual vacancies, 65 of which are from the Regular Army, the National Guard, and "honor schools," leaving only 42 vacancies from the States and Territories. As it was necessary to send out more invitations than there were actual vacancies it will also be seen that it is impracticable to apportion these 42 vacancies.

4. The time within which such vacancies must be filled.

Invitations will be extended to Senators and Representatives in the course of a few weeks to nominate candidates for the examination to be held beginning on the third Tuesday in March, 1918, with a view to admission to the Military Academy in June, 1918. These invitations will be sent to all Senators and Representatives who will not have two cadets in June, 1918, and the nominations must be made before the third Tuesday in March, 1918.

5. If such vacancies are not to be filled until next year, why not?

Owing to the crowded condition of the Military Academy, the present facilities of which will be taxed to the utmost, and to the difficulty of obtaining competent instructors for the large number of new cadets, it is deemed to be inadvisable to hold another entrance examination this year, except for those nominees who were prevented by sickness or other unavoidable cause from reporting for the March examination.

6. Have examinations at the time of annual entrance into the academy been discontinued? If so, why and when were they discontinued?

Examination at the time of annual entrance into the Military Academy in June has been discontinued. Up to the year 1892 the entrance examination was held in June of each year, but in that year it was changed to March and April. It was later decided to be advisable to hold only one entrance examination annually, and January was designated as the month in which it should be held; but it has since been put back to the third Tuesday in March, which has been found to be the most practicable time for it. The only other entrance examination provided for by the regulations is one at West Point in June for nominees who may be prevented by sickness or other unavoidable cause from reporting for the regular examination in March.

7. Why are not entrance examinations provided this year for filling the vacancies caused by failures in the March 19 examinations?

This question seems to be answered by the answer to question No. 5.

8. What is the full capacity of the Military Academy?

The full capacity of the Military Academy with its present facilities is 770 cadets.

Very respectfully.

NEWTON D. BAKER,
Secretary of War.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Albert Hilliard, one of its clerks, announced that the House agrees to the amendment of the Senate No. 2 to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, with an amendment; in which it requested the concurrence of the Senate; disagrees to the residue of the amendments of the Senate; agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon; and had appointed Mr. FITZGERALD, Mr. SHERLEY, and Mr. GILLETT managers at the conference on the part of the House.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented the petition of Carl C. Proper, of Des Moines, Iowa, favoring the proposed 2 per cent tax on advertising receipts and remonstrating against the proposed increase of postal rates on second-class matter, which was referred to the Committee on Finance.

Mr. SHERMAN. I present a communication from the governor of the State of Kansas, and I ask that it be printed in the RECORD, as it relates to a very material matter regarding pending legislation.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

STATE OF KANSAS,
Topeka, May 26, 1917.

Hon. LAWRENCE Y. SHERMAN,
United States Senate, Washington, D. C.

DEAR MR. SHERMAN: The publishers of the United States are patriotic and are willing to pay their full share of the national war tax. But I beg to submit that the increase of second-class postage as now included in the House bill is so greatly in excess of what the industry can bear that it will not only fail as a revenue measure but would completely

demoralize a business already in a chaotic condition owing to the abnormal and excessive cost of white paper.

Taking my own publications as an illustration, I find that the increase of second-class postage under the House measure is about 350 per cent, despite the fact that my printing plant is situated near the geographical center of the country. I paid in second-class postage in 1916 a sum nearly equal to the net profits of my business; so that the proposed tax will absorb 250 per cent of my net profits. My business last year netted 6½ per cent on the turnover, and there is no possible way of passing on this increased expense; subscriptions are already paid, advertising contracts are already made, and before a readjustment could be effected hundreds of well-established publications would be compelled to suspend publication. I do not exaggerate when I say that the proposed measure means the wiping out of an immense industry.

If there was ever a time when the Nation needed the help and influence of the agricultural press in speeding up food production, that time is now. To cripple it would be fatal error; the tax proposed by the House would practically annihilate it.

I am sure publishers as a class, do not seek to evade taxation. We want to do our share; we are willing to contribute our profits, if need be, to the righteous cause in which the Nation is engaged, as recommended by the Senate Finance Committee; but in the larger interests of the Nation, in accord with every economic principle, we beg you to allow the industry to live, and, in the language of our President, "be made more prolific and more efficient than ever."

I therefore respectfully urge careful consideration of this very serious condition.

Respectfully, yours, ARTHUR CAPPER.

Mr. BRADY. Mr. President, I present a copy of a resolution passed by a joint meeting that was held on the 21st of May, 1917, at Shoshone, Idaho, consisting of the County Commissioners and the War Production Committee of Lincoln County, Idaho, calling upon Congress to take some action that will tend to relieve the situation relative to farm labor in that community. I also present a letter of transmission written by Mr. Paul S. Haddock, of Shoshone, Idaho, who was chairman of the meeting. These resolutions and the letter of transmittal very fully explain a very unfortunate condition that exists not only in Lincoln County, Idaho, but in the entire West relative to the labor situation.

It is impossible for the farmers of the West to secure sufficient help to properly farm the fields they now have under cultivation. The Government is calling upon the farmers for patriotic reasons to plant additional crops in order to relieve the food situation. If the farmers are going to put in additional crops, or are going to be able to farm the land that they now have under cultivation, it will be necessary for the Government to take some immediate and specific action that will enable them to secure farm labor. The farmers of the West are ready and willing to pay fair and equitable wages, but they do not propose to be held up and forced to pay unreasonable wages. I believe it is just as necessary to take some immediate action that will enable the farmers of this country to secure help upon their farms as it is to secure soldiers for the firing line.

I ask that the letter and the accompanying resolutions be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

SHOSHONE, IDAHO, *May 21, 1917.*

Hon. JAMES H. BRADY,
United States Senate Chamber, Washington, D. C.

DEAR SENATOR: I am inclosing a resolution which was adopted to-day by a joint session of the county commissioners and our war production committee of this county in regard to the farm-labor situation.

We do not desire to have this resolution construed in any sense as a complaint on the part of the farmers and business men of this community, because they all realize that every citizen must put up with more or less hardship during the period of the war, and I wish to assure you that the farmers of Lincoln County are as loyal and patriotic and will be as little given to grumbling as any set of citizens that can be found in the United States. On the other hand, they feel that they can not do their full duty in the way of producing food supplies under the present labor conditions.

It has been suggested by some leading farmers of the community that even if no immediate relief can be had in the way of importation of Chinese labor, etc., still a movement along that line would have a beneficial effect upon the farm laborers by calling the fact to their attention that in case they attempt to hold up the farmers and compel them to pay exorbitant wages that in the long run they themselves will be the sufferers.

It is not the desire of the committee to urge you to support any given legislation, or to attempt to advise you as to what steps, if any, it would be best for the Federal Government to take, but simply to call your attention to this situation and ask your assistance along any lines you might think proper.

Yours, respectfully,

PAUL S. HADDOCK.

Resolution.

That whereas a joint meeting was held on the 21st day of May, 1917, at Shoshone, Idaho, by and between the board of county commissioners of Lincoln County, Idaho, and the war-production committee of said county, and that said meeting was called for the purpose of devising ways and means for procuring more farm laborers to assist in the irrigation, cultivation, and harvesting of the farm crops of said Lincoln County; and

Whereas after hearing reports from numerous well-posted farmers from said county and after a full and complete discussion of the subject, it was the sense of said meeting that a very great and grave danger is now threatening not only the crops of Lincoln County but also the crops all over southern Idaho by reason of the fact that there are not sufficient farm laborers available for the proper handling of the crops in question; that a large number of the farmers of this county are at the present time suffering for a lack of help and that as soon as irrigation season gets under way it will be utterly impossible for many of the crops to be saved without additional help. That owing to the scarcity of farm laborers their wages have been rapidly increasing, and many of the farm laborers are taking advantage of the absolute necessity of the farmers to secure exorbitant wages, much in excess of the amount the farmers are justified in paying for such help, and that there is a constant demand for still further increase in said wages. That by reason of said conditions there is a feeling of unrest on the part of the farm laborer for fear that he may not be obtaining as much money as some other farmer in another part of the community is paying. Under such fluctuating prices it is a common occurrence for the farm laborer to leave his employer without notice, in the almost certain belief that he can obtain at least as much, if not more, from some one else.

The more serious result of the above condition is that the substantial farmers who have a considerable area under cultivation are placed upon such an uncertain basis that they dare not go further along the line of additional food production, and that although the farmers of this community have loyally answered President Wilson's and Gov. Alexander's call in using their utmost endeavor to obtain a large food production during the war, their energies along this line will prove a detriment rather than a benefit unless some action is taken to relieve the scarcity of farm labor in this vicinity.

It was also the sense of said meeting that steps should be taken by the Federal Government to aid the farming vicinity of the country, and especially the irrigated section of southern Idaho, in procuring men to work on the farms and, although no recommendation was definitely made, two plans were suggested at said meeting, one being that a draft of the idle men of the country be made for farm laborers, to be organized and under the direction of the Federal authorities, and that their wages should be fixed at some reasonable figure; that anyone so drafted who refused to so work should then be drafted into the army and sent to the front. The second suggestion was that a sufficient number of Chinese be imported into the country to supply the temporary shortage of help during the period of the war.

It was the further sense of the meeting that the farm-labor conditions of the country are gradually growing worse and will continue to grow worse, as more and more men join the Army, and unless relief is given along these lines it will be impossible for the farmers in southern Idaho to perform the full amount of service along the lines of food supply that they might otherwise be able to produce: Wherefore, be it

Resolved, That our Representatives in Congress be requested to take any action which, in their judgment, they might deem to be to the best interest for the purpose of procuring an adequate supply of farm laborers for southern Idaho, and that the governor and the other State officials of Idaho be requested to assist in any movement along this line that may to them seem practical; be it further

Resolved, That a copy of this resolution be sent to each of our Senators and Representatives in Congress and a copy to the governor of the State of Idaho.

BOARD OF COUNTY COMMISSIONERS,
[SEAL.] By J. W. LUNDIN, *Clerk.*
WAR PRODUCTION COMMITTEE,
By PAUL S. HADDOCK, *Chairman.*

Mr. PENROSE presented a petition of sundry citizens of Germantown, Philadelphia, and vicinity, in the State of Pennsylvania, praying for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors

for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people, which was referred to the Committee on Agriculture and Forestry.

Mr. JONES of New Mexico. I present resolutions adopted at a mass meeting of citizens of the county of San Miguel, in the State of New Mexico, offering all support in their power in the prosecution of the war, and also a letter of transmittal from O. A. Larrazolo, chairman of the meeting. I ask that the letter and accompanying resolution be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the letter and resolution were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

LAS VEGAS, N. MEX., *May 17, 1917.*

Hon. A. A. JONES,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The citizens of San Miguel County held a mass meeting at the courthouse in Las Vegas last night (May 16) and unanimously passed the resolution a copy of which I am inclosing for your information.

I can not tell exactly how many people were present (among whom there were several ladies), but you know our district court room, and it was crowded, and a great many people, finding no seats, remained standing up.

The people in our section of the State are quite enthusiastic in their determination to give all support in their power in the prosecution of the war, as well as by the voluntary enlistment in the National Guard, as by the stay-at-home element, who are going to till every inch of the soil that they possibly can, and I can say with all assurance that the people of New Mexico will do their full share in this matter.

I am, very respectfully, yours,

O. A. LARRAZOLO,
Chairman of Meeting.

Resolution.

We, the citizens of the county of San Miguel, in the State of New Mexico, in mass meeting assembled at Las Vegas, N. Mex., this 16th day of May, A. D. 1917, do hereby make known and declare that we are in favor of the passage by the Federal Congress of a law making it compulsory to give military training to the youth of the Nation, and we hereby request of our representatives in both Chambers of the National Congress to give their support to any law that may have that object in view.

Mr. POMERENE. I present memorials from sundry labor organizations, signed by the presidents and secretaries of the local organizations, remonstrating against the enactment of a national prohibition law. It is stated that they represent a membership of 2,027,147. I move that the memorials be referred to the Committee on the Judiciary.

The motion was agreed to.

Mr. PAGE. The National Association of State Universities held a meeting in this city a few days ago, when they adopted patriotic resolutions, in which they state that:

The State universities, believing that they represent the spirit and sentiment of their several States, are ready to put all their institutional resources, material and human, at the disposal of the National Government in the service of the country for the entire period of the war which our Nation has entered.

I send the resolutions to the desk and ask to have them printed in the RECORD without reading.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolutions adopted by the National Association of State Universities, meeting in Washington, D. C., May 4, 1917.

The National Association of State Universities, in special meeting assembled, announces that the State universities, believing that they represent the spirit and sentiment of their several States, are ready to put all their institutional resources—material and human—at the disposal of the National Government in the service of the country for the entire period of the war upon which our Nation has entered.

This declaration of patriotic purpose is made without any reservation whatsoever, and means that the State universities, as public institutions, are to be used to the utmost limit of their possibilities in faculties and equipment for the preparation of efficient soldiers, for the training of skilled educational, scientific, technical, and professional workers, and for the conduct of all scientific instructions that may aid in the successful prosecution of the war.

Therefore the President of the United States and his advisors, and the Congress, are hereby notified that the State universities of America are willing to undertake to readjust their curricula and to rearrange all their activities, in time and content, so far as may be necessary to bring to ultimate triumph the righteous conflict for universal democracy.

It is the further sense of this association that the people whom our institutions represent and serve have a profound feeling of loyalty to our common country and of readiness to sacrifice for its best interests.

That in accordance therewith they urgently desire that the results of their effort and self-denial in the production and consumption of food supplies be not wasted in the manufacture of intoxicating liquors during the war, and that prompt and effective measures be taken to maintain the honor of the Army and Navy and to protect the ancient reputation for decency and manliness by taking such steps as may be necessary to protect them from the presence of vice and from the peril of venereal and other diseases in training camp and field.

GUY PORTER BENTON, *President.*
FRANK L. MCVEY, *Secretary.*

Mr. PAGE presented petitions of sundry citizens of Morrisville and Irasburg, in the State of Vermont, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. TRAMMELL. I present resolutions adopted by the Chamber of Commerce of Miami, Fla., which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas the United States Government has requested the conservation of food supply throughout this country; and
Whereas to properly preserve fruit and vegetables it is necessary to put them up in tin cans, glass jars, and other containers; and
Whereas the price of tin cans, glass jars, and other containers is increasing daily, and is working a hardship upon the people of this country: Therefore be it

Resolved, That the Miami Chamber of Commerce request the United States Department of Agriculture to investigate this matter and take steps to protect the interests of the people of our country by having the price of food containers fixed at a certain reasonable sum as the maximum price thereof for all tin cans, glass jars, and other containers that can be hermetically sealed to preserve vegetables, fruits, and meats, and liquids, the size of which containers shall range from 1 pint to 2 gallons; and be it further

Resolved, That we recommend that such containers be manufactured under compulsion at the price fixed by the United States Government, if such action be necessary to protect the food supply of this country.

Adopted by the Miami Chamber of Commerce, Miami, Fla.

Mr. FRANCE presented memorials of the congregation of the Homestead Methodist Episcopal Church, of Baltimore, and of the Woman's Christian Temperance Union of Baltimore, in the State of Maryland, remonstrating against the taxing of and praying for the prohibition of the manufacture of alcoholic liquors during the war, which were referred to the Committee on Agriculture and Forestry.

Mr. MCCUMBER presented petitions of sundry citizens of Fargo, Page, Stanton, Westhope, and Larimore, all in the State of North Dakota, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquors, which were referred to the Committee on Agriculture and Forestry.

Mr. NELSON presented petitions of the Merchants' Association of Montevideo, and of sundry citizens of Northome, Jackson, St. Paul, and Minneapolis, in the State of Minnesota, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. SMITH of Maryland presented petitions of sundry citizens of Maryland, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Westminster, Sudlersville, and Damascus, all in the State of Maryland, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. PHELAN. I present a joint resolution of the Legislature of California relative to the needy Indians within the State of California, which I ask may be printed in the RECORD and referred to the Committee on Indian Affairs.

There being no objection, the joint resolution was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

Senate joint resolution 9, relating to needy Indians within the State of California.

Whereas there are within the borders of the State of California approximately 4,000 Indians without permanent homes, without any or adequate school facilities, and a considerable number of them without necessary food, shelter, and medical attendance; and
Whereas the massing of these Indians in certain thinly populated districts makes provision for them at the expense of their white neighbors under the prevalent school and pauper laws of the State an unfair, inequitable, and intolerable burden; and
Whereas while it has been the general policy of the National Government to assume the care of Indians, yet it has not always been practicable or for the best interest of the Indians themselves to remove them to reservations; and
Whereas the general policy of State and National cooperation, as outlined by the Indian board of cooperation of California, has been already approved by the Commissioner of Indian Affairs and by our Representatives in Congress: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That our Representatives in Congress be, and are hereby, memorialized to attempt to secure provision in the Indian appropriation bill (1) for the purchase of adequate and permanent allotments with necessary improvements for homeless Indians; (2) for providing school buildings and equipment for Indians in districts where their numbers and the necessities demand it; and (3) for cooperation with county officials in securing proper care for sick and destitute Indians, until the necessity therefore no longer exists.

Adopted in senate March 21, 1917.

CLIFTON E. BROOKS,
Secretary of the Senate.

Adopted in assembly April 23, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Mr. PHELAN. I present a joint resolution of the Legislature of California relative to the devoting of revenues from national forests to the construction of works for flood control, which I ask may be printed in the RECORD and referred to the Committee on Forest Reservations and the Protection of Game.

There being no objection, the joint resolution was referred to the Committee on Forest Reservations and the Protection of Game and ordered to be printed in the RECORD, as follows:

Senate joint resolution No. 7, relative to the devoting of revenues from national forests to the construction of works for flood control.

Whereas the streams and rivers of California are subject to destructive floods, entailing great loss of property and life; and

Whereas the sources of most of said streams are in national forest reserves wholly within the State of California and contain vast quantities of timber, estimated to amount to more than 94,000,000,000 feet, and all of which is exempt from taxation by the State and may not at present be made use of by her people; and

Whereas the Government obtains large revenues from said forests, only a lesser portion of which is returned to or expended in the State: Therefore be it

Resolved by the senate and assembly jointly, That the Legislature of California does hereby recommend to the Senators and Representatives of the State in Congress to use their best endeavors to secure the setting aside of all revenues derived from national forest reserves in the State not required for the administrative cost thereof to create a fund for the construction of dams and other works for the control of floods in streams subject to destructive floods in the State of California.

Adopted in senate April 20, 1917.

CLIFTON E. BROOKS,
Secretary of the Senate.

Adopted in assembly April 27, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Mr. PHELAN. I present a joint resolution of the Legislature of California relative to the construction of a military highway along the Pacific coast from the Canadian border to the Mexican border, which I ask may be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the joint resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Senate joint resolution 6, relative to the construction and maintenance of a military highway along the Pacific coast from the Canadian border to the Mexican border.

Whereas the building and maintaining of a military highway along the Pacific coast from the Canadian border to the Mexican border would be of the greatest benefit to the United States Government and to the States on the Pacific coast in supplying coast forts with guns and ammunition, and in the handling of artillery and ammunition; and

Whereas such a highway would be of incalculable benefit in mobilizing troops in the event of an attempted invasion, and all other incidents appertaining thereto; and

Whereas the people of the Pacific Coast States realize the necessity of such a highway and urgently request the building and maintaining of such a highway: Now, therefore, be it

Resolved by the senate and the assembly jointly, That the Legislature of the State of California memorializes the Congress of the United States to take such steps as may be necessary to provide for the building and maintaining of such a highway, and to make an appropriation of sufficient size to carry out said work; and be it further

Resolved, That the Senators and Representatives in Congress from the State of California be requested to use all honorable means to secure the action desired in this matter for the purpose aforesaid; and be it further

Resolved, That a copy of these resolutions be forwarded to the President of the United States, the Secretary of the Interior, the President of the Senate, the Speaker of the House of Representatives, and to each of the Senators and Representatives in Congress from the State of California, including those to assume office on March 4, 1917.

Adopted in senate February 28, 1917.

CLIFTON E. BROOKS,
Secretary of the Senate.

Adopted in assembly April 25, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Mr. PHELAN presented a memorial of the Central Labor Council of Oakland, Cal., remonstrating against the admission of oriental labor into this country, which was referred to the Committee on Immigration.

REBUILDING RUSSIAN RAILROADS.

Mr. SMITH of Georgia. Mr. President, I send to the desk a very short article, that I ask to have read, upon the subject of rebuilding Russian railroads and financing their reconstruction through the National Council of Defense. I have no comment to make upon it; but I was just wondering when we passed legislation to put the responsibility upon the National Council of Defense to rebuild Russian railroads. I should like to have it read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Secretary read as follows:

UNITED STATES TO OUTFIT RUSSIAN ROADS—DEFENSE COUNCIL ASKS BIDS ON 10,000 CARS.

The National Council of Defense has definitely undertaken the purchase of railroad equipment for the Russian Government. This was indicated by the receipt yesterday of letters from the council sent to leading equipment builders asking for their terms for the construction of 10,000 freight cars of 1,200 "poods" (43,200 pounds) capacity and 300 Decapod locomotives.

Car companies which, it is stated, are to receive orders are the American Car & Foundry Co., Pressed Steel, Standard Steel, Pullman, and the Bettendorf Cos. It was also learned that the Barney & Smith Car Co., the Harlan & Hollingsworth Co., and the Seattle Car & Foundry Co. were to receive contracts later on, as the Russian Government desires a total of 40,000 freight cars.

Financing of these purchases is to be done by the Defense Council through the recent loan of $100,000,000 to Russia.

The builders were informed that the council desired to have all details settled so that work can be started as soon as the commission reports.

Mr. REED. I wish to ask the Senator where that article is from?

Mr. SMITH of Georgia. It is a news clipping that I found in one of the New York papers, and I just felt that it might be valuable information, it seemed to me so definitely stated. I do not know whether it is true, but it is the most definite information I have seen about what is being done with the $100,000,000 appropriation, and as it was interesting to me I thought it might interest others.

Mr. REED. I should like to ask the Senator from Georgia if he thinks that if the Government of the United States is furnishing freight cars to the railroads of Russia it would not afford some sort of justification for furnishing some for our own use?

Mr. SMITH of Georgia. Mr. President, I have accomplished in part my desire in having the article read by bringing out the question of the Senator from Missouri. What I have upon my own mind is that if we are assuming responsibility for the reorganization of the railroads of Russia, we might perhaps induce some attention to the improvement of the railroads of the United States through Government loans.

Mr. KNOX. Mr. President, I should like to inquire of the Senator from Georgia whether this article may not only mean that the National Defense Council are expending the $100,000,000 that this country gave to Russia, and doing it as a mere matter of assistance in the disbursement of the money by the purchase of railway material in this country? That was the impression the article made on me when I read it.

Mr. SMITH of Georgia. I really do not know what it means. I do not know whether the representatives of the Russian Government who received the $100,000,000 are authorized to make arrangements with American organizations for its use.

Mr. NELSON. Will the Senator yield to me? Does not the Senator from Georgia regard Russia as our ally in this war?

Mr. SMITH of Georgia. I hope so.

Mr. NELSON. Is it not material that Russia shall be in a position to maintain herself on the eastern front in order that we may be successful on the western front?

Mr. SMITH of Georgia. That is very desirable, though I can not conceive that it is absolutely necessary.

Mr. NELSON. It seems to me the intimation the Senator intends to convey is taking a narrow view of the subject. We need the help of Russia in this war to be successful. It retains some sixty or seventy German divisions on that line. The Russians have been handicapped by lack of transportation, by getting foodstuffs, and by getting ammunition. If we are interested in the prosecution of this war that is one way to help it along, and it is just as material for our success as it is to send troops over to Europe.

Mr. SMITH of Georgia. I think the Senator takes an incorrect view when he says that my view is narrow. Instead of being a narrow view I was endeavoring to develop a broader view. My suggestion was, that if we were engaged in reconstructing the railroads of Russia our own railroads might also come in for some consideration which would insure the public necessary transportation.

Mr. NELSON. With the 15 per cent increase they can rehabilitate the roads in this country.

Mr. SMITH of Georgia. It was to broaden rather than to narrow activities that I presented the article. I have before shown the objection to the 15 per cent increase.

COURTS IN TENNESSEE.

Mr. SHIELDS, from the Committee on the Judiciary, to which was referred the bill (S. 1836) to provide for the appointment of a district judge in the middle judicial district of the State of Tennessee, and for other purposes, reported it without amendment.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 2371) empowering the Supreme Court of the United States to promulgate uniform rules for preparing and printing the records for all appellate courts and to fix fees and charges in connection therewith; and

A bill (S. 2372) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and as amended thereafter; to the Committee on the Judiciary.

A bill (S. 2373) to authorize the President, on recommendation of the Secretary of Agriculture, to accept lands donated to the United States as refuges for wild-game animals and wild birds, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. FLETCHER:

A bill (S. 2374) to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall, of the payment of money alleged to have been misappropriated by a clerk in said office; to the Committee on Post Offices and Post Roads.

By Mr. JONES of New Mexico:

A bill (S. 2375) for the relief of Reuben R. Hunter; to the Committee on Claims.

By Mr. PHELAN:

A bill (S. 2376) granting a pension to James A. Coyne (with accompanying papers); to the Committee on Pensions.

By Mr. SHAFROTH:

A joint resolution (S. J. Res. 71) to suspend, during the present war with Germany, the requirement that not less than $100 worth of labor shall be performed or improvements made during each year on each mining claim for all owners who, in lieu of such assessment work, expend the sum of $100 in money or in labor in the raising or manufacturing of products necessary for the maintenance of the Army, Navy, or people of the United States; to the Committee on Mines and Mining.

RETIRED ARMY OFFICERS.

Mr. RANSDELL. Mr. President, I send to the desk a joint resolution, and I ask unanimous consent for its present consideration. It is very brief, and it is quite important that it should have immediate consideration.

Mr. SMOOT. Let the joint resolution be read.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 70) relating to the service of certain retired officers of the Army was read the first time by its title and the second time at length, as follows:

Resolved, etc., That when retired officers of the Army, any portion of whose active service was in the Corps of Engineers, are called back into active service, they shall be eligible to fill any position required by law to be filled by an officer of the Corps of Engineers.

Mr. RANSDELL. Mr. President, I will explain very briefly what is desired to be accomplished by this joint resolution. It embodies what is contained in a bill, which has already been reported to the Senate, being Senate bill 1786, which was introduced by the chairman of the Committee on Military Affairs [Mr. CHAMBERLAIN], and has since been favorably reported by him. The joint resolution embodies section 14 of that bill. The purpose of the resolution is to make it possible for the Engineer Corps of the Army to detail for service retired engineers who could perform just as effective service in engineering works as the younger men are now performing. It is necessary to send the younger engineers to service in Europe.

To illustrate, Col. Townsend, the president of the Mississippi River Commission, has been designated to take a regiment of Engineers to France. It is desired to replace him with Gen. Bixby, formerly Chief of Engineers. Gen. Mackenzie, also formerly Chief of Engineers, is, I understand, to be sent to the St. Paul-Minneapolis district, and a number of retired Engineer officers are to be sent to river and harbor works in different parts of the country. The law does not permit it now.

This matter has been acted upon by the Committee on Military Affairs, and I will ask the Senator from Nebraska [Mr. HITCHCOCK], the acting chairman of that committee, to explain it briefly. It has been before his committee, and, as I have said, has been acted upon favorably.

Mr. HITCHCOCK. Mr. President, the Senator from Louisiana has correctly stated the matter so far as the Military Affairs Committee is concerned. The committee some time ago considered a revision of the general defense act and reported a bill, which is now upon the calendar, but which has not yet been reached for consideration. One provision of that bill was section 14, which is identical with the joint resolution which the Senator from Louisiana has now introduced. Section 14 was inserted on the recommendation of the War Department to enable the assignment of old, retired Army officers for engineer work in this country, in order that the young men might be sent to the front for more active service.

I can see no possible objection to putting this joint resolution through at this time, although the bill which is now on the calendar will not be reached until after the return of the chairman of the Committee on Military Affairs [Mr. CHAMBERLAIN], who has gone to his own State on public business.

Mr. RANSDELL. Mr. President, I will state that I am asking for the consideration and passage of the joint resolution at this time on the request of the War Department. It is very anxious to have many works go on, and they would be expedited if the joint resolution is promptly acted upon. No one raises any objection to it. It is simply for the purpose of utilizing retired officers, which the department can not do under the law as it now stands.

Mr. SMOOT. Mr. President, ordinarily, of course, the joint resolution ought to go to the Committee on Military Affairs and be reported from that committee. If that committee were going to meet to-day, I should very much prefer to have the joint resolution take that course; but on the explanation of the acting chairman of the Committee on Military Affairs [Mr. HITCHCOCK] and the statement which has been made by the Senator from Louisiana [Mr. RANSDELL] I see no objection to the present consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WAR REVENUE.

Mr. STONE submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

ADDITIONAL CLERKS TO SENATORS.

Mr. CALDER submitted the following resolution (S. Res. 75), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That each Senator is hereby authorized to employ an additional clerk for the remainder of the first session of the Sixty-fifth Congress at the rate of $4 per diem, said compensation to be paid out of the miscellaneous items of the contingent fund of the Senate.

ADDRESS BY HON. ELIHU ROOT.

Mr. LODGE. Mr. President, I offer a brief address by Hon. Elihu Root as president of the American Bar Association, entitled "Public Service by the Bar." It is an address delivered at the American Bar Association held in Chicago at its annual meeting August 30, 1916. I have received a request from the bar association that it be printed as a public document. I ask leave to introduce it and have it referred to the Committee on Printing.

The VICE PRESIDENT. It will be so referred.

PUNISHMENT OF ESPIONAGE—CONFERENCE REPORT (S. DOC. NO. 37).

Mr. OVERMAN. I submit the conference report on the bill H. R. 291, known as the espionage bill, which I ask may be printed and lie on the table.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"TITLE I.

"ESPIONAGE.

"SECTION 1. That (a) whoever, for the purpose of obtaining information respecting the national defense with intent or reason to believe that the information to be obtained is to be used to the injury of the United States, or to the advantage of any foreign nation, goes upon, enters, flies over, or otherwise obtains information concerning any vessel, aircraft, work of defense, navy yard, naval station, submarine base, coaling station, fort, battery, torpedo station, dockyard, canal, railroad, arsenal, camp, factory, mine, telegraph, telephone, wireless, or signal station, building, office, or other place connected with the national defense, owned or constructed, or in progress of construction by the United States or under the control of the United States, or of any of its officers or agents, or within the exclusive jurisdiction of the United States, or any place in which any vessel, aircraft, arms, munitions, or other materials or instruments for use in time of war are being made, prepared, repaired, or stored, under any contract or agreement with the United States, or with any person on behalf of the United States, or

otherwise on behalf of the United States, or any prohibited place within the meaning of section seven of this title; or (b) whoever for the purpose aforesaid, and with like intent or reason to believe, copies, takes, makes, or obtains, or attempts, or induces or aids another to copy, take, make, or obtain, any sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, document, writing, or note of anything connected with the national defense; or (c) whoever, for the purpose aforesaid, receives or obtains or agrees or attempts or induces or aids another to receive or obtain from any person, or from any source whatever, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, or note, of anything connected with the national defense, knowing or having reason to believe, at the time he receives or obtains, or agrees or attempts or induces or aids another to receive or obtain it, that it has been or will be obtained, taken, made, or disposed of by any person contrary to the provisions of this title; or (d) whoever, lawfully or unlawfully having possession of, access to, control over, or being intrusted with any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, or note relating to the national defense, willfully communicates or transmits or attempts to communicate or transmit the same to any person not entitled to receive it, or willfully retains the same and fails to deliver it on demand to the officer or employee of the United States entitled to receive it; or (e) whoever, being intrusted with or having lawful possession or control of any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map model, note, or information, relating to the national defense, through gross negligence permits the same to be removed from its proper place of custody or delivered to anyone in violation of this trust, or to be lost, stolen, abstracted, or destroyed, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or both.

"SEC. 2. (a) Whoever, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to, or aids or induces another to, communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agents, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by imprisonment for not more than 20 years: *Provided*, That whoever shall violate the provisions of subsection (a) of this section in time of war shall be punished by death or by imprisonment for not more than 30 years; and (b) whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or by imprisonment for not more than 30 years.

"SEC. 3. Whoever, when the United States is at war, shall willfully make or convey false reports or false statements with intent to interfere with the operation or success of the military or naval forces of the United States or to promote the success of its enemies and whoever, when the United States is at war, shall willfully cause or attempt to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or shall willfully obstruct the recruiting or enlistment service of the United States, to the injury of the service or of the United States, shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both.

"SEC. 4. When the United States is at war, the publishing willfully of information with respect to the movement, numbers, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, is hereby prohibited; and the President may from time to time by proclamation declare the character of such above-described information which in his opinion is not useful to the enemy, and thereupon it shall be lawful to publish the same. In any prosecution hereunder the jury trying the cause shall determine not only whether the defendant did willfully publish such information but also whether such information was of such character as to be useful to the enemy: *Provided*, That nothing in this section shall be construed to limit or restrict any discussion, comment, or criticism of the acts or policies of the Government or its representatives or the publication of the same, if such discussion, comment, or criticism does not disclose information herein prohibited.

"Whoever violates this section shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"SEC. 5. If two or more persons conspire to violate the provisions of sections 2 or 3 of this title, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as in said sections provided in the case of the doing of the act the accomplishment of which is the object of such conspiracy. Except as above provided conspiracies to commit offenses under this title shall be punished as provided by section 37 of the act to codify, revise, and amend the penal laws of the United States approved March 4, 1909.

"SEC. 6. Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe or suspect, has committed, or is about to commit, an offense under this title shall be punished by a fine of not more than $10,000 or by imprisonment for not more than two years, or both.

"SEC. 7. The President in time of war or in case of national emergency may by proclamation designate any place other than those set forth in subsection (a) of section 1 hereof in which anything for the use of the Army or Navy is being prepared or constructed or stored as a prohibited place for the purposes of this title: *Provided*, That he shall determine that information with respect thereto would be prejudicial to the national defense.

"SEC. 8. Nothing contained in this title shall be deemed to limit the jurisdiction of the general courts-martial, military commissions, or naval courts-martial under sections 1342, 1343, and 1624 of the Revised Statutes as amended.

"SEC. 9. The provisions of this title shall extend to all territories, possessions, and places subject to the jurisdiction of the United States whether or not contiguous thereto, and offenses under this title when committed upon the high seas or elsewhere within the admiralty and maritime jurisdiction of the United States and outside the territorial limits thereof shall be punishable hereunder.

"SEC. 10. The act entitled 'An act to prevent the disclosure of national-defense secrets,' approved March 3, 1911, is hereby repealed.

"TITLE II.

"VESSELS IN PORTS OF THE UNITED STATES.

"SECTION 1. Whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance or threatened disturbance of the international relations of the United States, the Secretary of the Treasury may make, subject to the approval of the President, rules and regulations governing the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States, may inspect such vessel at any time, place guards thereon, and, if necessary in his opinion in order to secure such vessels from damage or injury, or to prevent damage or injury to any harbor or waters of the United States, or to secure the observance of the rights and obligations of the United States, may take, by and with the consent of the President, for such purposes, full possession and control of such vessel and remove therefrom the officers and crew thereof and all other persons not specially authorized by him to go or remain on board thereof.

"Within the territory and waters of the Canal Zone the Governor of the Panama Canal, with the approval of the President, shall exercise all the powers conferred by this section on the Secretary of the Treasury.

"SEC. 2. If any owner, agent, master, officer, or person in charge, or any member of the crew of any such vessel fails to comply with any regulation or rule issued or order given by the Secretary of the Treasury or the Governor of the Panama Canal under the provisions of this title, or obstructs or interferes with the exercise of any power conferred by this title, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and the person guilty of such failure, obstruction, or interference shall be fined not more than $10,000, or imprisoned not more than two years, or both.

"SEC. 3. It shall be unlawful for the owner or master or any other person in charge or command of any private vessel, foreign or domestic, or for any member of the crew or other person, within the territorial waters of the United States, willfully to cause or permit the destruction or injury of such vessel or knowingly to permit said vessel to be used as a place of resort for any person conspiring with another or preparing to commit any offense against the United States, or in violation of the treaties of the United States or of the obligations of the United States under the law of nations, or to defraud the United States, or knowingly to permit such vessels to be used in violation of the rights and obligations of the United States under the law of nations; and in case such vessel shall be so used, with the knowledge of the owner or master or other person in charge or command thereof, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and whoever violates this section shall be fined not more than $10,000, or imprisoned not more than two years, or both.

"SEC. 4. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purpose of this title.

"TITLE III.

"INJURING VESSELS ENGAGED IN FOREIGN COMMERCE.

"SECTION 1. Whoever shall set fire to any vessel of foreign registry, or any vessel of American registry entitled to engage in commerce with foreign nations, or to any vessel of the United States as defined in section 310 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' or to the cargo of the same, or shall tamper with the motive power or instrumentalities of navigation of such vessel, or shall place bombs or explosives in or upon such vessel, or shall do any other act to or upon such vessel while within the jurisdiction of the United States, or, if such vessel is of American registry, while she is on the high sea, with intent to injure or endanger the safety of the vessel or of her cargo, or of persons on board, whether the injury or danger is so intended to take place within the jurisdiction of the United States, or after the vessel shall have departed therefrom; or whoever shall attempt or conspire to do any such acts with such intent, shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"TITLE IV.

"INTERFERENCE WITH FOREIGN COMMERCE BY VIOLENT MEANS.

"SECTION 1. Whoever, when the United States is at war, shall willfully prevent, interfere with, or obstruct or attempt to prevent, interfere with or obstruct the exportation to foreign countries of articles from the United States by injuring or destroying, by fire or explosives, such articles or the places where they may be while in such foreign commerce, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both.

"TITLE V.

"ENFORCEMENT OF NEUTRALITY.

"SECTION 1. During a war in which the United States is a neutral nation, the President, or any person thereunto authorized by him, may withhold clearance from or to any vessel, domestic or foreign, which is required by law to secure clearance before departing from port or from the jurisdiction of the United States, or, by service of formal notice upon the owner, master, or person in command or having charge of any domestic vessel not required by law to secure clearances before so departing, to forbid its departure from port or from the jurisdiction of the United States, whenever there is reasonable cause to believe that any such vessel, domestic or foreign, whether requiring clearance or not, is about to carry fuel, arms, ammunition, men, supplies, dispatches, or information to any warship, tender, or supply ship of a foreign belligerent nation in violation of the laws, treaties, or obligations of the United States under the law of nations; and it shall thereupon be unlawful for such vessel to depart.

"SEC. 2. During a war in which the United States is a neutral nation, the President, or any person thereunto authorized by him, may detain any armed vessel owned wholly or in part by American citizens, or any vessel, domestic or foreign (other than one which has entered the ports of the United States as a public vessel), which is manifestly built for warlike purposes or has been converted or adapted from a private vessel to one suitable for warlike use, until the owner or master, or person having charge of such vessel, shall furnish proof satisfactory to the President, or to the person duly authorized by him, that the vessel will not be employed by the said owners, or master, or person having charge thereof, to cruise against or commit or attempt to commit hostilities upon the subjects, citizens, or property of any foreign prince or state, or of any colony, district, or people with which the United States is at peace, and that the said vessel will not be sold or delivered to any belligerent nation, or to an agent, officer, or citizen of such nation, by them or any of them, within the jurisdiction of the United States, or, having left that jurisdiction, upon the high seas.

"SEC. 3. During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to any agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States.

"SEC. 4. During a war in which the United States is a neutral nation, in addition to the facts required by sections 4197, 4198, and 4200 of the Revised Statutes to be set out in the masters' and shippers' manifests before clearance will be issued to vessels bound to foreign ports, each of which sections of the Revised Statutes is hereby declared to be and is continued in full force and effect, every master or person having charge or command of any vessel, domestic or foreign, whether requiring clearance or not, before departure of such vessel from port shall deliver to the collector of customs for the district wherein such vessel is then located a statement duly verified by oath, that the cargo or any part of the cargo is or is not to be delivered to other vessels in port or to be transshipped on the high seas and, if it is to be so delivered or transshipped, stating the kind and quantities and the value of the total quantity of each kind of article so to be delivered or transshipped, and the name of the person, corporation, vessel, or government, to whom the delivery or transshipment is to be made; and the owners, shippers, or consignors of the cargo of such vessel shall in the same manner and under the same conditions deliver to the collector like statements under oath as to the cargo or the parts thereof laden or shipped by them, respectively.

"SEC. 5. Whenever it appears that the vessel is not entitled to clearance or whenever there is reasonable cause to believe that the additional statements under oath required in the foregoing section are false, the collector of customs for the district in which the vessel is located may, subject to review by the Secretary of Commerce, refuse clearance to any vessel, domestic or foreign, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, forbid the departure of the vessel from the port or from the jurisdiction of the United States; and it shall thereupon be unlawful for the vessel to depart.

"SEC. 6. Whoever, in violation of any of the provisions of this title, shall take, or attempt or conspire to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than five years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States.

"SEC. 7. Whoever, being a person belonging to the armed land or naval forces of a belligerent nation or belligerent faction of any nation and being interned in the United States, in accordance with the law of nations, shall leave or attempt to leave said jurisdiction, or shall leave or attempt to leave the limits of internment in which freedom of movement has been allowed, without permission from the proper official of the United States in charge, or shall willfully overstay a leave of absence granted by such official, shall be subject to arrest by any marshal or deputy marshal of the United States, or by the military or naval authorities thereof, and shall be returned to the place of internment and there confined and safely kept for such period of time as the official of the United States in charge shall direct; and whoever, within the jurisdiction of the United States and subject thereto, shall aid or entice any interned person to escape or attempt to escape from the jurisdiction of the United States, or from the limits of internment prescribed, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 8. Section 13 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 13. Whoever, within the territory or jurisdiction of the United States or of any of its possessions, knowingly begins or sets on foot or provides or prepares a means for or

furnishes the money for, or who takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or state, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than three years, or both.'

"SEC. 9. That the President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"SEC. 10. Section 15 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 15. It shall be lawful for the President to employ such part of the land or naval forces of the United States, or of the militia thereof, as he may deem necessary to compel any foreign vessel to depart from the United States or any of its possessions in all cases in which, by the law of nations or the treaties of the United States, it ought not to remain, and to detain or prevent any foreign vessel from so departing in all cases in which, by the law of nations or the treaties of the United States, it is not entitled to depart.'

"SEC. 11. The joint resolution approved March 4, 1915, 'To empower the President to better enforce and maintain the neutrality of the United States,' and any act or parts of acts in conflict with the provisions of this title are hereby repealed.

"TITLE VI.

"SEIZURE OF ARMS AND OTHER ARTICLES INTENDED FOR EXPORT.

"SECTION 1. Whenever an attempt is made to export or ship from or take out of the United States, any arms or munitions of war, or other articles, in violation of law, or whenever there shall be known or probable cause to believe that any such arms or munitions of war, or other articles, are being or are intended to be exported, or shipped from, or taken out of the United States, in violation of law, the several collectors, naval officers, surveyors, inspectors of customs, and marshals, and deputy marshals of the United States, and every other person duly authorized for the purpose by the President, may seize and detain any articles or munitions of war about to be exported or shipped from, or taken out of the United States, in violation of law, and the vessels or vehicles containing the same, and retain possession thereof until released or disposed of as hereinafter directed. If upon due inquiry as hereinafter provided, the property seized shall appear to have been about to be so unlawfully exported, shipped from, or taken out of the United States, the same shall be forfeited to the United States.

"SEC. 2. It shall be the duty of the person making any seizure under this title to apply, with due diligence, to the judge of the district court of the United States, or to the judge of the United States district court of the Canal Zone, or to the judge of a court of first instance in the Philippine Islands, having jurisdiction over the place within which the seizure is made, for a warrant to justify the further detention of the property so seized, which warrant shall be granted only on oath or affirmation showing that there is known or probable cause to believe that the property seized is being or is intended to be exported or shipped from or taken out of the United States in violation of law; and if the judge refuses to issue the warrant, or application therefor is not made by the person making the seizure within a reasonable time, not exceeding 10 days after the seizure, the property shall forthwith be restored to the owner or person from whom seized. If the judge is satisfied that the seizure was justified under the provisions of this title and issues his warrant accordingly, then the property shall be detained by the person seizing it until the President, who is hereby expressly authorized so to do, orders it to be restored to the owner or claimant, or until it is discharged in due course of law on petition of the claimant, or on trial of condemnation proceedings, as hereinafter provided.

"SEC. 3. The owner or claimant of any property seized under this title may, at any time before condemnation proceedings have been instituted, as hereinafter provided, file his petition for its restoration in the district court of the United States, or the district court of the Canal Zone, or the court of first instance in the Philippine Islands, having jurisdiction over the place in which the seizure was made, whereupon the court shall advance the cause for hearing and determination with all possible dispatch, and, after causing notice to be given to the United States attorney for the district and to the person making the seizure, shall proceed to hear and decide whether the property seized shall be restored to the petitioner or forfeited to the United States.

"SEC. 4. Whenever the person making any seizure under this title applies for and obtains a warrant for the detention of the property, and (a) upon the hearing and determination of the petition of the owner or claimant restoration is denied, or (b) the owner or claimant fails to file a petition for restoration within 30 days after the seizure, the United States attorney for the district wherein it was seized, upon direction of the Attorney General, shall institute libel proceedings in the United States district court, or the district court of the Canal Zone, or the court of first instance of the Philippine Islands, having jurisdiction over the place wherein the seizure was made, against the property for condemnation; and if, after trial and hearing of the issues involved, the property is condemned, it shall be disposed of by sale, and the proceeds thereof, less the legal costs and charges, paid into the Treasury.

"SEC. 5. The proceedings in such summary trials upon the petition of the owner or claimant of the property seized, as well as in the libel cases herein provided for, shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in such libel cases, and all such proceedings shall be at the suit of and in the name of the United States: *Provided*, That upon the payment of the costs and legal expenses of both the summary trials and the libel proceedings herein provided for, and the execution and delivery of a good and sufficient bond in an amount double the value of the property seized, conditioned that it will not be exported or used or employed contrary to the provisions of this title, the court, in its discretion, may direct that it be delivered to the owners thereof or to the claimants thereof.

"SEC. 6. Except in those cases in which the exportation of arms and munitions of war or other articles is forbidden by proclamation or otherwise by the President, as provided in section 1 of this title, nothing herein contained shall be construed to extend to, or interfere with any trade in such commodities, conducted with any foreign port or place wheresoever, or with any other trade which might have been lawfully carried on before the passage of this title, under the law of nations, or under the treaties or conventions entered into by the United States, or under the laws thereof.

"SEC. 7. Upon payment of the costs and legal expenses incurred in any such summary trial for possession or libel proceedings, the President is hereby authorized, in his discretion, to order the release and restoration to the owner or claimant, as the case may be, of any property seized or condemned under the provisions of this title.

"SEC. 8. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"TITLE VII.

"CERTAIN EXPORTS IN TIME OF WAR UNLAWFUL.

"SECTION 1. Whenever during the present war the President shall find that the public safety shall so require, and shall make proclamation thereof, it shall be unlawful to export from or ship from or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress. *Provided, however*, That no preference shall be given to the ports of one State over those of another.

"SEC. 2. Any person who shall export, ship, or take out, or deliver or attempt to deliver for export, shipment, or taking out, any article in violation of this title, or of any regulation or order made hereunder, shall be fined not more than $10,000, or, if a natural person, imprisoned for not more than two years, or both; and any article so delivered or exported, shipped, or taken out, or so attempted to be delivered or exported, shipped, or taken out, shall be seized and forfeited to the United States; and any officer, director, or agent of a corporation who participates in any such violation shall be liable to like fine or imprisonment, or both.

"SEC. 3. Whenever there is reasonable cause to believe that any vessel, domestic or foreign, is about to carry out of the United States any article or articles in violation of the provisions of this title, the collector of customs for the district in which such vessel is located is hereby authorized and empowered, subject to review by the Secretary of Commerce, to refuse clearance to any such vessel, domestic or foreign, for which clearance is required by law, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, to forbid the departure of such vessel from the port, and it shall thereupon be unlawful for such vessel to depart. Whoever, in violation of any of the provisions of this section shall take, or attempt to take, or authorize the taking of any such vessel, out

of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than two years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her forbidden cargo shall be forfeited to the United States.

"TITLE VIII.

"DISTURBANCE OF FOREIGN RELATIONS.

"SECTION 1. Whoever, in relation to any dispute or controversy between a foreign government and the United States, shall willfully and knowingly make any untrue statement, either orally or in writing, under oath before any person authorized and empowered to administer oaths, which the affiant has knowledge or reason to believe will, or may be used to influence the measures or conduct of any foreign government, or of any officer or agent of any foreign government, to the injury of the United States, or with a view or intent to influence any measure of or action by the Government of the United States, or any branch thereof, to the injury of the United States, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever within the jurisdiction of the United States shall falsely assume or pretend to be a diplomatic or consular, or other official of a foreign Government duly accredited as such to the Government of the United States with intent to defraud such foreign Government or any person, and shall take upon himself to act as such, or in such pretended character shall demand or obtain, or attempt to obtain from any person or from said foreign Government, or from any officer thereof, any money, paper, document, or other thing of value, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 3. Whoever, other than a diplomatic or consular officer or attaché, shall act in the United States as an agent of a foreign Government without prior notification to the Secretary of State shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 4. The words 'foreign Government,' as used in this act and in sections 156, 157, 161, 170, 171, 172, 173, and 220 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' shall be deemed to include any government, faction, or body of insurgents within a country with which the United States is at peace, which government, faction, or body of insurgents may or may not have been recognized by the United States as a government.

"SEC. 5. If two or more persons within the jurisdiction of the United States conspire to injure or destroy specific property situated within a foreign country and belonging to a foreign Government or to any political subdivision thereof with which the United States is at peace, or any railroad, canal, bridge, or other public utility so situated, and if one or more of such persons commits an act within the jurisdiction of the United States to effect the object of the conspiracy, each of the parties to the conspiracy shall be fined not more than $5,000, or imprisoned not more than three years, or both. Any indictment or information under this section shall describe the specific property which it was the object of the conspiracy to injure or destroy.

"TITLE IX.

"PASSPORTS.

"SECTION 1. Before a passport is issued to any person by or under authority of the United States such person shall subscribe to and submit a written application duly verified by his oath before a person authorized and empowered to administer oaths, which said application shall contain a true recital of each and every matter of fact which may be required by law or by any rules authorized by law to be stated as a prerequisite to the issuance of any such passport. Clerks of United States courts, agents of the Department of State, or other Federal officials authorized, or who may by authorized, to take passport applications and administer oaths thereon, shall collect, for all services in connection therewith, a fee of $1, and no more, in lieu of all fees prescribed by any statute of the United States, whether the application is executed singly, in duplicate, or in triplicate.

"SEC. 2. Whoever shall willfully and knowingly make any false statement in an application for passport with intent to induce or secure the issuance of a passport under the authority of the United States, either for his own use or the use of another, contrary to the laws regulating the issuance of passports or the rules prescribed pursuant to such laws, or whoever shall willfully and knowingly use or attempt to use, or furnish to another for use, any passport the issue of which was secured in any way by reason of any false statement, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 3. Whoever shall willfully and knowingly use, or attempt to use, any passport issued or designed for the use of another than himself, or whoever shall willfully and knowingly use or attempt to use any passport in violation of the conditions or restrictions therein contained, or of the rules prescribed pursuant to the laws regulating the issuance of passports, which said rules shall be printed on the passport; or whoever shall willfully and knowingly furnish, dispose of, or deliver a passport to any person, for use by another than the person for whose use it was originally issued and designed, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 4. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be falsely made, forged, counterfeited, mutilated, or altered any passport or instrument purporting to be a passport, with intent to use the same, or with intent that the same may be used by another; or whoever shall willfully and knowingly use, or attempt to use, or furnish to another for use any such false, forged, counterfeited, mutilated, or altered passport or instrument purporting to be a passport, or any passport validly issued which has become void by the occurrence of any condition therein prescribed invalidating the same, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"TITLE X.

"COUNTERFEITING GOVERNMENT SEAL.

"SECTION 1. Whoever shall fraudulently or wrongfully affix or impress the seal of any executive department, or of any bureau, commission, or office of the United States, to or upon any certificate, instrument, commission, document, or paper of any description; or whoever, with knowledge of its fraudulent character, shall with wrongful or fraudulent intent use, buy, procure, sell, or transfer to another any such certificate, instrument, commission, document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be made, forged, counterfeited, mutilated, or altered, or shall willingly assist in falsely making, forging, counterfeiting, mutilating, or altering, the seal of any executive department, or any bureau, commission, or office of the United States, or whoever shall knowingly use, affix, or impress any such fraudulently made, forged, counterfeited, mutilated, or altered seal to or upon any certificate, instrument, commission, document, or paper, of any description, or whoever with wrongful or fraudulent intent shall have possession of any such falsely made, forged, counterfeited, mutilated, or altered seal, knowing the same to have been so falsely made, forged, counterfeited, mutilated, or altered, shall be fined not more than $5,000 or imprisoned not more than 10 years or both.

"TITLE XI.

"SEARCH WARRANTS.

"SECTION 1. A search warrant authorized by this title may be issued by a judge of a United States district court, or by a judge of a State or Territorial court of record, or by a United States commissioner for the district wherein the property sought is located.

"SEC. 2. A search warrant may be issued under this title upon either of the following grounds:

"1. When the property was stolen or embezzled in violation of a law of the United States; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was stolen or embezzled, or from any person in whose possession it may be.

"2. When the property was used as the means of committing a felony; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was used in the commission of the offense, or from any person in whose possession it may be.

"3. When the property, or any paper, is possessed, controlled, or used in violation of section 22 of this title; in which case it may be taken on the warrant from the person violating said section, or from any person in whose possession it may be, or from any house or other place in which it is concealed.

"SEC. 3. A search warrant can not be issued but upon probable cause, supported by affidavit, naming or describing the person and particularly describing the property and the place to be searched.

"SEC. 4. The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witness he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

"SEC. 5. The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

"Sec. 6. If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he must issue a search warrant, signed by him with his name of office, to a civil officer of the United States duly authorized to enforce or assist in enforcing any law thereof, or to a person so duly authorized by the President of the United States, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the person or place named, for the property specified, and to bring it before the judge or commissioner.

"Sec. 7. A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

"Sec. 8. The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

"Sec. 9. He may break open any outer or inner door or window of a house, for the purpose of liberating a person who, having entered to aid him in the execution of the warrant, is detained therein, or when necessary for his own liberation.

"Sec. 10. The judge or commissioner must insert a direction in the warrant that it be served in the daytime, unless the affidavits are positive that the property is on the person or in the place to be searched, in which case he may insert a direction that it be served at any time of the day or night.

"Sec. 11. A search warrant must be executed and returned to the judge or commissioner who issued it within 10 days after its date; after the expiration of this time the warrant, unless executed, is void.

"Sec. 12. When the officer takes property under the warrant, he must give a copy of the warrant together with a receipt for the property taken (specifying it in detail) to the person from whom it was taken by him, or in whose possession it was found; or, in the absence of any person, he must leave it in the place where he found the property.

"SEC. 13. The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the following effect: 'I, R. S., the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant.'

"SEC. 14. The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose possession the property was taken and to the applicant for the warrant.

"SEC. 15. If the grounds on which the warrant was issued be controverted, the judge or commissioner must proceed to take testimony in relation thereto, and the testimony of each witness must be reduced to writing and subscribed by each witness.

"SEC. 16. If it appears that the property or paper taken is not the same as that described in the warrant or that there is no probable cause for believing the existence of the grounds on which the warrant was issued, the judge or commissioner must cause it to be restored to the person from whom it was taken; but if it appears that the property or paper taken is the same as that described in the warrant and that there is probable cause for believing the existence of the grounds on which the warrant was issued, then the judge or commissioner shall order the same retained in the custody of the person seizing it or to be otherwise disposed of according to law.

"SEC. 17. The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and if he has not power to inquire into the offense in respect to which the warrant was issued he must at once file the same, together with a copy of the record of his proceedings, with the clerk of the court having power to so inquire.

"SEC. 18. Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than $1,000 or imprisoned not more than two years.

"SEC. 19. Sections 125 and 126 of the Criminal Code of the United States shall apply to and embrace all persons making oath or affirmation or procuring the same under the provisions of this title, and such persons shall be subject to all the pains and penalties of said sections.

"SEC. 20. A person who maliciously and without probable cause procures a search warrant to be issued and executed shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 21. An officer who in executing a search warrant willfully exceeds his authority, or exercises it with unnecessary severity, shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 22. Whoever, in aid of any foreign Government, shall knowingly and willfully have possession of or control over any property or papers designed or intended for use or which is used as the means of violating any penal statute, or any of the rights or obligations of the United States under any treaty or the law of nations, shall be fined not more than $1,000 or imprisoned not more than two years, or both.

"SEC. 23. Nothing contained in this title shall be held to repeal or impair any existing provisions of law regulating search and the issue of search warrants.

"TITLE XII.

"USE OF MAILS.

"SECTION 1. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication matter, or thing, of any kind, in violation of any of the provisions of this act, or intended or calculated to induce, promote, or further any of the acts or things by any provision of this act declared unlawful, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office, duly authorized thereto, or other person upon a search warrant authorized by law, to open any letter not addressed to himself.

"Sec. 2. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter or thing, of any kind, containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States, is hereby declared to be nonmailable.

"Sec. 3. Whoever shall use or attempt to use the mails or Postal Service of the United States for the transmission of any matter declared by this title to be nonmailable, shall be fined not more than $5,000 or imprisoned not more than five years, or both. Any person violating any provision of this title may be tried and punished either in the district in which the unlawful matter or publication was mailed, or to which it was carried by mail for delivery according to the direction thereon, or in which it was caused to be delivered by mail to the person to whom it was addressed.

"TITLE XIII.

"GENERAL PROVISIONS.

"Section 1. The term 'United States' as used in this act includes the Canal Zone and all territory and waters, continental or insular, subject to the jurisdiction of the United States.

"Sec. 2. The several courts of first instance in the Philippine Islands and the district court of the Canal Zone shall have jurisdiction of offenses under this act committed within their respective districts, and concurrent jurisdiction with the district courts of the United States of offenses under this act committed upon the high seas, and of conspiracies to commit such offenses, as defined by section 37 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, and the provisions of said section, for the purpose of this act, are hereby extended to the Philippine Islands, and to the Canal Zone. In such cases the district attorneys of the Philippine Islands and of the Canal Zone shall have the powers and perform the duties provided in this act for United States attorneys.

"SEC. 3. Offenses committed and penalties, forfeitures, or liabilities incurred prior to the taking effect hereof under any law embraced in or changed, modified, or repealed by any chapter of this act may be prosecuted and punished, and suits and proceedings for causes arising or acts done or committed prior to the taking effect hereof may be commenced and prosecuted, in

the same manner and with the same effect as if this act had not been passed.

"SEC. 4. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered."

And the Senate agree to the same.

LEE S. OVERMAN,
DUNCAN U. FLETCHER,
KNUTE NELSON,
Managers on the part of the Senate.
E. Y. WEBB,
C. C. CARLIN,
A. J. VOLSTEAD,
Managers on the part of the House.

ADJOURNMENT OVER MEMORIAL DAY.

Mr. HITCHCOCK. I move that when the Senate adjourns to-day it adjourn to meet at 12 o'clock on Thursday next.

The motion was agreed to.

AGRICULTURAL PRODUCTS.

Mr. GORE. I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The VICE PRESIDENT. The Secretary will state the pending amendment.

The SECRETARY. On page 5, line 21, the committee proposes——

Mr. KENYON. I should like to inquire if there is not pending a motion to strike out the entire paragraph? That was the motion before the Senate at the time of adjournment last night, I think, it having been made by the Senator from Tennessee [Mr. MCKELLAR].

The VICE PRESIDENT. The Secretary will state the amendment proposed by the Senator from Tennessee.

The SECRETARY. Strike out the paragraph on page 5, after line 16, as follows:

For procuring, storing, and furnishing seeds, as authorized by section 5 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products, $6,500,000.

The VICE PRESIDENT. The question is on the amendment of the Senator from Tennessee.

Mr. JONES of Washington. Mr. President, as I understand, the committee amendment has not yet been voted upon. I take it the paragraph should be perfected before the motion to strike out is made.

Mr. GORE. I suggest that the committee amendment to reduce the amount be first acted on. I am sure the Senator from Tennessee will have no objection.

Mr McKELLAR. Not at all.

The VICE PRESIDENT. The amendment reported by the committee will be stated.

The SECRETARY. In line 18, after the word "section," it is proposed to strike out "five" and insert "two"; and in line 21, after the word "products," to strike out "$6,500,000" and insert "$2,500,000," so as to make the paragraph read:

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act; the prevention, control, and eradication of insects and plant diseases injurious to agriculture; and the conservation and utilization of plant products, $2,500,000.

The amendment was agreed to.

Mr. MCKELLAR. I ask the Secretary to state the amendment offered by me.

The VICE PRESIDENT. The amendment submitted by the Senator from Tennessee will be stated.

The SECRETARY. It is proposed to strike out all of the amended paragraph on page 5, embraced in lines 17 to 21, inclusive, which has just been read.

Mr. MCKELLAR. Mr. President, on yesterday I discussed to some extent this paragraph of the bill, and I need not go over the question again, further than to say this: This paragraph provides—

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act—

And section 2 of the act has this to say:

That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or feed crops, he is authorized to purchase such seeds, to store them, and to furnish them to farmers, for cash, at cost, including the expense of packing and transportation.

That ordinarily would be a very good provision, and one to which I would not have any serious objection; but, coming at this time, it seems to me it is wholly unnecessary. If the Secretary proceeds to store seeds at all under this provision of the bill, he must of necessity store last year's seeds. What is he going to do with them? Store them. For what purpose? They can not be planted now, or only a very small portion of them can be planted now. Planting has taken place in practically the entire country, and there is no demand for these additional seeds. If they are to be stored for next year, why save the seeds of last year to plant next year's crops? Have we not plenty of time to do that next year?

Mr. VARDAMAN. Mr. President, if the Senator will pardon me, this section of the bill is not designed to provide seeds for this year, the year 1917, only. This measure is supposed to be a war measure; it is designed to subserve purposes growing out of this war; and if the seeds are to be gathered and stored during the present, for use in next year's planting, the work must be done this year, and it must be done before provision can be made for it by Congress in December next.

Mr. MCKELLAR. I disagree entirely with the Senator. I do not believe that the seed of last year will be the best seed to carry over this year to be planted next year.

Mr. VARDAMAN. The Senator did not understand me to say anything of that kind, did he?

Mr. MCKELLAR. That is the necessary result of the reasoning of the Senator.

Mr. VARDAMAN. No. The seeds to be gathered are those raised this year. Wheat is being harvested now. The Senator from Tennessee is reasoning from conditions in Mississippi, Arkansas, and Tennessee. Cotton is gathered in the fall, but wheat is being harvested now. The geography of the Senator's logic is altogether bad.

Mr. MCKELLAR. Mr. President, if that is the case, I see no reason in the world why the Government should go into the wheat-seed business. There is no demand for it; the farmers are not asking for it. Why we should undertake at this early stage of the game, nearly a year before the crops are planted, to enter upon the storing of seed is more than I can understand.

Mr. VARDAMAN. Is the Senator making that statement advisedly?

Mr. MCKELLAR. It seems to me that it is wholly unnecessary to store the seed.

Mr. VARDAMAN. The Senator from New Mexico [Mr. FALL] yesterday, in discussing this matter, said that his State had made an appropriation, I think, of more than a half million dollars to be used for this purpose. The idea or purpose is that the seed shall be collected by the Government of the United States and turned over to the farmers in the Western States, or wherever the assistance may be needed, for cash. It is not a donation, but, on the contrary, it will be a profitable investment.

Mr. MCKELLAR. That is the very point that I am making. Whatever necessity there is for seed is being taken care of either by the planters themselves or by the local authorities, as should be the case. There has been no demand made upon Congress; there has been no petition sent here for seed; and we know, as representatives of the people, that whenever there is such a demand coming from one district or one State it is instantly communicated to the Representative from the district or to the Senators from the State. No Senator, I think, has received any such request from his State.

Mr. JONES of New Mexico. Mr. President——

Mr. MCKELLAR. I will yield in just one moment. Now, under these circumstances, when we are borrowing money, when the Government's agents and representatives are going over the country urging the people to lend the Government money with which to prosecute this war, when, in fact, we are begging the people to lend the Government money with which to prosecute this war, it seems to me that it is not good business to use the money that we thus beg the people for for a purpose of this kind when there is no demand for it.

I would be as quick, as I stated yesterday, to vote for any measure that will increase the production of the country as any other Senator, but when a bill like this comes in, for which there is no demand and for which there is no reason at all, it seems to me that it is idle for Congress to be appropriating this immense sum, amounting to $2,500,000 in this one instance,

to store seed when there is no demand for such action, so far as I know. If there is any Senator who has such a demand from his State, I would be glad to hear from him, because I want to be perfectly fair about this matter. I now yield to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, as stated by my colleague [Mr. FALL] yesterday, there is quite a demand in our State for seed, and this is not only true of the present time, but it will continue until the latter part of June; and so far as seed wheat is concerned, there will be a demand for seed wheat in the fall in that State. Now, I do not know about conditions in other States, but I am prone to believe that conditions are similar in at least other Western States. What I should like to ask the Senator is, Does he believe that if there is no demand for these seed the Department of Agriculture would expend any of this money in the purchase of these seed, and try to do a vain and useless thing?

Mr. McKELLAR. Yes; I think when we appropriate this large sum of money for the purchase and storing of seed the department will undertake to carry out the desire of Congress, and they will buy and they will store and they will create a great organization of men to do the buying and the storing in order to carry out the will of Congress. We know that that is true. We know that when we authorize the expenditure of money, it is constantly used in just that way. While here and there we may sell a few of these seed at cost, if we keep them as long as it seems to be necessary to keep them under this bill I should not be surprised if we would probably have to sell them at very much less than cost in order to dispose of them at all, because they will not be good seed.

Mr. FALL. Mr. President——

Mr. McKELLAR. I yield to the senior Senator from New Mexico.

Mr. FALL. Of course I understand that in Tennessee the beet-sugar industry does not occupy any great portion of the time or attention of the planters in that State. I do not know about the rice industry in that State. I presume that rice culture likewise does not occupy a great deal of attention in that State.

Mr. McKELLAR. Neither of them does; but that is neither here nor there. I am perfectly willing to be broad enough to cover those things, however, where they are needed in other States.

Mr. FALL. I will desist and ask the recognition of the Chair to make a statement later. I was leading up to a question.

Mr. McKELLAR. I shall be very glad to answer any question that I can on the part of the Senator. I did not mean to interrupt him.

Mr. FALL. I was simply leading up to a question, and possibly it is best that I should make a statement rather than to ask a question of the Senator. I wanted to call his attention to the fact that it is always necessary to import seed for certain crops. We do not produce beet seed for sugar purposes in this country. In the State of Arkansas, for instance, they do not sow the rice which they produce in that State. We go abroad for rice seed. We go abroad for sugar-beet seed. We go abroad for Bermuda onion seed. We buy them from the Bermuda Islands and other countries. In every agricultural appropriation bill appropriations are made for these purposes. The Department of Agriculture are constantly purchasing seeds, as I remarked yesterday, from Afghanistan, from Siberia, from every portion of the globe, and experimenting with them here. They have developed a large industry in that way. They developed the alfalfa industry, for example, in just exactly this way, by purchasing seeds and storing them and getting them out through the Congressmen to the farmers throughout the country, and assisting the farmers in purchasing them. The Government is a great purchasing agent. In the bill accompanying this bill in the House, what is known as the Lever bill, there is a provision that the Government shall buy and sell practically all farm products. It will place the United States in a position where it can buy, much more cheaply than any individual can buy, any necessary seed.

As my colleague [Mr. JONES of New Mexico] has just stated with reference to seed wheat, there would be a great demand for seed wheat provided you were allowed to use the lands in New Mexico for wheat culture this fall. There is now a great demand for beans, as I explained yesterday, in New Mexico. There is now a demand for feterita, milo maize, and kafir-corn seed in New Mexico; and I speak not only of New Mexico but of the other portions of the Southwest. There is a demand, and the fact that the Senator from Tennessee happens not to have heard of it does not in any respect lessen the demand.

Mr. McKELLAR. I judge, from the expressions of the two Senators from New Mexico, that there must be a demand in that State. I have asked the other Senators here if there was any demand from their several States——

Mr. KENYON. Mr. President——

Mr. McKELLAR. And I am willing to be still further enlightened. I should like to know in just what States there are demands for these seeds. I yield to the Senator from Iowa.

Mr. KENYON. I should like to ask the Senator if he has inquired of the Department of Agriculture if there is any demand?

Mr. McKELLAR. No; I have not.

Mr. KENYON. Does not the Senator think he might get more enlightenment by inquiring of the Department of Agriculture?

Mr. McKELLAR. Why, I do not know, because I think the first complaints in all those matters come from the particular representatives from the various States.

Mr. KENYON. I will say to the Senator that I have been informed this morning by the Department of Agriculture that there have been many such demands.

Mr. McKELLAR. I think almost anyone would take them if they were sent them, or some of them would even take them at cost if they could get them, because a great many people like to buy when they can buy at a bargain, whether they need the article or not. I know that that is true, and it is not only true of the ladies but among men; we frequently do the very same thing.

Mr. JONES of Washington. Mr. President——

Mr. McKELLAR. I yield to the Senator from Washington.

Mr. JONES of Washington. I desired to ask the Senator from Iowa [Mr. KENYON], who is a member of the committee, whether or not the Secretary of Agriculture, who appeared before the committee, pointed out any particular places where seeds were needed?

Mr. KENYON rose.

Mr. McKELLAR. I yield to the Senator from Iowa.

Mr. KENYON. I was simply going to say to the Senator that I have been trying to submit some remarks on this bill for a day or two, but have not been able to get an opportunity. When I get an opportunity I am going to say a few words.

Mr. JONES of Washington. Could not the Senator give me that specific information, as to what particular place the Secretary of Agriculture pointed out where they needed seeds and where he could get them and supply them under this bill?

Mr. KENYON. I can; but I would rather do it more logically later.

Mr. McKELLAR. I am perfectly willing to yield to the Senator to answer the question; but I want to say, with reference to such matters as have been touched upon by my esteemed friend from New Mexico [Mr. FALL], that we are taking care of those things now. The Department of Agriculture buys those seed. We have already appropriated for that purpose for another year. This is not a new project at all. Congress has appropriated what has been recommended for the purchase of all these new and unusual seed and a great many others that are not new or unusual. The Government is doing its full part about that, and I think it is entirely right. I vote for these appropriations for seed every year, and have done so ever since I have been in Congress, and I expect to continue to vote for them; but my point is this: Simply because we have declared war, that does not of itself make such an unusual condition that we ought to spend this vast sum for seed that no one has told us is necessary or even desirable except the two Senators from New Mexico. Now, I am willing to limit it so as to furnish New Mexico with seed if they need seed. To show that my heart is in the right place, if they need seed out in New Mexico, I am perfectly willing——

Mr. FALL. Mr. President——

Mr. McKELLAR. I am perfectly willing that the appropriation should be reduced to such an amount as will furnish with seed those who want them; but I do not think there is any reason why we should spend this enormous sum for seed that no one else seems to believe or understand are necessary up to this time.

I yield to the Senator from New Mexico.

Mr. FALL. I simply want to remove from the mind of the Senator from Tennessee, or any other Senator here, the idea that New Mexico is always pleading for something especially for New Mexico. I presume we have about as little sectional feeling or idea in New Mexico as exists in any State in the Union. There was an assault made upon this item yesterday by the Senator from Tennessee and one or two other Senators, and statements were made, just as they are being made this morning, that there was no demand for this.

The Senator from New Mexico who is now speaking happens to have been in rather close touch with some of the agents who are engaged in attempting to develop the food products of the United States—possibly in closer touch than others for the reason that the Senator from New Mexico is a farmer himself and engaged in a variety of farming industries. The Senator from New Mexico happens to know something about the beet-sugar industry of the West, for instance. He knows, and presumes the Senator from Tennessee also knows, that beet-sugar seed is not produced in the United States. Heretofore it has been purchased from Germany. The market is now cut off, of course. The Agricultural Department of this Government has been for several months engaged in doing exactly what it was constituted for the purpose of doing—attempting to secure a supply of good beet-sugar seed for planting in Colorado and Utah and the rest of the country. It is necessary, as the Senator knows, for the department to obtain it when it can obtain it in this war when our great source of supply is shut off.

To a certain extent this is true about rice. You can not cultivate rice, for instance, in the State of Arkansas with the seed grown in the State of Arkansas. It is necessary for them to be purchased abroad and brought in. Every three years, at least, it is necessary to reproduce the seed entirely. The Senator probably does not know that this is also true of wheat in our western country; that you can not plant the same character of wheat in the great plateau region of the West or Southwest for three years in succession. If you do, your hard flint wheat deteriorates to a soft wheat, which does not make the flour of commerce. Therefore you must go somewhere else, to some other section of the country, and bring your winter Turkey red or other seed wheat into places of that kind. You must shift around.

The Department of Agriculture has facilities for doing this through its millions of dollars of appropriations given out every year, through its agents in every State in the Union, through the agricultural colleges with which it cooperates in every State in the Union, through its county agents in every county in every State in the Union, under the extension work which is now being performed; and an item in this bill provides for further extension work—the next item to the very matter which is now under discussion. The Agricultural Department is able to do a great service for the people of the country. It is engaged in doing that.

I am one of those who have found various matters for criticism in the conduct of the Agricultural Department. On the whole, in my judgment, it is doing more good for the people of the United States than any other department of this Government. The Agricultural Department of the National Government of the United States has done more to attempt to eradicate the boll-weevil evil than all the States in the South combined have done; and not one word has ever been uttered by any southern man against any kind of an appropriation, any hundreds of millions of appropriations, for flood control or for assistance to the cotton crop of the South.

I mention this merely because the Senators from the South understand the needs of the South. The needs of the West, the needs of the Northwest, the needs of the Pacific coast, and possibly the needs of the Atlantic coast are entirely distinct from those of the South. We must legislate for the entire country. The objection of the Senator that this item of two and a half millions will not be of any benefit to Tennessee or the South at this particular time may be perfectly well taken. All that the Senator from New Mexico has been attempting to do is to impress upon the mind of the Senator from Tennessee that there are other sections of the country with divergent needs, different needs, and that we are willing—and we pay the taxes exactly as the people of Tennessee do—to trust the Agricultural Department with this little item of $2,500,000.

Mr. McKELLAR. I will say to the Senator that since I have already stated that I shall be glad to vote for any sum that may be needed or even desirable for the one State whose representatives have appeared on this floor and stated that their State had requested or wanted or needed seeds as provided in this item, I do not think the suggestion that I am dealing in sectionalism is well taken.

Mr. FALL. Mr. President——

Mr. McKELLAR. I am perfectly willing to go as far as any Senator on this floor for any part of our country; I do not care where it is. If we can increase the food supply of this country by these appropriations, I will go as far as any Senator on this floor to vote for it, in as large an amount as anyone, where it is necessary. But here is what I say: The Department of Agriculture came in here two or three months ago and provided for the very things of which the Senator speaks, the purchase of these seed in the manner stated, and the Congress has already appropriated such sums as were asked for by the department for these various purposes. Now, two months afterwards, and two months before the law permits them to use any of this money, some one in the department comes in and asks for $2,500,000 more. There seems to be a good deal of difference of view down there in the department as to whether it is needed or not. The Secretary seems to have one opinion about it, and some of his bureau chiefs seem to have another opinion about it, according to the reports here. I do not think I can be charged with anything except a desire to protect the Government in wanting to know what is the reason for these unusual appropriations.

They say it is because of the war. Very well; the department has looked out for that; it has come here and gotten an appropriation for the seeds, and now, after planting time for the great body of our country—whether it is after planting time in New Mexico or not I can not say, because I am not familiar with it, but at all events after planting time for the great body of the country—they come in and ask for $2,500,000 to store seeds, not to plant them but to store seeds, and sell such of them as may be wanted for cash.

I do not believe that the Government ought to go into the general seed business. I do not believe that it ought to interfere any more than is necessary. I do not believe that it ought to become the great seed emporium of the United States by selling seed in competition with its citizens. I think it is perfectly proper for the Government to go into the seed business to the extent of furnishing, through the Department of Agriculture and through Congress, unusual seed, unusual varieties, for the various parts of our country, so that the farmers of our country can get the very best kind of seed, to be tried in their climates and upon their particular soils. That is all right; but I do not think that simply because we have declared war the United States ought to go into the seed business generally. Surely if it were advisable to do it, if it were the best thing to be done, if it were the wisest thing for it to do to go into the seed business, we ought to go into it at a time when the seed were necessary, when we could do some good by it.

Some time ago I introduced a resolution doubling the amount of seed that the Department of Agriculture would send out for this past year, but the resolution came, as it seemed to me, too late, and I did not press it. That is my view of it. I think if it could have been gotten in time it would have been very wise to have duplicated the amount of seeds to be sent out this year to the whole country, but it is too late now. It is not necessary now; and I do not believe we ought to at such a time as this devote such a large sum of money for a purpose that is not needed according to the report of Senators on the floor, so far as they know, if they will except one State in the Union. My friend from Arkansas [Mr. ROBINSON] tells me it is time for me to stop, and I will.

Mr. KENYON. Mr. President, I have listened rather intently for two days to pretty nearly the same speech. The Senator from Tennessee [Mr. McKELLAR] says he has secured no information as to the necessity of this item. If he had taken the trouble to inquire of the Department of Agriculture, he could have secured enlightenment in much less than the time he has taken to tell the Senate that he did not know anything about it, which I think was an entirely unnecessary statement to make.

Mr. President, I do not know whether Congress is going to awaken to the importance of this food question or not. I believe the country is awakened to its importance. I am not going to talk any hysteria about it at all. There is no need of hysteria, but there is need of common sense as applied to the situation, and a little less oratory and rhetoric.

I am not going to take the time now to discuss the whole food situation, though I realize that the attacks to a considerable extent that are being made on this small bill are directed toward the larger bill that will be before the Senate in a short while.

Mr. President, this general food question can not be exaggerated in its importance. We have enough food in this country to supply our people. We can grow enough to supply the world. But we are presented with a new problem by reason of the war. The whole final conclusion of this war is going to depend upon this food proposition. What is Germany indulging in her submarine-campaign for? To starve England. What is England trying to do with Germany? To starve Germany. Get rid of the food that is going to our allies by sinking it in the depths of the sea and the allies are then defeated, and everybody knows it. Bread is more important than bullets.

We might as well wake up to the importance of this food question. It is important to the Army and the Navy, of course, but it is important in another way, Mr. President, and that is it enters into the tranquillity of the United States. It enters into the final success of this war. Hungry people can not be

very patriotic, and ill-fed soldiers can not defeat well-fed soldiers.

So there is a great broad question, more than the little appropriation for ticks and hog cholera and cattle abortion and all these things. Whatever the Department of Agriculture can do, and it is a great department, to conserve food in this country they are helping to domestic tranquillity and they are helping to the success of this war.

The Agricultural Committee has added to the House bill which will be reported here shortly a section against speculation, the bill which the distinguished Senator from Montana [Mr. WALSH] has introduced. That is also in the interest of domestic tranquillity. We can theorize here about the cost and prices of wheat and give reasons for them that are perfectly logical, and that the increased supply of gold has caused prices in everything to increase, but you can not sit down and reason to people in this country on small salaries and small wages any fine-spun theories. They believe that speculation has had something to do with this situation, and nearly everybody else believes that speculation has had something to do with it.

Now, we are going to make certain kinds of speculation a crime, with a penitentiary sentence to it and with no fine. We are going to fix it, if the Senate will pass the amendment to this bill which I refer to, so that those pirates in this country who are robbing the people by cornering foodstuffs which the people must have will go to the penitentiary and will not get away on any fine. That will tend to domestic tranquillity upon the part of those who have to eat and are not living by speculating in foodstuffs.

I might just say that the increase of wages in this country, while it has been perhaps large, has not kept pace with the increase in the cost of living, and the most illuminating testimony that I have heard was the testimony of Prof. King on that subject before our committee, in which he showed the matter very clearly.

How are the laboring people to live under present conditions?

The farmers are not getting all this increase. There is too much of a variation between what the farmer gets and what the consumer has to pay. We must not do anything here on this food question that will irritate the farmers of the country or will take away from them their enthusiasm which they now have as patriotic citizens to produce; but the farmer wants his share, his honest share, of what the consumer has to pay. He wants the laws of supply and demand to be in free operation. A minimum guarantee, as has been suggested, will stimulate production. It is too late for it now to do any good this year. We have idled along on this proposition for a month. When Mr. Perkins was before the Agricultural Committee just a month ago yesterday he said that unless something was done on that subject right away it would be of no use; that a month was a year on this question. That was just a month ago yesterday. The chairman of the committee agreed to that proposition. So we have lost about a month.

I am not criticizing anybody. I know how difficult it is to get things done in Congress. We have been three days on this little bill now, when we passed a $3,000,000,000 appropriation bill in two days. We have had the same thing argued over and over again on this bill, all on the theory of economy.

Mr. President, I expect I have been as strongly for economy as any man in this Chamber, and I am now. I do not think we ought to go wild on these appropriations just because it is war time. We ought to look carefully into every one of them. But it is exceedingly interesting to me to see gentlemen talking about economy in furnishing a few seed to the farmers for cash when these gentlemen have consistently opposed any proposition in this Chamber looking to the stopping of sending out seeds in the free congressional distribution, which are nothing but political seeds and cost this Nation nearly $300,000 a year. These little excursions into economy are splendid. Spasmodically hysterical.

The Senator from Tennessee objects to this appropriation for seeds. In the Sixty-fourth Congress we passed a joint resolution appropriating $540,000 for the relief of flood sufferers in the States of North Carolina, South Carolina, Georgia, Alabama, Florida, Tennessee, and Mississippi, and that act provided that—

> The Secretary of War, under such regulations as he may prescribe, is authorized to expend so much of the aforesaid sum as he may deem necessary in supplying such seeds as may be suitable to produce quick growing crops.

That was partially for Tennessee. All the Senate voted for that, I think, because they realized that the question of seeds is at the bottom of a good food supply in this country, and the question of seeds now and next year is important on the food question in this country. I do not believe there was a dissenting vote to that appropriation of the Sixty-fourth Congress.

The Secretary of Agriculture came before the Committee on Agriculture this session and stated that he had inquiries about this seed question, and he said these significant words, which I want to put in the RECORD:

> Especially should we undertake to protect and safeguard the seed supply for next year.

True, indeed.

We can not do much this year, of course; the season has gone by.

Mr. SMITH of Georgia. Has the Senator the letter fully discussing the importance of this seed question that we had before the committee on the previous occasion and also this morning?

Mr. KENYON. Does the Senator refer to the statement I read this morning?

Mr. SMITH of Georgia. Yes.

Mr. KENYON. I will state to the Senator that was not a letter. It was a dictation I made from what came to me over the telephone from the Agricultural Department. I was going to refer to it.

The Senator from Tennessee tells us there is no necessity for this appropriation. I have discussed it so far as a general proposition as to how it inheres in the whole food situation. Now, I want to get down to brass tacks as to the present situation, and I give my information as coming to me from the Department of Agriculture.

I wish to say this, Mr. President. It seems every time the Agricultural bill gets here it is a sort of a football, mostly a rhetorical kind of a football, for everybody to get after. It has been so now. You have got to depend on somebody in this Government being square and honest and patriotic besides Congress in this emergency. We are all honest and patriotic, and admit it, and know nearly everything, and admit it; but here are men in the Department of Agriculture, specialists along their line, splendid types, doing honest work and doing earnest work, and yet we peck away at anything that they seem to ask. I do not know why it is.

The purpose of this item is to meet emergencies that may arise. It is not provided in this item, and it is not proposed by the department to provide for the indiscriminate distribution of food, nor to relieve farmers of their own responsibility in saving their own seed supply. Emergencies are continually coming up in the Department of Agriculture and appeals are made to them because of these emergencies in different parts of the country. Right here now in the last two days there has been a cyclone reaching over the Middle West country. Those may be some of the people who will have to be aided by the Department of Agriculture. Right now the Department of Agriculture is trying to assist farmers in Alabama in getting their seed corn. You can not take the corn from Iowa and other States and plant it in Alabama. You have got to experiment with just the kind of corn that will be adapted to that climate. That is one of the things at this moment that is being asked of the Department of Agriculture and one of the things for which this appropriation could be used.

I referred to the fact that last year there was a widespread destruction of staple seed crop from North Carolina to Mississippi. We passed that emergency act for that purpose, and all that money was used for the benefit of those agricultural classes except $60,000, which was returned to the Treasury of the United States.

In this item here for seed the money is not lost. The seeds are being purchased by the Government and sold to the farmers for cash. The money all comes back. The Government does not lose a cent; but by reason of the fact that the Government is buying in large quantities and can buy cheaper it may help the poor farmers in certain sections of the country to get the seed cheaper, and it may not. If it does not, the money will all be here and will not be expended.

I see that my friend from South Dakota [Mr. STERLING] is not here who was so interested in the seed question on yesterday. If the Government last year had had a million and a half bushels of good spring seed wheat, the farmers of South Dakota would not be forced to use the shrunken seed, as they have this year, the productivity of which is not at all certain. The condition of that seed is due to the black rust which they had.

The Senator from Montana [Mr. WALSH] came before our committee. I have not secured a copy of just the bill which he introduced, but I think it was a bill proposing to appropriate $500,000 for the Government to loan to the farmers for seeds.

Mr. WALSH rose.

Mr. KENYON. Am I mistaken about that?

Mr. WALSH. If the Senator will pardon me, I will state that I did not introduce any bill. I had contemplated introducing it and had drafted one, but before introducing it I got information that the situation in Montana was being very nicely taken care of by the people of our State.

Mr. KENYON. That is the business men and the bankers of Montana took care of the situation?

Mr. WALSH. Yes.

Mr. KENYON. It was a seed situation, was it not—a dearth of seeds? There may be other States that could not have taken care of the situation as well as Montana.

Mr. WALSH. The chief variety of wheat grown in our State is winter wheat and in many sections of the State the crop had been winterkilled. It was represented that where the winter wheat had been killed the ground should be seeded with spring wheat, and that many of the farmers had exhausted their resources in seeding last fall and would be unable to secure the seed wheat, and the aid of the Federal Government was asked. But before the bill was introduced I had information, as stated, that the situation was being taken care of locally and satisfactorily.

Mr. KENYON. But the Senator felt when the emergency was first presented to him that it was of such a nature that the Government should furnish some aid.

Mr. JONES of New Mexico. Mr. President——

Mr. KENYON. I yield to the Senator.

Mr. JONES of New Mexico. I should like to ask the Senator from Montana a question. The condition of wheat in Montana was alleviated by the local people. Does that furnish any argument why the Government should not relieve other sections if they require relief?

Mr. WALSH. Not at all, and that is exactly the point I am making in connection with this feature of the bill as it now stands. It would be utterly useless for the people of my State for the Government to buy seed and sell it for cash. The conditions as represented were that they were unable to provide the cash, and I can very readily conceive that the same conditions might exist elsewhere. Therefore, as the bill originally came from the Department of Agriculture, there is an appropriation of money for the purchase of seeds to be sold to the farmers upon credit. I can see some basis for it; I can see some reason for it; but I have yet to hear of any condition that would seem to require that the Government should buy seed and sell it to the farmers for cash.

Mr KENYON. Mr. President, the answer to that, I think, is perfectly apparent. There is certain seed that the individual farmer is unable to secure, such as the situation arising as to the corn of which I spoke, in the North and in the South.

There is a further argument in favor of the proposition, and that is that the Government in times of stress to the farmer can buy in larger quantities and can let the farmer have the seed cheaper than he would if he bought it himself. There is the third point, that the farmer can not ship out seed from, we will say, Minneapolis to North Dakota in the small amounts that the individual farmer would require as cheaply as if the Government shipped it out in larger quantities. Then the individual farmer would have the opportunity to buy it.

While I, of course, realize that it would be much better for the farmer, solely from his standpoint, if he could buy the seed on credit—and that is the House provision—the Senate committee felt that the experience of the Government in the past would not warrant such provision.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Does the Senator from Iowa yield to the Senator from Montana?

Mr. KENYON. I do.

Mr. WALSH. I simply want to add that I should not be at all averse to making some provision if any considerable section of the country should suffer by some disaster of nature, by some fortuitous circumstance, which deprives its inhabitants temporarily of the ability of taking care of themselves. We made an appropriation, I think, to take care of sufferers from the flood in Ohio; we made an appropriation to take care of the sufferers from the floods in some of the Southern States. It is not at all improbable, as the Senator from Iowa now suggests, that it may be necessary to afford some relief to people who have suffered within the last few days from tornadoes. The circumstance to which I adverted in connection with my own State was in its nature fortuitous. It was an extraordinary thing that the fields in a great area of country in that way should be winterkilled. I thought the case fell within the class which the National Government frequently relieves—a community suffering from some disaster of nature. If any Senator should rise upon the floor and say, "The people of my section of the country by reason of some disaster of some kind or other find it necessary to appeal to the Government to furnish them with seed," I should be much disposed to help them out.

Mr. KENYON. Well, what is the objection to this proposition?

Mr. WALSH. But I have heard no one avow the existence of conditions in any section of the country which would justify us in making an appropriation either as a gift or as a loan. While I can understand that there may be seeds of a rare character or of a peculiar nature that may be procurable from the Government when they would not be procurable in the open market, nobody has told us of that condition of affairs. Thus, I must say frankly to the Senator from Iowa that I have found no justification, at least sufficient for myself, for this appropriation for the purchase of seeds to be sold for cash to the farmers.

Mr. KENYON. Well, of course, that is the line of differentiation. I should think the Senator would not object to a fund to be placed in the hands of the Secretary of Agriculture to be used if the emergency should arise. If the emergency does not arise the money will never be used. If the emergency does arise the Secretary of Agriculture can take care of it.

Mr. BRADY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. KENYON. I yield.

Mr. BRADY. Referring to the remarks of the Senator from Montana [Mr. WALSH], I desire to say that it seems to me that a great many Senators do not view this section of the bill as the members of the committee viewed it. We were not thinking at that time of an immediate emergency, but we were thinking of what would happen in another year. The matter was fully discussed in the committee, and the fact was mentioned that it was not so much a question of buying seed for the farmers as it was a question of the ability of the Government to secure the seeds and to distribute them to better advantage than any private individual could possibly do. That was one of the main reasons why the committee adopted this particular section.

It seems to me in this emergency, when we are all trying to encourage the farmer just as much as possible, when we only a short while ago appropriated a hundred million dollars, after only eight minutes' discussion, that we ought to be willing to trust our Secretary of Agriculture to use this small appropriation judiciously and properly.

Mr. KENYON. Mr. President, I want to close what I have to say.

Mr. FLETCHER. Mr. President, if I may interrupt the Senator from Iowa in that direction for just a minute I desire to bring out particularly what he has suggested and as bearing on the need of some provision like this.

The fact is, as the Senator has stated, that the farmers can not always supply themselves with the seeds which they need. There are certain products which depreciate in quality and in kind and which get to be almost worthless where they are propagated by the same seed raised from the same crops on the same farm each year. Take, for instance, as an illustration, sea-island cotton, which is a long-staple cotton. If the seed of the crop this year is used for next year and the seed of that crop is used for the following year it will gradually lapse back into a short-staple cotton and lose its distinctive character entirely as sea-island long-staple cotton. It is necessary, therefore, for the growers of that crop to get the seed each year from some other portion of the country, from some other source, in order that they may keep the character of that product up to the standard.

I have no doubt the same principle obtains as to corn possibly, and also as to wheat, oats, and some other products. You may say that the farmer ought to provide at least his own seed; but he can not always do that. For that very reason he must get the seed from somewhere else. I know in the case of sea-island cotton, I have had frequent applications from growers of that article in Florida for new seed, fresh seed, from different sources. I have referred the matter to the Department of Agriculture, and sometimes the department has been able to furnish the seed.

I mention this because, it seems to me, it has a bearing on the argument of the Senator from Iowa as calling for a fund like this, a provision whereby the Department of Agriculture can keep on hand seed that can be used in different parts of the country for the purpose of keeping up the standard of the crops.

Then, as the Senator from Idaho [Mr. BRADY] has suggested, in answer to the argument of the Senator from Tennessee [Mr. MCKELLAR], that the season is probably over and that we do not need the seed, there is another year coming, there is another crop coming, and there is another need and a new need coming just ahead of us.

Mr. KENYON. I thank the Senator from Florida for his suggestion.

Mr. PAGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Vermont?

Mr. PAGE. Will the Senator yield to me for a question?

Mr. KENYON. I yield.

Mr. PAGE. I confess, Mr. President, that in the consideration of this question it has seemed to me that the great, the overpowering, reason why we should appropriate this fund is that the Federal Government may in this time of war become a clearing house for the whole country in the distribution of seeds. Has any argument been offered in objection to that theory?

Mr. KENYON. That theory, I will say to the Senator from Vermont, has not, I think, as yet been advanced. It would be interesting for the Senator to elucidate that, and I will give up the floor in just a moment or two that he may do so.

Mr. PAGE. I do not desire the Senator to do that, but I merely asked the question. To my mind that is important. I remember that in the discussion before our committee that question was raised.

Mr. KENYON. It was; but it had escaped my mind for the moment. It is a very important consideration.

Mr. PAGE. It appealed to me as being the strong reason for this appropriation.

We know that we can not always, by sending to seed markets like Chicago and Minneapolis, get good seed; we can not always get seed which is best adapted for all localities. If this matter were taken in hand by the Department of Agriculture, and they, through their agents, found what seed was in the market for distribution, ascertained as to its availability or desirability for any particular section of the country, as a clearing house the Government would become really very important.

Mr. KENYON. I am glad the Senator has made that statement. I think I hinted at it, but did not go into it very far.

Mr. BRADY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. KENYON. I am anxious to conclude, but I will yield to the Senator.

Mr. BRADY. Relative to the remarks of the Senator from Vermont [Mr. PAGE], I desire to say that I received the same impression as that gained by the Senator from Vermont; and I think it has been fortified by the very able argument of the Senator from Iowa [Mr. KENYON]. The point that he desires to make, and that we wish to impress upon the Senate, is the fact that we want to be prepared for an emergency. The Senator from Montana [Mr. WALSH] appeared before our committee and favored a bill appropriating $5,000,000, I believe, to purchase seeds for farmers in parts of the country where the crops had been frozen out by the severe winter. What we want—and the matter, I think, has been presented in a very able way by the Senator from Iowa—is to have this $2,500,000 available for use by the Secretary of Agriculture, so that in case next winter the crop should freeze in Montana or in Idaho, or something detrimental should happen to it in New Mexico, the Secretary of Agriculture will have this fund available without having to wait on Congress for an appropriation. It will enable him probably to purchase the seeds, and all he will have to do will be to distribute them.

Mr. WALSH. Let me remark that I do not think that it would do us any good if we had to pay cash for the seed. We could go out on the market and buy it.

Mr. KENYON. The Senator from Montana and some of the rest of us can not agree on that proposition. I am glad to have my remarks interpreted by the Senator from Idaho [Mr. BRADY]. Possibly they may be more clearly understood.

It ought to be understood that this item is not intended merely for the indiscriminate distribution of seed. It is more in the nature of an insurance against conditions that may arise when the crops of this country may be seriously affected. In Great Britain they have formulated some plan in their department of agriculture and fisheries to finance schemes for the distribution of seed potatoes, realizing that that is a most important matter.

Mr. President, I did not rise to make an extended speech on the food question. I had intended at sometime to discuss the general food question; but I am going to wait until the larger bill gets over here; and I think there will be plenty of time then to discuss it. I should, however, like to plead for some speed, if possible, within the bounds of reason upon this bill. This survey could be made by the Secretary of Agriculture within 30 days. We ought to know just what the food supply of this Nation is. That is of prime importance to the Nation now. That item and the seed item are practically the only things in this bill outside of the appropriations. This $2,500,000 appropriation is merely to provide a fund, which will never be spent except in an emergency, and then, if it is spent, it will be returned to the Government. What better work can we do than that along the line of food conservation?

Mr. BRADY. Mr. President, I have just received a telegram from Harrison, Idaho, which is very pleasing to me, and I am going to ask the privilege of presenting it to the Senate and reading it into the RECORD. It is as follows:

HARRISON, IDAHO, *May 28, 1917.*

Senator JAMES H. BRADY,
Washington, D. C.:

Harrison, with 1,000 population, has sent 40 men to the front, and we are growing all foodstuff possible. At a mass meeting last night we unanimously voted to petition you to use all your influence and authority to abolish liquor during the war.

D. SHANAHAN,
JOHN PUGH WAYNE,
Committee.

In this connection, Mr. President, I am going to read a short article from Collier's of May 7, 1917. It is headed "A challenge from Idaho," and reads as follows:

Collier's printed an editorial headed "Getting your town ready." R. B. Corcoran, of Chloride, Ariz., comes back with a letter which includes this:

"I should like to call your attention to the town of Harrison, Idaho. By the census of 1910 Harrison had a population of 980. Since the severance of diplomatic relations with Germany she has sent 10 boys to the Navy and, to quote the local paper, The Searchlight, 'several more will follow when school is out.' What other town of equal size can show so good a record?"

It is a record to be proud of. There is inspiration in the thought that the boys of far-inland towns in Idaho, in Montana, in Kansas, will, under the flag of Perry, Decatur, Farragut, and Dewey, help to carry on the world's work in sweeping from the ocean and from history the pirates of the twentieth century, as a century ago their ancestors freed the Mediterranean Sea of the Barbary corsairs. They have enlisted in the Navy in a glorious hour, these boys of Harrison.

I feel very proud of this article from Collier's. I wish to say in passing that it may be of interest to note that Idaho was the first State officially to purchase liberty bonds, $100,000 worth being taken on the very day the subscriptions were opened.

I also wish to call attention to the fact that so many young men from the State University of Idaho at Moscow, Idaho, left the institution to enter the western training camp for officers or to enlist in the Regular forces of the Army and Navy or to return to the farm to assist in the production of crops that it almost necessitated the closing down of the college for the year. It may be well to recall that it is a matter of official record that the University of Idaho sent more men as volunteers to the Army in the war with Spain in proportion to its enrollment than any other university or college of a like character in the United States. Many of its students gave their lives to their country in that war, and on the university campus now stands monuments to their memory. Inspired by the example of the student body in 1898, the indications are that the university will furnish even a greater proportionate number of volunteers in the war against Germany.

Referring again to Harrison, Idaho, I wish to say that Harrison has furnished 2½ per cent of its population already for the Army and Navy. If the entire country should give this same proportion, 2,500,000 men would be available, which would fill the requirements of the Regular Army, the Navy, and the National Guard to more than overflowing.

Mr. President, I am proud to receive the telegram I have read from the splendid little city of Harrison, Idaho; and I am glad to be able to say on the floor of the Senate that I shall use every endeavor to assist them in the good work they are doing in the effort to abolish the liquor traffic during the war.

Mr. TRAMMELL. Mr. President, I regard the provision of the bill now being discussed, which provides for the gathering together, storing, and distributing of seeds where needed to our farmers at cost, as one of the most meritorious features of the entire bill. More or less has been said in regard to its being an emergency measure, or being adopted under the pretext of emergency. I believe that it is a desirable measure even in times of peace—a measure providing for seed, and an additional avenue whereby the farmers of this country, if it becomes necessary, may be able to equip themselves for carrying on their farming operations.

One of the great cries throughout the Nation to-day is for the increase of farm production. If we are to increase and enlarge the yield of our farms, necessarily there will be a greater amount of seed required throughout the country. I am firmly convinced that the provision is a very wise one, and that the amendment offered by the Senator from Tennessee [Mr. MCKELLAR] should not prevail. The measure does not carry with it the idea of a gift to the farmer, but merely that of providing an additional method or avenue through which he may, in case of necessity, acquire his seed. I hope that the amendment will not prevail, and that the appropriation for assisting the farmers of our country in providing seed will be allowed to stand.

Mr. HOLLIS. Mr. President, I very much hope that the Senate will accept the judgment of the Committee on Agriculture on this seed proposition. I wish myself to thank the Senator from Iowa [Mr. KENYON] for stating the purpose of this provision so clearly, so that we may see what the issue is. As I now understand it, it is merely whether the Senate is willing to trust a fund of a substantial amount in the hands of the Secretary of Agriculture so that he may, if the need arises, have in his hands funds by which he can buy seeds and furnish them for cash to the farmers.

I do not know that the emergency is upon us. I do not know that it may be met this season. I do not know that it will arise next year; but, speaking as a Democrat, I am glad to say that I have sufficient confidence in the Secretary of Agriculture to allow him to have this fund. I feel humiliated that the chief defense of the Secretary of Agriculture on this floor should come from the other side of the Chamber, and I wish to add my thanks to the Senator from Idaho [Mr. BRADY] and to the Senator from Vermont [Mr. PAGE] for coming to the rescue of the Democratic administration in this emergency.

There seems to be a field to-day for great objectors to advertise themselves at the expense of the American people. Our Government has undertaken the biggest job it ever has undertaken or probably ever will undertake, and that is to help this war through to a successful conclusion; and it is a very poor way, indeed, to help the Government to stand up here and attack the administration or different members of the administration.

I thank the Republican Members once more for their help; and I hope some of the Democrats will follow the example of one of our new Members, the Senator from Florida [Mr. TRAMMELL], who has just spoken, and back up the administration instead of opposing it.

Mr. SMITH of Georgia. Mr. President, I wish to say just a few words about this entire bill. It is constructed upon the theory that a great responsibility falls upon this country, in connection with the war, to furnish foodstuffs to England, France, and Italy, as well as to retain a supply for ourselves. Each item in the bill is intended to promote that single object—first, a study of the food supply and the acquirement of information by the Secretary of Agriculture; second, certain increased funds to stimulate production and to give cooperation to the farmer along lines of demonstration, that the soil may be, if possible, made to produce even more than usual this year and, perchance, next year.

This seed provision has been inserted at the direct request of the department. It is due to the conviction of the department that it is needed. The department, studying the whole field, from the Pacific to the Atlantic, from the Lakes to the Gulf, this year and next year, will be in a position to see where food production can be increased and stimulated by putting in the hands of the farmers at some places better seeds than they have, and by assuring the fact that at each point the necessary seeds can be obtained. It is a stimulation of production. We have limited it by the provision that the seeds are to be disposed of through the department for cash. It is merely placing in the hands of the Department of Agriculture temporarily a fund of $2,500,000 to provide a supply of seeds and provide means of transportation. The seeds, when disposed of, are to be paid for in cash. It is a utilization of an existing agency, with no cost to the Government.

With the exception of one provision, I have referred to the entire scope of the bill. That other provision was not reported from the committee but has been offered from the floor by the Senator from Montana [Mr. WALSH]. I consider it of great importance. It is the amendment offered by the Senator from Montana, reported also by the Judiciary Committee, I believe, this morning, which undertakes, after the product leaves the farm, between that time and the time when the product reaches the consumer, to put a stop to improper conduct by hoarding and by extortion. It is to stop the improper manipulation of food products between the time it leaves the farmer and reaches the consumer. It is the careful work largely of the Senator from Montana, who was upon the subcommittee of the Judiciary Committee which considered the bill, and I think with that added to this bill, as a whole, it will be a measure of great value.

We will see that the farmer gets these seeds. We will see that the farmer has the cooperation of the trade experts to stimulate production. We will study the problem of distribution, and all along the line we will increase and intensify the action of the Department of Agriculture, because we feel that an unusual responsibility rests upon our country now in the matter of food supplies. I believe the amendment offered by the Senator from Montana will go far toward checking any food manipulation or food speculation that will change the price unduly from the time the farmer sells it to the time the consumer acquires it.

I am for the bill as a whole with the Walsh amendment, believing that that amendment is a most important part of the measure. We had one of similar character before the Committee on Agriculture and Forestry, but I and others urged that we wait for the work of the Judiciary Committee, which the Agricultural Committee was advised had a subcommittee working on the subject. We omitted including any provision on the subject in the bill before the Committee on Agriculture only because the majority of us preferred to wait for the action of the Judiciary Committee and cooperate to ingraft the provision that the Judiciary Committee submitted as a part of this bill.

Mr. WALSH. Mr. President, my attention has been called to an article appearing in the New York Sun of recent date entitled:

Seek to admit Chinese labor. Movement to let in coolies starts on Pacific coast. Needed for duration of war.

In the course of the article the following occurs:

Senator WALSH, of Montana, who is said to favor the idea as a means of making up the scarcity in labor on the big ranches of the Northwest, is understood to have gone so far as to prepare a bill covering the proposal for a limited importation of Chinese coolies.

I desire to say, Mr. President, that I do not favor the idea, that I never did favor the idea, that I have prepared no bill on the subject, that I never thought of preparing a bill on the subject, nor did I ever give any intimation to anyone that I thought of preparing a bill on the subject.

Mr. PAGE. Mr. President, aside from that the article is correct, is it? [Laughter.]

Mr. WALSH. Apparently the only foundation for the newspaper report is the following from a few remarks that I made on the floor of the Senate on May 2, namely:

Mr. President, I am satisfied the people of the country—at least if I may speak from conditions which prevail in my own State—are exerting every effort to get under cultivation the largest possible acreage of ground; but a great problem confronts us, and that is the problem of providing labor for the proper cultivation and harvesting of these great crops. A citizen of my State called upon me to-day and seriously proposed that we suspend the operation of our immigration laws, so as to permit the introduction into the country of 250,000 Chinese to work upon the farms and in related industries in this country.

I naturally assumed that the language I used would carry the impression that the suggestion found no favor in my mind.

Mr. President, I inquire whether the pending motion is the motion of the Senator from Tennessee to strike out?

The PRESIDING OFFICER (Mr. STERLING in the chair). The Chair will state to the Senator from Montana that that is correct.

Mr. WALSH. I inquire, then, whether the committee amendments have been disposed of?

The PRESIDING OFFICER. The committee amendments have not been disposed of.

Mr. SMITH of Georgia. That motion came in in connection with a committee amendment which reduced the amount in the bill; and as a substitute for the reduction of the amount by the committee the Senator from Tennessee moved to strike out the entire item.

Mr. WALSH. The committee amendment, as I understand, was agreed to.

Mr. KENYON. Yes.

Mr. WALSH. So that in the regular order we will pass to the next committee amendment.

Mr. SMITH of Georgia. I think the Senator is right, and the motion is out of order.

Mr. KENYON. Has the Senator any objection to voting on it at this time, since it has been discussed?

Mr. WALSH. None whatever, except that if that amendment is adopted, then section 2, of course, should come out of the bill.

Mr. KENYON. Yes.

Mr. WALSH. Because there would be no appropriation with which to carry out the provisions of section 2; and the test, it seems to me, should come upon a motion to strike out section 2 rather than this provision. I inquire of the Senator from Tennessee whether that would not be the case.

Mr. McKELLAR. No; I think not, because the appropriation could be made at any time that the Congress might see fit hereafter for that purpose. I do not think it is appropriate that this appropriation should be made right now.

Mr. WALSH. I defer to the committee if they desire to have a vote now.

Mr. KENYON. What is the harm, now that the matter has been discussed as to the appropriation, of voting on it? If the appropriation goes out, the other goes out.

Mr. McKELLAR. Yes; I think so.

Mr. PHELAN. Mr. President, may I ask the Senator from Montana what was the date of the publication in the New York Evening Sun which he has read to the Senate?

Mr. WALSH. May 22.

Mr. PHELAN. I have been in receipt of numerous telegrams from labor organizations of California, some of which I have had printed in the RECORD, since May 22, and I suppose the rumor originated in the Eastern States that it was the intention of Congress to consider the relaxation of the restrictions of the Chinese-exclusion law. I have been unable to find any serious attempt on the part of anybody to relax those laws, and I am sure that the people of the West will be satisfied with the statement made by the Senator from Montana that it certainly was not he who originated the idea of meeting the emergency of the shortage of labor by letting down the bars. The Department of Labor has a well-considered plan in contemplation of enlisting—I would not say conscripting—the younger generation ineligible for war service on account of age, in the work of supplying the necessary labor in the fields and in the orchards.

Mr. FALL. Mr. President, in connection with the statement made by the Senator from Montana and that just made by the Senator from California, I think if the Senator from California would investigate the action of the Labor Department recently he might find that the action of the department in reference to the suspension of the literacy clause in the immigration bill and the contract-labor clause, under a certain provision contained in the immigration bill, might have given rise to the suggestion or to the thought that if the Secretary, under the particular clause to which I have referred, would have a right to suspend the literacy clause and to suspend the contract-labor clause, he would have an equal right—and I do not think there is any question of it—to suspend the Chinese-exclusion act. Possibly that may have given rise to some of the rumors that have been heard. As a matter of fact, the order has been made, and the literacy clause and the contract-labor clause are actually, at the present moment, suspended on the southern border of the United States.

Mr. PHELAN. Mr. President, I am aware of the fact that the Secretary of Labor has—under what power, I do not know—suspended the literacy test and the contract-labor prohibition in the immigration law, for the very worthy purpose of supplying needed labor in the southern border. I have reference more particularly to the California-Mexican border, where the Mexicans have been accustomed, in normal times, without objection from any source, to come across the border and work in the vineyards and the orange groves. So the wise action of the Secretary in this great emergency has passed without challenge, as far as I am aware, by the men and women more particularly interested in the welfare of labor, through their organizations. I am glad to be able to inform the Senator from New Mexico, however, that the department has informed me that with respect to oriental labor it is opposed to relaxing the laws, and whatever they may have done in the case of our neighbors in Mexico they have no intention whatever of doing with respect to orientals.

Mr. BRADY. Mr. President, relative to the condition on the southern border, I fear that even that condition is fraught with danger, but I am in hopes that the matter may be controlled by the department in a manner so that there will be no particular injury. However, I do not want the impression to go abroad, so far as I am concerned, that the West is in favor in any way of suspending the immigration laws in order to relieve the present situation. I do not believe that that time has yet arrived. I know the West is not in favor of any such action. I fully agree with what the Senator from California has said along those lines.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED.

H. R. 4188. An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, was read twice by its title and referred to the Committee on Agriculture and Forestry.

AGRICULTURAL PRODUCTS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2344) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. GORE. From the Committee on Agriculture and Forestry I report back favorably with amendments the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. SHERMAN. Mr. President, it is passing strange to me that nothing can get through the Senate in its own name any more. I call the attention of the sponsors of this bill who are members of the Committee on Agriculture and Forestry to the course of the argument here in behalf of an appropriation for the purchase and distribution of seed to farmers or truck gardeners in various parts of the United States. This amendment has been argued all day and most of yesterday. That is not the appropriation in this item. The item particularly under consideration now is an insect pay roll wearing the livery of a Government seed store. Fraud always lurks in generalities. That is a universal maxim that the chancellor applies in trying to arrive at justice where he is not hampered by strict statutes or rules merely artificial in character.

Of the $2,500,000 the front foot is for the purchase and distribution of seed and the body and the hinder part of its legislative anatomy is for the control and eradication of insects. But stop right there. It is so general in character that it will include anything in the entire entomological world. It might be the pursuit and collection of tent caterpillars in connection with the food supply, because they destroy large quantities of fruit. It could just as well be connected with the white butterflies that are pests in cabbage fields, or any of the pests and annoyances of the well-known crops of the cotton belt for which very liberal appropriation, and properly so, are already made. With those I had no objection at the time they were pending in the Senate. I do not remember now a single dissenting voice against those necessary appropriations. This is for the control and eradication of insects. I will not be hypercritical and say anything about the language of this paragraph, but there is no kind of legislation that will control insects. If there is, I should like to have some of the experts in the Department of Agriculture or on the Agricultural Committee communicate that information to the Senate before we adjourn or conclude the consideration of this bill. You may kill an insect but you can not regulate it. Still, if we were to take this paragraph it would be for the control and eradication of insects.

It goes on further, "and plant diseases," but it is evident that that purpose was contained in the paragraph referred to and in this portion of it. It is to control and eradicate insects and plant diseases. For the control of plant diseases it would be very well to take some steps.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Illinois yield to the Senator from Iowa?

Mr. SHERMAN. I yield.

Mr. KENYON. I wish to say to the Senator, so that he may be clear about this matter—and I do not wonder he does not understand it, because we neglected to explain it—the bill passed by the House yesterday separates the item for seed and the item for the control and eradication of insects and plant diseases, making the appropriation for insect and plant diseases $441,000. The Agricultural Committee this morning has stricken that out of the bill. Now, we are working in this situation here. The House bill has been recalled to correct an error. It will be back here in a short time; but the provision as to the eradication of insect and plant diseases should go out of this item that we are now discussing.

Mr. SHERMAN. Then it will be purely for the distribution of seeds?

Mr. KENYON. Purely the seed proposition.

Mr. SHERMAN. How are you going to get the seeds? I will confine myself entirely to the proposition that eventually will be before the Senate for a vote. Where will the Government buy them? From somebody who now owns the desired kind of seeds. The Government does not own anything. The Government does not produce anything. The Government has no facilities for producing. It has neither workmen nor fields nor seed nor power nor soil, pay rolls, or anything else, to produce the desired article that it is to furnish here to the producer. The only way, therefore, that the Government can obtain the necessary seeds is to go out and buy them from those who already have them in private life. At what price will they be bought from the holder of these various kind of grain? At a price to be fixed by the Government. Who will fix it? The National Defense Council, the Secretary of Agriculture, the President through some delegated power that he may exercise, or how? It will have to be fixed in some way.

That brings up the same question that was referred to by the Senator from New Hampshire [Mr. HOLLIS] a day or two ago.

It was answered in this way, that the Government will fix a price for the surplus that the farmer has in his possession, and I assume that he would be compelled to sell it for that price. I refer particularly to this language when this same bill was being considered on the 26th day of May, last Saturday, in which the Senator said:

> For the prosecution of this war the Government ought to take over the production of all the essential necessities of life, such as coal, steel, lumber, and food. They should take from the farmer friend of the Senator from Illinois [Mr. SHERMAN] the 5,000 bushels of grain which he has raised himself at a price to be fixed by the Government; and then the commodities should be distributed at cost.

Mr. BRADY. From what Senator is the Senator quoting?

Mr. SHERMAN. I am quoting from the junior Senator from New Hampshire [Mr. HOLLIS] on Saturday in commenting on this bill.

The price to be fixed by the Government necessarily implies that some department or some Government official will decide that price. It will be the Secretary of Agriculture or he will delegate the power to some bureau or commission. In addition to that the President himself might be vested with the power or might undertake the purchase under the provisions of the bill by delegating it either to the Department of Agriculture or some other department. At any rate after a while it must get into the hands of some Government official. It can not be exercised practically in any other way. That is the material part of it with which I am concerned. Orders can be delivered to a Senator or a Member of the House of Representatives or any employee of the Government, to a railroad man, to a member of any labor union, to a State officer or municipal officer. They all can be reached by some kind of influence. They can be in some way compelled to or argued with so that they will yield some of their views. They will go on in the discharge of their duties in whatever official or private capacity they may be acting.

There is one thing that you can not do. You can not say to a farmer that he must produce grain or sell it at a fixed price to the Government and produce at the same time a full crop of food products in this country. I should like to see the Government try that, as all-powerful as the Government is supposed to be, either in peace or war. There were about 13,000,000 working on farms and about 6,500,000 farmers in the United States, in 1910, say. That would include the cotton raiser, the sugar plantation man, all the cereals, dairy, live stock, and every form of market and truck gardening in the United States, either owners, tenants, or help. They are all engaged together with the live-stock men in the production of some kind of food.

I do not want Congress to make a mistake, and especially the Senate to ask the farmer to produce a large crop, and then say in addition to that he must sell it at a price to be fixed by the Department of Agriculture or some other Government bureau.

Mr. PAGE. May I interrupt the Senator?

Mr. SHERMAN. Certainly.

Mr. PAGE. I wish the Senator to give the Committee on Agriculture all that is its due, because that committee is certainly guilty of enough without being charged with shortcomings of which it is not guilty.

The bill as it came from the House, House bill 4188, provided that—

> The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds, except the producer thereof, to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable.

I wish to say to the Senator from Illinois that that part of the bill was stricken out by the Senate Committee on Agriculture, and, so far as I know, there is now no authority in the bill before us to take by requisition any of the seeds to which the Senator has been referring.

Mr. SHERMAN. That is what I understand; but how are you going to get it?

Mr. PAGE. By purchase. The Government may purchase, for instance, its potatoes in Maine or it may purchase them in Vermont. I understand that there is to-day a combination in the Aroostook region of Maine which has forced the price of potatoes so high the farmers feel that it would be unsafe to buy them to plant at this time. But there are potatoes in other sections, and the Secretary of Agriculture or his agent, through his clearing-house system, ascertains where potatoes are cheapest, where they are of the best quality, and he can furnish them under this bill to those farmers who do not know to-day where to purchase them at reasonable figures. But there is no power to requisition, as I understand it, in the bill that is now before the Senate.

Mr. SHERMAN. That is what I understand in like manner. I have made the inquiry how the Government will find the potatoes or whatever other products are needed.

Mr. PAGE. By the appropriation granted by the bill and the clearing-house machinery organized under the appropriation.

Mr. SHERMAN. Where will they buy them?

Mr. PAGE. Wherever they can buy the best seed at the lowest price.

Mr. SHERMAN. Anybody can do that. The Government has no particular facilities for that purchase over anybody else.

Mr. PAGE. No; but others who buy may speculate upon the farmer's necessities in times like these with little regard for the needs of the farmer. It is supposed that the Secretary of Agriculture will be careful of those needs, and be particular to see that the farmer gets the best possible seed at the lowest possible price.

Mr. SHERMAN. Then the Government may just as well buy clothing. The farmer will need clothing this summer of a seasonable character and next winter. We may just as well control the wool supply. If the Government is going to undertake the paternal act on potatoes and seeds, then it had just as well burn its bridges behind it and go the limit on every human necessity. It can not be justified on that ground. I have never yet found the Government either as prompt, economical, or efficient as private enterprise.

This Government does not have anything but what it gets from the taxpayer to buy from the man who owns it. It must pay the market price or confiscate it in whole or in part. It is only by the exercise of the power of taxation that the Government has anything, and if it starts on seeds it might just as well finish up with shoes.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New Mexico?

Mr. SHERMAN. I do.

Mr. FALL. Is not the real objection to this item that it would be putting the Government in competition with the present seed houses and salesmen of the United States?

Mr. SHERMAN. No, sir; it is not. The Senator misconceives entirely the drift of my argument.

Mr. FALL. Then I misunderstood the Senator.

Mr. SHERMAN. It is not that it puts the Government in competition with the houses which are handling these seeds, because the houses may have a very limited supply this time of year. The real source of supply is not in the hands of the commission men. There may be some isolated cases, as in New England territory, but the source of supply is not in the hands of commission men in the great grain and food purchasing areas of the country. New England is not self-sustaining in food products. We must depend on some other more agricultural part of the United States. I do not know whether the arid and semiarid regions of the West and Southwest are entirely food sustaining in their production or not. It is more difficult to gain accurate information than it is from the great areas where the food products are found in the hands of the original producers.

Mr. FALL. I think if the Senator wants information he can get it. Heretofore my State of New Mexico has not been self-supporting in the matter of food products. As a matter of fact, only about 40 per cent of the food products used in the State are produced there. It is now trying to produce more. It is not asking financial assistance or help, but simply such assistance as can legitimately be rendered, so that it may become actually self-supporting. Of course, the Senator understands that it is more than self-supporting, because it furnishes copper and iron and coal which are used by the other States of the Union.

Mr. SHERMAN. Potatoes, wheat, corn, seed generally for seed purposes must be bought by the Government from somebody who has it. I shall not argue here against confiscating in the hands of the commission man or a seed house. That would be exceedingly popular in many places. It is possible the Senate would pass such a measure if that naked paragraph alone should be submitted to it. As to its validity or justice I do not care to say anything. But to say nothing of the precedent established, that would be only a portion of the supply needed for New England, the Western, and the Southwestern States. There will be a necessity for raising some products following on the general crop that will fail or partly fail by harvest time. We realize that, all of us. Anything that will promote filling that deficiency ought to be enacted. I have no criticism for anything of that kind, but the very remedy sought to be had by such a measure as this will defeat the end in view. Just as soon as it is known that the Government is taking from all the seed houses, from those who have any warehouses, anything fit for seeds, every original producer will keep what he has. You can not talk to me about what you are going to do with the farmer who raises it. Of all the sorghum, the millet, the corn, the wheat, the rye, the barley, and the whole list of cereals

that produce either forage for animals or food for man, the larger part will be found at last when you go to the country that produces it.

If you wish to establish a precedent here by legislation of going into the hands of the original producer and taking it away from him, I wish to say, with all deference to Senators from the arid and semiarid regions of the Southwest and from the largely nonagricultural region of New England, when you have done that I know the western farmer well enough to know that he will take his hand off the plow handle, and he will say, "You can conscript my son; that is the power of war; but you can not come into my field and tell me how to work and take my corn, potatoes, and wheat away from me." Try it if you want to, and see where you will get to.

Mr. FALL and Mr. PAGE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield, and if so, to whom?

Mr. SHERMAN. I yield first to the Senator from New Mexico. He rose first.

Mr. FALL. At the close of the Senator's remarks I am going to ask to insert in the RECORD the speech of the Senator from Utah [Mr. SMOOT] made on May 2 with reference to this matter, and which I think largely resulted in this proposed legislation. But I wish now to call the attention of the Senator to the fact that if the condition as set forth in that speech as to the present monopolies of the seed sales in the United States is not in some way broken, where the farmers and the gardeners can not get more than 8 peas to plant for 5 cents and 15 radish seeds to plant for 5 cents—if something is not done, as was said at that time, as is now attempted to be done, to break that monopoly, the farmers will take their hands off the plow handle in New Mexico and the arid West will do something to those who are monopolizing the seed products of the United States.

Mr. SHERMAN. I yield now to the Senator from Vermont.

Mr. PAGE. I simply wish to say to the Senator from Illinois that I would like to see some measure that may permit the Secretary of Agriculture or some agent to make requisition for seed, potatoes, and so forth; but I want to tell the Senator that so far as the bill that is before us now is concerned, and has been before the committee, the committee has not favored that kind of legislation, and that part of the bill, H. R. 4188, which provides for such requisition has been stricken out by the Committee on Agriculture and Forestry. I do not think it is quite proper for the Senator to accuse them of having reported a bill here when they have eliminated the very feature to which the Senator is particularly opposed.

Mr. SHERMAN. The Senator would be correct if he followed the argument I have made to its conclusion. I am not criticizing in this connection the committee's proposal to buy grain or seed. That, I understand, will be left until some future time, when it shall be amended, in the hands of the dealers, commission men, feed houses, or persons who have accumulated and stored, after the seeds have left the hands of the original producers. What I have undertaken to say, and I probably will find it necessary to repeat it, is that after you have taken all that seed you will have fallen far short of giving relief to the parts of the country needing and supposed to need it, under the explanations that are made here.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. I yield.

Mr. REED. I am interested in the statement made by the Senator from New Mexico [Mr. FALL] a moment ago in his colloquy with the Senator from Illinois, in which the Senator from New Mexico referred to the seed monopolists of the United States. I wish to ask the Senator from Illinois—for I will say by way of parenthesis I observe the Senator from New Mexico has just been called from the Chamber—whether he knows of any large quantity of seed that has been gathered together by any companies or individuals so that they can be said to have monopolized it. Does the Senator from Illinois know such to be the fact?

Mr. SHERMAN. I do not. If there were such a one, I believe that under existing law the Attorney General of the United States or the attorney general of the State in which it existed, if it did not go beyond the limit of the State, would have a complete remedy.

Mr. REED. Under the Sherman Act?

Mr. SHERMAN. Yes, sir.

Mr. REED. If the Senator will pardon me, a good many statements have been made here that I should like to see run down, or see their truth or their falsity shown. If it is true that men have gathered large quantities of seed so that they in fact are able to a considerable extent to control the market or monopolize the market, I want to know that fact. I think the country ought to know it. I think the Department of Justice ought to know it. I think that very radical measures would be justifiable. But if such things do not exist, if there is nothing going on in the country except the usual performance of the seedsman who gets a little envelope and puts a lot of pretty pictures on the outside and very few seeds on the inside and sells them to the housewife who plants a little patch 6 or 8 feet square in the back lots of a town—if it is just that old system of petty larceny that has been going on by a certain class of seedsmen for years, it is quite a different thing. I should like to get at the fact. The Senator from Illinois tells me that he can not give me any information about it. I should like to ask any other Senator here, if I may be permitted.

Mr. SHERMAN. I shall be glad to yield to any Senator who can furnish the desired information.

Mr. REED. I should like to be informed if any Senator here knows anyone who possesses a seed monopoly. If there is no such thing as a seed monopoly, we ought to quit talking about it; if there is a seed monopoly, it ought to be exposed. I thank the Senator for allowing me to interrupt him.

Mr. SHERMAN. Mr. President, the inquiry by the junior Senator from Missouri is in point and on a very material subject. I know of no seed monopoly. I know of a number of seed houses in the West and in the Northwest, especially one large one in Chicago, the Albert Dickinson Co., that has been in business for more than 40 years. I know some farther east, some of whom have been in business for 70 years. I know a certain place in an eastern State where many of the farmers in central and southern Illinois send for buckwheat seed. They had rather have that seed than what they raise on their own soil. Its price will be higher this year. That is not because anybody has cornered buckwheat, nor has the appetite increased for buckwheat cakes for future delivery. It is only in keeping with the general trend of events as to everything else. You had just as well go out and indict the men who have buckwheat or insist here in the Senate Chamber that there is a buckwheat monopoly.

If there is a seed monopoly, and it has violated any interstate-commerce law, and it can be reached by the Attorney General, I do not think there will be a voice raised in this Chamber against prosecuting them and imposing upon them the full penalty of the law. I believe I shall be within the limits to say that there is no seed monopoly. There are seed houses holding their products for about the same advance found in other kinds of merchandise, and that is about as far as you can trace it. Some of the largest houses do not proportionately advance prices. They encourage production.

It is true you can get eight peas for 5 cents in New Mexico, but I paid 25 cents for a drink of water in New Mexico one time, and that is the price of two martinis in the effete cities where such refreshments are abundant and accessible. You had just as well infer from that incident that the price of water ought to be regulated, and that the Government ought to go into the water-system business in New Mexico. There is not anything, when it is scarce, the price of which does not go up. New England does not raise enough foodstuffs to be self-supporting. It has been that way for a good many years—ever since men began to leave the New England farms and drift into the cities and since our industrial system has developed. That is not because you can not do it, but it is because you have nobody to produce the articles or to work the farms. That is the difficulty and it will continue for a long time. It will not be reached by any such fancied remedies as appropriating a few million dollars to buy seed. It is further back than that.

There is a lady up in my part of the town—not a member of my family, but who visits us occasionally—who is not complaining about the high prices of seed, but in her particular line of society there is wailing and gnashing of teeth because dog biscuits have gone up 20 cents a box. They are not a luxury; they are a necessity in canine society.

What the Senator from Missouri said about the petit larceny practice, with an alluring envelope, with a many-colored engraving on it of a very pleasant looking market gardener, rotund and well kept, taking his product to market, or a picture of something running up a pole, which is supposed to be a leguminous plant, and getting an extraordinary price for it, is nothing but what has been practiced for years.

I have a sort of an illuminating flash that likely this is because of the free-seed distribution that causes the annual debate in this body about its propriety. I voted to discontinue that, I think, not because it may not have some economic and food value but because it has yielded enough to the humor of the country. Let the editor rest; give the wits and spring poets a chance to recuperate. As a subject for legislative action, it

has long since ceased to be anything but a great national joke. I sent some cabbage seeds last year to one of my constituents. His good housewife planted them and raised a fine crop of jimson weeds. It is such things as that that shake the average farmer's belief in the processes of self-government. He is not thinking so much about defending this country against autocracy as he is about getting good cabbage seeds from a paternal Government next time.

I come back to the old question—with due apologies to the Senator from Vermont [Mr. PAGE]—and it may not be germane to this particular section, that after the supply of seeds in the hands of seed houses and dealers, including the local corner grocery store, shall have been exhausted, where will the Government get the rest of them? I think I know where the great bulk of the grain of this country is. That bulk is not in the hands to-day of commission men, of elevators, of alleged "infamous brokers," of members of grain exchanges—it is not in their hands, but it is in the hands of the original producers. If there were freight facilities in this country now, the food products of the country would reach the great centers of population. That lack of freight facilities is what is the matter. It will not be cured by appropriating a million or so of dollars or two and a half million dollars, if the entire sum be left in, simply to buy seeds.

To begin with, the Government must store the seeds. I can take many of the experts out of the Agricultural Department—hit or miss—and they can not tell me on the floor of the Senate Chamber this afternoon what seeds they can buy and store and hold open that will sprout the spring of 1918, and those that are perennial and can be kept year after year. Some seeds die within the year; they will not germinate if they are carried over. Some seeds are good indefinitely, so long as they are kept dry. Seed wheat, if it is kept in a proper place, and insects—weevils and the like—are kept away from it, will germinate a thousand years after it is stored. Wheat originally came from the Nile. Senators will remember the old story of the Pyramids; how somebody, examining one of the mummies, found a little vessel full of wheat that was to furnish him rations on his journey to the next world. Out of curiosity the Englishman took a few grains of wheat to his home with him. This belonged to a dynasty in Egyptian history when the cuneiform inscriptions were written, more than 4,000 years before the wheat was deposited in that vessel. The Englishman planted it, and it grew and produced "after its kind."

There are other kinds of grain that after the first season are utterly worthless for seed purposes; they will not germinate. As an illustration, you have got to take the timothy seed in its prime. If you want to raise a crop of forage of that form, after the second year, while some of the seed will germinate, it will not be in sufficient quantity; it begins to lose its germinating power the second year.

After all this is done, after the seed has been confiscated in the hands of the seedsman and those who have stored it—if there is any monopoly get after them—after that has been done, you go finally to the producer to get grain. How much of a remedy will you find when you approach the producer? How will you make him sell it? Assume, now, that the war power exists, and you can make him sell a surplus of 50 bushels or 5,000 bushels that he has in his bins. Winter wheat must generally be used in the neighborhood of somewhere near the same latitude where it is grown. Winter wheat being sowed in the fall of the year, it does not do well to take winter wheat from Kentucky and put it in northern Illinois, for it does not produce well there, and you are apt to have a failure of the crop. Wheat must acclimatize itself. So we always take wheat out of the same latitude, or approximately within a degree or a degree and one-half of latitude to sow in that particular wheat field.

After you have taken the seed away from the producer, under the war power, what will you do next? You will store it and keep it. This year's crop, except only a very limited quantity of forage grains, is in the ground, or it is too late for the Government to buy seed and get it to the producer. If the Government does not move with more celerity than it ordinarily does, it might be well enough to give a small appropriation this year, and it might possibly get to it by next spring—a year from now. That would be as fast as we could expect anything to be done in the name of the Government. Possibly there would be some value in that for future purposes; but so far as the great areas for producing food for the Southwest, for New England, and for the great centers of population are involved in this controversy, the time has passed. The forage crops largely of northern Oklahoma, though not to such an extent, but almost entirely of Kansas, Missouri, Nebraska, Illinois, and a very large portion of Wisconsin have been killed. Last winter was of extraordinary severity. The forage crops that are perennial in character will be very short. The alfalfa is dead; the clover has been frozen out; the timothy crop will not be half a crop; the red-top crop is dead. To get any seed to farmers on those areas by this appropriation is a piece of supernal folly; it can not be done.

There is only one thing left, and that is for farmers to sow something else in place of the crops of forage that have been killed. They can substitute cowpeas and certain other crops, but the cowpeas wherever they can be used are already found in sufficient quantity to furnish the farmer who wants to substitute that kind of forage.

There is the corn crop, which is the great crop of Nebraska and of the region reaching all the way from the alkali plains on the foothills of the Rocky Mountains to the slopes of the Alleghenies on the east. That is the corn-producing area, 1,200 miles from east to west, and 800 miles, roughly speaking, from north to south. Corn must take the place of a large quantity of failed forage and other crops to care for the animals, not only those used in farming operations, but those producing the meat for the country. There is nothing in this bill which would do any good as to that crop. Seed corn is not a scarce article. All over the great corn belt, in the whole area of its growth, there is enough seed corn; there is no dearth of it, requiring extraordinary action by the Government or the exercise of war powers. What we need to exercise more than anything else is some power over the War Department, the Agricultural Department, the Navy Department, and the Department of Commerce, together with the Council of National Defense, so that there will not be quite so much misspent energy and so much danger of discouraging or lessening the productive power of the farmer in the areas I am describing.

Mr. TOWNSEND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Michigan?

Mr. SHERMAN. Yes, sir.

Mr. TOWNSEND. I have not been able to be present while this bill was under discussion, owing to meetings of the Finance Committee, of which I am a member, and so I am not familiar with the reasons that have been put forth for the passage of a bill requiring the purchase and storing of seed by the Government. Has any Senator on the floor presented any case where there was a lack of opportunity to purchase seed in the States?

Mr. SHERMAN. There have been general statements that seeds could not be obtained, and I think the Senator from New Mexico [Mr. FALL] stated that it was extremely difficult to obtain certain seeds needed in certain parts of the arid and semi-arid regions in the Southwestern States.

Mr. TOWNSEND. I understand that in those sections of the country they do not raise a sufficient amount of foodstuffs for their own use, that they always have to purchase seed from the outside; but what I was wondering was whether there has been shown in this debate a lack of seed material throughout the United States and inability to obtain that seed.

Mr. SHERMAN. I think not.

Mr. TOWNSEND. I wish to state this, inasmuch as the question has been brought up several times——

Mr. SHERMAN. If the Senator will allow me for just a moment, the Senator from Vermont [Mr. PAGE] called attention to the shortage of seed potatoes in certain parts of New England, and stated that those who had the seed potatoes were holding them for prices that were prohibitive. That is the only specific illustration I recall.

Mr. TOWNSEND. Reference has been made several times here this afternoon while I have been in the Chamber to seed houses and to the fact that possibly those seed houses were playing a "confidence game" upon the people. My attention was called to that matter by a speech delivered in the Senate, I think, by the Senator from Utah some time ago, in which he referred to the fact that packages of seed which were sent out by some of the seed houses were in the nature of a snare and a delusion; that the seeds were not there. Now, there is a very large seed concern in the metropolis of the Senator's State, as there is in Detroit, Mich.—the Ferry Seed Co. I think it is universally conceded that the Ferry Seed Co., at least, has not taken advantage of the higher prices of seed to diminish the number of seeds in the packages. I received the other day from one of the local dealers a package of peas put up by the D. M. Ferry Co.—and that was the character of seeds to which the Senator referred—and, instead of having eight peas in it, it was literally packed with peas that were useful and were known to be good for productive quality.

I do not care so much about that, however, as I do to call attention to the fact that in the State of Michigan we have an organization, through one of the departments of the State,

which is looking after the seed question for all of our people. A census has been taken, or is being taken, in the State not only of all of the people who live there, but of all their property, including grains and seeds of all kinds. So our people know where the seeds are, and they have no difficulty in obtaining them for their own use, and in obtaining them in large quantities for shipment elsewhere if people outside of the State desire them. My question, therefore, was for the purpose of determining what was the cause of this demand at this time that the Government shall go into the seed business if the wants of the people can now be supplied from the usual sources.

Mr. SHERMAN. Mr. President, the charge has been made quite frequently that there was a seed monopoly. The junior Senator from Missouri [Mr. REED] made inquiry specifically whether any Senator could give information on that point. An appropriate interval was given in the Senate Chamber, but no one responded. I take it that there is no such thing as a seed monopoly in the United States. There is a rise in prices, evidently. It would be phenomenal if that were not so, because everything else has risen in price.

There is a very large seed house—more than one, for that matter, but a very large one particularly—the Albert Dickinson Co., in Chicago, which I remember 40 years ago. There is no extortion practiced by that house, any more than by D. M. Ferry Co., of Detroit. They have been in business, like the Ferry Co., for many years, and they expect to continue in business. They always sell at a reasonable price, and, so far as I am informed, up to within a week ago the house in Chicago was filling every order for seeds that came in.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. Yes, sir; I yield.

Mr. REED. If it will not interrupt the Senator, since the Senator has made the statement that other prices than those of foodstuffs have advanced, and as I made a somewhat similar statement myself a day or two ago, in illustration of the advance in prices, I should like to call attention to a circular which the receiver of the Missouri Pacific Railway Co. has sent to the employees of the road under date of May 15, 1917. In this circular the receiver, Mr. Bush, appeals to all the employees to exercise every possible economy and to save in every way they can, because of the very high prices being exacted for those things the railroad needs to use. I think the statement is illuminating at this point.

Mr. SHERMAN. I will be glad to have it.

Mr. REED. I desire to put the entire circular in the RECORD, with the permission of the Senator——

Mr. SHERMAN. I shall be glad to have the Senator do so.

Mr. REED. But I desire to read and to call attention to this statement:

> Prices continue to advance at an alarming rate. Note prices prevailing to-day compared with prewar prices:
> Material and supplies, chargeable to operation, excepting rail, ties, fuel, and ballast, in 1916 cost approximately $8,000,000.
> The same material and supplies at current market prices would cost approximately $12,000,000—50 per cent increase.
> Stationery alone, in 1916, cost approximately $452,000.
> Same amount of stationery, at current market prices, would cost approximately $746,000—65 per cent increase.

Some of the items are given. I will read a few of them and give the percentage of increase:

	Per cent increase.
Axles, car and engine	268
Babbitt metal No. 2	166
Bars, angle	83
Bolsters, car and engine	134
Bolts, track	191
Boxes, journal	108
Brake beams	185
Brass, bar, sheet, spring	182
Bridge steel	167
Castings:	
Malleable	203
Brass	133
Steel	125
Gray iron	57
Cement	82
Chain	181
Copper, bar and sheet	145
Covering, pipe	192
Couplers, engine and car	100
Duck, cotton	39
Fencing, wire	112
Ferrules, flue	184
Flues, boiler	257
Frogs, track	60
Fuses	110
Gasoline	47
Glass, window	54
Hose, air brake	67
Iron:	
Common bar	153
Galvanized	153
Black sheet	167
Stay bolt	23
Lagging, boiler	317

I shall not read the rest of it, but the figures all through tell the same story. If that is true with reference to these various articles, which have nothing to do with food, nothing to do with wheat or wheat corners, but are for the most part made out of things that exist in the earth, where nature's supply is inexhaustible—iron, copper, lead, and lumber, which, while it is not inexhaustible, the supply is far from exhausted yet—is it not a complete answer to the cry that foodstuffs are cornered, and does it not show that there is a general advance in prices at least in this country?

Mr. SHERMAN. The Senator has already asked to have a certain table inserted in the RECORD.

Mr. REED. Yes.

Mr. SHERMAN. I shall be glad to have it done, if no objection is made.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Per cent of increase in costs compared with prewar prices.

MATERIAL AND SUPPLIES.

	Per cent increase.
Axles, car and engine	268
Babbitt metal, No. 2	166
Bars, angle	83
Bolsters, car and engine	134
Bolts, track	191
Boxes, journal	108
Brake beams	185
Brass, bar, sheet, spring	182
Bridge steel	167
Castings:	
Malleable	203
Brass	133
Steel	125
Gray iron	57
Cement	82
Chain	181
Copper, bar and sheet	145
Covering, pipe	192
Couplers, engine and car	100
Duck, cotton	39
Fencing, wire	112
Ferrules, flue	184
Flues, boiler	257
Frogs, track	60
Fuses	110
Gasoline	47
Glass, window	54
Hose, air-brake	67
Iron:	
Common bar	153
Galvanized	153
Black sheet	167
Stay bolt	23
Lagging, boiler	317
Lead, pig and sheet	148
Nails, wire	94
Pins, crank	104
Pipe:	
Wrought-iron	147
Galvanized	120
Rivets	197
Rods, piston	132
Roofs, metal car	152
Rope:	
Manila	113
Wire	130
Shovels	55
Spikes, track	155
Springs:	
Car, freight	227
Locomotive	169
Steel:	
Boiler and fire box	326
Tank plate	445
Tool, high speed	355
Tie plates	120
Tires, locomotive	133
Waste:	
Cotton	77
Wool	36
Wheels, steel	84

Equipment.

Item.	Cost April, 1914.	Cost April, 1917.	Per cent increase.
Passenger coach	$13,500	$21,000	56
Chair car	14,000	21,750	55
General service gondola 50-ton, 36 feet, steel underframe	1,075	2,155	100
Box car, 40-ton, 40 feet, steel underframe	1,050	2,150	105
Mikado engine	21,000	55,000	162
Santa Fe type engines	29,000	65,000	124
Pacific type engines	20,500	53,000	159

Mr. PAGE. Mr. President, as the matter of seed has been referred to, perhaps I may say that I am conversant with the course of business in seeds, because I am a large purchaser from the Dickinson firm of Chicago. I think their business is materially different from that of Ferry & Co., of Detroit, who sell quite largely—perhaps not entirely—in the little packages that are sold around the country.

Mr. SHERMAN. For market gardening more particularly. The Dickinson Co. handle field seeds.

Mr. PAGE. Yes; but the firm of Dickinson & Co. are very large handlers of seed in large quantities. I believe they are a very honorable concern, and I have not the slightest doubt that they are selling their seeds at a fair, and only a fair, profit. I believe, however, that their dealings are so large that in some respects they are controlling. In other words, if Dickinson & Co. make the price of seed in Chicago $3 per hundred, practically all the other concerns dealing in seeds meet that price. Now, I do not think I should do right in saying that in any respect they are monopolists, for I do not think they are, nor am I criticizing them, because I have great respect for the firm; but I believe that they are so large, as the Senator knows, that their prices are followed quite largely by the large seed concerns of the other sections of the country.

Mr. SHERMAN. It is only by sympathy, Mr. President, that other concerns would follow, out of prudence. The house is an old one in the western country. I remember when Albert Dickinson & Co. were doing business as a copartnership. The house was founded by Albert Dickinson. After his death, possibly before, it was incorporated, and is now the Albert Dickinson Co. They not only do not have anything approaching a monopoly but there are a hundred seed houses, some of them I think in volume quite equal to the one named.

There is this much of the element of influence on monopoly, the same that goes along with every old, well-established house that has dealt fairly with its customers for nearly half a century—that like a copyright or like a trade-mark or a name, if it possesses no exclusive qualities by law, a name built up by honorable dealings through a long course of years will always possess influence not only among the purchasers of their products but all who are dealing in a like product will necessarily conform to the prices and the methods of doing business of this concern. Now, beyond that I do not think the particular house in question exerts any influence, and I am certain none that could be in contravention of any laws against trade restraints or against monopolies. Its influence is a good one rather than otherwise.

I come back to the original question, and I think it is directly related to this paragraph—that at last the Government must buy of the producer; and that is the question which at last we must solve in the Senate. I have heard no satisfactory solution of that problem offered. That is the reason I referred to the statement made last Saturday in the address by the very capable junior Senator from New Hampshire [Mr. HOLLIS]. He realizes the difficulties as the rest of us do. He calls attention to the high price of food in the cities. That is inevitable. It will continue as long as certain conditions attending production continue. I know the reason. It will not be cured by legislation. Just as long as the industrial enterprises of the country draw the help from the farm, that will continue.

It seems a little bit amusing, to a man who knows conditions in the western and northwestern grain and stock-raising areas, to talk about conscripting the city man and sending him out into the fields to raise grain, and in the grazing country and dairy country to milk cows and feed steers and attend to the ordinary incidents of live-stock production. I instance one man in Illinois who is a farmer and stock raiser—he, his father, and grandfather before him. Now, he and some very philanthropic people in Chicago heeded the cry that farm help was short. They had been reading glowing articles in periodicals about the "back-to-the-farm" movement; and a lot of good people in Chicago who have leisure time and some money were engaged in a philanthropic movement to direct some of this misspent energy out to the farm, where it might do some good and make a greater food supply for the famishing hordes in Chicago that the Senator from New Hampshire referred to on Saturday.

They came out, and thereby hangeth a tale. They stayed about two months, and then the city dweller hied him back to Chicago, with the statement, one of them who spoke for the crowd, "Never again for him."

First, Mr. President, you could not get them up in the morning for a farmer's breakfast. Then one of them went out across the road and inquired of a farmer plowing in the adjoining field where he could find a restaurant. Another inquired for a daily paper; and yet another, when he had finished a very reasonable day's work from a farmer's viewpoint, asked if there were any moving-picture shows in the vicinity that could be reached by a night ride. What is needed is somebody who knows how and will work. The tribe is dying out.

That is what is the matter with the dweller in the city. His habits are not like ours out in the country. He works union hours. I wish some old, hard-headed farmer could get over in the Department of Agriculture here, or in some of the other departments headed by other members of the Cabinet. I wish he could talk to the union-labor members of the National Defense Council. You undertake to raise crops on an 8-hour-a-day basis and find out how far you will get with it. You undertake to raise crops by a city man who is not country broken to work and find out how far you travel in that direction. That is a story by itself. I only allude to it. It is a subject for a whole afternoon, because it has taken 50 years for that condition to grow, and it could only be sketched in its merest details in human language by appropriating a whole afternoon to it on the floor of the Senate Chamber; but it exists.

You can legislate about free seeds and about Government seed houses indefinitely, and it will not cure the underlying condition that has produced the high prices. It is not war alone. War is only a contributing cause. It is because the help has gone from the farm; it has gone to the factory, to the counting house, to the store, to the great manufacturing, jobbing, and retail centers of the country. These men have gone because they like the work and get higher wages and shorter hours. They have more amusements. City life is more attractive to the average young person. The result is that the farm is drained.

What do you want to do now? Conscript the farmer, conscript his boys off the farm, and go by the arm of the Federal Government into the grain bin and confiscate everything he has raised. I want to serve due and timely warning upon Congress now that when you undertake that you will hear something that will be more than a mere puling infant cry or a ground swell in some particular locality.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. Yes, sir; I yield.

Mr. REED. Can not the Senator, who speaks so eloquently about conscripting the farmer's boy and taking him away, see that that is all to be made up to the farmer by conscripting one of these town fellows that wants to see moving pictures and taking him out to the farm to work there?

Mr. SHERMAN. Well, Mr. President, theoretically no doubt, as the Senator will agree with me, that is adequate compensation; but some of these same people I am talking about that went to the farm named could not milk a cow. They did not know a cow's udder from any other portion of her anatomy; and after one of them was switched in the eyes he was hors de combat that evening for all dairying and farm-work purposes. If he does not fight any better than he milks cows, the Kaiser will rule in this land before the end of the war.

Mr. REED. Mr. President, coming to a serious matter, I am concerned about the size of this appropriation for seeds. Two million five hundred thousand dollars, I believe, is recommended, and I am wondering how it is proposed to spend it.

Last year we put in, in this country, 106,000,000 acres of corn, 52,000,000 acres of wheat, 40,000,000 acres of oats, 3,000,000 acres of rye, and 7,000,000 acres of barley. If wheat costs $2 a bushel, it will take about $4 worth of wheat to sow an acre. If you expended the whole sum of this appropriation for seed wheat, you would sow 1 acre out of 41 that is now sown to wheat. How is this $2,500,000 to be spread out so that it will be thin enough to reach all parts of the country? In a word, is it not an absolutely ridiculous and absurd proposition to appropriate $2,500,000 to buy seeds of all kinds for a country like the United States? Is it not like going out to water a thousand head of cattle with a quart cup?

Mr. SHERMAN. It certainly is, Mr. President. I do not think the magnitude of the undertaking is at all appreciated by those who are responsible for this section of the bill.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Tennessee?

Mr. SHERMAN. I yield; certainly.

Mr. McKELLAR. From what I could understand from the explanation that has been made in favor of it, quite a large amount of it is to be used in organization. Now, just what "organization" means, unless it is putting a lot of additional men on the pay roll, I do not know; but I think that is one explanation of the size of the appropriation—that we are to "organize" so as to buy these seed and store them.

Mr. SHERMAN. The Senator has placed his finger on the vital spot of the "organization." It is a pay roll. That is what it will be here. There will be more men on the pay roll, speaking figuratively, than there will be individual seeds furnished to the producer. It is the same old story.

The question recurs of how to get the seed out of the hands of the producer. It will all come back to that; and the House bill, which I suppose is the same bill reported here a moment ago, realizes that difficulty. Either the legal obstacle or the economic obstacle is sought to be avoided by exempting the producers from the operation of the bill. You may conscript or confiscate it, if you want to, take it way with a grossly inadequate price from the farmer after he has put it in the crib or the bin. Concede under war powers, for the purposes of the argument, that that can be done. I will argue that some other day if it becomes necessary. After you have done that once to a farmer, I venture to say you will never do it again to a farmer that lives in my State. You may undertake to, but he will have raised enough to feed his own family and his efforts will cease at that point. If you make him do anything else, you will conscript him into the Army and turn him into a farmer instead of a soldier.

That is one thing that will be indispensable if we obtain sufficient supplies to carry out the avowed object of this section. The inquiry made by the junior Senator from Missouri [Mr. REED] disposes of the practical end of it with $2,500,000. It is a drop in the bucket—hardly that. It does not even make a damp place.

I apprehend that the only purpose of this would be, as the Senator suggested, to put a number of people on the pay roll. If I had to make further specific objection to an undertaking of this kind it would be that that kind of an organization is the only thing that will bear any fruit.

Let me call attention to some things that are being done now under the guise of war powers, under the plea of necessity. Anything can be done under an imperious plea of that nature. The Council of National Defense has so arranged transportation and the delivery of certain products that a farmer to-day can not buy, in all the destroyed area of the winter-wheat country of the West, the machine he needs to seed the ground in corn. There is an implement called a lister that is used to plant corn. It is a breaking plow and a corn planter combined. They sell at $65 ordinarily, and could be sold at that if one were found in an agricultural implement dealer's shed, or if they could be put out by the manufacturer. In all this destroyed area where the wheat is winterkilled there is one paying crop that will come in within the next 90 to 120 days as a part of the grain supply. That is the corn. Corn is worth many things as a food article. One hundred and five merchantable products are made from corn. I referred to the great area a while ago. I have been told by authorities, not from the Agricultural Department, but those who are connected with the great agricultural implement houses of the country, that in the case of the winter-wheat area in Kansas, the greater part of Missouri, Nebraska, and Illinois, at least one-half the area must be plowed up or devoted to some other crop. The Council of National Defense have so interfered with the producing capacity of the great agricultural-implement factories of my country that they are unable to sell sufficient machines of the kind needed to seed the destroyed winter-wheat area in corn. That is the first visible result of the misguided activities of some of these legal or extra-legal bodies that are attempting to prepare this country for a mighty war.

I would a great deal rather not make any of these criticisms; but if we are to avoid similar mistakes in the future we must tell about it. Instead of being able to produce the grain, every time we enlarge a governmental activity, every time we undertake to do something, one department invades the territory of another and duplicates the work, and both of them or all of them interfere with the productive capacity of the country.

I have heard a phrase repeated many times on the floor of the Senate since the 2d day of April last until I am tired of hearing it. It is that "the Government must coordinate its activities," when we have been coordinating our activities until we have literally exhausted our energies in coordinating ourselves.

The more we coordinate our activities the less capable we become, and this Government has so coordinated its activities that when I think of it it reminds me of a man with an attack of St. Vitus's dance. The only thing that always emerges serene, triumphant, and indestructible from "coordinating" is an appropriation and a pay roll. There has not been one great productive energy of this country, from the farmer clear through to the manufacturer, who has not been disabled and his ability to produce impaired by the ill-conceived efforts of governmental departments. Let it be continued for 30 days more, or continued for 6 months—30 days will begin to produce the results, and 6 months will produce more of them—and not only will there be a cessation of the normal volume of production, but along with the revenue bill pending, as it passed the House, unless it be materially amended in this body, there will be such a burden to carry with these interferences with the normal activities of industrial life that we will not be able to command in war 50 per cent of the energies of this Republic that we had before the declaration passed this body.

There is another branch of this which I wish, in due time, to comment upon that will more properly come in the succeeding paragraph, carrying operations for other purposes of an educational and farm-demonstration character. When we get to that I have some remarks, if time permits, which I desire to offer. I think they are very material, but I wish here to place on record my protest against the unwarrantable interference, the lack of coordination, the chaotic condition, and the insuperable obstacles placed in the way of the producer of anything in private life. Heap upon him the implied threat there is in this bill that at last you must go to the producer of seeds and take, by fixing a minimum price by governmental action, all he has; and avow that this early, and see whether or not it increases production. It is only a symptom of the general disease. It seems like we are in a form of confiscating hysteria.

Whether or not we ought to be governed by martial law, I shall not now discuss. I have my own opinion about it. I think we still ought to be governed by ordinary conditions and the civil administration under the laws of our country. If it becomes necessary, on a given state of facts, martial law may be declared by the Executive. Until that is done we had better let the private citizen go along, interfering with him as little as possible.

Here are these men at the heads of departments. Are they all-wise or omniscient? On the Council of National Defense are a number of gentlemen who are experts in their line. Nobody knows any more about some one thing than they do. One knows all about automobiles; another knows all about electricity; another knows all about ores, and especially about iron and steel, and so on through the list. They are a good deal like specialists, expert doctors, and just like expert lawyers or specialists in some other line. We all have had the same experience with them. If you want to get good results, you had better watch an expert closer, you had better be more vigilant in getting what you want, than with anybody else under the sun. The expert or specialist cuts a deep but an exceedingly narrow groove, and he never sees anything beyond the horizon of his particular line of effort.

We have a national council of experts. What are they doing? The very best they can. They are making sacrifices. They are men highly paid in private life. They are working either for no salary at all or inadequate salaries, compared with private incomes. I do not question their motives. What I do question is that unless "we coordinate our activities"—to use the pet phrase—in a better and more sensible way than we have done up to this time, I would rather be hit in the head with a policeman's billy than have my activities coordinated by such a body and in such a way.

The only reason why I offer these criticisms in connection with this paragraph is because it is a symptom, as I suggested, of the general disease. I know that everybody who raises his hand against legislation of this kind will be immediately stigmatized as an enemy of food control. It will be said that he is fighting a decrease in the high cost of living.

I am taking that chance. There is more ridiculous misinformation sent abroad on this subject than anything I ever saw. I saw a few days ago a statement that in a given time there were only 200 tons of garbage collected in Chicago where in the same time preceding 500 tons had been collected. It was argued at once that the people in Chicago were eating the other 300 tons of garbage and that the times were very hard indeed. The Senator from New Hampshire [Mr. HOLLIS] quoted the statement, which is the same one I saw, that 1,500 more people had died in a given period of time than in a like time preceding it. Therefore the 300 tons of garbage consumed by Chicago citizens, at least impliedly from what he said, caused their death. First, the mere fact of 1,500 people dying in Chicago within a given time more than at some other like preceding time would only indicate that down in the Loop district there were more activities of the gentlemen who live by their wits prowling about than some other given period, or that there had been more than the normal number of riots.

What can be said about the decrease in 300 tons of garbage? I have heard that mentioned several times in private conversation and impliedly here in several arguments. I think that indi-

cates a very great improvement in the economical condition of Chicago. There were 300 tons less garbage. What became of it? It did not get into the garbage cans. Then what happened? What became of it if it did not get into the garbage cans? They ate it, certainly, and they ought to eat it. They ought to eat it in Washington. They ought to eat it in New York, and everywhere else.

I think I have investigated everything around this city like every countryman does, out of pure curiosity, if for nothing else. I have gone down the alleys in Washington in the morning and looked at garbage cans. I have seen whole loaves of bread go into garbage cans in the city of Washington. I have seen the same thing in Chicago. I have seen beef by the pound after pound going into the cans. I have seen a half chicken, I have seen cold potatoes by the ton, more or less, that have gone into the garbage cans. Do you know the reason why there were 300 tons less of garbage in Chicago at the time named? It is because the housewife in the stress of affairs has gone into the kitchen and the servants and hired help are doing less wasting of provisions in that family than they did before. This is practical food conservation. It ought to be done all the time.

Mr. CALDER. Now that the Senator has arrived at that conclusion in his remarks, I will state that I am informed that in the city of Rochester, which is the third largest city in New York State, where the city owns the garbage-disposal plant, last year it returned to the city treasury a profit of $4,000 a month, while for the first five months of this year, because of the care of the housekeepers or the housewives of that city, the disposal plant has hardly paid for itself. I am also informed that the same condition prevails in the city of New York.

Mr. SHERMAN. The Senator's statement is valuable. It lends strength to the suggestions I am making. The subject of potatoes would have something to do with the decrease in the garbage. In the northwestern part of the town they had some kind of school exercises in a public school a month ago and they had the little child's story Cinderella acted. Of course, she not only had to have the crystal slipper, but she had to have a string of pearls around her neck. In lieu of pearls some keen-witted schoolgirl thought of using a string of potatoes, which took the place of pearls of great price. I can get more lemons for a nickel at my grocery than I can get onions.

The housewife has gone into the kitchen. There are no cold potatoes thrown away and going to waste. The theory of the boarding-house mistress of 40 years ago, when I lived in a boarding house, was about right. The boys used to pass over the potatoes when they were boiled with the skins on. A fellow would shake his head and say, "No; not any potatoes to-day." Another would say, "You might just as well eat one; you have got to eat it some time anyhow; better take it while it is fresh." If you did not eat it that way, you would eat it when it was fried. If you did not eat it when it was a mashed potato, you ate it as potato cake the next morning. If you did not eat the beef the day it was boiled or roasted, you would eat it sometime in the future more or less remote in the form of hash and onions. But we were just as healthy on the boarding-house diet as we are now on the diet in Washington.

It is all the rankest kind of folly for us to talk about making successful war on Germany on the basis we have been living for the last 15 or 20 years. Germany, with over 70,000,000, with her naturally less fertile soil than ours and inhospitable climate the greater part of the year, will defeat us in the economical side of this question unless we change our habits, nationally, of living. We are the great prodigals of the world, the spendthrifts of the centuries, and we have been for years. We can not pit ourselves against the limited resources even of Germany, with her conservation and her economy, and expect to win. We must begin in the housewife's kitchen, and the first encouraging sign I have seen is the fact that there were 300 tons less garbage in Chicago, New York, and Rochester than there were in a like period preceding it. We must continue that.

There is no danger of famine in this country if we live as we ought to live. If we live in the old free-handed, spendthrift way, we are headed for trouble. Consider the tremendous price to be paid in this war, whatever it shall be, when the toll of blood shall have been taken, when the taxgatherers shall have visited us in our generation for the rest of our lives and we bequeath a mighty debt to posterity; when all that is done we can set off on the other side of it that, if we have learned the first great lesson in economy and of living so as to get a hundred cents of value out of things that the God of nature has given us at the beginning, we have something to compensate for the great sacrifices we have made.

The PRESIDING OFFICER (Mr. HUSTING in the chair). The question is on the amendment of the Senator from Tennessee [Mr. MCKELLAR].

Mr. HITCHCOCK. I should like to have it stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 5 it is proposed to strike out the paragraph contained in lines 17, 18, 19, 20, and 21:

For procuring, storing, and furnishing seeds, etc., $2,500,000.

Mr. MCKELLAR. Mr. President, I ask unanimous consent to withdraw for the present my amendment for the purpose of offering the following amendment to the paragraph: To strike out, on page 5, line 18, all the words after the word "act," and then all of lines 19, 20, and 21.

Mr. KENYON. The Senator wants to exclude from his amendment the appropriation of $2,500,000.

Mr. MCKELLAR. For the present I will exclude the appropriation of $2,500,000. That is my first amendment. I ask unanimous consent to withdraw my former amendment.

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent to withdraw his amendment to strike out lines 17, 18, 19, 20, and 21. Is there objection? The Chair hears none and the amendment is withdrawn.

Mr. MCKELLAR. I now move to strike out all the words in line 18 after the word "act" and all of lines 19 and 20, and all of line 21 down to the figures "$2,500,000."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to amend the paragraph so as to read:

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act, $2,500,000.

Mr. GORE. I will state, as chairman of the committee, the committee agreed on that amendment this morning in the House bill which was before it. I hope therefore the amendment will be adopted.

The amendment to the amendment was agreed to.

Mr. FALL. For information I should like to have the paragraph read as it stands.

The Secretary read as follows:

For procuring, storing, and furnishing seeds, as authorized by section 2 of this act, $2,500,000.

Mr. MCKELLAR. I now move to strike out, in line 21, on page 5, the figures "$2,500,000" and to insert in lieu thereof "$1,000,000"; and on that motion I ask for the yeas and nays.

Mr. VARDAMAN. Let the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. In line 21, strike out "$2,500,000" and insert "$1,000,000."

The PRESIDING OFFICER. On agreeing to this amendment the Senator from Tennessee asks for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. KNOX (when his name was called). I am paired with the senior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer that pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. STERLING (when his name was called). I am paired with the Senator from South Carolina [Mr. SMITH]. I transfer that pair to the Senator from Indiana [Mr. NEW] and vote "yea."

Mr. SHAFROTH (when Mr. THOMAS's name was called). I desire to announce the unavoidable absence of my colleague [Mr. THOMAS] and to state that he is paired with the senior Senator from North Dakota [Mr. MCCUMBER].

The roll call was concluded.

Mr. MYERS. I transfer my pair with the Senator from Connecticut [Mr. MCLEAN], who is absent, to the Senator from Kansas [Mr. THOMPSON] and vote "nay."

Mr. HARDWICK. Has the Senator from Kansas [Mr. CURTIS] voted?

The PRESIDING OFFICER. He has not.

Mr. HARDWICK. I have a pair with that Senator, and withhold my vote.

Mr. JAMES. Has the junior Senator from Massachusetts [Mr. WEEKS] voted?

The PRESIDING OFFICER. He has not.

Mr. JAMES. I have a pair with that Senator, which I transfer to the Senator from Arizona [Mr. ASHURST] and vote "yea."

Mr. OVERMAN. In the absence of the Senator from Wyoming [Mr. WARREN], with whom I am paired, I withhold my vote.

Mr. COLT. I have a general pair with the senior Senator from Delaware [Mr. SAULSBURY], but I am at liberty to vote on this question. I vote "nay."

Mr. REED. I am paired with the Senator from Michigan [Mr. SMITH], and in his absence I withhold my vote.

Mr. GERRY. I have been requested to announce that the Senator from California [Mr. PHELAN] and the Senator from Ohio [Mr. POMERENE] are detained on official business.

Mr. SMOOT. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from New Hampshire [Mr. GALLINGER] with the Senator from New Jersey [Mr. HUGHES];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Maine [Mr. HALE] with the Senator from Utah [Mr. KING]; and

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 18, nays 36, as follows:

YEAS—18.

Calder	Kellogg	Penrose	Townsend
Hitchcock	Knox	Sherman	Walsh
James	Lodge	Smoot	Watson
Johnson, Cal.	McCumber	Sterling	
Jones, Wash.	McKellar	Stone	

NAYS—36.

Bankhead	France	Myers	Simmons
Beckham	Gerry	Newlands	Smith, Ariz.
Borah	Gore	Page	Smith, Ga.
Brady	Hollis	Pittman	Sutherland
Broussard	Husting	Poindexter	Swanson
Colt	Jones, N. Mex.	Ransdell	Trammell
Culberson	Kenyon	Robinson	Vardaman
Fall	Kirby	Shafroth	Williams
Fletcher	La Follette	Sheppard	Wolcott

NOT VOTING—41.

Ashurst	Hale	New	Smith, S. C.
Brandegee	Harding	Norris	Thomas
Chamberlain	Hardwick	Overman	Thompson
Cummins	Hughes	Owen	Tillman
Curtis	Johnson, S. Dak.	Phelan	Underwood
Dillingham	Kendrick	Pomerene	Wadsworth
Fernald	King	Reed	Warren
Frelinghuysen	Lewis	Saulsbury	Weeks
Gallinger	McLean	Shields	
Goff	Martin	Smith, Md.	
Gronna	Nelson	Smith, Mich.	

So Mr. MCKELLAR'S amendment was rejected.

The next amendment of the Committee on Agriculture and Forestry was, on page 5, line 25, to strike out "$4,500,000" and insert "$3,000,000," so as to read:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others, $3,000,000.

Mr. SMOOT. Mr. President, I should like to have the attention of the Senator from Georgia [Mr. SMITH]. The pending amendment before the Senate, in the paragraph on page beginning with line 22 and ending with line 25, is to strike out "$4,500,000" and insert "$3,000,000." It is an appropriation for increasing the food production and eliminating waste and promoting the conservation of food by educational and demonstrational methods. I wish to ask the Senator from Georgia if the appropriation that has already been made for demonstration work is not sufficient for carrying on this work in all parts of the United States?

Mr. SMITH of Georgia. The appropriation made in the agricultural college extension bill increases gradually until 1922, but the Department of Agriculture felt that this proposed increased appropriation used for this year would enable the department to bring returns and be of substantial service in view of the exigency which is at this time upon the country. It was the desire of the department to have, as the Senator will see, a larger appropriation than the committee gave. The figures $4,500,000 came from the department and we allowed $3,000,000. The Secretary and the officers of the department believe that they can use this fund to largely stimulate the production of foodstuffs. It is simply a part of the bill as framed, we not giving the department much more than half that was asked. This is to aid the department in complying with what it hopes to do along the line of stimulating and increasing the production of foodstuffs in view of the war.

Mr. SMOOT. Does the Senator understand that the $3,000,000 that is appropriated will be divided among the agricultural colleges of the country and be an increased appropriation to those colleges for demonstration work?

Mr. SMITH of Georgia. No and yes. The department has a special fund, I think of $600,000, that it uses independent of the colleges of agriculture and of the agricultural college extension act, but that fund is used in complete cooperation with the colleges. This fund will be used in cooperation with the colleges with a view of putting demonstrators in the sections which the fund heretofore appropriated does not enable them to reach.

Mr. FALL. Mr. President——

Mr. SMOOT. I yield to the Senator.

Mr. FALL. I would just like to inject a word or two into the colloquy now going on. I ask the Senator if it is not also the purpose to use this special fund in cooperation with the States which are now every one of them preparing for extraordinary work in their own boundaries, that it is to be used more directly in cooperation with the State agents and with agricultural colleges, and further that it is for the purpose of employing women workers in the conservation of foodstuffs by canning, housework, and so forth?

Mr. SMITH of Georgia. So far as my observation goes, the State colleges of agriculture and the Department of Agriculture are working in perfect cooperation. The instruction extends to specialists training in canning work as well as to farm demonstrators. It extends to the boys' corn club and to the boys' pig club.

It was the opinion of the department that they could bring about a great increase of food production if we give them this additional fund. They have now demonstrators in about one-third the counties in the United States. They have canning agents and teachers of domestic science in rural sections in a limited number of the counties, one agent covering a number of counties. The object is simply to increase and stimulate the effectiveness of that work in the coming year.

Mr. SMOOT. I wish to ask the Senator if in his judgment the appropriation of $3,000,000 can be spent efficiently for this purpose?

Mr. SMITH of Georgia. I believe it can.

Mr. SMOOT. The Senator approves the appropriation of this additional $3,000,000?

Mr. SMITH of Georgia. I do. I favored a little less than the department wanted, because I was afraid they could not use that much effectively, but this amount I believe will be beneficial. The House passed it at four and one-half million dollars.

Mr. FALL. Mr. President, my attention has been called to this fact in connection with the proposed appropriation. The administration here called upon different governors of the States a short time ago to come to Washington or to send representatives here to formulate plans for cooperation between the departments of the Government and the different States in the Union. One of the suggestions which was made at that time was for closer cooperation between the States and the Agricultural Department or the Council for National Defense with reference to food products and conservation than now exists even under the extension act, and the appropriations made thereunder. That was one of the matters that was discussed.

The different States are applying more money generally than they have appropriated or applied under their acceptance of the provisions of the extension act for the work which has been spoken of. My State, for instance, has appropriated quite a large sum of money for cooperation with the National Government in exactly this work. It is to meet that extraordinary condition that this additional appropriation is asked.

Mr. SMITH of Georgia rose.

Mr. FALL. The Senator will permit me for just a moment. I know that in all other States, and in my own State particularly, they are organizing a force of women workers, volunteers, none of them receiving any money, to devote their time to conservation work of this character. It is for cooperation along those lines also that this sum is needed; and I understand it is badly needed.

Mr. SMITH of Georgia. The Senator from New Mexico has just said what I was about to suggest to him; that this large force of people, not thoroughly experienced in the culture of the soil, are trying to do something in those lines, and the Agricultural Department feels that the increased force of demonstrators will help them greatly.

Mr. FALL. That is exactly the thought.

Mr. KENYON. Mr. President, I want to say just a word about this item, which, as it seems to me, is one of the most important items in the bill.

The Agricultural Department are very anxious for a larger appropriation; and out of the larger appropriation they expected to devote two and a half million dollars to the work of women agents teaching methods of conserving food throughout the country, which they estimated would result in a saving of 20 per cent of our food; $500,000 was to be devoted to the boys' pig clubs, for pig raising; and about $3,000,000 for the men agents. To put a farm demonstrator in every county in the United States has been the ambition of the Agricultural Department.

We laugh a good deal at farm demonstrators and talk about the city fellow and the college fellow coming out to teach the farmer how to farm. The Department of Agriculture attempt to get the best farmers they can get with scientific knowledge and an agricultural college knowledge, if possible, to act as demonstrators. We have in my State 27 farm demonstrators—county demonstrators. The county cooperates; the State cooperates; the local interest cooperates. For all the money the Government spends there is at least that much more which is contributed by the State or by the county or by the individual. The county demonstration work—laugh at it as some people may—has been a splendid thing in this country. The average age of these agents is over 31. They are not mere saplings just out of school.

Agriculture is becoming a great science. The great majority of farmers are anxious for this scientific investigation. There were over 3,500 farmers and their wives who came to the short course at our agricultural college in Iowa for one week last winter, paid their own expenses, and hired men to take care of the work at home. The farmers are anxious for all the information they can get along scientific agricultural lines. We had the Hessian fly in one part of our State some years ago, and the agricultural college was flooded with letters and telephone messages asking how to handle the situation. They sometimes have at that college—it is the greatest agricultural college in the world to-day—a thousand inquiries a day concerning matters that arise on the farm. It is not true, as has been so often stated, that the farmers are against this demonstration work. Our farmers have invested thousands of dollars in studying the proposition of better seed corn. They have devoted both time and money to that proposition. There are no more intelligent people on earth than the Iowa farmer and his wife.

I have in my hand a letter from an agent in Georgia as to some of the pig-club work in Georgia, and some pictures—which I can not, of course, put into the RECORD—showing the wonderful practical result of instructions that have been given in the State of Georgia. It is an interesting fact, and I think it is largely owing to that work—a statement which possibly the Senator from Georgia [Mr. SMITH] will confirm—that Georgia's increase in hogs for last year was 237,000 head. That was the greatest increase in that variety of live stock of any State in the Union save one; and, of course, Georgia could not increase to the same extent as that State, the State of Iowa, which increased 301,000. Of course Iowa is in a class by itself as an agricultural State, but Georgia has gone into the second place in the increase of the production of hogs in this country. I believe it is largely due to the splendid work, cooperative in its nature, between the Federal Government and the State government in this farm demonstration work. I merely suggest that. We have cut this, in the interest of economy, perhaps below what we should—a million and a half dollars below what the other House has appropriated for this proposition.

Mr. SMITH of Georgia. Mr. President, confirming what the Senator from Iowa has just stated, we in Georgia began nearly eight years ago appropriating from the State treasury $50,000 a year, and have raised the appropriation from $50,000 a year to $100,000 for this work. Largely as a result of demonstration work, Georgia has risen from the tenth to the fourth State in the Union in her agricultural productions.

Mr. JONES of Washington. Mr. President, if there is any one item in this bill which I think will bring benefit to our people, it is this item. I hope that this amount will not be reduced, as the committee recommends. There have been a great many requests coming from my State to my colleague [Mr. POINDEXTER] and myself urging increased appropriations, especially for farm demonstration work; and our people are very much interested in that work. They welcome the farm demonstrators; they have been trying to get more of them in the past than they have gotten, and they want an increased appropriation for this purpose. This is all the time of the Senate I am going to take. I hope the committee amendment will be voted down and that we shall leave the amount in the bill at $4,500,000.

Mr. SHERMAN. Mr. President, I note this provision in the bill:

> For increasing food production * * * and promoting conservation of food by educational and demonstrational methods—

There is appropriated so much money.

I agree with the Senator from Washington [Mr. JONES] that, if we are to appropriate a certain sum of money for these purposes, I should prefer the larger sum rather than the reduced amount, because if there is value in the investigation and the work to be done we ought to give what is fairly adequate; and I think even the amount as passed by the House is within limits.

So far as this paragraph is connected with the bill, I am in favor of it; but I wish to add these comments, and I hope that they will reach the department and the authorities in such a way as to produce results. Ordinary correspondence is useless; conversation is useless; visits to the department are useless. I made up my mind that the only thing to do is to incorporate this statement in the CONGRESSIONAL RECORD and give it such publicity as it may thereby obtain, if any results are to be produced.

Within 200 miles of the city of Chicago, if a radius be drawn of the surrounding country, 75 per cent of all the steel plows in the world are manufactured. In the city of Moline, Ill., and the adjacent municipalities which are not properly a part of that city, 60 per cent of all the steel plows in the world are made. I have seen their plows clear to the Tropics and below from the cities of Moline and of Rock Island. When I speak of Moline, I speak of the manufacturing district of which that place is the center.

There are 100,000 binders made by these factories and sold in the United States every 12 months. The greater part of them come from the Moline district, together with one other plant or series of plants in Chicago or its vicinity.

There are 80,000 corn planters made every 12 months in the area I have described. The manufacture of both binders and corn planters is largely from sheet steel. The machines can not be made without an adequate supply of sheet steel.

Not very long ago the Council of National Defense had a conference with the United States Steel Co. officials—without going into details—which resulted in the following arrangement or order: The United States Steel Co. notified the factories in the area I have just described that they must conduct their business until further notice with 50 per cent of their normal consumption of sheet steel. That means practically 50 per cent of the supply of self-binders for the United States; it means 50 per cent of the supply of corn planters for the United States. That is an impossibility and expect a full crop of food products.

The corn in the corn belt is not yet planted. It has been unseasonable, wet, cold, backward, and corn must be planted within the next 15 or 30 days, to put it at the extreme limit of the chances of a corn yield. Winter wheat will be half a yield.

I said on another occasion, commenting on another paragraph of this bill, that the great forage crops of the United States in at least five of the large producing States, beginning with northern Oklahoma and all of Kansas, and running up to and including the State of Nebraska, which are almost all perennial crops, have been totally destroyed by the severe preceding winter. That means one of two things. We must either be short of foodstuffs or we must get the full limit of the corn crop in this belt 1,200 miles long and about 800 miles from north to south. We must get the grain, and we must have the forage that comes from the blade, the top, and the shuck. That is indispensable. In the area where all the corn planters of the United States are produced, with a half supply of sheet steel, no more than a half production is possible. How were the farmers in the corn belt to be supplied under existing conditions? If it continue how will they be supplied next year? That, too, is an impossibility. Before long wheat and the other smaller cereals will be ready for the harvest. The normal number of 100,000 self-binders in this country, 95 per cent of which are produced in the area I have described, will be reduced 50 per cent.

What did the Council of National Defense say? What is said in the circular letter sent out by the steel company? That the farmer must conserve what he has; that he must get along with the old binder, with the old corn planter. The related industries using iron and steel in the manufacture of other agricultural implements within the same area I have described will consequently be affected in the same way, because rod steel, wrought iron, and all forms of iron and steel used in the manufacture of other agricultural implements must ultimately be affected by the same conditions. It is contemplated that additional orders be issued affecting other lines of the iron and steel trade which are vitally connected with the productive energies of the factories I have described.

These are the conditions: While we are attempting to prepare ourselves by raising food supplies in this country, unwittingly—I do not say it is intentional, because no body of men with the patriotic purpose of the Council of National Defense would for a moment think of such a thing, but whether intentional or otherwise, the results are just as damaging—they have interfered with the John Deer Co., the Moline Plow Co., with the Rock Island Co., with the International Harvester Co. and Parlin & Orendorf, and others in the area named, which contains the largest manufactures in the world in those lines.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Mississippi?

Mr. SHERMAN. Yes; I yield.

Mr. VARDAMAN. Has the Senator from Illinois had conversation with or heard by letter from the International Harvester Co. or the Deering Co. or obtained information at first hand in any other way to the effect that the order promulgated by the Council of National Defense reducing the amount of steel which they are to use would so curtail their production of agricultural implements as to interfere with supplying the needs of the farmers? Have any of these manufacturers advised the Senator personally that their failure to get steel with which to make these corn planters and other agricultural implements will result in limiting the crops of the farmers?

Mr. SHERMAN. Yes, sir.

Mr. VARDAMAN. Well, did the representatives of those factories advise the Council of National Defense what would be the effect of their extraordinary order?

Mr. SHERMAN. Yes, sir; they have been advised; and very recently the order has been modified so as to allow 75 per cent instead of 50 per cent of the normal output. The allowance of sheet steel has been increased by that much.

Mr. VARDAMAN. Of course, we all understand the vital necessity of having steel with which to build battleships in these stormy times; we appreciate the necessity for ships to carry food and munitions to our allies across the sea. It will not be denied that steel in large quantities is needed in the manufacture of munitions, but it does seem to me that the matter of first necessity, even in war times, is something to eat. And for any man or body of men to promulgate an order limiting the manufacture of agriculture implements essential to the planting and cultivating of the farmers' crops is the ne plus ultra—the "utmost most"—of absurdity. It strikes me, Mr. President, that such an order is so utterly stupid as to be bordering onto crime. But the public mind is so inflamed and abnormal these days that I will not be surprised at almost anything that may happen. We probably ought to be thankful that it is no worse, however bad it may be.

Mr. SHERMAN. I quite agree with the Senator; and, as briefly as I can, I wish to present this condition, so that, if possible, there may be a loosening of these restrictions. On the presentation of the case there was a modification of the order, so that 75 per cent of the required sheet steel could be supplied to these factories, but that still leaves them 25 per cent short; that still leaves an inability to produce 25,000 binders and 20,000 corn planters.

These are practical matters that must be attended to. What is the use of building a fleet of vessels to carry food to the allies when there is no food produced in this country? Before food can be carried it must be produced. With the drainage of farm labor to the industrial centers there is only one remedy left for the farmer, and that is to use more machinery, more labor-saving and productive machinery, so that one hand can do more. The farmer must buy the new machinery.

Mr. VARDAMAN. Mr. President, I would like to suggest to the able Senator that there is probably more money for the manufacturer and contractor in shipbuilding than there is in making plows. There is no doubt but there is a whole lot of patriotism scattered about the country nowadays, but men can not be expected to change the habits of a lifetime on the spur of the moment. "When self the wavering balance shake" the figures are not always correct, although the purpose of the calculator may be fairly altruistic.

Mr. SHERMAN. Well, more than likely there is, because the manufacturers are selling on a very close margin the agricultural machinery to the farmer. After taking on certain Government contracts, with all the additional burdens of taking care of the agricultural-implement trade, suddenly they received a circular from the United States Steel Co. imposing these hardships.

I talked this morning with the representative of one of the largest companies. He has been here repeatedly, and appeared before the authorities, making his statement of what would result from such an order. So far the implement manufacturers have secured only the modification to which I have referred. I wish to state to the authorities here who have charge of this matter and to the different departments precisely what such an order means. I do not think we will reach the point of being in the clutch of famine. With ordinary good sense certainly we will not; but it will not be because of the Government that we will escape it; it will be because of the ability, industry, and resources of the people in private life that we escape it. I do not think there is one of the gentlemen on the Council of National Defense who, outside of his particular line, understands the far-reaching effect of the orders just entered. They have stopped the building-trade industry in my section of the country by prohibiting the shipping of crushed rock, lime, cement, bulky articles that are needed absolutely in road building, concrete making, in bridge building, in office building, in the construction of dwelling houses, and all the related lines of industry. That was the first order; that was order No. 1, and it tied up all that industry in my section of the country, and sent hundreds and thousands of men into temporary idleness, at least, unless the order can be rescinded. I wish these men to think once before they make another order or allow the order to which I have referred to continue longer in force.

Mr. VARDAMAN. The Senator would not object if they would think twice, would he?

Mr. SHERMAN. Well, if they will only think once, I will be very devoutly thankful; and, while not objecting to more, I will not insist upon any greater burden upon them.

Ordinarily there are 60,000,000 acres of wheat in the United States; that is the normal acreage. There are 50,000,000 acres devoted to the production of the smaller grains, rye, barley, oats, and the like. There are 108,000,000 acres of corn. The average production of wheat per acre in the United States is 16.7 bushels. If by the order to which I have referred the production of binders is curtailed one-half, it can readily be seen what that means. If the production is curtailed 25 per cent, Senators know what that means. For the 50,000,000 acres used in the production of small grain other than wheat the effect will be similar. For the 108,000,000 acres of corn inside of the great corn belt of the United States, if the 25 per cent order on sheet steel remains in force, it will reduce by 20,000 the number of new corn planters in the immediate future.

Now, the farmer is a temperamental fellow after all, although there is not on this question very much sentiment in him. As a rule, he never buys farm machinery except under the pressure of necessity. The farm machinery business is a seasonal one. The manufacturers in the center of the industry begin to make corn planters in August out of the material that is assembled. They begin to make binders in October. They begin to send the binders south, where the small grain matures earlier, along in January, and follow the season as it comes north with their shipments. Shipments of corn planters run along in the same way throughout the corn belt, because the season varies somewhat with the latitude. The only way that the supply of these implements can be kept up is for the order to be recinded. In the educational work of the Department of Agriculture, I wish to impress upon the responsible head of that department and upon the responsible committee of the Senate that their first duty is to reach the ear of those in authority or they will stop the productive energies of the grain-producing area of the Northwest.

Mr. HITCHCOCK. Mr. President, I was not in the Chamber paying attention when the Senator read the order to which he has referred. Will he kindly read it again? Was it an order from the Council of National Defense?

Mr. SHERMAN. No; it is a circular letter; but apparently it is based on an order or a direction of the Council of National Defense to the United States Steel Co. It is something as follows. I will give the Senator the substance of it, although I am not at liberty to incorporate it in the CONGRESSIONAL RECORD.

Mr. HITCHCOCK. Is it from the steel company?

Mr. SHERMAN. Yes, sir; from the United States Steel Co., and it says in substance——

Mr. HITCHCOCK. To whom is it addressed?

Mr. SHERMAN. It is addressed to the managers of the manufactories I have described. I think all of them have received the same circular letter in reference to the 50 per cent limitation on sheet steel; which, as I have said, has been modified to 25 per cent. They have raised the supply allowed to 75 per cent, so that the manufacturers are only short 25 per cent now, instead of 50 per cent. The letter ran about as follows: "In a conference held with the National Council of Defense it was concluded that the supply of sheet steel to the agricultural-implement houses, of which you are one, should be limited to 50 per cent of your normal demand compared with previous years." That is about the substance of the paragraph immediately affecting this question.

Mr. HITCHCOCK. Have these houses no other source of supply?

Mr. SHERMAN. The Senator means, than the United States Steel Co.? No; not in any adequate quantity, not enough to affect the market.

Mr. HITCHCOCK. How long ago was that circular letter issued?

Mr. SHERMAN. I should think, guessing somewhat, that it was issued about three weeks or possibly a month ago.

Mr. WALSH. Mr. President, I desire to inquire of the Senator from Illinois if that letter was not pursuant to the purpose and policy to utilize a very large proportion of the output of the steel manufacturers in the production of ships?

Mr. SHERMAN. Oh, yes; there is no doubt of that; but it is a question of whether it is better for us first to have ships or food. If we do not have an adequate food supply we may not be able to feed our own people, and we may not be able to have any surplus to transport abroad in the ships when they are built.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER (Mr. HUSTING in the chair). Does the Senator from Illinois yield further to the Senator from Montana?

Mr. SHERMAN. Yes, sir.

Mr. WALSH. I inquire of the Senator whether it is not likely that the Council of National Defense considered that feature of the problem before suggesting the limitation in the amount of steel that would be allotted to the producers of agricultural implements, and whether it is not advisable to lodge somewhere the power to say how much shall go to one purpose and how much to another?

Mr. SHERMAN. I will assume that the Council of National Defense did consider it. I would rather think that they overlooked it than that they considered it, and then, in the face of that consideration, entered such an order or made such a stipulation with the steel company.

Mr. HITCHCOCK. Mr. President, I am very much surprised that the order should have been applied to the makers of agricultural implements, because it seems to me that the extent to which building operations have been checked would enable the steel manufacturing concerns to supply the normal wants of the agricultural-implement concerns. I should like, however, to ask the Senator whether it is not a fact that there is a considerable portion of the products of agricultural-implement houses exported to other lands, and whether, under the present arrangement, the agricultural-implement houses would not be able to supply the home consumption?

Mr. SHERMAN. No, sir. The managers of the concerns say that it will cut short their output designed for use in the United States. I might state, as probably casting some light on the subject, that the export of agricultural implements from this area has been very largely curtailed since about the year 1916, beginning with the season of 1915. We formerly exported very largely to Mexico. We export some to Canada yet. We formerly exported from this area a very large quantity of the finished product to the Russian wheat fields. It was a very desirable trade and kept the factories running full capacity with three shifts of eight hours each the year around. But since the troubled conditions resulting from the war the larger part of this export trade has been cut off. In fact, 20 months ago, at the time of the last report I had, the factories were running at something like 60 per cent of their normal capacity. That was largely, if not entirely, due to the curtailment of exports to the European wheat fields.

They used to send a great many of these implements to France. France is quite a large producing area, and they had a very profitable market. The French farmer bought very liberally of these machines, and they were used especially in the Russian wheat fields. They furnished a very large area, along with many plows and drills that are manufactured especially for use by the Russians. We do not use such implements in this country at all; but having found the kind they needed, they were enabled to manufacture it, and that kept the factory running 12 months of the year.

With this curtailment, however, in the supply of sheet steel, they assure me that it will be impossible to furnish the domestic demands on corn planters or binders, either one. Soon much of the area of the small grains will begin to be harvested. They are harvesting in Texas now; and that area will move north with the season, and as the crops approach the time to ripen the demand for the machines will be coming in. That is what I started to say a bit ago—that the farmer buys what he needs. He does not generally buy in anticipation of future needs. It is a seasonal kind of product. The manufacturers make and store it up. They manufacture it as far as they can and have it in their warehouses in the area where it will be needed for delivery when the crops are to be harvested. But very largely, more so than in any other manufacturing business, I think, in this country, the manufacturer of agricultural implements is obliged to assemble his material and manufacture without booked orders. He must fill his warehouses in anticipation of what the reasonable, normal demand will be in the coming season. To that degree he is a considerable speculator on conditions, and he must take the chances in order to fill adequately the demands that are made on him.

With these conditions, taking Chicago as the central point, within a radius of 200 miles, including Indiana, you will find the factories that make 95 per cent of all the agricultural implements in the world, and it is a most serious problem with which they are confronted. If the present conditions continue, it will go directly to the harvesting of the crop.

Mr. KENYON. Mr. President——

Mr. SHERMAN. I yield to the Senator from Iowa.

Mr. KENYON. That will result, I assume, in a very largely increased price upon agricultural implements, will it not?

Mr. SHERMAN. I asked the question. The price of agricultural implements has increased somewhat, but if the Senator will take the list prices I think he will find that there is less increase in the price of agricultural implements than any other manufactured article coming out of the factory.

Mr. KENYON. But will not this order tend to increase the price very much?

Mr. SHERMAN. Undoubtedly it will. I will give an illustration at Omaha, Nebr., that came by letter.

A farmer 60 miles from Omaha wanted what we call a lister, a breaking plow and a corn planter combined. When the winter-wheat ground will not produce any crop, they plow up the wheat. That is what they used to do. Now they use the lister, and they seed the corn without breaking it up again. This farmer had a field that he wanted to utilize in that way. He could not find any of the machines in his neighborhood. He got on a train and went to Omaha, and went to the John Deere Co.'s office, and tried to buy from them one of these machines. They had none. He left, and about two hours afterwards he came back. He said, "You have one machine, a sample, in your warehouse." "Yes, we have; but it is sold and has been sold for a long time. We did not tell you of that because it is not available." The lister sells at $65 retail to the farmer. The farmer pulled $130, two prices, out of his pocket, and offered it to the John Deere Co. for the machine. Of course, they were obliged to refuse it, because it had been sold to another farmer.

This indicates the stress under which the farmer is working. This citizen of Nebraska stated that he did not want to let the ground lie fallow. He wanted to utilize it. He said, "I have read a great deal about crop production. I have lost my wheat, but I want to put in a corn crop. I want to make it productive. I want to add my share to increasing the food supplies of the country; and this is the only available way, in view of the lateness of the season now, that I have to put in a corn crop"; and he could not even do that.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Montana?

Mr. SHERMAN. Yes; I yield.

Mr. WALSH. This is rather a serious situation of which the Senator speaks. It seems to be a contest as to where the available steel should go—whether into the construction of ships or into the production of agricultural implements. Can the Senator tell us whether the manufacturers of the implements have been heard before the Council of National Defense, and have presented their needs?

Mr. SHERMAN. They have; and, as I said, they secured a 25 per cent modification of the original 50 per cent order; but they still have on them a 25 per cent restriction, which is a very material impediment in their manufacture.

Mr. WALSH. So that apparently the Council of National Defense has had the subject under very careful consideration.

Mr. SHERMAN. Yes, sir. The manager of one of the large companies was here to-day and appealed to me. I do not go over before the departments any more, and I do not think I shall. Whatever I have to say I am going to say in the Senate. I do not propose, for my part, to go over and spend half a day about any department in the executive branch of this Government again. What I have to say I will say here, and say it for the benefit of the department.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Mississippi?

Mr. SHERMAN. Yes; I yield.

Mr. VARDAMAN. I want to say by way of excuse for what seems to me a very hurtful and grievous mistake which the Council of National Defense has made in that order that there should be some extenuation in the fact that the world is now engaged in the wholesale business of murder. That is the business now engaging the attention of most of the distinguished men of the civilized Christian world. This is an era of blood-

letting and the most glorious is the man who can let the most blood and send the most souls to eternity.

Mr. SHERMAN. Yes, sir.

Mr. VARDAMAN. There is a sort of blood lust which has taken possession of the hearts of the most civilized people of ancient or modern times, temporarily dethroned their reason, stifled for the time the qualities of love, fraternity, and brotherhood which heretofore has been the pride and glory of our civilization. The world is more concerned just now in providing instruments of destruction of human life than it is in providing implements for the cultivation of the soil and the conservation of our natural resources. Money getting and man murdering is of more importance to-day than surrounding the home with comforts and vouchsafing to the citizens those opportunities which work for happiness and human well-being generally. The able and patriotic Senator from Illinois ought not to be too hard on those modern patriots, for there is some extenuation in the facts that I have related. They are no worse than the balance of us. When I consider the present with all of its horrors and painful abnormalities I can scarcely realize that I am living in the same country and the same century and among the same people of four years ago.

Mr. SHERMAN. That is true. I am not saying this in any censorious spirit, but I am saying it because it is worth a good deal more to say it here than it is to go over and talk either to the head of a department or to some subordinate. It goes in one ear and out of the other. That is the most I can say of it. I do not really know that it gets in the first ear.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. SHERMAN. Yes.

Mr. RANSDELL. I should like to ask the Senator from Illinois if there has been any restriction upon the amount of steel used in the construction of large buildings?

Mr. SHERMAN. I have not heard of any. I am not informed of any such orders. Although we speak of them as orders, they are not legal orders; they are only trade agreements that are made with the concurrence of the Council of National Defense; and many times the only way I find them out is by somebody affected by an order, who finds his operations hindered, coming into my office or wiring to me.

Mr. RANSDELL. I would suggest to the Senate that it might be well to restrict the amount of steel used in these big buildings, if there be a real shortage of steel, such as the Senator describes. I have no doubt he describes it correctly. If the manufacturers can not get sufficient steel to construct farm implements, and the Government needs steel to build ships, we might in some way cut off the supply of these big buildings that are going up everywhere. There are a number going up in the city of Washington at this moment. Perhaps it would be well to cut off their supply rather than to cut it off on the ships or on the agricultural implements.

Mr. HITCHCOCK. Mr. President, if the Senator will permit me——

Mr. SHERMAN. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I think the restriction upon the construction of large buildings has been automatic. Whereas steel for the construction of buildings cost only $47 a ton before the outbreak of the war, or about that time, it now costs $130 a ton, and that has automatically practically put a stop to all new building. Some buildings are being constructed which were under contract, but practically speaking there is very little steel now used in construction work.

If a proper showing can be made before the Council of National Defense, I shall be very much surprised if that order is not still further modified so as to permit the use of all necessary steel in the manufacture of agricultural implements. I think probably the Senator will find, if he examines the matter, that those concerns that are engaged in the manufacture of agricultural implements are to some extent also engaged in the manufacture of automobiles, and that it has been thought possible that the use of steel by those concerns could be restricted without interfering particularly with agriculture. Is not that the fact?

Mr. SHERMAN. Yes, sir; some of the men are interested in both. There is an element of truth in what the Senator says. I do not mean that as qualifying the truth of his statement, but there is such an element of truth from my angle, as I look at it, that I can not answer his question "yes" or "no" and be entirely accurate. I will answer in this way:

The general manager of one of the largest agricultural-implement houses in the country and in this area that I have described, a constituent of mine, is also the vice president of one of the large automobile companies; so he is engaged in both lines of manufacture. I said, "What is the relation of the supply between the automobile manufacturing"—they use a large quantity of sheet steel—"and agricultural implements, especially binders and corn planters?" He said, "There is a very close relation affecting each other." There is no limitation on the quantity of sheet steel to be supplied automobile manufacturers. They have contracted months or a year ahead for delivery this spring just as soon as the roads are good. One automobile company has contracts for 60,000 automobiles to be delivered this year. There is no limitation upon the sheet steel they can get. They have a goodly amount of sheet steel in their warehouse now, enough to make 35,000 of the 60,000 automobiles, and still there is no prohibition upon their purchase of sheet steel. But to continue this statement about the man who is not only an agricultural-implement manufacturer but also vice president of the automobile company, he said that he wanted the curtailment put on the automobile manufacture; that people could get along with their old automobiles, or could continue to use their present methods of transportation and do without an automobile for this year, but that we could not do without agricultural implements; and he had interests on both sides, was equally affected financially, and for himself he went before the Council of National Defense or the proper department, the Secretary of Commerce, to-day—or intends to do so before he leaves town—and ask him to modify this order, and if necessary to put restrictions upon the sheet steel delivered to automobile manufacturers, although it affects him equally in both directions.

I think only a very few, if any, of the agricultural-implement factories make automobiles. Most of them are making agricultural implements only.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from South Dakota?

Mr. SHERMAN. Yes, sir.

Mr. STERLING. The Senator from Illinois speaks of the action of the Council of National Defense as an order. I should like to know if it is the Senator's view that the Council of National Defense can make a binding order—whether its function is not simply to investigate and then to advise or recommend? Is not that the function of the Council of National Defense?

Mr. SHERMAN. Yes, sir.

Mr. STERLING. Do I understand that a recommendation made by the Council of National Defense is to be treated by the interests affected as an order, and is that what the Senator speaks of as the order made by the Council of National Defense?

Mr. SHERMAN. When I speak of the order I speak of it with the limitation that I gave a while ago, that it is not a legal order, but one that is a matter of agreement between it and industrial concerns; it has the practical effect of making a limitation on the product.

Mr. WALSH. Mr. President, I think perhaps I can shed a little light on this matter.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Montana?

Mr. SHERMAN. I do.

Mr. WALSH. Under both the Army bill and the Navy bill the Secretary of War and the Secretary of the Navy are authorized to commandeer steel and other supplies of that character for national purposes. They go to a steel company and say, "We need so much steel for the purpose of building ships," and of course the company has to supply it. The steel company is then obliged to disappoint those who have contracted with it, in order to supply the Government, because if it does not meet the Government's demands the Government will commandeer the whole thing and even take possession of the plant. So that the Council of National Defense simply says to the steel company, "We need so much steel," and then the steel company says to its customers, "The Government is demanding so much of us that we can not meet your demands, and you will have to cut them down by 25 or 50 per cent," as the case may be.

Mr. STERLING. I did not understand, from the discussion of the Senator from Illinois, that the Government or the Secretary of War or the Secretary of the Navy had yet resorted to commandeering. I supposed that in the instance to which he refers the Council of National Defense, not having the power to make a binding order on any one or upon any interest, had simply recommended a certain course, and the interests affected were expected to agree to that recommendation and treat it virtually as an order.

Mr. WALSH. The Senator from South Dakota must have misunderstood me if he gathered the idea that I have suggested that they have commandeered at all. They have the power to commandeer; and with the power back of them, as a matter of course, whatever they ask in the way of steel must be supplied by the steel manufacturers. When they say to the

steel manufacturers: "We need so much," they are obliged in turn to say to ordinary customers: "We can not supply your needs."

But there is another thing of which I want to speak. The Senator spoke about the roundabout way in which he had secured this information. Now, as I understand, we have an Official Bulletin. It would be very helpful, would it not, to the Members of both legislative bodies, if official action of that kind were published daily in the Bulletin for the information of all of us?

Mr. SHERMAN. There is no doubt of it. That is why I was ready to vote for a joint congressional committee on the management of war expenditures. I can not get to a department. I have not time, for one thing. The only way I can do anything is through my secretary. He is much more capable and diplomatic in those affairs than I am. But if there were a joint congressional committee, I could go to the Senators who represented this body, or the House members, and could very conveniently and expeditiously put before them complaints such as I have had to-day. I have had a very great many of them. I have refrained from inflicting them on the Senate not because I have not thought they were of sufficient importance but there is enough to take our time in this Chamber. I have asked those concerned to go and present their grievances from time to time, and obtain as far as possible a removal of these obstacles to normal production. In a large manufacturing and agricultural State like Illinois every order made here vitally affects production. I would occupy the Senate's time continually if I brought them all up. A joint committee such as proposed by the junior Senator from Massachusetts [Mr. WEEKS] would serve a most useful purpose.

I will say to the Senator from South Dakota that these are not orders in a legal sense at all. As I explained a bit ago, they are voluntary arrangements made at the time. I think it was three weeks or a month ago that the one was made to which I referred. They are simply observances by these manufacturing companies of the requests of the Government. They take the Council of National Defense as reflecting the wishes of the President. It is a matter of patriotism for these manufacturers, giving them credit for a fair degree of public spirit. When they understand that a governmental department wishes a certain line of action to be followed, they observe it. They are volunteering, and have placed their resources at the disposal of the Government, to be used as the departments here shall order; it is in pursuance of that that they have run up against this 50 per cent limit on the quantity of steel they require. It is far from being an encouraging response to their public-spirited offers.

Here is another thing about which I want to say a few words before I yield the floor: The members of the Council of National Defense do not keep sufficiently in their minds what is impressed upon them by these interests that are up against the manufacturing end of it. That is the difficulty. Here a matter of a month or six weeks ago there was a great furor spread over the country about utilizing waste ground. We were going to plow up the Rocky Mountains and drain all the morasses and swamps, the Everglades of Florida and everything else, raise onions in the parks, plant sweet potatoes and corn on vacant lots, and have enough of those things raised on waste ground to feed two or three nations like ourselves. Well, those are more or less fads, of course; but under the impulse of the temporary excitement the Government made inquiry from these same manufacturing concerns I am talking about as to how many tractor plows they could furnish in a given time. This same Council of National Defense learned from that request that all the tractor plows these companies could manufacture within the time required were contracted long ago to American farmers. They could not promise to deliver a single plow to the Government, because their capacity was contracted up to the minute.

If they had only kept that in mind and seen the other end of the stepladder—to use the simile I used here the other day—if they had followed that out, they would have seen the condition under which these factories were working. They would have seen that the normal output of binders and corn planters would have been affected by such an order as this. What the Council of National Defense need, I think, and the members of the Cabinet—and I am not saying this in a critical sense at all—is a joint congressional committee or some kind of authority—I do not care what you call it—to link the legislative department of the Government with the executive department and the Council of National Defense, so that our constituents who come here from all over the United States, some on one thing and some on another, and present the conditions to us may, through that committee, reach these departments, whether Congress is in session or not.

Here is another circumstance I want to state. It will take just a moment, and then I shall conclude. What will become of the plows? All the related products of iron and steel ultimately will be affected by such a restriction as this. Sixty per cent of all the steel plows made in the world are made in the Moline district. Ninety-five per cent of the entire product of the plow manufacturers is made within a radius of 200 miles of Chicago. The chilled plowshare is used in New England, where there is a superfluity of gravel or gritty substances in the mold that is turned. It is that kind of a chilled iron plow that goes into that country from my district. The steel plowshare is the one used in all the grain-producing country, where there is a soft soil. It is the only plow that will scour, as the farmers say they have found by experience. Now, ultimately these products will be affected in the same way unless the Council of National Defense shall understand the result of their order and modify it in some way so that the restrictions shall not apply.

Mr. PAGE. Mr. President, I understood the Senator from Illinois to say that he was in accord with the particular clause in this bill which has been cut down from $4,500,000 to $3,000,000.

Mr. SHERMAN. Yes, sir.

Mr. PAGE. Now, speaking for myself, I want to say that I do not believe there is any clause in this bill so important to the welfare of this country as this clause, reading:

> For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others.

I do not believe our committee exercised the courage of its convictions when it cut this appropriation down from the House provision of $4,500,000 to $3,000,000. It was simply yielding to what it believed to be a general demand on the part of the Senate that everything in this bill be cut down. I am almost certain, from what I know of the committee and the discussions going on while we have had this measure under consideration here, that had the committee acted on their own judgment fearlessly they would have left the amount as fixed by the House $4,500,000. If the Senator believes that that amount should be left there, I wish he would make the motion that we restore the House provision, and I, for one, shall very gladly support it.

The PRESIDING OFFICER. The Chair will state to the Senator from Vermont that the amendment has not yet been adopted.

Mr. PAGE. Well, if that is the situation I wish simply to repeat that in my judgment this is the most important provision in the bill. I sincerely hope the Senate will vote against the committee amendment; and I should be very glad if the Senator from Iowa [Mr. KENYON], if he speaks for the chairman, would consent to the rejection of the committee amendment.

Mr. KENYON. Mr. President, I would not have the authority to do that, and I do not know that the chairman would; but I should not feel at all badly to see the committee amendment rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. CALDER obtained the floor.

Mr. KENYON. Mr. President, I want to appeal to the Senator from New York to let us finish the committee amendments. There are only two or three more, and we are very anxious to finish them to-night. Then any individual amendments can be offered.

Mr. CALDER. Mr. President, this is a matter entirely apart from the bill.

Mr. KENYON. There is no much more important matter in this country now than getting a bill in shape where we can have a food survey of the country. Of course I can not help it if the Senator wants to discuss something else, however.

Mr. CALDER. I think the Senator will agree that the matter I have in mind is fully as important as anything that is pending in the bill. I will not take more than 10 minutes of the time of the Senate. This is a matter that I have had in mind for several days, and I came to the conclusion finally that it was my duty to lay it before the Senate.

Yesterday the Senate acted upon a resolution presented by the Senator from New Jersey [Mr. FRELINGHUYSEN], referring to the Committee on Naval Affairs a resolution to investigate the loss of the lives of two nurses on a merchant ship on its way to Europe. This was most unfortunate, but, many believed, unpreventable. I have had called to my attention a matter which I believe is preventable. It is of such grave concern that I think it my duty to bring it to the attention of the Senate.

I hold in my hand a round robin sent to me by sailors on the U. S. S. *Solace*, the Navy hospital ship, that deals with conditions on that ship. I bring it to the attention of the Senate so that the Naval Affairs Committee may take up the matter for investigation.

This round robin reads as follows:

Sanitary conditions on board of U. S. S. *Solace* May 18 to 21, 1917:
1. When we were sent from our ships lying at different points in the fleet base we were compelled to carry our own baggage, with fevers ranging from 100 to 103 degrees.
2. Drinking water very scarce. I had three glasses while on board (C. K. E.), and some men had only one glass apiece. I might add that there was no ice water and the water was very warm.
3. The dishes used by men sick with measles were washed in lavatory, where vessels were standing around with germs of scarlet fever and mumps, which said germs were thrown in same receptacle used by men with measles; the dishes, forks, and knives were wiped with toilet paper.
4. All food was served to men on one large platter, the motto of which was, "Help yourself or go without."
5. Men who were very sick were compelled to sleep on the deck with blankets (two). Many of these men had high fevers.
6. Blankets used by men with measles, mumps, and scarlet fever were piled up in one stack, and at night they were issued to the first ones who came for them. These blankets were not sterilized, and there were many risks taken by the men of transferring disease to one another.
7. Sick men unable to wash themselves went without for length of trip on U. S. S. *Solace* to the hospital at Norfolk.
Signed by men who experienced these conditions on U. S. S. *Solace*.

This round robin is signed by thirty-odd sailors of the fleet. I am going to withhold their names for the present. This is a matter that the Committee on Naval Affairs should thoroughly and completely investigate, and if the facts stated in this paper are true the severest punishment should be meted out to the men responsible. We are asking our young men to enlist in the Navy; we contemplate organizing a great Army, and if in the very beginning a condition of this kind exists the Senate ought to know it, and it ought to be remedied forthwith.

Mr. KENYON. I ask that the next committee amendment be stated.

The SECRETARY. On page 6, line 4, strike out "three," after the word "section," and insert "one," so as to make the first part of the paragraph read:

For gathering authoritative information in connection with the demand for and the production, supply, distribution, and utilization of food, and otherwise carrying out the purpose of section 1 of this act; extending and enlarging the market news service.

The amendment was agreed to.

The next amendment was on page 6, line 8, to strike out "$3,500,000," and insert "$2,522,000," so as to make the remainder of the paragraph read:

and preventing waste of food in storage, in transit, or held for sale, directing the market movement or distribution of perishable products, and otherwise carrying out the purposes of this act, $2,522,000.

The amendment was agreed to.

The next amendment was, on page 6, line 16, to strike out "$2,000,000" and insert "$1,200,000," so as to read:

For miscellaneous items, including the salaries of Assistant Secretaries appointed under this act; special work in crop estimating; aiding agencies in the various States in supplying farm labor; enlarging the informational work of the Department of Agriculture; and printing and distributing emergency leaflets, posters, and other publications requiring quick issue or large editions, $1,200,000.

The amendment was agreed to.

The next amendment was, on page 6, line 17, before the words "per cent," to strike out "twenty" and insert "five," and after the words "per cent" to strike out the words "of the total," so as to read:

Such part, not exceeding 5 per cent of any of the foregoing sums as the Secretary of Agriculture may find not to be required for carrying out the purposes of the particular item for which specifically appropriated may, by his order, from time to time, be transferred to any other such item or items, or may be otherwise used for carrying out the purposes of this act, including the payment of such rent, the expense of such printing and publications, and the employment of such agencies in the Department of Agriculture, such persons, and such means, in the city of Washington and elsewhere, as the Secretary of Agriculture may deem necessary.

The amendment was agreed to.

The next amendment was, on page 7, after line 3, to insert:

It shall be the duty of the Secretary of Agriculture to submit to Congress at its regular session in December of each year a detailed report of the expenditure of all moneys herein appropriated.

The amendment was agreed to.

The next amendment was to change the numbering of section 10 to section 8.

The amendment was agreed to.

The next amendment was, in section 8, page 7, line 13, before the word "year," to strike out the word "one" and insert "the beginning of the next fiscal," so as to read:

SEC. 8. That the provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than the beginning of the next fiscal year after the termination, as ascertained by the President, of the present war between the United States and Germany.

Mr. JONES of Washington. I wish to suggest to the committee that I think it is unwise to make the amendment the committee recommends here. If the war should close a month before the 30th of June, the department might have their plans arranged, and yet they could not carry them out. It seems to me they ought to know as nearly as possible about how much time they will have to do the work we have appropriated for here. If they know they have a year after the conclusion of the war, they can make their plans accordingly. I suppose the committee considered that, but it seems to me this provision is rather unwise, because, as I said, if the war closes 30 days before the end of the fiscal year the work can not go on in the next fiscal year.

Mr. KENYON. I think there is a good deal of force in the suggestion of the Senator. The House provision—I am not certain, but my recollection is—provided for the year 1918. I ask the Senator if he will let the amendment be adopted, and the matter will be taken up and considered later, and perhaps a different section can be drawn.

Mr. JONES of Washington. Very well. I would rather see the committee amendment voted down, but I shall not insist upon it. I think it can be worked out probably in conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. JONES of Washington. I would not want to have the amendment agreed to without objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. HITCHCOCK and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. McKELLAR. I was out of the Chamber when——

The PRESIDING OFFICER. The Senator from Nebraska has been recognized.

EXECUTIVE SESSION.

Mr. HITCHCOCK. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until Thursday, May 31, 1917, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 29, 1917.

VICE GOVERNOR OF THE PHILIPPINE ISLANDS.

Charles Emmett Yeater, of Missouri, to be vice governor of the Philippine Islands, vice Henderson S. Martin, resigned.

ASSOCIATE JUSTICES, SUPREME COURT, PHILIPPINE ISLANDS.

Thomas A. Street, of Alabama, to be an associate justice of the Supreme Court of the Philippine Islands, vice Sherman Moreland, resigned.

George A. Malcolm, of Michigan, to be an associate justice of the Supreme Court of the Philippine Islands, vice Grant T. Trent, resigned.

REGISTER OF LAND OFFICE.

Cato D. Glover, of Alabama, to be register of the land office at Montgomery, Ala. (Reappointment.)

COLLECTOR OF INTERNAL REVENUE.

William P. D. Haly, of Frankfort, Ky., to be collector of internal revenue for the seventh district of Kentucky, in place of Ben Marshall, superseded.

APPOINTMENTS IN THE ARMY.

JUDGE ADVOCATE GENERAL'S DEPARTMENT.

To be judge advocates with rank of major from May 15, 1917.

Capt. Willey Howell, Infantry, detached officers' list, to fill an original vacancy.

Capt. Gordon N. Kimball, Third Cavalry, to fill an original vacancy.

Capt. William Taylor, Infantry, detached officers' list, to fill an original vacancy.

Capt. Gouverneur V. Packer, Infantry (detailed in the Quartermaster Corps), to fill an original vacancy.

Capt. Edward K. Massee, Twenty-second Infantry, to fill an original vacancy.

Capt. Edwin O. Saunders, Ninth Infantry, to fill an original vacancy.

Capt. Marion W. Howze, Seventh Field Artillery, to fill an original vacancy.

Capt. Hugh S. Johnson, Cavalry, to fill an original vacancy.

Capt. George V. Strong, Sixth Cavalry, to fill an original vacancy.
Capt. Cassius M. Dowell, Infantry, detached officers' list, to fill an original vacancy.
Capt. William S. Weeks, Infantry, detached officers' list, vice Maj. Blanton Winship, promoted.
Capt. Allen W. Gullion, Infantry, detached officers' list, vice Maj. Beverly A. Read, promoted.
Capt. James A. Gallogly, Coast Artillery Corps, vice Maj. Edward A. Kreger, promoted.
Capt. Edwin C. McNeil, Thirty-fifth Infantry, vice Maj. Samuel T. Ansell, promoted.
Capt. Edward P. King, jr., Second Field Artillery, vice Maj. Herbert A. White, promoted.

CHAPLAINS.

Rev. A. Richard Hedstrom, of Colorado, to be chaplain with the rank of first lieutenant from May 21, 1917, to fill an original vacancy.
Rev. Henry Nathan Blanchard, of North Carolina, to be chaplain with the rank of first lieutenant from May 21, 1917, to fill an original vacancy.

PROVISIONAL APPOINTMENT BY PROMOTION.

COAST ARTILLERY CORPS.

Second Lieut. Charles D. Y. Ostrom, Coast Artillery Corps, to be first lieutenant from November 28, 1916, vice Baxter, detailed in the Ordnance Department.
Second Lieut. James C. Hutson, Coast Artillery Corps, to be first lieutenant from November 29, 1916, vice Dargue, detailed in the Ordnance Department.

PORTO RICO REGIMENT OF INFANTRY.

To be first lieutenants with rank from January 5, 1917.

Second Lieut. Manuel B. Navas, vice First Lieut. Eugenio C. de Hostos, promoted.
Second Lieut. Enrique M. Benitez, vice First Lieut. Felix Emmanuelli, promoted.
Second Lieut. Vicente N. Diaz, vice First Lieut. Louis S. Emmanuelli, promoted.
Second Lieut. Andres Lopez, vice First Lieut. Pascual Lopez, promoted.
Second Lieut. Ramon S. Torres, vice First Lieut. Daniel Rodriguez, promoted.
Second Lieut. Modesto E. Rodriguez, vice First Lieut. Leopoldo Mercader, promoted.

PROMOTIONS IN THE ARMY.

CAVALRY ARM.

To be colonels with rank from May 15, 1917.

Lieut. Col. John S. Winn, Cavalry (Inspector General), to fill an original vacancy.
Lieut. Col. Charles A. Hedekin, Fourth Cavalry, vice Lieut. Col. John S. Winn, whose detail in the Inspector General's Department is continued.
Lieut. Col. Francis J. Koester, Ninth Cavalry, to fill an original vacancy.
Lieut. Col. John D. L. Hartman, Cavalry, detached officers' list, to fill an original vacancy.
Lieut. Col. Robert L. Howze, Cavalry (General Staff), to fill an original vacancy.
Lieut. Col. Guy H. Preston, Second Cavalry, vice Lieut. Col. Robert L. Howze, whose detail in the General Staff is continued.
Lieut. Col. Ralph Harrison, Cavalry, detailed in The Adjutant General's Department, to be colonel from May 23, 1917, vice Col. William W. Forsyth, unassigned, retired from active service May 22, 1917.
Lieut. Col. Charles D. Rhodes, Cavalry, detached officers' list, to be colonel from May 23, 1917, vice Col. Ralph Harrison, whose detail in The Adjutant General's Department is continued.
Lieut. Col. Edward Anderson, Sixteenth Cavalry, to fill an original vacancy.
Lieut. Col. George E. Stockle, Twelfth Cavalry, to fill an original vacancy.
Lieut. Col. William T. Littebrant, Cavalry, unassigned, subject to examination required by law, to fill an original vacancy.
Lieut. Col. Michael M. McNamee, Cavalry, detached officers' list, to fill an original vacancy.

FIELD ARTILLERY ARM.

To be colonels with rank from May 15, 1917.

Lieut. Col. George G. Gatley, Field Artillery, unassigned, to fill an original vacancy.
Lieut. Col. Le Roy S. Lyon, Fourth Field Artillery, to fill an original vacancy.
Lieut. Col. Tiemann N. Horn, First Field Artillery, to fill an original vacancy.
Lieut. Col. Charles P. Summerall, Field Artillery, detached officers' list, subject to examination, to fill an original vacancy.
Lieut. Col. William M. Cruikshank, Field Artillery (Adjutant General), subject to examination, to fill an original vacancy.
Lieut. Col. Otho W. B. Farr, Seventh Field Artillery, subject to examination, vice Col. William M. Cruikshank, whose detail in The Adjutant General's Department is continued.
Lieut. Col. Dwight E. Aultman, Field Artillery, detached officers' list, subject to examination, to fill an original vacancy.
Lieut. Col. Adrian S. Fleming, Field Artillery (Adjutant General), to fill an original vacancy.
Lieut. Col. Brooke Payne, Sixth Field Artillery, subject to examination, vice Col. Adrian S. Fleming, whose detail in The Adjutant General's Department is continued.
Lieut. Col. William S. Guignard, Ninth Field Artillery, subject to examination, to fill an original vacancy.
Lieut. Col. Albert J. Bowley, Fifth Field Artillery, to fill an original vacancy.
Lieut. Col. Harry G. Bishop, Eighth Field Artillery, subject to examination, to fill an original vacancy.
Lieut. Col. Willard D. Newbill, Field Artillery (Quartermaster Corps), subject to examination, to fill an original vacancy.
Lieut. Col. Manus McCloskey, Third Field Artillery, vice Col. Willard D. Newbill, whose detail in the Quartermaster Corps is continued.

COAST ARTILLERY CORPS.

To be colonels with rank from May 15, 1917.

Lieut. Col. Clint C. Hearn, Coast Artillery Corps, to fill an original vacancy.
Lieut. Col. William C. Davis, Coast Artillery Corps, to fill an original vacancy.
Lieut. Col. Frank G. Mauldin, Coast Artillery Corps, detached officers' list, to fill an original vacancy.
Lieut. Col. Daniel W. Ketcham, Coast Artillery Corps, detached officers' list, to fill an original vacancy.
Lieut. Col. Thomas B. Lamoreux, Coast Artillery Corps, detached officers' list, to fill an original vacancy.
Lieut. Col. Andrew Hero, jr., Coast Artillery Corps, to fill an original vacancy.
Lieut. Col. Frank E. Harris, Coast Artillery Corps, to fill an original vacancy.
Lieut. Col. George Blakely, Coast Artillery Corps (Inspector General), to fill an original vacancy.
Lieut. Col. Frank W. Coe, Coast Artillery Corps (General Staff Corps), vice Col. George Blakely, whose detail in the Inspector General's Department is continued.
Lieut. Col. William R. Smith, Coast Artillery Corps, vice Col. Frank W. Coe, whose detail in the General Staff Corps is continued.

INFANTRY ARM.

To be colonels with rank from May 15, 1917.

Lieut. Col. Richard C. Croxton, First Infantry, to fill an original vacancy.
Lieut. Col. Edward N. Jones, jr., Twentieth Infantry, to fill an original vacancy.
Lieut. Col. Arthur Johnson, Thirty-sixth Infantry, to fill an original vacancy.
Lieut. Col. Charles H. Martin, Eighteenth Infantry, to fill an original vacancy.
Lieut. Col. William Weigel, Second Infantry, to fill an original vacancy.
Lieut. Col. Thomas G. Hanson, Infantry (detailed in the Quartermaster Corps), to fill an original vacancy.
Lieut. Col. Herman Hall, Infantry, detached officers' list, to fill an original vacancy.
Lieut. Col. Marcus D. Cronin, Infantry, detached officers' list, to fill an original vacancy.
Lieut. Col. Charles S. Farnsworth, Infantry, detached officers' list, to fill an original vacancy.
Lieut. Col. Charles Gerhardt, Infantry, detached officers' list, subject to examination required by law, to fill an original vacancy.
Lieut. Col. James T. Dean, Infantry (detailed in The Adjutant General's Department), subject to examination required by law, to fill an original vacancy.
Lieut. Col. Ulysses G. McAlexander, Infantry, detached officers' list, to fill an original vacancy.
Lieut. Col. William K. Jones, Fourteenth Infantry, to fill an original vacancy.

Lieut. Col. Edmund Wittenmyer, Infantry, detached officers' list, subject to examination required by law, to fill an original vacancy.

Lieut. Col. Michael J. Lenihan, Infantry, detahced officers' list, subject to examination required by law, to fill an original vacancy.

Lieut. Col. Mark L. Hersey, Twenty-fourth Infantry, to fill an original vacancy.

Lieut. Col. Frank H. Albright, Twenty-fifth Infantry, to fill an original vacancy.

Lieut. Col. Frederic D. Evans, Infantry (detailed in The Adjutant General's Department), to fill an original vacancy.

Lieut. Col. Earl C. Carnahan, Infantry, unassigned, to fill an original vacancy.

Lieut. Col. Edson A. Lewis, Sixth Infantry, to fill an original vacancy.

Lieut. Col. Charles E. Tayman, Twenty-eighth Infantry, to fill an original vacancy.

Lieut. Col. James W. McAndrew, Infantry (detailed in the General Staff Corps), subject to examination required by law, to fill an original vacancy.

Lieut. Col. Edward R. Chrisman, Thirty-third Infantry, to fill an original vacancy.

Lieut. Col. Peter C. Harris, Infantry (detailed in The Adjutant General's Department), subject to examination required by law, to fill an original vacancy.

Lieut. Col. Munroe McFarland, Infantry (detailed in the General Staff Corps), to fill an original vacancy.

Lieut. Col. William T. Wilder, Twenty-seventh Infantry, to fill an original vacancy.

Lieut. Col. William R. Sample, Thirty-fourth Infantry, subject to examination required by law, to fill an orginial vacancy.

Lieut. Col. William R. Dashiel, Infantry, unassigned, vice Col. Thomas G. Hanson, retained in the Quartermaster Corps.

Lieut. Col. Eli A. Helmick, Infantry (detailed in the Inspector General's Department), vice Col. James T. Dean, retained in The Adjutant General's Department.

Lieut. Col. William C. Bennett, Twenty-third Infantry, vice Col. Frederic D. Evans, retained in The Adjutant General's Department.

Lieut. Col. Frederic H. Sargent, Thirty-first Infantry, subject to examination required by law, vice Col. James W. McAndrew, retained in the General Staff Corps.

Lieut. Col. Wilson Chase, Twenty-sixth Infantry, vice Col. Peter C. Harris, retained in The Adjutant General's Department.

Lieut. Col. Charles B. Hagadorn, Infantry, detached officers' list, vice Col. Munroe McFarland, retained in the General Staff Corps.

Lieut. Col. Harry R. Lee, Ninth Infantry, vice Col. Eli A. Helmick, retained in the Inspector General's Department.

Lieut. Col. Harold L. Jackson, Infantry, unassigned, an additional number in his grade, to be colonel from May 15, 1917, the date on which he would have been promoted to fill a vacancy in that grade in his arm had he not been retired from active service, and to be an additional number in that grade.

COAST AND GEODETIC SURVEY.

The following-named assistants of the Coast and Geodetic Survey to be hydrographic and geodetic engineers:

Robert Lee Faris, of Missouri.
William Bowie, of Maryland.
Philip Albert Welker, of Ohio.
Herbert Cornelius Graves, of Virginia.
Richard Barnett Derickson, of Tennessee.
Fremont Morse, of California.
Hugh Cowan Denson, of Alabama.
Dallas Bache Wainwright, of the District of Columbia.
Isaac Winston, of Alabama.
John Francis Pratt, of Washington.
Edmund Finlay Dickins, of California.
John Edward McGrath, of the District of Columbia.
William Candler Hodgkins, of Massachusetts.
William Edward Parker, of Massachusetts.
Nicholas Hunter Heck, of Pennsylvania.
John Thomas Watkins, of Virginia.
Clifford Gordon Quillian, of Georgia.
Paul Clinton Whitney, of the District of Columbia.
Edward Herbert Pagenhart, of Minnesota.
Ector Brooks Latham, of Georgia.
John Jacob Gilbert, of Washington.
Francis Hathaway Hardy, of New Hampshire.
Raymond Stanton Patton, of Ohio.
Gilbert Thomas Rude, of Maryland.
Carey Vandervort Hodgson, of Ohio.
Homer Peter Ritter, of Ohio.
Walter Browne Fairfield, of Massachusetts.
Oscar Wood Ferguson, of New York.
Cephas Hempstone Sinclair, of Virginia.
Andrew Braid, of Pennsylvania.
Robert Francis Luce, of Massachusetts.
Thomas James Maher, of New York.
John Warwick Daniel Maupin, of Virginia.
Francis George Engle, of New York.
Leo Otis Colbert, of Massachusetts.
John Bartlett Boutelle, of Massachusetts.
Ferdinand Westdahl, of California.
James Bowen Baylor, of Virginia.

The following-named assistants of the Coast and Geodetic Survey to be junior hydrographic and geodetic engineers:

Harry A. Seran, of Ohio.
Clem Leinster Garner, of North Carolina.
John Henry Peters, of Ohio.
Jean Hopkins Hawley, of New York.
Eoline Richmond Hand, of Ohio.
Paul McGeorge Trueblood, of Indiana.
Frederick Bernhard Theodore Siems, of Maryland.
Alfred Modesto Sobieralski, of New York.
Arthur John Ela, of Washington.
Richard Russell Lukens, of Indiana.
Edgar English Smith, of North Carolina.
Roscoe Perrin Strough, of New York.
John Dalrymple Powell, of Virginia.
Arthur Joachims, of California.
Isaiah Morris Dailey, of Ohio.
Alfred Lewis Giacomini, of California.
Otis William Swainson, of Colorado.
George Durno Cowie, of New York.
Ernest Eugene Reese, of New York.
Harold Alonzo Cotton, of New Jersey.
Frank Spaulding Borden, of Pennsylvania.
John Albert Daniels, of New York.
George Carl Mattison, of Minnesota.
Leon Archie Potter, of New York.
Max Steinberg, of New York.
Harry Leypoldt, of Pennsylvania.
Eustace Samuel Walker, of Indiana.
Harry Thomas Kelsh, jr., of Pennsylvania.
Harrison Rae Bartlett, of New York.
William Valley Hagar, of Vermont.
Henry Bowers Campbell, of New York.
Kenneth Tress Adams, of Ohio.
Ernest Werner Eickelberg, of New York.
Frederic Lockwood Peacock, of New York.
Walter Draper Sutcliffe, of New York.
Ray Longfellow Schoppe, of Vermont.
Raymond Vernon Miller, of New York.

The following-named aids of the Coast and Geodetic Survey to be aids:

Arthur Sidney Hallberg, of California.
Maurice Eli Levy, of Massachusetts.
Robert James Auld, of New York.
William Harold Clark, of New York.
Jack Senior, of New York.
Sylvanus Davis Winship, of Maine.
Raymond. Pugh Eyman, of Ohio.
Leo Cuthbert Dyke, of New York.
Chester Howard Ober, of Rhode Island.
Douglas Karr, of New Jersey.
Conrad Turner Bussell, of Virginia.
William Henry Kearns, of Massachusetts.
Leonard Harold Zeman, of Illinois.
George Clay Jones, of Oregon.
Charles Shaw, of Massachusetts.
Reuben Arey, of Massachusetts.
Carl Alexander Egner, of Indiana.
Oliver Scott Reading, of Illinois.
Gardiner Luce, of Massachusetts.
Bert Clinton Freeman, of Michigan.
Lyman Davis Graham, of Pennsylvania.
Stanley Truman Barker, of Massachusetts.
Raymond Alonzo Wheeler, of Washington.
Leo Clark Wilder, of Vermont.
Andrew Carothers Witherspoon, of Pennsylvania.
Herbert Richard Grummann, of Nebraska.
Rowland King Bennett, of New York.
Max Orville Witherbee, of Colorado.
Payson Austin Perrin, of Massachusetts.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 29, 1917.

COLLECTOR OF INTERNAL REVENUE.

William P. D. Haly, to be collector of internal revenue for the seventh district of Kentucky.

RECEIVER OF PUBLIC MONEYS.

William A. Maxwell, to be receiver of public moneys at Denver, Colo.

REGISTER OF LAND OFFICE.

Harry J. Kelly, to be register of the land office at Lewistown, Mont.

PUBLIC HEALTH SERVICE.

Surg. William J. Pettus, to be senior surgeon in the Public Health Service.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 29, 1917.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou who art the Life and Light of men, our God and our Father, the Inspiration of every generous impulse, high resolve, and noble endeavor, we thank Thee for the sublime height reached and kept by our fathers through their dauntless courage, heroic sacrifices, and splendid achievement in a Government whose foundations were laid in the inherent rights of man—life, liberty, and the pursuit of happiness, which through all the vicissitudes of the past has come down to us, increased a thousandfold in all that makes a nation great. Help us, we beseech Thee, to realize how great is the responsibility resting upon us; that every citizen throughout the length and breadth of our Republic may renew his allegiance and pledge his patriotism to its preservation. We thank Thee that a day has been set apart to memorialize the patriots in all the history of our past that we may cherish their memories and holy sacrifices in the preservation of our sacred heritage, and to inspire the living to emulate their deeds in this hour when patriotism is filling a large place in our country's needs. May the day indeed inspire our hearts and deepen our love for right and truth, justice, and liberty. In the spirit of Him who taught us faith, hope, and love. Amen.

The Journal of the proceedings of yesterday was read and approved.

ESPIONAGE AND NEUTRALITY.

Mr. WEBB. Mr. Speaker, I desire to present a conference report on the bill H. R. 291, commonly known as the espionage and neutrality bill, and also to file with it the statement of the managers on the part of the House, both to be printed under the rule for the information of the House.

The SPEAKER. The conference report and statement will be printed in the RECORD under the rule.

LEAVE TO PRINT.

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to insert in the RECORD a resolution passed by the Commercial Club of Lewiston, Idaho, and another resolution passed by the board of county commissioners of Lincoln County, Idaho, at Shoshone.

The SPEAKER. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. AUSTIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

EXPLOSIVES.

Mr. FOSTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the explosives bill (H. R. 3932).

Pending the motion to go into the Committee of the Whole I would like to see if we can agree on time for general debate on this bill. There is no other business from the Committee on Mines and Mining, and I suggest that we have an hour of general debate.

Mr. MOORE of Pennsylvania. The gentleman from Pennsylvania [Mr. GARLAND] does not happen to be here at this moment.

Mr. FOSTER. The gentleman from Pennsylvania [Mr. GARLAND] is for the bill. The gentleman from Pennsylvania [Mr. STRONG] is here, and he is also for the bill.

Mr. MOORE of Pennsylvania. I understand he does not object to the bill.

Mr. FOSTER. I do not know whether there is any demand for general debate except on the part of some members of the committee who desire to explain the bill briefly.

Mr. MOORE of Pennsylvania. They desire only to speak on the bill?

Mr. FOSTER. Only on the bill. I ask unanimous consent for one hour of general debate on the bill.

Mr. STRONG. That will be plenty of time, I think.

The SPEAKER. The gentleman from Illinois [Mr. FOSTER] asks unanimous consent that general debate on this bill be limited to one hour, and that the debate be on the bill.

Mr. CANNON. One-half to be controlled by the gentleman from Illinois [Mr. FOSTER] and one-half by those who oppose the bill, if there are any.

Mr. FOSTER. Certainly.

The SPEAKER. One half to be controlled by the gentleman from Illinois [Mr. FOSTER] and the other half by those who oppose the bill, if there are any.

Mr. FOSTER. And by the gentleman from Pennsylvania [Mr. STRONG], if there is no one opposed to the bill.

Mr. CANNON. I have not read the bill, and I do not know that I want to say a word, but if there is anyone opposed to it, opportunity should be given.

Mr. FOSTER. Oh, we will be glad to accommodate the gentleman. There is no disposition to shut off anybody.

The SPEAKER. Is there objection?

There was no objection.

The motion of Mr. FOSTER was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3932) to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, providing regulations for the safe manufacture, distribution, storage, use, and possession of the same, and for other purposes, with Mr. HOUSTON in the chair.

Mr. FOSTER. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, I object. The bill is very short. I think it should be read.

Mr. FOSTER. All right.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] objects. The Clerk will read the bill.

The bill was read, as follows:

Be it enacted, etc., That in time of war it shall be unlawful to manufacture, distribute, store, use, or possess smokeless powder, explosives, blasting supplies, and ingredients thereof, unless such manufacture, distribution, storage, use, and possession is in compliance with the provisions of, for the purposes set out in, and in the manner provided by the regulations authorized by the provisions of this act.

SEC. 2. That upon the passage of this act the President of the United States is authorized, empowered, and directed to prepare, make, and promulgate by public proclamation such rules and regulations in the interest of public safety as he may deem necessary governing the manufacture, distribution, storage, use, or possession for necessary and proper purposes in time of war, all such smokeless powder, explosives, blasting supplies, and the ingredients thereof: *Provided*, The President may by proclamation from time to time make such alterations, modifications, and amendments to such rules and regulations as he may deem necessary and which the public safety may permit or require.

SEC. 3. That in order to carry out the provisions of this act and the directions contained therein, the Bureau of Mines, Department of the Interior, with the approval of the President, is hereby authorized to employ such persons, without regard to civil-service requirements, and to utilize such agents, agencies, and all officers of the United States and of the several States, Territories, subdivisions, and municipalities thereof, and the District of Columbia, in the execution of this act, and all agents, agencies, and all officers of the United States and of the several States, Territories, subdivisions, and municipalities thereof shall hereby have full authority for all acts done by them in the execution of this act when acting by the direction of the Bureau of Mines.

SEC. 4. That for the enforcement of the provisions of this act, including personal services in the District of Columbia and elsewhere, and including supplies, equipment, expenses of traveling and subsistence, and the purchase and hire of horse-drawn or motor-propelled passenger-carrying vehicles, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000, or so much thereof as may be necessary.

SEC. 5. That any person or corporation who violates the provisions of this act, or any of the rules and regulations made, established, and promulgated under the provisions of this act, shall upon conviction thereof be subject to a fine of not more than $5,000 and imprisonment for not more than three years, or both.

SEC. 6. That section 1 of this act shall take effect 30 days after the proclamation of the President promulgating such rules and regulations as he may deem necessary.

Mr. FOSTER. Mr. Chairman, this bill now before the committee is intended to regulate the manufacture, sale, storage,

and use of explosives under regulations to be promulgated hereafter by the President in case this bill shall become a law.

This matter came up first on a suggestion in the War Department. It was then taken up with the Secretary of War and the Secretary of the Interior, and at a conference of the manufacturers and users of explosives throughout the United States it was determined that some law of this kind ought to be placed upon the statute books during the continuance of the war, so that there might not be that indiscriminate use and sale of explosives which might cause loss of life and destruction of property throughout the United States. This bill is the result of conferences with these departments and of hearings held before the Committee on Mines and Mining.

Up to the present time, so far as we know, there have been no great explosions caused by the illegal use of explosives, but we do not know when such trouble may come and what destruction may take place. This bill is not intended to hamper in any way the legitimate use of explosives. We all realize that farmers in their work must use dynamite for blowing out stumps, cleaning ditches and work of that character, and that miners must necessarily use explosives in their daily work. So this bill will not hamper the legitimate use of these explosives that these classes of our people must have. It is only intended to reach a small fraction of 1 per cent of people throughout the United States, who may engage in the nefarious work of stealing explosives or making explosives in an illegitimate way to use them for the destruction of property, thereby interfering very much with the war. The bill in order to comply with the provisions of the Constitution has been taken up with the members of the Committee on Mines and Mining who are members of the legal profession, and I shall leave to them the explanation of that particular feature of this bill.

Mr. TOWNER. Will the gentleman yield?

Mr. FOSTER. I will.

Mr. TOWNER. Is it thought that the regulations such as are contemplated under the provisions of this bill may prevent such explosions as occurred in New Jersey a year or so ago, opposite New York City, in which so much Government property was destroyed on Ellis Island and Governors Island?

Mr. FOSTER. That was by the illegitimate use of explosives?

Mr. TOWNER. I ask if it is expected that the regulations contemplated under this act will prevent explosions in the future.

Mr. FOSTER. I can not answer the gentleman for I do not call to mind what caused that explosion.

Mr. TOWNER. That was caused by the misuse of explosives or the careless use of explosives. I think it was loading them practically near an open fire.

Mr. FOSTER. Yes; the issuance of these regulations would tend to prevent that.

Mr. HICKS. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. HICKS. I think that explosion took place not because of the use of explosives but because of the defective methods of handling. They were being placed aboard of a boat for transportation. Now will the gentleman yield for a question?

Mr. FOSTER. Yes.

Mr. HICKS. Section 3 provides for the employment of persons taking charge of this work. About how many people does the gentleman think will be employed?

Mr. FOSTER. Not a great many.

Mr. HICKS. A thousand?

Mr. FOSTER. Oh, no; probably not more than 50 or 100.

Mr. RAKER. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. RAKER. The title of the act provides that it is to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, and section 1 seeks to deal with that provision. Section 2 authorizes and empowers the President to prepare such rules and regulations in regard to the manufacture, storage, and possession of explosives. This, I take it, is not intended in any way to curtail the manufacture of explosives that is so necessary in all mining.

Mr. FOSTER. Not at all; the regulations will not interfere in the least with the legitimate use of these explosives in the mines or on the farm.

Mr. RAKER. Nor the manufacture of them.

Mr. FOSTER. Not at all.

Mr. RAKER. The idea is to observe the places where they are manufactured, to whom sold, and who has them, so that we may keep an inventory of what the explosives are, how much there is, and in whose possession they are.

Mr. FOSTER. That is exactly what the bill is intended to do.

Mr. RAKER. And the fullest latitude that now exists will be accorded to the manufacturers to manufacture them, particularly for all mining industries.

Mr. FOSTER. Yes. I will say to the gentleman that I come from a mining district, and that the State of Illinois has 80,000 miners, and it is a union State. I have conferred with these miners, and there is no objection whatever as far as I have been able to find out.

Mr. RAKER. So far as the entire mining operations are concerned, there would be practically nothing except the rules and regulations as to their reception of it and a sort of inventory of the amount they got, which practically would not be a burden on them to comply with the rules and regulations.

Mr. FOSTER. Certainly not; and there is no intention to cast any burden upon them. It may result in their being a little more careful. But I want to say this: It came to my notice that in one zinc mine in the United States they found a miner carrying dynamite out in his dinner bucket, and upon a search of his room they found a valise full of dynamite. It is intended to prevent such occurrences wherever they may be.

Mr. RAKER. Let me ask the gentleman this question: Of course, this particular subject would be peculiarly within the province of the several States as to the handling of explosives?

Mr. FOSTER. Yes; but it is intended to cooperate with the local agencies everywhere throughout the United States.

Mr. RAKER. Does the gentleman remember now as to what States have laws for the proper regulations of explosives?

Mr. FOSTER. New York has a good statute, and New York City has the best regulations of any city in the United States. They have to have them, because they use a million pounds of dynamite in New York City in excavations. Since the great explosion at Los Angeles, the State of California has passed a most excellent law, I think the best State law in the United States on the question of explosives. They require there that men who buy dynamite, if they comply with the law——

Mr. RAKER. They always comply with the law, except somebody comes in from some other place.

Mr. FOSTER. They require that no man can buy dynamite for any purpose whatever unless he is known and vouched for by some one acquainted with him.

Mr. McKENZIE. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. McKENZIE. I notice in section 4 it provides an appropriation for expenses of traveling and subsistence and the purchase and hire of horse-drawn or motor-propelled passenger-carrying vehicles. I would like to ask if the purpose of that provision is to purchase vehicles for the purpose of hauling dynamite, or hauling the people who are to be employed under section 3?

Mr. FOSTER. Oh, the gentleman knows, I am sure, it is not intended to employ them in hauling dynamite. My colleague is facetious about that, I take it. The intention is that it may be necessary to secure a motor-propelled vehicle of some kind, or it might be necessary to hire it in the discharge of their duty.

Mr. JUUL. Will the gentleman yield?

Mr. FOSTER. I will.

Mr. JUUL. Section 6 provides:

That section 1 of this act shall take effect 30 days after the proclamation of the President promulgating such rules and regulations as he may deem necessary.

What is the meaning of that?

Mr. FOSTER. I will say that when this bill becomes a law, if it shall, then there ought to be a reasonable time between the promulgation of the regulations and the going into effect, so that people might know the provisions. Three hundred newspapers of the United States have volunteered to give space in their newspapers to the notice of these regulations, so that everybody may know them.

Mr. JUUL. I wanted to ask the gentleman why this period for publication is limited to section 1 of the bill.

Mr. FOSTER. The publication is after the regulations, in case this should become a law.

Mr. JUUL. When does the act take effect?

Mr. FOSTER. Thirty days after these regulations shall have been issued.

Mr. JUUL. You say section 1 of this act shall take effect 30 days after the regulations have been issued. When do the other sections take effect?

Mr. FOSTER. They all take effect at the same time. At least, it was so intended.

Mr. JUUL. Would it not be wise to say that the act should then take effect?

Mr. FOSTER. Section 1 is the inhibition, the gentleman will notice.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. GOOD. I want to call the attention of the gentleman to line 5, on page 1. I observe that the ingredients of smokeless powder are included among those things which it shall be unlawful to store. If we adopt this, we say that it shall be unlawful to manufacture ether or nitric acid; it shall be unlawful to store or use cotton. Cotton is the principal ingredient of smokeless powder.

Mr. FOSTER. I will say to the gentleman that he has raised a question which, I think, ought to be explained. We talked that over, and it was talked of in the hearings. There are many ingredients, many common ingredients, some of them too common, as the gentleman from New York [Mr. LONDON] suggests, that are ingredients of the most deadly explosives. We could not prohibit the handling of all of it, it is true, but there are certain essential ingredients that go into explosives. This can not regulate all of it, but it is intended to reduce it to the very minimum. The gentleman is right in calling attention to it, because that is an important thing, and if you would stop the possession of all these ingredients you would interfere with the daily life of the people, with the necessities of life, and you could not do that. There has to be some common sense used in the regulations, and I have no doubt it will be done.

Mr. GOOD. What I wanted to ask the gentleman was whether or not it would weaken the bill in any respect if the bill could be enacted into law if those words were stricken out?

Mr. FOSTER. Yes; I think it would, because there are certain ingredients which could not be controlled and sold under certain regulations, and if you strike that out, you strike out many of these that can be regulated in that way.

Mr. GOOD. I am unable to understand how you will practically operate it. Take cotton, for instance. If you enact this into law it shall be unlawful, then, to store or use cotton in time of war.

Mr. HAMLIN. Excepting under the regulations.

Mr. FOSTER. That would be taken care of in the regulations.

Mr. HAMLIN. The department will take care of that.

Mr. GOOD. The gentleman may be right, but——

Mr. FOSTER. Yes; under the regulations. The bill starts out making it unlawful to do certain things, but another provision says "except under the regulations."

Mr. GOOD. Of course, then it would be within the power of the President to prohibit the storage of alcohol, because it is one of the ingredients of smokeless powder.

Mr. FOSTER. The President is not going to do any such a foolish thing as that.

Mr. GOOD. But you give him the power to do it.

Mr. FOSTER. Yes; trusting him to be fair and do right.

Mr. TOWNER. If in themselves they are explosives, then it would not be necessary to refer to them as ingredients of explosives.

Mr. FOSTER. There are certain ingredients very necessary to the making of certain explosives, and those can be to some extent regulated.

Mr. WINGO. They are largely used for that purpose only.

Mr. FOSTER. There are some used for that purpose.

Mr. TOWNER. That are not in themselves explosives?

Mr. FOSTER. Not in themselves explosives.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. LENROOT. As the language now stands in the bill, it would be a crime to have in possession or use any of these ingredients unless the regulations issued by the President covered every possible ingredient of an explosive. I do not wish to anticipate future action, but I want to ask the gentleman whether I am right in understanding that the committee will offer an amendment to this first section adding the words "not detrimental to the public safety."

Mr. FOSTER. Yes; we have an amendment that we have written, and the gentleman from Indiana [Mr. SANDERS] and the gentleman from Arkansas [Mr. WINGO] and others have considered that, and we propose to submit that to the committee for its consideration.

Mr. LENROOT. If that is adopted, that will remove all of these questions that are raised, because the ingredients by themselves could not possibly endanger the public safety.

Mr. FOSTER. Not at all.

Mr. MILLER of Minnesota. Mr. Chairman, I would like to ask the gentleman a question.

Mr. FOSTER. Just one moment. I move that the committee do now rise.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. HARRISON of Mississippi, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 3932, and had come to no resolution thereon.

DISTRIBUTION OF AGRICULTURAL PRODUCTS.

Mr. McKENZIE. Mr. Speaker and gentlemen of the House, I desire to make a very brief statement before submitting a unanimous-consent request.

The SPEAKER. The gentleman from Illinois asks unanimous consent for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. McKENZIE. On Saturday, while considering the food-survey bill, I offered an amendment providing that the men employed under the bill should not be exempt from military service. That amendment was unanimously agreed to by the members of the committee. On yesterday the gentleman from North Dakota [Mr. YOUNG] offered an amendment striking out the language on the last page of the bill preceding my amendment. And the enrolling clerk tells me that in striking out the language it carried out my amendment with it. Inasmuch as everyone was in favor of that amendment, I desire to ask unanimous consent for the present consideration of a resolution which will keep the amendment in the bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 92.

Resolved, That in the engrossment of the bill (H. R. 4188) entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products" the Clerk be, and he is hereby, authorized and directed to insert as a new paragraph on page 6, after line 24, the following:

"*Provided*, That the employment of any person under the provisions of this act shall not exempt any such person from military service under the provisions of the selective-draft law approved May 18, 1917."

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none. The question is on agreeing to the resolution.

The resolution was agreed to.

EXPLOSIVES.

Mr. FOSTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3932.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3932, with Mr. HARRISON of Mississippi in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3932, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 3932) to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, providing regulations for the safe manufacture, distribution, storage, use, and possession of the same, and for other purposes.

Mr. MILLER of Minnesota. Mr. Chairman, I would like to ask the gentleman a question if he will be kind enough to yield.

Mr. FOSTER. May I inquire how much time I have remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has 14 minutes remaining.

Mr. FOSTER. I would like to have the Chair notify me when 4 minutes have been used.

Mr. MILLER of Minnesota. This bill contemplates a very drastic method of handling explosives. Now, I want to direct the gentleman's attention to just two things. Carloads of explosives are used in the iron mines, for instance, of my own county every few days; also a large quantity of dynamite is used by farmers in clearing land.

Mr. FOSTER. Certainly.

Mr. MILLER of Minnesota. To turn the regulation and control of all these explosives that are so essential to these industries over to rules and regulations to be made by the President and to be enforced by a large number of agents to be appointed leads me to make the inquiry of the gentleman what the necessity for this is?

Mr. FOSTER. The necessity is to endeavor to prevent the illegal possession and use of explosives in time of war. And I would say to the gentleman there is not the slightest danger in the world in his community. I have a mining community, as has the gentleman from Minnesota, and I have talked with these miners, and they have not expressed the slightest objection. They approve of this bill. They say that it is not only a protection to the public but it is a protection to them, and it may prevent some man in the mines with a sort of nefarious

iden from wanting to destroy the mines. Throughout the United States in some of the great mines, and I know it to be true in my State, and probably in the gentleman's own State it is true, that these men who are operating these mines are somewhat uneasy as to what may occur to them.

Mr. MILLER of Minnesota. The gentleman's statement is absolutely correct. I am not criticizing the purpose of the bill.

Mr. FOSTER. And nobody will be troubled, but people will be expected to take the necessary precautions at a time like this. That is all.

Mr. MILLER of Minnesota. May I ask another question? This really affects mines in my district that are furnishing over 70 per cent of the iron ore in my State, and this comes as a surprise. May I ask the gentleman if the gentlemen who are operating coal mines and iron mines have had an opportunity to express their views to the committee?

Mr. FOSTER. They have; all we could get before us.

Mr. MILLER of Minnesota. Were any of the Lake Superior men before the committee?

Mr. FOSTER. I do not know that there were. I want to say this further to the gentleman, that the statement was made to the committee that before any regulations were to be put into operation the Committee on Mines and Mining should have an opportunity to see what those regulations were and to know what they were. There are on the Committee on Mines and Mining men who come from metal-mining States and were interested as the gentleman from Minnesota is. And I think he has a right to be interested. There are coal-mining districts of the United States represented, and they are to know something of what those regulations are to be.

Mr. MILLER of Minnesota. As I understand from the gentleman, then, the regulations before being promulgated are to be submitted to the committee for approval?

Mr. FOSTER. They are at least to know something about them. The question was definitely asked if that would be done, and the committee was answered that it would be done.

The CHAIRMAN. The four minutes have expired.

Mr. RAGSDALE. Mr. Chairman, I would like if the gentleman's time could be extended one minute, so that I can ask him a question.

The CHAIRMAN. The gentleman has the time.

Mr. BORLAND. The purpose of this bill is to prevent explosives from getting into the hands of undesirable persons. Now, the mere possession, as this bill says, of ingredients for explosives, not coupled with the intent of manufacturing explosives, would not be a violation of the regulation?

Mr. FOSTER. Not at all.

Mr. BORLAND. In other words, the gentleman is convinced that the regulations will be so drawn that there must be coupled with the possession of ingredients the facilities for the manufacture of the explosive?

Mr. FOSTER. Certainly. It would apply to a man having in his possession a quantity of ingredients without having any legitimate use for them. That would be the kind of a case it would apply to.

Mr. BORLAND. If he had the power of assembling them?

Mr. FOSTER. Yes.

Mr. RAGSDALE. Mr. Speaker, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. RAGSDALE. It is well known that cotton is one of the ingredients of smokeless powder. Would the gentleman object to incorporating into the bill a proviso to the effect that nothing in this bill shall apply to cotton?

Mr. FOSTER. No. I do not want to commence loading the bill down with that kind of amendments. There is no reason on earth for thinking that anyone in the United States would make the regulations so as to prohibit the buying and storing of cotton. I would rather not go into that. If I thought there was such a thing I would not be for this bill for a minute. But I am confident there is nothing in that.

I will say to my friend this: That if this bill passes and becomes a law and there are any regulations that prohibit the legitimate buying and storing of cotton I will be the first man to come in here and ask that the law be repealed.

Mr. RAGSDALE. Well, I am quite sure of that; but the trouble is this: That when the country has once lost its power over these matters, as has been the case heretofore, we have never been able to regain it, not since I have been here.

Mr. FOSTER. There is not a particle of danger as to that, any more than in the case of sugar or other ingredients that I might name.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield for one question?

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. CAMPBELL of Kansas. This is a matter of the most vital importance. I would like to have some information about it.

Mr. FOSTER. The gentleman from Pennsylvania [Mr. STRONG] will have 30 minutes.

Mr. CAMPBELL of Kansas. Why not have the time extended?

Mr. FOSTER. I ask unanimous consent, Mr. Chairman, that the time be extended 30 minutes, 15 minutes to be controlled by the other side.

Mr. STRONG. I will give the gentleman five minutes.

Mr. CAMPBELL of Kansas. But I want to ask some questions of the chairman of the committee.

Mr. FOSTER. Mr. Chairman, I ask unanimous consent that the time be extended—one-half to be controlled by the other side.

The CHAIRMAN. The time has already been fixed.

Mr. LENROOT. I suggest that you can grant unlimited time under the first section during the five-minute debate.

Mr. FOSTER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. STRONG] is recognized.

Mr. STRONG. Mr. Chairman, one of the important purposes of the bill which I did not hear discussed—and I do not know whether the chairman of the committee brought it out or not, there being so much confusion—is the making of regulations; and under the regulations which will be promulgated if this bill becomes a law will be one the purpose of which will be to make people more careful, if possible, of the manner in which they keep explosives in their possession. Take it in my district, for instance, and I presume it is the same wherever there are mining industries. There are magazines located out in the woods and in secluded corners, without very much protection, and very roughly constructed, easily broken into, where explosives may be stolen; and one of the objects brought out in the committee hearings was to try to regulate that matter, so far as it could be regulated.

It was agreed before the committee, when Mr. Manning, the Chief of the Bureau of Mines and Mining, was before us, that they would have hearings before the regulations were framed, and those engaged in industries using explosives would be notified. I know in my case I gave Mr. Manning the names of several of the leading bituminous coal operators in Pennsylvania and requested that they be notified, in order that they might appear before the bureau and discuss the regulations before they were submitted to the President for his signature.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. STRONG. Yes.

Mr. CAMPBELL of Kansas. Did the committee consider getting these regulations and proposed regulations and incorporating them into the law so that the country would know and the people affected would know just what the Congress was doing and what law the people would be expected to obey?

Mr. STRONG. Yes, Mr. Chairman; the committee considered that at length and discussed it at length with the representatives of the bureau, and it was concluded that the regulations would probably have to be modified from time to time to meet changing conditions or as new conditions would arise.

Mr. CAMPBELL of Kansas. Did the committee think it was wise to give any power to anybody to change or modify laws and regulations affecting the welfare of the people and their activities at will? This Government is not yet an imperial power, although we are fast contributing every vestige of right that has been reserved to the people or their representatives. Yet there should be some things held by the representatives of the people. [Applause.]

Mr. RAKER. Mr. Chairman, will the gentleman yield there?

Mr. DYER. Mr. Chairman, will the gentleman yield for a question?

Mr. STRONG. Yes.

Mr. DYER. I want to invite the gentleman's attention to section 2, and in line with the suggestion of the gentleman from Kansas [Mr. CAMPBELL] criticizing this section because of the authority it gives to the President. I want to ask the gentleman whether or not he considers that the Congress of the United States has the authority under the Constitution to enact section 2 into law?

Mr. STRONG. It has.

Mr. DYER. The gentleman would admit that it could not be done in time of peace, and there is nothing connected with this section that refers to interstate commerce. It is entirely within the State; a matter that is entirely within the borders of a State; and it is intended to give authority to the President to

govern the Nation. Is that the idea of the gentleman and of the committee?

Mr. STRONG. The committee could not figure out any way by which we might frame a bill and put in regulations such as were necessary unless we should pass a law of this kind to clothe the President with authority to promulgate rules and regulations from time to time during the war as necessity for the same arose.

Mr. SHERWOOD. Mr. Chairman, will the gentleman yield for a question?

Mr. STRONG. Yes.

Mr. SHERWOOD. Did this bill have the unanimous approval of the committee?

Mr. STRONG. Yes; it had the unanimous approval of the committee.

Mr. DYER. Mr. Chairman, will the gentleman permit another question?

Mr. STRONG. Yes.

Mr. DYER. The gentleman is acquainted with the bill that we had up here lately called the espionage bill. It was provided in that bill that the President should be given authority with reference to what should be published in the newspapers, having in mind the danger of certain information being used by the enemy to our detriment. Can the gentleman define the difference, if any, between that provision of the espionage bill and this provision with reference to private property of a different character and nature?

Mr. STRONG. I do not think that would apply.

Mr. DYER. I should like to have the gentleman answer my question if he can.

Mr. STRONG. I do not think I can answer that question.

Mr. LENROOT. Will the gentleman yield for a suggestion?

Mr. STRONG. Yes.

Mr. LENROOT. With the committee amendment to be offered to this bill there is a very radical change in this section, which makes it unlawful to have these explosives in use in any way that would be detrimental to the public safety, which brings it clearly within the line that was followed in the espionage bill, and thereafter merely left to the President the power to make rules and regulations to define that which is in the interest of public safety.

Mr. DYER. Will the gentleman from Wisconsin state what will be the difference between the espionage bill and this provision as amended?

Mr. LENROOT. Does the gentleman mean from a legal standpoint?

Mr. DYER. From the standpoint of public policy and the interest of the Government.

Mr. LENROOT. From the legal standpoint, they would be exactly on the same basis. From the standpoint of public policy the gentleman can form his conclusion as well as I can.

Mr. DYER. I hoped the gentleman would give his view.

Mr. RAKER. Will the gentleman yield?

Mr. STRONG. Not now. I do not want to take any more time in adding to what the gentleman from Illinois [Mr. FOSTER] has said, but I yield 10 minutes to the gentleman from Pennsylvania [Mr. MOORE], who wants to speak against the bill.

Mr. MOORE of Pennsylvania. Mr. Chairman, this is another of the bills giving extreme power to the President and taking out of the hands of Congress the further supervision of the matters referred to in the bill. It also does away with the civil service in the matter of the appointment of such employees as may be needed, up to the amount of $250,000, which is herein appropriated.

Now, we are creating many new positions under the guise of war emergency, and this bill purports to be a war measure. The first paragraph sets out that it is——

Mr. STEELE. Will the gentleman yield there just a moment?

Mr. MOORE of Pennsylvania. Yes.

Mr. STEELE. I was at a loss to know whether this bill was a war measure or not, because in the second section it says that the President shall promulgate rules and regulations in the interest of public safety. That would make it a police regulation.

Mr. MOORE of Pennsylvania. That would seem to be a police regulation, from my point of view.

Mr. STEELE. Now, the difference between this bill and the espionage bill, it seems to me, is this: The espionage bill related to regulations for the Army and Navy exclusively. This bill relates to private property within the borders of the States.

Mr. MOORE of Pennsylvania. Exactly.

Mr. STEELE. Where is the constitutional power in Congress to interfere with private property within the borders of a State, either as a police regulation or as a war measure?

Mr. MOORE of Pennsylvania. I will take the statement of the gentleman from Pennsylvania [Mr. STRONG] by way of illustration. He stated that certain manufacturers or persons in interest had appeared before the committee and indicated that this bill might prevent theft, and things of that kind. That is to say, somebody might surreptitiously get hold of some powder and then use it in an improper way, and this bill would tend to prevent it. If that is true, then the Government is going to spend $250,000 for the employment of police officers for the benefit of the owners of munition plants and others. That is about what it looks like.

Mr. WHEELER. Then under the provisions of this act the President could say to a coal operator, "We want your powder houses guarded, and you must employ those whom we name to guard your powder houses. If not, you can not operate your mines." Is not that true?

Mr. MOORE of Pennsylvania. There may be something in that. I will say to the gentleman that this bill is one of the most loosely drawn bills I have ever seen. I say that with all due respect to the gentleman from Illinois [Mr. FOSTER], who brings it in.

Mr. WHEELER. Again, they could say to a reputable hardware dealer, who handles explosives, "We do not want you to handle explosives any longer," and that might be quite an important part of his business, and that would exclude him. He might be a reputable citizen and a reliable man in every way.

Mr. MOORE of Pennsylvania. That all depends on the President's interpretation of this law, if it is passed, because there is nothing in the law that informs the citizen, whether a coal operator or a farmer, who desires to use powder for blasting the roots of trees—there is nothing in this bill to inform him as to his rights. He must wait until the President issues his proclamation, and after that proclamation is issued the President may issue other proclamations, alterations, modifications, and amendments thereof.

Mr. WHEELER. Or the department may say, "You must employ certain men to guard your powder houses. If not, the property will be closed."

Mr. MOORE of Pennsylvania. That may be. The bill appropriates $250,000 for the purpose of employing men who may be engaged without regard to the civil service.

Mr. LITTLE. Will the gentleman yield for a question?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Kansas.

Mr. LITTLE. Section 1 lays down the rule of law. Section 2 provides that the President may make regulations to carry it out and section 5 provides the punishment for violating the rule of law and the regulations. But if you turn to section 3——

Mr. MOORE of Pennsylvania. If the gentleman will wait just a minute, I will call attention to the fact that section 5 provides for a fine of not more than $5,000 and imprisonment for not more than three years, or both. It does not say "or." The man who violates this law is caught with both fine and imprisonment. That is unusual.

Mr. LITTLE. My question is this: Section 1 provides the rule of law, and section 2 provides for the regulations, and section 5 provides the punishment for a violation of both. Now, turn to section 3, and it seems to provide for the full enforcement of the rule of law, but not for anybody to carry out the regulations. It says that they shall have full authority for "all acts done by them in the execution of this act," but it does not say in execution of these regulations. Can the gentleman give the reason for that?

Mr. MOORE of Pennsylvania. I can not. Section 3, it seems to me, ought to be rewritten.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GREENE of Vermont. I was going to suggest that the regulations have all the effect of law when regulations of that character are authorized by statute.

Mr. LITTLE. That does not answer it, because section 5 provides for the punishment for violating both the law and the regulations, while under section 3 means to arrest are provided for one only.

Mr. MOORE of Pennsylvania. Mr. Chairman, I can not yield for further interruption. I suggest that there is absolutely nothing in the bill that informs the citizen as to his rights in the premises. Everything is dependent upon the proclamation of the Executive, as it applies to the use of explosives in every possible manner. A man may be using explosives, as I said a little while ago, to blow up stumps on his farm, but he does not know what his rights are and there is nothing in the law to inform him. Congress is abdicating in this instance, as it has

been abdicating in others, the power which under the Constitution it ought to retain.

Mr. GREENE of Vermont. Can the gentleman conceive of any law that might be authorized that will anticipate the remarkable degree of complication and differentiating circumstances under which explosives might be kept or used, so that the law would take care of every man that had explosives and say how he could be permitted to use them?

Mr. MOORE of Pennsylvania. The State laws take care of that.

Mr. GREENE of Vermont. Yes; but are they coordinating with the Federal policy in a time of war?

Mr. MOORE of Pennsylvania. Does the gentleman want us to confer on the Executive the entire control of the storage, care, use, manufacture of all explosives for private purposes as well as for war purposes?

Mr. GREENE of Vermont. I could outline some policy as to the use and care of explosives in time of war as incidental to the national defense so that there should be some coordination with reference to the husbanding of it and as to how it should be used and kept.

Mr. MOORE of Pennsylvania. Would the gentleman object to having that stated in the law?

Mr. GREENE of Vermont. I think the law should state the policy, but I think instead of trusting it to the widely different laws of the States——

Mr. MOORE of Pennsylvania. We have heard a great deal about the outrages committed, the blowing up of bridges by the illegitimate use of powder and dynamite, and yet the committee reports that no outrages have yet been caused by explosives that have been traced to such illegitimate use, and we are fortunate that no one has done so. The committee reports that nothing has happened, but that something may happen. There have been no outrages yet, according to the committee. Now, I call the committee's attention to section 3 and ask whether it had not better be rewritten or stricken out altogether. It provides:

SEC. 3. That in order to carry out the provisions of this act and the directions contained therein, the Bureau of Mines, Department of the Interior, with the approval of the President, is hereby authorized to employ such persons, without regard to civil-service requirements, and to utilize such agents, agencies, and all officers of the United States and to the several States, Territories, subdivisions, and municipalities thereof, and the District of Columbia—

At that point, it seems to me, it might be well to insert "for such purposes as they may be used," but that is not stated; it goes on—

in the execution of this act, and all agents, agencies, and all officers of the United States and of the several States, Territories, subdivisions, and municipalities thereof shall hereby have full authority for all acts done by them in the execution of this act when acting by the direction of the Bureau of Mines.

That is certainly a mixture of authority. The President apparently is eliminated from this particular section, and the State authorities, if that is what this section means, and the municipal authorities, and such agencies as are named in the bill, are to come under the direction of the Bureau of Mines. So after all we are not in reality conferring the power on the President—this wide supervision of public and private rights, this general oversight of all ingredients and materials entering into the manufacture of powder, but we are turning it over to the Bureau of Mines in a time of war. If we are to care for the public safety, possibly the Attorney General should be called in.

Mr. RAGSDALE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. RAGSDALE. Does the gentleman think, under existing law, that there is power conferred to use $250,000 for the purchase of any kind of motor passenger-drawn vehicle for use anywhere in the United States, including the District of Columbia, at the will of the purchasing officer?

Mr. MOORE of Pennsylvania. If this bill came up in any other way than as a war measure, it is possible that paragraph would not be in the bill, because $250,000 is a large sum of money, and this Congress has not been in the habit of appropriating it to the Bureau of Mines or any other bureau for the purchase of motor-propelled passenger-carrying vehicles. That provision comes in here under the guise of a war measure. The same thing is being done in several bills that are being presented to the House just now.

Mr. RAGSDALE. Does the gentleman think it is necessary, as in the case of Gen. Squires, of the War Department, that under the guise of taking care of aviation he goes out and buys three Super Six Hudsons in the District of Columbia?

Mr. MOORE of Pennsylvania. I do not know about that, but I can refer the gentleman to the testimony of Mr. McSparren, of the National Grange, read into the RECORD yesterday, which suggested that in war times a good many things "are slipped over the farmer," for instance, in matters of appropriation intended for his benefit.

Mr. STRONG. Mr. Chairman, how much time is left on this side?

The CHAIRMAN. The gentleman has 13 minutes, and the gentleman from Illinois 5 minutes.

Mr. STRONG. Mr. Chairman, I will be glad to yield such time as any gentleman wishes who wants to speak against the bill. I want to add that I am not here to answer questions in a defensive way of this bill. I joined in the report, but personally I made a special request that the million of mining people from my district might be heard in regard to these proposed regulations. So you will understand my attitude toward them. I will be glad to yield time to any gentleman who wants to oppose the bill.

Mr. RAKER. Mr. Chairman, I would like to ask the gentleman a question. He is a member of the committee, and I know that he wants to advise the House. Will the gentleman yield?

Mr. STRONG. Yes.

Mr. RAKER. Did the committee or the gentleman go into the merits of the bill to determine whether or not if this becomes a law and the President promulgates rules and regulations that all of the State statutes would be subordinated to those rules and regulations and abrogated so far as they conflict with the Federal statutes and the rules and regulations?

Mr. STRONG. Yes; that was discussed briefly at one of the meetings which I attended.

Mr. RAKER. What was the determination of the committee upon that?

Mr. STRONG. I do not know that they came to any conclusion. I do not recall. The chairman perhaps could answer the question better than I.

Mr. RAKER. Has the gentleman come to any conclusion upon that himself?

Mr. STRONG. No doubt the State laws would be subordinated.

Mr. RAKER. Would the gentleman think that the laws of a State, which cover all of these questions as to the storage, transportation, sale, and handling, should be abrogated by rules and regulations?

Mr. STRONG. No; I do not think so. I think the laws in our State are sufficient as they are.

Mr. FOSTER. Was it not stated that it was the intention if this should become a law to use all of the local agencies and the State mine examiners and all those people?

Mr. STRONG. Yes.

Mr. FOSTER. There will be no trouble about that.

Mr. STRONG. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. LENROOT].

Mr. LENROOT. Mr. Chairman, I believe there is a need for legislation of this character in connection with the war that our country is now engaged in, and with the committee amendments that I understand will be proposed to sections 1 and 2, I should support the bill so far as that is concerned; but so far as sections 3 and 4 are concerned, authorizing the employment of a large number of employees, the purchase of automobiles, and so forth, I can not for the life of me see what place or purpose that can have in this bill as a war measure. What is the public necessity for this bill? It is to protect public safety by providing a Federal statute, the violation of which will enable the Department of Justice to inaugurate a prosecution under the Federal law.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. RAKER. Just in line with what the gentleman has said, can the gentleman see any necessity for procuring any more employees to find out where explosives are that are now being used in the same method by the Department of Justice?

Mr. LENROOT. No; and if employees are to be used in connection with this matter they should be employees of the Department of Justice and not of the Bureau of Mines.

Mr. RAKER. Just one other question. The Department of Justice now having a large force in the field doing all this kind of work, does not the gentleman believe they could just add this right onto that?

Mr. LENROOT. Absolutely; and that is why I am in favor of striking out sections 3 and 4 of the bill.

Mr. RAGSDALE. Does not the gentleman think that it is an oversight that they did not provide in the section for passenger-carrying launches and yachts also?

Mr. LENROOT. I do not want to get away from my view that there is something in this bill that is necessary at this time in the public interest in this time of war, but it should be confined to that thing. For instance, here is a State that has no laws with reference to the regulation or use of explosives. We

all recognize the fact that conditions to some extent exist in this country where explosives may be used by enemies of the country, and there ought to be some method of reaching those cases under Federal prosecution, where the mere possession of an explosive under certain circumstances should be a crime, and for that reason I think that sections 1 and 2 as amended, and the penalty, should become a law; but so far as the large number of additional employees is concerned, it can not be justified, and there is no purpose in it so far as this war is concerned. If there be a purpose, it is wholly apart and outside of the war situation.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. KING. If the Bureau of Mines is charged with the responsibility of the enforcement of this act, upon what theory does the gentleman believe the employees ought to be under the control of the Department of Justice?

Mr. LENROOT. The Bureau of Mines ought not to be charged with the enforcement of this act any more than the Bureau of Mines should be charged with the enforcement of any other law relating to any unlawful act made a crime by the statutes of the United States. That should rest wholly with the Department of Justice.

Mr. GREENE of Vermont. Section 3, that the gentleman proposes to strike out, is the only place that carries authority for the Bureau of Mines.

Mr. LENROOT. That is all; so that if we strike out sections 3 and 4 it will remain a penal statute, where Federal prosecution may be inaugurated by the Department of Justice for the violation of a Federal law, and that is as far as I think the statute ought to go.

Mr. DYER. Mr. Chairman, I will ask the gentleman if the Committee on Mines and Mining would have any jurisdiction over the matter with the elimination of these things?

Mr. LENROOT. Then, I think, it should properly belong to the Committee on the Judiciary.

Mr. ROSE. Mr. Chairman, a question has been raised where State laws having to do with explosives may come in conflict with the laws of the United States, and I should like to have the gentleman state whether in every such case the State laws would be set aside.

Mr. LENROOT. I would state that if a State law permitted the use or possession of explosives in a certain way and the President, under the power conferred by this bill, should conclude and by regulations order that that kind of possession was detrimental to the public safety, the State law to that extent would be set aside.

Mr. STRONG. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, this statute is a punitive one. It makes a law and it provides there may be regulations which the President can issue to enforce the law. In section 5 it provides punishment for violation of "the rules and regulations." In section 3 it provides for the people who shall be authorized to enforce the statute, particularly the State officers and municipal officers, and it says that these people "are given full authority for all acts done by them in the execution of this act." But it does not say they are given full authority to enforce "the regulations." It has been suggested by my learned friend from Vermont [Mr. GREENE] that the regulations would go with the law as part of it. The fact is just the opposite. The penal statutes are to be strictly interpreted, and if a man were arrested by a State officer for the violation of "the President's regulations," and the fellow should claim he was arrested in pursuance of this section 3, if I were his attorney or the gentleman from Vermont were his attorney, we would say the officer had no authority to arrest. You have no authority to enforce the regulations, and under a punitive statute, if strictly interpreted, the man would get off. If you want to enforce "the President's regulations," you should insert, after "act," the words "and the regulations made thereunder."

Mr. McKEOWN. I would like to ask the gentleman if he is familiar with the statute regulating the flight of migratory birds of this country and if that is not a penal statute and has been enforced?

Mr. LITTLE. I regret to say that I am not familiar with that statute. I never went hunting in my life. I have several letters from my constituents in regard to that, and I will have to look it up.

Everybody who has tried a criminal case knows that this statement of the use of a criminal statute is the law. You can not send a man to jail unless he is absolutely within the limits of that statute.

Mr. GREENE of Vermont. I am not a lawyer——

Mr. LITTLE. I beg pardon. I did not intend to slander the gentleman.

Mr. GREENE of Vermont. You can not slander me.

Mr. LITTLE. That accounts for your answer to my suggestion—the fact that you are not a lawyer.

Mr. GREENE of Vermont. That may be, and it perhaps may be accounted for in another way, namely, that in many other statutes here the act of Congress expressly authorizes some executive officer to promulgate regulations for the purpose of carrying the act into effect, and I have always been informed here that that authority made those regulations so promulgated a part of the act, to all intents and purposes, and that courts took notice of them as such.

Mr. LITTLE. Those were civil statutes, I presume.

Mr. GREENE of Vermont. That may be the explanation of it.

Mr. MILLER of Minnesota. Does the gentleman seriously contend that if Congress passes a law authorizing an executive officer to make regulations under the law and prohibiting violations of the rules and regulations with a penalty attached, a man can not be convicted of a crime for violating the regulations?

Mr. LITTLE. The gentleman heard what I said. They could try the man all right, unless he hired a lawyer. But an arrest, by men named under section 3, for defying the President's "regulations" would be void.

Mr. MILLER of Minnesota. Providing it is the authorization of the statute—that is, the rules and regulations, where a man was authorized to make them.

Mr. LITTLE. If a man should be arrested by some one specially empowered by this section 3, they would have to let him go. There is no authority under section 3 to enforce the regulations.

I think this section 4 should be knocked out. I do not think they should spend $250,000 here. There are enough peace officers now to enforce it. You have all the power of the United States marshal's office. You have appointed the State and municipal people your agents to enforce this statute. Why spend a quarter of a million dollars "in the District of Columbia and elsewhere" for special officers and automobiles and "general expenses"? Who is to expend $250,000? How many autos will it buy for "the District of Columbia and elsewhere"? Why was the "elsewhere" inserted? Evidently an afterthought. This Government probably has more automobiles in this city right now than in all its "elsewhere."

We appropriated $14,000,000 yesterday and nobody here or in the department could tell just what it was all for. Gentlemen, when bread is 15 cents a loaf, $250,000 is a lot of money. We should be husbanding the resources of this Republic; not filling every hand that is thrust at us. Before long this money will be needed for the boys at the front. This money will be furnished by people who are moving heaven and earth to provide their families with food and clothes. I am opposed to spending any of it for the purposes named in section 4, when this country has plenty of peace officers. Tell your troubles to the police. There is too much money used for red tape and incidentals already. Why should the Bureau of Mines have a lot of automobiles?

These continual grants of exceptional authority to clerks all over Washington, under guise of giving power to the President, are of very doubtful propriety, anyway. This Congress is here by authority of the Constitution. This is the day of a great emergency, and I think it time this House meet the responsibilities the Constitution lays on the House. It is becoming evident you will eventually be compelled to exercise your constitutional powers, as do the Parliaments of Great Britain, France, Russia, and Italy. What would Thad Stevens and Charles Sumner, Sam Randall, and Holman say to a Congress which shirked its responsibilities, abdicated its constitutional functions, voted billions to staffs and bureaus, gave them carte blanche to conduct this great Government, and explained that the daily press said we must do as we are told? There is no excuse for appropriating this $250,000. We will need the money much worse "elsewhere."

Mr. FOSTER. Mr. Chairman, I yield the balance of my time to the gentleman from Missouri [Mr. HAMLIN].

The CHAIRMAN. The gentleman from Missouri is recognized for five minutes.

Mr. HAMLIN. Mr. Chairman and gentlemen of the committee, it has been said here this morning that this is a drastic bill. I agree to that. I want to remind the committee that we have not considered any other kind of bills since the beginning of this extraordinary session. We will not pass any other kind, in my opinion, between this time and adjournment. These are drastic times. War is drastic. And I want to remind gentlemen that we are passing through what may be termed the transition

period. For years we have been legislating under normal conditions. Scarcely a measure which has passed this House in the past two months would have received a moment's consideration if conditions had been normal.

We may as well make up our minds now that we have got to face conditions as they actually exist; that war can not be conducted by town meetings. War is inimical to democracy. It must be conducted in an autocratic way. No general in command of an army can afford to submit the next move to a referendum. Power has got to be lodged with some person in supreme control, who will be able and have the intelligence to meet conditions as they are confronting him day by day and hour by hour.

Now, some object to lodging this great power in the President. This law provides that the President may make certain rules and regulations to carry out the intentions or provisions of this bill. I can not bring myself to believe that there is a man upon the floor of this House who doubts the intelligence or patriotism of the President. It is ridiculous for anybody to intimate that the President of the United States will promulgate a regulation that would make it a crime for a southern planter to have in his possession a bale of cotton. It is ridiculous to conclude that he is going to hold as criminal the Du Pont Powder Co. because they have a certain amount of explosives in their possession.

Mr. RAKER. Will the gentleman yield?

Mr. HAMLIN. Certainly.

Mr. RAKER. I find a statement from an expert here——

Mr. HAMLIN. Just a question.

Mr. RAKER. It is a man who says that the most powerful explosives can be made from ingredients usually accessible in any drug store or elsewhere. In other words, that the drug stores in all places now have all the ingredients that may be used for explosives.

Mr. HAMLIN. The gentleman must not take my time with a speech.

Mr. RAKER. Would this provision require regulation of all the drug stores, too?

Mr. HAMLIN. No, sir. I do not regret that the gentleman asked the question. If I had time, I had intended to speak of that. The prohibition of manufactures referred to in this bill does not and will not in any sense affect the legitimate manufacturer; but it did develop before the committee, through some testimony that we felt ought not to be printed, that there are certain things of everyday household use that, combined in a certain way, makes the very highest possible explosive, and there are some people, according to the evidence given before the committee, that in common parlance we call "crooks," who are wise to that fact. Much of these explosives can be and will be, perhaps, manufactured illicitly.

Now, then, the purpose of this law is to give authority to the President—of course through some executive department—to hunt out or run down these criminals and prevent the manufacture in this illegitimate and illicit way of explosives to be used for evil purposes.

Mr. NORTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from North Dakota?

Mr. HAMLIN. In a moment.

Gentlemen must not forget and this country must not forget that, while we love each other, our population is a cosmopolitan one, and that out of the 100,000,000 people there are here and there black sheep, men who do not love the Stars and Stripes, men who do not even regard their own lives; and while we can not absolutely and entirely prohibit the unlawful manufacture of these explosives and the illegitimate use of them, we do hope by this law, by regulations that would be promulgated, to reduce that illegitimate manufacture and use to the least possible minimum.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HAMLIN. I will ask unanimous consent to extend my remarks, in the hope, however, that I may be able to finish what I wanted to say under the five-minute rule.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That in time of war it shall be unlawful to manufacture, distribute, store, use, or possess smokeless powder, explosives, blasting supplies, and ingredients thereof, unless such manufacture, distribution, storage, use, and possession is in compliance with the provisions of, for the purposes set out in, and in the manner provided by the regulations authorized by the provisions of this act.

Mr. HAMLIN, Mr. RAKER, and Mr. MILLER of Minnesota rose.

The CHAIRMAN. The gentleman from Missouri [Mr. HAMLIN] will be recognized first.

Mr. HAMLIN. Mr. Chairman, I think I can conclude what I wanted to say in five minutes. The purpose of this bill is to make it impossible, or as difficult as possible, for those who have evil purposes to procure these explosives. Now, I appreciate and I am in sympathy with the interests of gentlemen, like my friend from Kansas [Mr. CAMPBELL], who have great mining industries in his district, and the gentleman from Minnesota [Mr. MILLER] and others, in not wanting the legitimate business that is being prosecuted in their districts to be interfered with. There is absolutely no intention—and I am sure not a single member of that committee had the intention when he voted to report this bill—to interfere with any legitimate business; but there came before that committee men engaged in the legitimate manufacture of explosives, representatives of the Du Pont Powder Co. and also representatives of the miners, who had looked into this matter, and with one accord they advocated the reporting of a bill such as this, with the hope that the illegitimate use of these explosives could be prevented in this country in these times of war.

Mr. RAKER. Mr. Chairman, will the gentleman yield right there?

Mr. HAMLIN. Yes.

Mr. RAKER. Was it not the consensus of opinion of at least three of these experts whose testimony I have read that in each community there should be appointed a committee of safety of reputable citizens to look out for the operation of these regulations, and that was held as being a perfectly feasible thing to do, and one that would accomplish much in achieving the end we seek? In other words, pass your laws and regulations, and then enforce them like any other criminal statute. Was not that the consensus of opinion before your committee?

Mr. HAMLIN. I will not say it was the consensus of opinion of the committee, but it was the intention of the committee to make provisions, either by this law or by regulations under it, and to properly enforce them and carry out the intention of the law.

Some suggestion has been made here with reference to sections 3 and 4 as to certain employees——

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. In just a moment, when I have finished this sentence.

Mr. CAMPBELL of Kansas. I want to hold the gentleman to section 1. We will have an opportunity later to get to sections 2, 3, and 4.

Mr. HAMLIN. I want to say that, so far as I am concerned, as a member of this committee, I am not wedded to section 4. If it is the judgment of the committee as a whole that this law can be enforced without it, well and good; but there must certainly be somebody provided to look after this matter and ferret out this illegitimate and illicit manufacture and production and distribution, and so forth. It came to the knowledge of the committee that once in a while you would find a miner whose daily work was the handling of dynamite, but under the regulations of the mines he was not presumed to have possession of it except when he went to his work, and then he was required to account for the amount of dynamite given him that morning, either by having exploded it or returning it when his day's work was done. But it came to the knowledge of the committee that sometimes a miner was found who would smuggle away some portion of this dynamite and store it away in his home. Somebody has got to look out for these things. If it can be done with the machinery already at hand, I, as one member of the committee, have no objection.

Mr. CAMPBELL of Kansas. What I wanted to know was this: Whether the committee considered the enactment of a law without giving authority to the President to make proclamation?

Mr. HAMLIN. Yes.

Mr. CAMPBELL of Kansas. Why was not that done?

Mr. HAMLIN. I am glad the gentleman asked that question. It is for the reason that it is a physical impossibility for this committee or this House to sit down here and write a law that would perhaps fit a precise situation that would endure throughout the progress of this entire war. I think the gentleman will appreciate that as we carry out the provisions of this law there will be a situation presenting itself different from that which we have in mind now, and that the law we enact here would not cover every condition which might develop. Therefore we put in this bill the right of the President to change from time to time these regulations to meet the changing situation. This I regard as necessary.

Mr. RAGSDALE. Mr. Chairman, I have always been willing, and am willing now, to delegate to this administration and to the centralized powers that we have here sufficient authority adequately to take care of the serious condition that confronts us. But there are some matters, it seems to me, that at this time need our careful consideration. It seems to me that the enactment of blanket laws, without any specific limitation, carrying certain sums of money to be spent at will here at Washington, at a period of time when we are taxing the people of this country more heavily than they have ever been taxed before, ought to have our most careful consideration. [Applause.]

Why should we to-day delegate the authority under section 4 to expend the sum of $250,000 here in the District of Columbia for horse-drawn or motor-propelled passenger-carrying vehicles? Recently I went down in front of the War Department, and I saw a very handsome Hudson Super Six car. I walked around to the Army and Navy Club shortly afterwards and saw its mate, another handsome seven-passenger Super Six car, the kind manufactured by Mr. Howard Coffin, who is doing great service for our country here. I went to another place, and I found a third car of the same type. I asked, "Whose cars are these?" I was told, "These are cars recently purchased by the Aviation Corps. The Aviation Corps needs these cars for use in the District of Columbia." Why should the Aviation Corps or any other one department here suddenly need three handsome seven-passenger Super Six Hudson cars?

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. RAGSDALE. Yes.

Mr. MILLER of Minnesota. When did we appropriate the money for these cars?

Mr. RAGSDALE. I do not know of any specific authority, nor have I been able to learn of any specific authority for their purchase. Sitting on the front seat of each one of these cars was a private of the United States Army in United States Army uniform, fine-looking fellows, sitting up there as chauffeurs for these distinguished gentlemen to ride in great state around to the various buildings and in the city of Washington, to inspect the Aviation Corps.

Mr. MOORE of Pennsylvania. Is not a Hudson Super Six a flying machine?

Mr. RAGSDALE. It comes pretty near it on a good road. It hits it up pretty smoothly, and it is one of the most agreeable cars in which to ride. You know they are used sometimes even in high society, to go to pink teas, but just what they add to the Aviation Corps I am unable to say.

Mr. NORTON. The gentleman owns one of those machines, does he not?

Mr. RAGSDALE. Yes; but it is paid for out of my money and not out of the money that is being wrung from the taxpayers of the United States. [Applause.] And there is not sitting on the front box of it a man in the uniform of the United States Army at a time when we need them all at the front with the flag, when we need them so badly that we have passed conscription laws to go into the homes of the people of this country and take therefrom the boys of the fathers and mothers in order to defend their country, and not to drive Hudson Super Sixes around the District of Columbia. [Applause.]

Mr. Chairman, this body intrusted with the power that it has, this body that is delegating so great power to-day and taxing the people of this country as it is, should stop and think before it goes further, and see how this money is to be used that it is wringing from the people—the manufacturers, the laborers, the farmers, the people of all classes, who now comprise the great American Nation that must win the battle of democracy if it is to be won at all. [Applause.]

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I am in hearty accord with the purposes of this bill. Legislation of this kind is bound to work beneficially. We have legislation of a similar character in the States in regard to narcotic drugs, opium, and other poisons. We have in some States laws in regard to explosives. They work well and are enforcible just like the law that makes it a crime to steal. You enforce the law concerning explosives just like you enforce the law prohibiting a man from committing a criminal trespass on your property or from tearing down your fence. The Legislature of California passed an act on this subject, and it ought to be used as a semi-model on this subject before we get through. That is the act of March 21, 1911, California Statutes of 1911, page 391.

Notwithstanding that legislation there have been bomb explosions since the enactment of that law, since the destroying of the Times Building at Los Angeles. One of the gentlemen who appeared before the committee said that after the enactment of the California law there were no explosions of bombs that he had heard of destroying people; but he had overlooked the fact that this law is just like the law against murder. It is unlawful to take a man's life; but there are men's lives taken every day, and it is murder. It is unlawful to steal, and yet thefts are committed every day. It is unlawful to burglarize a man's house, yet burglary is committed every night, as well as breaking into houses in the daytime. Notwithstanding the stringent law concerning explosives, people on Market Street in San Francisco were destroyed last year by a bomb exploded in broad daylight. Now, I simply call the attention of the committee to that for this purpose——

Mr. FOSTER. I will say to the gentleman that as the testimony shows it is impossible to prevent all these explosions. So it is impossible, as the gentleman says, to prevent all murders, but this is intended to try to reduce these crimes to the minimum.

Mr. RAKER. Yes; and I want to go on and illustrate. Every criminal statute has been violated from the time it was enacted down to the present day. If crime was not committed, there would be no need for the statute. But the statute is intended to deter men, to prevent the recurrence, to put the fear of God in the hearts of men as well as the fear of the law. Now, what I want to get at is this: This ought to be a plain, clear, penal statute. When the authority is given to the President to make rules and regulations, those rules and regulations when issued become a penal statute. There is no question on earth about that. In other words, you can not do indirectly what you can not do directly. Being a penal statute, it ought to be clear and specific, as it is in the States where such legislation has been enacted.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I ask for five minutes more, because I want to complete this thought.

The CHAIRMAN. The gentleman from California asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. DYER. Will the gentleman yield?

Mr. RAKER. I can not yield just now. I want to ask the committee if it is wise to place a drastic penal statute on the statute books and take from all governmental officials, not only in the United States but in the States, municipalities, and counties, the enforcement of the law? Do you want to take it from the sheriffs, and change the functions of the district attorneys? Do you want to change the functions of the many special agents under the Department of Justice now at work on all the penal statutes by these provisions? You ought to make it harmonious, make it a strictly penal statute, so that when the special agents under the district attorney's office is investigating the violation of a law on one subject he will find the man who has violated the explosive statute.

Mr. HAMLIN. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. HAMLIN. Has the gentleman's attention been directed to the third section, which provides that all officers of the United States and of the several States, Territories, subdivisions, and municipalities shall hereby have full authority for all acts done by them in the execution of this act when acting by the direction of the Bureau of Mines?

That contemplates the use of the very agency that the gentleman is talking about.

Mr. RAKER. Here comes the question. We have got all of this machinery from the constable up through the various grades in the States. We have all the agencies in the National Government to enforce the various laws, and when you have designated that the handling of certain explosives and the storage of them shall be unlawful, will not all the citizens in the community in which you live know the man that is violating the law, just as they know the man that steals your property, will know that it is unlawful to transport it in a certain way and store it in certain places or having certain quantities in their possession, and will they not know it and report to the police officers and to the citizens, and will not the special agents and others immediately investigate it and find out the facts and punish the man, just like every other man who violates any other penal statute is apprehended?

Now, I want to call attention of the chairman and the committee because I want to help them. I would like to see them put a drastic law on the statute books that will be workable and that will not create any new officers. We do not need them, we have a corps of officers that will make the law effective.

No man, I care not who he is or where he comes from, can be in favor of permitting a man to use explosives unlawfully. Why, it is said that a man can go to a drug store and purchase

materials to make the most powerful explosive. Let us not, Mr. Chairman, create a new bureau, create a new department to enforce a criminal law. It is unlawful under the statute to sell liquor to a man in uniform. Do you want a special bureau and agents to enforce that law? No; the man that sees him sell it to the man knows that he is guilty and can prosecute him in some way. It is unlawful to be within a mile or a mile and a half of an arsenal. Do you want a body of men to enforce that regulation? No, gentlemen; you ought to take the officers that we already have to enforce these penal statutes. This bill can and should be amended to make it workable. There are amendments suggested that will add much to the workability of this proposed law, and we should see to it that it is done and then pass the bill.

Mr. HUDDLESTON. Mr. Chairman, I do not see why this bill should come from the Committee on Mines, headed by the distinguished gentleman from Illinois whom we all esteem so much. It has no particular relation to the business of mining.

In the community in which I live there are 25,000 miners. Nearly all of them live in my county, and I am their spokesman and repre-entative here. Naturally I feel a great interest in anything that affects their interests so intimately as explosives. On an examination of the bill I find that it does not relate to mining any more than to many other callings. It touches the miner, it is true, but it touches as well the farmer who would blow up his stumps, and the man who would go into the fields with a few cartridges in his pocket to hunt. It touches even the boy with a bunch of firecrackers who would like to set them off on a holiday. In other words, we are here delegating to the President of the United States, not to the present President, but to any President, not during this war only, but during any war, the power to make regulations which would affect the lives of a great part of our people. Not only does it affect explosives and their manufacture, but it affects the occupations of everybody who is connected with the handling of the materials going into the explosives. It touches the man who has cotton in his possession, the man who has glycerine, perhaps even the man who has a pile of sawdust which might be the basis for the mixing of dynamite. It touches the blacksmith who has a little charcoal to make a fire in his furnace because it may be made into powder.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. MILLER of Minnesota. Does the gentleman know that ordinary earth is an ingredient of dynamite?

Mr. HUDDLESTON. Yes; certain kinds of earth.

I would say this: I would favor a proper law regulating the handling of explosives, but we are not passing a law when we pass this bill. We are merely abdicating what power the Congress has. [Applause.] Worse than that, we are turning the power over to a bureau, and, worse than that, we are turning it over to some little whipper-snapper agent from the Bureau of Mines who will be going over the country and abusing the power that Congress has delegated. [Applause.]

Mr. FOSTER. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. FOSTER. The gentleman's own State provides that the railroad commission shall provide regulations, and if they do not follow them they are punished.

Mr. KNUTSON. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. KNUTSON. Section 2, line 6, provides regulations for the storage of material. Could not the Government compel the farmer to store his cotton in a brick building?

Mr. HUDDLESTON. Under this bill the President of the United States can make a regulation which would require a man to do anything which he might deem proper in storing, handling, or using cotton, charcoal, glycerine, or anything else that enters into the manufacture of explosives.

I oppose the bill because it is unconstitutional. It is an invasion of the rights of the States to control their own police powers. The fact that war is going on now is not the reason for this legislation but the excuse for it. That is the situation. By the bill it is not intended to prevent the enemy from making encroachments upon our territory. We are not called upon to enact it to defend ourselves from a foreign foe. The purpose of the bill is to defend ourselves from our own people. It is to preserve order. I quite applaud that purpose, but under our form of government it is a purpose that belongs to the separate States. The police powers belong to the States, and the National Government should not take advantage of the occasion of war to usurp powers which the founders of the Republic wisely and justly gave to the States exclusively.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Mr. Chairman, I ask unanimous consent to proceed for five minutes longer.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. LAGUARDIA. Can not the same be said about the food-survey bill that we passed yesterday?

Mr. HUDDLESTON. I do not think so.

Mr. LAGUARDIA. How would the gentleman differentiate?

Mr. HUDDLESTON. I have not time to take that up now. I will let the gentleman reach his own conclusions about that. The passage of this bill will constitute usurpation on the part of the National Government under the guise of a war measure of the police powers that belong to the States. The purpose of the bill is to promote public order and peace, and those are matters which are exclusively within the province of the States. The purpose of the bill is to control the activities of the citizens of this country, our own people right here at home. Never should we take advantage of the occasion of war in order to cut off rights and liberties that belong to ourselves.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. GREENE of Vermont. Does not the gentleman from Alabama make this distinction: That whereas the statutes which in normal times regulate the use or storage of explosives are properly a part of the police powers of a State, yet in a time of war all of the States collectively, regardless of their independent statutes, are under attack, and there must be some way of coordinating the means of defense?

Mr. HUDDLESTON. The question of interstate commerce of course is a matter of vital interest to all of the public, and the blowing up of a railroad bridge necessarily affects that; but it is sometimes done in time of peace in course of strikes, and at various other times of disorder. If the gentleman can justify this bill under the present circumstances, he could justify a bill which would place in the hands of the Government the power to control and regulate the use of explosives in time of peace on the ground of protecting interstate commerce.

I object to this bill because it is unconstitutional. It is a mere subterfuge. It is intended to do something that the States have done from the very beginning of this Republic. We ought not now to lose those powers that the States have reserved to themselves.

Next, this bill, as I have said, is merely an abdication of the power of Congress. If Congress is going to regulate the handling of explosives, let us here take hold of the subject boldly and handle it ourselves. There are surely some things that Congress can do with reference to explosives, some laws that we can pass that will be proper and wise. Why should we delegate all of our functions and powers to a bureau?

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. COOPER of Wisconsin. The gentleman is aware that chapter 9 of the Criminal Code of the United States deals exclusively with explosives and the regulation of their transportation, and so forth?

Mr. HUDDLESTON. Oh, yes; it has to do with that subject.

Mr. COOPER of Wisconsin. Would this bill, if enacted into law, enable the President to make a rule or regulation that would repeal any portion of that?

Mr. HUDDLESTON. I would not like to pass upon that legal question, but undoubtedly the purpose of the bill is in conflict with that chapter. If Congress was able at that time to pass suitable laws, why can we not pass them now? I can not see any reason for turning this power over to the President.

I object to the bill further upon the ground of public policy. I am not willing to pass far-reaching laws such as this purposes to be, and such as this contemplates the regulations would be, laws which would make it unlawful under heavy penalties, as proposed in this bill, to do ordinary things in connection with the use of explosives. A coal digger with a piece of fuse a foot long in his possession left over from his previous day's work might have to go to the penitentiary. A boy with a few cartridges in his pocket going bird hunting might have to go to the penitentiary. Are you going to take away from the people their right to do these ordinary things? Their rights are not safeguarded here.

The Constitution of the United States seems to be a very unpopular instrument these days, but perhaps it has not been wholly forgotten in this House. I want to call the attention of the Members of the House to the fact that the Constitution guarantees to every American citizen the right to bear arms.

Under this measure—and I call the fact to the attention of the committee for their serious consideration—the President can say, "Oh, yes; go on and bear arms as the Constitution gives you the right to do; but you shall not have any ammunition for your guns. You may bear arms; you may have a shillalah or a brickbat or some other weapon; you may even carry a gun on your shoulder, but you can not have any ammunition." Are you willing to take away from the American people the right to have a gun in the house? Have we come to that, that we are willing to take away from the people of this country under such a subterfuge as is presented here the right to have a pistol and cartridges in the home for protection from burglars?

Are we to have agents of the Government obtruding themselves into the people's homes, searching for ammunition and for explosives, abusing the forbearance and patience of the people? I submit if we do not intend that we should not pass any such far-reaching bill as this.

Mr. JUUL. Will the gentleman yield?

Mr. STERLING of Pennsylvania. Does the gentleman think, even admitting some of the unreasonable regulations that the President might make, that the President in a time like this should not have the right to make them?

Mr. HUDDLESTON. Does the gentleman think the President ought to have power to forbid a citizen from having a pistol and cartridges in his home? I have no doubt such a regulation may be adopted if this bill is passed.

Mr. WINGO. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Section 1, page 1, amend by striking out, in line 5, the words "unless such"; also by striking out lines 6 to 9, inclusive, and inserting in lieu thereof the following: "In such manner as to be detrimental to the public safety."

Mr. WINGO. Mr. Chairman, I suggest the Clerk read the section as it will be if the amendment is adopted.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

That in time of war it shall be unlawful to manufacture, distribute, store, use, or possess smokeless powder, explosives, blasting supplies, and ingredients thereof in such manner as to be detrimental to the public safety.

Mr. WINGO. Something has been said about State rights. I do not think that question arises in this case. There may be some question whether or not Congress, under the war power granted to it by the express grant of the Constitution and the implied powers flowing from that grant, can enact such a law as this; but if it has the power, and I believe it has, the exercise of that power is not dependent upon nor does it conflict with the rights of the States. I am a firm believer in the doctrine of State rights, but I am not blind to the facts of history, which point conclusively to the inability of the States as separate units to wage war in defense of collective national rights and for the welfare of the entire Nation. The framers of the Constitution had just been through the Revolutionary War, with the sad experience of the Colonies fighting separately, and that experience demonstrated the necessity of forming a Union in order to provide for the common defense; and in framing the articles of that Union, called the Constitution, they expressly granted to Congress the power to declare war, and I am convinced that flowing from that express grant is the implied power to do all things necessary for the successful prosecution of the war and to protect the public safety against those dangers that are incident to war. Of course such power must be exercised in a manner consistent with our institutions and form of government as established and set out by the Constitution as a whole. If under the Constitution the Federal Government and not the State governments have the power to defend the Nation against the danger of a bomb thrown by soldiers of the enemy, then has not Congress the power to provide for the defense of public safety against the bomb thrown by a spy of the enemy? And if Congress decides that the best means to guard against this danger is by control and regulation of the manufacture, sale, use, and possession of the explosives that compose the bomb, is not Congress acting within the scope of its constitutional power?

But gentlemen say that by such laws as this the people's liberties are destroyed. I can not agree with such a proposition. There is no foundation for such a fear. I not only believe in liberty, but I have faith in the ability of this Nation to use its liberty. I am not one of those men who are afraid that we are going to lose our liberty by exercising it. I repeat it; I am not one of those men who are afraid we are going to lose our liberty by exercising it. If the Representatives of the people, for the benefit of the people and in order to insure the public safety in time of war, want a statute like this, it will not endanger the liberties of the people to give them the protection of such a statute.

Mr. JUUL. If I understand the situation correctly, it is not that the gentlemen here object to the passage of a criminal statute, but it is the fact that the bill asks this bureau to pass a criminal statute, or, rather, allows the Bureau of Mines to enact one.

Mr. WINGO. I know what the gentleman's objection is.

Mr. JUUL. Are we not asking to-day to enact a criminal statute, the details of which criminal statute are to be determined on later?

Mr. WINGO. No.

Mr. JUUL. Are we not shutting our eyes here and saying to another body, "You go and enact a criminal statute that we have voted 'yea' on here to-day?" Is not that the effect?

Mr. WINGO. No; that is not the effect.

Mr. JUUL. Then I do not understand the bill.

Mr. WINGO. If the gentleman will not use all my time, I will try to explain the bill.

Mr. JUUL. I am trying to make myself clear. The gentleman and myself are trying to travel along the same line.

Mr. WINGO. The gentleman has made himself clear. Are we delegating to the President the power to make a law and punish anybody who violates it? That is the gentleman's question.

Mr. JUUL. What is the law? Will the gentleman tell me?

Mr. WINGO. If the gentleman will just permit me to, I will.

Mr. JUUL. If the gentleman will tell me now what it is that is made unlawful——

Mr. WINGO. All right. I am going to do it if the gentleman will permit me to do so.

Mr. JUUL. It is not in the bill yet.

Mr. WINGO. Now, let us see. This proposition gave the committee, and every lawyer on that committee, considerable concern. Not only did it give us concern from a legal standpoint but from the standpoint of those who are jealous of and do not propose to delegate authority to anybody as long as it can be escaped. I am not only opposed to delegating power to the President to legislate but I am in favor of the legislative body enacting even administrative details when possible, practicable, and necessary.

Let us see whether we have kept within the rule. Has Congress by this bill declared something substantive to be a crime? Does it prohibit something? Now, let us see what it does. We say that the manufacture during this war, and the distribution, and so forth, of these high and dangerous explosives are unlawful if they are done in such a manner as to be detrimental to the public safety. Does not Congress, then, by that language enact a substantive inhibition a violation of which is punishable as a crime? We say that the manufacture, and so forth, of these high explosives during this war in a manner detrimental to the public safety shall be unlawful. That is your substantive act.

Mr. DYER. Who is to determine that?

Mr. WINGO. Let me finish. I want to get through my whole proposition. If I am wrong, I want to be corrected. I agree with you as to the basic rule that should govern us, and the question is whether or not we have followed the correct rule.

By section 1 we make it unlawful to manufacture, sell, and so forth, dangerous explosives in a manner detrimental to public safety, and by section 2 we authorize the President to make the necessary rules and regulations governing the manufacture, sale, and so forth, of these explosives for proper and necessary purposes; and in order to protect those who manufacture, sell, or possess these explosives for proper and necessary purposes it is provided by the amendment I have pending that their actions shall not be deemed detrimental to the public safety or unlawful if done in compliance with the rules and regulations.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HEFLIN. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas may have five minutes more. He is making a very interesting and instructive statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. WINGO. Now, gentlemen, if you will take a copy of the bill and turn to section 2 you will see what power we delegate to the President. I think we delegate to the President, as narrowly as we can under the circumstances, the right to provide administrative rules and regulations, but no power is given to create a criminal offense by mere Executive proclama-

tion. We do not go as far in this bill as Congress went in the act covering the transportation of explosives. The first section of that act absolutely prohibited the transportation by carriers of any explosives and then by section 2 provided that the Interstate Commerce Commission should make rules and regulations covering the transportation by carriers of these explosives. But some gentlemen who oppose this bill are willing to trust that commission but can not trust a President.

I object to any President, no matter to what party he may belong, exercising authority that can be exercised more effectively by the Representatives of the people, but administrative rules and regulations at times can best be left to Executive detail. But let us see if we have narrowed this authority as much as we can and at the same time have accomplished what is necessary. Suppose we undertook to do what the gentleman from Alabama has suggested; suppose that this legislative body undertook to provide these administrative rules and regulations, which do not constitute the act itself, but are predicated upon an act of Congress and have no foundation or authority whatever, except as they are resting upon a crime declared and defined by statute; that is, to wit, the manufacture, sale, and so forth, of explosives in a manner detrimental to the public safety.

Let us see what we could do. Let gentlemen undertake to say in their own minds what kind of regulations should be provided. Gentlemen could sit around the committee table in the committee room for several days and define the different things and Congress might consider rules and regulations for days, but the experience of us all is that probably the very danger that subsequent experience might show we need to guard against would be the one that Congress would overlook, or the committee would overlook, and everybody knows that if we undertook to set out a single one of these details or undertook to say specifically that any certain method of manufacture is that which is prohibited, then every other method would be permissible under the law, however dangerous it might be to the public safety.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Arkansas yield to the gentleman from Kansas?

Mr. WINGO. Not right now. I think every lawyer will see what the danger is. I will not undertake to quote Latin, but the lawyers understand the Latin quotation that would be apt there; when you undertake to include one you exclude all others. And so you will see that the members of the committee who are lawyers, and upon whom devolved the duty of framing this statute properly, had a very narrow path in which to travel. If we could undertake to do what I would like to do, we might endeavor to write the administrative details here as to how things should be done, and what should be done; but we would be writing a code on explosives, and the acts of the shrewd, ingenious criminals which we want to prohibit disturbing the public safety would be the very ones that we possibly would overlook, however ingenious and careful we might be.

Now I yield to the gentleman from Kansas.

Mr. CAMPBELL of Kansas. The question I have in mind is this: Some one will have to prepare these regulations and make them as specific as a penal statute must be. Why can not a committee of Congress reduce those regulations to the form of a statute quite as well as somebody acting under the authority of the President? In either case the regulations will have to be specific in order to be enforced and to meet the penalties provided in section 5 of this act.

Mr. WINGO. I think not, if the amendment I offered is adopted. Let me be frank on this matter, and I think I ought to be frank with the House. We had present representatives of every one who was interested in the bill; we had representatives of the miners and the mine operators; we had representatives of the explosive concerns, the powder concerns, and others, and also chemists and all classes represented before our committee. We went into this matter thoroughly, and before we reported this bill—and we did that unanimously—it was decided that when the regulations were finally prepared the Bureau of Mines would not only consult the powder men and the miners and the operators and the different ones that might be injured by an unwise administration, but that when they had been agreed upon the Bureau of Mines would come before our committee, and we would go over them with the bureau officials and call in the representatives of the factories and the miners and the operators and others concerned. In other words, there is no intention here to exercise arbitrary power.

Mr. REED. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. REED. You mean this to be a temporary law, to be in force during the term of this war? I notice you use the term "this war." You say in the third line "in time of war." That might be a war affecting Mexico or Canada. Why not confine it to this war?

Mr. WINGO. The bill says "in time of war." The spies and representatives of foreign Governments have been here, as we know. They have been in our country trying to blow up public works and public buildings. I do not propose, under such circumstances, to quibble when the very security of the Nation is at stake. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. REED. You mean this law would not be in effect after the war? Is that the meaning? Do these powers end with the war?

Mr. FOSTER. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas may proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REED. Have we not been following the plan in this emergency legislation of alluding to the present war as the "war with the Imperial German Government"?

Mr. WINGO. If the gentleman will permit, there are other things that I want to say; and, frankly, I will say that we have not the authority to enact legislation like this except in time of war. When I say "war" I do not care whether it is with Timbuktu or Germany. If public necessity requires us to prosecute that war with the least danger to our internal life and with the greatest efficiency in our fighting force against the outside foe, I think we should do it.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes; I yield to the gentleman from Illinois.

Mr. CANNON. I understand the gentleman believes this act should go on the statute books and operate only in time of war?

Mr. WINGO. Yes. I catch the point of the gentleman's suggestion, and will say that we are making it a permanent statute and not limiting it to this war, but the act operates only in time of war. The reason we want to make this a permanent law and make it applicable in time of war is this: Wars come on suddenly, and possibly in the future we might have a war wherein the necessity for this act would become apparent; and yet the rush of other matters, such as we have here now, might give those better equipped, and carrying on their operations in a more dangerous way than they have been in the last 60 days, an opportunity to do a great deal of harm before a statute could be enacted. For that reason we thought it better to make a permanent statute, applicable only in time of war, because under the Constitution I do not think we would have any right to apply it except in time of war.

Mr. TOWNER. The first section of the bill is an absolute prohibition, is it not?

Mr. WINGO. Not with the amendment I have offered.

Mr. TOWNER. As it stands in the bill it is an absolute prohibition?

Mr. WINGO. Yes.

Mr. TOWNER. So that no one can do any of the acts prohibited there unless allowed to do them under the proclamation of the President. In other words, the President's proclamation must be so inclusive that all legitimate things will be included.

Mr. WINGO. Did the gentleman hear my amendment?

Mr. TOWNER. No; I did not.

Mr. WINGO. If the gentleman will pardon me, I meet the gentleman's objection by offering an amendment to strike out all of lines 6, 7, 8, and 9 and the words "unless such" and insert in lieu thereof the words "in such manner as to be detrimental to the public safety." That meets the gentleman's objection.

Mr. TOWNER. Then would there be any necessity at all for section 2?

Mr. WINGO. I think there might be.

Mr. TOWNER. What would be the reason for it? Because then the question would be as to whether it were detrimental to the public safety.

Mr. WINGO. That is true; but does not the gentleman think it wise for the President by proper proclamation to undertake to define those things for the benefit of the citizens? If he did not do it, any one might come along and say, "Well, you are manufacturing and handling explosives in a certain way that is detrimental to the public safety," and he might be harassed by persecutions and prosecutions that would become persecutions; and I think for the safety of the public what is considered to be detrimental ought to be set out very clearly by public proclamation, so that everyone may have notice, and we will not have some man persecuted because of a dispute as to whether or not his act was detrimental to the public safety.

Mr. TOWNER. The gentleman is a good lawyer, and he knows very well the necessity in a penal statute of making definite the things that are prohibited, so that everyone will know them. Now, if the determining proposition is as to whether it is detrimental to the public interest, that is a question that we might discuss; but if in addition you say that whatever the President proclaims shall be exempted from the provisions of the law, then we do not know anything at all about it.

Mr. WINGO. I did not say that.

Mr. TOWNER. Because we do not say anything at all about that.

Mr. WINGO. The gentleman is too good a lawyer to put that interpretation on my statement.

Mr. TOWNER. I am not putting it on the gentleman's statement.

Mr. WINGO. I was careful not to say what the gentleman has just said I said.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Mr. Chairman, this is a very necessary statute at this time, and I intend to support it, with the exception of sections 2 and 3, which I do not think are necessary.

SEVERAL MEMBERS. Sections 3 and 4.

Mr. BORLAND. Sections 3 and 4. We will dispose of them when we come to them.

Mr. CAMPBELL of Kansas. The gentleman was right about sections 2 and 3.

Mr. BORLAND. But I want to say a word here in regard to the general purpose and scope of this statute. I represent one of the great markets of the mining district of the West for explosives, and therefore I realize that explosives occupy a very large and a very legitimate place in American industry. There is no intention in this bill to interfere with the safe and legitimate use of explosives. But there has grown up in the last few years, as explosives have developed and more people have become acquainted with them, a species of the most dastardly crimes which can be committed through the agency of explosives. And because explosives have a legitimate place in American industry that is no reason why we should leave their use unchecked and unrestrained, especially in a time of public peril. There is no intention to reach anything except what I regard as the most dastardly species of criminal act, more dastardly than the old-fashioned crime of poisoning. There is no more dastardly crime than that which can be committed by means of modern explosives. In regard to the question that is raised by the gentleman from Alabama [Mr. HUDDLESTON], I want to say that this bill is drawn legally upon the war powers of the Constitution and could not rest upon any other. It does not attempt to be drawn under the interstate-commerce clause of the Constitution, for then it would be limited to the transportation of explosives in interstate commerce. That is provided for now in a section of the Revised Statutes. We could not go into the States except for the purpose of preserving the public safety and providing for the common defense. So gentlemen might just as well get clear in their own minds now the legal distinction between the purely war powers of the Constitution and the purely peace powers of the Constitution. I am inclined to think it might be desirable to regulate the penal affairs of this great Nation upon a uniform basis, and I am inclined to think that we will some day come to that and have a national criminal code; but under the Constitution we can not now have a national criminal code, except in so far as the acts done are in violation of laws passed under the legitimate powers of Congress. But in time of war we are providing a national criminal code. There is no legal distinction between this bill and the food-control bill. Both of them rest upon precisely the same power, and neither could be justified under the interstate-commerce clause or any other clause of the Constitution in time of peace. Now, we might just as well get that clear in our own minds.

Mr. IGOE. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. IGOE. I am very much interested in what the gentleman says, and I know other Members are, as to how far we can go under the war powers. The gentleman has given a great deal of study to it, and will he state his idea of that, if he has one?

Mr. BORLAND. Yes; I do not see any distinction in the exercise of powers of legislation for the common defense between the general powers of legislation now enjoyed by the sovereign States and the United States. In other words, I think that in the time of war we step right squarely into the shoes of the sovereign States having all the powers of the State in general legislation for the safety and the health and the morals of the population, the great bulk of legislation known as the police powers of the State.

Mr. LENROOT. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. LENROOT. I am rather surprised at the statement of the gentleman. Do I understand that he places it on the broad power of legislation for the common defense?

Mr. BORLAND. Yes; does not the gentleman?

Mr. LENROOT. I do not; I think it is under the enumerated and implied powers growing out of the express powers under the declaration of war.

Mr. BORLAND. I would be glad to hear the gentleman's limitations on that power.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. BORLAND. In just a moment. My conception is that in time of peace the establishment of regulations are confined to interstate commerce, postal regulations, violation of the revenue law, and all crimes committed under those different attributes—the admiralty, and so on. We do not have the wide and unrestricted police powers of the several States.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BORLAND. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Missouri asks that his time be extended five minutes. Is there objection?

There was no objection.

Mr. BORLAND. But in time of war to legislate for the common defense we then unquestionably step into the wider range of power. What those powers are has never been clearly defined as far as I know, and yet I can see no necessary limitation to them but the full scope of the police power of the several States.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. GREENE of Vermont. Is it not reasonable to suppose that the right granted by the Constitution to declare war must of necessity carry with it every possible means to make the war successful?

Mr. BORLAND. Unquestionably.

Mr. GREENE of Vermont. Which is practically no limitation of the interpretation of the words "national defense."

Mr. BORLAND. I can see no limitation except the limitation that will occur to the exercise of police powers by these powers.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. COOPER of Wisconsin. If I understand the question of the gentleman from Vermont and the reply of the gentleman from Missouri, the Constitution of the United States was adopted only for the time of peace. In time of war the Constitution is done away with and all power is in the Executive and the Commander in Chief of the Army and the Navy. That is to me an astounding statement.

Mr. GREENE of Vermont. I did not say all powers.

Mr. BORLAND. No; the gentleman from Wisconsin says all powers of the Constitution are done away with. Of course, that is too broad.

Mr. GREENE of Vermont. If the gentleman will permit me to reply. I did not make such a statement as is made by the gentleman from Wisconsin. I said the country has the power to declare war and the country has every possible power to try to make the war successful. There can be no escape from the logic of that. Otherwise it would be foolish to go into the war. In reply to a question I hear addressed to me by a Member, I may say that I would rather save the country than the Constitution.

Mr. CAMPBELL of Kansas. I hope the gentleman from Missouri will not agree to that.

Mr. BORLAND. I was about to say that the gentleman from Vermont goes a step beyond my statement. My statement was in effect that whereas in time of peace the Federal Government has no common law, no general police powers except as incidentally enumerated, in time of war it has those police powers, and this is an example of its exercise.

Mr. HAMLIN. Will the gentleman yield to me?

Mr. BORLAND. I will yield to the gentleman.

Mr. HAMLIN. I want to read, and it will only take a moment, the opinion of a very eminent lawyer in this part of the country, as all will agree, an opinion by ex-Attorney General KNOX, now a member of the United States Senate, and I think his opinion will have weight with the committee. He says:

The Constitution must always be construed in such a manner as to give effect to all of its powers. The war power in the Constitution stands upon the same authority as the other powers in the Constitution, and it is a sound and well-recognized rule of construction of any instrument that, if possible, it must be construed so as to give meaning to all of its parts. When the fathers said in the Constitution that Congress should have the right to declare war, and that it alone should have that power, they did not undertake to define what war is. They dealt with a status that was well known; and when the Constitution

conferred upon Congress the right to declare war, it by necessary implication conferred upon Congress the right to do anything that in its judgment was necessary to carry that war to a successful conclusion.

The war powers of the Constitution, in my opinion, are dormant until a status of war is declared by Congress, and then they may be exercised with limitation or qualification to the extent that the safety of the Nation demands. Of this Congress is the judge, except as the Commander in Chief of the Army and the Navy, in the actual conduct of the war, and in a case of great emergency or dire necessity may be compelled to act.

Mr. BORLAND. Mr. Chairman, I am obliged to the gentleman from Missouri for reading that opinion of an ex-Attorney General of the United States who does not happen to belong to my party, but it is fully as broad as my statement.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. CAMPBELL of Kansas. In answer to the learned opinion of the former Attorney General, this is what the Supreme Court of the United States says in the case of Ex parte Milligan:

Those great and good men foresaw that troublous times would arise, when rulers and people would become restive under restraint and seek by sharp and decisive measures to accomplish ends deemed just and proper, and that the principles of constitutional liberty would be in peril unless established by irreparable law. The history of the world had taught them that what was done in the past might be attempted in the future. The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men at all times and under all circumstances. No doctrine, involving more pernicious consequences, was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government.

Mr. BORLAND. The gentleman from Kansas has read a learned extract from the opinion of the Supreme Court of the United States without any possible insight into the context in which it was used, without any connection at all.

Mr. CAMPBELL of Kansas. Having a direct bearing upon this matter.

Mr. BORLAND. I want to say to the gentleman that if he adheres to the doctrine that the United States has no general police powers in time of war that it has not in time of peace, he could not vote for this bill nor for the food-control bill or for half of the legislation at this session of Congress.

Mr. HAMLIN. Will the gentleman permit in reply to the gentleman just a word? The gentleman certainly does not conclude that the opinion of the court which he has just read in any way contradicts the opinion of ex-Attorney General KNOX which I just read a while ago?

Mr. CAMPBELL of Kansas. Most certainly, because the opinion of the ex-Attorney General placed it upon the doctrine of necessity.

Mr. HAMLIN. Mr. KNOX says that the Constitution in time of war clearly by implication gives the power, and that when we do these things we are acting within the provisions of the Constitution.

Mr. CAMPBELL of Kansas. But In re Milligan the court was construing a question growing out of the Civil War.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. LENROOT. The gentleman speaks about the police power. I want to ask the gentleman whether he has ever read a case or read anything that any writer on constitutional law has ever said supporting his position that the National Government has no police power in time of war different from that in time of peace, and I want to remind the gentleman that the opinion of Senator KNOX, with which I am in accord, is not at all the basis upon which the gentleman from Missouri [Mr. BORLAND] rests his case.

Mr. BORLAND. The opinion of Senator KNOX is certainly not only clearer, but more far reaching than any opinion that I have expressed.

Mr. LENROOT. Will the gentleman yield for a question?

Mr. BORLAND. In just a minute. I have expressed the opinion that whereas the United States might not have general police powers in time of peace, it has general police powers in time of war to provide for the common defense and the national safety. Senator KNOX says they have power to do anything for the successful prosecution of war.

Mr. LENROOT. This is an implied power from enumerated power, namely, the power to declare war.

Mr. BORLAND. And I limit the power by all constitutional limitations against the taking of property, and so forth, but his words are much broader.

There is just one more thing that I desire to discuss, because most of you are much more competent to discuss these constitutional questions than I. I want to discuss the question of regulation as opposed to definition in the law. This is another question that has arisen in my mind in connection with all of this war legislation. We are going to be confronted in all of these bills with an enlarged power of regulation by Executive order. I have weighed in my own mind the advantages and disadvantages, the dangers, and the results of government by regulation or legislation for regulation, and I have come to this conclusion, that in the present emergency that is the wise course to pursue. I will tell you why. This particular case illustrates it. It might be possible for us, as the gentleman from Kansas [Mr. CAMPBELL] suggested, to get some one from the Bureau of Mines or some other expert to draft an explosive act and then enact it into law, but that law would be rigid. If Congress adjourns, then the Executive must enforce the law according to the letter, regardless of the circumstances or conditions. In many cases it would let criminals escape——

Mr. CAMPBELL of Kansas. Ought not a criminal law to be rigid?

Mr. BORLAND. In many cases it would let criminals escape and in others bear unjustly on legitimate business. How does regulation differ from that? Regulation is a flexible method. It can be changed and adjusted to not only the circumstances in mind when the law was passed, but the time which the regulations ought to cover, and the regulations can be modified or revised or amended or repealed from time to time as the emergency disappears or as the emergency arises, while the rigid words of the statute can not.

We would do a great injury to legitimate business in this country if in the food-control bill or in this bill relating to great industries in the country we should make a rigid rule which we deemed was necessary and far-reaching enough to provide for the public safety. It is much wiser and much more practicable and much safer for the farmer and the miner and the business man that we should leave that matter to the flexible method of regulation than that we should put it into rigid law. I have so advised every business man who came to me in fear of the operation of these statutes. I have said to him that he should have his voice before the executive department as to the effect of these proposed regulations on his legitimate business, and that the regulations would be drafted and modified from time to time so as not to interfere or so as to interfere to the minimum extent with legitimate business, but that if we were to be driven to enacting rigid statutes, definite language where we thought it would protect the people where they ought to be protected, and guard against every possible danger which we thought ought to be guarded against, we would be sure to tear down a great many legitimate businesses in this country.

Mr. MEEKER. Mr. Chairman, this is one of the most interesting discussions I think we have had at this session, and for this reason: It points out very clearly the trend of the American legislative mind. For the past 20 years we have been more and more depending upon the policeman to run the Government, whether in municipal, county, State, or National affairs. We have been multiplying laws, almost without number, attaching penalties thereto, and then calling in the police power of the community to make people good. The National Congress in this session, a Democratic Congress, so called, is doing more to encourage the development of an autocracy than any Republican Congress we ever saw.

Now, that did not all happen in a minute. These things are the result of an evolution of thought, and the thing that is now proposed to turn over to the President—namely, the right to declare what is a crime and what is not, after your law is passed—is only a sample of all that has been growing up to the present time. Men are justifying a position here to-day which, a quarter of a century ago would absolutely not have been given a moment's consideration in the American Congress.

We are proposing to do what was proposed to do under the espionage bill, namely, to pass a law providing for the punishment of a crime, but to let the crime be designated after the law is passed. It does not make any difference as to whether this thing is necessary or not. I do not think it is. I have more faith in the American people than is evidenced in this bill. I believe that the Secret Service of this country is doing fairly well now looking after all these would-be violators of law. They have sufficient authority now, not only in this department but elsewhere. I am not able to understand why it is that this war has suddenly brought up so many exigencies that never appeared in any other war that we have had. And the men who wrote this Constitution had just come out of war.

Mr. GREENE of Vermont. Will the gentleman permit me?

Mr. MEEKER. I will.

Mr. GREENE of Vermont. Was that war in any sense fought with chemicals?

Mr. MEEKER. Oh, no.

Mr. GREENE of Vermont. That is one of the indications as to what may be possible in a modern war.

Mr. MEEKER. I understand; but men in these days deal with chemicals as those men did with battle-axes and gun-

powder. The principle is the same. The thing that interests me all the time is our tendency to absolutely set aside the fundamental principles of a free government and the willingness on the part of men to constitute a crime or permit a crime to be designated after you pass the law.

Now, I do not care what may be the exigency, you can not lay down any rule that justifies the American Congress permitting some other man to pass or make, as is declared in this bill, rules and regulations whereby men are to be sent to prison and fined.

Mr. WINGO. Will the gentleman permit a question right there?

Mr. MEEKER. Yes.

Mr. WINGO. I am sure the gentleman wants to be fair.

Mr. MEEKER. Yes.

Mr. WINGO. I presume the gentleman is a lawyer, judging from his argument. Can he show in this bill anything, after the adoption of the amendment which is proposed by the committee, where the violation of anything set out in the President's regulations could possibly be made a crime?

Mr. MEEKER. Who is to determine?

Mr. WINGO. He does not do it. Under the bill as the amendment is offered, which meets with all the objections which the gentleman is urging, we make it a crime to do these things in a manner that is detrimental to the public safety, by section 2, instead of authorizing the President to go ahead and enumerate things, which, if violated, would be a crime. With that amendment to the first section, the second section is reversed in its original intent from the gentleman's viewpoint, so that if the President indicated the manner by which it might be manufactured the citizen would be protected even though it should afterwards turn out that it might be detrimental to the public safety.

Mr. MEEKER. The gentleman and I do not yet understand one another. I will ask you this question: Where in this bill, putting in the amendment which has been offered, does it say other than that the President in these rules shall state, but shall not determine, what rules shall be passed, the violation of which shall constitute a crime?

Mr. WINGO. Of course, that is not there. We do not have to declare it. That is not the proposition. If the gentleman will read closely section 2, in line with the amendments that have been offered to section 1, he will have all his fears removed.

Mr. MEEKER. I will put it this way, then. Where in the bill does it provide as to the amendment that you offer?

Mr. WINGO. The gentleman is too good a lawyer to ask me that.

Mr. MEEKER. Not in the light of the second paragraph.

Mr. WINGO. I will admit as the first section was originally drawn there might be, from the gentleman's standpoint, something in his contention.

Mr. LENROOT. With the amendment now adopted, does it not amount to this, that the President is given power——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEKER. Mr. Chairman, I ask for five minutes more.

Mr. RAKER. Mr. Chairman, I want to offer an amendment, and I want to speak on it for five minutes.

Mr. MAPES. The gentleman from Illinois [Mr. FOSTER] can make a motion to shut off debate.

Mr. RAKER. You can not shut off debate. We are engaged in legislation.

Mr. FOSTER. We do not desire to limit debate, but we are anxious to get the bill through. I have requests, Mr. Chairman, for 60 minutes. I hope that at this time we may close debate on this section and all amendments thereto in 65 minutes. That will take us to nearly 4 o'clock.

Mr. RAKER. Now, Mr. Chairman, reserving the right to object, can not the gentleman give me five minutes?

Mr. MILLER of Minnesota. Let the gentleman take time on the next section.

Mr. RAKER. I have taken very little time heretofore.

Mr. FOSTER. I ask unanimous consent, Mr. Chairman, that the debate on this section and amendments thereto close in 65 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the debate on the pending section and amendments thereto close in 65 minutes. Is there objection?

Mr. RAKER. Reserving the right to object, Mr. Chairman, I trust they will yield to me five minutes.

Mr. MILLER of Minnesota. So do I.

Mr. DYER. Regular order!

Mr. FOCHT. Hold on, there——

Mr. RAKER. Right there, Mr. Chairman——

The CHAIRMAN. The regular order is demanded. The regular order is that the gentleman from Missouri [Mr. MEEKER] is recognized for five minutes.

Mr. FOSTER. I made that request, Mr. Chairman, for unanimous consent.

The CHAIRMAN. The Chair understood that the gentleman from Missouri [Mr. DYER] objected.

Mr. DYER. No; I asked for the regular order.

The CHAIRMAN. The regular order is the request of the gentleman from Illinois that the time be limited to 65 minutes. Is there objection?

Mr. RAKER. I object.

Mr. FOSTER. Then I move, Mr. Chairman, that the debate on this section and all amendments thereto close in 65 minutes.

The CHAIRMAN. The gentleman from Illinois moves that the debate on this section and all amendments thereto close in 65 minutes. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The debate is limited to 65 minutes.

Mr. LITTLE. Mr. Chairman, in view of the fact that I did not ask for time along with the others, I ask leave to extend my remarks.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. WINGO. I ask unanimous consent to have an amendment read now that the committee intends to present to section 2. It might meet some of the objections that have been urged against the bill.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to have read and pending an amendment which he sends to the Clerk's desk. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend section 2, page 2, by inserting at the end of the section as a part thereof the following:

"*Provided further*, That it shall not be deemed to be detrimental to the public safety and shall not be unlawful within the meaning of this act to manufacture, distribute, store, use, or possess smokeless powder, explosives, blasting supplies, and the ingredients thereof, when the same shall be done in compliance with such rules and regulations."

The CHAIRMAN. The gentleman from Missouri [Mr. MEEKER] is entitled to five minutes.

Mr. LENROOT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LENROOT. Will the Chair follow the list that was agreed upon but which was objected to?

The CHAIRMAN. The Chair has the list, including the names that were given then, and the Chair will recognize gentlemen in the order in which they appear on the list, within the time agreed to, on the motion of the gentleman from Illinois [Mr. FOSTER].

Mr. LENROOT. The gentleman's time does not come out of the 65 minutes?

The CHAIRMAN. No.

Mr. MEEKER. Mr. Chairman, the gentleman from Wisconsin was asking me a question. Will he go ahead with it?

Mr. LENROOT. I was going to suggest to the gentleman that with this amendment adopted the power of the President would determine certain facts, fixing what came within the line of public safety, and therefore the amendment is entirely harmonious with the first section of the bill.

Mr. MEEKER. Mr. Chairman, I have only one other observation to make to the committee, and I think I might as well bring it to the attention of the committee now as at a later time. I am averse to the idea that by simply calling a measure "a war measure" that is furnishing a reason sufficient to make it a war measure. I object to this bringing of bills in here, stating that because a state of war exists, or something to that effect, we are to be called upon to do certain things. It is up to the committee to demonstrate, before we vote on this bill, that the Department of Justice and the Secret Service and all the other departments of this Government can not now cope with this situation. To say that this is "a war measure" does not make it so, as was pointed out by the gentleman from Alabama and other men; we are not compelled, as Members of the committee or of the House, to permit men simply to head up a bill and say, "This is a war measure, and the administration wants it, and therefore you must pass it, and thereby set aside all rules, customs, and everything else." I repeat it is up to this committee to show wherein the present machinery of Government for the protection of the lives and property of the people of this country has fallen down.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. FOCHT. Right there, in other words, you are going to supplant the splendid laws now in operation in Pennsylvania, for example, by something mythical. We do not know what they are going to be. Is not that a fact?

Mr. MEEKER. Absolutely. Many of the States have already enacted laws in regard to the manufacture, storing, and handling of explosives. These are to be set aside and overridden by a set of rules. As yet we have not heard from this committee one single word as to wherein or how the Department of Justice or any other department of this Government has failed in the protection of the lives and property of the people.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. MEEKER. Yes.

Mr. GREENE of Vermont. The gentleman says that many of the States have laws touching on this subject.

Mr. MEEKER. Yes.

Mr. GREENE of Vermont. How about the State that either has no law on the subject or an insufficient one? Is it not a fact that any destruction produced by a party in war in 1 State injures also the other 47 States? Do the other 47 have to sit back and permit that to be done?

Mr. MEEKER. I will reply by asking the gentleman a question. I want to know if he is willing to stand up here and admit that the present machinery of this Government is so broken down that it is not now enforcing the laws for the protection of life and property in this country?

Mr. GREENE of Vermont. Will the gentleman permit me to reply to that now?

Mr. MEEKER. Certainly.

Mr. GREENE of Vermont. I do not understand that there is at present any machinery such as is contemplated by this act.

Mr. MEEKER. Nor will I admit that this machinery is necessary.

Mr. GREENE of Vermont. I say that the States now regulate this thing under the State police power, and the Federal Government does not now regulate it.

Mr. MEEKER. So I understand, but I do not admit that the machinery that is proposed to be set up here is necessary in any degree whatever.

Mr. HAMLIN. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. HAMLIN. Suppose there are two or three or four States which have laws covering this subject—the State of Pennsylvania and the State of California and our State of Missouri have some laws in regard to it——

Mr. MEEKER. Yes.

Mr. HAMLIN. Suppose 3 or 4 States have splendid laws on this subject, but there are 30 or 40 other States that have no laws at all?

Mr. MEEKER. The gentleman is just repeating what the gentleman from Vermont said, only he says three or four.

Mr. HAMLIN. Would the gentleman be willing to let the people of the United States suffer in this time of crisis simply because two or three States have passed such laws, while the others have not?

Mr. MEEKER. I believe that the present equipment of the Government is sufficient for this.

Mr. HAMLIN. Will the gentleman point it out?

Mr. MEEKER. Our whole secret service. Does the gentleman mean to tell me that our secret service has not been doing efficient work for the last two or three years? This is a confession that the secret service is not doing what it should do. I believe that it is.

The other observation which I want to make at the close of my time, leading to this same thing that I suggested in the beginning, is our constant tendency to leave it more and more to policemen to keep order in this Government, a Government which was intended to be as free of policemen as possible. Think this over, gentlemen, and make it a subject of study. You talk about the increase of crime in this country. I do not believe that our Nation is becoming more criminal; but if you will put your proposition in this way, in the very degree that we increase the number of laws that might be violated and attach penalties thereto, we find that many more excuses for branding the members of society as criminals. That question is seldom discussed, but the increase in the enactment of laws whereby and whereto we attach criminal punishments and penalties is such that there is no other one thing in modern government that is doing so much to fill our courts with boys and girls and men and women as the idiotic policy of constantly writing new police regulations on our statute books. This is a sample of it. What will be proposed next I do not know. Out in Kansas at one time they proposed to prohibit women under 45 years of age from using face powder or wearing false hair. That ought to be a war measure. [Applause and laughter.] It surely would be. We would get into war with the ladies. But now we are going in that direction in this hysteria of having police regulations for everything under heaven. This committee has got to show me that this is a war measure. The mere fact that they have called it such does not make it so, and they have got to show me that the secret-service department of this Government has failed in its work and can no longer deliver the goods in this emergency. I guess that is all. [Laughter and applause.]

The CHAIRMAN. The gentleman from Missouri [Mr. DYER] is recognized for five minutes.

Mr. DYER. Mr. Chairman, the object and purpose of the first section of this bill is to prevent harm to life and property in the United States by the use of explosives and things of that kind which may get into possession of people who are enemies of the Government. I desire to offer an amendment and have it pending, in order to accomplish more than could be accomplished if this bill were enacted into law. I take it that changes and amendments will be adopted that will make it possible for us to support this bill. In its present form I would not desire to do so. But on page 1, after the amendment of the gentleman from Arkansas [Mr. WINGO] has been disposed of, I will offer this amendment, to insert in line 3, after the word "to"—

That in time of war it shall be unlawful to injure or destroy by fire or by use of explosives, or by any other violent means, or attempt to so injure or destroy any war material, war premises, or any war utility—

And further on to define what is meant by the words "war premises" and "war utility."

Now, Mr. Chairman, there is no law on the statute books that authorizes the punishment of any person for doing the things that are prohibited in this amendment. There ought to be a strict statute upon that subject, and there ought not to be any question about the regulations as to the enforcement of it. It ought to be a law and not a regulation.

Mr. RAKER. I understand the provision is that anyone who destroys any property by fire shall be punished. That is the purpose of your amendment, is it not?

Mr. DYER. Yes.

Mr. RAKER. Is there any State in the Union where, if a person destroys any man's property by fire, he is not punishable under the State law?

Mr. BUTLER. Every State law covers that.

Mr. DYER. The Department of Justice has asked for the passage of such a law as this. The Senate has already passed something similar to it, and the Judiciary Committee of the House has drafted a bill as a substitute for that, which includes the portion that I have read, and I am quite sure that it is necessary to take care of situations that may exist in States or Territories that are not covered by effective laws.

Mr. RAKER. This is interesting. What kind of property is there now in existence in any State that if a man destroys it by fire he is not punishable for that act?

Mr. DYER. I do not know of any in my State.

Mr. RAKER. Can the gentleman conceive of any property owned by an individual that if it is destroyed by fire the person destroying it is not punishable under State law? The proposition is so new and startling to me that I am asking for information.

Mr. DYER. Probably in some States the punishment is not sufficient. The department has recommended a very severe penalty for the violation of such a statute. The department has asked that the punishment be fixed at 30 years' imprisonment. This is to punish those who would destroy munition plants and things of that kind, as to which we have had a great deal of trouble.

Mr. RAKER. Is it not the gentleman's experience that there is a punishment for every act committed in the destruction of property by fire? Is not the gentleman familiar with the fact that exorbitant long-term punishments prevent conviction and that this country has succeeded in enforcing the law by making the penalties, both as to fine and imprisonment, so that they can convict? It is the certainty of conviction and not the exorbitant punishment that deters criminals.

Mr. DYER. No; I think in a matter of this kind, where it can be shown that the enemies of the Government have caused explosions which destroy munition plants in war time, the only effective way is to make the punishment very severe. We all have read of the destruction of munition plants, the blowing up of munition plants, and, so far as I have been able to learn, no State has yet brought these perpetrators of the crimes to trial. Apparently no effort has been made, so far as we have been informed through the public press. The Government must take these matters up especially and pro-

tect itself, and protect its munitions plants, protect the places where munitions are stored for use in the war. It is most important that we have a very effective provision.

Mr. RAKER. Of course, if it is Government property, the perpetrator can be prosecuted in the Federal court.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. DYER. I ask unanimous consent to have presented and have pending the amendment that I have offered, and also the definition as to war purposes and munitions as stated in the amendment.

The CHAIRMAN. Does the gentleman wish to have the amendment reported now?

Mr. DYER. No.

Mr. MILLER of Minnesota. Mr. Chairman, when I first read this bill it pretty nearly took my breath away, having in mind that which it enabled somebody to do. In the northeastern part of the State of Minnesota—and that situation is true, though perhaps to a lesser degree, in two or three other sections of the United States—dynamite and explosives are playing a great part in the industrial life of the land. Dynamite and explosives have ceased to be something handled exclusively by scientists, something handled exclusively by specialists apart from common use. Explosives, and particularly dynamite, have come to be a common necessity in many of the industrial operations of our people.

We had before us for several days a bill designed to encourage food production in the United States. I could not help thinking all the time that bill was under discussion how much more valuable it would be in the accomplishment of its purpose if something could be done to enlarge the area of production. At the present time in the cut-over timbered sections of the Northwest—and I refer to northern Minnesota, northern Wisconsin, and a portion of Michigan—there are approximately 15,000,000 acres of land now covered by stumps and unproductive, but which have been proven to be the best soil in the best climate of this country for the production of potatoes, grasses, and all root vegetables. Consequently it occurred to me time and time again how much more valuable it would be in the accomplishment of the purpose contained in the food-production bill if we might in some governmental way take upon ourselves the rendering of assistance in clearing that land. It is mostly to be done by dynamite. These hardy farmers that are trying to clear the land are using dynamite. It is the cheapest and the best method that has been discovered. Every day they are using it. This bill makes it a crime for one of these men to have dynamite in his possession unless the President of the United States shall make an order or a rule that will give him permission to have it.

Mr. HAMLIN. Will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. HAMLIN. Does not the gentleman want to discuss the bill in the light of the amendment offered, and if that is adopted the gentleman's statement would not be accurate?

Mr. MILLER of Minnesota. I am coming to that in a moment. I am going to complain of the amendment because I do not like it. The other great use to which dynamite and explosives are put in the northeastern part of Minnesota is in the great iron mines, the greatest in all the world, and I have to repeat every once in a while that 65 per cent of all the iron ore at present mined in the United States is mined in the single county in which I live. Dynamite is the basis of all mining operations. This bill says, or it authorizes some one to say, whether or not mining companies can have dynamite for use in mining.

Now, I am not one so foolish or so simple as to think that the President of the United States or the Director of the Bureau of Mines or anybody else will say that it is a crime for a man to have in his possession cotton or sawdust or soil, although they happen to be the ingredients of dynamite, nor do I think that any person will say it is a crime for a mining company to have in its possession dynamite for mining purposes when as a matter of fact the mining of ore is basic to the production of all munitions of every kind and character.

I was fearful when I first read this bill that the operation of it would cripple the mining industry; that it would so hamper and surround the use of the explosive as to make it, perhaps, very expensive if not impossible to carry on mining operations with success and dispatch. I believe that still would be true in a measure if you retain in the bill sections 3 and 4 and authorize them to be carried out as they now contemplate. We propose in the first part of the bill to make certain things a crime, and a little further on in the bill it is proposed to create a body of agents who will go throughout the United States for the purpose of detecting violators of the statute. If we carried that out in all the statutes we pass of a criminal nature what a wonderful opportunity for the employment in the Government service there would be. Every time we said that an act should not be done we would have appointed a body of agents to go throughout the United States and see that it is not done. Of course, we do not need anything of that kind. Nor is there any excuse for it in this instance unless that which it is designed to prohibit can not be carried out by the State and local agents. And yet in paragraph 3 it is proposed that the local instrumentalities shall be utilized.

Now, to reach that which I desire to emphasize, if you will cut sections 3 and 4 out of the bill—and perhaps if they are not cut out—I am going to vote for it, for two or three reasons that did not occur to me at first, having in mind that dynamite is now an industrial necessity and the fact that its use ramifies out through the most of our industrial life. I recognize that to repose in the President or anyone else power absolutely to control the keeping and manufacture and use of dynamite is tremendous. It may result in serious things, but I am led to agree to this first part of the bill for the reason that in a time of war we must intrust power to the Executive in an abnormal and remarkable degree. We must do one thing further. We must even authorize the Executive to take action even in cases that are innocent if to grant that authority is necessary in order that he may have the power to take action in cases where guilt resides. What I mean by that is this: It may be necessary to put into the hands of the President or some appropriate official under him control over certain things, it being expected he will not exercise that authority and that control in order that he may have the power to control those things that should be controlled. In the iron-mining regions of nearly every part of the United States to-day there is a deep and serious menace. We have had attention directed to the outrages by dynamite. They are not in the far past. Many of them are near at hand. I believe the power in this bill wisely exercised by the President will be for the protection of American property and American lives by reason of the war conditions that now exist. I am not violating any confidence nor am I stating anything that, in my judgment, needs to be concealed when I say that in some of the mining sections of the United States to-day active forces are in operation that are designed to put the mines out of business, that are designed to destroy methods of communication between the mines and the places where the ore is to be used, and in these places are men whose design it is to organize forces that will oppose the operation of the selective draft.

We have these conditions to face. We, as a large body, I do not believe can possibly legislate in final detail how control over explosives should be exercised. The gentleman from Arkansas [Mr. WINGO] stated a little while ago that he did not think this committee, sitting as a whole, or his committee could draft all of the precise features that this law should contain. He is correct in a large measure, but that is not the greatest difficulty. The greatest difficulty is that when once enacted that statute would have to be lived up to and could not be changed until Congress saw fit to change it. Under the bill the rules and regulations can be changed from time to time the better to fit conditions.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DOWELL. Mr. Chairman, I have an amendment which I desire to offer, and to which I assume there will be no objection, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. DOWELL: Page 1, line 3, after the word "that," strike out the words "in time of" and insert in lieu thereof the words "while the United States is at."

Mr. FOSTER. Mr. Chairman, on that I reserve the point of order. I do not understand that that amendment is in order now.

Mr. DOWELL. Mr. Chairman, I desire first to call attention to the amendment presented by the committee to section 1. Under this amendment, as I read it, no one can tell just what the court will determine is a violation of the statute. Each individual case must be submitted to the court to be determined whether or not this section has been violated. Under this amendment—and I do not have the exact language before me—if these explosives are used in such manner as may be detrimental to public safety, there is a violation of the section. Under the second section authority is given the President to promulgate such rules and regulations in the interest of public safety as he may deem to be necessary, covering the manufacture, and so forth. It occurs to me that the first section, which is the prohibition in this bill, should be clear, definite, and conclusive, the same as in any other penal law.

The gentleman from Arkansas representing the committee stated a while ago that with the amendment the section is complete. If the statement of the gentleman from Arkansas [Mr. WINGO] is correct that there is no intent on the part of the committee that section 2 shall in any manner control the provisions of section 1, what is the use of having section 2 in the bill? What is the purpose of having section 2 if section 1, which is the prohibitory clause, is complete? Why should this Congress call upon the President of the United States to declare by proclamation in what manner these explosives may be manufactured or used? I submit that this committee by section 2 has attempted to do what it failed to do in section 1; that is, to define clearly what will be a violation of section 1. And it is expected that the President by a proclamation will state specifically what can and can not be done under section 1.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. WINGO. I am sure if the gentleman will read section 2 he will see that it does not anywhere authorize the President to say what may or may not be done, and especially with the amendment that has been offered. Section 2 will become an exemption, and not an extension at all, because section 2 will then provide that the President may provide for these rules and regulations for the manufacture for proper purposes of these different explosives, and then the proviso will be that it shall not be unlawful, nor shall it be held to be detrimental to the public safety if they are manufactured in accordance with these rules and regulations. Then, if a man were indicted and the Government should prove that the manner in which he manufactured it was detrimental to the public safety, and he should prove that he manufactured in accordance with the rules and regulations laid down by the President, under that specific provision he would not be liable. Would it not be a protection?

Mr. DOWELL. Yes; but is it the intention of the committee that in construing section 1 the court will determine whether or not there has been a violation of the proclamation of the President? When a person is brought before the court for punishment for violating section 1 of the bill, I take it the proclamation of the President will be before the court, stating under what rules and regulations such explosives may be used. And I submit, that if one may be exempt by the court under a proclamation of the President, he may also be punished for the same reason.

I trust sections 3 and 4 will be stricken from the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. EMERSON. Mr. Chairman, this Congress can not afford to pass at this session or at any other session of Congress a law abridging the freedom of speech or of the press.

Our fathers thought so well of this freedom that they protected it by writing a provision into the Constitution of the United States in which it is stated that "Congress shall make no law abridging the freedom of speech or of the press." If there is to be a censorship, it should be of those things that concern the Government and not officials of the Government.

This espionage bill is an assault upon the most sacred rights of American citizens.

It is un-Democratic, un-Republican, and un-American.

If there is to be a censorship, I believe it should be applied first to certain officials of the Government.

In the next place, it is unnecessary. No person is so foolish as to claim that Berlin gets its information from our newspapers. The fact is, I believe Berlin knows more about what is going on in this country as regards our military operations than do many Members of Congress, and I am not criticizing Congress when I make that statement.

Berlin had no difficulty in finding out that our flotilla of destroyers was on its way to England, and they did not get it from the newspapers, either.

The officials say that it is leakage, but if that is true, then there is all the more reason why our officials should be careful.

Nothing was said about the departure of Gen. Joffre until he was safely landed in France. Nothing was said about the departure of Mr. Balfour until he was safely in Canada. Nothing was said about the departure of our flotilla until it had landed in England. Nothing will be said about our soldiers until they have landed in Europe.

But I venture the guess that Berlin knew all about these occurrences before the American public knew about them. I believe in the fullest publicity concerning the actions of all public officials.

I shall stand for the freedom of speech and of the press. If our Government does not give our soldiers the proper treatment, or does not use the public money to the best advantage, the people should have the right to criticize such conduct.

We should not destroy in this country what we are seeking to establish in Europe—liberty.

A Republic can not long endure without this freedom of speech and freedom to criticize, and all that freedom of the press and the freedom of speech means is the right to criticize public officials in the manner in which they conduct the offices they hold.

The concealment of military plans and operations is of course necessary, but that is up to the officials themselves. We may feel assured that when it once gets outside of the secrecy of the public official Berlin will know about it. If this bill is passed, officials might construe it to mean criticism of public officials and not criticism of the Government.

The acts and conduct of officials must always be subject to criticism, and when the time comes when we are forbidden by law to criticize our public officials then a republican form of government has ceased to exist.

The strongest argument against abridging the freedom of speech and the press is found in the President's war message, delivered to Congress last month.

Let me call your attention to a few extracts:

> The world must be made safe for democracy. Its peace must be planted upon the tested foundations of political liberty.

What is political liberty but the right to think, speak, and write what a citizen desires in criticism of the public acts of public officials?

Again, the President says:

> Such designs can be successfully worked out only under cover and where no man has the right to ask questions.

The President complains of the inability of the German to ask questions.

Again, the President says:

> But only in the selfish designs of a Government that did what it pleased and told its people nothing.

He was referring to Germany.

But listen to what follows. Says the President in his message:

> They are unhappily impossible where public opinion commands and insists upon full information concerning all the Nation's affairs.

There are many other expressions in the President's speech which confirm my opinion as to the value and the necessity of freedom of speech and of the press even during war times. If I believed any abridgment of the freedom of speech or of the press would hasten the end of this war I would favor it, but under no circumstances is that possible.

Let us fight this war like men. Let the people know those things they should know about the management of this war and the uses to which these billions of dollars we have appropriated are being put.

It is up to the officials of our Government to whet their wits against the wits of the enemy.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MCKEOWN] is recognized for five minutes. [Applause.]

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee, I would at this time beg your pardon for intruding upon your patience if it were not for the fact that I am interested in this legislation and have made some slight investigation of the laws of the several countries as to regulating explosives.

There are in the United States 15 States with laws requiring the records of the sale of explosives. There are 13 States in the United States that do not require records of the sales but require some regulations as to the sale of explosives. There are 20 American States that have no law upon their statute books regulating this important subject.

Austria passed a law in 1877 and modified it in 1907. Belgium passed a law regulating the sale of explosives in 1881 and amended it in 1894. France passed a law in 1875 and amended it in 1892. Germany passed its law in 1874 and amended it in 1911. Great Britain passed a law in 1875 and amended it in 1905. Italy passed a law in 1895 and amended it in 1905.

Gentlemen, in my district we have a great many mines, the same as in the districts of some of the gentlemen who have spoken on this bill. The purpose of this bill is to regulate the handling of these explosives, and every man who has investigated the question has found that the crooks or yeggmen, as they are called, can take dynamite and extract from it nitroglycerin and use it as an explosive in their work of blowing safes throughout the country.

My objection to this bill is that it is only enforced during war times. I think the National Government ought to have a law regulating the sale of explosives in peace times, because we find to-day plots throughout the United States because of the fact that we have dealt too easily with the criminals of this country.

Now, in the other foreign nations they require a record——

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. McKEOWN. I will.

Mr. MOORE of Pennsylvania. I would like to agree with the gentleman as to that proposition, but I would ask him whether this bill would provide for any such general protection in times of peace? It provides only for a proclamation, as I understand, and does not meet the suggestion the gentleman makes.

Mr. McKEOWN. Yes, sir. And I have some objections to the bill on that ground.

On April 19 I introduced in this House a bill—H. R. 3550—regulating the sale of explosives and putting it under the Commissioner of Internal Revenue, making it his duty. And I followed in that bill that most excellent law known as the Harrison Drug Act, in its general provisions; and, in my opinion, that bill would come nearer meeting the demands of the American people than the bill you have here. That bill was referred to Mr. McAdoo, and he returned it and said that on account of the great amount of work connected with the liberty loan he could not undertake to handle that bill. And they sent me the report on the bill the committee has now reported.

I feel, gentlemen, that this is too important legislation not to receive the serious consideration of this House, because it is far-reaching. In Italy a man who is found carrying explosives must explain and show where he bought the explosives, or he must make some showing. Now, if you have a bill that requires a record to be kept of purchases of explosives, the same as you do as to the purchase of drugs under the Harrison Drug Act, then when an explosion occurs in the United States the officers in the Department of Justice can run down the criminal and bring him to the bar of justice. Under present laws we have not sufficient means with which to bring a man to the bar of justice and prosecute him. I will support this bill, gentlemen, because it is along the lines I am urging. But I would like to say that I would have preferred to have supported a bill that would have placed this matter under the Commissioner of Internal Revenue and let the same officials and men who go out and investigate the violations of the Harrison Drug Act investigate under the regulations that you provide under this act. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The gentleman from Iowa [Mr. TOWNER] is recognized for five minutes.

Mr. TOWNER. Mr. Chairman, I want to say only a few words regarding the much-discussed war powers of the Constitution. I notice that the proponents of this bill base very largely the legislation contained in it upon the proposition that it is for the common defense and general welfare. I regret that because of the fact that the only power given to Congress is not the general power to legislate for the common defense and the general welfare, as seems to be commonly understood. Section 8 of the Constitution, in which that language occurs, is as follows:

> Congress shall have power to lay and collect taxes, duties, imposts, excises, to pay the debts, and provide for the common defense and general welfare of the United States.

And the Supreme Court of the United States and jurists have interpreted that to mean that the purpose of the common defense and general welfare used in this section refers only to the power to collect taxes and impose duties and imposts and excises for the common defense and the general welfare.

Mr. HAMLIN. Will the gentleman yield right there?

Mr. TOWNER. I am afraid that I can not yield, because I have only just a few moments, if the gentleman will pardon me. I am quite sure he will.

The CHAIRMAN. The gentleman from Iowa declines to yield.

Mr. TOWNER. I want to say that while that is true, there is no possible question but that Congress has ample power to legislate upon this question. I call the chairman's attention and the attention of the members of the committee to the fact that they have a far greater power and a far greater authority within the language of the Constitution when it says that Congress shall have power to declare war. If it has power to declare war it has power certainly to legislate in any way it chooses with regard to any of the necessary instruments of war. War can not be carried on without explosives, without ammunition, and for that purpose it is within the power of Congress to legislate as it chooses, almost, with regard to the regulation of explosives in time of war.

The Constitution gives Congress the power to raise and support armies. You can not support armies without providing them with ammunition. Under that power it would be possible for Congress to take away from all the private manufacturers of the United States the right to manufacture a pound of powder or explosives of any kind, and manufacture all its ammunition in its own arsenals. Or it could impose any conditions or restrictions it thought necessary and proper upon its manufacture by private persons or corporations.

Congress has a right to exercise any power regarding the management and control of explosives that they choose to exercise that may be proper and necessary for that purpose in this time of war.

Congress has the power to provide and maintain navies. It can not maintain a navy without explosives, and under that power of the Constitution there is abundant authority in Congress to legislate and provide for the regulation of all kinds of explosives. That is what is meant by the so-called war powers of the Constitution. There are no general war powers contained in the Constitution. There are no extra war powers in the Constitution, and we do not need them, because the power to declare war, the power to raise and support armies, the power to provide and maintain navies, contains all the war powers that may be necessary, because all of those things that are proper, that are legitimate, that are within the possible scope that may be determined by Congress in the exercise of carrying on these powers which are specifically granted are within the purview of the Constitution, which says that all the powers necessary to carry into execution the expressed powers granted shall be lodged with Congress. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CAMPBELL of Kansas rose.

The CHAIRMAN. The gentleman from Kansas [Mr. CAMPBELL] is recognized for five minutes.

Mr. CAMPBELL of Kansas. Mr. Chairman, when I first read this bill I did not see how I could support it. Since it came up for consideration this morning two amendments have been offered. The first, to section 1, strikes out part of line 5 and all of lines 6, 7, 8, and 9, and inserts a provision that leaves section 1 a declaratory law. An amendment is also offered to section 2, but I am not satisfied yet with that section. I think it should be stricken from the bill, and I shall vote to strike it out.

I realize that a law covering the general subject matter should be enacted, and as I suggested here this morning, I wish the committee had prepared a law upon this subject. We ought not to give the power of making laws by proclamation to a coordinate branch of this Government. We are the lawmaking power, and we should assume the responsibility of making the laws, and make them specific and provide the punishment.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of Kansas. It never was contemplated by the Constitution of the United States or under our form of Government that the President of the United States should have power to make proclamations which amount to penal statutes.

Mr. BORLAND. Mr. Chairman, will the gentleman yield there?

Mr. CAMPBELL of Kansas. Yes.

Mr. BORLAND. If I recollect rightly, the pure food and drug act is the most conspicuous example of regulation. That was passed when the gentleman's party was in power.

Mr. CAMPBELL of Kansas. I am not talking about parties now. I am standing here in the center aisle, speaking without partisanship.

Mr. BORLAND. Well, I will say that law was passed by the aid of the gentleman's vote.

Mr. CAMPBELL of Kansas. It is a very different thing from a proclamation of a penal statute.

Mr. BORLAND. The act defined certain crimes and made regulations covering them.

Mr. CAMPBELL of Kansas. It was a law in itself and provided for the punishments to be imposed.

Mr. BORLAND. And it authorized the making of Executive orders.

Mr. CAMPBELL of Kansas. There are no Executive orders that have the force of a criminal statute.

Mr. GREENE of Vermont. Mr. Chairman, may I ask the gentleman a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. GREENE of Vermont. The gentleman appreciates, of course, the fact that in time of war it is almost always the unexpected that happens, and in such times provision should be made to cover such things? It might be perfectly harmless in time of peace, but would in time of war be very harmful.

Mr. CAMPBELL of Kansas. Even then the President of the United States ought not to be given authority to declare a penal statute.

Mr. GREENE of Vermont. How would you meet that exigency when Congress was not in session?

Mr. CAMPBELL of Kansas. I would keep Congress in session, and I would have Congress pass such specific laws as were needed.

Mr. GREENE of Vermont. And you would make specific ex post facto laws when the horse had been stolen, and then you would lock the stable door. [Laughter.]

Mr. CAMPBELL of Kansas. The same thing would be applicable to proclamation. I believe we are still capable of maintaining a government of the people, for the people, and by the people. I do not believe it is necessary to convert this Republic into an Imperial Prussian Empire. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. JUUL rose.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. JUUL. Mr. Chairman and gentlemen, I have not the slightest doubt that all the gentlemen here are anxious to help the administration to pass a law to regulate explosives. But this is not what we are asked to do. We are asked to enact three pages of law and attach an unlimited number of pages of blank paper, and then authorize the Bureau of Mines to fill in what the bureau may see fit to put in at the time.

I want to particularly appeal to gentlemen on this floor who are lawyers and ask them, After you go home and clients in your respective States write to you or come to you for information as to what they may do or may not do under this law, what would you say? You would say that we had enacted a law consisting of three pages of printed matter, but that you were not able for the life of you to tell any one of them what they might do or what they might not do under this law, for the simple reason that the law was not put in yet, but that, as a general proposition, you had enacted a law permitting some agency of the Executive of the United States to put in regulations.

Then you wait 30 days and the Executive issues his proclamation. What do you find in this bill? You find on page 2 that the Executive may change his mind, and after you have advised your clients what is the law it is not the law any more, because this is what it says on line 9, page 2:

> That the President may by proclamation from time to time make such alterations, modifications, and amendments to such rules and regulations as he may deem necessary and which the public safety may require.

In other words, here you have a criminal statute for the violation of which your client may be sent to the penitentiary, and yet the statute itself says that from time to time it may be changed, so that maybe he is guilty of violating a criminal statute on Wednesday and perfectly innocent of violating it on Thursday, or vice versa. [Laughter.]

Now, I am willing to vote for legislation on this subject; but I do not believe that any set of men, not even the sacred Bureau of Mines, should be permitted to write criminal statutes on blank paper furnished by the Congress of the United States. [Applause.]

The most dangerous feature in this entire bill is this: That it is not a piece of permanent legislation, even after the proclamation by the President has been promulgated. The very day after you have informed your client of the contents of the President's proclamation he may change it again, and there is no limit in this bill that it shall not be changed between congressional sessions. Gentlemen, I think that in its present condition this bill is a most dangerous piece of legislation. It is a criminal statute, with penitentiary sentences attached, and no one can tell what is a violation of the law and what is not. And I want to plead with the committee to bring in here to-morrow or the day after or any other day a definition of what it is that you want to prohibit, and I assure you that I will be glad to vote for it and help to pass it. [Applause.]

The CHAIRMAN. The gentleman from Wisconsin [Mr. LENROOT] is recognized for five minutes.

Mr. LENROOT. Mr. Chairman, the question of the power of Congress to enact legislation of this character is one of the most important that has ever come before any Congress, and while one can not in five minutes discuss that question with any degree of satisfaction either to the committee or to himself, inasmuch as it has been raised, I desire as well as I can within the five minutes to give my view of what this power is.

I agree with the decision in ex parte Milligan, quoted by the gentleman from Kansas [Mr. CAMPBELL], that the Constitution was made for war as well as for peace, and I do not agree that Congress has any police powers in time of war or in time of peace. Any power that we have to enact legislation of this sort must be founded upon the provisions of the Constitution itself, and in my judgment this legislation can be sustained upon the power to declare war.

The power to declare war carries with it of course implied powers. One of them is the power to prosecute that war, and that means to take all means necessary to prosecute it to a successful conclusion. And it means further that Congress has the power under that enumerated clause to enact any legislation the end of which is the successful prosecution of this war, and we may adopt any means that we see fit, provided the means that we adopt are plainly adapted to the successful carrying on of that war. Now, that does not mean that because we declare that a state of war exists we can put into a bill that in time of war such and such shall be the law. The provisions of the bill itself must be such that they are plainly connected with the successful carrying on of the war. Courts will inquire, and properly so, whether they have any connection. If the court can see that there is a connection, it will not inquire then whether the particular means employed was necessary or not. That is left to the judgment of Congress.

Mr. JUUL. Will the gentleman yield for a question?

Mr. LENROOT. I can not in the five minutes I have. Upon the proposition I have just stated I want to quote just one paragraph from the leading case on this subject, that of McCulloch v. Maryland (4 Wheat.). This paragraph has perhaps been quoted more often than any other paragraph in any other decision of any court in the world. The court said:

> We admit, as all must admit, that the powers of the Government are limited, and that its limits are not to be transcended. But we think the sound construction of the Constitution must allow to the National Legislature that discretion with respect to the means by which the powers it confers are to be carried into execution which will enable that body to perform the high duties assigned to it in the manner most beneficial to the people. Let the end be legitimate—

In this case the successful carrying on of the war—

> let it be within the scope of the Constitution—

In other words, under the power to declare war—

> and all means which are appropriate, which are plainly adapted to that end, which are not prohibited but consistent with the letter and spirit of the Constitution, are constitutional.

And that means, in my judgment, that provided the things we propose to do are directly connected with the prosecution of the war, we may then do anything we deem necessary that is not expressly prohibited by the Constitution. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. IGOE. Mr. Chairman, I should like to ask unanimous consent that the gentleman from Wisconsin may have five minutes more, not to be taken out of the time. This is the most important point in this bill, and this is the most important thing in all this war legislation. I thought if the gentleman wanted five minutes——

Mr. MAPES. Regular order, Mr. Chairman.

The CHAIRMAN. The regular order is demanded. The gentleman from California [Mr. RAKER] is recognized.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, as stated before there should be legislation in regard to explosives, but I wondered whether or not the committee have thoroughly thrashed out even the amendments as suggested. I want to read in my time section 1 as it will appear after it is amended.

> That in time of war it shall be unlawful to manufacture, distribute, store, use, or possess powder, explosives, blasting supplies, or ingredients thereof, in such manner as to be detrimental to the public safety.

Now, I want to see the matter arranged so that it is specific; but it seems to me that if there is any provision that will be indefinite, this must mean that; and I want the serious attention of the chairman and the members of the committee. What act, what thing can be done that will not be detrimental to the public interest?

Mr. FOSTER. Some operative of a mine who does not properly protect the explosives that he keeps on hand in the mine. For instance, in the State of Illinois in an old, abandoned quarry they discovered where there was a lot of dynamite caps and dynamite located, and it was being stolen, and on looking it up they found that it belonged to some explosives company. They immediately notified that explosives company to take charge of that particular explosive located there. That is one thing they could do.

Mr. RAKER. That is true, but it is dangerous to leave such property, and I venture the opinion now that in every State in the Union anyone who leaves dangerous explosives in such a way that human lives are exposed is guilty of a crime beyond all question.

But that is not the feature involved here. Gentlemen who have spoken—and I am not going into that feature of it, because there can be no question that you have the power to pass this law. You have the power to enact a direct statute specifying what shall be unlawful, what shall be done, how they can transport it, how they can store it, how they can handle it,

how they can manufacture it, how they shall buy it, and what receipts shall be given for the sale or the purchase.

Now, there can be no question that you have the power to make regulations if you have the power to pass a law. Section 2 leaves it entirely to the Executive order, a most important matter, without any designation of what shall be the offense, what shall be the punishment, and, as gentlemen have well said, we must pass the act, we must lock the door before the horse is stolen. How can the Executive order be any more effective than the statute?

Mr. SANDERS of Indiana. Mr. Chairman, in giving the consideration which the committee gave to this bill and to this particular amendment we had in view some of the very questions that have been raised here in the discussion of the bill in the Committee of the Whole House. We knew that there would be at once the question raised of the war power, because I do not believe in times of peace there is any power in Congress to legislate generally on the question of explosives. That constitutional power has been explained very clearly by the gentleman from Wisconsin [Mr. LENROOT].

The other question that has been raised here is the question of the delegation of legislative power, and that question, I think, merits more consideration than the question of the war powers. We examined this question for two or three days, and finally determined that, under the decision in the case of the United States against Grimaude, found in the Two hundred and twentieth United States, page 506, the legislation was clearly justified under the Constitution of the United States.

Mr. RAKER. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. RAKER. That is the case which came from California, where a man violated the regulations adopted by the Forestry Bureau of the Department of the Interior?

Mr. SANDERS of Indiana. Yes.

Mr. RAKER. If that is the law, is there any reason why you can not enact a statute clearly covering the matter without leaving it to regulations?

Mr. SANDERS of Indiana. So far as the law is concerned, a statute could have been enacted embracing the regulations. The regulations could have been put in the bill, but the question whether we should do that or not was a question of whether it was wise to do it.

Mr. RAKER. Why was it not done?

Mr. SANDERS of Indiana. We thought it not wise because in the time of war after Congress has adjourned and between that time and when it convenes again some emergency might arise and we thought that the power ought to be lodged in the Executive which would enable the Executive to handle the situation. I raised the question in the committee and insisted at first that these regulations should go into the bill. I said that I was not willing to subscribe to a favorable report on the bill which delegated to the President the power to say what should be the law and what should not, and I really think that this does do that in a way. Whenever you delegate the power to make regulations and say that a violation of those regulations shall subject one to a penalty, in a way the Executive makes the law. I said I was unwilling to subscribe to that. But later it was made clear to my mind that in this emergency, in this war time, we should have the power reposed in the President.

Mr. RAKER. Will the gentleman permit another question?

Mr. SANDERS of Indiana. Yes.

Mr. RAKER. From the gentleman's experience and the reasoning of the committee as to what might occur, can the gentleman conceive of anything that could happen but what could have been put in the bill under language that would have covered the whole subject?

Mr. SANDERS of Indiana. I do not think you can put general expressions in the bill and make violations thereof subject to penalties. Referring to the particular point made by the gentleman as to certainty, if the first section was not supplemented by the second section as proposed to be amended, I think the objection would be well taken. The second section of the bill makes it definite and certain just how a person may be free from a violation of the provisions of the bill. The reason that the first section is drawn as it is, is for the purpose of making it come within the decision of the United States against Grimaude, which contains this language:

> But when Congress had legislated and indicated its will, it could give to those who were to act under such general provisions "power to fill up the details" by the establishment of administrative rules and regulations, the violation of which could be punished by fine or imprisonment fixed by Congress, or by penalties fixed by Congress or measured by the injury done.

I think the first section and the second section make it clearly within the provisions in this case. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Arkansas.

Mr. WINGO. Mr. Chairman, can we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. WINGO. Mr. Chairman, I offer another amendment, in line 4, to strike out the word "smokeless."

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Page 1, line 4, strike out the word "smokeless."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DYER. Mr. Chairman, I have an amendment, which I send to the desk, which I wish to have read.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

> Amendment offered by Mr. DYER: Page 1, line 3, after the word "to," insert the following: "injure or destroy by fire or by use of explosives, or by other violent means, or shall attempt to so injure or destroy any war material, war premises, or any war utilities as herein defined."

Mr. WINGO. Mr. Chairman, I make the point of order on the amendment that it is not germane.

Mr. DYER. I think it is germane.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. WINGO. Mr. Chairman, here is the proposition: This is a bill covering the manufacture and sale and possession of explosives, and attempting to regulate such sale, manufacture, and use of explosives. The gentleman undertakes to add another crime to the statute, and that is the proposition of injuring Government property, as I gather it, by the use of some of these explosives.

Mr. DYER. Oh, no; by fire.

Mr. WINGO. By fire? There is not anything in the bill with reference to incendiary fires or punishing anyone for that kind of an offense. It is not germane to the section nor to the bill.

Mr. DYER. Mr. Chairman, this bill refers to nothing else than to regulations pertaining to the storing, and so forth, of war matériel. The amendment which I have offered provides for punishment also for the destruction of war matériel.

Mr. WINGO. The gentleman does not want that statement to go into the RECORD. This bill does not undertake to regulate the storing of war matériel.

Mr. DYER. It provides that it shall be unlawful to manufacture, distribute, and so forth, these various things.

Mr. WINGO. But it does not say war matériel.

Mr. DYER. Smokeless powder and explosives are war matériel.

Mr. WINGO. Yes; but that is not the object of the bill.

Mr. COOPER of Wisconsin. Mr. Chairman, I desire to ask the gentleman from Arkansas a question. Ought not the word "and," in line 5, be stricken out and the word "or" substituted?

Mr. FOSTER. I think it ought to be.

Mr. WINGO. I differ with the two gentlemen, although they are better scholars than I. I think the word "and" is correct.

Mr. COOPER of Wisconsin. Then you must have the blasting supplies and material to make them out of.

Mr. WINGO. If you were drawing an indictment you would use the word "or," but the statute always carried the word "and"; that is, when you use the form of statute you use here. Where you start out and say that it shall be unlawful to do things, you use the word "and" instead of the word "or," because then you would have an alternative. No; I believe I am wrong, it is just the reverse.

Mr. COOPER of Wisconsin. Mr. Chairman, if the gentleman will turn back to line 3 he will see that it reads in this way:

> That in time of war it shall be unlawful to manufacture, distribute—
> And so forth—
> blasting supplies and ingredients thereof.

And in line 4 the expression is used, "store, use, or possess smokeless," and so forth. That is in the disjunctive, and I think in line 5 the word "and" should be "or," so that it would read "blasting supplies, or ingredients thereof."

Mr. WINGO. The gentleman may be right.

Mr. DOWELL. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is the point of order made by the gentleman from Arkansas to the amendment offered

by the gentleman from Missouri [Mr. DYER]. The point of order is sustained.

Mr. WINGO. Mr. Chairman, as I understand it, there is an amendment pending offered by the gentleman from Iowa [Mr. DOWELL].

The CHAIRMAN. Yes. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. DOWELL: Page 1, line 3, after the word "that," strike out the words "in time of" and insert the words "while the United States is at."

Mr. DOWELL. Mr. Chairman, I ask unanimous consent to modify the amendment by striking out the word "while" and inserting in lieu thereof the word "when."

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified amendment by Mr. DOWELL: Strike out, on page 1, line 3, after the word "that," the words "in time of" and insert in lieu thereof the words "when the United States is at."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RAKER. Mr. Chairman, I move to amend, on line 4, page 1, by striking out the word "powder." You have already stricken out the word "smokeless" and the word "powder" there is meaningless now.

Mr. WINGO. Oh, no; there are many kinds of powder besides smokeless powder.

Mr. RAKER. And there is face powder.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

Mr. RAKER. Mr. Chairman, I shall withdraw the amendment.

Mr. COOPER of Wisconsin. Mr. Chairman, I hope the gentleman will reconsider the matter to which I directed his attention a moment ago.

Mr. WINGO. I think the gentleman is right, on reconsideration, Mr. Chairman.

Mr. COOPER of Wisconsin. Then, Mr. Chairman, I move to strike out the word "and," in line 5, page 1, and insert in lieu thereof the word "or."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. COOPER of Wisconsin moves to amend by striking out on page 1, line 5, the word "and," and inserting in lieu thereof the word "or."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. CARAWAY having resumed the chair a message from the Senate by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 70. Joint resolution relating to the service of certain retired officers of the Army.

EXPLOSIVES.

The committee resumed its session.

The Clerk read as follows:

SEC. 2. That upon the passage of this act the President of the United States is authorized, empowered, and directed to prepare, make, and promulgate by public proclamation such rules and regulations in the interest of public safety as he may deem necessary governing the manufacture, distribution, storage, use, or possession for necessary and proper purposes in time of war, all such smokeless powder, explosives, blasting supplies, and the ingredients thereof: *Provided*, The President may by proclamation from time to time make such alterations, modifications, and amendments to such rules and regulations as he may deem necessary and which the public safety may permit or require.

Mr. WINGO. Mr. Chairman, I offered an amendment which is pending and which has been read.

The CHAIRMAN. The Clerk will again report the amendment.

The Clerk read as follows:

Mr. WINGO offers the following amendment: Amend section 2, page 2, by inserting at the end of the section and as a part thereof the following:

"*Provided further*, That it shall not be deemed to be detrimental to the public safety and shall not be unlawful within the meaning of this act to manufacture, distribute, store, use, or possess smokeless powder, explosives, blasting supplies, and the ingredients thereof when the same shall be done in compliance with such rules and regulations."

Mr. WINGO. Mr. Chairman, I ask unanimous consent to modify my amendment by striking out the word "smokeless," so as to make it conform to the amendment already adopted.

The CHAIRMAN. The gentleman asks unanimous consent to modify the amendment. The Clerk will report it as modified.

The Clerk read as follows:

Modify the amendment by striking out the word "smokeless" before the word "powder."

The CHAIRMAN. The question is on agreeing to the amendment as modified.

The question was taken, and the amendment was agreed to.

Mr. RAKER. Now, Mr. Chairman, on line 7, page 2, I move to strike out the word "smokeless."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. RAKER moves, on page 2, line 7, to strike out the word "smokeless."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DOWELL. Mr. Chairman, I move to strike out, in line 7, the words "in time of" and insert "when the United States is at"—the same amendment that was in the first section.

Mr. FOSTER. There is no objection to that, I think.

The CHAIRMAN. The gentleman from Iowa [Mr. DOWELL] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DOWELL offers the following amendment: Page 2, line 7, strike out the words "in time of" and insert in lieu thereof the words "when the United States is at."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to amend, on line 8, by striking out the word "and" and inserting the word "or," so as to make it harmonious with the previous amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. MOORE of Pennsylvania moves to amend, on page 2, line 8, by striking out the word "and" and inserting the word "or."

Mr. WINGO. I want to submit to the gentleman from Pennsylvania [Mr. MOORE] that possibly this is not the same thing that we had to consider a while ago.

Mr. MOORE of Pennsylvania. If it is not I will not insist on the amendment; but I think it is the same proposition.

Mr. WINGO. I will state to the gentleman I went over that just a few moments ago, and I came to the conclusion it is different. Let me suggest this to the gentleman: He is providing rules and regulations governing the manufacture and distribution of powder, explosives, blasting supplies "and the ingredients thereof," not "or the ingredients thereof." It is covering both.

Mr. MOORE of Pennsylvania. I think the gentleman is right. My purpose was merely to place the paragraph in harmony with the preceding paragraph. I withdraw the amendment.

Mr. RAKER. Mr. Chairman, I want to call the gentleman's attention to his amendment. Whether or not he wants in line 2 to have it conform to the other by changing the word "and" to "or"?

Mr. WINGO. Yes. Next to the last line of the amendment I offered, the words "supplies and the ingredients thereof," the word "and" should be changed to "or."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend the Wingo amendment by striking out in the last line thereof the word "and" and inserting the word "or."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. That in order to carry out the provisions of this act and the directions contained therein, the Bureau of Mines, Department of the Interior, with the approval of the President, is hereby authorized to employ such persons, without regard to civil-service requirements, and to utilize such agents, agencies, and all officers of the United States and of the several States, Territories, subdivisions, and municipalities thereof, and the District of Columbia, in the execution of this act, and all agents, agencies, and all officers of the United States and of the several States, Territories, subdivisions, and municipalities thereof shall hereby have full authority for all acts done by them in the execution of this act when acting by the direction of the Bureau of Mines.

Mr. LAGUARDIA, Mr. MILLER of Minnesota, Mr. LENROOT, Mr. MOORE of Pennsylvania, and Mr. MCKENZIE rose.

The CHAIRMAN. The gentleman from Illinois [Mr. MCKENZIE] is recognized.

Mr. McKENZIE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. McKENZIE offers the following amendment: Page 3, line 2, after the word "Mines," insert the following:

"*Provided*, That the employment of any person under the provisions of this act shall not exempt any such person from military service under the provisions of the selective-draft law approved May 18, 1917."

Mr. FOSTER. We have no objection to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. McKENZIE].

The question was taken, and the amendment was agreed to.

Mr. LENROOT. Mr. Chairman, I move to strike out the section.

Mr. FOSTER. Mr. Chairman, there probably will be some amendments offered here. May we agree on some time? I would like to get through with this bill, if possible to do so, to-night. I ask unanimous consent that debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. The gentleman from Illinois [Mr. FOSTER] asks unanimous consent that all debate on this section and all amendments thereto be closed in 30 minutes. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Wisconsin [Mr. LENROOT] is recognized.

Mr. LaGUARDIA. Mr. Chairman, I have a preferential amendment.

The CHAIRMAN. The Chair will suggest to the gentleman from Illinois [Mr. FOSTER] before that amendment is offered, that in line 21 there is an error in the spelling of a word. It appears in the bill as "executon." It should be "execution." Without objection, the Clerk is authorized to amend it.

There was no objection.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. LaGUARDIA offers the following amendment: Page 2, line 17, strike out the words "without regard to civil-service requirements" and insert in lieu thereof the words "in accordance with the provisions of the civil-service act of January 16, 1883."

Mr. LaGUARDIA. Mr. Chairman, I offered a similar amendment yesterday to the food-survey bill, and I intend to offer a like amendment to every bill that comes before this House in which there is an effort to make appointments throughout this country without regard to the civil-service law.

Yesterday the steam roller was brought into play, and I did not have an opportunity to appeal from the decision of the Chair. You all remember what happened when my amendment was offered on yesterday. You remember the energetic use of the gavel by the Chair. I was choked off and prevented from taking an appeal. I feel that the Chair and the Democratic side of the House knew what would happen if that appeal was presented to the House.

A MEMBER. What would have happened? [Laughter.]

Mr. LaGUARDIA. Why, yesterday and the day before the distinguished gentleman from South Carolina [Mr. LEVER] made a passionate appeal to this House for the passage of the food-survey bill, urging unity and harmony, and stated it was necessary to take the food survey; that it ought to be carried on without loss of time. To do so, I take it, he would need the best men available. We offered a means to employ efficient and capable men through the medium of the Civil Service Commission. You will all agree that the Civil Service Commission, with its personnel, equipment, and its facilities, is better able to select capable men, and in less time, than the Secretary of Agriculture could possibly do it—assuming that he intends to make any sort of a selection. Oh, no; the chairman did not insist on unity and harmony then; he was contented to raise a point of order and have the amendment ruled out. And now, gentlemen, we will have 7,000 men roaming all over this country with the ostensible purpose of preaching about hog cholera and incidentally extolling the virtues of the Democratic Party. [Applause.]

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. I regret I have not the time. I fail to see the consistency of the gentleman from South Carolina [Mr. LEVER]. If he is anxious to enact his bill into law and sincere in his motive, how could he refuse to take the best men available by selecting from a list of a competitive examination free from politics? I suppose we can not prevent you from creating jobs, but we do protest when you come before this House not only appealing to the patriotism of the Members of the House but appealing to their sentiment by exposing the empty stomachs of the American people, in order to jam through a bill containing 7,000 jobs and carrying an expenditure of $14,000,000. [Applause.] The people of this country believe that the food bill will bring relief. Yes; relief to the job hunters; but, in my opinion, it will bring nothing else.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. McKEOWN. Do you think the Civil Service ought to apply to the ladies that will be employed under the amendment offered by the lady from Montana, which was adopted yesterday?

Mr. LaGUARDIA. Yes; and the ladies will be willing to stand for it; they will be able to qualify intellectually.

Mr. MILLER of Minneapolis. And they will all qualify?

Mr. LaGUARDIA. Yes; some will qualify, the same as men. I would like to see these 7,000 experts who will go throughout the country distributing leaflets telling the farmers how to plant their soil. I am curious to know where they will be taken from.

Mr. WINGO. I have in mind a distinguished gentleman, a Republican in politics——

Mr. LaGUARDIA. Oh, a question only, please. I do not get a chance to have the floor very often.

Mr. WINGO. And the Bureau of Mines will utilize his services in case this law is passed in its present form, but will be unable to do so if the gentleman's amendment were adopted. The distinguished gentleman referred to is perfectly willing to go ahead and act under the authority of this bill if he is designated. Would the gentleman from New York try to shut that gentleman out?

Mr. LaGUARDIA. Absolutely. Why not?

Mr. BUTLER. Would it not be better to dispense with the services of one man in order to save a public law?

Mr. LaGUARDIA. Yes. You are putting this in to protect one Republican. Is that it? Yesterday you would not stand for my amendment, but choked me off in order to protect 7,000 Democrats. [Laughter.]

Mr. JAMES. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. JAMES. One object of this bill is to work in connection with the mining and factory inspectors. As I understand, that was the reason why this amendment was put in.

Mr. LaGUARDIA. I understand that most of these people will be watchmen and inspectors.

Mr. WINGO. Oh, no; not only watchmen and inspectors.

Mr. LaGUARDIA. No matter what they are. You can select the men better able to do the work required by means of civil-service examination. A man may be a good Democrat and yet know very little about explosives.

I seriously urge the adoption of my amendment. It seems hardly fair to urge harmony and unity on these bills and in each carry a regiment of jobs with fat appropriations. [Applause.]

Mr. LONERGAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial from the Hartford Daily Times, one of the leading newspapers of New England, under date of May 28, 1917.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to extend his remarks in the RECORD by inserting the editorial referred to. Is there objection?

There was no objection.

Following is the editorial referred to:

MAKING FEAR.

Certain Members of the Senate are said to be concerned, and a number of people outside the Senate are known to be concerned, over the extensive powers requested or demanded by the President in the present war crisis. He has obtained, or is obtaining, dictatorial control over many matters of public interest, including industry, agriculture, commerce, and transportation. Never before have we so extensively deputized what ordinarily rests in authority with the deliberative legislative body. Because it is unusual we are naturally a little apprehensive about it.

The times demand machinery for prompt and effective action in our conduct of the war, both as regards our course against our enemies and our domestic control. It is obvious that promptness and efficiency can not be secured through processes of argumentative discussion. The delay in Congress over the measure providing for the establishment of an army offers striking evidence of the weakness inevitable to such procedure. Conditions being abnormal, there is necessitated a departure from the governmental system which in ordinary times we find most compatible with the public welfare. Hence the investment of the Executive with powers much more sweeping that we ordinarily accept as tolerable.

We are permitting this delegation of authority with excellent grace because we have the national common sense to perceive the present necessity. Such apprehension as may exist arises from the suggestion that when the crisis has passed the powers may not find ready restoration to their normal possessors. It is intimated that this departure from our traditional processes may acquire something of permanency.

To develop real fear of this, however, requires an exaggerated nervous condition. Insistence upon the republican form of government is too much a part of each and every one of us to make usurpation possible even should the inclination exist. We are a sensible folk, choosing for the most part sensible public servants. We can not be op-

pressed by any one of our citizens, no matter what his post, because the other 999,999,999 of us are unalterably opposed to such a proceeding. We display sound conception of our present needs by taking steps to avoid the confusion and contradiction which so thwarted Abraham Lincoln at the start of the Civil War. It is hardly to be assumed we are silly enough to think that in so doing we are surrendering any portion of our liberties. If we must feel alarm in the premises, it must be lest the delegated authority be at some time faultily exercised. The perpetual avoidance of error is presumably impossible in any individual. But we may reasonably anticipate less of error through the operations of the indicated individual in the present case than we should obtain through the retarded decisions of our excellent Congress.

Mr. FOSTER. Mr. Chairman, the gentleman from New York [Mr. LAGUARDIA] has offered an amendment taking these employees out from the civil service.

Mr. HAMILTON of Michigan. Oh, no.

Mr. FOSTER. I desire to read this statement that appears in the hearings when a question was asked by Mr. JAMES, of Michigan. I read:

Mr. JAMES. On page 2, line 14, you provide:
"And for the purposes of this act the Director of the Bureau of Mines is hereby authorized and empowered to employ persons without regard to civil-service requirements or to contributions to their salaries from sources other than the Government of the United States."
Is that so you can work in connection with mine inspectors and factory inspectors?
Mr. MANNING. Yes. You know Congress has passed a law forbidding that, but it does not affect the Bureau of Mines, because our organic act provides that we may take in people who are engaged in private industries and pay them a nominal compensation. I have particular reference to the discussion that appeared in Congress with regard to the Bureau of Education. For instance, we might want to take in State inspectors; it might be necessary to have those men to carry on this propaganda in many communities, and we would pay them a nominal sum, say, $1, $10, or $100, a nominal compensation, in addition to that which they were receiving from the State. These words are inserted in order to take care of certain legislation which now exists.

I will say to my friend from New York [Mr. LAGUARDIA] that the Bureau of Mines now has this very provision in their law, and it is done for that particular purpose. This is not intended to give any Democrat or any other partizan politican a job. The gentleman is mistaken about that. It is in order to efficiently carry out this provision.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes; for a question.

Mr. LAGUARDIA. Will the gentleman state if it is the same as the law we passed yesterday?

Mr. FOSTER. I do not know anything about the law we passed yesterday, but I do know that this need exists in the minds of the officials in the Bureau of Mines, and it is absolutely necessary, if the bureau is to be administered efficiently, that this provision should remain in this law.

Now, let me say this to my friend, that these men are not going to take the civil-service examination, and the Bureau of Mines would be constantly hampered in doing their work if this was not in the law. But this very provision is now in the law affecting the Bureau of Mines; and I want to submit to my friend from New York that it is fair and right that it should be there. This is only for temporary employment, if at all—very few men.

Mr. LAGUARDIA. Will the gentleman state any work that these employees will be called upon to do?

Mr. FOSTER. Yes; they may be called upon to make certain investigations in reference to explosives. They may have materials submitted to the Bureau of Mines, which is equipped to make examinations of that kind. They might want to call in some experts, and yet be unable to do so if this provision goes into the bill.

Mr. JAMES. On that point I asked Mr. Manning this question in the committee hearing:

Up in our mining district we have mine inspectors, elective officers; you expect to cooperate with them?
Mr. MANNING. Yes, sir. We expect, Mr. JAMES, to cooperate with everybody that we can get.
Mr. JAMES. In my own county we have one mine inspector and three deputies, and those men are in the mines every day.
Mr. MANNING. They are State officers?
Mr. JAMES. They are county officers.
Mr. MANNING. They are considered as State officials. We will have to utilize all those officers.

Mr. FOSTER. I will say to my friend from New York that I do not care about any job. I do not get any, anyhow. But I will say this provision ought to go into the law, and that it will require more officials than it would not to do this. Now, as I say, unless we put in this provision they could not utilize these men without going and having a civil-service examination. They would be precluded from doing it. And yet, if this is permitted to remain in there, there will be very few new people who will have to be employed under this bill—scarcely any, I should say—because they can utilize them in the way suggested by the gentleman from Michigan [Mr. JAMES].

Mr. MILLER of Minnesota. Then, why is the sum of $250,000 asked for?

Mr. FOSTER. That is to pay general expenses. I do not know whether it will require that amount or not. It is simply authorized, that they can go up to that amount. I will say to my friend from Minnesota [Mr. MILLER] that this does not provide an appropriation. The Committee on Mines and Mining is not an appropriations committee. Since I have been on this committee we have never brought in a bill providing an appropriation. I do not think it is right that a committee which is not given the power to report appropriations should do that. I think that duty belongs to the Appropriations Committee. Let the Bureau of Mines or the Secretary of the Interior, or whoever it may be, come in and make a showing that they need that much money. They can not go beyond the amount authorized in this bill, but the Appropriations Committee, of which my honored colleague [Mr. CANNON] here is a member, can appropriate any necessary amount up to $250,000. We do not make any appropriations.

Mr. MOORE of Pennsylvania. This bill does authorize an appropriation. I was going to ask if in any one of the preceding mining bills provision had been made for an appropriation?

Mr. FOSTER. Provision for an appropriation has been made in a mining bill, but none has ever been made that is left to the proper committee to appropriate. You will remember that we passed through the House the bill providing for the establishment of mine rescue stations and experimental stations. That bill did not carry one cent of appropriation. It simply provided for the establishment of those stations in a certain way, and the matter of providing the necessary money for their establishment was left entirely to the Appropriations Committee, where I think it ought to be, and I have specially avoided bringing in appropriations on these bills.

Mr. MOORE of Pennsylvania. Section 4 of this bill authorizes an appropriation of $250,000.

Mr. FOSTER. That it may be appropriated. Now, if the Committee on Appropriations after a hearing decide that they do not need more than $10,000, they will give them $10,000, and that is all right. They can go before the Appropriations Committee and say what they need, anything within this amount of $250,000.

Mr. MOORE of Pennsylvania. I will say to the gentleman in all fairness that the question has been raised that the Committee on Mines and Mining has no power to make appropriations.

Mr. FOSTER. No; they have not, and yet the gentleman from Pennsylvania has seen committees that had no appropriating power bring in bills authorizing appropriations, but we have never done that. And I want to say to my friend from Pennsylvania that so long as I am a member of that committee—and I think the committee as it is now constituted will never bring in a bill providing that an appropriation shall be made; but we have done the fair thing to the House. I think the right thing, as far as the House is concerned, is to let the Appropriations Committee take up this matter and look into it and decide the amount of money that is necessary, and if they need only a thousand dollars the Appropriations Committee can recommend that amount.

Mr. BORLAND. If that is true, section 4 is not needed.

Mr. MOORE of Pennsylvania. A question has been raised as to whether a point of order would not lie against section 4.

Mr. BORLAND. Section 4 is not needed, for the authorization of law is contained in section 3 and section 2. The Appropriations Committee on proper hearing is bound to provide according to the estimate.

Mr. FOSTER. That may be true.

Mr. BORLAND. Then section 4 ought to go out.

Mr. FOSTER. I simply state that the authorization was made. Now, if the appropriation can be made in a deficiency bill, that might be done. I do not know. But in all my dealings with the Committee on Appropriations I have never found it amiss in doing what Congress authorized it to do. In the bill establishing the Bureau of Mines I was criticized because we did not provide an appropriation to carry on the mining interests. I said to them at the time that I had faith in the Committee on Appropriations being big and broad enough to do what Congress had specified should be done.

Mr. MOORE of Pennsylvania. Does the gentleman think it is necessary to keep section 4 in the bill? If he has to go to the Committee on Appropriations anyhow, why raise the question in this bill?

Mr. FOSTER. I do not know that it is necessary.

Mr. MOORE of Pennsylvania. The committee undertakes to say that $250,000 ought to be spent, but that is as far as it goes.

Mr. FOSTER. Up to that amount.

Mr. MOORE of Pennsylvania. The committee acknowledges that it has no authority to make an appropriation.

Mr. FOSTER. No; we could have brought in a bill appropriating $250,000, and I think it would have been in order, but the committee has been fair, and we said we will not do that, we will leave it to the Committee on Appropriations. I hope the amendment will not be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. LAGUARDIA and Mr. LENROOT) there were—yeas 14, nays 35.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Wisconsin.

Mr. MOORE of Pennsylvania. Mr. Chairman, the amendment of the gentleman from Wisconsin is to strike out section 3. The language of the section is involved and admits of complications that even the committee will admit exists. It is proposed in sections preceding to give the President authority to issue a proclamation which shall include rules and regulations that are to take on the effect of law with regard to the use of explosives. The President is given all the power that is needed, apparently, in the first paragraph and the second section of the bill. Section 3 involves a lot of machinery which would doubtless be invoked in the proclamation. For instance, the Bureau of Mines, with the approval of the President, is to employ such persons without regard to the Civil Service and utilize such agencies and "all officers of the United States" and of the several States, Territories, subdivisions, and municipalities thereof, and all officers of the United States and of the several States, and so forth. That is a field so wide that it is difficult to comprehend just what it means.

Mr. FOSTER. Will the gentleman permit an interruption?

Mr. MOORE of Pennsylvania. Yes.

Mr. FOSTER. I will say that the intention of the bureau was to do this: For instance, to take the mine officers, the mine inspectors, and the commissioners and sheriffs of counties and employ these agencies with the Federal Government.

Mr. MOORE of Pennsylvania. Would not that be covered by the President's proclamation?

Mr. FOSTER. No; I think not.

Mr. MOORE of Pennsylvania. In the State of Pennsylvania we have a system for the inspection of mines and all the machinery that this paragraph refers to. Would that be placed under the direction of the Bureau of Mines?

Mr. FOSTER. No; they would work in cooperation with the Bureau of Mines. It would be a sort of welding together of the local machinery with that of the Federal machinery.

Mr. MOORE of Pennsylvania. And our State, I assume, would gladly cooperate at the suggestion of the President.

Mr. FOSTER. I do not think the proclamation of the President would do it; I think the section is necessary.

Mr. MOORE of Pennsylvania. Can the gentleman tell us what "such agencies" refers to?

Mr. FOSTER. Let me say that we have a commission which carries into effect the national law in regard to the transportation of explosives—one of the best bureaus there is anywhere. The Government would expect to cooperate along with that bureau, too.

Mr. MOORE of Pennsylvania. It seems to be a grouping up under the direction of the Bureau of Mines, when the President once authorizes it, of all the existing machinery of the various States—"and all agencies and all officers of the United States and of the several States, Territories, subdivisions, and municipalities"—it seems that everything you desire to be done could be done under the regulations of the President declared by proclamation and that section 3 is unnecessary.

I call attention to lines 23 and 24, and while the language, I think, is not clear down to that point, it is proposed in lines 23 and 24 to utilize the subdivisions of the municipalities, and so forth, which "shall have full authority for all acts done by them in execution of this act when performed by direction of the Bureau of Mines." "For all acts" they are to have full authority. Now, some one might order a man to be shot. Is "full authority" given for that? It does not say lawful acts. You propose to cover "all acts."

Mr. FOSTER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FOSTER. I am willing to have an amendment to carry out what was intended in the paragraph, and that is that there shall be a cooperation by all agents in trying to prevent the illegal use of explosives.

Mr. MOORE of Pennsylvania. The gentleman is fair, as he always is. But suppose there should be a riot at a mine, resulting from conscription or something of that kind, and these "agencies" that are to have "full authority" for "all acts" done, should fire into a mass of men?

Mr. FOSTER. I do not think that relates to this at all; I think the draft law would have nothing to do with this.

Mr. MOORE of Pennsylvania. Or misunderstandings as to work and wages. That would be an act sanctioned by this paragraph, if authorized by the Bureau of Mines. It does not say "lawful acts." All acts are to be excused under this language.

Mr. MILLER of Minnesota. Mr. Chairman, I would like to call the attention of the committee to some features of paragraph 3 which manifestly ought to be changed. For instance, this bill gives the President of the United States certain powers, imposing upon him certain duties, and then, in section 3, it gives the Bureau of Mines authority to employ persons for the purpose of carrying out the provisions of the act. We are giving the President the authority to act; we are directing him to act; and then we are telling a subordinate agency of the Government that it shall have authority and may appoint persons to do the work.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. I am just coming to what I think the gentleman is going to say—with the consent of the President.

Mr. FOSTER. Yes.

Mr. MILLER of Minnesota. That gives the President the right to veto, but it ought to give him the right in the beginning to initiate. If the President wants to delegate some of his authority, that can be done, perhaps. If he wants to appoint certain agencies in the administration to perform certain duties, he can do so under the bill; but the bill ought to give the President the power to appoint these men and not some subordinate branch of the Government.

When my time was exhausted a few minutes ago I had not quite completed that which I really desired to say. I think the exigencies that do exist in the mining centers of the country require some legislation, require some authority of this character. I believe that we should give to the President authority to regulate and control the manufacture and use of explosives, although it may be necessary that we give him authority to regulate and control certain individuals who use explosives who do not need any regulation and who should be left alone. In other words, to enable him to reach the evil it may be necessary to confer upon him authority which I trust he will not exercise, or in the exercise of which I trust he will give the highest and first consideration to the needs of those industries. The gentleman from Pennsylvania [Mr. STRONG], a member of the committee, was exceedingly full of foresight and wisdom. He, being a member of the committee, took occasion to pledge the Bureau of Mines that it would not enact any rules and regulations until he had viséed them and submitted them to the industries in his district to have them O. K'd. That may be all right for his district, but it does not suit mine at all, unless it be that the O. K.ing which his district gives may meet any objections that may come from the district that I represent. I trust that in the making of these rules and regulations the utmost care and circumspection will be exercised, and that it shall not be left to the Bureau of Mines and a committee of this House, but that there shall be consulted, not only the miners who use the explosives but the mining operatives throughout the country, in order that the rules and regulations will not be subversive of the best interests of the country.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. GARRETT of Tennessee. Does not the gentleman think it is somewhat preposterous to ask us to pass legislation with the assurance that the regulations that are to be adopted thereunder will be submitted to a particular committee of the House to be passed on by them?

Mr. MILLER of Minnesota. I think it is wholly improper and not justified by any procedure, and it would be a dangerous precedent ever to establish. Mr. Chairman, if I might proceed in the moment or two that I have left, I very much prefer this bill without the amendment which the committee has adopted by changing the first and second sections. I believe we should give power to the President to make certain rules and regulations. I think we should put in an affirmative statute that it is unlawful to commit any act in contravention of those. The whole position has been changed around by the amendment. In other words, we say that if a man manufactures or stores or has in his possession dynamite it is up to the Government to prove before it can convict him of any offense that his manufacture or possession thereof is contrary to the interest of the public defense, which will defeat in most instances the very terms of the bill.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LENROOT. Mr. Chairman, I sincerely hope that this motion to strike out section 3 will prevail. It ought to prevail both upon its merits and to make more secure the validity of the bill as it will be finally enacted into law. It must be remembered that whatever power we have to enact this legislation is under what is termed the war power, and if this legislation is to be sustained it will not be sustained simply because there is language here that says it shall be effective in time of war, but it will be sustained because the court, looking at this legislation as a whole will be able to say that it has a direct connection with the prosecution of the war, and therefore is within the power of Congress. But let section 3 remain in the bill, and what interpretation is likely to follow? Why, you put the duty upon the Bureau of Mines to enforce this act. What has the Bureau of Mines to do with the conduct of this war? You do not even permit the President to initiate the enforcement of the act. We have three departments of the Government that have to do with the carrying on of this war—the War Department, the Navy Department, and the Department of Justice—and the President is Commander in Chief of all three of them, and yet if section 3 remains in the bill a division of a department of the Government which has nothing whatever to do with war is charged with the enforcement of this act, which is termed a war measure. If this is a war measure, and sections 1 and 2 I admit, properly limited and restricted, are within our power, then its enforcement should lie with one of the departments of the Government that have to do with the subject of war, and the one that is specifically in charge, so far as the objects of this legislation are concerned, is the Department of Justice.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Yes.

Mr. HAMLIN. The gentleman will recall that I stated this morning that I was not especially wedded to these two next sections, but this has occurred to me in the light of what the gentleman has said. I do not believe it is susceptible of the construction that the gentleman puts upon it, that the power to enforce the act is delegated to the Bureau of Mines. There is delegated to the Bureau of Mines only the authority to employ persons in the execution of the act. That is all that is delegated to the Bureau of Mines.

Mr. LENROOT. Then if that be so, that authority is delegated to a department that has nothing to do with the conduct of the war.

Mr. RAGSDALE. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. I can not yield further. Coming down to the merits of this proposition, this legislation is proper and necessary in connection with the Department of Justice. For instance, their special agent finds a man whom it is suspicious of having an intent to use explosives for blowing up some building or doing some injury.

If he finds that that man has an explosive in his possession for which he can not give a good account, then he is the one who should report it back to the Department of Justice, whose duty it is to prosecute under this penal statute. What has the Bureau of Mines to do with the enforcement of a penal statute of the United States? To whom will they report? Report to nobody except the Department of Justice, if at all, and surely it should be the special agents of the Department of Justice who should be employed. And there is ample authority under the law that we now have for employment of special agents of the Department of Justice to secure information looking toward prosecutions or violations of this penal statute. And I want to say that if there should be any attempt under the guise of the war power to enact legislation of this character, not for the purpose of successfully carrying on the war but for the purpose, however meritorious it may be in the public interest, to protect mines and individuals and the stealing of explosives and things of that kind, it can not be sustained under this legislation. If we want this legislation sustained, it should be clear upon its face that we do propose to confine it to the prosecution of the war, and you can not so do if you leave sections 3 and 4 in the bill.

Mr. FOSTER. Mr. Chairman, I believe that there is one minute remaining.

The CHAIRMAN. Yes.

Mr. FOSTER. The gentleman from Wisconsin [Mr. LENROOT] claims that this should be placed under the Department of Justice. I suggest that the gentleman has not made any effort to turn the internal revenue over to the Department of Justice. The gentleman can not show in this provision any reason why it can not be done in this case as it is done in the case of violations of the internal-revenue laws. What would be done would be to turn over to the district attorneys of the Department of Justice any violation of the law, where it belongs.

Then there is another reason, Mr. Chairman, why it should be placed in the Bureau of Mines. It is because there is an organized bureau which has to do with explosives, and it either ought to go there or to the War Department. But after suggestion from the War Department and the other departments of the Government it was suggested because they had this organized bureau in the Department of the Interior that this law should be executed through that department.

Why, do you know, the Department of Justice does not deal with coal mining? It does not deal with explosives used in coal mining; but here is a bureau with all its workings confined practically to that department of the Government and its activities throughout the United States. And I say to you that the only place where it ought to be lodged is in the Bureau of Mines, in order that it may be properly taken care of.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment of the gentleman from Wisconsin [Mr. LENROOT] to strike out section 3.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. FOSTER A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 45, noes 30.

Mr. FOSTER. I demand tellers.

The CHAIRMAN. The gentleman from Illinois demands tellers.

Tellers were ordered, and the Chairman appointed Mr. FOSTER and Mr. LENROOT to act as tellers.

The committee again divided; and the tellers reported—ayes 56, noes 38.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That for the enforcement of the provisions of this act, including personal services in the District of Columbia and elsewhere, and including supplies, equipment, expenses of traveling and subsistence, and the purchase and hire of horse-drawn or motor-propelled passenger-carrying vehicles, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000, or so much thereof as may be necessary.

Mr. LENROOT. Mr. Chairman, I move to strike out the section. I hope the gentleman from Illinois [Mr. FOSTER] will accept that, as long as the other section has gone out.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Mr. LENROOT moves to strike out section 4.

The CHAIRMAN. The question is on agreeing to the motion.

Mr. FOSTER. Does the gentleman from Wisconsin wish to discuss it?

Mr. LENROOT. I am willing to vote on it without discussion.

Mr. FOSTER. We are not.

Mr. LENROOT. Very well, then; I will discuss it.

Mr. Chairman, I wish to take only two minutes and say this, that now that section 3 is stricken out there is no possible excuse for section 4 remaining, unless you desire to appropriate money in the District of Columbia for the purchase of automobiles. [Applause.] That is all I have got to say on the section.

Mr. WINGO. Mr. Chairman, I am surprised at the remarks of the gentleman from Wisconsin [Mr. LENROOT]. Ordinarily he discusses things on their merits, and that is one of the qualities that has made me have such a great admiration for him.

The committee has stricken out section 3, and the gentleman from Wisconsin urges that as a reason why we should strike out section 4. I am always frank, and I do not care anything about section 4. Personally it does not please me, but as a member of the committee I recognize that from its viewpoint section 4 ought to stay, especially since you have cut out section 3, and I will tell you why. You could let section 3 stay in and then cut out section 4; but now that you have cut out section 3, the President is going to be compelled to appoint a lot of new men. Why? Under section 3, if it had remained in the bill, we would have authorized the Bureau of Mines, with the approval of the President, to use the police of the different States, the sheriffs of the different counties, and all the other local agencies in the different States, so as to save the expense, and that was the sole purpose that was had in mind when we wrote that provision in the bill, to avoid the necessity of appointing a lot of Federal employees, to try to save the people from being annoyed by a lot of Federal employees running around over the country; to save not only money but to save as far as possible local administration

and local enforcement of the law. But gentlemen who stood up here and offered objections to the bill to the effect that it was a violation of State rights were the first ones to go through the tellers and vote to kill section 3, which provided for services of local and State police officials. They talked one way and then voted the other way when the time came to act.

What you should have done, gentlemen, was to have allowed section 3 to remain in the bill and then strike out section 4. I could possibly see the common sense of that course. But by striking out the only provision, the only single provision giving the President the power to appoint any agencies or to pay those agencies you absolutely kill the law, and you leave it simply as a statute on the books. These things differ from ordinary crimes. Do you expect the agents of the Department of Justice throughout the country to enforce this law and locate the people who are trying to violate the law? If you do not use these local agencies, you are bound to have some Federal agencies appointed who will do this work.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. WINGO. I can not. Well, I will, although the gentleman when he spoke did not discuss the merits.

Mr. LENROOT. Has not the Committee on Appropriations full authority to recommend that there be given to the Department of Justice whatever is necessary?

Mr. WINGO. Oh, yes; the Department of Justice has a lot of agents now looking after the business of the United States falling under the jurisdiction of the Department of Justice. Does the gentleman mean to say that all the employees that are necessary to enforce the internal-revenue laws shall be appointed also by the Department of Justice?

Mr. LENROOT. Not under a statute like this.

Mr. WINGO. I think not. I think it is very necessary to keep this matter in the control of the Bureau of Mines. The Bureau of Mines is in direct control of and in touch with those agencies that use from 80 to 90 per cent of the explosives that are affected by this bill. This is a common-sense business proposition. This work ought to go to the Bureau of Mines. What does the Department of Justice and its different employees know about the use of explosives? What does the Department of Justice know about the voluntary cooperation of the railroads and the mines and miners and the munition manufacturers, who now are working under agreement with the Bureau of Mines for the purpose of trying to prevent the unlawful use of explosives? They have no knowledge whatever of the subject. Yet the Bureau of Mines, without any particular authority of law, has, through its own organization, cooperated with the various activities I have named throughout the country, and if this section had remained in the bill they had intended to use the agencies authorized by section 3 so as to give the people the protection of the law and carry out the provisions of the bill. [Applause.]

Mr. MILLER of Minnesota. Mr. Chairman, I can see no reason on earth why the President of the United States, under the authority contained in the first and second paragraphs of this bill, can not utilize every local official in the United States to carry out the provisions of the act.

Further, Mr. Chairman, I can see no reason on earth why the Department of Justice should not be given the full authority to do these specific things, using the agencies particularly belonging to the Government. I know that the Department of Justice now has men in the iron-mining regions and elsewhere who are doing the specific thing that this bill is trying to accomplish.

Mr. FOSTER. Does the gentleman know that they are appointed by the Bureau of Mines?

Mr. MILLER of Minnesota. And with an appropriation from the Committee on Appropriations that personnel can be enlarged. I can see no reason on earth why we should not strike out section 4, unless it is desired that we spend $250,000 in the District of Columbia for some automobiles.

The CHAIRMAN. The question is on the amendment of the gentleman from Wisconsin to strike out section 4.

The amendment was agreed to.

Mr. WINGO. Mr. Chairman, I offer an amendment.

Mr. RAKER. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Arkansas [Mr. WINGO], a member of the committee, is recognized.

Mr. WINGO. Mr. Chairman, in line 16, page 3, I move to strike out the word "and" and insert the word "or."

Mr. RAKER. I accept that amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 3, line 16, strike out the word "and" and insert the word "or."

The amendment was agreed to.

Mr. HUDDLESTON. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. HUDDLESTON offers the following amendment: Page 3, line 13, after the word "act," strike out the balance of line 13, line 14, and the words "this act" in line 15.

Mr. WINGO. Mr. Chairman, we have no objection to that amendment.

Mr. BORLAND. Oh, well, there is no use in the committee going back on their own bill.

Mr. HUDDLESTON. I wish to discuss the amendment.

Mr. WINGO. If the gentleman from Missouri [Mr. BORLAND] had kept up with the amendment of the gentleman from Arkansas, he would see that this is a very proper amendment.

Mr. HUDDLESTON. Mr. Chairman, as this bill now stands it punishes by fine or imprisonment those who may violate any regulation which the President may adopt with reference to this bill; and, as the gentleman from Arkansas [Mr. WINGO] has well said, the amendment should be agreed to, in order to be consonant with the amendment adopted at the beginning.

Mr. RAKER. Mr. Chairman, the amendment offered entirely emasculates the bill. You either want to strike out the enacting clause or else vote down this amendment. There is not any question about that. The only provision of the act that makes it penal is the rules and regulations promulgated by the President, and if the gentleman from Arkansas [Mr. WINGO] will listen to me I want to call his attention to this amendment. If it is agreed to you might as well strike out the enacting clause of your bill.

Mr. WINGO. I think not, if the gentleman is addressing his remarks to me.

Mr. RAKER. I am. I call the gentleman's attention to it.

Mr. WINGO. I have not been deceived by the amendments that have been adopted. Perhaps the gentleman has. I recognize that by the amendments which have been adopted the bill has been completely reversed, and it is entirely different from the plan that the committee originally reported.

Mr. RAKER. Why, no. Under section 2 the President shall promulgate rules and regulations, and those rules and regulations are what make it effective. As provided in section 1 it is unlawful for one to have these things in his possession, but there is no penalty provided in the bill, neither fine nor imprisonment.

A MEMBER. Section 5.

Mr. RAKER. Section 5 does not strike out this provision, because it simply says——

Mr. WINGO. Will the gentleman yield?

Mr. RAKER. I will.

Mr. WINGO. The gentleman does not understand. As I understand the amendment of the gentleman from Alabama, section 5, if adopted, will read as follows:

That any person or corporation who violates the provisions of this act shall upon conviction thereof be subject to a fine of not more than $5,000 or imprisonment for not more than three years, or both.

Mr. RAKER. Let me call the attention of the gentleman to this fact: The rules and regulations that are to be promulgated under this act are the ones that are to be effective, are they not?

Mr. WINGO. The rules and regulations, as I explained to the gentleman when I was on the floor, constitute a protection and an exemption. The law, for a violation of which the offender is to be punished, is provided by section 1 as amended and not by the administrative rules that the President is directed to make.

Mr. RAKER. I am going to read section 1 as it will read:

That in time of war it shall be unlawful to manufacture, distribute, store, use, or possess powder, explosives, etc., in a manner detrimental to the public safety.

Then it says, in section 2:

That upon the passage of this act the President of the United States is authorized, empowered, and directed to prepare, make, and promulgate by public proclamation such rules and regulations in the interest of public safety as he may deem necessary governing the manufacture and distribution, storage, use, or possession for necessary or proper purposes in time of war all such powder, explosives, blasting supplies, and the ingredients thereof.

Now, you strike out the provision of the bill that makes it an offense to violate these rules and regulations. You have no law to say what it is. There is no designation as to what it is, what the storage shall be, what the shipment shall be, who shall hold it, and how he shall keep it or use it; and you then provide no penalty for the violation of these rules and regulations. But that bill is as absolutely worthless as a scrap of waste paper with this stricken out, and that is evidently the purpose and intent of this amendment. Either defeat the bill

and be consistent or vote down this amendment and make it effective. That is all.

Mr. SANDERS of Indiana. Mr. Chairman, I sincerely hope that this amendment will not prevail. I share the views expressed by the gentleman who just addressed the committee [Mr. RAKER] that to strike out this part of this section would make the bill meaningless. This bill has followed other bills which contain similar provisions. It provides for two things. One is the expression of the legislative will of Congress, and the other is a delegation of the power to make rules and regulations. All of these acts containing similar provisions, when it comes to the part of the bill providing for the penalty, have a provision that the person who violates the provisions of the act or the rules and regulations shall be subjected to the penalty. If the gentleman is right in his contention that it is surplusage to put it in, then it can do no harm to leave it in. In my opinion to strike out that portion of it would make meaningless the part that provides for rules and regulations, and I sincerely hope that the amendment will be defeated.

Mr. FOSTER. Mr. Chairman, I think this language ought to be left in the bill, and I hope that the committee will vote down the amendment

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

The Clerk completed the reading of the bill.

Mr. FOSTER. Mr. Chairman, I move that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose, and, the Speaker having resumed the chair, Mr. HOUSTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 3932) relating to the manufacture, storage, etc., of explosives and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. FOSTER. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. FOSTER. I ask for a separate vote on the amendment of the gentleman from Wisconsin striking out section 3.

The SPEAKER. The gentleman from Illinois [Mr. FOSTER] demands a separate vote on the amendment of the gentleman from Wisconsin striking out section 3. Is there a demand for a separate vote on any other amendment?

There was no demand for a separate vote on any other amendment.

The other amendments were agreed to.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that this matter may go over until Thursday and be taken up immediately after the reading of the Journal and the disposition of matters on the Speaker's table.

Mr. LENROOT. I think we had better dispose of this tonight.

Mr. FOSTER. There will probably be a roll call.

Mr. LENROOT. Not unless the gentleman asks for it.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. MOORE of Pennsylvania. I object.

Mr. FOSTER. A parliamentary inquiry, Mr. Speaker. If the House adjourns now, will this matter come up on Thursday morning?

The SPEAKER. Yes; the previous question having been ordered.

LEAVE OF ABSENCE.

Mr. MCANDREWS, by unanimous consent, was given leave of absence indefinitely on account of illness in his family.

ADJOURNMENT.

Mr. FOSTER. Mr. Speaker, I move that the House do now adjourn.

Mr. SMALL. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the river and harbor bill. [Cries of "Regular order!"]

The SPEAKER. The regular order is the motion of the gentleman from Illinois that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. FOSTER) there were 49 yeas and 39 noes.

So the motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House, under its previous order, adjourned until Thursday, May 31, 1917, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV,

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination for canal from Silver Springs to Ocala, Fla., of such width and depth as will meet the demands of commerce (H. Doc. No. 160); to the Committee on Rivers and Harbors and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PARK: A bill (H. R. 4759) to amend section 20 of the act to regulate commerce, approved February 4, 1887, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT: A bill (H. R. 4760) to amend section 60 of the national-defense act approved June 3, 1916; to the Committee on Military Affairs.

By Mr. BRAND: A bill (H. R. 4761) to punish fraudulent dealers in foodstuffs and fuel, to make the acts herein set forth criminal, and for other purposes; to the Committee on the Judiciary.

By Mr. DYER: A bill (H. R. 4762) to divorce transportation in interstate and foreign commerce from manufacture, mining, production, and dealing, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES B. SMITH: A bill (H. R. 4820) to restore to citizenship certain persons who entered the military or naval service of a foreign country; to the Committee on Immigration and Naturalization.

By Mr. KALANIANAOLE: Resolution (H. Res. 93) to promote the growing of food products in the Territory of Hawaii; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Idaho: Joint resolution (H. J. Res. 99) authorizing the restoration and completion of the historical frieze in the Rotunda of the Capitol; to the Committee on the Library.

By Mr. DENT: Joint resolution (H. J. Res. 100) to make immediately available the appropriations provided for under an act making appropriations for the support of the Army for the fiscal year ending June 30, 1918, and for other purposes, approved May 12, 1917; to the Committee on Military Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Washington, pledging the loyalty and support of the State of Washington in the present international crisis; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Washington urging the building of a military highway along the Pacific coast from the Canadian border to the Mexican border; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Oregon, relating to the recession to the State of Oregon of certain lands in Klamath County, Oreg.; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Indiana, favoring legislation to provide a suitable and appropriate monument over the last resting place of Gen. William Henry Harrison, the ninth President of the United States, at North Bend, Ohio, and the care of the burial place; to the Committee on the Library.

Also, memorial of the Legislature of the State of South Dakota, favoring legislation for the development of water power at different points in the State of South Dakota; to the Committee on Irrigation of Arid Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 4763) granting an increase of pension to Andrew Barker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4764) granting a pension to Jere M. Fitger; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 4765) granting an increase of pension to Percival Brumage; to the Committee on Invalid Pensions.

By Mr. EAGAN: A bill (H. R. 4766) for the relief of Herman Holpp; to the Committee on Military Affairs.

By Mr. HASTINGS: A bill (H. R. 4767) granting an increase of pension to John W. Bennett; to the Committee on Invalid Pensions.

By Mr. HOLLINGSWORTH: A bill (H. R. 4768) granting an increase of pension to Allen T. Brandenburgh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4769) granting an increase of pension to Jennie J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4770) granting an increase of pension to Amanda W. Clancy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4771) granting an increase of pension to Sarah J. Creighton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4772) granting an increase of pension to Emanuel Custar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4773) granting an increase of pension to Jesse Davidson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4774) granting an increase of pension to Nathan M. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4775) granting an increase of pension to Josiah Dock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4776) granting an increase of pension to Mary E. Glaspy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4777) granting an increase of pension to Edward Grubb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4778) granting an increase of pension to William Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4779) granting an increase of pension to Dixon M. Hepburn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4780) granting an increase of pension to Alonzo M. Hobbs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4781) granting an increase of pension to Sarah E. Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4782) granting an increase of pension to Alfred T. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4783) granting an increase of pension to Samuel Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4784) granting an increase of pension to Margaret B. Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4785) granting an increase of pension to Josiah Ketchum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4786) granting an increase of pension to Charles W. Mealey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4787) granting an increase of pension to Storer Packer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4788) granting an increase of pension to Jacob D. Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4789) granting an increase of pension to George W. Pitner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4790) granting an increase of pension to Joseph A. Pyle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4791) granting an increase of pension to John W. Randels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4792) granting an increase of pension to John T. Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4793) granting an increase of pension to Charles E. Speer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4794) granting an increase of pension to Benjamin Vanfossen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4795) granting an increase of pension to John W. Vanfossen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4796) granting an increase of pension to Mary J. Watson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4797) granting an increase of pension to Isaac O. Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4798) granting an increase of pension to Jacob Wetzel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4799) granting an increase of pension to Simon Z. Whitelather; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4800) granting an increase of pension to James B. Wilkinson; to the Committee on Pensions.

Also, a bill (H. R. 4801) granting a pension to William H. H. Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4802) granting a pension to Louisa Jane Colvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4803) granting a pension to Martha E. Gibbons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4804) granting a pension to Mary Hildebrand; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4805) granting a pension to Mary A. Horning; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4806) granting a pension to Jonathan Milburn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4807) granting a pension to Frank Bailey; to the Committee on Pensions.

Also, a bill (H. R. 4808) granting a pension to Winfield H. Handley; to the Committee on Pensions.

Also, a bill (H. R. 4809) granting a pension to Jacob Kopp; to the Committee on Pensions.

Also, a bill (H. R. 4810) granting a pension to Douglas D. Powell; to the Committee on Pensions.

Also, a bill (H. R. 4811) granting a pension to William Reed; to the Committee on Pensions.

Also, a bill (H. R. 4812) for the relief of William H. H. Bennett; to the Committee on Military Affairs.

Also, a bill (H. R. 4813) for the relief of Mary A. Horning, widow of Frederick Horning; to the Committee on Military Affairs.

Also, a bill (H. R. 4814) for the relief of Jonathan Milburn; to the Committee on Military Affairs.

Also, a bill (H. R. 4815) for the relief of Anna Bell O'Neal, widow of George E. O'Neal, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 4816) for the relief of Henry E. Thomas; to the Committee on Military Affairs.

Also, a bill (H. R. 4817) granting an honorable discharge to James H. Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 4818) requiring the Secretary of War to issue an honorable discharge to Benjamin R. Buffington; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 4819) granting restoration of pension to Harriett S. Upright; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petitions of trades-unions, protesting against national prohibition; to the Committee on the Judiciary.

By Mr. ANTHONY: Petitions of Mrs. F. H. Smith and others, of Hiawatha, Kans., favoring legislation to prohibit immoral influences near military posts and training camps; to the Committee on Military Affairs.

Also, petition of Rev. W. B. Stevenson and other citizens of Everest, Kans., favoring legislation to prohibit the manufacture of intoxicating liquor as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petitions of J. B. Horn and other citizens of Oneida, Kans., favoring legislation to prohibit consumption of food products in manufacture of intoxicating liquor; to the Committee on the Judiciary.

Also, petition of Rate E. Stickel and other citizens of Reserve, Kans., favoring legislation to prohibit manufacture of alcoholic liquors as a means of conserving food supply of country; to the Committee on the Judiciary.

Also, petitions of G. W. Salisbury and other citizens of Effingham, Kans., favoring legislation to prohibit consumption of food products in the manufacture of intoxicating liquor; to the Committee on the Judiciary.

Also, petitions of Mrs. Frank H. Smith and other citizens of Hiawatha, Kans., favoring legislation to prohibit consumption of food products in manufacture of intoxicating liquor; to the Committee on the Judiciary.

Also, petition of Rev. A. M. Crippin and other citizens of Mayetta, Kans., favoring legislation to prohibit manufacture of intoxicating liquor as a means of conserving food supply of the country; to the Committee on the Judiciary.

Also, petitions of F. R. Aldrich and other citizens of Hiawatha, Kans., favoring legislation to prohibit use of food products in manufacture of intoxicating liquors; to the Committee on the Judiciary.

Also, petition of Lee E. Geyer and other citizens of Hamlin, Kans., favoring legislation to prohibit use of food products in manufacture of intoxicating liquors; to the Committee on the Judiciary.

Also, petition of Rev. C. E. Holcombe and other citizens of Valley Falls, Kans., favoring legislation to prohibit the manufacture of alcoholic liquors as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of C. R. Craig and other members of Sabbath School at Winchester, Kans., favoring prohibition of liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

Also, petition of Rev. L. B. Pruitt and other citizens of Perry, Kans., favoring legislation to prohibit the manufacture of alcoholic liquors as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of Tracy C. Owen and other citizens of Rock Creek, Kans., favoring legislation to prohibit manufacture of alcoholic liquors as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of S. T. Barrett and other citizens of Centralia, Kans., favoring legislation to prohibit manufacture of alcoholic liquors as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of Rev. C. E. Heaton and other citizens of Basehor, Kans., favoring legislation to prohibit the manufacture of alcoholic liquors as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of B. O. Smith and other citizens of Hoyt, Kans., favoring legislation to prohibit manufacture of intoxicating liquor as a means of conserving the food supply of the country; to the Committee on the Judiciary.

Also, petition of M. U. Ramsburg and other citizens of McLouth, Kans., favoring legislation to prohibit use of food products in manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. CARY: Petition of Bradley & Metcalf Co., of Milwaukee, Wis., against the amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of J. J. Fleming, of Milwaukee, Wis., against importation of Chinese labor into the United States; to the Committee on Immigration and Naturalization.

By Mr. CURRY of California: Memorial of South San Joaquin Irrigation District of Manteca, Cal., favoring House bill 2772; to the Committee on the Public Lands.

By Mr. EAGAN: Memorial of the National Association of State Universities, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of L. Schepp Co., of New York City, against 10 per cent duty on goods on free list; to the Committee on Ways and Means.

By Mr. FOSS: Petitions of Chicago Woman's Club and others of Evanston, and Winnetka Woman's Club and Conservation and Economy Section of the War Emergency Union of Winnetka, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. GALLIVAN: Memorial of Ancient Order of Hibernians in America relative to freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. HADLEY: Petition of Loyal Order of Moose, Bellingham, Wash., protesting against the admission of oriental labor into the United States during the war; to the Committee on Immigration and Naturalization.

By Mr. HAMILTON of New York: Petitions of sundry citizens of Whitesville, and St. Peter's Church, of Westfield, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HELM: Petition of Berea (Ky.) College faculty, students, and citizens, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Petition of Rev. E. S. Bowers, pastor of Methodist Episcopal Church, Brilliant, Ohio, and 75 other citizens of Brilliant and vicinity, in favor of national prohibition; to the Committee on the Judiciary.

By Mr. HULBERT: Petition of 113 citizens of New York City against national prohibition; to the Committee on the Judiciary.

Also, memorial of National Institute of Social Sciences, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KELLY of Pennsylvania: Petition of citizens of Clairton, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

Also, petition of Wallace Memorial United Presbyterian Church, of Washington, D. C., favoring war-time prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Haffey, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

Also, petition of Woman's Christian Temperance Union of Turtle Creek, Pa., favoring national prohibition; to the Committee on the Judiciary.

Also, petition of United Ministerial Association of Pittsburgh and other citizens of Allegheny County, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Philadelphia, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Pittsburgh, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

By Mr. KEY of Ohio: Petition of Paul D. Crimm and 117 others, of Forest, Hardin County, Ohio, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petition of executive committee of the Rhode Island Life Underwriters' Association, urging that all life insurance extra premiums by reason of the war on all those engaging in military or naval service be sustained in some manner either by the State or National Government; to the Committee on Military Affairs.

Also, memorial of Mule Spinners' Association of Rhode Island, George Thornton, secretary, favoring absolute control of food by Government; to the Committee on Agriculture.

By Mr. LINTHICUM: Memorial of Woman's Civic League of Baltimore, Md., favoring House bill 4188, relative to food crisis; to the Committee on Agriculture.

Also, petition of the Mealy Manufacturing Co., of Baltimore, Md., relative to suggested amendments to the revenue bill by the jewelry industry; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Baltimore, Md., favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petitions of sundry citizens of Baltimore, Md., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of executive committee of the State Grange of Connecticut, favoring national prohibition; to the Committee on the Judiciary.

By Mr. McANDREWS (by request): Petition of citizens of Congress Park, Ill., relative to prohibition of liquor during period of the war; to the Committee on the Judiciary.

By Mr. McKENZIE: Petition of citizens of Lanark, Apple River, Light House, and Chana, Ill., favoring the prohibition of the liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

By Mr. MOON: Papers to accompany a bill for the relief of Walter P. Norris; to the Committee on Pensions.

By Mr. MORIN: Petition of 45 citizens of Pittsburgh, Pa., urging the immediate enactment of prohibition legislation as a measure for food conservation; to the Committee on the Judiciary.

By Mr. NICHOLS of Michigan: Petition of the Detroit Federation of Labor, demanding of Congress that men who enlist in the Army be paid the same rate of wages by the Government as they receive at their present employment, and that Congress be requested to take over the railroads, telephone, and telegraph systems and operate them; to the Committee on Military Affairs.

Also, petition of citizens of Detroit, Mich., demanding the enactment of legislation in favor of prohibition and that measure be taken to protect the boys in camp from vice; to the Committee on the Judiciary.

Also, petition of business men of Detroit, Mich., demanding that Congress enact legislation providing substantially for certain war measures as set forth and described therein; to the Committee on Ways and Means.

Also, petition of Detroit Federation of Labor, protesting against rate of postage increase and the establishment of the zone system as provided in the pending revenue bill; to the Committee on Ways and Means.

Also, memorial of the Detroit (Mich.) Typotheiae-Franklin Association, against the increase of postage on second-class mail matter; to the Committee on Ways and Means.

By Mr. PARKER of New York: Petitions of sundry citizens and churches of Mechanicsville, Syracuse, Glen Falls, Burnt Hills, and Shuskan, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRATT: Petition of A. M. Haischer, R. T. Stansbury, Russell Temple, Mrs. Mary Huber, and sundry other citizens of Corning, N. Y., and vicinity, favoring the immediate enactment of prohibition of the manufacture of alcoholic liquors and the immediate prohibition of the sale of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

Also, petition of Frank J. Shute, 38 Bennett St., Hornell, N. Y., favoring the prohibition of the liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

Also, petition of the Christian Alliance, at Waverly, N. Y., by Rev. Oliver Hernstreet, secretary, and Rev. O. J. May, presiding officer, favoring the prohibition of the liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

Also, petition of Methodist Church of Elmira Heights, N. Y., by C. D. Purdy, favoring the prohibition of the liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

By Mr. RAKER: Petitions of L. N. Brunswig, president Wholesale Druggists' Association, and Alfred E. Adams, of Retail Dry Goods Association, of Los Angeles, Cal., against the

Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petitions of sundry citizens of the State of California, against advance in rate on first-class letter postage; to the Committee on Ways and Means.

Also, memorial of South San Joaquin irrigation district, favoring passage of House bill 2772, relative to cultivation of arid lands of the West; to the Committee on Irrigation of Arid Lands.

By Mr. RAMSEYER: Petitions of citizens of Mingo, Ira, and Martinsburg, Iowa, urging prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROSE: Petitions of the Methodist Episcopal Church of Williamsburg; citizens of Cambria, Tyrone, South Fork; Pioneer Bible Class of First Presbyterian Church and citizens of Johnstown, all in the State of Pennsylvania, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROWE: Petitions of Vaughn Class, Calvary Baptist Sunday School, of Washington, D. C., favoring prohibition of the use of fruits and grains in the manufacture of alcoholic liquors and the sale of same; to the Committee of the Judiciary.

Also, petitions of the Grady Bookbinding Co., the Frederick H. Levy Co. (Inc.), Philip Buxton (Inc.), the McCall Co., the McConnell Printing Co., the Stirling Press Printers, and G. D. Frion, all of New York, N. Y., protesting against increase in second-class postage rates; to the Committee on Ways and Means.

By Mr. SHOUSE: Petition of residents of Haven, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of citizens of Hoisington, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of residents of Belpre, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of residents of Sawyer, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of residents of Plains, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, petition of residents of Kinsley, Kans., favoring the prohibition of the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

By Mr. TILSON: Petitions of First Baptist Church of Meriden and First Baptist Church of West Haven, Conn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: Petition of International Reform Bureau, Washington, D. C., favoring the prohibition of the liquor business as a war measure and opposing war tax on same; to the Committee on the Judiciary.

Also, petition of Colorado State Grange, praying that the United States Government prohibit the use of grains for brewing and distilling intoxicants during the period of the war; to the Committee on the Judiciary.

Also, petition of Colorado State Grange, 12,000 members, 175 local granges, praying that farm boys and men be exempted from military service in order to produce food; to the Committee on Military Affairs.

By Mr. WASON: Petition of Morning Star Grange, No. 62, of Lyme, N. H., urging that Congress, as a justifiable and economic war measure, shall as speedily as possible suppress and prohibit the use, sale, and manufacture of intoxicating beverages throughout the United States of America and all its Territories and dependencies; to the Committee on the Judiciary.

SENATE.

THURSDAY, *May 31, 1917.*

Right Rev. Julius W. Atwood, D. D., of Phoenix, Ariz., bishop of Arizona, offered the following prayer:

God of all power and might, the Maker and Ruler of men, we commend our Nation and the Members of this Senate to the guidance of Thy wisdom, to the keeping of Thy love. May the rulers whom Thy people choose to serve them serve Thee in honesty of purpose and uprightness of life. May they never forget their answerableness to the people whom they serve and to that people's God. Bless them in their ministry with an ever larger vision of truth, an ever deeper sense of the demands of righteousness, that through their faithfulness the life of our people may be guided by wise policies and lifted to higher ideals and nobler achievements.

And listen to us, our Heavenly Father, as we join once more in the prayer Thy Son taught his disciples to pray: Our Father who art in heaven, hallowed be Thy name. Thy kingdom come, Thy will be done, on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil. Through Jesus Christ our Lord. Amen.

The Secretary proceeded to read the Journal of the proceedings of Tuesday last, when, on request of Mr. BRADY and by unanimous consent, the further reading was dispensed with and the Journal was approved.

OFFICE OF THE COMPTROLLER OF THE TREASURY (S. DOC. NO. 38).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, calling attention to an estimate of appropriation transmitted on the 3d instant for an increase of the force in the office of the Comptroller of the Treasury for the fiscal year 1918, $31,940, and which has not as yet been provided for, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a telegram, which will be incorporated in the RECORD and referred to the Committee on Military Affairs.

The telegram is as follows:

LOS ANGELES, CAL., *May 28, 1917.*

Honorable GENTLEMEN OF THE UNITED STATES SENATE,
Washington, D. C.:

I have invented guns, bomb throwers, shells, and other devices which fire the guns and operate automatically against torpedoes, shells, or ball fire from enemies when they strike near them. My invention applies to all kinds of guns and firearms. It is at your command. Drawings can be examined here.

ROBERT LEE WRIGHT.

The VICE PRESIDENT. The Chair lays before the Senate a petition of the County Carlow Society of New York (Inc.), which will be incorporated in the RECORD and referred to the Committee on Foreign Relations.

The petition is as follows:

COUNTY CARLOW SOCIETY OF NEW YORK (INC.),
New York, N. Y., May 17, 1917.

Whereas the Constitutional Party in Ireland has fought for more than 40 years to secure self-government;

Whereas the British Government, after trying every means within its grasp to stifle that movement, was compelled at last to bow to the wishes of the people, and passed a modified measure of local autonomy;

Whereas an insignificant but pampered minority in the northeast of Ulster induced the Government, under threats of physical force, to suspend the said act and promise in addition before putting it in force an amendment which will practically destroy the limited powers of the Irish Parliament;

Whereas the British Government once more has broken faith with the Irish people: Be it

Resolved, That we, the members of the County Carlow Society (Inc.), of the city of New York, all loyal and patriotic Americans, proclaim our belief that England will never do justice to Ireland unless compelled by some outside force. We are of the opinion America is now in a favorable position to exercise that force to compel England to make good her promises in reference to small nationalities held in subjection by a foreign foe. She is the foreign foe and Ireland is the oppressed small nation; be it

Resolved, That no settlement short of absolute independence will satisfy the aspirations of the Irish people.

THOMAS C. HENNESSY, *President.*
JOHN WILKINSON, *Secretary.*

The VICE PRESIDENT. The Chair lays before the Senate a letter from A. D. Pentz, of New York City, N. Y., which will be incorporated in the RECORD and referred to the Committee on Naval Affairs.

The letter is as follows:

THE SANTISEPTIC MANUFACTURING CO.,
New York, May 29, 1917.

HON. THOMAS R. MARSHALL,
Vice President United States, Washington, D. C.

DEAR SIR: Having read and heard that several submarines have been located and captured by observing the actions of sea gulls, the following idea for locating submerged submarines has presented itself to me:

This being a fact, should friendly submarines be sent to sea each day to scatter food while submerged, awash, and while running, the sea gulls would be educated very quickly to follow the undersea boats, expecting to find food.

The passage of a law forbidding the disposal of refuse from all other boats while within the areas of submarine activity would whet the appetite of the "aerial police dogs."

From personal observation of these birds the indications are that they will very quickly learn to recognize and follow their new and only source of obtaining food.

The expectant following gulls thus become a telltale to the immediate vicinity of your quarry.

Any means at hand to be used to destroy or capture the unsuspecting submerged submarine.

With this means the U-boats could be located and cut off at or near their northerly base, thus keeping the southerly shipping lanes free of their menace.

Remember that sea gulls are always on hand with but one object in life—food—which they must have or die. Their eyesight enables them

to follow the scent in the water as a bloodhound follows a scent on land, with the advantage that the gull can not be foiled by its quarry taking to water.

Very truly, yours, A. D. PENTZ, D. D. S.

The VICE PRESIDENT presented petitions of sundry citizens of Belvidere, Ill.; Cambridge, Mass.; Mauch Chunk, Pa.; Beaver Falls, Pa.; New York City, N. Y.; and Cleveland, Ohio, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Connecticut Street Citizens and Business Men's Association, of Buffalo, N. Y., praying for the enactment of legislation to prohibit speculation in food products, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Rochester (N. Y.) Peace Organization, praying for an early peace, which was referred to the Committee on Foreign Relations.

He also presented a petition of the National Association of Woolen and Worsted Overseers, of Clinton, Mass., pledging support of the President, which was ordered to lie on the table.

He also presented the memorial of Gustave Strass, manager of the Borine Manufacturing Co., of New York City, N. Y., remonstrating against the proposed stamp tax, which was referred to the Committee on Finance.

He also presented a petition of the Milwaukee (Wis.) Pere-Marquette Council, Knights of Columbus, praying for the protection of military camps from vice, which was referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens of Monongahela City, Pa.; the Woodrow Wilson League, of Chester County, Pa.; the Woman's Christian Temperance Union of Lewistown, Mo.; the congregation of the Seventh-day Adventist Tabernacle, of Battle Creek, Mich.; and of the National League of Unitarian Laymen, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented a memorial of the National Industrial Conference Board, of Boston, Mass., remonstrating against the proposed retroactive tax, which was referred to the Committee on Finance.

Mr. JONES of Washington. I have a petition in the nature of a pledge from the Everett Trades Council of my State, setting out the views of this organization as to what should be done in the way of raising taxes. I shall not ask that it be printed in the RECORD, but I move that it be referred to the Committee on Finance.

The motion was agreed to.

Mr. JONES of Washington. I present a telegram in the nature of a memorial from the Tacoma Grocery Co., of Washington, remonstrating against any tax on foodstuffs. I move that the memorial be referred to the Committee on Finance.

The motion was agreed to.

Mr. PHELAN. I present a memorial of the Legislature of the State of California, which I ask may be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

CALIFORNIA LEGISLATURE AT SACRAMENTO,
FORTY-SECOND SESSION,
Assembly Chamber, April 26, 1917.

To the honorable President of the United States Senate, Speaker of the House of Representatives, and Senators and Members of Congress from California:

In compliance with the provisions of assembly joint resolution No. 13, adopted by the Legislature of the State of California at the forty-second session, I am sending you a true copy thereof, in title and words as follows:

"CHAPTER 68.

"Assembly joint resolution No. 13 (by Mr. Frank F. Merriam, of the seventieth district) relative to the sale of the ripe pine in the national forest reserves, located in the State of California, and the use of the proceeds in the construction of dams and reservoirs for the collecting, impounding, and conserving the waters of the State and the protection of its lands from flood waters.

"Whereas it is estimated there are many millions feet of 'ripe' and merchantable pine timber in the national forest reserves located within the State of California, most of said timber being of excellent quality and conveniently located for manufacturing and commercial purposes; and

"Whereas this timber is a ripe product, and its utilization is most desirable in the interest of providing protection to, and development of, the young and growing timber in these forests; and

"Whereas most of the source watersheds of our stream systems are included within the area of said national forest reserves and a large percentage of the sites desirable for reservoirs for the collection and storage of flood waters are within the boundaries of these same national forest reserves: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That we memorialize the Government of the United States to arrange for the sale of the 'ripe' pine in the national forest reserves located within the State of California and the application of the funds (above the 25 per cent now given to the road and school funds of the State) received from such sources to the building of dams and reservoirs for collecting, impounding, and conserving the waters of the State and the protection of its lands from floods; and be it further

"*Resolved*, That the Senators and Representatives in Congress from the State of California be requested to use their influence to bring about the results above outlined; and be it further

"*Resolved*, That the chief clerk of the assembly be, and he is hereby, directed to forward a copy of this resolution to the respective Houses in Congress and to each of the Senators and Representatives in Congress from the State of California, including those who assumed office March 4, 1917.

"C. C. YOUNG,
"*Speaker of the Assembly.*
"ARTHUR H. BREED,
"*President pro tempore of the Senate.*
"MARTIN C. MADSEN,
"*Private Secretary to the Governor.*
"FRANK C. JORDAN,
"*Secretary of State.*"

And do hereby certify that the same was duly filed with the secretary of State on May 4, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Mr. PHELAN. I present a joint resolution from the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the joint resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

CALIFORNIA LEGISLATURE, AT SACRAMENTO,
FORTY-SECOND SESSION,
ASSEMBLY CHAMBER, *April 24, 1917.*

To the honorable Secretary of War, Secretary of the Navy, President of the Senate, Speaker of the House of Representatives, Senators and Members of Congress from California:

In compliance with the provisions of assembly joint resolution No. 23, adopted by the Legislature of the State of California at the forty-second session, I am sending you a true copy thereof, in title and words as follows:

"CHAPTER 75.

"Assembly joint resolution No. 23 (by Mr. J. A. Pettis, of the sixth district), relative to providing as expeditiously as possible a fairer and more adequate compensation for those engaged in active service in the Army and Navy of the United States:

"Whereas in this hour of grave necessity many of our brothers are called upon to leave their usual employments and professions and enter upon the service of our country; and

"Whereas the offering of themselves for such service entails much sacrifice and real material loss; and

"Whereas the compensation allowed the American soldier even in times of war is inadequate and insufficient to meet his ordinary needs when in service, or to permit him to contribute toward the care and comfort of those dependent upon him whose burden of suffering and deprivation is his greatest concern; and

"Whereas some relief of the existing conditions would have a tendency to strengthen, encourage, and sustain the soldier in the discharge of his duty and his dependents in their great sacrifices; and

"Whereas those loyal Americans not engaged in active service should be willing to lighten the burden of the soldier and take upon themselves some part of patriotic sacrifice: Now, therefore, be it

"*Resolved by the assembly and senate, jointly*, That the Legislature of the State of California does hereby most respectfully memorialize the Congress of the United States to provide as expeditiously as possible a fairer and more adequate compensation for those engaged in active service in the Army and Navy of the United States; and be it further

"*Resolved*, That the chief clerk of the assembly be, and he is hereby, directed to send a certified copy of the resolution to each of our Senators and Representatives in Congress, to the President of the Senate, and to the Speaker of the House of Representatives, to the Secretary of War, and the Secretary of the Navy.

"C. C. YOUNG,
"*Speaker of the Assembly.*
"ARTHUR H. BREED,
"*President pro tempore of the Senate.*
"MARTIN C. MADSEN,
"*Private Secretary to the Governor.*
"FRANK C. JORDAN,
"*Secretary of State.*

And do hereby certify that the same was duly filed with the secretary of state on May 4, 1917.

B. O. BOOTHBY,
Chief Clerk of the Assembly.

Mr. PHELAN presented a petition of the Chamber of Commerce of Salinas, Cal., praying for the enactment of legislation to reclassify postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. TRAMMELL. I present a petition from citizens of St. Petersburg, Fla., and vicinity which I ask to have printed in the RECORD. The petition contains 256 signatures, and prays for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation.

There being no objection, the petition was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

To the Congress of the United States.

The undersigned earnestly petition for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people.

R. A. CARNINE
(And many others).

Mr. POMERENE. I present resolutions passed by the Central Ohio Osteopathic Society, at Columbus, Ohio, May 26, 1917, tendering their services to the Government as a hospital corps to an osteopathic base hospital to be hereinafter supplied to each division of the Army. I ask that the resolutions be printed in the RECORD, without reading, and referred to the Committee on Military Affairs.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Resolutions passed by the Central Ohio Osteopathic Society, Columbus, Ohio, May 26, 1917.

Whereas the science of osteopathy is recognized by legal statutes in 44 States of the Union, giving them the right to call themselves physicians and surgeons and to practice their method of manipulative surgery called osteopathy; and

Whereas the Government of the United States has not as yet given to the osteopathic physicians any legal standing; and

Whereas at the present time vast numbers of our citizens are constantly using the method of treatment known as osteopathy for their bodily ills, but should any of these citizens become soldiers they would necessarily be dictated to as to the kind of treatment they would have to take by the dominant school of medicine in the Army and Navy; and

Whereas most of the systems in the different departments of the Government are being changed or thrown away for the better and more modern methods of efficiency: Be it therefore

Resolved, That the Central Ohio Osteopathic Society, in special meeting assembled May 26, 1917, do hereby tender our services to the Government of the United States as a hospital corps to an osteopathic base hospital to be hereinafter supplied to each division of the Army. These base hospitals, wherever situated, to be connected with general hospitals. The equipment of such hospitals to be in conformity with that of the hospitals which are at the present time being run in connection with the different schools of osteopathy throughout the country, and the treatment given in such hospitals shall conform to the methods of osteopathy as taught and practiced in the recognized schools of osteopathy; and be it further

Resolved, That on account of the prejudice existing in the different schools of medicine that some legislation be enacted to give osteopathic physicians the same rank, pay, and allowance as physicians of other schools of the healing art. The educational standards being equal (practically the same subjects, except therapeutics) osteopathic physicians should have equal rank, the efficiency of osteopathic methods during war having been already proven on the European battle fields.

CHAS. M. LA RUE, D. O.,
President.
JOHN M. HISS, D. O.,
Secretary.

Mr. SAULSBURY presented a petition of sundry citizens of Wilmington, Del., praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which was referred to the Committee on Agriculture and Forestry.

Mr. FRELINGHUYSEN presented petitions of sundry citizens of the State of New Jersey, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. STERLING presented petitions of sundry citizens of South Dakota, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

He also presented petitions of sundry citizens of South Dakota, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. HITCHCOCK. I present a resolution adopted by the Senate of the Nebraska State Legislature memoralizing Congress to amend the Federal income-tax law and the rules and regulations of its administration so as to remove the secrecy of reports. I ask that the resolution be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Resolved by the Senate of the State of Nebraska in regular session assembled, That we respectfully and earnestly memoralize Congress to amend the Federal income-tax law and the rules and regulations of administration thereunder, to the end that all secrecy and privacy guaranteed to said income reports be removed and repealed, and that collectors of internal revenue of the several States and districts be required by law to file a copy of the said income reports annually with the secretary of the State board of equalization and assessment, or any other taxation or revenue officer having State-wide jurisdiction, of the State of which each individual making such Federal income-tax report is a resident.

MATTES.

Mr. LA FOLLETTE. I also present a joint resolution of the Legislature of Wisconsin, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the joint resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution relating to the economical and conserving use of food supplies.

Whereas in the present world crisis the economical and conserving use of food supplies is a highly patriotic and broadly humanitarian duty; and

Whereas the present standard of milling wheat into white flour diverts more than a quarter of the wheat from use as human food; and

Whereas the adoption of a high standard for milling wheat would be equal to increasing the supply of wheat by nearly 100,000,000 bushels: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature does urge upon the Congress of the United States that it take such action as may be necessary to conserve the supply of wheat by requiring a high milling standard.

That copies of this resolution, duly attested by the presiding officers and chief clerks of the assembly and senate, be transmitted to the President of the Senate of the United States, to the Speaker of the House of Representatives, and to each of the Senators and Representatives in Congress from the State of Wisconsin.

EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. LA FOLLETTE. I present a joint resolution of the Legislature of Wisconsin, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the joint resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing the Congress of the United States to enact a law vesting power in an appointive commission to regulate and control the production, distribution, transportation, and price of foodstuffs, grains, fuel, and other basic commodities.

Whereas control of foodstuffs, grains, fuel, and other basic commodities is essential to the welfare of our country and people, and the prompt enactment of appropriate legislation to accomplish this end is necessary for success in the present war and for the safety and preservation of our Nation: Therefore be it

Resolved by the senate (the assembly concurring), That the Congress of the United States be, and is hereby, respectfully memorialized to enact at once a thoroughgoing law that will vest in a commission to be appointed by the President, appropriate power to regulate and control the production, distribution, transportation, and price of foodstuffs, grains, fuel, and other basic commodities; be it further

Resolved, That a copy of these resolutions be transmitted by the chief clerk of the senate to the President of the United States Senate and to the Speaker of the House of Representatives, and also to the Representatives from this State in the Congress of the United States.

LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.

Mr. WADSWORTH presented petitions of sundry citizens of Leeds, Lime Street, Dannemora and Oakfield, and Silver Springs, all in the State of New York, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of New York, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. PAGE presented a memorial of Council No. 230, United Commercial Travelers of St. Johnsbury, Vt., remonstrating against an increase of postage rates, which was referred to the Committee on Finance.

Mr. McLEAN presented petitions of 652 citizens of Norwalk, South Norwalk, Darien, Stamford, Sound Beach, and Noroton, all in the State of Connecticut, praying for Government control of foodstuffs, which were referred to the Committee on Agriculture and Forestry.

He also presented a memorial of Stereotypers' Local Union No. 27, of New Haven, Conn., remonstrating against the proposed tax on newspaper advertising, which was referred to the Committee on Finance.

He also presented petitions of the Young People's Society of Christian Endeavor of Woodstock; of Quinebaug Pomona Grange, No. 2, Patrons of Husbandry, of Brooklyn; and of sundry citizens of Saugatuck, all in the State of Connecticut, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Stamford, New Haven, Bridgeport, Packer, Riverside, Willimantic, and West Haven, all in the State of Connecticut, praying for the raising of the war expenses by income taxes, etc., which were referred to the Committee on Finance.

Mr. SMITH of Maryland presented petitions of sundry citizens of Baltimore, Md., and of the congregation of the Petworth Methodist Episcopal Church, of Washington, D. C., praying for the prohibition of the manufacture of intoxicating liquor from foodstuffs, which were referred to the Committee on Agriculture and Forestry.

Mr. MARTIN presented a petition of sundry citizens of Cape Charles, Va., praying for the prohibition of the manufacture of

intoxicating liquor from foodstuffs, which was referred to the Committee on Agriculture and Forestry.

Mr. VARDAMAN. Mr. President, I have a telegram from Meridian, Miss., which I ask to have printed in the RECORD. I want to say, however, that if alcoholic liquors are to be manufactured from grain that ought to be used in this emergency for food I am very much in favor of taxing the liquors, and I should tax them as highly as it is possible to induce Congress to levy the tax. If I had my way in such circumstances I should tax them to the point of prohibition.

I think the idea of Congress permitting the use of grain for the manufacture of alcoholic liquors—grain needed for food—in order to get revenue for the support of the Government is very unwise. It is transforming an article that is essential or necessary to the preservation of life into something that actually destroys life. Permitting the use of grain for this purpose at this time is, in my judgment, simply monstrous. I concur fully with the people of Meridian, who adopted this resolution, that it is the duty of Congress to enact prohibitory laws and stop the manufacture of the damnable stuff altogether.

There being no objection, the telegram was ordered printed in the RECORD and referred to the Committee on Agriculture and Forestry.

The telegram reads as follows:

MERIDIAN, MISS., *May 30, 1917.*

The UNITED STATES SENATE,
Care Senator James K. Vardaman, Washington, D. C.:

By unanimous vote, a meeting of about 700 citizens, representing all Evangelical churches of this city, earnestly oppose any increase of tax on alcoholic beverages or the destruction of food products in the manufacture of such liquors, and petition Congress by all constitutional means to establish national prohibition at least during the period of the war, and that this petition be published in the CONGRESSIONAL RECORD.

S. R. E. WILBOURN.
L. P. BROWN.
WALKER BROACH.
J. H. MALLARD.
DAVID H. SCANLON.

CALLING OF THE ROLL.

Mr. MARTIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hollis	Nelson	Smith, Ga.
Beckham	Husting	New	Smoot
Brady	James	Newlands	Sterling
Calder	Johnson, Cal.	Overman	Stone
Culberson	Jones, Wash.	Page	Sutherland
Cummins	Kellogg	Penrose	Swanson
Curtis	Kenyon	Phelan	Thomas
Fall	Kirby	Pittman	Townsend
Fernald	Knox	Poindexter	Trammell
Fletcher	La Follette	Pomerene	Underwood
Frelinghuysen	Lodge	Reed	Vardaman
Gerry	McCumber	Robinson	Wadsworth
Gore	McKellar	Saulsbury	Walsh
Hale	McLean	Shafroth	Williams
Hardwick	Martin	Sheppard	Wolcott
Hitchcock	Myers	Sherman	

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will allow this announcement to stand for the day.

Mr. TOWNSEND. I announce for the day that my colleague [Mr. SMITH of Michigan] is absent on important business and is paired with the junior Senator from Missouri [Mr. REED].

Mr. GERRY. I desire to announce the unavoidable absence of the Senator from Arizona [Mr. ASHURST], the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Wyoming [Mr. KENDRICK], the Senator from Kansas [Mr. THOMPSON], and the Senator from Utah [Mr. KING] on official business.

I wish also to announce that the Senator from South Carolina [Mr. TILLMAN] is absent on account of illness, and the absence of the Senator from Illinois [Mr. LEWIS] on important business.

I wish also to announce the unavoidable absence of the Senator from South Dakota [Mr. JOHNSON]. I ask that this announcement may stand for the day.

Mr. SUTHERLAND. I desire to announce the absence of my colleague [Mr. GOFF] on account of illness. I will allow this announcement to stand for the day.

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present.

RECEPTION OF ITALIAN MISSION.

Mr. MARTIN. Mr. President, as we all know, a mission composed of distinguished representatives of the Italian Government is in the city, and in order that they may come on the floor of the Senate and Senators may have an opportunity to be introduced to them I move that the Senate take a recess for 30 minutes.

The motion was agreed to.

The VICE PRESIDENT. The Chair appoints Mr. MARTIN, Mr. SAULSBURY, Mr. STONE, Mr. SWANSON, Mr. LODGE, Mr. KNOX, and Mr. NEW as the committee to introduce the visitors to the Senate Chamber.

The Senate thereupon took a recess for 30 minutes.

At 12 o'clock and 15 minutes p. m. the members of the Italian mission to the Government of the United States were escorted by the committee appointed by the Vice President into the Senate Chamber, the members of the mission being—

His Royal Highness Ferdinando di' Savoia, Prince of Udine.
Tenente de Zara, aid to the prince.
His excellency the Hon. Enrico Arlotta, minister of transportation.
His excellency Marquis Luigi Borsarelli di Rifreddo, under secretary of state for foreign affairs.
Hon. Francesco Saverio Nitti, member of the Chamber of Deputies.
Hon. Augusto Ciuffelli, member of the Chamber of Deputies.
Cavaliere de Parente, secretary of legation and secretary of mission.
Duke of Sangro, aid to Senator Marconi.
Cavaliere Pietra, of the commercial mission.
Gen. Guglielmotti, military attaché.
Commander Vannutelli, naval attaché.
Count V. Macchi di Cellere, ambassador extraordinary and plenipotentiary, accompanied the mission to the Senate Chamber, and also Hon. William Phillips, Assistant Secretary of State; Lieut. Col. J. C. Gilmore, United States Army; and Mr. Warren Robbins, of the State Department.

The Prince of Udine was seated on the right of the Vice President and Count di Cellere upon his left.

ADDRESS BY THE VICE PRESIDENT.

The VICE PRESIDENT. Senators, it will perhaps rejoice you hereafter to remember that within a very few days you have had the honor and pleasure of participating in three great historic scenes. For myself, I may say that I am very glad the distinguished visitors and myself both belong to posterity rather than to ancestry, for I have a historic recollection that some 1900 years ago the ancestors of these distinguished gentlemen were pursuing through the islands of Britain my ancestors, clad in sheepskin.

I am glad that I have lived in a time when the eagles of the Senate and the people of Rome come in peace to visit the American eagle in the Senate of the United States. [Applause.]

History sometimes reverses itself and sometimes repeats itself. When Rome stood exclusively for power and sought to bring the habitable globe under her control she never quite succeeded in conquering the Belgian people. Nineteen hundred years after that failure the Roman people have concluded that what Rome as the representative of power could not do no other representative of power shall ever be permitted to do. [Applause.]

History repeats itself in another instance. When I was trying to ascertain the history of this great people, digging it out of the original, I learned, as I pronounce it in the Hoosier vulgate, that one of the great Romans closed each of his addresses in the Roman Senate with this remarkable statement: "Ceterum censeo Carthaginem esse delendam." History, I hope, again repeats itself in that the people of the seven-hilled city beside the yellow Tiber have resolved that for themselves and for humanity the house of Hapsburg must be destroyed. [Loud applause.]

It is my honor and my pleasure to present to you the representative of the people of Italy, the Prince of Udine. [Loud applause.]

ADDRESS OF THE PRINCE OF UDINE

The PRINCE OF UDINE. Mr. President and gentlemen of the Senate, I consider it a great honor for the mission of His Majesty, the King of Italy, to be welcomed by the American Senate; it is also a great honor for me, and a source of deep satisfaction, to greet you on behalf of my country and to speak in this glorious assembly, which has never forgotten the noble traditions of democracy and the principles of liberty, in the name of which it was constituted.

In this hour of danger, in which military absolutism is threatening everyone, there are nations that have forgotten old and new competitions, and have united to defeat this menace to the common safety. We are in a more fortunate position. Between the United States of America and Italy there has never been any cause of conflict. Therefore, in your history and in ours there is no page which should be forgotten in this hour of brotherhood. In our present alliance we need not forget any war, nor any rivalry, nor any strife. If nothing brings men closer together than to fight for the same ideals, and to face

the sufferings and the dangers of a great war, for the cause of justice and of humanity, we must acknowledge that this new and closer union means for us a greater bond of sympathy and solidarity in addition to those which already linked us.

This long friendship without strife, this union without mistrust, this cloudless future, are enhanced by the fact that both our peoples are at war, not because of any imminent danger that threatened us but to defend the same ideals of humanity and justice. [Applause.]

Nearly three years have elapsed since Europe, without any justifying motive, perhaps without any motive at all, beyond the will of a small military oligarchy, was driven into the greatest conflict which human history records. The struggle has extended beyond Europe, and now, a great part of humanity is suffering the anguish of a war which it did not desire and in which it did not believe. So much wealth, the fruit of long labor and suffering, has been destroyed; so many noble lives, for which the future held bright hopes, have been cut off before their time, that we can not bear to think of this spectacle of destruction without profound grief.

But a deeper anguish is stirring our souls. That which has grieved us more than the wealth destroyed, more than the lives cut off in the flower of their youth, is the sight of cultivated and intelligent nations, who, but yesterday, shared with us all a communion of life and intellect, who have now denied those principles of humanity and of justice which were the result of long centuries of work and the great and difficult conquest of civilization.

Little nations, which were entirely guiltless and which, within their small territory, contained masterpieces of art and treasures of industry, have been barbarously sacrificed.

In the conquered countries personal slavery has returned as in the worst periods of medieval invasions.

You know what methods have been introduced into submarine warfare, how nothing has been respected, neither neutral vessels, nor Red Cross ships, nor inoffensive travelers, nor women and children, who, even in times which we consider barbarous, enjoyed protection and safety.

In the enemy's camp science has perhaps sought to justify all these excesses. Will the human conscience ever be able to justify them?

Your wars have been fought for independence and for liberty, and your heroes have been men such as George Washington, Thomas Jefferson, and Abraham Lincoln—human heroes, shining lights of the intellect, who looked with a kindly heart even upon their adversaries. [Applause.]

We, too, after having suffered greatly at the hands of foreign oppressors, have conquered liberty and independence; and our heroes, the men who gathered around Victor Emanuel II, and gave Italy unity and freedom, were men such as Cavour, Garibaldi, Mazzini, champions of idealism, men who belonged to humanity rather than to their own country, pure glories of the world's democracy. [Applause.]

In your wars and in ours an ideal light has guided us, and our efforts were all directed toward a most noble aim. What ideals did those who have brought so much suffering upon the world aim at outside the dominion of force and the triumph of violence?

Gentlemen of the Senate, for nearly three years our continent has been involved in this great struggle, and it looked with anxious eyes toward your great and free country. We knew that the European war had increased your trade and given new vigor to your industries. Many feared that because of the ocean that divides us the great cry of grief of oppressed Belgium would only sound faintly in your ears; many feared that, absorbed by the activities of industry and labor, you would fail to take an interest in our struggle and in our sorrows. We, however, looked toward you with trusting sympathy; we felt that the great fatherland of liberty, the noble democracy which offered its hospitality to all the peoples of Europe, without distinction of race, of religion, or of languages, and granted to all of them the protection of the same just and humane laws, could not remain indifferent. [Applause.]

Nevertheless, we awaited your decision with anxiety, and it seemed to us that the holiness of our cause was in need of recognition by those who from afar would judge us with more serenity.

You waited to intervene until violence and offenses against right had become clearer and more evident.

When your flag, the stars of which, growing in number symbolize the growing prosperity of America and the triumphs of American labor—when your flag, always universally respected, was insulted, you hesitated no longer, and your mighty accents of promise and of faith rang in our ears. [Applause.]

Your Nation has colonized immense territories; it has created powerful industries; it has developed an ever-growing trade. You bring all the enthusiasm of your national youth to science and to labor. Our enemies are aware that you will bring into the war, which is flooding Europe with blood and making the earth barren, the invaluable strength of your men and of your wealth.

For this most noble adherence to our cause, given without any thought of conquest or of material wealth, we shall always be grateful to you. [Applause.]

But, gentlemen of the Senate, you bring us to-day something which is far greater than the help of men, of wealth, or of food; you bring us the sacred recognition of our right; you bring us moral confidence and the conviction—nay, rather the faith—that our cause is holy and that the free democracies, and even the greatest among them, share our feelings, our spirit, and our hopes.

How greatly the knowledge of your approval has helped us I need not tell you, who are strong men, who did not hesitate to enter into the whirlpool of war, and who preferred the hard way of duty to a comfortable and resigned indifference. [Applause.]

The message of your President, as our sovereign has said, is worthy, by the nobility of its conceptions and the dignity of its form, to rank with the most inspiring pages in the history of ancient and immortal Rome. [Applause.] It was greeted with the enthusiasm of faith when it made clear the objects of the war and defined the aims of American action. Our soldiers, at the foot of the snowy Alps, amid the atrocious life of underground trenches; our sailors, defying the treacherous warfare of the submarines, the populations of France and of Belgium, suffering under the most cruel servitude, could not read it without a profound emotion.

By proclaiming that right is more precious than peace; that autocratic governments, supported by the force of arms, are a menace to civilization; by affirming the necessity of guaranteeing the safety of the world's democracies; by proclaiming the right of small nations to live and to prosper, America has now, through the action of her President, acquired a title of merit which history will never forget. [Applause.]

You decided to take part in the war not by a sudden impulse but after having seen its full extent and measured all its horrors. And though you were able to choose freely between the tranquillity of a peace resigned to evil and the pain of a participation, which will require at your hands sacrifices of wealth and of lives, you did not hesitate. All this we appreciate very deeply, and every effort of yours to shorten the war will be blessed by millions of human creatures, victims of the greatest barbarity. [Applause.]

The increase of material wealth, the marvels of industry, the progress of science, all these are as nothing, if their aim be not the moral elevation of mankind.

There are sorrows which elevate men more than any joys; sacrifices which ennoble more than any successes.

By our sacrifices we must prepare the way for a humanity in which collective violence shall no longer be possible, and in the bosom of which each nation may freely unfold its activity and realize that social justice which is the Divine goal to which we are all tending, each in his own way. [Applause.]

Italy, gentlemen of the Senate, entered into the war with aims equal to those which you pursue. Her territory had not been invaded, her insecure boundaries had not been violated. Our people understood that the sacrifice of free nations was the prelude to their own sacrifice, and that we could not remain indifferent without denying the very reasons of our existence. [Applause.]

Italy has suffered more than any other nation in Europe the horror of foreign domination, the martyrdom of invasion and pillage; and, therefore, she will never forget the principles which presided over her birth and which constitute her strength and her defense.

Italy wants the safety of her boundaries and her coasts, and she wants to secure herself against new aggressions. Italy wants to deliver from long-standing martyrdom populations of Italian race and language that have been persecuted implacably, and are nevertheless prouder than ever of their Italian nationality. [Applause.]

But Italy has not been and never will be an element of discord in Europe; and as she willed her own free national existence at the cost of any sacrifice, so she will contribute with all her strength to the free existence and development of other nations.

By increasing the ruthlessness of submarine warfare and thus rendering navigation unsafe and dangerous, our enemies, who were not able to defeat our soldiers by the force of arms, hope to win the war by increasing misery and suffering. They hope that our powerful ally, Great Britain, will lack food; that France will lack food and men; and that Italy will lack espe-

cially food, and that which is more necessary, coal for the war, for industries, and for railways. The problem of shipping is for all of us the greatest problem of the war.

With our united efforts we shall vanquish all these difficulties; and that which the force of arms, secretly prepared and unexpectedly employed, was not able to accomplish will not be accomplished by disloyal means on land and water. We shall triumph over all these difficulties if we continue our efforts in brotherly agreement, united by the great duty which we have now voluntarily taken upon us for a cause which is superior to all worldly interests and which partakes of an almost divine nobility. [Applause.]

The mission of which I have the honor to be the head and in which there are representatives of the Senate of the Kingdom, of the Chamber of Deputies, and members of the Government, desires to express through me the liveliest sympathy to the representatives of the American people. [Applause.]

May God protect our two nations! Italy, which has given the world three civilizations, considers herself worthily at your side in this hour, full of sorrow it is true, but also great because of its moral nobility. [Applause.] A day will come when we shall be proud of our suffering and when our sacrifices will be rewarded. Let us endeavor, gentlemen, to bring that day nearer which shall put an end to the sorrows of so many who are suffering and dying without guilt. Let us hasten its coming, worthy representatives of the American people, by our firm will to obtain the victory and by our complete solidarity of ideals, of sacrifices, and of deeds. [Applause.]

The VICE PRESIDENT. The Prince of Udine and the members of the Italian mission will be gratified to meet the Members of the United States Senate.

The members of the Italian mission took their places at the left of the Vice President's desk, and the Members of the Senate were presented to them by the committee appointed by the Vice President.

The distinguished visitors were escorted from the Chamber; and at 12 o'clock and 45 minutes p. m., upon the expiration of the recess, the Senate reassembled.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had ordered recommitted to the committee of conference the report of the committee on the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHELAN:

A bill (S. 2377) authorizing the Secretary of War to negotiate an exchange of lands between the United States Government and the owner of land in the city and county of San Francisco, Cal. (with accompanying paper); to the Committee on Public Lands.

By Mr. HOLLIS:

A bill (S. 2378) granting a pension to Catherine I. Dunn McGrath (with accompanying papers); to the Committee on Pensions.

By Mr. McCUMBER:

A bill (S. 2379) granting an increase of pension to John C. Daley; to the Committee on Pensions.

By Mr. FRELINGHUYSEN:

A joint resolution (S. J. Res. 72) to convey the thanks of Congress to officials and men of the police and fire departments of the city of Jersey City, N. J., for the prompt and heroic service rendered by them at the time of the explosion and fire at Black Tom Pier, Jersey City, N. J., July 30, 1916; to the Committee on the Library.

CONSERVATION OF FOOD PRODUCTS.

Mr. STERLING submitted an amendment intended to be proposed by him to the bill (H. R. 4125) to provide further for the national security and defense by encouraging agriculture and regulating the marketing and distribution of foods and other necessaries of life, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

AMENDMENTS TO THE PENDING BILL.

Mr. TRAMMELL submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

Mr. CALDER submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

Mr. FALL submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

Mr. PHELAN submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which was ordered to lie on the table and be printed.

PROTECTION OF MERCHANT VESSELS.

Mr. McCUMBER. Mr. President, I offer a resolution, which I ask may first be read and then referred to the Committee on Naval Affairs.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 76) was read as follows:

Whereas four months of unrestricted ruthless submarine warfare since the 1st day of February, 1917, have demonstrated: First, that it is impossible to build merchant ships as rapidly as such ships are being sunk; second, that food products available for shipment are so very much below the normal that the sinking of any considerable quantity would make it impossible for our allies to continue their warfare; and

Whereas it has been often reported in the press of the country that inventions and mechanical contrivances which would protect or shield merchant vessels from torpedoes used by submarines have been perfected: Now, therefore, be it

Resolved by the Senate of the United States, That the Secretary of the Navy be, and he is hereby, directed to report to the Senate whether any such device has been invented or constructed; and if so, why it has not been utilized; and also to report what facilities, if any, have been accorded by the Navy Department for investigating or testing any devices proposed for such purpose.

Mr. McCUMBER. Mr. President, just a word on the resolution.

When I brought this matter before the Senate some four weeks ago, I was informed by the acting chairman of the Committee on Naval Affairs that the question of defending ships against the submarine torpedo was being considered; that the Government had practically found a full and complete defense against the torpedo and that in a very short time there would be nothing more to the submarine problem. Since that time we have seen in the press eveery few days reports to the effect that some one has discovered some new method of protecting merchant ships against the submarine torpedo.

I have not been misled by those statements any more than I have been misled by the assurance given by the acting chairman of the Committee on Naval Affairs [Mr. SWANSON] that a remedy had been secured. On the contrary, Mr. President, I know that the Department is not giving the proper consideration to the subject of protecting the ship against the torpedo; that nearly all of its efforts have been along the line of discovering new methods of destroying the submarine, and little or no attention has been given to the subject of the protection of ships. I should like to get an assurance along that line, as to exactly what they are doing for the protection of merchant vessels.

I ask that the clipping which I send to the desk from the Post of this morning, which presents the situation again to the American people, may be read by the Secretary and printed in the RECORD.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

The Secretary read as follows:

[From the Washington Post of Thursday, May 31, 1917.]

TWO HUNDRED AMERICAN DESTROYERS NEEDED TO CURB THE SUBMARINE MENACE—"SITUATION IS GETTING OUT OF HAND," WRITES UNITED STATES OFFICER IN BRITISH WATERS; PUBLIC FED ON LIES, HE SAYS—FEW SUBMERSIBLES BEING DESTROYED.

NEW YORK, *May 30.*

Two hundred American destroyers are needed in British waters to curb the submarine menace. The submarine situation is so serious that the truth is being kept from the public. More ships are being sunk monthly than can be replaced.

These declarations were contained in a letter sent by a United States naval officer now in British waters to Judge Townsend Scudder, of Brooklyn. The letter was dated May 5 and the writer is a personal

friend of the jurist. The judge gave the letter out for publication to-day, but withheld the name of the writer. The letter says:

GETTING OUT OF CONTROL.

"MY DEAR JUDGE: I am taking the liberty of writing to you in order that, knowing the truth, you may be able to remedy the evil. A number of destroyers arrived in port yesterday after a 10 days' trip. This proves that the boats of this type can cross; it had never been attempted before.

"What I am writing to you about is this: The situation is really getting out of control. The American public has been fed on lies for so long that it will be doubly difficult to impress it with the facts. The simple facts of increasing danger and importance are—

"First. More ships are sunk per month than can possibly be replaced in the same interval of time.

"Second. An insignificant number of submarines is being destroyed.

"Third. Not one-tenth as many have been accounted for to date as we have been led to believe. A hundred American seagoing destroyers operating from this side may hold the situation in check long enough to enable the allied army to drive the Germans from France and Belgium. If the United States does not immediately embark on the construction of at least 100, or preferably 200, destroyers, then it will have only itself to blame for the handwriting on the wall.

SITUATION IS MORE SERIOUS.

"It is already too plain. I can not write in detail. The letter would not get through. The situation is so serious that I am writing to you directly to tell you how things stand and to urge you not to believe the reassuring statements brought back by publishers and writers.

"I am where the submarine is operating most extensively, and for us the cards are now on the table. The American public must be scared into a realization of the truth if its present isolation prevents temporarily the growth of the patriotic impulse."

Mr. BRADY. I read this article in the Post this morning——

Mr. HITCHCOCK. Do I understand that unanimous consent was asked to adopt the resolution?

Mr. McCUMBER. No; I asked that it be referred to the Committee on Naval Affairs.

Mr. HITCHCOCK. I so understood.

The VICE PRESIDENT. It will be so referred.

Mr. KENYON. I ask for the regular order.

The VICE PRESIDENT. The regular order is the presentation of concurrent and other resolutions.

Mr. BRADY. Mr. President, I should like to say a few words relative to this matter. It was printed in the RECORD by unanimous consent.

The VICE PRESIDENT. Is there objection?

Mr. KENYON. I am going to ask for the regular order because the Agricultural bill has been before us for a long time, and the Senator knows how necessary it is to get some action upon it. However, I do not wish to interfere if the Senator is just going to take a minute or two.

Mr. BRADY. I am not going to discuss it, but if the Senator desires to have the regular order proceeded with and to have the matter read go into the RECORD without any remarks relative to it, I am willing to take that course. I am about as much interested in the Agricultural bill as any other Member of the Senate, and I have endeavored to have it receive proper consideration both in the committee and in the Senate.

Mr. KENYON. I withdraw my request for the regular order.

Mr. BRADY. I simply want relative to this matter to ask the Senator from North Dakota if he knows who is the distinguished judge who presents this letter that was published?

Mr. McCUMBER. I will say that I do not. It is simply a publication that comes through the general channels, and I assume that it is as authentic as the great majority of publications coming through the same source.

Mr. BRADY. I am perfectly willing to accord that privilege to the majority of publications of a similar character that come to the Senate, but this communication comes to the Senate unsigned, and the judge who gave the interview to the papers declines to give the name of the officer of the Navy who furnished the information. It seems to me it is time that we were giving more thought to the preparation of the defense of our country than to unsigned communications. I notice that the communication——

Mr. McCUMBER. I ask the Senator if he does not consider it a subject matter of defense to this country when the whole subject is submarine warfare?

Mr. BRADY. I certainly do consider it a matter of defense to this country, but I believe that the department has a right to receive fair consideration at the hands of the Members of the Senate. I believe the department is doing everything that it can do to stop the terrible destruction of ships by submarines, and as long as they are doing that I believe it is only fair and equitable that we should give them a chance. This party says that we need 200 destroyers. Two hundred destroyers against the German fleet would not amount to anything.

Mr. FLETCHER. May I ask the Senator to give the date of the letter which was read? The date of the letter has not been given, I understand. Does the article show the date of the letter?

Mr. BRADY. It was received in New York and given to the press May 30. The letter may have been written long before our fleet got there.

Mr. FLETCHER. But the date of the letter is not given?

Mr. BRADY. I observe that the date is stated to be May 5.

Mr. FLETCHER. I thought it would be well enough to understand the date.

Mr. BRADY. May 5 is the date of the letter written to the judge which was given out for publication.

Mr. CALDER. Mr. President, I am well acquainted with Judge Scudder, to whom the letter is addressed. He resides in Brooklyn and is a member of the supreme court of our State. He was formerly a Member of the House of Representatives. I am certain that the letter was sent to him, and I am inclined to think I know the officer, who is a relative of the judge. He received the letter; there is no question of that; and as far as his responsibility is concerned there is no question of it.

Mr. BRADY. I do not doubt that in the least; I believe he gave it to the press with the very best of intentions, but, on the other hand, I do not believe the Senate or the American people should become hysterical or expect to subdue the German submarines in 30 days. I do not believe what any unsigned statement that comes before the public may have in the way of force will scare the American people into action more energetic or aggressive than they are now performing. I notice this article says:

> The American public must be scared into a realization of the truth if its present isolation prevents temporarily the growth of the patriotic impulse.

I do not believe the American people have to be scared into patriotic impulses. I believe that every citizen of this Government who is a loyal citizen is just as anxious as it is possible to be to conduct the war in a manner that will win a victory. That can not be done, nor will it be done, if we are divided among ourselves. What I believe we should do is to get all the information we can get relative to U boats and place sufficient power in the hands of the proper man to take whatever action is necessary, and give them a fair trial before we try to make the American people believe that they are not doing the best they can. For that reason I believe that an unsigned article of this character should have no particular influence on the minds of the Members of this body.

ADDRESS BY HON. WILLIAM G. M'ADOO (S. DOC. NO. 40).

Mr. SMOOT. Mr. President, I ask unanimous consent that the address delivered by Hon. William G. McAdoo, Secretary of the Treasury, at a meeting of the business men and bankers at Des Moines, Iowa, May 21, 1917, on the liberty loan may be printed as a public document.

The VICE PRESIDENT. Without objection, that action will be taken.

MILITARY AND NAVAL APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 39).

Mr. MARTIN. I submit the conference report on the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, and ask that it be printed and lie on the table.

The VICE PRESIDENT. Without objection, that action will be taken.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 11, 13, 19, 20, 40, 41, 42, 44, 45, 50, 54, 55, 65, 66, 75, and 76.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 12, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 46, 47, 48, 49, 52, 53, 56, 58, 59, 60, 61, 62, 63, 64, 67, 71, 72, 73, 74, 77, 79, 81, and 84; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"COUNCIL OF NATIONAL DEFENSE.

"For expenses of experimental work and investigations undertaken by the Council of National Defense, employment of experts, and at rates of compensation authorized by section 167 of the Revised Statutes of the United States of clerical and other assistance, supplies, including books of reference and periodicals, and for necessary expenses of members of the council, of the advisory commission, or subordinate bodies going to and attending meetings of the commission or subordinate bodies, $500,000: *Provided*, That of the appropriations herein and heretofore made for the Council of National Defense there may be expended for rental of quarters in the District of Columbia not to exceed $25,000 in the aggregate for the fiscal year 1917 and not to exceed $50,000 for the fiscal year 1918: *Provided further*, That in the expenditure of said moneys the existence of a state of war shall not be construed as enlarging the powers or duties of the Council of National Defense, but that such powers and duties shall remain as prescribed by the act creating said council, approved August 29, 1916."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$500,000: *Provided*, That no part of this appropriation shall be expended for personal services"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment strike out the following: ", $50,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Hospital construction: For temporary hospital construction, $1,000,000; and for the establishment of naval medical supply depots at Brooklyn, N. Y., and Mare Island, Cal., by purchase or construction, $350,000; in all, $1,350,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out the word "that"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$20,408,161"; and the Senate agree to the same.

The committee of conference have been unable to agree on the amendments of the Senate numbered 2, 3, 4, 5, 6, 9, 43, 51, 68, 80, 82, 83, 85, 86, and 87.

THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.

JOHN J. FITZGERALD,
SWAGAR SHERLEY,
FREDERICK H. GILLETT,
Managers on the part of the House.

AGRICULTURAL PRODUCTS.

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). Is there further morning business? If not, the morning business is closed.

Mr. GORE. I move that the Senate proceed to the consideration of House bill 4188, being calendar No. 59.

Before formally making the motion, I wish to say that House bill 4188 is substantially Senate bill 2344, which the Senate has had under consideration during the last four or five days. It would greatly facilitate the legislation to lay the Senate bill aside and proceed to the consideration of the House bill.

Mr. SMOOT. Let me suggest to the Senator that we first perfect the Senate bill.

Mr. GORE. If I may be permitted to say so, when the House bill is taken up I shall then move to agree to the amendments to the House bill which the Committee on Agriculture has recommended, corresponding to those already agreed to by the Senate. That will meet the point made by the Senator and, I think, will contribute to clearness in the consideration of the bill.

Mr. SMOOT. Let me ask the Senator, Did the bill pass the House as it was reported to the Senate by the Senate committee?

Mr. GORE. You mean the last report?

Mr. SMOOT. Yes; as the committee reported it to the Senate?

Mr. GORE. The committee has recommended substantially the same amendments that it recommended to the Senate bill. I will move that the Senate agree to the amendments presented by the committee to the House bill which have already been agreed to by the Senate.

Mr. SMOOT. In my opinion that can be done better by perfecting the Senate bill and then taking up the House bill and striking out all after the enacting clause and inserting the Senate bill. But I shall not take any time of the Senate, and we can proceed in the way suggested. We will save time by not talking about it.

Mr. SMITH of Georgia. What the Senator from Oklahoma is trying to do is what the Senator from Utah desires to have done.

Mr. GORE. I move that the Senate proceed to the consideration of House bill 4188.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. GORE. I ask unanimous consent that the formal reading of the bill be dispensed with.

The PRESIDING OFFICER. Is there objection? No objection is heard.

Mr. GORE. First, in order to simplify the procedure, I ask unanimous consent that the committee amendment recommended on page 6, line 21, be disagreed to. It was disagreed to on Tuesday after the committee had submitted its report.

Mr. SMOOT. What bill is the Senator talking about?

Mr. GORE. House bill 4188.

Mr. SMOOT. The amendment on page 6, line 21?

Mr. GORE. On page 6, line 21. That is the amendment that was disagreed to on Tuesday. The committee had already made its report at that time. Now I ask the Senate to disagree to the committee amendment out of deference to the expressed will of the Senate on Tuesday.

Mr. SMOOT. Of course, having the two bills before me, when a matter of that kind comes up it is hard to follow it. I can not see how the Secretary is going to make the changes now that are asked.

Mr. GORE. I will state the procedure which I have in mind. The committee recommended an appropriation of four and a half million dollars for demonstration work. The Senate cut it down to $3,000,000. The Senate disagreed to the committee amendment on Tuesday. The committee recommended the same amendment before the Senate took that action. In order to conform the bill to the expressed will of the Senate, I ask the Senate to disagree to this committee amendment. Then I will move that all the other amendments agreed to by the Senate to the other bill be agreed to with respect to this bill. After that is done we can proceed with the consideration of new amendments.

Mr. HITCHCOCK. I trust the Senator will not attempt to patch up the bill in that way. I think after we have done away with the formal reading of the bill, which is in fact the House bill, we ought to go on in the regular way, paragraph by paragraph, and not begin at the back and work forward.

Mr. GORE. If the Senator will consider a moment, I think he will not make that point. The Committee on Agriculture and Forestry recommended the sum of four and a half million dollars, and the Senate reduced it to $3,000,000. Now, I want the Senate to disagree to the committee amendment.

Mr. HITCHCOCK. I understand.

Mr. GORE. After that is done, then we can agree to the amendments to the pending bill, which have already been agreed to by the Senate.

Mr. HITCHCOCK. I understand what the Senator desires, but I think we ought to go through with the bill properly in the legislative form and not begin taking up amendments in a disorganized and irregular way. I think the bill should be proceeded with in the usual way.

Mr. BRADY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. GORE. I yield.

Mr. BRADY. The Senator from Oklahoma simply desires to proceed with the bill in proper form and I believe, following the suggestion the chairman of the committee made, in a very few moments we can do that. The appropriation on page 6, line 21, I understand will be $3,000,000 instead of $4,500,000.

Mr. GORE. The committee recommended $4,500,000 but the Senate disagreed to it on Tuesday by a record vote of two to one, and I see no reason why we should not disagree to the committee amendment to begin with. That eliminates it from the bill and will simplify instead of confusing its consideration.

Mr. BRADY. The bill will be subject to amendment.

Mr. GORE. It will be subject to amendment, of course. I do not see any reason why the Senate should give consideration to each one of the amendments already acted upon and agreed to by the Senate.

Mr. JONES of Washington. I wish to suggest to the Senator from Oklahoma that the House provision, to which he refers, carries only $4,348,400 and the proposal of the Senate committee was $4,500,000. Does the Senator intend to correct that so as to correspond with the amendment which in reality was adopted by the Senate?

Mr. GORE. It would, of course, be subject to amendment to do that after we agree to the committee amendment. I want to eliminate the committee amendment now.

Mr. JONES of Washington. There is the difficulty about it.

Mr. GORE. There is no difficulty at all about it. The Senate disagreed to this committee amendment.

Mr. JONES of Washington. The Senator simply wants to make it correspond to the action of the Senate?

Mr. GORE. Yes, sir.

Mr. JONES of Washington. The Senator does not make it correspond to the action of the Senate by simply disagreeing to the committee amendment.

Mr. GORE. The Senator perhaps did not understand me. I said I intended to follow this motion by a motion that we agree to the amendments which already have been agreed to where they are identical with respect to the Senate bill.

Mr. JONES of Washington. I merely want to call attention to that because I should like to see it correspond with the action of the Senate.

Mr. BRADY. The matter can be settled in a very few moments by disagreeing to this amendment. Then we can insert the other amendment, and in that way the bill can be perfected very easily.

Mr. SMOOT. May I ask the Senator if he will not ask now to have the bill read for action on the committee amendments and let us get at the bill in that way?

Mr. KENYON. I suggest to the Senator from Oklahoma to do that. We would save time by adopting that course.

Mr. GORE. If that will contribute to the understanding of Senators, I have no objection. My purpose was to save time.

Mr. SMOOT. It is not a very long bill.

Mr. GORE. I want Senators to have a full understanding of the situation and appreciate that my purpose was to abbreviate time.

The PRESIDING OFFICER. What is the request?

Mr. GORE. That the bill be read for the consideration of the committee amendments and that we thrash over all the old straw again.

The PRESIDING OFFICER. Without objection, that request will be granted.

Mr. FALL. Mr. President, a parliamentary inquiry. Is it the House bill that is to be read?

The PRESIDING OFFICER. The House bill.

Mr. FALL. I have no objection if that is the sense of the Senate. It seems to me that we should proceed with our own bill and then substitute it for the House bill.

The PRESIDING OFFICER. The first amendment by the committee will be stated.

The SECRETARY. On page 1, line 3, after the enacting clause, the committee propose to strike out the remainder of section 1 in the following words:

That, for the purpose of more effectually providing for the national security and defense and carrying on the war with Germany by gathering authoritative information concerning the food supply, by increasing production, by preventing waste of the food supply, by regulating the distribution thereof, and by such other means and methods as are hereinafter provided, the powers, authorities, duties, obligations, and prohibitions hereinafter set forth are conferred and prescribed.

The amendment was agreed to.

The next amendment was, on page 2, line 1, to strike out "SEC. 2," and, after the word "agriculture," to insert "with the approval of the President," so as to read:

That the Secretary of Agriculture, with the approval of the President, is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of, foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food.

The amendment was agreed to.

The next amendment was, on page 2, line 9, to strike out:

For the purposes of this section the Secretary of Agriculture, and his agents duly authorized therefor, may compel the attendance of witnesses, the giving of testimony, oral or in writing, under oath or otherwise, the production of books, letters, papers, or documents, and the submission of reports; may sign, issue, and serve subpœnas; and may enter, on any business day during the usual hours of business, any place, including any structure, vessel, vehicle, or other premises in which products enumerated in this section are stored or held. Any person who, in violation of any requirement made pursuant to this section, willfully fails or refuses to obey any subpœna, to answer any question, or to submit any book, letter, paper, document, or report, or knowingly makes any false or misleading answer or report, or willfully conceals or withholds any information, or any person who willfully obstructs or hinders the Secretary of Agriculture or any of his duly authorized agents in the performance of any duty under this section, upon conviction thereof, shall be fined not exceeding $5,000 or imprisoned not exceeding two years, or both. Witnesses summoned in pursuance of this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States: *Provided*, That no witness subpœnaed under this section shall be obliged to attend for a greater distance than 300 miles from his residence or place of business: *Provided*, That in the enforcement of the provisions of this section the Secretary of Agriculture shall not engage for compensation, actual or nominal, the services of any person or persons who have been associated with corporations or associations that have been dissolved for violation of the antitrust laws.

And in lieu thereof to insert:

It shall be the duty of any person, when requested by the Secretary of Agriculture, or any agent acting under his instructions, to answer correctly, to the best of his knowledge, all questions necessary to carry into effect the provisions of this section. Any person who shall willfully give answers that are false shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

The amendment was agreed to.

The next amendment was, after "SEC." on page 3, line 23, to strike out "3" and insert "2."

The amendment was agreed to.

The next amendment was, on page 4, line 1, after the word "grow," to strike out the words "or otherwise procure"; in line 2, after the word "them," to strike out the words "by sale"; and in line 3, after the word "farmers," to strike out the words "on credit or other terms" and insert "for cash," so as to read:

SEC. 2. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or food crops, he is authorized to purchase, grow such seeds, to store them, and to furnish them to farmers for cash, at cost, including the expense of packing and transportation.

Mr. KENYON. I should like to ask the chairman of the committee if the word "grow" should not be stricken out before the words "or otherwise procure"?

Mr. GORE. That word should be stricken out.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 4, line 4, after the word "transportation," to strike out all down to and including line 4, on page 5, in the following words:

The Secretary of Agriculture is authorized to require any person having at his disposal any such seeds, except the producer thereof, to furnish the whole or any part thereof to the Secretary of Agriculture in such quantities, at such times, and at such price as shall be determined by him to be reasonable. Upon failure of the person to comply with such requirement the Secretary of Agriculture is authorized to requisition and take possession of such seeds and to pay for them at the price so determined. If the price so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid for such seeds on delivery or seizure the amount prescribed by the Secretary of Agriculture and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such seeds, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies.

Any moneys received by the United States from or in connection with furnishing seeds to farmers under this section may, in the discretion of the Secretary of Agriculture, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

The amendment was agreed to.

The next amendment was, to change the numbering of the two following sections.

The amendment was agreed to.

The next amendment was, in section 5, page 5, line 21, after the words "duplication of," to strike out "effort or funds" and to insert "work."

The amendment was agreed to.

The next amendment was, on page 5, line 22, to change the number of the section from "7" to "6."

The amendment was agreed to.

The next amendment was, on page 6, line 3, to change the number of the section from "8" to "7."

The amendment was agreed to.

The next amendment was, in section 7, page 6, line 12, after the word "act," to strike out "$5,778,000" and insert "$2,500,-

000, and this fund may be used as a revolving fund until June 30, 1918," so as to read:

For procuring, storing, and furnishing seeds, as authorized by section 3 of this act, $2,500,000, and this fund may be used as a revolving fund until June 30, 1918.

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. SMOOT. Mr. President, just one moment. I want to ask the Senator having the bill in charge if that amendment, which is found in the House bill, was adopted by the Senate? In other words, was this amendment, which contains the words "and this fund may be used as a revolving fund until June 30, 1918," adopted by the Senate?

Mr. GORE. The provision in regard to the revolving fund was in section 2 of the House bill, and it was stricken out of the bill also at that place, and attached to the appropriation. I think it was section 3 as the bill passed the other House.

Mr. SMOOT. I do not remember the Senate having ever adopted that amendment.

Mr. GORE. It has not; but this is in the House bill, and we struck it out in the place where it occurred in the House bill and transferred it to this place; that is, we recommend that that be done.

Mr. SMITH of Georgia. I should like to say to the Senator from Utah [Mr. SMOOT], if he will permit me, that to really make this fund available we must allow it for the year to be a revolving fund. We limit its duration to July 1, 1918; it terminates then. Then it goes back into the Treasury, and the Secretary of the Treasury can not use it any more. It might be, however, that the wheat situation would require the utilization of a large part of the fund to carry seed wheat. The money would come right back into the Treasury. It would exhaust the efforts of the department if it were not treated as a revolving fund; but the $2,500,000 is to come back into the Treasury of the United States on July 1, 1918.

Mr. SMOOT. I understand that, Mr. President; but my thought was that if we adopt the principle of a revolving fund, it would be doubtful whether we should ever want $2,500,000 appropriated.

Mr. GORE. Mr. President, I will say to the Senator——

Mr. SMOOT. Just a moment. I think the amendment is a splendid thing; I think we ought to adopt it; but I also think that if we adopt the amendment so as to make a revolving fund, then at no time would the Government want $2,500,000 between the purchase of the seed and the time the seed was paid for in cash by the purchaser. I think if we adopt that amendment the amount is altogether too large.

I am, however, in full accord with the appropriation. I think, if the Government is going to carry out the policy at all, it ought to buy the seed, then deliver it to the farmer, and in turn the farmer pay the cash; but I do not believe that if it is necessary to do this that an appropriation of $2,500,000 will be required.

Mr. GORE. I may say to the Senator that we have cut down the appropriation available under this paragraph from $5,700,000 to $2,500,000.

Mr. SMOOT. I recognize that.

Mr. GORE. I may say further that there were members of the committee who took the view of this appropriation which the Senator from Utah has expressed, that a million and a half dollars, with a revolving fund attached, will serve every purpose. The committee, however, gave the matter pretty thorough consideration, and finally decided in favor of a two-and-one-half-million-dollar appropriation. My own view was that it would not be necessary to have so large an amount; but since it comes back into the Treasury, of course there can be no serious objection to it.

Mr. SMOOT. All I desire to say is that we have now to provide through taxation to raise so many millions and billions of dollars, and if we can save a million dollars we ought to do it.

I believe the Senator will admit that if we make this appropriation a revolving fund there never could be a time when the Government of the United States would require more than a million and a half dollars for all the purposes of the appropriation.

Mr. SMITH of Georgia. If the Senator from Utah will move to amend the committee amendment so as to make the sum a million and a half dollars instead of two and one-half million dollars, I think we shall all vote for the amendment, although we have not any authority to act for the committee. I argued along that line in committee, but the majority of the committee felt the other way, so I do not know that I ought to undertake to speak at all.

Mr. SMOOT. Well, I will move to amend the amendment, Mr. President.

Mr. FALL. Before the Senator from Utah offers that amendment——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I do.

Mr. FALL. I think, on consideration, the Senator may possibly agree with me——

Mr. SMOOT. Possibly so.

Mr. FALL. That it would be better to strike out the provision for the revolving fund, as proposed by the committee, than to reduce the amount.

Mr. SMOOT. No; I do not think so.

Mr. FALL. I can not agree with the Senator that any such amount would not be absolutely necessary to be used at one time. A million and a half dollars might not serve the purpose. If this sum is not needed, then, I will say, it would not be used.

Mr. SMOOT. If the amendment providing for the revolving fund be adopted, then the Government of the United States could perhaps purchase $6,000,000 or $7,000,000 worth of seed and meet every demand of the country; but if the amendment is not adopted, the Government of the United States is limited to a $2,500,000 purchase. I do not believe at any time there would be a purchase of seed amounting to more than a million and a half dollars, providing the seed is sold immediately to the farmers. The purchaser will have to pay cash for the seed, and the price paid comes right back into the revolving fund.

Mr. FALL. I understand that. If the Senator could assure me by any evidence of any kind or character that it would not be necessary to have the $2,500,000 to start with, that we would not purchase as much seed as $2,500,000 worth at one time, then his argument would be absolutely convincing. But I do not agree with him.

I say again that, in my judgment, the United States Government will be compelled to procure from foreign markets seeds which are to be used for various food and other necessary crops here in the United States, for if the United States Government in this time of war is going to control practically the imports to and the exports from this country and the purchases from foreign countries, individuals can not reach the foreign markets. I think it is necessary, as I undertook to explain the other day, that the United States Government should intervene on behalf of the sugar farmers. The Senator knows the condition of that industry in the State of Utah, for instance, and I know what the condition is in New Mexico, where one or two new industries of this kind are being established. I know something also about the beet-sugar industry in the State of Colorado; and the Senator from Utah certainly will bear me out in the statement that it is necessary for the beet-sugar growers to procure foreign seeds.

Mr. SMOOT. Yes; the Senator from Utah fully realizes that; and the Senator from Utah knows also that there is not a sugar company in the United States that would not gladly deposit with the Government of the United States a certified check in payment of seeds. In one instance I remember a number of years ago Germany would not take the certified check of any bank in the United States and the sugar companies actually deposited the gold in order that they might get the seed from Germany.

Mr. FALL. The Senator is speaking of the sugar refiners.

Mr. SMOOT. No; I am speaking of the sugar companies.

Mr. FALL. The individual beet-sugar farmer can not control his exchange in that way. He does not want to deposit his money for the seed, but desires to pay for it when received. I know what the custom is; I am just as familiar with it in a certain way as is the Senator. The refiners are in the habit of furnishing for cash or on credit beet-sugar growers their beet seed.

Mr. SMOOT. The beet grower has never, I presume, in all the history of the United States purchased beet seed. The sugar company advances the beet seed to him.

Mr. FALL. I am assuring the Senator that I am perfectly aware of the custom. On the other hand, I want the Government of the United States, if it is going to furnish seed at all, to furnish it to the man who needs it and to put him in a position where he is not compelled to rely, as he has heretofore, upon the good graces of the sugar refiners.

I see I am trespassing upon the time of the Senator. I was simply interjecting some observations into his remarks for his benefit as well as my own, to see if we could not get together. I am sorry I can not have his attention. I will not make any further argument. The Senator can go ahead. I will oppose the amendment, however, very strenuously.

Mr. SMOOT. Mr. President, the Senator from Georgia claimed my attention for a moment. I am sorry the Senator from New Mexico takes exception to that.

Mr. FALL. I beg the Senator's pardon; I am not taking exception to anything.

Mr. SMOOT. I was listening to what the Senator said. What I desired to accomplish was to bring about an agreement as to the amount to be appropriated. I was saying to the Senator from Georgia—I will tell the Senator from New Mexico, that we would have to provide another million dollars if an amendment were not adopted.

I will simply say further that I am willing to allow the $2,500,000 to be adopted, although I do not believe that it will ever be used by the Government at any one time.

Mr. FALL. Then, if it is not used, it will not be lost.

Mr. SMOOT. But we will have to provide for it; and we are compelled already to provide for millions and billions of dollars.

Mr. CURTIS. Mr. President, I understand the Senator does not object to the revolving-fund feature of the provision?

Mr. SMOOT. Certainly not. The revolving-fund provision is the best part of the whole paragraph.

Mr. BRADY. I understand the Senator from Utah withdraws his amendment.

Mr. SMOOT. I did not offer it.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. GORE. To conform with the bill as amended, the words "section 3," on page 6, line 12, should be changed to "section 2."

The SECRETARY. On page 6, line 12, after the word "section," it is proposed to strike out "three" and insert in lieu thereof "two," so as to read "section 2 of this act."

The amendment was agreed to.

The next amendment of the Committee on Agriculture and Forestry was, on page 6, after line 14, to strike out "For the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products, $441,000."

The amendment was agreed to.

The next amendment was, on page 6, line 21, after the word "others," to strike out "$4,348,400" and insert "$3,000,000," so as to make the paragraph read:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, nd urban agents and others, $3,000,000.

Mr. KENYON. Mr. President, I think the amount was $4,500,000.

Mr. SMOOT. The amount of the House bill was $4,348,400.

Mr. KENYON. The Senator from Washington [Mr. JONES] raised the question. I will inquire if he has any objection to simply taking the House provision?

Mr. JONES of Washington. Oh, no.

The PRESIDING OFFICER. Is there objection to the amendment?

Mr. FALL. Mr. President, I very seriously object to the committee amendment reducing the amount in this instance to $3,000,000.

Mr. GORE. I have already asked, and will renew the request, that the committee amendment be disagreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

Mr. GORE. I shall ask that the amount appropriated be made to conform to the action heretofore taken by the Senate; but I will wait until the committee amendments have been disposed of. The Senate has already taken action on this matter, and I wish to conform the bill to the action of the Senate; but I will not make the motion now.

The PRESIDING OFFICER. The Secretary will state the next amendment of the committee.

The SECRETARY. On page 7, line 1, after the word "section," it is proposed to strike out "two" and insert "one," and in line 7, after the word "practicable," to insert "without occasioning delay," so as to make the paragraph read:

For gathering authoritative information in connection with the demand for and the production, supply, distribution, and utilization of food, and otherwise carrying out the purpose of section 1 of this act; extending and enlarging the market news service; and preventing waste of food in storage, in transit, or held for sale; advice concerning the market movement or distribution of perishable products, and otherwise carrying out the purposes of this act, $2,522,000: *Provided*, That the Secretary of Agriculture shall, so far as practicable, without occasioning delay, engage the services of women for the work herein provided for.

The amendment was agreed to.

The next amendment was, on page 7, line 16, after the word "editions," to strike out "$547,400" and insert "$1,200,000," so as to make the paragraph read:

For miscellaneous items, including the salaries of Assistant Secretaries appointed under this act; special work in crop estimating; aiding agencies in the various States in supplying farm labor; enlarging the informational work of the Department of Agriculture; and printing and distributing emergency leaflets, posters, and other publications requiring quick issue or large editions, $1,200,000.

The amendment was agreed to.

Mr. SMOOT. I desire to offer an amendment, although it is not an amendment to the committee amendment. After the word "printing," on line 14, page 7, I move to insert the words "at the Government Printing Office." I do that so that the provision will conform to the present law.

Mr. GORE. I think there will be no objection to that amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 7, line 14, after the word "printing," it is proposed to insert "at the Government Printing Office."

The amendment was agreed to.

The next amendment of the Committee on Agriculture and Forestry was, on page 7, after line 21, to insert:

It shall be the duty of the Secretary of Agriculture to submit to Congress at its regular session in December of each year a detailed report of the expenditure of all moneys herein appropriated.

The amendment was agreed to.

The next amendment was, at the top of page 8, to insert a new section, as follows:

SEC. 8. That any person carrying on or employed in commerce among the several States or with foreign nations or with or in the Territories or other possessions of the United States in any article suitable for human food, fuel, or other necessaries of life, who, either in his individual capacity or as an officer, agent, or employee of a corporation, or member of a partnership, carrying on or employed in such trade, shall store, acquire, or hold, or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public or affecting the market price thereof in such commerce, whether temporarily or otherwise, shall be deemed guilty of a felony, and be punished by imprisonment in the penitentiary for not less than six months nor more than three years: *Provided*, That any storing or holding by any farmer, gardener, or other person, of the products of any farm, garden, or other land cultivated by him, shall not be deemed to be a storing or holding within the meaning of this act.

Mr. WADSWORTH. Mr. President, I desire to call the attention of the chairman of the committee and of Senators present to this section. At the outset I desire to say that I am in hearty and thorough accord with the object sought to be attained, namely, the prevention of undue storage for speculative purposes; but may I call the attention of the Senate to this language, which provides?—

That any person * * * who * * * shall store, acquire, or hold, or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public or affecting the market price thereof in such commerce, whether temporarily or otherwise, shall be deemed guilty of a felony.

Mr. President, there are two proper functions to be performed by storage—one to serve the producer and one to serve the consumer. The serving of the producer is performed by reason of the fact that by the use of storage the food market is not glutted at the time of the harvest of the particular food article nor the price of the article depressed down to such a level as to ruin the man who raises it. The service to the consumer is performed by reason of the fact that by storing the article, or the surplus of that article, at the time it is harvested the supply can be made to last throughout the year. If this language is taken literally, it will be a felony for anybody to store any food for the purpose of limiting the supply to the public temporarily. I am sure the Senate does not intend to do that.

Take, for instance, the storage of eggs. I think I am correct in saying that the great bulk of the supply of eggs is gathered during the spring months and put in cold storage until the fall and winter. What is the purpose of putting them in storage? To limit temporarily the supply to the public, in one sense. If you do not limit temporarily the supply to the public, and if you compel the sale of those eggs at that time, the men who are running the chicken farms will not get enough for their eggs to pay their expenses and the eggs will all be consumed before the winter is half over. Yet, literally, this language will make it a felony to store those eggs for the purpose of temporarily limiting the supply to the public.

Mr. BRADY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I yield to the Senator from Idaho.

Mr. BRADY. I think the Senator is fully aware of the fact that the attempt of the committee was simply to stop monopolization of the necessities of life.

Mr. WADSWORTH. Absolutely; yes.

Mr. BRADY. There is a great deal of force in the argument the Senator is making relative to the language of the bill. May

I ask the Senator if he has any suggestion to make as to a different form of language that would carry out the purpose of the committee to stop monopolization of the necessaries of life?

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from New Mexico?

Mr. WADSWORTH. I yield to the Senator from New Mexico.

Mr. FALL. I think I am in hearty agreement with the objection raised by the Senator from New York; and in answer to the question just propounded by the Senator from Idaho I will make this suggestion: If on line 8 the word "or" was stricken out and the words "and unreasonably" inserted, would not that meet the objection and cover the proposition? Then it would read "shall store, acquire, and unreasonably hold"—not "or unreasonably hold," but "and unreasonably hold."

Mr. BRADY. On what line would the Senator from New Mexico have that inserted?

Mr. FALL. On line 8 I suggest striking out the word "or" before the word "hold" and inserting the words "and unreasonably." I might suggest to the Senator from New York that of course I have in mind the fact that this is simply one of two or three bills which are proposed to be enacted.

Mr. BRADY. Would it not be possible to change the language so that there would be no excuse whatever given for the destruction of any article of food? Could we not change that language so as to let this provision remain with regard to destroying food and allow some other language to be inserted, which I should be glad to have the Senator from New York suggest, relative to unreasonable storage?

Mr. WADSWORTH. I think the suggestion of the Senator from New Mexico is exactly in line with what I wanted to bring before the Senate. If that is not adopted and this bill as it is written to-day is enacted and literally enforced, there will be no storage at all in the United States.

Mr. McKELLAR and Mr. FALL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. WADSWORTH. I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to call the attention of the Senator to the wording of this bill:

> Shall store, acquire, or hold * * * for the purpose of limiting the supply.

Now, any acquiring or holding or storing that is not for the purpose of limiting the supply will be perfectly legal under this act. For instance, the object—the ostensible object, at any rate, and it ought to be the real and the only object—of cold storage is to conserve the supply of foodstuffs of the kind that are put in cold storage. All that this bill does is to prohibit them from storing or holding articles in cold storage for the purpose of limiting the supply. They ought to be prohibited from storing for that purpose. As long as they store for the purpose of conserving the food it is perfectly apparent that they are within the law, and I think the objection is not tenable.

Mr. WADSWORTH. Mr. President, the Senator from Tennessee did not finish the reading of those sentences. They read not only "for the purpose of limiting the supply thereof to the public" but also "or affecting the market price thereof."

Mr. GORE and Mr. McKELLAR addressed the Chair.

Mr. WADSWORTH. Just a moment. Now, it is impossible to store anything without limiting the supply temporarily to the public or affecting the price temporarily to the public. It can not be helped.

Mr. McKELLAR. Oh, no; the Senator is in error about that. For instance, take the question of eggs. The time when eggs are produced to a very much larger extent than they are consumed in the country is in the months of March, April, and May in each year. Now, after the supply is sufficient to meet the demand, then the increased numbers make no difference, and, according to the theory of cold storage, the overplus is simply stored away for those months in the year like October, November, and December, when the supply is not equal to the demand. Under those circumstances cold storage performs one of the most effective and useful functions that can be imagined. It is the greatest conservator of food that can be imagined. But when it is used not for that purpose, not for the purpose of conserving the supply for the lean months in the fall and winter following, but for the purpose of limiting either the price or the demand, it is very wrongful, and I think one of the greatest wrongs that can be committed upon the American people. It seems to me that that ought to be the idea which we will carry out in this bill, and I think this bill does carry it out. If it does not carry it out it ought to be made to carry it out.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield to the Senator from Utah.

Mr. SMOOT. I want to take just the case cited by the Senator from Tennessee and show him that the purchase of eggs and putting them into cold storage during the months of April and May, when there are more eggs produced in this country than it is possible to consume, does affect the price. It affects the price in this way: If the eggs were not placed in cold storage during those months the price of eggs would be so low that they would be hardly worth shipping to market.

Mr. McKELLAR. That is entirely true.

Mr. SMOOT. But the cold-storage people buy those eggs and thereby enhance during those months the price the eggs would bring if there were no cold-storage concerns, and therefore it affects the price. I know the object of the amendment was to cover cases where they would increase the price.

Mr. McKELLAR. Yes; I am inclined to think that the suggestion the Senator makes there is absolutely correct. There ought to be another word used there besides "affecting" that would effect the intention of the Senate in passing this legislation. I am inclined to think the Senator is entirely right.

Mr. SMOOT. This would cover a decrease in price, the Senator will see. That would affect the price.

Mr. McKELLAR. The Senator is correct about that.

Mr. SMOOT. There is no question that if any product of the farm or the field is put into cold storage, it can not help but affect the price, either increasing the price or decreasing it; and we do not want to pass a law that would prevent the conservation of food in any way.

Mr. McKELLAR. Why, of course not.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Oklahoma?

Mr. WADSWORTH. I yield to the Senator from Oklahoma. I do not intend to hold the floor and parcel it out. I want a chance to offer a perfecting amendment.

Mr. GORE. Will the Senator from New York permit me to say, first——

Mr. WADSWORTH. Certainly.

Mr. GORE (continuing). That I think probably the point made by the Senator from Utah is correct; but that is not the purpose of placing the eggs in cold storage. It must be the purpose to affect the supply and the price. Now, of course, purchasing in the spring perhaps raises the price in the spring, but it also lowers the price in the winter; and cold storage is essential to the maintenance of the supply. I think when you take into account the use of the word "purpose" it is not liable to the objection mentioned. Of course, it ought to be made plain.

Mr. CURTIS. Mr. President, I want to ask the Senator if he does not think the amendment suggested by the Senator from New Mexico would cover the point.

Mr. FALL. Mr. President, if I may explain the purpose of the amendment, it is to make this section conform as nearly as possible to the old laws against engrossing, forestalling, and regrating, which were adopted in Great Britain in 1554, and which were kept on the statute books until 1844, the definition of which is so well settled that the courts know exactly how to deal with them; but there never was any law attempted to be passed at any time from the year 1258. I think it was, when the first law along this line was passed, which did not allow the storing of goods, provided it was reasonable and was not for the purpose of controlling or affecting the price.

I have the definitions before me as laid down in the law books in a long line of decisions:

> Engrossing: Purchasing either the whole or large quantities of (the commodities) so as to control the market and enhance the price, and so make a monopoly profit; also, to obtain control of (the market) in this way.
>
> Forestall: To anticipate or prevent the normal trade in (a fair market, etc.) by buying or contracting for merchandise or provisions on its way to market—
>
> Our modern experience with forestalling is what we call gambling in price, very largely—one of the forms of it, at least—
>
> buying or contracting for merchandise or provisions on its way to market with the intention of selling it again at a higher price, or by dissuading persons from bringing their goods there, or persuading them to enhance the price when there.
>
> The third offense under these laws was known as regrating.

Mr. BRADY. Mr. President——

Mr. FALL. I yield.

Mr. BRADY. Whose definition is it that the Senator is reading?

Mr. FALL. I am reading the definition taken from Bouvier, as collated from the English decisions, a line of about 300 years of decisions on exactly such propositions as are involved in this amendment; and in every one, of course, there is something which is to be prohibited. Now, that is not the storing of goods for

the benefit of the people, but that is the unreasonable holding for the purpose of controlling the price, affecting the market, raising the price, and securing, as is said, a monopoly profit. For that reason, in order that this section might be brought more nearly in line with the legal decisions on this subject, I suggested the striking out of the word "or" and the insertion of the words "and unreasonably," in line 8.

In answer to the objection made by the Senator from Idaho [Mr. BRADY] as to the following provisions, in lines 8 and 9, I will say that the insertion of these words would not affect at all that provision which makes it absolutely a felony to destroy or make away with any article, whether reasonably or unreasonably. The word "reasonably" would not apply to that section. There is a comma after the word.

Mr. BRADY. The Senator from New Mexico feels, then, that inserting the word "unreasonably" will correct the amendment so that it will be effective?

Mr. FALL. "And unreasonably hold"; yes. I have a further idea in view, as I suggested to the Senator from New York; that is, that there are other propositions pending before one or the other branch of this Congress affecting foodstuffs; and if a measure along the lines of the Lever bill, now pending in the House, does pass and become a law, then whoever is in charge of the food products or handling them in any way would have no difficulty in saying whether or not the goods so stored were being unreasonably held.

Mr. BRADY. Mr. President, may I suggest to the Senator from New York, if that correction meets his approval, that he offer the amendment?

Mr. WADSWORTH. It is immaterial to me whether the Senator from New Mexico or myself offers it. Perhaps we can do it jointly.

Mr. BRADY. I simply suggested it for the reason that I did not understand that the Senator from New Mexico had offered it.

Mr. WADSWORTH. It is his suggestion, Mr. President. It is entirely acceptable to me.

Mr. FALL. Then, in the time of the Senator from New York, I now offer that as an amendment—to strike out the word "or" in line 8, and insert the words "and unreasonably," leaving the comma after the word "hold."

Mr. WALSH. Mr. President, I hope that amendment will not prevail. To my mind it leaves the law in substance as it is. The Sherman Act in its first section forbids all kinds of combinations or contracts in restraint of trade. The second section forbids monopolizing or attempting to monopolize any portion of commerce between the various States. I think the construction given to that act has been such as that, with the incorporation of the amendment now suggested by the Senator from New Mexico, we would be simply reenacting the second section of the Sherman Act and modifying the penalty which it imposes.

I feel as if I ought to say that this section of the bill originated with a bill introduced by the Senator from Washington [Mr. POINDEXTER]. That bill was referred to the Judiciary Committee, and by the Judiciary Committee to a subcommittee consisting of the Senator from Washington [Mr. POINDEXTER], the Senator from Georgia [Mr. SMITH], and myself. The Senator from Georgia was not able to act upon the committee, and the Senator from Washington and I called to our aid Mr. Todd, the Assistant Attorney General, who for more than a half dozen years past has had charge of the prosecution under the antitrust act. The draft which is now incorporated as an amendment to this bill is the result of our work. The subcommittee reported to the Judiciary Committee, which on last Monday approved its work, and reported the bill to the Senate. It is now on the calendar. The result of the work apparently has been adopted by the Committee on Agriculture and Forestry, which tenders it as section 8 of this bill.

I would be glad to give the Senate the benefit of the views which were entertained by the committee and the ideas which they intended to express in the bill which I have referred to and which has become section 8.

Mr. CURTIS. May I ask the Senator if the language of the amendment is identically the language reported by the Senate committee.

Mr. WALSH. It is, except for the proviso.

Mr. CURTIS. That is, beginning in line 14.

Mr. WALSH. Yes, sir.

Mr. POINDEXTER. It was not only reported by the subcommittee, but reported by the full committee, and was also reported by the Committee on Agriculture. It has been before two full committees and reported from them.

Mr. WALSH. I call the attention of the Senate to the language which clearly centers the criminality of the act in the purpose with which it is done. It was intended to reach only those individuals who gather up enough of any particular commodity to actually affect the price of that commodity. I may say that the Judiciary Committee, as a whole, have reported the bill, with the word "enhance" substituted for the word "affect." I shall at the appropriate time submit that as an amendment to the pending amendment. The idea was to reach those who gather up enough of a particular commodity to affect the price of it or enhance the price of it, and who gather it up with a set purpose thus to enhance the price.

To my mind, Mr. President, the proviso added by the Committee on Agriculture is entirely unnecessary. I shall not object to it at all because it simply makes clearer the idea which the committee had in mind. It was not intended at all to reach the case of a farmer who has a thousand bushels of grain or two thousand bushels of grain or ten thousand bushels of grain, the aggregate being inconsequential in amount as compared with the total of that particular commodity. The farmer may be disposed to hold his grain and sell it in the spring instead of selling it in the fall. He recognizes that the amount which he has will not make any sensible effect upon the price. He is simply going to hold his grain to await the operation of economical elements, the natural operation of supply and demand. He is going to withhold his grain until those operate to produce a higher price than that which he can command at the present time. If he is simply holding it for the purpose of awaiting an increase in price as the result of the normal conditions of supply and demand, he does not fall under the condemnation of this statute at all. It is only the individual who goes out and gathers up enough of the visible supply with a set purpose to have the price increased by reason of the fact that he holds so large a quantity of it which he does not put upon the market that the statute is intended to reach. It occurs to me that the language is entirely plain and does not need any further language to make it so.

Mr. PAGE. Could a combination of farmers in a given section, by conferences or combinations, in any way bring them within the Sherman antitrust law?

Mr. WALSH. The Senator will recall that under the decisions of the courts farmers thus associating would be amenable to the first section of the Sherman act, but in the Clayton act we provided that the act should not be deemed to apply to associations of farmers or other producers of foodstuffs or to associations of laboring men.

Mr. PAGE. If no harm is done by this added clause of the Committee on Agriculture, does not the Senator believe that it would be well enough to have it appear lest there be some fear in that regard?

Mr. WALSH. I wish to state to the Senator that I am quite satisfied it shall remain. I have no objection to it at all. Indeed, it might aid in dissipating any misapprehension which might arise in the minds of anyone lest farmers who just hold their grain until there is a higher price might become subject to the act.

Mr. PAGE. Then, going further on the same line, can any harm come from introducing the two words, so as to read, "shall store or acquire and unreasonably hold"? I can see that it might all be plain to the legal mind without the introduction of those words, but I can not see that it would do any harm.

Mr. WALSH. I think they would entirely rob the statute of any force or effect. If one now gathers up any considerable quantity of a particular commodity and unreasonably holds it, I have no doubt in the world that he is now amenable to the second section of the Sherman Act.

Mr. PAGE. Does not the Senator believe that we oftentimes pass laws here that are clear to the legal mind, but about which to the layman there is great uncertainty, and since we are trying to make this provision clear to the world why, if it is doing no harm, should we not include the words "and unreasonably"; or do I understand the Senator to say that to do so would change the legal meaning?

Mr. WALSH. It would, to my mind, very radically change the meaning. We have it now that anyone who holds his commodity for the purpose of enhancing the price of it—that is, not to wait until the price is enhanced by conditions over which he has no control, but the man who holds his commodity for the purpose of enhancing the price—makes himself amenable. The amendment would read that one who unreasonably holds for the purpose of enhancing the price, and it need not be said that the two statements do not mean one and the same thing.

Mr. McCUMBER and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield; and if so, to whom?

Mr. WALSH. I yield first to the Senator from North Dakota.

Mr. McCUMBER. I wish to see if I can possibly understand the meaning of it. I call attention to the fact that the offense is committed either in the storing, the acquiring, or the holding of these products. If any one of those three things is done for the purpose of limiting the supply thereof to the public or affecting the market price thereof, the party so holding, storing, or acquiring shall be deemed guilty of a felony.

Now, we will suppose that one who has storage capacity not for public storing, but his own private storing capacity, buys eggs in June for 25 cents a dozen. He is holding them, of course, for the purpose of selling them at some later day for a higher price. There are two matters that you have to consider at that time under the terms of this bill. The first is that if he acquires them for the purpose of affecting the price he is guilty of the offense under the clear letter of the law, and inasmuch as he is presumed to contemplate the natural result of his act he is presumed to know that if the hens of this country lay 100,000,000 eggs in a day and he buys 10,000,000 eggs in a day necessarily that will have an effect upon the price, and it will prevent them from going down as far as they otherwise would go or being as cheap to the purchasers in the cities as they would otherwise be, and then he has committed an offense.

Then, too, if he is buying at all he must hold for the purpose of getting a raise. We put in the word "unreasonable." Who is to determine that? Who is to pass upon the question of unreasonableness? One jury will find that if he buys eggs for 25 cents a dozen and holds them until he can get 50 cents a dozen in the wintertime he has committed a crime. Another jury might hold that he committed a crime if he sold them for 35 cents a dozen. So you have got no standard.

That is not all. When he buys those eggs at 25 cents a dozen he has no means at that time of knowing exactly how much they will go up, and therefore his offense consists not in what he has in contemplation at the time he buys them, but it depends entirely upon the question of supply and demand which would raise them. If six months after he has made his purchases and stored the eggs there is a demand for eggs which would raise them to 50 cents a dozen, he has committed a crime retroactively. If they go up 5 cents a dozen he has not committed any crime. Therefore, he would have to sell them for less than the market price for fear that some jury might find that he had committed an offense.

Does not the Senator think there either ought to be a standard fixed of what would be a reasonable profit either by per cent or else that the commodity must be put upon the market in a given length of time?

Mr. WALSH. No; Mr. President, I do not see any occasion for a provision along those lines at all. But there is much in what the Senator from North Dakota has said to the effect that a criminal statute would be altogether vague in its terms if you put the term "unreasonable" in here. No man would ever know under a statute of that character whether he had been guilty of the commission of a crime or not.

Mr. McKELLAR. Mr. President——

Mr. WALSH. If the Senator will pardon me for a moment, if he has actually acquired the property and is subsequently holding it for the purpose of enhancing the price to the public he knows that, and he is not in any doubt at all; but if he commits a crime only when he unreasonably holds he never knows when he has stepped across the line of criminality. I yield to the Senator from Tennessee.

Mr. McKELLAR. Following up just what the Senator is saying, would it not necessarily take the decision of a court? The whole question has to be referred at first to the court to determine what was an unreasonable holding.

Mr. WALSH. Yes; and worse than that; it would have to be submitted to a jury. One jury might hold that under such circumstances one man has unreasonably held his commodities and convict him, and another jury under exactly the same conditions and circumstances would hold that the man had not unreasonably held them and acquit him. Thus the law itself would deservably fall into disrepute and contempt.

Mr. JONES of Washington. I should like to ask the Senator a question. I know the Senator is on one of the committees that has had the consideration of this matter in charge, and I know that he has probably given all phases of it careful study. I know he is also familiar with the fruit industry of the Northwest. I wish to get an expression from the Senator as to whether he thinks that this provision would affect the business of our cold-storage houses engaged in the shipment of fruit. For instance, in my section of the country a great many of the fruit producers sell their apples in the fall to the warehouseman who has a cold-storage plant. He puts these apples in cold storage and holds them I think clearly in many cases for a better price. What I want to know is whether this section as framed would make the warehouseman under such circumstances liable for prosecution under this provision?

Mr. WALSH. I do not think so at all. But, on the contrary, if the warehouseman went out and accumulated enough apples so that his supply would, if put upon the market, depress it altogether, or if he was able to control the prices or affect the prices by reason of having his supply, it would no doubt be a violation of this act. It was not intended to reach, and I do not think the language can be construed as making it reach, the ordinary case of the middleman who gathers up commodities and puts them upon the market when they command a higher price, but it was intended only to reach the one who gathers the material up for the very purpose of enhancing the price to the consumer.

Mr. JONES of Washington. I think I realize that that is the intention of the provision, but yet, of course, we must draw the intention from the language itself if it is clear, and it seems to me that it is clear to this effect, that if a commission man or cold-storage man goes out and buys apples he is simply buying in order to get a supply. He holds them for a better price.

Mr. WALSH. That is, he holds them, I may state to the Senator, until the operation of economic conditions sends the price higher than it was at the time he bought the apples.

Mr. JONES of Washington. Yes.

Mr. WALSH. The price has not gone high by reason of anything that he has done.

Mr. JONES of Washington. It seems to me that the very storing and holding them by him would necessarily have some influence upon affecting the price. It seems to me that by holding and storing them in many different communities, of course, the price will go up.

Mr. WALSH. I submit to the Senator that the statute could not possibly receive any such construction as that, because that would forbid any middleman from purchasing at all.

Mr. JONES of Washington. That is exactly what I had in mind, and I wanted to get the Senator's opinion on it, because I know he does not want to have the fruit industry affected in that way any more than I do.

Mr. WALSH. Or any other.

Mr. JONES of Washington. If that construction did follow from this language, it would shut down that man's business, and I am a little afraid this language does go that far.

Mr. WALSH. Let me make an inquiry of the Senator. His State has a large number of men who gather up fruit. Would you feel that it would be just to say that a fruit dealer in your State is acquiring a lot of fruit in order to enhance the price of that fruit on the market to consumers?

Mr. JONES of Washington. This does not say that.

Mr. WALSH. Why not?

Mr. JONES of Washington. It says "shall store, acquire, or hold."

Mr. WALSH. Yes; but for the purpose of enhancing the price.

Mr. JONES of Washington. I have not any doubt that when a man goes out and buys fruit and puts it in refrigerator plants and holds it in order to get a better price the mere holding must affect the price more or less, and the more there is of such holding all over the country the more effect there will be upon the price. I do not think it would be just to shut out such a man from doing that thing; but it seems to me that under the language of your act he may go out and buy it in the best of faith, and even with the intention of shipping it right away in the cars. That is the purpose of his going out to buy it; but after he has it bought and by the time he gets it in he concludes that he will hold it in order to get a better price. It seems to me the language there would prevent him from doing that. The purpose of holding these things must be to get a better price. They do not hold apples for philanthropic purposes, or anything of that sort. I want to be sure that this language would not prevent legitimate action along those lines.

Mr. WALSH. If the bill read "anyone who shall hold for the purpose of getting a better price," it would meet exactly the conditions the Senator from Washington is now speaking about; but that is not the language of the bill at all. It is not holding it for the purpose of getting a better price, but holding it in order that he may boost the price by reason of his holding it.

Mr. JONES of Washington. It seems to me that that is a distinction without a difference. A man must hold his fruit with the expectation to get a better price, feeling that his action will have the effect of assisting in that. I am afraid of the language, but I have a great deal of confidence in the judgment of the Senator. I know he wants to accomplish exactly what I do in that respect. I am simply asking the Senator for his opinion

with reference to the matter, because I am not on the committee and I have not given the language any special consideration. I am glad to have the judgment of the Senator, because I have a great deal of confidence in the Senator from Montana.

Mr. PAGE. I should like to ask the Senator——

Mr. WALSH. I yield to the Senator from Vermont.

Mr. PAGE. The people of the State of Washington who raise fruit ought to have every possible opportunity to get all they can for their fruit. Does not the Senator think they need all they can get?

Mr. JONES of Washington. That is what I want to be sure about.

Mr. PAGE. And so do I, and if this end is to be secured it should be made plain that only monopoly or attempted monopoly can make a man a felon under this bill. I dislike very much to have two as good lawyers as the Senator from Washington and the Senator from Montana stand up here and disagree as to what the law means. The law ought to be made clear enough and plain enough so that the average man may understand it.

Mr. WALSH. It is useless to do that, because that is the law now. We are trying to make a law that is different from that.

Mr. PAGE. There seems to be a debate between two good lawyers as to what the bill means. I object to that kind of legislation. The statute books are full of it. Year after year we pass bills written by good lawyers and yet so ambiguous that their meaning is uncertain. I sometimes wonder if these bills would not have less of uncertainty as to their meaning if drawn by good business men rather than technical lawyers.

Mr. POINDEXTER. The trouble is not always with the bill. It is very frequently with the lawyers. The lawyers are sometimes too technical and hairsplitting, and one of the great difficulties in the enactment of legislation is the disposition to do that.

Mr. PAGE. I want protection against monopoly, and I am perfectly willing that it shall be had under this bill. I want to make the bill plain enough so that the best lawyers of the Senate will not disagree as to its provisions even before we enact the bill into law.

Mr. WALSH. I have just another word to say on this feature of the bill and then I will pass to another. I should like to say, in answer to the inquiry addressed to me by the Senator from Washington, that I am somewhat intimately familiar with the operations of the California Growers' Association. They have a State organization and there are constituent district organizations. The State organization has information every day about the amount of different fruits there are in all the great cities of the Union. They have agents in all the cities to send them reports and keep them fairly advised concerning the conditions and the prices prevailing. A certain member of a district organization has a car of stuff that he wants to ship. He ascertains what the price is to-day in the city of Chicago and in the city of New York. The price is not satisfactory to him and he concludes that he will not ship. The California Fruit Growers' Association does not fall under the operation of this act at all. I do not think anybody has ever accused the California Fruit Growers' Association of gathering up and holding all the different fruits of the State of California for the purpose of enhancing the price.

Mr. PAGE. But that has been done in regard to eggs, has it not?

Mr. WALSH. Exactly; it has been done, and that is the fellow we are trying to reach, not an organization that is carrying on its business in the ordinary and usual way, and holding only until by the operation of supply and demand by the consumption of the goods that are on the market the price becomes enhanced. We are trying to reach the man who deliberately goes out for the purpose of getting this stuff, or deliberately holds it in his warehouse and cold-storage depositaries for the very purpose of enhancing the price to the community.

Mr. PAGE. Would it not, in the judgment of the Senator from Montana, convey a better idea of what we seek to do if, in line 10, instead of saying "of limiting the supply" we should say "for the purpose of effecting a monopoly in the supply"?

Mr. WALSH. No; it would not. I have tried to indicate to the Senator that that would not help at all, because that is already covered by section 2 of the Sherman Act, which reads:

That any person who shall monopolize or attempt to monopolize any part of the commerce between the several States shall be guilty.

Mr. PAGE. The Senator agrees that as between two good lawyers here in the Senate the words "limiting the supply" are indefinite and ambiguous.

Mr. WALSH. I was just going to talk about that feature, about limiting the supply. I have been addressing myself thus far to that portion of it which refers to enhancing or affecting the price. I was going to speak about the other portion, limiting the supply.

Mr. PAGE. But do you object to putting in the words "unreasonable holding"?

Mr. WALSH. Yes; that is quite a different question.

Mr. PAGE. I am seeking light, Mr. President.

Mr. SHERMAN. Mr. President——

Mr. WALSH. I yield to the Senator from Illinois.

Mr. SHERMAN. I have been thinking along the same line with the Senator from Vermont. I make this suggestion in addition to the amendment proposed by the Senator from New Mexico, that in line 8, page 8, insert the word "unreasonably" before "hold," and, continuing then, "or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public," and the suggestion by the Senator from Vermont, "so as to create a monopoly," I would consider this language after the word "public," in line 10, page 8, "limit the supply thereof to the public." It relates back to any one of four acts, storing, acquiring, or unreasonably holding or destroying the food products for the purpose of limiting the supply thereof to the public, with this language, "so as to create a monopoly" or "so as to act in unreasonable restraint of trade."

Mr. WALSH. I will say to the Senator there is no earthly use in doing that, because that is the Sherman law, and we would be simply reenacting the Sherman law if we put that language in.

Mr. SHERMAN. That demonstrates the uselessness of this section then.

Mr. WALSH. I agree that if we amended it as the Senator from Illinois suggests it would be useless, but we hope if it is not amended that way it will help some.

Mr. SHERMAN. If the Senator will permit me, for I am subject to his direction——

Mr. WALSH. I yield, certainly.

Mr. SHERMAN. Carrying out the idea advanced by the Senator from Washington [Mr. POINDEXTER], how long would the cold-storage men in the State of Washington be compelled to hold their apples before they began to put them on the market in Chicago or New York?

Mr. WALSH. It is not a matter of time at all. Just as soon as they begin to hold for the purpose of enhancing the price by reason of their holding they then fall under the condemnation of the act.

Mr. SHERMAN. Then the inquiry of the Senator from Washington is still pertinent, because, as I understand, he asked whether, as to the time they bought and stored, the prohibition would not begin from the end of the apple season; that is, as soon as they were reasonably sure all of them were out of the orchard?

Mr. WALSH. No; that is not the idea that the language conveys at all. If the man went out and bought with a purpose to buy up so much that by reason of his purchases the price would be enhanced, he would fall under the condemnation of the act. If he did not have that purpose in the first place, but held on to them until by his very holding of them he was enhancing the price, he would then fall under the condemnation of the act.

Mr. SHERMAN. Then every cold-storage man barreling apples would, holding them, be in imminent danger of being sent to the penitentiary unless he judged correctly of just the time or place when the market begins to be enhanced by his holding, would he not?

Mr. WALSH. Exactly; just as soon as he makes up his mind that by reason of his holding he is himself enhancing the price he had better let go.

Mr. SHERMAN. Let me inquire whether that would not depend upon the interpretation and the instructions of the court trying him after he is indicted?

Mr. WALSH. Undoubtedly; all laws do.

Mr. SHERMAN. Then he might not be a criminal, although the public, when they got apple hungry, would all clamor for his crucifixion. Whether it is necessary or not I do not know; but let me make a further inquiry. Only a few days ago——

Mr. WALSH. If the Senator will pardon me——

Mr. SHERMAN. Yes, sir.

Mr. WALSH. I do not think the Senator need have any fear about that, because the purpose is always there. The man must be holding the article with a purpose to enhance its value, and he could not be convicted unless the evidence was clear and beyond a reasonable doubt that that was his purpose.

Mr. SHERMAN. Well, let me inquire further if it would be possible for a man to accumulate any food product and hold it beyond the time when the season for producing it had ended without subjecting himself to imminent danger of being convicted of a felony? He might not intend it, but the necessary

effect of his accumulating and keeping the article would make a rise of the market whether he intended it or not, and the jurors or the court would say that every man is presumed to intend the natural consequences of his own act. There would be a constructive felony. In what condition would the defendant then find himself who had been storing apples in Seattle?

Mr. WALSH. That is holding in cold storage after the season had expired.

Mr. SHERMAN. For how long?

Mr. WALSH. It is not a matter of how long; it is long enough until he intends that by his holding the prices shall be enhanced.

Mr. POINDEXTER. Will the Senator yield to me for a moment?

Mr. SHERMAN. The Senator from Montana [Mr. WALSH] has the floor. I am through for the present.

Mr. POINDEXTER. We might as well make the inquiry in the trial of a case that involved the punishment of death—determining the question of whether a homicide was murder in the first degree or murder in the second degree—and say that you could not enforce the law and convict a man of murder in the first degree, because you could not tell how long he had a premeditated intent to kill.

Mr. SHERMAN. Well, outside of certain forms of preserved foods, nobody in handling food products has any intent to kill, unless he is peddling mince meat from New England [laughter], and it might be in this case at his peril. That was the point to which my inquiry was directed; that at the end of the season, when the productive period was passed, and the holder had stored in a warehouse a given quantity of some seasonable products, there begins to be a demand.

I pay 5 cents apiece for Seattle or Washington apples through the winter; sometimes I get only four for a quarter. I used to think that that was too much; but at the same time that I am paying from 4 to 6 cents apiece for apples from the State of Washington on the market in Chicago or elsewhere somebody in a cold-storage warehouse on the Pacific coast, or at some other convenient point, has 100,000 barrels of apples stored. He is holding them, and letting loose 10,000 barrels at a time, to be distributed to the Chicago market. Why does he not also turn loose the other 90,000 barrels which he has? That would put apples down to 1 cent apiece. You might just as well say that because he does not turn them all loose on the market he has committed dietetic homicide on me. With me apples are a necessity, though, Mr. President—I am presuming on the good nature of the Senator from Montana [Mr. WALSH]—it was stated here in a letter from a railroad man, which was read on the freight question, that apples are a luxury. With me apples are a necessity of life. I eat them every day, and have done so ever since I can remember. It is just as much a corner in affecting the price of a necessity for me to have apples kept out of the market as it would be for beefsteak to be kept out of the market for some of our English brthren who were on the commission here a few days ago.

That is the question I am asking the Senator to shed the light of his information upon; and I say frankly that I have been very much instructed by what the Senator has said. I mean what I say about that. To adhere now to the production of apples on the Pacific coast, when the seasonable time has passed and the product is stored, then the warehouseman holds at his peril, and he would either go to the penitentiary if he judges incorrectly or be freed if he judges otherwise. There is no minimizing the danger in this proposition. I am asking whether that will not, instead of conserving food products—because that is the principal thing—have the opposite effect? After all, cold storage is a modern thing. It is only since artificial ice has been made possible in a cheaply commercial form that cold storage has become a profitable enterprise. I can remember the first cold-storage warehouse that was ever built in this country. The purpose of a cold-storage warehouse is partly what the Senator from New York [Mr. WADSWORTH] and other Senators have stated. The principal economic value of a cold-storage warehouse is the preservation of food which otherwise would rot or spoil. That is the great and only feature of the warehouse process. The Pacific coast apples would largely be lost if it were not for artificial storage. There would be only a limited and local consumption, where now it is national; and those apples are known all over the country. This is the economic function which we shall disturb by drastic legislation of this kind if we are not careful and if we impose the risk upon the cold-storage warehouseman of being convicted and sent to the penitentiary.

The question of intent is the most variable and shifting in the world. Nobody knows that better than lawyers who have been around courts for a while. I might, in the murder case suggested, be guilty of either manslaughter or murder in one or some of the other degrees provided by statute. Who is to determine that? And last it is to be a jury trying the issues of fact, and under the interpretation and instructions of the court.

If the cold-storage warehouseman faces that alternative under such provisions as this, there will be fewer cold-storage warehouses in the country than there now are. Instead of conserving food we shall lose it, for these warehouses take perishable articles only. I am asking the Senator what would, in his judgment, be the effect upon the food conservation of the country of such a provision as that?

Mr. WALSH. I do not think that it will affect the supply of food of the community nor the activities of the cold-storage warehouses in the slightest degree. I have not any doubt in the world that the great majority of these men conduct their business upon strictly honorable and business lines, intending only to hold until the ordinary operations make it profitable to sell, and they thereupon sell.

Mr. McCUMBER and Mr. PAGE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH. I have a word to say to the Senator as soon as I can get an opportunity to do so, but I will yield first to the Senator from North Dakota.

Mr. McCUMBER. I want to suggest to the Senator from Montana that probably we could make this provision clear, so that it would be satisfactory to all, if we should put at the end of line 18 a second proviso, which would read as follows:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such articles for such advanced price as might be obtained in an unrestricted market.

I do not know that I have embodied that in the best possible language, but what I mean is to protect those who merely purchase in the summer time, having their cold-storage plants, and expect to receive a higher price in the ordinary market, and not in a cornered market, to which they are a party. I do not know but that some other word than "unrestricted" might be better; but if we could put a proposition of this kind into the bill and let the bill go to conference, the exact language could be used which would express the idea, which is intended to protect legitimate business in buying and storing with the expectation of getting a better price in a free and open market.

Mr. WALSH. Mr. President, personally I should have no objection at all to the amendment offered by the Senator from North Dakota. It may possibly make the idea more clear. I have not had an opportunity to study it with care, but, in a general way, it expresses the ideas which I have been vainly endeavoring to indicate are to be conveyed by the language used.

Mr. PAGE. Mr. President——

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from Montana yield to the Senator from Vermont?

Mr. WALSH. I should like to say to the Senator from Vermont before he addresses a further question to me that I have another word to add in relation to his question concerning the use of the word "unreasonable," and I should also be thankful for the attention of the Senator from New Mexico [Mr. FALL], by whom it was proposed. The very idea of this provision is that one who holds a commodity for the purpose of enhancing its price holds unreasonably; that it is an unreasonable thing for him to hold it for the purpose of enhancing its price. So that it is not necessary to add the word "unreasonable."

Mr. PAGE. Mr. President, I should like to ask the Senator a question on that very point. Suppose that one of our Vermont fruit producers finds that he can not sell his apples, which he is ordinarily able to sell for perhaps $4 a barrel in the spring, for more than $2 a barrel in the fall. He sends them to a cold-storage warehouse in New York to be held for his account. When he ships them there it is for the express purpose of getting a higher price. He holds them for the sole and only purpose of getting a higher price precisely as provided in this section. This being confessed, is he not a felon under the provisions of this bill?

Mr. WALSH. No; that is not what the section provides at all—not for the purpose of getting a higher price.

Mr. PAGE. "For the purpose of * * * affecting the market price." I do not know what else that language means.

Mr. WALSH. Exactly, for the purpose of enhancing the price.

Mr. PAGE. Now, let us go a little further. Somebody in New York who wants to make trouble for this Vermont farmer who is holding his apples to secure a higher price asks, "Why not bring this matter before the grand jury?" This section of this proposed law is thereupon consulted. My complaint is that it does not provide, as I think it should, that to constitute a felony

it should be clearly shown that the purpose of holding these apples was to create a monopoly.

Mr. WALSH. Let me interrupt the Senator long enough to say that the very case he cites is covered in any case by the proviso, which reads:

Provided, That any storing or holding by any farmer, gardener, or other person of the products of any farm, garden, or other land cultivated by him shall not be deemed to be a storing or holding within the meaning of this act.

Mr. PAGE. I accept the correction; but let us suppose, as is often the case, that there is a joint arrangement between the farmer and the cold-storage commission merchant, so that the matter might legally come before a New York City grand jury. Under the pressure of local excitement growing out of the high prices of apples, is there much doubt about an indictment resulting? How long does the Senator think a farmer in Vermont or a cold-storage proprietor in New York City, with a State's prison before their eyes, is going to store apples or any other commodity?

If it may clearly appear that they shall not be held to be felons unless they intentionally bring about or aid in bringing about a monopoly I do not object to this legislation, but I think the language should be clear and unambiguous on this point. I do not believe we ought to enact this provision if the Senator from Montana, who is an excellent lawyer, and the Senator from Washington, who is another, disagree as to its provisions. Let us have the language clean-cut enough and clear enough so that the idea of monopoly will stand forth plain and strong, or let us cut out the amendment entire.

Mr. WALSH. I have an idea that the Senator from Vermont would despair by this time of ever getting language in any bill that the lawyers of the Senate would agree upon; but let me remark that he may take some consolation out of the old story about the judge who set the verdict of the jury aside and said, "It took 13 men to steal a farm in that court." The Vermont farmer is not obliged to depend upon the verdict of a jury in New York; he has the court to protect him under any circumstances.

Mr. PAGE. But the whole question is one of intent. If a man seeks to get a higher price or to secure more for his property, may he not be properly regarded as a felon under this section of this bill?

Mr. WALSH. I have just a word to say in explanation of the language "limiting the supply thereof to the public." Ordinarily, Mr. President, the acquisition or holding or storing would be for the purpose of enhancing the price, and the price would be enhanced by limiting the supply, so that for all ordinary purposes the language "enhancing the price" would seem to meet all the requirements of the case; but the committee had in mind that there might be some adherents of our enemies in this country who might, conceivably at least, gather up a considerable portion of the food supply, having no purpose to enhance the price at all, but the purpose being to keep it away from the public. So the language "limiting the supply" was put in there to meet a case of that kind.

Mr. STONE. Mr. President, I will have to leave the Senate in a very few moments to attend a meeting of the Finance Committee, which is considering the revenue bill. I feel very much interest in the section under consideration, and I am very much in sympathy with its general purposes. I wish, however, to offer an amendment, to which I invite the attention of the chairman and other members of the committee.

The PRESIDING OFFICER. The Senator from Missouri offers an amendment to the amendment, which the Secretary will state.

The SECRETARY. After the word "shall" in the committee amendment, at the end of line 8, on page 8, it is proposed to insert a comma and the following words:

Within the territorial jurisdiction of the United States, or the Territories or other possessions of the United States, or while in transit from any foreign port to any port of the United States.

Mr. STONE. Mr. President, I can not be here when the amendment is voted upon, but I should like to say just a word or two regarding it. It has come to our knowledge that large quantities of food products have been destroyed by being dumped into the water on rivers and on the sea. The chief purpose of this amendment is to try to reach and remedy the evil of destroying food products on the high seas while in transit from a foreign port to a port of the United States.

Only within the last few days I heard it stated before a committee that large amounts of coffee purchased by American importers and in transit to American ports had been thrown into the sea for fear that the accumulation of a large amount of coffee might tend to reduce the price. I have heard the same thing said about bananas and other articles of food.

Of course, the question is as to how far our courts can take cognizance in a criminal way of importers who are bringing food products to the United States and destroying them; but I would feel very strongly disposed to leave that question, so far as it is one of doubt, to judicial interpretation. I propose the amendment with a view to remedying what is certainly a positive evil of the nature to which I have diverted, and to leave it to the chairman and other members of the committee for such consideration as they may care to give to it.

Mr. GORE. Mr. President, of course I have no authority to accept the amendment on behalf of the committee, but I see no objection to it. It seems to me it is directed toward an evil that ought to be remedied.

Mr. FALL. Mr. President, so far as I am personally concerned, I am no more affected, of course, by the amendment than any other Senator or any other person in the United States. Further than that, I never have any pride of opinion of authorship. If an amendment is suggested to wording which I have something to do with, I am always willing to listen and very often can be convinced that an improvement would be made by the adoption of the suggestion.

I think the suggestion of the Senator from Vermont [Mr. PAGE] might have been carried even a little bit further. I often doubt the wisdom of electing lawyers to legislative bodies. I think if they were prohibited holding seats in legislative bodies the people might possibly get something done in a businesslike way by simply employing a lawyer from the outside to lick their bills into shape. Lawyers disagree. Certainly that is true when one who may not have the ability of the other looks at the matter from a business standpoint, while the other regards it from the viewpoint of a technical pleader who, having accepted a case for a client, will cross-examine everyone who does not happen to think along the lines that he is thinking for the purpose of throwing confusion upon him and upon his suggestion.

Mr. President, the purpose of storing goods in cold storage and its necessary effect is to limit the supply to some parts of the public at some particular time. The beneficial effect of it to the public is that by such storing of goods when there is a glut or an overplus in the market at some given place and at some given time that glut in the market may be used to the advantage of the general public, possibly some portion of the public a thousand miles away, by supplying them with something which they could not otherwise acquire.

Under modern conditions the business men of the United States have built up the greatest equalizing system that the world has ever known of the products of the farms, the orchards, the fields, and of husbandry generally. The very often damned packing establishments of Kansas City, Chicago, and other places of the great West have done in many respects a most magnificent work for the people of this country. To use the illustration which has been referred to here this morning in the storage of eggs, one of the objects is to prevent a glut in the market in certain months when eggs are selling at 10 cents a dozen, for example. If there are proper storage facilities for them, by taking a large portion of them from the market a glut is prevented, and it is made possible to provide the people of New York and Boston with eggs at something like a reasonable price when they are needed at a season when they are not produced in New York or in Boston.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from North Dakota?

Mr. FALL. I do.

Mr. McCUMBER. I have to leave at 3 o'clock for a meeting of the Committee on Finance. I should like to introduce an amendment at this time and have it pending if the Senator will yield for that purpose.

Mr. FALL. I yield for that purpose.

Mr. McCUMBER. I offer the amendment which I send to the desk, to be inserted between lines 18 and 19 on page 8.

The PRESIDING OFFICER. The Chair will state to the Senator from North Dakota that there is already an amendment pending.

Mr. McCUMBER. This can be offered and lie on the table, then.

The PRESIDING OFFICER. Does the Senator desire to have the amendment read?

Mr. McCUMBER. I should like to have the amendment read if the Senator will yield long enough to have that done.

Mr. FALL. I have no objection if we can get through with it.

The PRESIDING OFFICER. The Secretary will read the amendment for the information of the Senate.

The SECRETARY. On page 8, line 18, after the word "act" and before the period, it is proposed to insert a colon and the following proviso:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such articles for such advanced price as might be received or obtained in a free, unrestricted market.

Mr. FALL. Mr. President, for the purpose of clearing the record allow me to remark that there is one amendment first offered, and which I am now proceeding to discuss. There have been two amendments offered to this section since that time.

The PRESIDING OFFICER. Of course, the amendment just read will not be in order until the others are disposed of.

Mr. FALL. Mr. President, the holding of supplies for the purposes which I have mentioned is legitimate. The holding of supplies for the purpose of monopolizing or affecting to the advantage of the person holding them the price of the articles should be restricted, and in so far as this section proposes to effect that end I am in accord with it. I think anyone can understand what the intention was without having it read to us time and again. By reading I think we can understand what the intention was—those of us who are possessed of average intelligence. The question as to whether the wording of it reaches that end is one for possible dispute, or at any rate for discussion, and that I think is the matter which is now being referred to.

Mr. President, this section, if adopted, will be repealed, provided you follow the administration program with reference to other legislation now pending. It is in absolute conflict with the entire tenor and effect of the so-called Lever bill. I do not know what the purpose of those on the other side is in reference to the Lever bill, but so far as I am concerned I propose to support it when I have an opportunity, with the exception of one or two amendments or suggestions. But I am in accord with the theory of it, and I am in accord with the provisions of this bill in so far as they go along with and supplement the proposed general legislation as to the distribution, conservation, and regulation of prices of foodstuffs to the people of this country and to our allies.

Mr. BRADY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Idaho?

Mr. FALL. I do.

Mr. BRADY. The Senator, as an attorney, will understand better than I the language contained in the amendment offered by the Senator from Missouri. As the Senator from Missouri is absent from the Chamber at the moment, I should like to have the opinion of the Senator from New Mexico relative to the words "while in transit from any foreign port to any port of the United States." Does the Senator feel that we would have jurisdiction over any cargo while it was in transit from a foreign port to a port in the United States?

Mr. FALL. I think we would, Mr. President, if the ship were ours, or sailing under governmental supervision, or if we followed out the general theory of the supplementary legislation or of the principal legislation which the administration is asking Congress to pass. Then possibly the amendment of the Senator from Missouri, which I have only just heard, might be legal or constitutional, and it might be advisable to pass it. However, I should like the Senator to excuse me now from definitely offering an opinion upon the latter amendment.

Mr. BRADY. Permit me to say that I am in hearty accord with the amendment offered by the Senator from Missouri, and I was just wondering whether or not we would be safe in using the particular language in the amendment. If not, I hope it will be perfected.

Mr. FALL. Mr. President, I have in my hand House bill 4630, which is now pending before that body. One of the purposes dealt with in this bill is the very matter to which I have referred as one of the objects of storing supplies, storing perishable products—to prevent gluts in the market. By the Lever bill persons are authorized to do exactly what this bill sends a man to the penitentiary for doing. Further than that, under the provisions of the Lever bill, if you have facilities for storing and you do not store, you are guilty of a felony. In other words, you shall not permit waste. Those are perfectly legitimate and perfectly proper subjects of legislation. I do not know whether, in preparing the bill, they had the advice of the Senator from Montana or of some other eminent attorney; but in section 4 of the Lever bill it is provided:

That it is hereby made unlawful for any person to commit or permit preventable waste or deterioration of any necessaries—

Then, following on down—

to enter into any contract, arrangement, or conspiracy to restrict the supply or, except as permitted by law for preventing gluts and for effecting equitable apportionment of perishable products among markets—

Where is your law for that? If you pass this section, in my judgment, without a provision for the reasonable construction of the holding clause, you absolutely prohibit, under penalty, any action which might tend to prevent gluts in the market. That is the very purpose of cold storage, aside from the selfish purpose of the owners in making a profit out of their business—and a perfectly legitimate business purpose that is. But in so far as the public are concerned, the public now are more interested than ever before in the history of this country in not only preventing gluts but in preventing waste and destruction of property. Practically the only way I know of as a business man by which you can prevent gluts is to preserve the article when it is common and cheap and hold it so that it may be distributed to points where it is wanted.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Minnesota?

Mr. FALL. I yield.

Mr. KELLOGG. I should like to call the Senator's attention also to the definition on pages 2 and 3 of the same bill—the Lever bill, H. R. 4630—which reads as follows, commencing with the word "Necessaries," on the bottom of page 2:

Necessaries shall be deemed to be hoarded, within the meaning of this act, when either (a) held, contracted for, or arranged for by any person in a quantity in excess of his reasonable requirements for use or consumption by himself and dependents for a reasonable time, (b) held, contracted for, or arranged for by any manufacturer, wholesaler, retailer, or other dealer in a quantity in excess of the reasonable requirements of his business for use or sale by him for a reasonable time, or (c) withheld, whether by possession or under any contract or arrangement, from the market by any person for the purpose of increasing or diminishing the price.

Then follows a proviso that it shall not apply to farmers, gardeners, and so forth.

Mr. FALL. I thank the Senator for calling my attention to the fact that in that one sentence the word "reasonable" is used, I think, five times.

I have just called attention to the provisions of section 4 of the Lever bill, which seem to contemplate that it is advisable somewhere to provide by law for the reasonable holding of products to prevent gluts; and yet, unless the word "reasonable" is written in here I do not know where else you will find it in any statute which has been enacted or any which is proposed. With the words "to hold reasonably" and "to reasonably hold," according to the amendment, then you do have a provision which can be utilized by the business men of this country to prevent gluts in the market.

Mr. HITCHCOCK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. FALL. I do.

Mr. HITCHCOCK. I should like to ask the Senator whether, in his opinion, something of that sort could not be attained by providing that this prohibition should not extend to those cases in which the articles are held for such advance as may take place either in the open market, as provided by the Senator from North Dakota, or as may be held reasonable by the Federal Trade Commission?

Mr. FALL. I have no doubt that some amendment of that kind would be proper; but I will say to the Senator that if the Senate intends to consider in any kindly spirit at all matters of this kind, they are embraced in what is known as the Lever bill, now pending in the House. Every provision of this kind which is imaginable, in my judgment—and I have given some careful study to it—is set forth in the so-called Lever bill, now pending. In my judgment, the whole bill provides a line of legislation which should be adopted and which necessarily must be adopted. There are some objections to it undoubtedly—some which I shall voice whenever I have an opportunity.

But to proceed with this bill, purely as instructive, on page 7 of the Lever bill it is provided:

Whenever the President shall find that any licensee has any hoarded foods, food materials, or feeds, or that any rate, charge, or practice of any licensee is unjust, unreasonable, discriminatory, and unfair, or wasteful, and shall order such licensee, within a reasonable time fixed in the order, to dispose of the hoarded foods, food materials—

And so forth. On line 11—

dispose of such hoarded foods, food materials, or feeds or discontinue such unjust, unreasonable, discriminatory, and unfair, or wasteful rate, charge, or practice.

Now, my objection is to the use of the word "unreasonable" in this section, which provides a penalty and makes the offense a felony.

Mr. President, to read on through the Lever bill would, of course, be a useless thing at this time; but in section 7, on page 8, it is provided:

Whenever essential to prevent gluts or to effect equitable apportionment of perishable products among markets, the President or his duly authorized agents may direct the market movement or distribution of such products.

The greatest instrumentality which the business world has in the United States to prevent gluts and to effect equitable distribution of the necessaries of life is the modern cold-storage or refrigerator plant. In my judgment, under the terms of this section as proposed, unless amended, unless the Supreme Court read into it exactly what it read into the Sherman law—that is, the rule of reason—you would prohibit the conduct of business through the refrigerator or cold-storage plants of the United States.

Mr. SHERMAN. Mr. President, I think the amendment offered by the Senator from Missouri [Mr. STONE] is a very desirable amendment either in this bill or in the Lever bill.

There is a specific course of conduct followed in this country, not necessarily by loyal citizens of the United States but by others not quite within that classification. I shall not be specific about the number of the office on Wall Street, but I have it and will give it to the department or any Cabinet officer who does not already possess the information or who desires it. In a certain office on Wall Street there is a pro-German agent who is avowedly in sympathy with the German Government and its military operations. That agent has been buying on the market food supplies for many weeks, following on the declaration of war by Congress. He has bought in Chicago millions of bushels of wheat. Whether or not the wheat has ever reached any destination in Europe nobody knows. The embargo on the larger part of the German ports renders it highly probable that the product has not. In addition to that, the same agent is now on the market buying all the available beans and like articles that can be stored or kept any length of time. There is strong reason to suppose that this agent causes the food products, when it is impossible to ship them to Germany, to be taken to some convenient point along the Atlantic ports and sunk.

If a German submarine can not sink a freight steamer loaded with food products, a very certain way—and it is just as effective as the other, possibly a little more expensive in the matter of dollars and not so expensive in life—is to buy the food products through agents in this country and sink them in the Atlantic Ocean. Two purposes are thereby served. One is that it takes the food products away from ourselves and our allies; the other is that it raises the price on the market so as to exhaust more rapidly the financial resources of the allies as well as ourselves; and I think this amendment is a very necessary one. Whether it will reach the consignments from any foreign port to our own country is a matter on which we can take the chances. At least, if it is a foreign ship, if it ever lands on our shores, it must enter our harbors and be subject to our local regulations. If it is engaged in destroying food produced in our own country, it can be reached when the time for clearance papers arrives; or if a cargo belonging to our own citizens, destined for our own country, has been improperly destroyed and they have thus been deprived of their rights, the matter can be reached in that event properly.

So it is well enough, as lawyers sometimes do, it was said to-day, to take the chances on this enactment. I do not think the lawyers are quite as bad as they are painted. They are responsible for a great deal, but they are the necessary evolution of the centuries, and when there is nothing for lawyers to do they will all quit their occupation and be doing something else. The average successful lawyer is not lazy; he is not afraid of hard work; and if there is no occasion for his professional services in the country you will find him working at something else. He is a persistent sort of a fellow and very enduring, and while lawyers may do some damage in legislative bodies, upon the whole I think their influence is good.

I remember—I think I quoted it here four years ago—what I heard said by a member of a legislative body at one time some years ago. The lawyers, as usual, like this very afternoon, were debating about what a certain provision in a pending bill meant. Finally a farmer rose in great indignation and said: "What is the use of arguing the question? Everybody understands what this bill means except the lawyers." Well, ordinarily we think so. Now, we evidently have a difference of opinion here this afternoon. Nobody can tell what this measure means after it is rewritten until the courts have expounded it. Nobody knows what the Sherman law means yet, although the courts have been expounding it for many years. It is nearly 27 years, or will be this fall, since it was enacted, and probably more money has been spent and more fees paid and more arguments have been offered before the Supreme Court on that than any other one thing in this country. There has nothing been so prolific of litigation as the Sherman antitrust law, and still nobody wants to repeal it. Very many want to amend it and enlarge its powers; but it has done some good. The rule of reason was adopted by the Supreme Court and applied to various combinations supposed to be in restraint of trade or organized for the purpose of creating monopoly.

The court has been criticized a great deal for legislating instead of adjudicating, and it is barely possible that the word "reasonable" is not necessary; but it is a good deal like writing contracts in an office. If you write a contract for two men who are trying to go into a business transaction, and you write it in such a way that they immediately get into a dispute about what it means, and you are present, it is a signal to you that you had better rewrite the contract before they get out, if you are a real good lawyer, unless you want to promote litigation, and the good lawyer does not. He tries to make things plain so as not to clog the courts with business. So, in view of what has taken place this afternoon, I do not think this is any different from other transactions, even if lawyers do not agree on it; but let us write it so that it will be as plain as possible. After that is done, after human ingenuity and the powers of human language have exhausted themselves, there will still be plenty for the lawyers to do and cases for the courts to adjudicate.

Some of the plainest laws in the world have given rise to adjudications of the most vexatious character, with a divided court or a five-to-four decision. So we can take this section for whatever it may be worth. The amendment that is proposed—and I say this with all proper respect for the committee; I do not think it was their purpose entirely, or perhaps not at all, either to restrict or to destroy the various exchanges of the country dealing in provisions and grain—but whatever the purpose may have been, whether in whole or in part or at all, the necessary effect of this committee amendment is to destroy the grain exchanges of the United States, to destroy them for legitimate purposes, to destroy them not merely for the gambling purposes that have been criticized, and properly so, in this Chamber, but to destroy them for every purpose, legitimate and illegitimate.

Grain transactions where there is to be an actual delivery of the product dealt in are not for future purposes, simply to be settled by differences on the market—which is a mere wager transaction at all times—but far the reverse. The course of business is for a grain dealer, a dealer in packed meats, or a dealer in canned merchandise of any kind, preserving perishable products, to take a warehouse certificate. When perishable products are stored in a cold-storage warehouse there are warehouse certificates issued for the storer, as in other cases. The cold-storage warehouseman does not own the merchandise that is stored there. Ninety-nine per cent of it, nearly, in my part of the country, is owned by people who store it in the warehouse, just as a grain man stores his grain in a grain warehouse and pays so much per month for the storage and preservation, just as in the case supposed by one of the Senators a while ago. A man has a quantity of apples. The owner of the orchard can go to the cold-storage warehouse with his barreled apples and store them, if he desires; if not, he can sell them to an apple dealer, and the apple dealer will store them and take the chances on a rise or a fall in the market. In that case it is a preservative process; it is not a destructive one. It is for the express purpose not alone of preventing a glut on the market, when apples will go down to 5 or 15 cents a bushel—I have seen that a good many times in the apple country—but it is to preserve the articles themselves, that otherwise would be destroyed.

Why, we ought to thank the cold-storage warehousemen of this country, or the persons who discovered that process, for delivering us from the day of dried apples. We are living in a green-apple period—a healthful product. I want to promote that process. The more cold-storage warehouses we have in the country, the less margin of waste in every perishable product. Away out in parts of the western country the tomato crop went to waste last year. We could not get any help. We could not get cans. The capacity of the canning factories was overtaxed, and so acre upon acre went to waste. Apples went to waste by the thousands and thousands of bushels, because there was no help, no place to take them, no evaporating factory or process by which they could be canned and preserved.

All of these articles are dealt in by the warehouse-certificate plan. If I buy 10,000 bushels of wheat or a million bushels of wheat, the evidence of my purchase, when delivery day comes, is not by having a number of cars or some other vehicle of transportation deliver me the wheat. That is stored long ago. It is in the warehouses of Duluth or Chicago. The warehouse certificate is indorsed; it is negotiable, and the title passes by the proper process of delivery. The holders of warehouse certificates are prima facie entitled to that much grain of that grade in the warehouse.

Now, when the transfer of the grain is made by warehouse certificate I am the owner of it and I am the holder of it, under the language of this amendment. I am the holder of that much grain. Ordinarily, how long I hold it is a matter in my discretion. If I have paid for it or have arranged credit, I can hold it at discretion, under existing law. There is no limit on the quantity I can acquire, except my ability to pay for it, under existing law. I can buy and pay for as many million bushels as I have the credit or cash to do so. Now, I think that under this bill, in the case of either perishable products or grains of a more permanent character, or packed meats, salted or canned, in some way so that they are capable of being held, the safe place to stop is to say that when the dealer or holder of warehouse certificates begins to acquire or hold for the purposes of a monopoly or in restraint of trade it is time for the law to seize it.

It is objected that that is already the law under the antitrust provision referred to, the act of 1890, with its amendments. Nobody can tell whether that applied to cold-storage warehouses or not. It was an innovation. They have come since 1890. We can apply it specifically to those products, because it is in those products more than anything else that the troubles occur. It is in eggs; it is in fruit, canned, dried, evaporated, and fresh; it is in the articles ordinarily that are classified as perishable, including fresh meat, and all those under the refrigerator process are more or less perishable and might be included under the terms of this bill.

So it seems to me that, following out the suggestion of the Senator from Vermont, even if it is reenacting the Sherman law, it specifically applies 27 years after the law was enacted to a present condition, not only the war condition but the conditions that have grown up and that govern the markets of this country. It is a specific declaration that if any of these merchantable products are held for the purpose of creating a monopoly or in restraint of trade the crime is complete. Otherwise every warehouse certificate that I own of any product covered in this amendment would subject me, if I hold it for a rise in the market, to conviction of a felony. I do not think with that sort of liability warehousemen or those holding certificates in warehouses would care to go out on the market and invest their money. This bill ought to be passed, I think, in the amendment form, and finally, when we vote on it, in contemplation of the Lever bill, it ought to be constructed with that measure; and our legislation ought to be had with a view of that bill in some form finally becoming a law.

At the risk of a repetition of what I said a few days ago, the grain exchanges are a necessary element in this country. Just as certain as the grain exchanges in this country are broken up you must have a substitute. I wish to call the attention of the Senate here to the substitute that will come in place of the grain exchange, that will take the place of the commission man and the broker, all the great machinery handling the grain and provision trade of the United States after they are driven out of business under charges of felony, under such provisions as this amendment.

Who will take the place of this great collecting and distributing agency that has been built up in the last 50 or 55 years? The Government. Who will the Government be? It is handy to say it will be the Government, the Government standing as the personification of all virtues. It satisfies the passing believer that here is a remedy at once. The Government has got to take the place of it. Will the Government trust these men? Will it trust Mr. Patten? Will it trust Howard Jackson? Will it trust the men at Baltimore on the grain exchange? Will it trust the New York men who are handling it for the export trade, all of whom have their agents in every pit on the board of trade in Chicago every day that it is open? Will the Government trust them? Certainly not, because they are the fellows who caused this legislation. Therefore, the Government would not trust the men who have created the evil this legislation is designed to cure. So the Government has got to get somebody else. Whom can you get? Like every other Government operation of the kind I know anything about you will get somebody to run the Government who does not know anything about it. That is the inevitable result of every Government operation that has been undertaken that I know of outside of the legitimate functions of government which are purely public in their character. The Government never thrusts its hand into a strictly private undertaking without making the condition infinitely worse than what was sought to be cured. When they get through you have the Government running the whole grain-exchange business of the country. What kind of a pay roll will grow up? It is said they will be under the civil service. No doubt of that, and the fruit of this reform will be the same as the fruit of past reforms; the last condition of this country will be infinitely worse than the first. Still, that is the only escape if this amendment remains in its present form, because, I repeat, the grain exchanges will not escape prosecution by the Government.

Mr. BRADY. May I ask the Senator if it would meet his view if the amendment of the Senator from New Mexico shall appear after the word "of," in line 10, page 8, inserting the word "unreasonably"?

Mr. SHERMAN. In various places, following out the argument of the Senator from New Mexico, insert that word and it covers a large part of it.

Mr. BRADY. In this particular section of the bill it was not the understanding of the Agricultural Committee, as I understand it, to go so far as to close the exchanges. The only thought we had, and I believe it was the general sentiment of the committee, was to stop unreasonable speculation, just such speculation as the Senator from Illinois has given us information about, just such acts as he has described relative to destroying the necessaries of life by casting them overboard into the ocean.

Of course the Senator and I may have different views as to boards of trade. He seems to think that they are a necessary element. I may think they are a necessary evil and should be controlled. It was not the intention in this particular section to attempt in any way to close the exchanges. The object was simply to stop unreasonable cornering of the market in food products and things of that kind. In order to have the section passed in a manner so that it can be considered in conference, I believe it would be possible for us at this time to agree on something that would enable the Senator to support the section.

I understand that the Senator from Washington [Mr. POINDEXTER] has an amendment which he intends to offer that, in his judgment, will be acceptable to many members of the committee and probably to a majority of the Senate, and at the same time would cover the point the Senator from Illinois desires to have covered. I believe it would be well at this time to permit the Senator from Washington to read the amendment that he intends to offer and see if it does not cover the point. If it does, we can have a vote on it and have the matter placed in the bill.

Mr. SHERMAN. I am very glad, if the Senator wishes to offer an amendment designed to clear up the matter, to yield for the purpose of having it read.

Mr. BRADY. Will the Senator from Washington read his amendment?

Mr. POINDEXTER. I will ask the Secretary to read it.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Illinois yield to the Senator from Washington for the purpose of having the proposed amendment read? It can not be offered at this time, according to the understanding of the Chair, but it may be read for information.

Mr. SHERMAN. I yield for that purpose.

Mr. POINDEXTER. I only present it at the request of the Senator from Idaho.

The PRESIDING OFFICER. It will be read.

The SECRETARY. Add at the end of the proposed committee amendment the following additional proviso:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such articles in the ordinary course of business for the purpose of preserving the same and the sale thereof at such price as may prevail in a free, unrestricted market.

Mr. SHERMAN. I have no objection to that. I think that reaches a very desirable territory and gives a sufficient leeway so that any honest dealer in attempting to corner the product can go out and deal on the market where it is just for legitimate purchase and sale.

Mr. GORE. I should like to say of course I have not had an opportunity to give the proposed amendment very thorough analysis, but I can see no objection to its adoption. I have no authority to accept it, but it might contribute to get us out of the present entanglement.

Mr. HITCHCOCK. I should like to ask the Senator from Washington if he is willing to add these words, "or that may be held reasonable by the Federal Trade Commission"?

Mr. POINDEXTER. Of course I have no control over the situation, but in my judgment that would wipe out this entire amendment to the bill that we have been debating as far as any material effect is concerned. The Federal Trade Commission already has power under the statute to prohibit unfair competition, and I infer that under that language they would consider the things which we are seeking to prohibit here as unfair competition; at least they ought to do it.

For another reason I would be opposed to it. It is that which has already been discussed to some extent by the Senator from

Montana and others, the injecting into the criminal statute of the Government the word "unreasonable," making it so indefinite and so vague that it would be absolutely impossible of enforcement. It would raise at once the question in every case that was brought whether or not the acts complained of were reasonable or unreasonable, and there would be no difficulty in creating a doubt about that as to escape conviction in any case.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. SHERMAN. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I am not particularly devoted to the use of the word "reasonable"; I realize that there may be objection to it; but I want to say this: We have a Federal Trade Commission. The Federal Trade Commission has the machinery. It has the opportunity, if Congress gives it to it, to send men into the offices of these concerns and examine their books. It seems to me we ought to use that facility which we have.

I would be perfectly willing to leave out the word "reasonable" if that was, in the opinion of the Senator, objectionable; but it seems to me we ought to use the Federal Trade Commission for some such purpose as this. The Federal Trade Commission really bestows considerable benefit upon the public by examining the books of a number of different lines of manufacture, notably recently the print-paper manufacturers. This is rather a feeble amendment, I confess, and I think the committee should add to it probably; but if the Federal Trade Commission can be empowered upon the application of anybody, either the merchants or the manufacturers themselves or anybody having a complaint, to go on and examine the books of the concern and say whether the advance is reasonable, whether the advance is justifiable, the Trade Commission, it seems to me, ought to have some way of smoothing out this matter and enabling legitimate business to continue its course so that only objectionable speculation would be interfered with by this act.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. SHERMAN. I yield to the Senator from Idaho.

Mr. BORAH. I wish to ask the Senator from Nebraska wherein is the power of the Federal Trade Commission lacking to do those things now? I understood it had it.

Mr. HITCHCOCK. I think not. I think they have the power to examine where there is a specific complaint, as I recall the law. They have taken the power somewhat unto themselves; but the Federal Trade Commission have given it as an excuse in many cases that Congress has not given them the power to act.

I thought while this paragraph was up we might give to the Federal Trade Commission the power to decide whether an advance made by a creamery, a cold-storage house, or any other concern that buys products during the year and holds them for a later stage was a reasonable one, whether, on an examination of the books, it was found that they were speculators or legitimate traders. We ought to have some tribunal to do it.

Mr. BORAH. I have not read the Federal Trade Commission act lately; I think it has been about a year and a half since we passed it; but I am greatly mistaken if the Federal Trade Commission has not all the power that the Senator has now been discussing.

Mr. HITCHCOCK. I think the Senator will recall that the Federal Trade Commission was particularly established to put a stop to unfair competition in business; that it was really put into effect for the purpose of protecting one business man from a larger business man; but the law does not give to the Federal Trade Commission the power to protect the public against unreasonable charges. Now we are facing a different proposition, whether we in the United States can limit prices or not, and it seems to me that we might here take the first step not altogether of fixing prices but limiting the advance which business men can demand for doing a business which of itself is perfectly legitimate. I believe the Federal Trade Commission ought to be brought into this paragraph in some way.

Mr. WALSH and Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois has the floor. The Chair request that the debate shall proceed in order. Does the Senator from Illinois yield; and if so, to whom?

Mr. SHERMAN. I yield to the Senator from Montana.

Mr. WALSH. I rose to state that I look at the amendment offered by the Senator from Nebraska as removing the uncertainty that would otherwise attach to the use of the word and would possibly meet the condition which is intended to be covered by the amendment offered by the Senator from New Mexico. The Senator from Nebraska tenders an amendment which reposes in the Federal Trade Commission the power of determining whether the particular acquisition or the particular storing is reasonable or unreasonable. If they say that it is reasonable, then the party has no reason to apprehend any prosecution. On the other hand, if they say that it is unreasonable, then this holding becomes criminal under the law, so that the holder or person who acquires is never in any doubt on the subject at all. That is to say, the matter is put up to the commission to decide whether the holding is reasonable or unreasonable. It occurred to me that it would rather obviate that character of objection. I might say, however, while I have the floor, that in my opinion the evil which this is intended to reach is not under the control of the Federal Trade Commission under the present law. I know of no power given to the Federal Trade Commission to reach the case of one who has gathered up in an unreasonable amount any of the commodities of the country with a view of holding them in order to enhance the price to the public. That is quite outside of what was contemplated in the passage of the act, and I can recall no provision of it that would reach the case. The real power that we gave to them over and above what had theretofore been exercised by the Bureau of Corporations was the power to regulate and control unfair competition or unfair practices in competition, as it is expressed in the statute.

The matter of driving a competitor out of business is not the idea to which this bill is directed at all. It is directed to the man who accumulates a quantity of a particular product not for the purpose of driving any competitor out of business, but for the purpose of elevating the price to the public.

I think if the Senator from Washington attends carefully to the language of the amendment tendered by the Senator from Nebraska, he will find no just cause for complaint. It seems to me that it will go far toward meeting the criticism of the bill which brought out the amendment offered by the Senator from New Mexico, and will likewise quite satisfactorily, as it seems to me, meet the condition suggested by the colleague of the Senator who has tendered the amendment.

Mr. BRADY. Mr. President——

Mr. SHERMAN. I yield to the Senator from Idaho.

Mr. BRADY. Before the Senator from Montana takes his seat, I should like to ask him if he does not feel that the Federal Trade Commission has authority under the present law to take the initiative in a case of this kind?

Mr. WALSH. I do not think so at all. The Federal Trade Commission has the authority to investigate the books of corporations and see whether they are guilty of a violation of the Sherman Act.

Mr. BRADY. The answer is satisfactory to me. I wish further to ask——

Mr. WALSH. That is all the power it has. Then it simply turns the case over to the Department of Justice.

Mr. BRADY. I should like to ask the Senator whether adding the words suggested by the Senator from Nebraska to the amendment offered by the Senator from Washington would make the measure more effective?

Mr. WALSH. It would not, to my mind, make it more effective, but it would relieve a very just apprehension that might exist in some minds as to whether a man would not be guilty of a violation of the act under circumstances such as we did not intend to constitute a violation. If he has a quantity of eggs, we will say, in storage and he is apprehensive that the continued holding of those eggs would make him amenable to the act he can submit the matter to the Trade Commission, which will go in and investigate his books. They may say, "The amount you have under the circumstances is not unreasonable; we believe that you may justly carry that amount," or they may say to the man, "The amount that you have is unreasonable, and you must dispose promptly of the eggs."

Mr. BRADY. It seems to me if these words were added to the bill it would make it more effective, for the reason that we would have a tribunal already created for the purpose of determining the matter, and it would relieve all question of doubt as to the legality or ability of the Government to enforce the law.

Mr. WALSH. That was the idea I was endeavoring to express.

The VICE PRESIDENT. The pending amendment is the amendment of the Senator from New Mexico [Mr. FALL].

Mr. SHERMAN. Mr. President, I think the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK] would serve another useful purpose. It occurred to me since I heard the discussion of it. I remember some three years ago there came to Washington a number of coal operators in Indiana and Illinois operating in the soft coal district. At that time there was very great depression in the mining of coal. They wanted to know if there was any authority by which they could enter into a trade agreement for the production of coal and the

marketing of their product within given areas. It had reached a point where it was unprofitable. They had shut down their shafts and some thousands of men in the two States were idle. It was much more profitable to the operators to close the mines than it was to operate at a loss. They came here with an agreement made by the operators on paper. They went to various departments and got no satisfaction. I finally went to the present Attorney General and asked him if there was any relief. He very frankly told me he did not feel in his department that he ought to give any advice; that these operators must make any trade agreements at their peril, and take their chances of being indicted afterwards by the grand juries in their respective districts.

That was before the enactment of the present Trade Commission law. Since the Trade Commission has been created they have served some very useful purposes. Originally the act had in contemplation only, as the Senator from Montana has said, unfair competition. That has been the greater volume of their business, their investigation, and their orders made. If we added in this amendment that the Federal Trade Commission could investigate and make certain findirgs I think it would cover the difficulty in which I found these coal operators, who were perfectly willing that their method of transacting business should be known to the Government or anybody. They only wanted a chance to operate and live without consuming their principal. If the Federal Trade Commission made an order I think it would relieve any man indicted who transacts business in accordance with that order from any chance of being convicted of a felony under this section. No jury would convict a man who was indicted if the Trade Commission had authorized the transaction on which he was indicted.

I think it furnishes a reasonably adequate security to a business man who wants to do business legitimately to have the finding of the commission back of him before he expends his money and embarks in any given enterprise. It has that very useful feature to it; and that, taken with the amendment of the Senator from Washington, makes the section approach very nearly to being a workable provision.

What I am thinking about here more than anything else is not merely the consumer who, of course, is an ever-present quantity as long as there is anything to consume. If we do not look out in this country, at the gait we are traveling and with the kind of legislation we are considering, there will be an empty market for the consumer. What I am thinking about is the paramount question of how to promote the safety and induce the highest volume of production on the part of the farmer and other producers of the country. The rest of it is merely the handling machinery that intervenes between the producer and the consumer; that is, the grain exchange, the railroad company, the express company, the cold-storage warehouse, the grain warehouse, and all the other intermediate agencies, which I think ought to be regulated; but not one of them engaged in a legitimate business ought to be hampered in its activities, because it serves a very useful as well as a vitally necessary purpose. If this can be so arranged that it does not destroy the grain exchanges, I regard that of all the days in the year, outside of Sundays, there are never more than two or three days when a flurry comes that any grain exchange ought to be closed in the public interest. It happens sometimes. If they are closed the rest of the time there will occur inevitably a derangement of the methods of doing business, a dislocation of the methods of transmitting from the producer to the consumer the necessary food products. If that be done, instead of a reform it will be worse than the condition from which we are seeking to escape.

So I think this amendment ought to be made in such a way finally that the grain exchanges and other provision exchanges shall not be interfered with. If that can be done, I shall gladly support a section of this kind. Otherwise I shall be compelled to vote against this and all similar provisions, because to me a grain exchange, while it may be regulated, ought not to be destroyed. I am perfectly willing for my part to lodge in any department, or with the President acting with a board of directors, the grain exchanges, and whenever there is joint action deciding that the grain exchange shall be suspended to have it say so. Ordinarily the President or his representative will be the dominant force of the board of directors of every grain exchange in the country, and when the reasons are sufficient he would rule the conduct of that joint board.

Mr. CURTIS. Mr. President, I desire to have read as a part of my remarks a clipping from the Kansas Mail and Breeze which has just been sent me, and which I send to the desk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

ALL IN DISTRIBUTION.

A subscriber in Texas (N. C. Myers, of San Benito, Tex.) sends me an editorial clipped from the Houston Chronicle on the subject of food conservation and distribution. It reads:

"Perhaps the greatest problem for this section of the country is distribution and conservation. We experience little difficulty in producing vast quantities of foodstuffs, but the climate makes them hard to keep. Unless they are shipped to the market promptly or are stored in refrigerating plants, they perish in a very short time. It has been estimated that three-fifths of the garden truck raised in Texas never reaches the consumer. This is not only hard on the people who need and could use it but it is an injustice to the farmer. Just now beans and tomatoes are coming on. The local markets are glutted with them, but there is plenty of room in the North. As a matter of fact, many acres of these valuable vegetables will rot because of the lack of marketing facilities and distributing agencies. It does little good to produce unless the products reach their legitimate destination. Distribution and conservation mean everything to agriculture as well as to the consumer. They comprehend more than trained service and waybills. They comprehend the proper sorting and packing, the proper refrigeration, and the proper unloading on the market. Before the United Fruit Co. took hold of the banana market it was uncertain and fluctuating, even to a greater extent than is the vegetable market to-day. Bananas were sometimes 5 cents apiece and sometimes 5 cents a dozen. Now the banana market is not only remarkably steady but the distributing facilities have been so arranged that villages of the interior can get the fruit at all times of the year at about the same price as the larger cities, and the change in price from one season to another is remarkably small. The same thing could be done with beans, tomatoes, lettuce, cucumbers, and other vegetables were the same efficient system to be applied. The establishing of such a system is, we believe, one of the greatest needs of this section and, for that matter, of the whole country."

Following this, Mr. Myers gives the following chapter from his own experience:

"I am sending you a clipping out of a recent copy of the Houston Chronicle. I think it contains a good deal of truth. At present the Government is trying to get the farmers and the truck growers to increase their acreage. At the present writing I have more than 200 bushels of fine green string beans in the field ready to pick. But when I asked the price to-day several buyers said they thought they could pay about 60 cents a bushel for them. The seed that I planted for this crop cost me $15 a bushel. The labor cost 85 cents a day. Then, when the beans were ready to pick I had to pay 12½ cents for the empty hamper and 20 cents to get the beans picked. So, you see, when the seed, water, labor, containers, and the like are figured in, a trucker can barely break even at 60 cents a bushel.

"It is the same way with the cabbage. Only last week I received a letter from a relative in Ohio who said cabbage was retailing at 15 cents a pound, or $300 a ton. The same day that the letter was written I sold some cabbage at the rate of $50 a ton. I can not see where the extra $250 a ton comes in. If the Government would manage it some way so that the truck would go directly from the grower to the consumer, things would be better for both the grower and the consumer.

"N. C. MYERS,

"SAN BENITO, TEX."

Mr. Myers touches on the great unsolved problem, so far as the food supply is concerned. It is not, after all, so much a matter of production as of distribution. If the farmer can be assured of a steady and profitable market he will take care of the production end of the problem in very fair order, but when he is urged to increase his production and knows from past experience that when he has produced a crop he is liable to have it left on his hands for want of facilities for transporting it to market, or that, if he does get it to market he will get a price that leaves him no margin of profit, it is difficult to work up any enthusiasm on his part in the matter of production.

In my opinion, the remedy lies in efficient organization and cooperation of the producers along the line perhaps of the fruit-growers' associations on the Pacific coast. The Ohio consumers of cabbage, for example, would be delighted to pay $100 a ton for Mr. Myers's cabbage, and they should get them for that and at the same time allow Mr. Myers to get a better price for them than he can get under the present arrangement. Increased food production is not going to solve this problem unless it is coupled with an efficient and economical system of distribution.

Mr. CURTIS. Mr. President, it is my purpose to take but a few minutes of the time of the Senate. I know the chairman of the committee is very anxious to get a vote upon this bill; but this clipping was sent me by a constituent with the request that I might have it read, and at the same time suggesting that he believed it would throw some light upon present conditions.

One of the greatest and most important problems which we will be called upon to meet is that of the production, distribution, and conservation of foodstuffs, and our people should take every precaution against food shortage.

We have ample for the needs of our own people until the next harvest, and there will be some to spare, and there will likely be a good surplus this year; but unless an extra effort is made we may face a shortage next year, and therefore everything should be done that can be to encourage an increase in the production of food supplies.

It seems to me that the Government has shown a lamentable indifference to the importance of the agricultural industry. Farmers have often produced large crops, but because of the lack of proper methods of distribution, the failure of the department to inform the producers of the different sections of the country as to the needs of the people of other sections, and the failure to properly standardize and grade the most important products, the speculators have reaped the profits, while the farmer has hardly made expenses.

The farmers and stock raisers have been troubled by the problems of the distribution of their products for many years. If they could reach the ultimate consumer more directly, there would be much less complaint.

While it is true that they have been receiving high prices for their products since the beginning of the war in August, 1914, yet it is equally true that they have not had the full benefit of the high prices which have been paid over the country for their products when purchased for the family table. If you desire a larger acreage cultivated, you must let the producer know that his products will be taken at fair and reasonable prices, and that he and the consumers, and not the speculator, will derive the benefit from such production.

There are millions of acres of uncultivated lands in this country which would be turned into productive fields if the producers knew there would be a reasonable demand for the products the land would yield.

Those who enact the laws and those who issue the rules and regulations must be fair to the farmers and stock raisers; they must know and fully realize what chances those producers must take, because the farmer and stock raiser alone must bear the loss of short crops and the loss of stock by disease. Then, if there is an overproduction, they must stand the loss brought about by an overstocked market.

In war times they must pay much higher prices for everything they buy than they ever paid before. In such times they lose a large number of their best farm hands. These men are called from the grain fields to the training camps, the trenches, and the battle fields, and in many instances it is impossible to fill their places on the farms.

I am told that already this year in one small county in western Kansas some 15,000 acres of wheat have been abandoned and that it will be impossible to plant other crops because of the shortage of farm hands, a large number of the young men having enlisted in the Army.

While it is true that the people of this country are dependent upon the farmer and stock raiser for much of their food supply, yet it is equally true that these producers are not the beneficiaries of the present very high prices nor are they responsible for present high cost of living.

Mr. Hoover told the people of New York that the present prices of flour can be reduced 40 to 50 per cent and at the same time the producers be treated in a liberal manner, and he advocates measures of food control. He says:

> Large measures of food control do not mean arbitrary interference with the necessary economic machinery of trade. They mean that every branch be called in by the Government and forge themselves into a link from which the contemplated chain will protect the producer, legitimate distributor, and consumer."

The Washington Star, in an editorial in Sunday's issue, among other things, says:

> Speculation in foodstuffs is one of the most grievous evils of the day. The whole process of food material speculation is wrong and tends to increase the price to the consumer without any economic necessity.

A committee appointed by the District Commissioners for the purpose of investigating the supply of food in the District of Columbia reported, among other things:

> Prices demanded for many staple food products here, as well as in other cities of the country, were unusually high.

Again, they say:

> In the opinion of the committee, the element of speculation in food products has been one of the potent factors in the enormous increase in the prices which consumers have been compelled to pay. Investigation by the Federal authorities seems to establish this fact.

Those who are sending out from Washington the scare notices about food supplies should be bridled, for they give the unscrupulous dealer an excuse for increasing the prices.

A Kansas merchant was in Washington a few days ago and told me that some of his customers purchased much larger quantities of a certain article than before. When he told them there was no shortage in the supply and it was sufficient for the demands and there was no danger of the price going up, they told him they had read in the paper that there would probably be a shortage. He told me he visited the office of the local newspaper and asked about the article and was told that it had been sent out from Washington.

The Government officials have been suggesting that the farmer be helped by sending boys from the town to assist in the work on the farm, but I submit that this would be but little help at first, especially if the boys were inexperienced in farm work. If there is need for greater planting now why would it not have been wiser to recommend that the young men at the agricultural colleges who know something about farming be allowed their credits if they would go home and help plant and harvest the crops? One of my constituents wrote me that one young man of experience from the agricultural college would be worth 20 boys who knew nothing about farm work.

There are many ways to increase the production of food supply, but the Members of the Senate know them and there is no need of discussing them.

The farmers, their wives, sons, and daughters are anxious to join in the movement to conserve the food supply and to increase the production for the future, for they fully realize the conditions which now confront the people and they are ready and willing to do their full share in the present crisis; but they do not care to be left "holding the bag." The farmers have always been loyal to the Government. When they have been asked to do their part in the past they have quickly responded, and they will do their full share now and in the future. The country can safely depend upon the loyalty of the men and women on the farms of this country.

Mr. KENYON. I ask what amendment is now pending?

The VICE PRESIDENT. The pending amendment is the amendment proposed by the Senator from New Mexico [Mr. FALL] to the amendment of the committee.

Mr. KENYON. I think we could now vote on that.

Mr. POINDEXTER. Mr. President, I hope that amendment will be voted down, for, if adopted, it will ruin the entire provision. It will simply leave the matter in a state of absolute wilderness of conflicting opinion as to what is reasonable and what is unreasonable, whereas the amendment as proposed now is, I think, as definite as can possibly be expressed in language, namely, storing, acquiring, holding, or making away with, with the intent to affect the market price or to limit the supply thereof to the public. I fail to see how that could be made more definite.

Mr. KENYON. Question!

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from New Mexico to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. HITCHCOCK. Would the amendment which has been proposed by the Senator from Washington [Mr. POINDEXTER] now be in order?

The VICE PRESIDENT. It would be.

Mr. HITCHCOCK. Then I will offer the amendment which I send to the desk, which embraces the amendment of the Senator from Washington, with several additional words, which I trust he will accept.

The VICE PRESIDENT. Let us see whether or not the Senator from Washington accepts the amendment as modified.

Mr. POINDEXTER. I should like to hear it read. I do not know what the amendment of the Senator from Nebraska is.

Mr. HITCHCOCK. What I propose is really the amendment of the Senator from Washington with certain words added.

Mr. POINDEXTER. Does the Senator from Nebraska propose to add the words which he submitted to me?

Mr. HITCHCOCK. Yes.

Mr. KENYON. Let the amendment be read, Mr. President.

Mr. POINDEXTER. I think it would be very well if the Secretary should read the amendment as proposed to be modified by the Senator from Nebraska.

The VICE PRESIDENT. That is what the Secretary is about to do.

The SECRETARY. Mr. HITCHCOCK proposes the following amendment:

> *Provided further*, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business, and the sale thereof at such price as may prevail in a free, unrestricted market, or as may be held reasonable by the Federal Trade Commission.

Mr. CURTIS. Mr. President, will the Senator from Washington yield to me?

Mr. POINDEXTER. In just a moment. I should like to say one word upon the amendment offered by the Senator from Nebraska. The effect of that amendment would be that everybody who is hoarding food and speculating in food would apply, with such ex parte showing as he was able to get together as to the reasonableness of what he was doing from his standpoint, to the Federal Trade Commission for a permit—that is what it would practically amount to—or for an order declaring that it was reasonable. If the matter is going to be referred back to the discretion of the Federal Trade Commission as to the extent to which people may speculate in food supplies this provision ought to be discarded entirely and a new one drawn and expressed in that way. The Federal Trade Commission already has extensive powers. Those powers may not cover all acts attempted to be prohibited by this amendment, but the commission have more power than they have exercised; and to give them the additional power of allowing food speculators to hoard food-

stuffs so long as the Federal Trade Commission says under the circumstances it is reasonable to do so, it seems to me, would be taking a long, long step in the enlargement of the powers of that commission. I myself do not think, in view of the experience the country has had and the complaints that have been made against those alleged to be profiting on the necessities of the people, on foodstuffs and fuel, that we ought to put it in the discretion of anybody to say, while the country is confronted with a great emergency, that men may be licensed or may obtain an order to store foodstuffs for the purpose of limiting the supply and increasing the price to the people who need them.

Mr. WALSH. Mr. President, if the Senator from Washington will attend, I have before me the amendment that has been offered, and I ask the Senator from Washington, if he has a draft of it before him, whether the word "and" should not be "for"? It reads as follows:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business and the sale thereof at such price—

And so on, and so on.

Up to the present time the law does not say a word about the sale of these things, and we ought not, it seems to me, to inject the sale feature into the proviso, but merely provide that it shall not extend to "the acquiring, storing, or holding such article in the ordinary course of business for the sale thereof at such price as may prevail," and so forth.

Mr. POINDEXTER. I have no objection, Mr. President, to the substitution of the word "for" for the word "and." I offer the amendment now that I have sent to the Secretary's desk.

Mr. WALSH. I desire to make a further inquiry of the Senator. The Senator from North Dakota [Mr. MCCUMBER], who is absent at present, tendered an amendment which, as I caught it, covered the same ground, and I thought we ought not to pass this question without attention to the amendment tendered by him. I think, however, the language of the amendment tendered by the Senator from Washington is substantially like that suggested in the amendment of the Senator from North Dakota. I will ask the Secretary to read the amendment tendered by the Senator from North Dakota.

Mr. CURTIS. Mr. President, in view of the fact that the Senator from North Dakota, who has offered an amendment, is not present, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Borah	Hitchcock	McLean	Smith, Md.
Brady	Hollis	Martin	Smoot
Calder	Husting	Page	Sterling
Cummins	James	Penrose	Stone
Curtis	Jones, N. Mex.	Poindexter	Sutherland
Fall	Jones, Wash.	Pomerene	Thomas
Fletcher	Kellogg	Ransdell	Trammell
France	Kenyon	Reed	Vardaman
Frelinghuysen	Kirby	Robinson	Wadsworth
Gallinger	Knox	Shafroth	Walsh
Gerry	La Follette	Sheppard	Weeks
Gore	McCumber	Shields	Wolcott
Hale	McKellar	Smith, Ga.	

Mr. GERRY. I desire to announce the absence of the Senator from California [Mr. PHELAN], who is detained on official business.

The VICE PRESIDENT. Fifty-one Senators have answered to the roll call. There is a quorum present.

Mr. MCCUMBER. Mr. President, I understand the Senator from Washington has just offered an amendment, which is the pending question. Am I right?

The VICE PRESIDENT. The Senator from Nebraska offered it.

Mr. HITCHCOCK. Mr. President——

Mr. BRADY. I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Idaho will state it.

Mr. BRADY. Some time ago there was an amendment offered by the Senator from Washington [Mr. POINDEXTER], and I understand it to be the same amendment that has been offered by the Senator from Nebraska [Mr. HITCHCOCK]. I desire to know upon which amendment we will be called to vote at this time?

The VICE PRESIDENT. When the amendment was originally offered by the Senator from Washington it was not in order, the pending amendment then being an amendment offered by the Senator from New Mexico. That amendment has now been disposed of, and the Senator from Nebraska has just offered the amendment. The Chair assumes it is the amendment of the Senator from Nebraska. The Secretary will state it.

Mr. HITCHCOCK. Mr. President, inasmuch as the Senator from Washington had intended to offer this amendment, or the substance of it, and inasmuch as the portion which I have added is controversial and likely to take up a good deal of time, I ask leave to withdraw the amendment I have offered and permit the Senator from Washington or the Senator from North Dakota to tender the amendments they desire to offer.

Mr. MCCUMBER obtained the floor.

Mr. REED. I desire to ask the Senator from North Dakota a question before he proceeds.

Mr. MCCUMBER. I yield to the Senator.

Mr. REED. Before the Senator offers his amendment, which I infer is somewhat of the same nature as the one suggested by the Senator from Nebraska and withdrawn, I should like to inquire whether if the word "affecting," in line 10, were changed to "enhancing" it would not do much to solve the difficulty, the language of the clause being—

Or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public or affecting the market price.

My suggestion is that changing the word "affecting" to "enhancing" might do away with the difficulty the Senator has in mind.

Mr. MCCUMBER. Mr. President, allow me to say that I do not think it would dispose of the difficulty. In the case of a man buying up, for instance, eggs in the month of June in considerable quantity for the purpose of storing and selling them at a better price in the wintertime, when eggs are scarce, I can not imagine how he could buy in any considerable quantity without naturally enhancing the value or the price of the eggs that he does not buy. Inasmuch as that needed to be made clear, I introduced my amendment; but since that time the Senator from Washington has offered another amendment which means exactly the same thing as the amendment which was offered by me, and which I think is a little more concise and in a little better langauge, and will effectuate the same purpose. That amendment reads:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business for the purpose of preserving the same, and the sale thereof at such price as may prevail in a free, unrestricted market.

I think it is in better langauge and better expressed than the amendment which I offered; and I was going to suggest that I would withdraw mine, and support the amendment offered by the Senator from Washington.

The SECRETARY. The Senator from Washington proposes to add, at the end of the committee amendment, in line 18, after the word "act," the following:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business for the sale thereof at such price as may prevail in a free, unrestricted market.

Mr. REED. Mr. President, I should like to ask the Senator who is the author of this amendment practically the same question that was asked by the Senator from Montana [Mr. WALSH].

The latter part of the amendment offered by the Senator applies to the sale. There is nothing in the section itself relating to the sale. Why not drop out the clause "or the sale thereof in a free, unrestricted market"? It would certainly be in the nature, to my mind, of clearness. It is the same suggestion made by the Senator from Montana.

Mr. POINDEXTER. I think that words "free, unrestricted market" are quite essential if we are going to adopt this amendment at all. I offered the amendment rather as a substitute for the amendment of the Senator from North Dakota.

Mr. REED. I do not believe I have made the Senator understand me, and I do not think the Senator from Montana was fortunate enough to quite get the point to him, and I will take a few words to state it.

The section provides, speaking briefly, now, in an abbreviated form:

That any person carrying on * * * commerce among the several States * * * in any article suitable for human food * * * who * * * shall store, acquire, or hold * * * any such article for the purpose of limiting the supply thereof to the public or affecting the market price * * * shall be deemed guilty of a felony.

Now, that section says nothing about selling. It does not undertake to regulate the selling price at all. It relates to the storing of the thing or the holding of the thing for the purpose of enhancing the price, but it does not relate to the selling of an article.

I suggest that if the Senator were to offer his amendment in this form—

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business—

It would then absolutely fit on to the provisions of the section which it is proposed to amend; but when you add the words—

for the sale thereof at such price as may prevail in a free, unrestricted market—

You introduce into your proviso an element which is not in the body of the section itself, and I think to a certain extent you make the language doubtful.

Mr. JONES of Washington. Mr. President, may I suggest to the Senator that that is, to a certain extent at any rate, embraced in the term "holding"? That is, the man holds for sale.

Mr. REED. No; I do not think it is.

Mr. JONES of Washington. He certainly would not store it and hold it for any other purpose except for disposing of it in the market at a price.

Mr. REED. He might and he might not. I do not agree with the Senator. I do not think these words belong in there at all—

For the sale thereof at such price as may prevail in a free, unrestricted market.

Mr. POINDEXTER. Mr. President, if the Senator will allow me to make a suggestion, that is the essential part of the amendment, as I understand it. If that part is stricken out, the remainder of it ought to be stricken out altogether. Selling in an open, unrestricted market, for such price as may prevail in that kind of a market, is the idea that is intended to be conveyed by the amendment; and it was offered on account of the strenuous arguments that have been made here throughout the day that the amendment proposed by the committee would interfere with any kind of storing whatever, because a man would not know what the price was going to be, and if the price happened to be better when he sold it than when he stored the article he would be amenable to the provisions of this amendment, and subject to imprisonment in the penitentiary if the jury found him guilty. But if you should take the first half of the amendment, as the Senator from Missouri proposes, and authorize the storing and the holding in the ordinary course of business, I think it would so qualify the amendment of the committee as to render it almost useless.

Mr. REED. Mr. President, there is little to be gained by undertaking to analyze this language; but simply that my own position may be plain, I make this remark in passing.

I think when you put in the language of this proviso which I now read—

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding such article in the ordinary course of business—

You introduce uncertainty into the statute, rather than certainty. When you add to that the clause—

For the sale thereof at such price as may prevail in a free, unrestricted market—

You have this contradictory, and I think almost absurd, situation: You start out in the main clause of the law prohibiting the storing or acquiring or holding of food for the purpose of affecting the market price. Having entirely prohibited doing a thing for the purpose of affecting the market price, you proceed to say that that language shall not be construed to prohibit the acquiring in the ordinary course of business.

Mr. POINDEXTER. For sale in an unrestricted market.

Mr. REED. The words "acquiring * * * in the ordinary course of business for * * * sale * * * in an * * * unrestricted market" are now to be added, which I think would only introduce further uncertainty. I do not believe, Mr. President, that the amendment ought to be adopted to the section. Let me say just this one word:

I have examined the amendment with a good deal of care, because it was before the committee in the form of a separate bill offered by the Senator from Washington [Mr. POINDEXTER]; and as I read that language, it has no ambiguity in it at all, unless you say the same ambiguity exists in all of the provisions of the Sherman Antitrust Act and the amendments thereto. The reading of this section, when you strip it of all qualifying phrases and come to the direct language of the statute, amounts to this. It reads:

That any person carrying on * * * commerce among the several States * * * in any article suitable for human food * * * who * * * shall store, acquire, or hold * * * any such article for the purpose of * * * affecting the market price * * * shall be deemed guilty of felony.

Now, notice, you must acquire it or hold it for the purpose of affecting the market price. That must be your object. That must be your design. That must be the thing you have in mind. The statute would not cover the incidental raising of value or market price which comes through the mere fact that an individual buys some article upon the market—that incidental rise which always comes whenever there is trading in an article. The statute would not cover that kind of an act at all. The statute will cover the act of a man who deliberately goes out and buys a thing having in his mind the purpose of raising the price—that is all it will cover—or the man who gets hold of a lot of things and holds them for the purpose of sending up the price.

An illustration will make this perfectly plain. I believe that wheat next month is going to be $2 a bushel. I find that on the market to-day it is only $1.50 a bushel. I am simply illustrating, of course. I go and buy a thousand bushels of wheat and put it in a granary, expecting the benefit of that rise. I do not buy the wheat to force up the price. I buy the wheat because I believe the price is going up. I look ahead. I see a crop shortage, possibly, or I see a great demand, and I say, "I believe it is going up," and I go and buy a thousand bushels of wheat, not for the purpose of sending up the market, but because I believe it is going up.

Now, that act would not come within this law. But suppose, on the other hand, I do what Mr. Patten did a few years ago. Suppose I go out with the purpose of sending the price of wheat very high, and I proceed to buy wheat in vast quantities, my object being now to take wheat which is a dollar a bushel and force it up to $2 a bushel. I buy a great quantity of wheat, so that I control the supply. My purpose there is to force up the price, not to profit by a natural rise in the market, but to force the market itself—to rig the market, to control the market, to boom the market, to corner the market.

If the Senator who drew this amendment and offered it originally as a separate bill were to have studied for may days, I do not believe he could have gotten more fortunate language, and I think every word we add to it detracts from it.

The language is not dissimilar from that employed in those general terms found in the Sherman Act. Notice section 2 of the Sherman Act:

Every person who shall monopolize or attempt to monopolize or combine or conspire with any other person to monopolize any part of the trade or commerce among the States—

And so forth.

That is very general language, and the same objections were raised then that are being raised now; but the court, in construing it, said:

What is the purpose of the act? Was it the purpose of the act to say that a man who went out here and bought some goods that he was going to sell to somebody else, and ship them in commerce, and incidentally control that many goods, was engaged in monopolizing to the small extent that he got control of goods?

The courts answer that question in the negative, and said that there must be a purpose on the part of the person who bought goods to monopolize; and they left the purpose, the intent, the controlling factor in the decision.

So it is with reference to the clause "in restraint of trade." Everybody knows that when a man goes into the market and buys any simple article, even 50 bushels of wheat, and puts it in his bin, he has to that extent restrained trade in that 50 bushels of wheat. He has stopped trade in it. But, Mr. President, the courts have no difficulty with that; they construe the words "restraint of trade" to cover that class of conduct where the individual or combination of individuals or corporations start out with a design to get control of the trade; and they have held universally that the individual transaction carried on by the individual for the mere purpose of ordinary trade was not restraint of trade, although there was an incidental restraint necessarily in every transaction.

I think it would be very wise if the Senator who offered this amendment, which stood here clean-cut, and I believe in splendid form, would allow it to stand, except that I think the words "affecting the price" ought to be changed to "enhancing the price."

Mr. POINDEXTER. Mr. President, I agree with what the Senator from Missouri has said. I think the amendment of the committee is complete and sufficient; and while I offered this amendment to it, I did it in order to avoid what seemed to me to be worse amendments than it is—one prepared by the Senator from North Dakota [Mr. MCCUMBER]—as a sort of a compromise proposition to meet the objections that have been urged against the amendment of the committee.

If the addition which I propose in this amendment is going down, it will be entirely satisfactory to me. I agree with everything the Senator has said as to the definiteness and clearness of the offense which is attempted to be defined in the amendment as it was reported by the committee.

I ask leave to print, as a part of my remarks, without reading, the report of the Committee on the Judiciary on this bill.

The VICE PRESIDENT. Without objection, it will be so ordered.

The report is as follows:

[Senate Rept. No. 47, 65th Cong., 1st sess.]

Mr. POINDEXTER, from the Committee on the Judiciary, submitted the following report:

The Committee on the Judiciary, to which was referred the bill (S. 315) to punish the storing of foodstuffs for the purpose of cornering the market, and for other purposes, having considered the same, report it back to the Committee on the Judiciary with the recommendation that the bill be favorably reported to the Senate, with amendments:

* * * * * * *

So that the bill as amended shall read as follows:

"*Be it enacted, etc.*, That any person carrying on or employed in commerce among the several States or with foreign nations or with or in the Territories or other possessions of the United States in any article suitable for human food, fuel, or other necessaries of life, who, either in his individual capacity or as an officer, agent, or employee of a corporation, or a member of a partnership, carrying on or employed in such trade, shall store, acquire, or hold, or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public or enhancing the market price thereof in such commerce, whether temporarily or otherwise, shall be deemed guilty of a felony, and be punished by imprisonment in the penitentiary for not less than six months nor more than three years."

The subcommittee conferred with the assistant to the Attorney General, G. C. Todd, who, at the request of the subcommittee, prepared a statement upon the bill, as follows:

"Speculation in foodstuffs and other necessaries of life is generally thought to be one of the contributing causes of the present abnormally high prices. The object of this bill, shortly stated, is to prevent such speculation.

"The existing law is adequate to reach combinations or agreements, the purpose or effect of which is to increase prices or curtail supplies. It also reaches a single person or corporation who monopolizes or attempts to monopolize trade or commerce in an article.

"It is doubtful, however, to say the least, whether the existing law covers the case of a dealer who, on his own initiative and without combination with others, purchases produce and withholds it from the market under circumstances which justify the inference that his purpose is to enhance prices, but whose purchases and holdings, taken alone, are not sufficient in quantity to make out a case of monopolizing or attempting to monopolize. While such a course of dealing on the part of a single trader may not be sufficient to affect the market price, when pursued by a large number of dealers acting on a common impulse the effect is the same as if these dealers had entered into a combination to enhance prices."

The purpose of the present bill is to provide a certain punishment for this class of cases, to which, as stated above, the existing law is at least of doubtful application. The subcommittee is aware, of course, that there may be difficulties in the enforcement of the law and as to proof in particular cases. If, however, the acts against which the bill is aimed are wrongful, difficulties of administration should not be allowed to stand in the way of its enactment.

It may be said to be a matter of common knowledge that speculators and dealers throughout the country are taking advantage of the present economic situation, the difficulties of transportation, and the state of war in which the country now is, to extort unreasonable profits from consumers in food, fuel, and other necessaries of life.

In the Washington (D. C.) Times of April 27, 1917, the following statement was published:

"A national convention of food consumers has been called to meet in Washington by J. W. Roberts, president of the National Food Consumers' Relief League of America.

"It is the announced purpose to make 'unscrupulous' dealers in food disclose their stocks, so the poor will not suffer and that those who are barely able to buy will not be mulcted.

"In his call to consumers to rally to Washington, Mr. Roberts says:

"'At the earnest solicitation of those who wish cheaper food, I, as president of the National Food Consumers' League of America, hereby issue a call for a nation-wide convention of delegates and consumers of food products to meet in the city of Washington, D. C., at high noon on Sunday, May 13, 1917, for the purpose of devising ways and means whereby the high cost of food may be materially reduced.

"'Every county in every State is entitled to five delegates; at least one should be sent.

"'We are face to face with the most gigantic undertaking of the present century. No other fact is half as momentous as the one of food. Speculators and unscrupulous men have taken advantage of a condition that existed only in the mind and cornered the food to the hurt and detriment of the Nation. These men should be brought to terms. Millions of dollars' worth of food is hidden away in warehouses and cold storage, and other millions have been dumped into rivers in order that the high prices may be maintained, thus not only robbing those who can pay, but in this way starving many helpless women and children.'"

In the long period of exceeding prosperity which the country has generally enjoyed there was such abundance on all sides that the idea of actual want or shortage of the necessaries of life to those who were reasonably prudent and industrious received but little attention. It is true that abuses of speculation in staple articles of food or necessary supplies of fuel were flagrant in some cases and caused much dissatisfaction in the public mind. The evil, however, was not of such a vital and widespread nature as to call for the revival and strict application of the old common law against such offenses. In the days when the common law was taking its form in England the people were poorer, modes of life were simpler, and any tampering with the necessary articles of life for the purpose of pure speculation, without the rendering of any necessary service in exchange for the profits obtained, was a matter of vital concern. The offenses of "forestalling" and "engrossing" were well-defined crimes punishable at the common law along with monopoly, cheating, and other offenses against fair trade. Some of the acts which in the ancient common law constituted forestalling and engrossing are more or less obsolete or have lost their significance, but the general tenor and purport of the common law and many of the specific acts constituting forestalling and engrossing were identical with those punishable under the present bill.

In a paper prepared by the Library of Congress the following definitions are given:

"Forestalling, commonly speaking, means to market before the public, or to anticipate or prevent the public market; but legally understood it has a greater signification, for it comprehends all unlawful endeavors to enhance the price of any commodity, and all practices which have an apparent tendency thereto, such as spreading false rumors, buying commodities in the market before the accustomed hour, buying and selling again the same articles in the same market, and other such criminal devices. It also comprehended the offenses of regrating and ingrossing, but the names "regrator" or "ingrosser" were not known before the reign of Henry III. (3 Inst., 195, 196; 1 Hawk. P. Cor., c. 80; Brown Indict., 40; Cromp., p. 80b.)

"No attempt of this kind can be looked upon in any other light than as an offense against the public, as it apparently tends to put a check upon trade, to the general inconvenience of the people, by putting it out of their power to supply themselves with any commodity, unless at an unreasonable expense, which often proves extremely oppressive to the poorer sort and can not but give just cause of complaint even to the richest. (Hawkins, P. C., 234.)

"If a person within the realm buys any merchandise in gross and sells the same again in gross, it is an offense of this nature, for by this means the price will be enhanced, because passing through several hands each will endeavor to make his profit by it (3 Inst., 196), and if such practices were allowable a rich man might ingross into his hands a whole commodity and then sell it again at what price he should think fit, which is of such dangerous consequences that the bare ingrossing of an entire commodity, with an intent to sell it again at an unreasonable price, is an offense indictable at the common law whether any part thereof be sold by the ingrosser or not. (Cro. Car., 231, 232, Hawk., P. C.)

"But any merchant, whether he be a subject or a foreigner, bringing victuals or any other merchandise into the realm, may sell the same in gross, but the purchaser can not sell the same in gross, for then he is an ingrosser, according to the strict sense of the word, and may be indicted thereof at the common law. (3 Inst., 195; Hales, P. C., 152; resolved by all the judges, 39 and 40 Eliz.)

"[Source: Illingworth, William. An inquiry into the laws, ancient and modern, respecting forestalling, regrating, and ingrossing. London, 1800. pp. 14–15.]

"Regrator: 'Forestaller' is he that buyeth corne, cattell, or other merchandize whatsoever is saleable, by the way as it commeth to Markets, Faires, or such like places to bee sold, to the intent that he may sell the same againe at a more high and deer price, in prejudice and hurt of the common wealth and people. (Termes de la Ley, Forestaller.)

"'Regrator' is he that hath corn, victuals or other things sufficient for his owne necessary need, occupation or spending, and doth nevertheless, ingrosse and buy up into his hands more corne, victuals, or other such things, to the intent to sell the same againe at a higher and deerer price, in faires, markets or other such like places, whereof see the stat. 5 E. 6, c. 14, for he shall be punished as a forestaller." (Termes de la Ley, Regrator.)

"[Source: Stroud, F. The Judicial Dictionary, London, 1890, p. 664.]"

These offenses are particularly heinous in time of war and at a time when there is danger of a world-wide shortage of food and the possible famine of millions. Speculation and profiting by the necessities and hunger of the people in such a time can not be too severely punished. During the Revolution Washington gave vent to his indignation against forestallers and foregatherers and expressed the opinion that the penalty of death was not too extreme in such cases and under such conditions.

The present bill makes the offense a felony, punishable by imprisonment, and leaves no alternative penalty of fine or otherwise, but makes imprisonment "for not less than six months nor more than three years" mandatory upon conviction.

The VICE PRESIDENT. The question is on the amendment of the Senator from Washington to the amendment of the committee.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment of the committee.

The amendment was agreed to.

The VICE PRESIDENT. The Secretary will state the next amendment of the committee.

The next amendment was, in section 9, page 8, line 19, after the word "act," to insert "except section 8"; and in line 24, after the word "than," to strike out "one" and insert "the beginning of the next fiscal," so as to make the section read:

SEC. 9. That the provisions of this act, except section 8, shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than the beginning of the next fiscal year after the termination, as ascertained by the President, of the present war between the United States and Germany.

The amendment was agreed to.

The reading of the bill was concluded.

The VICE PRESIDENT. The bill is in Committee of the Whole and open to amendment.

Mr. FLETCHER. Mr. President, I desire to offer an amendment to the bill in the form of a new section. It is really a bill that was reported by the Committee on Fisheries, upon which they had hearings, and I believe the committee were in favor of the bill. It gives authority to the Secretary of Commerce to arrange for the hatching of fish and putting the fish upon the market. Perhaps the amendment had better be read, and then I will submit a few remarks upon it by way of explaining it.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. 10. That the Secretary of Commerce be, and he is hereby, authorized and directed to conduct such operations in the United States, including Alaska, as may be necessary to develop new aquatic sources of food, to secure the utilization of sources now not utilized

or inadequately utilized; to improve the methods employed in the catching, preparation, curing, transportation, and marketing of such aquatic foods; and to increase the consumption thereof; and to take, catch, prepare, cure, pack, transport, and market such fishes and other aquatic food animals; and to do any and all things necessary and convenient for carrying out the purposes of this act.

That for the said purposes the Secretary of Commerce be, and he is hereby, authorized and directed to hire, charter, rent, or purchase buildings and lands, vessels, and fishing gear, and any and all equipment necessary or convenient for the purpose of carrying out the provisions of this act; to employ all persons necessary to carry out the purposes of this act, including clerical assistance in the District of Columbia and elsewhere; to purchase, either in the open market or in competitive bids, such supplies as may be necessary; and to buy and sell fishes and other aquatic food animals, either fresh or cured: *Provided*, That the proceeds of any sales shall be accounted for and covered into the Treasury as miscellaneous receipts.

That for the purpose of giving effect to the provisions of this act, including the cost of printing at the Government Printing Office, there shall be appropriated a sum not to exceed $250,000, to be immediately available.

Mr. FLETCHER. Mr. President, I have here a letter from the Secretary of Commerce, written to the late chairman of the Committee on Fisheries, which explains this amendment. I should like to have the Secretary read the letter.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, May 8, 1917.

MY DEAR SENATOR: The department is in receipt of your letter of the 5th instant, transmitting a copy of S. 2144 with request for a detailed report thereon.

The general purpose of this bill is most commendable, and is in line with recommendations that the department has already made to Congress and with accomplished facts in the department's campaign for the greater utilization of aquatic food products. Having in view the conditions which are becoming more acute and aggravated, the department, on December 28, 1916, submitted an estimate of appropriation in the sum of $50,000 for the fiscal year 1917, "for introducing through the Bureau of Fisheries new fish and other aquatic foods" (see H. Doc. No. 1871, 64th Cong., 2d sess.). This item failed of passage in the last Congress, and has been recommended to the present Congress (see H. Doc. No. 72, 65th Cong., 1st sess.). The present bill, however, is of much wider scope than the other measures referred to, and confers such large and hitherto unexercised powers that very careful consideration is demanded.

The two essential features of the bill are (1) that the Secretary of Commerce is authorized and directed to develop new aquatic sources of food and to bring about the fuller utilization of sources not now adequately utilized, and (2) that the Secretary of Commerce is authorized and directed to engage in the business of catching, curing, transporting, and marketing such fishes and other aquatic food products.

In respect to the first-named feature of the bill, I wish to make a very hearty indorsement. There is a large and most inviting field now awaiting exploitation, and, from the very nature of the case, Government initiative and aid are required in order that prompt and effective development of neglected water resources may be induced. A publicity campaign of the broadest character, in conjunction with work of actual demonstration of the availability, utility, and commercial possibility of various products is required. As an example of what may be accomplished through the instrumentality of the Government along this line, there may be cited the practical interest that has been created in the fisheries for the sablefish of the Pacific coast, the tilefish of the Atlantic coast, and the grayfish of both coasts. These activities have greatly increased the production of food articles that otherwise would have been largely or entirely neglected; and the industries that have thus been developed, though as yet only in their infancy, are now being carried on by private enterprise that has been encouraged by the success of the Government's demonstrations.

A noteworthy departure in governmental activities is contemplated by that feature of the bill which provides that the Government itself shall engage in commercial fishing operations. It is apparently the intent of the bill, as it is understood to be the desire of the Senate Committee on Fisheries, that such operations shall not in any way interfere with the development of prosecution of private fishery enterprises. The hearing given this matter by the Committee on Fisheries in advance of the introduction of the bill indicated the wish of the members that every effort should be made to stimulate the commercial fisheries in respect to industries already established and to new branches that may be undertaken.

The department is glad to undertake this work and believes that it can carry it on successfully without interfering with private enterprise. Certainly it will make every effort to that end.

So far as Alaska is concerned, the chief opportunity for the Government to engage in the fishing business lies in the sea herring. This is one of the most abundant fishes in the north Pacific, and its numbers have not been utilized to anything like the extent that was possible. Up to this time the chief use made of the Alaska herring has been in the manufacture of oil and guano. The fish is equal to the herring of the Atlantic, and can undoubtedly be prepared for food in very large quantities. It is believed that the salmon fisheries of Alaska are now developed to the full extent justified by the supply; but there are a number of other fishes whose use can probably be stimulated by the Government, among them being the cod, the sablefish, and the atkafish. Congress should, however, understand that there now exist peculiar difficulties in the way of establishing the fishing business in Alaska, having to do with transportation, supplies, labor, and the shortness of the fishing season.

The enactment of this bill into law is recommended. If advantage is to be taken of the present fishing season and early practical results are to be obtained by the department, the passage of the bill should not be delayed.

Very truly, yours,
WILLIAM C. REDFIELD,
Secretary.

Hon. HARRY LANE,
Chairman Committee on Fisheries, United States Senate.

Mr. FLETCHER. Mr. President, I want to say just a word about the amendment. I do not want to delay action on the pending measure at all. I am perfectly willing to submit it without any discussion. The Secretary's letter explains the object of the amendment and its provisions in a general way. I infer that the pending measure is intended to provide for the conservation of food and for the production and accumulation of food, and particularly to increase the food supply. The amendment is intended to take out of the ocean fishes that are in abundance there and put them in a shape by smoking and drying where they can be available to the public at a comparatively small expense.

Upon this point I wish to quote from testimony given by Mr. Perkins before the Committee on Agriculture and Forestry. Mr. Perkins, on page 168, says:

Mr. PERKINS. Why, you know the way this country has been held up by speculation this last year in foodstuffs is something appalling. You take the matter of fish in New York. Some of you may know that one of the things we did was to go out on the Pacific coast when a certain kind of fish known as "Pacific coast smelts" were running out there. We bought large numbers of them and brought them to New York by express in refrigerator cars, and they were landed in New York four and one-half days after they had been swimming in the Pacific Ocean. We brought those to New York and retailed them at 6 cents a pound. We paid for catching them, we paid for loading them and boxing them, paid the expressage to New York, and delivered them to the fish dealers at 4½ cents a pound, and the fish dealers and meat dealers sold those fish at retail at 6 cents, so that they made a fair profit and we came out within $80 of even—we only lost $80 on the entire transaction of 10 or 11 carloads of fish. We were greenhorns in the business and knew nothing about it; simply butted in in an attempt to help the situation. When we began to sell those fish, smelts were selling in New York at 35 cents a pound, and when we finished after five or six weeks, they had broken to 18 cents or 19 cents a pound on fish caught right in the Atlantic Ocean within a few miles of where they were eaten, simply because the fish people had got the situation in hand on the Atlantic coast.

The people are not going to stand for the conditions, and we are going to have trouble just as sure as can be on the eastern side of New York on the food question if there is not something done pretty soon. In the rioting and the disturbances we had three or four months ago we were only able to quiet the people by such methods as we took in bringing those fish there and educating the people as to substitute foods.

That is all the argument I propose to offer at this time on the proposition.

Mr. WADSWORTH. Mr. President, I hope the Senate will not act hastily on this proposition. It is a proposal to put the Government in the fish business, to send the Secretary of Commerce fishing.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Missouri?

Mr. WADSWORTH. I yield.

Mr. REED. I should like to ask the Senator if his objection is based on the ground that he thinks this will infringe on the territory of Mr. Hoover?

Mr. WADSWORTH. I do not know just where that territory is. It is impossible for me to give an accurate answer to the Senator from Missouri as to how far it extends, but this amendment should be thoroughly understood, I think, by the Senate. At 5 o'clock in the afternoon at the tail end of the consideration of the bill it is proposed to authorize the Secretary of Commerce to man a fishing fleet, to hire sailors and skippers, right and left, not only to purchase boats and go fishing and get all the fish he can by nets or spears or otherwise but also to pack them and to sell them, and go into the general business of dealing in fish. It occurs to me that it is not a wise proposal.

Mr. WALSH. Mr. President, I can not conceive that it was ever the purpose of anybody to put the Department of Commerce in the regular fishing business, going out and catching fish and packing them and marketing them and that kind of thing; but it is quite proper, it seems to me, in the prosecution of the work of the department in that line to allow the department to utilize the fish that it catches. That is, in the prosecution of the work of developing the supply or in developing new means of utilizing it, they ought to be permitted to sell what they catch, and that could be expressed by a very simple amendment, as follows: After the language that they can "take, catch, prepare, cure, pack, transport, and market such fishes and other aquatic food animals" in the prosecution of such operation; that is to say, in their operation for the purpose of developing new supplies and their efforts to secure further utilization of food supplies, they may take, pack, and so forth. I think the measure, on the whole, is a very meritorious one, and it ought to be amended as I have suggested.

Mr. WADSWORTH. Mr. President, I have no objection to the Secretary of Commerce showing how to catch fish or how to treat them after they are caught, but it seems to me the

language of this proposed amendment as I heard it read by the Secretary would really result in the establishment of a brand new function of government and a rather unusual function of government; and when once established, as every Senator knows, it is going to be exceedingly difficult to bring it to a halt; the number of men who will be employed will constantly increase, more and more boats will be chartered by the Government and operated by the Government, and greater territory will be covered, if it is possible for the Government to do it.

I have no objection to proper demonstrations. I wish this thing could have been brought up when we could have really given it consideration. For one, I can not very well consent to its adoption if I can prevent it this evening, although I do not want to delay the passage of the bill.

Mr. WEEKS. Mr. President, in my judgment there is very little of this bill that is not worthless. There is very much in the bill that may be extremely harmful. I do not think it is based on sound governmental or business principles. The amendment offered by the Senator from Washington [Mr. POINDEXTER] is to my mind about the only good thing in the bill. I would be glad to vote for any proposition which will punish a man for speculating in food products under such conditions as obtain to-day, but I do not want the Government to enter into this course for any other reasons.

The amendment which has just been offered by the Senator from Florida seems to me to be as virtuous as most of the propositions in the bill. I am particularly interested in it because I have been devoting a considerable part of time to-day to prevent the Navy Department from taking over two steam trawlers which have just been built and are ready to be put into operation by a cod-fishing firm. It would produce a very large volume of fish if they are allowed to go into that service. The Navy Department proposes to take them over for some purpose connected with naval affairs. If they do that it will very materially reduce the fish supply in the United States, because these two modern trawlers would probably secure ten times as many fish as the ordinary vessels used in that service.

Now, what kind of logic can it be which will suggest to one department of the Government to take away from the fishing service the vessels which are constructed for that purpose and empower another department of the Government to undertake the catching and curing of fish? It would disjoint it at best and be unwise it seems to me in every particular. I hope the amendment will not prevail.

Mr. HUSTING. Mr. President, I do not think that this amendment ought to be laughed out of court. I invite the attention of the Senate long enough to explain why I think it is a matter worthy of serious rather than frivolous consideration.

We have heard a great deal about food conservation. We have heard a great many threats in this Chamber about hanging men for cornering the food supply and robbing the people, but it has only been talk. Nobody has been hanged yet. Nobody is seriously menaced for doing what it is claimed has been done.

It seems to me that this bill contains something more practical than hanging men. It contains a proposition which, if it is adopted by the Government, will help supply the food necessities of the United States.

This particular amendment, in the shape of a bill, was introduced by myself at the request of the late Senator from Oregon, Mr. Lane. A hearing was held before the Committee on Fisheries, and the proposition met with not only the commendation of the Senators present at that meeting but the Department of Commerce also gave it its sanction. The object of this amendment is to provide for the catching of fish in fields where private enterprise has not entered. The late Senator from Oregon made the statement before the committee that if the Government would equip an efficient fleet and go into the Alaskan waters, he believed—and he had given the matter serious study and investigation—that a catch of one barrel for every man, woman, and child in the United States could be obtained.

Nobody is now attempting to catch herring in the neighborhood of Alaska. No one is now trying to catch cod in Alaskan waters. The fish are there ready for the net if somebody will go and catch them and bring them in.

When we are confronted with a stringency which has seemed of sufficient proportions to alarm the whole country and the whole world and the seas are full of fishes, why should we not go and catch them for somebody to eat? That is the proposition. We provide for seed to be put in the ground so that somebody may raise a crop, but here is a harvest all ready to be gathered. All that is necessary is for some one to go there and put their nets into the sea and pick the fishes out of the sea and bring them here and feed them to the people. Only the other day in Milwaukee there was a catch made of the despised German carp and buffalo fish amounting to something like three or four thousand pounds, fish that ordinarily find no market in Wisconsin, because Wisconsin people are accustomed to eating the finest inland-water fish, I believe, in the country. Although the supply was limited the market where these fish were sold was fairly mobbed with people. The fish were being retailed at 6 or 8 cents a pound. Places were fairly stormed with people looking for cheap food.

Now, it may be a joke to some people to think that people are starving or are hard up for food and that the prices are so high they can not get the money to buy that food, but it is a mighty serious proposition for those people who are in that predicament. Some people might think it was funny that people should want to eat fish that are not ordinarily considered good food, but those people who are hard up and do not know how to make both ends meet do not look upon the matter as a joke; they look upon it as one of the serious problems of life. They would like to get some kind of food at a fair price, at a price which comes within their means, so that they may satisfy their hunger.

It will not do to say that the Government can not go into the fishing business and to make merry over the fact that the Secretary of Commerce may become a fisherman. We are going into a lot of things which have seemed to be a great deal funnier than that. Down at Hot Springs the Government is engaged in some sort of business that does not approach the dignity of catching fish to supply the demands of the people for food. In Yellowstone Park we are in the show business, as it were, because the exigencies make it necessary.

Now, what is there funny about the United States going and catching one hundred million barrels of herring or ten or twenty million barrels of cod and bringing them here and selling them to the people in order to relieve the food stringency in the country at this time, in a period of war? I am frank to say I do not believe the United States wants to remain in the fishing business. I am willing, as far as I am concerned, to have it confined to the time of this emergency. But here is a harvest all ready to be taken and drawn. It is waiting there for some one to go and take it. As a matter of common sense, if private individuals do not care to enter into that business, why should not we go into it and bring the fish here and relieve the food situation? In addition to that I understand that in salmon fisheries cod and other fishes—in fact, all fishes except salmon—are used as fertilizers for the land. They have wheels that are fastened in the streams and are set there for the purpose of catching salmon. In the course of the fishing they obtain codfish and other very excellent table fish, and these fishes die in those wheels. The late Senator from Oregon, Mr. Lane, who was the author of this bill, told me—and he was borne out by expert fishermen from the State of Oregon and, I think, from the State of Washington—that codfish and all these other fish that go into the wheels were tossed out on the lands and used as fertilizer. Why not take some steps to prevent that waste? Why would it not be a wise thing to provide that such fishes shall be preserved in some way and shall be sold to the people?

Of course it is easy to understand where the objection comes from to this bill. We do not have to guess very long why it is opposed. It is opposed by men who are in the fishing business. They do not want the Government to interfere in the fishing business; they do not want the Government to bring in fish food and to drive down their prices. But we are talking here of regulating prices. If we can do it by fiat, if we can fix prices by fiat, why is it not wise to reduce prices by increasing the food supply? When we encourage agriculture, when we urge the increase of acreage in order to increase the yield, are we not thereby indirectly encouraging the reduction of prices by the increased production which we are urging? In like manner when we are urging increased catches of fish, and this will result in the reduction of the price for which fish must be sold, why is it not a wise thing to do when people could then buy fish at a lower price than they otherwise could buy this food for?

But there is another thing. If these fields were all being taken care of—I mean to say that if the fishermen were, up in Alaska, catching all the fish that should be caught there, or were giving the matter any proper attention—that argument might be all well and good. They might say it would be improper for us to encourage any fishing in rivalry with private fishermen; but the fact is that these private fishermen do not seem to want to fish there.

We went into the shipping business to operate ships between this country and ports where private enterprise did not engage in the shipping business. We went into the shipping business for the same reasons that we ought to go into the fishing business. We would be going into this business because the men who are complaining do not go there and get the fish. I do not care how we get the fish; all I say is, let us obtain the fish, bring

them here, and thereby increase the food supply in the United States.

I am not so much concerned about the sneers and the ridicule that have been thrown out whenever a matter of this kind is proposed. What I am concerned about is the fish. If the department can induce somebody to go up there and get 100,000,000 barrels of herring or other fish and bring them down here and put them on the market, that will be satisfactory to me; that will be satisfactory to the people who want fish. If, as I have already said, food that is already grown, waiting to be secured and brought here, is to remain unused for the simple reason that we are afraid that we shall be laughed at if we go into this business ourselves, then I prefer that we be laughed at and get the fish, because our people need them here.

The thing that appeals to me in this matter is this: It takes a good part of a year to grow and harvest the crops; it takes all the preparation that is necessary to get agricultural foodstuff. You take all the chances of the weather; you take all the chances that go with agriculture, with the rainfall or want of rainfall; but here we have a crop that is an absolutely certain thing. The fish are there; they are grown; they are ready for the nets. All you have got to do is to go out and get them.

I think the late Senator from Oregon had a very wise idea when he suggested this, and it is his idea. It was the last thing that he wanted done before he left here to return no more. He was familiar with this matter; he had given it a great deal of thought and study, and he saw here an opportunity to do a distinct service for his country before he left the country's service. I agree with him. I think this amendment has at least the basis of a good proposition.

If this amendment is passed, I do not believe that the Commerce Department is going to go into this fishery business where anybody else is fishing. They will do what they were expected to do when this amendment was introduced if it should be adopted. They will go and get fish where nobody else is trying to get them, and they will bring them here, not for profit to the Government, but for the purpose of helping to increase the food supply of the United States. That the demand is here, that the people would like to obtain this cheap fish food, goes without saying.

I pointed out a little while ago that the people are desperate in some places because their purses do not keep pace with their appetites and with their necessities. Instead of making efforts here against these people, let us do something practical that will produce food for the people. Here, according to the statement of the late Senator from Oregon, we will get results, and results which will be absolutely certain.

I have heard a great deal said here in the course of the last week—and some day I am going to take occasion to occupy more of the time of the Senate than I have this afternoon in discussing it—about food dictators and all that sort of thing. We are in extraordinary times. The statement that we are at war has got to be a trite saying; but, trite as it may be, it is a stern and stubborn fact, as we are bound to discover in the course of time.

We also know that there is a shortage of food in this country. We know that men who are working for moderate wages have a hard time making both ends meet. Something has got to be done—not talk, but something practical, something real—to bring down the cost of living. We can not expect men to go to war and fight and at the same time leave their families behind them to starve. They want to know that their people are being looked after and taken care of. One thing that has got to be done at all hazards is to prevent discontent at home; and nothing will so promote discontent as hunger, privation, and starvation. It is a matter that has got to be met in a practical way; and while this may not be just exactly as high-toned a way as might be found to increase the food supply, yet if any other Senator has anything more practical to propose in the way of securing this immense food supply that is obtainable only for the asking and the taking, very well and good. I am not particular about the way. What I want is some practical proposition that will bring down the cost of living and will give people enough to eat, and at such prices so that they can live without going into debt or without ruination to themselves. It is a matter that we have got to meet; and here is one very modest way, but yet a very practical way of getting some results.

I am for the amendment and the proposition of the late Senator from Oregon. I say give the Government the right and power to make this sort of afrangement, whether the department in the end decides to go into this business or not, so long as they get fish and bring them here and give the people something to eat. That is why I shall support the amendment gladly and cheerfully and without any sense of the ridiculous or without having any idea that this is a funny thing. I shall vote for it, because I think it is a very proper and a very meritorious proposition, and I hope that it will be adopted.

Mr. KENYON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. HUSTING. Certainly.

Mr. KENYON. Is the Senator familiar with the work of the Perkins commission in New York, which sent across the continent, brought smelts from the Pacific coast, and cut the price in New York to the people there from 35 cents a pound to about 6 or 7 cents a pound? That was not a ridiculous proposition to the people who were seeking a cheaper food supply.

Mr. HUSTING. I will say to the Senator that I have read about that.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Nevada?

Mr. HUSTING. Certainly.

Mr. PITTMAN. If the Senator from Wisconsin will permit me, I should like to ask the Senator from Iowa if those fish were caught by the Perkins commission?

Mr. KENYON. I think not. I think they secured them there by purchase.

Mr. PITTMAN. I merely call attention to that, because the view I take of it, and shall urge, is that instead of catching the fish the Government will do a whole lot better by encouraging the catching of fish and the bringing them here by private enterprise.

Mr. KENYON. I think they tasted just as good to the hungry people of New York as if they had been caught by the commission.

Mr. HUSTING. Mr. President, I agree with the Senator from Iowa. I do not think the people who ate the fish knew whether the fish were profaned by the hands of some Government employee or not, and really that is beside the point. So far as I am concerned, I do not care what arrangements the Department of Commerce may make as to getting this fish supply. If it can get this supply in some way that would produce the same result as in the case of the smelt, it will be satisfactory to that extent. The price in that case was reduced for the very plain and simple reason that the catch of smelt was increased and the smelt were brought upon the market. Of course when they came upon the market the price of smelt fell, for the simple reason that there were more smelt to go around. Consequently if only a small fraction of the amount of herring that could be caught in Alaskan waters were brought into the United States, I have not the slightest doubt, whether they are caught by individuals who are induced to go up there by the Department of Commerce or by fishermen engaged directly to catch for the Government, that not only the price of herring will fall but the price of meat and of all other foodstuffs will fall, because they are all so interrelated and so intimately connected one with the other that the level of the price of foodstuffs rises and falls in sympathy and horizontally. If we can increase the food supply of this country either by such a method as that pursued in New York or by the other method, by the method of this amendment, we will get results, and that is what I am after.

Mr. PITTMAN. Mr. President, is an amendment to the pending amendment in order?

The PRESIDING OFFICER. An amendment to the amendment is in order.

Mr. PITTMAN. Then I offer an amendment to the amendment. I have indicated on a copy of the amendment the portions I move to strike out.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The SECRETARY. Beginning on line 8, after the word "thereof," it is proposed to strike out:

> And to take, catch, prepare, cure, pack, transport, and market such fishes and other aquatic food animals; and to do any and all things necessary and convenient for carrying out the purposes of this act.

On page 2, after the word "vessels," in line 3, to strike out "and fishing gear," and in line 10, after the word "necessary," to strike out:

> And to buy and sell fishes and other aquatic food animals, either fresh or cured: *Provided*, That the proceeds of any sales shall be accounted for and covered into the Treasury as miscellaneous receipts.

Mr. PITTMAN. Mr. President, the amendment simply accomplishes the purpose of striking out that portion of the amendment which permits the Government to engage in the fishing business under the Secretary of Commerce.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from New Hampshire?

Mr. PITTMAN. I yield.

Mr. GALLINGER. Would the Senator be willing to have the amendment read as it would read if his amendment to the amendment were agreed to?

Mr. PITTMAN. With pleasure.

Mr. GALLINGER. I should like very much to hear it read in that form.

Mr. PITTMAN. I ask the Secretary to read the amendment as it would read if the amendment I have offered were adopted.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

SEC. 12. That the Secretary of Commerce be, and he is hereby, authorized and directed to conduct such operations in the United States, including Alaska, as may be necessary to develop new aquatic sources of food, to secure the utilization of sources now not utilized or inadequately utilized; to improve the methods employed in the catching, preparation, curing, transportation, and marketing of such aquatic foods; and to increase the consumption thereof.

That for the said purposes the Secretary of Commerce be, and he is hereby, authorized and directed to hire, charter, rent, or purchase buildings and lands, vessels, and any and all equipment necessary or convenient for the purpose of carrying out the provisions of this act; to employ all persons necessary to carry out the purposes of this act, including clerical assistance in the District of Columbia and elsewhere; to purchase, either in the open market or in competitive bids, such supplies as may be necessary.

That for the purpose of giving effect to the provisions of this act, including the cost of printing at the Government Printing Office, there shall be appropriated a sum not to exceed $250,000, to be immediately available.

Mr. THOMAS. Mr. President, when Senate bill 2263 was pending I offered an amendment to it. I desire now to offer the same amendment to the pending bill, in order that I may call it up at an appropriate time. I will ask that it be printed and lie on the table.

The PRESIDING OFFICER. Without objection, that action will be taken.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Montana?

Mr. PITTMAN. I yield.

Mr. WALSH. It was my purpose to propose an amendment, which I shall offer if the amendment tendered by the Senator from Nevada is rejected, and I suggest that it will perhaps reach the same purpose that the Senator has in mind.

I believe that the Secretary ought to be authorized to take, catch, prepare, cure, pack, transport, and market fish and other aquatic food animals in the conduct of the operations which he is authorized to carry on in the first part of the bill, for the purpose of developing new sources of supply and for the purpose of utilizing them. That is to say, whatever fish he catches in carrying on his work of development, and whatever he packs in order to show how they can be better utilized, and so on, those things he might properly be permitted, it seems to me, to sell; and I had intended to propose the insertion of these words after the word "animals," in line 10:

In the prosecution of such operations.

So that the Secretary would be authorized to conduct operations in the United States necessary to develop new aquatic sources of food, and so forth, and to take, catch, prepare, cure, pack, transport, and market such fishes and other aquatic food animals in the prosecution of such operations.

Mr. PITTMAN. That would be perfectly satisfactory, provided the Secretary of Commerce would place that construction on it. It must be apparent, however, that under the guise of developing new foods he might simply engage in the business of fishing.

Mr. GORE. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Friday, June 1, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 31, 1917.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord, our Heavenly Father, look with compassion, we beseech Thee, upon the infirmities of Thy children everywhere, and move upon their hearts with the spirit of grace; that they may be able to cast out the demons of jealousy and spite, contention and strife, hate and revenge; that the good angels of their being may reach the ascendency and bring peace and good will to all peoples; that all the world of mankind may live as children of the Living God; in the spirit of the Lord Christ. Amen.

The Journal of the proceedings of Tuesday, May 29, 1917, was read and approved.

THE ITALIAN MISSION.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to extend an invitation to the Italian mission now visiting the United States to visit this House on Saturday next, at an hour convenient to themselves, and that the House stand in recess for 30 minutes at that time that they may be received on the floor of the House.

The SPEAKER. The gentleman from New York [Mr. LAGUARDIA] asks unanimous consent that the Speaker be authorized to invite the Italian mission to visit the House on Saturday next, at such time as shall be satisfactory to them, and that the House stand in recess for 30 minutes at that time to receive them on the floor of the House. Is there objection?

There was no objection.

URGENT DEFICIENCIES.

Mr. FITZGERALD. Mr. Speaker, I present a conference report upon the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, for printing under the rule, and I desire to give notice that I shall call it up to-morrow after the reading of the Journal.

MEMORIAL DAY ADDRESS OF MR. SHERWOOD.

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein the patriotic, poetic, and eloquent oration of our distinguished colleague, Gen. ISAAC R. SHERWOOD, delivered at the Memorial Day exercises held at Arlington Cemetery May 30, 1917.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. Evidently there is not.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Ferris	Kennedy, R. I.	Sanford
Barkley	Fess	Kiess, Pa.	Scott, Pa.
Borland	Fields	Kincheloe	Scully
Bruckner	Fisher	Kreider	Shackleford
Brumbaugh	Flynn	Langley	Sloan
Caldwell	Fordney	Lobeck	Smith, Mich.
Campbell, Pa.	Frear	London	Snell
Capstick	Fuller, Ill.	Longworth	Snook
Carew	Fuller, Mass.	McAndrews	Snyder
Chandler, Okla.	Gallivan	McClintic	Sterling, Pa.
Cooper, Ohio	Gandy	Maher	Stevenson
Cooper, W. Va.	Garland	Martin, Ill.	Stiness
Copley	Garner	Mason	Strong
Costello	Godwin, N. C.	Mays	Sullivan
Cox	Graham, Ill.	Morin	Tague
Dale, N. Y.	Griffin	Neely	Talbott
Dale, Vt.	Hamilton, N. Y.	Nelson	Taylor, Colo.
Dallinger	Harrison, Va.	Paige	Temple
Davidson	Hayes	Parker, N. Y.	Templeton
Decker	Heaton	Peters	Tinkham
Dewalt	Hill	Porter	Venable
Doremus	Hull, Iowa	Pou	Walsh
Doughton	Husted	Price	Walton
Drukker	Ireland	Robbins	Ward
Dunn	Johnson, Wash.	Roberts	Welling
Eagan	Kahn	Rogers	Wheeler
Eagle	Kearns	Rowland	Williams
Fairchild, G. W.	Kennedy, Iowa	Sanders, N. Y.	Winslow

The SPEAKER. Three hundred and sixteen Members have answered to their names—a quorum.

Mr. KITCHIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

EXTENSION OF REMARKS.

Mr. STEPHENS of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein a telegram which I sent to Mr. Ross L. Hammond, the editor of the Fremont Tribune, at Fremont, Nebr., respecting subscriptions to the liberty loan in that locality.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The telegram is as follows:

Mr. ROSS L. HAMMOND,
Editor Fremont Tribune, Fremont, Nebr.:

My attention has been called to a press dispatch from Fremont, Nebr., to the effect that a few bankers in that locality were not subscribing to the liberty loan because of the threat of some stockholders to boycott them if they do. I am unwilling to believe that this report is true. It ought to be investigated, and, if false, a public denial made in the interest of the patriotic people of Nebraska. If true, the parties attempting through this method to destroy the power of the Government to raise war funds ought to be exposed to public condemnation, if not prosecution for treason. War has been made upon us by a powerful foe, and those who weaken by treachery at home the arms of our brave men who will soon be in mortal combat for the preservation of free peoples are beneath the contempt of honest men and should be made to feel the strong hand of the law. Those who enjoy the blessings of this land of freedom and opportunity and are not now ready to aid and defend it in this hour of need are not fit to longer live in it and enjoy its blessings. The enemy in front of us threatens to destroy all free and independent governments left in the world, and we can not afford to tolerate enemies in our rear while this mighty struggle for human rights is on.

DAN V. STEPHENS, *M. C.*

EXPLOSIVES.

The SPEAKER. The unfinished business is the vote upon the amendment of the gentleman from Wisconsin [Mr. LENROOT] striking out section 3 of the bill (H. R. 3932) to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, providing regulations for the safe manufacture, distribution, storage, use, and possession of the same, and for other purposes, upon which the previous question has been ordered. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. MANN) there were—ayes 123, noes 113.

Mr. FOSTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—ayes 156, noes 165, answering "present" 6, not voting 102, as follows:

AYES—156.

Anderson	Foss	McArthur	Rose
Anthony	Francis	McClintic	Rowe
Austin	Freeman	McCormick	Schall
Barnarach	Gallagher	McCulloch	Scott, Iowa
Baron	Gillett	McFadden	Scott, Mich.
Bland	Glynn	McKenzie	Scully
Borland	Good	McKinley	Sherwood
Bowers	Goodall	McLaughlin, Pa.	Siegel
Britten	Gould	McLemore	Sinnott
Browne	Graham, Pa.	Madden	Sisson
Butler	Gray, N. J.	Magee	Slemp
Byrns, Tenn.	Green, Iowa	Mann	Smith, Idaho
Campbell, Kans.	Greene, Mass.	Mapes	Stafford
Cannon	Greene, Vt.	Meeker	Steenerson
Carter, Mass.	Griest	Miller, Minn.	Stephens, Miss.
Cary	Hadley	Miller, Wash.	Sterling, Ill.
Chandler, N. Y.	Hamilton, Mich.	Mondell	Sweet
Clark, Pa.	Haskell	Moore, Pa.	Swift
Classon	Haugen	Moores, Ind.	Switzer
Cooper, Wis.	Hawley	Morgan	Tilson
Crago	Heintz	Mott	Timberlake
Cramton	Hersey	Mudd	Towner
Currie, Mich.	Hicks	Nelson	Treadway
Curry, Cal.	Hollingsworth	Nichols, Mich.	Vare
Darrow	Huddleston	Nolan	Vestal
Davis	Hutchinson	Norton	Voigt
Dempsey	Johnson, S. Dak.	Osborne	Volstead
Dillon	Juul	Parker, N. J.	Waldow
Dowell	Kelley, Mich.	Platt	Ward
Dyer	Kelly, Pa.	Powers	Wason
Edmonds	Kinkaid	Pratt	Watson, Pa.
Ellsworth	Knutson	Purnell	Wheeler
Elston	Kraus	Ramsey	White, Me.
Emerson	La Follette	Ramseyer	Wilson, Ill
Esch	LaGuardia	Rankin	Wood, Ind.
Fairchild, B. L.	Langley	Reavis	Woods, Iowa
Fairfield	Lehlbach	Reed	Woodyard
Fitzgerald	Lenroot	Robbins	Young, N. Dak.
Focht	Lundeen	Rodenberg	Zihlman

NOES—165.

Adamson	Church	Farr	Hilliard
Alexander	Claypool	Flood	Holland
Almon	Coady	Foster	Hood
Ashbrook	Collier	French	Houston
Aswell	Connally, Tex.	Gandy	Howard
Ayres	Connelly, Kans.	Gard	Hulbert
Bankhead	Cox	Garrett, Tenn.	Igoe
Barnhart	Crisp	Garrett, Tex.	Jacoway
Bathrick	Crosser	Glass	James
Beil	Denison	Goodwin, Ark.	Johnson, Ky.
Black	Denton	Gordon	Jones, Tex.
Blackmon	Dickinson	Gray, Ala.	Jones, Va.
Blanton	Dies	Gregg	Keating
Booher	Dill	Hamill	Kehoe
Brand	Dixon	Hamlin	Kettner
Brodbeck	Dominick	Hardy	Key, Ohio
Buchanan	Dooling	Harrison, Miss.	King
Byrnes, S. C.	Doolittle	Hastings	Kitchin
Candler, Miss.	Drane	Hayden	Larsen
Cantrill	Dupré	Heflin	Lazaro
Caraway	Eagle	Helm	Lea, Cal.
Carlin	Estopinal	Helvering	Lee, Ga.
Carter, Okla.	Evans	Hensley	Lesher
Lever	Padgett	Sanders, La.	Van Dyke
Linthicum	Park	Saunders, Va.	Venable
Little	Phelan	Sears	Vinson
Lonergan	Polk	Shallenberger	Walker
Lunn	Quin	Shouse	Watkins
McKeown	Ragsdale	Slayden	Watson, Va.
McLaughlin, Mich.	Rainey	Small	Weaver
Mansfield	Raker	Smith, C. B.	Webb
Martin, La.	Randall	Smith, T. F.	Welty
Montague	Rayburn	Steagall	Whaley
Moon	Riordan	Stedman	White, Ohio
Nicholls, S. C.	Robinson	Steele	Wilson, La.
Oldfield	Romjue	Stevenson	Wilson, Tex.
Oliver, Ala.	Rouse	Sumners	Wingo
Oliver, N. Y.	Rubey	Taylor, Ark.	Wise
Olney	Rucker	Taylor, Colo.	Young, Tex.
O'Shaunessy	Russell	Thomas	
Overmyer	Sabath	Thompson	
Overstreet	Sanders, Ind.	Tillman	

ANSWERING "PRESENT"—6.

Browning	Ferris	Littlepage	Stephens, Nebr.
Clark, Fla.	Hull, Tenn.		

NOT VOTING—102.

Barkley	Fess	Kennedy, Iowa	Scott, Pa.
Bruckner	Fields	Kennedy, R. I.	Sells
Brumbaugh	Fisher	Kiess, Pa.	Shackleford
Burnett	Flynn	Kincheloe	Sherley
Caldwell	Fordney	Kreider	Sims
Campbell, Pa.	Frear	Lobeck	Sloan
Capstick	Fuller, Ill.	London	Smith, Mich.
Carew	Fuller, Mass.	Longworth	Snell
Chandler, Okla.	Gallivan	McAndrews	Snook
Cooper, Ohio	Garland	Maher	Snyder
Cooper, W. Va.	Garner	Martin, Ill.	Sterling, Pa.
Copley	Godwin, N. C.	Mason	Stiness
Costello	Graham, Ill.	Mays	Strong
Dale, N. Y.	Griffin	Morin	Sullivan
Dale, Vt.	Hamilton, N. Y.	Neely	Tague
Dallinger	Harrison, Va.	Paige	Talbott
Davidson	Hayes	Parker, N. Y.	Temple
Decker	Heaton	Peters	Templeton
Dent	Hill	Porter	Tinkham
Dewalt	Hull, Iowa	Pou	Walsh
Doremus	Humphreys	Price	Walton
Doughton	Husted	Roberts	Welling
Drukker	Ireland	Rogers	Williams
Dunn	Johnson, Wash.	Rowland	Winslow
Eagan	Kahn	Sanders, N. Y.	
Fairchild, G. W.	Kearns	Sanford	

So the amendment striking out section 3 was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. COSTELLO (for) with Mr. GARLAND (against).

Mr. STINESS (for) with Mr. NEELY (against).

Mr. KENNEDY of Rhode Island (for) with Mr. DECKER (against).

Mr. FESS (for) with Mr. BURNETT (against).

Mr. DUNN (for) with Mr. STRONG (against).

Mr. TALBOTT with Mr. BROWNING.

Until June 5:

Mr. LITTLEPAGE with Mr. COOPER of West Virginia.

Until further notice:

Mr. DALE of New York with Mr. SNYDER.

Mr. LOBECK with Mr. WINSLOW.

Mr. GALLIVAN with Mr. PARKER of New York.

Mr. KINCHELOE with Mr. PAIGE.

Mr. TAGUE with Mr. SANFORD.

Mr. BARKLEY with Mr. KEARNS.

Mr. CLARK of Florida with Mr. FULLER of Illinois.

Mr. FERRIS with Mr. CHANDLER of Oklahoma.

Mr. STEPHENS of Nebraska with Mr. SLOAN.

Mr. FISHER with Mr. LONGWORTH.

Mr. HULL of Tennessee with Mr. HILL.

Mr. MAYS with Mr. WALSH.

Mr. GODWIN of North Carolina with Mr. IRELAND.

Mr. BRUCKNER with Mr. COOPER of Ohio.

Mr. GARNER with Mr. HAMILTON of New York.

Mr. PRICE with Mr. ROBERTS.

Mr. LONDON with Mr. FULLER of Massachusetts.

Mr. MARTIN of Illinois with Mr. PETERS.

Mr. MCANDREWS with Mr. HEATON.

Mr. DOREMUS with Mr. FORDNEY.

Mr. DENT with Mr. GEORGE W. FAIRCHILD.

Mr. FIELDS with Mr. KAHN.

Mr. WALTON with Mr. TINKHAM.

Mr. SHERLEY with Mr. TEMPLE.

Mr. POU with Mr. SANDERS of New York.

Mr. BRUMBAUGH with Mr. DALE of Vermont.

Mr. DOUGHTON with Mr. FREAR.

Mr. GRIFFIN with Mr. HUSTED.

Mr. HARRISON of Virginia with Mr. HULL of Iowa.

Mr. HUMPHREYS with Mr. WILLIAMS.

Mr. MAHER with Mr. KENNEDY of Iowa.

Mr. CALDWELL with Mr. DALLINGER.

Mr. FLYNN with Mr. KIESS of Pennsylvania.

Mr. CAREW with Mr. DAVIDSON.

Mr. SULLIVAN with Mr. TEMPLETON.
Mr. WELLING with Mr. MASON.
Mr. SHACKLEFORD with Mr. ROGERS.
Mr. SIMS with Mr. MORIN.
Mr. SNOOK with Mr. KREIDER.
Mr. STERLING of Pennsylvania with Mr. DRUKKER.
Mr. EAGAN with Mr. SNELL.
Beginning May 29, for one week:
Mr. CAMPBELL of Pennsylvania with Mr. GRAHAM of Illinois.

Mr. BROWNING. Mr. Speaker, I voted "aye." I had a general pair with my colleague, Mr. TALBOTT, of Maryland, and therefore I desire to withdraw my vote and be recorded "present."

Mr. BROWNING's name was called, and he answered "Present."

Mr. FOCHT. Mr. Speaker, I desire to inform the Chair that when Mr. COPLEY's name was called inadvertently I answered "aye" for the gentleman. I also voted "aye" for myself. I am not aware that Mr. COPLEY is here. I did not know what to do, and therefore I wished to inform the Chair.

The SPEAKER. The Clerk will strike out Mr. COPLEY's vote.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. LENROOT. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. LENROOT. Mr. Speaker, I rise for the purpose of moving to recommit the bill with certain instructions.

The SPEAKER. The Clerk will report the motion to recommit with instructions.

The Clerk read as follows:

Motion to recommit, by Mr. LENROOT: I move to recommit H. R. 3932 to the Committee on Mines and Mining, with instructions to report the same back forthwith with an amendment striking out of lines 14 and 15 the following: "The Bureau of Mines, Department of the Interior, with the approval of."

Mr. FOSTER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The question was taken on the motion to recommit, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. LENROOT) there were—ayes 102, noes 113.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced the ayes seemed to have it.

On a division (demanded by Mr. MANN) there were—ayes 116, noes 63.

So the bill was passed.

On motion of Mr. FOSTER, a motion to reconsider the vote by which the bill was passed was laid on the table.

ESPIONAGE AND NEUTRALITY.

Mr. WEBB. Mr. Speaker, I desire to call up the conference report on the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, and move its adoption.

The SPEAKER. The Clerk will report it.

Mr. WEBB. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. The gentleman asks unanimous consent to have the statement read in lieu of the report.

Mr. RAKER. Let the amendment be read.

The SPEAKER. The gentleman asks unanimous consent to have the statement read in lieu of the report.

Mr. RAKER. I know he did, but I said let the amendment be read.

The SPEAKER. Is the gentleman from California objecting to that or not?

Mr. RAKER. Yes; I am.

The SPEAKER. The Clerk will read.

The conference report and statement were read.

CONFERENCE REPORT (NO. 65).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

"TITLE I.

"ESPIONAGE.

"SECTION 1. That (a) whoever, for the purpose of obtaining information respecting the national defense with intent or reason to believe that the information to be obtained is to be used to the injury of the United States, or to the advantage of any foreign nation, goes upon, enters, flies over, or otherwise obtains information concerning any vessel, aircraft, work of defense, navy yard, naval station, submarine base, coaling station, fort, battery, torpedo station, dockyard, canal, railroad, arsenal, camp, factory, mine, telegraph, telephone, wireless, or signal station, building, office, or other place connected with the national defense, owned or constructed, or in progress of construction by the United States or under the control of the United States, or of any of its officers or agents, or within the exclusive jurisdiction of the United States, or any place in which any vessel, aircraft, arms, munitions, or other materials or instruments for use in time of war are being made, prepared, repaired, or stored, under any contract or agreement with the United States, or with any person on behalf of the United States, or otherwise on behalf of the United States, or any prohibited place within the meaning of section 7 of this title; or (b) whoever for the purpose aforesaid, and with like intent or reason to believe, copies, takes, makes, or obtains, or attempts, or induces or aids another to copy, take, make, or obtain, any sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, document, writing, or note of anything connected with the national defense; or (c) whoever, for the purpose aforesaid, receives or obtains or agrees or attempts or induces or aids another to receive or obtain from any person, or from any source whatever, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, or note of anything connected with the national defense, knowing or having reason to believe, at the time he receives or obtains, or agrees or attempts or induces or aids another to receive or obtain it, that it has been or will be obtained, taken, made or disposed of by any person contrary to the provisions of this title; or (d) whoever, lawfully or unlawfully having possession of, access to, control over, or being intrusted with any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, or note relating to the national defense, willfully communicates or transmits or attempts to communicate or transmit the same to any person not entitled to receive it, or willfully retains the same and fails to deliver it on demand to the officer or employee of the United States entitled to receive it; or (e) whoever, being intrusted with or having lawful possession or control of any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, or information, relating to the national defense, through gross negligence permits the same to be removed from its proper place of custody or delivered to anyone in violation of his trust, or to be lost, stolen, abstracted, or destroyed, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or both.

"SEC. 2. (a) Whoever, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to, or aids or induces another to, communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by imprisonment for not more than 20 years: *Provided*, That whoever shall violate the provisions of subsection (a) of this section in time of war shall be punished by death or by imprisonment for not more than 30 years; and (b) whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United

States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or by imprisonment for not more than 30 years.

"SEC. 3. Whoever, when the United States is at war, shall willfully make or convey false reports or false statements with intent to interfere with the operation or success of the military or naval forces of the United States or to promote the success of its enemies and whoever, when the United States is at war, shall willfully cause or attempt to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or shall willfully obstruct the recruiting or enlistment service of the United States, to the injury of the service or of the United States, shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both.

"SEC. 4. When the United States is at war, the publishing willfully of information with respect to the movement, numbers, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, is hereby prohibited; and the President may from time to time by proclamation declare the character of such above described information which in his opinion is not useful to the enemy, and thereupon it shall be lawful to publish the same. In any prosecution hereunder the jury trying the cause shall determine not only whether the defendant did willfully publish such information but also whether such information was of such character as to be useful to the enemy: *Provided*, That nothing in this section shall be construed to limit or restrict any discussion, comment, or criticism of the acts or policies of the Government or its representatives or the publication of the same, if such discussion, comment, or criticism does not disclose information herein prohibited.

"Whoever violates this section shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"SEC. 5. If two or more persons conspire to violate the provisions of sections 2 or 3 of this title, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as in said sections provided in the case of the doing of the act the accomplishment of which is the object of such conspiracy. Except as above provided conspiracies to commit offenses under this title shall be punished as provided by section 37 of the act to codify, revise, and amend the penal laws of the United States approved March 4, 1909.

"SEC. 6. Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe or suspect, has committed, or is about to commit, an offense under this title shall be punished by a fine of not more than $10,000 or by imprisonment for not more than two years, or both.

"SEC. 7. The President in time of war or in case of national emergency may by proclamation designate any place other than those set forth in subsection (a) of section 1 hereof in which anything for the use of the Army or Navy is being prepared or constructed or stored as a prohibited place for the purposes of this title: *Provided*, That he shall determine that information with respect thereto would be prejudicial to the national defense.

"SEC. 8. Nothing contained in this title shall be deemed to limit the jurisdiction of the general courts-martial, military commissions, or naval courts-martial under sections 1342, 1343, and 1624 of the Revised Statutes as amended.

"SEC. 9. The provisions of this title shall extend to all territories, possessions, and places subject to the jurisdiction of the United States, whether or not contiguous thereto and offenses under this title when committed upon the high seas or elsewhere within the admiralty and maritime jurisdiction of the United States and outside the territorial limits thereof shall be punishable hereunder.

"SEC. 10. The act entitled 'An act to prevent the disclosure of national-defense secrets,' approved March 3, 1911, is hereby repealed.

"TITLE II.

"VESSELS IN PORTS OF THE UNITED STATES.

"SECTION 1. Whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance or threatened disturbance of the international relations of the United States, the Secretary of the Treasury may make, subject to the approval of the President, rules and regulations governing the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States, may inspect such vessel at any time, place guards thereon, and, if necessary in his opinion in order to secure such vessels from damage or injury, or to prevent damage or injury to any harbor or waters of the United States, or to secure the observance of the rights and obligations of the United States, may take, by and with the consent of the President, for such purposes, full possession and control of such vessel and remove therefrom the officers and crew thereof and all other persons not specially authorized by him to go or remain on board thereof.

"Within the territory and waters of the Canal Zone the Governor of the Panama Canal, with the approval of the President, shall exercise all the powers conferred by this section on the Secretary of the Treasury.

"SEC. 2. If any owner, agent, master, office, or person in charge, or any member of the crew of any such vessel fails to comply with any regulation or rule issued or order given by the Secretary of the Treasury or the Governor of the Panama Canal under the provisions of this title, or obstructs or interferes with the exercise of any power conferred by this title, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and the person guilty of such failure, obstruction, or interference shall be fined not more than $10,000, or imprisoned not more than two years, or both.

"SEC. 3. It shall be unlawful for the owner or master or any other person in charge or command of any private vessel, foreign or domestic, or for any member of the crew or other person, within the territorial waters of the United States, willfully to cause or permit the destruction or injury of such vessel or knowingly to permit said vessel to be used as a place of resort for any person conspiring with another or preparing to commit any offense against the United States, or in violation of the treaties of the United States or of the obligations of the United States under the law of nations, or to defraud the United States, or knowingly to permit such vessels to be used in violation of the rights and obligations of the United States under the law of nations; and in case such vessel shall be so used, with the knowledge of the owner or master or other person in charge or command thereof, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and whoever violates this section shall be fined not more than $10,000, or imprisoned not more than two years, or both.

"SEC. 4. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purpose of this title.

"TITLE III.

"INJURING VESSELS ENGAGED IN FOREIGN COMMERCE.

"SECTION 1. Whoever shall set fire to any vessel of foreign registry, or any vessel of American registry entitled to engage in commerce with foreign nations, or to any vessel of the United States as defined in section 310 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' or to the cargo of the same, or shall tamper with the motive power or instrumentalities of navigation of such vessel, or shall place bombs or explosives in or upon such vessel, or shall do any other act to or upon such vessel while within the jurisdiction of the United States, or, if such vessel is of American registry, while she is on the high sea, with intent to injure or endanger the safety of the vessel or of her cargo, or of persons on board, whether the injury or danger is so intended to take place within the jurisdiction of the United States, or after the vessel shall have departed therefrom; or whoever shall attempt or conspire to do any such acts with such intent, shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"TITLE IV.

"INTERFERENCE WITH FOREIGN COMMERCE BY VIOLENT MEANS.

"SECTION 1. Whoever, when the United States is at war, shall willfully prevent, interfere with, or obstruct or attempt to prevent, interfere with, or obstruct the exportation to foreign countries of articles from the United States by injuring or destroying, by fire or explosives, such articles or the places where they may be while in such foreign commerce, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both.

"TITLE V.

"ENFORCEMENT OF NEUTRALITY.

"SECTION 1. During a war in which the United States is a neutral nation, the President, or any person thereunto authorized by him, may withhold clearance from or to any vessel, domestic or foreign, which is required by law to secure clearance before departing from port or from the jurisdiction of the United States, or, by service of formal notice upon the owner, master, or person in command or having charge of any domestic vessel not required by law to secure clearances before so departing, to forbid its departure from port or from the jurisdiction of the United States, whenever there is reasonable cause to believe that any such vessel, domestic or foreign, whether requiring clearance or not, is about to carry fuel, arms, ammunition, men, supplies, dispatches, or information to any warship, tender, or supply ship of a foreign belligerent nation in violation of the laws, treaties, or obligations of the United States under the law of nations; and it shall thereupon be unlawful for such vessel to depart.

"SEC. 2. During a war in which the United States is a neutral nation, the President, or any person thereunto authorized by him, may detain any armed vessel owned wholly or in part by American citizens, or any vessel, domestic or foreign (other than one which has entered the ports of the United States as a public vessel), which is manifestly built for warlike purposes or has been converted or adapted from a private vessel to one suitable for warlike use, until the owner or master, or person having charge of such vessel, shall furnish proof satisfactory to the President, or to the person duly authorized by him, that the vessel will not be employed by the said owners, or master, or person having charged thereof, to cruise against or commit or attempt to commit hostilities upon the subjects, citizens, or property of any foreign prince or state, or of any colony, district, or people with which the United States is at peace, and that the said vessel will not be sold or delivered to any belligerent nation, or to an agent, officer, or citizen of such nation, by them or any of them, within the jurisdiction of the United States, or, having left that jurisdiction, upon the high seas.

"SEC. 3. During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States.

"SEC. 4. During a war in which the United States is a neutral nation, in addition to the facts required by sections 4197, 4198, and 4200 of the Revised Statutes to be set out in the masters' and shippers' manifests before clearance will be issued to vessels bound to foreign ports, each of which sections of the Revised Statutes is hereby declared to be and is continued in full force and effect, every master or person having charge or command of any vessel, domestic or foreign, whether requiring clearance or not, before departure of such vessel from port shall deliver to the collector of customs for the district wherein such vessel is then located a statement duly verified by oath that the cargo or any part of the cargo is or is not to be delivered to other vessels in port or to be transshipped on the high seas and, if it is to be so delivered or transshipped, stating the kind and quantities and the value of the total quantity of each kind of article so to be delivered or transshipped, and the name of the person, corporation, vessel, or government, to whom the delivery or transshipment is to be made; and the owners, shippers, or consignors of the cargo of such vessel shall in the same manner and under the same conditions deliver to the collector like statements under oath as to the cargo or the parts thereof laden or shipped by them, respectively.

"SEC. 5. Whenever it appears that the vessel is not entitled to clearance or whenever there is reasonable cause to believe that the additional statements under oath required in the foregoing section are false, the collector of customs for the district in which the vessel is located may, subject to review by the Secretary of Commerce, refuse clearance to any vessel, domestic or foreign, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, forbid the departure of the vessel from the port or from the jurisdiction of the United States; and it shall thereupon be unlawful for the vessel to depart.

"SEC. 6. Whoever, in violation of any of the provisions of this title, shall take, or attempt or conspire to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than five years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States.

"SEC. 7. Whoever, being a person belonging to the armed land or naval forces of a belligerent nation or belligerent faction of any nation and being interned in the United States, in accordance with the law of nations, shall leave or attempt to leave said jurisdiction, or shall leave or attempt to leave the limits of internment in which freedom of movement has been allowed, without permission from the proper official of the United States in charge, or shall willfully overstay a leave of absence granted by such official, shall be subject to arrest by any marshal or deputy marshal of the United States, or by the military or naval authorities thereof, and shall be returned to the place of internment and there confined and safely kept for such period of time as the official of the United States in charge shall direct; and whoever, within the jurisdiction of the United States and subject thereto, shall aid or entice any interned person to escape or attempt to escape from the jurisdiction of the United States, or from the limits of internment prescribed, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 8. Section 13 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 13. Whoever, within the territory or jurisdiction of the United States or of any of its possessions, knowingly begins or sets on foot or provides or prepares a means for or furnishes the money for, or who takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or state, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than three years, or both.'

"SEC. 9. That the President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"SEC. 10. Section 15 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 15. It shall be lawful for the President to employ such part of the land or naval forces of the United States, or of the militia thereof, as he may deem necessary to compel any foreign vessel to depart from the United States or any of its possessions in all cases in which, by the law of nations or the treaties of the United States, it ought not to remain, and to detain or prevent any foreign vessel from so departing in all cases in which, by the law of nations or the treaties of the United States, it is not entitled to depart.'

"SEC. 11. The joint resolution approved March 4, 1915, 'To empower the President to better enforce and maintain the neutrality of the United States,' and any act or parts of acts in conflict with the provisions of this title are hereby repealed.

"TITLE VI.

"SEIZURE OF ARMS AND OTHER ARTICLES INTENDED FOR EXPORT.

"SECTION 1. Whenever an attempt is made to export or ship from or take out of the United States, any arms or munitions of war, or other articles, in violation of law, or whenever there shall be known or probable cause to believe that any such arms or munitions of war, or other articles, are being or are intended to be exported, or shipped from, or taken out of the United States, in violation of law, the several collectors, naval officers, surveyors, inspectors of customs, and marshals, and deputy marshals of the United States, and every other person duly authorized for the purpose by the President, may seize and detain any articles or munitions of war about to be exported or shipped from, or taken out of the United States, in violation of law, and the vessels or vehicles containing the same, and retain possession thereof until released or disposed of as hereinafter directed. If upon due inquiry as hereinafter provided, the property seized shall appear to have been about to be so unlawfully exported, shipped from, or taken out of the United States, the same shall be forfeited to the United States.

"SEC. 2. It shall be the duty of the person making any seizure under this title to apply, with due diligence, to the judge of the district court of the United States, or to the judge of the United States district court of the Canal Zone, or to the judge of a court of first instance in the Philippine Islands, having jurisdiction over the place within which the seizure is made, for a warrant to justify the further detention of the property so seized, which warrant shall be granted only on oath or affirmation showing that there is known or probable cause to believe

that the property seized is being or is intended to be exported or shipped from or taken out of the United States in violation of law; and if the judge refuses to issue the warrant, or application therefor is not made by the person making the seizure within a reasonable time, not exceeding 10 days after the seizure, the property shall forthwith be restored to the owner or person from whom seized. If the judge is satisfied that the seizure was justified under the provisions of this title and issues his warrant accordingly, then the property shall be detained by the person seizing it until the President, who is hereby expressly authorized so to do, orders it to be restored to the owner or claimant, or until it is discharged in due course of law on petition of the claimant, or on trial of condemnation proceedings, as hereinafter provided.

"SEC. 3. The owner or claimant of any property seized under this title may, at any time before condemnation proceedings have been instituted, as hereinafter provided, file his petition for its restoration in the district court of the United States, or the district court of the Canal Zone, or the court of first instance in the Philippine Islands, having jurisdiction over the place in which the seizure was made, whereupon the court shall advance the cause for hearing and determination with all possible dispatch, and, after causing notice to be given to the United States attorney for the district and to the person making the seizure, shall proceed to hear and decide whether the property seized shall be restored to the petitioner or forfeited to the United States.

"SEC. 4. Whenever the person making any seizure under this title applies for and obtains a warrant for the detention of the property, and (a) upon the hearing and determination of the petition of the owner or claimant restoration is denied, or (b) the owner or claimant fails to file a petition for restoration within 30 days after the seizure, the United States attorney for the district wherein it was seized, upon direction of the Attorney General, shall institute libel proceedings in the United States district court or the district court of the Canal Zone or the court of first instance of the Philippine Islands having jurisdiction over the place wherein the seizure was made, against the property for condemnation; and if, after trial and hearing of the issues involved, the property is condemned, it shall be disposed of by sale, and the proceeds thereof, less the legal costs and charges, paid into the Treasury.

"SEC. 5. The proceedings in such summary trials upon the petition of the owner or claimant of the property seized, as well as in the libel cases herein provided for, shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in such libel cases, and all such proceedings shall be at the suit of and in the name of the United States: *Provided*, That upon the payment of the costs and legal expenses of both the summary trials and the libel proceedings herein provided for, and the execution and delivery of a good and sufficient bond in an amount double the value of the property seized, conditioned that it will not be exported or used or employed contrary to the provisions of this title, the court, in its discretion, may direct that it be delivered to the owners thereof or to the claimants thereof.

"SEC. 6. Except in those cases in which the exportation of arms and munitions of war or other article is forbidden by proclamation or otherwise by the President, as provided in section 1 of this title, nothing herein contained shall be construed to extend to, or interfere with any trade in such commodities, conducted with any foreign port or place wheresoever, or with any other trade which might have been lawfully carried on before the passage of this title, under the law of nations, or under the treaties or conventions entered into by the United States, or under the laws thereof.

"SEC. 7. Upon payment of the costs and legal expenses incurred in any such summary trial for possession or libel proceedings, the President is hereby authorized, in his discretion, to order the release and restoration to the owner or claimant, as the case may be, of any property seized or condemned under the provisions of this title.

"SEC. 8. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"TITLE VII.

"CERTAIN EXPORTS IN TIME OF WAR UNLAWFUL.

"SECTION 1. Whenever during the present war the President shall find that the public safety shall so require, and shall make proclamation thereof, it shall be unlawful to export from or ship from or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however*, That no preference shall be given to the ports of one State over those of another.

"SEC. 2. Any person who shall export, ship, or take out, or deliver or attempt to deliver for export, shipment, or taking out, any article in violation of this title, or of any regulation or order made hereunder, shall be fined not more than $10,000, or, if a natural person, imprisoned for not more than two years, or both; and any article so delivered or exported, shipped, or taken out, or so attempted to be delivered or exported, shipped, or taken out, shall be seized and forfeited to the United States; and any officer, director, or agent of a corporation who participates in any such violation shall be liable to like fine or imprisonment, or both.

"SEC. 3. Whenever there is reasonable cause to believe that any vessel, domestic or foreign, is about to carry out of the United States any article or articles in violation of the provisions of this title, the collector of customs for the district in which such vessel is located is hereby authorized and empowered, subject to review by the Secretary of Commerce, to refuse clearance to any such vessel, domestic or foreign, for which clearance is required by law, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, to forbid the departure of such vessel from the port, and it shall thereupon be unlawful for such vessel to depart. Whoever, in violation of any of the provisions of this section shall take, or attempt to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than two years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her forbidden cargo shall be forfeited to the United States.

"TITLE VIII.

"DISTURBANCE OF FOREIGN RELATIONS.

"SECTION 1. Whoever, in relation to any dispute or controversy between a foreign government and the United States, shall willfully and knowingly make any untrue statement, either orally or in writing, under oath before any person authorized and empowered to administer oaths, which the affiant has knowledge or reason to believe will, or may be used to influence the measures or conduct of any foreign government, or of any officer or agent of any foreign government, to the injury of the United States, or with a view or intent to influence any measure of or action by the Government of the United States, or any branch thereof, to the injury of the United States, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever within the jurisdiction of the United States shall falsely assume or pretend to be a diplomatic or consular or other official of a foreign government duly accredited as such to the Government of the United States with intent to defraud such foreign government or any person, and shall take upon himself to act as such, or in such pretended character shall demand or obtain, or attempt to obtain from any person or from said foreign government, or from any officer thereof, any money, paper, document, or other thing of value, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 3. Whoever, other than a diplomatic or consular officer or attaché, shall act in the United States as an agent of a foreign government without prior notification to the Secretary of State shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 4. The words 'foreign government,' as used in this act and in sections 156, 157, 161, 170, 171, 172, 173, and 220 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' shall be deemed to include any government, faction, or body of insurgents within a country with which the United States is at peace, which government, faction, or body of insurgents may or may not have been recognized by the United States as a government.

"SEC. 5. If two or more persons within the jurisdiction of the United States conspire to injure or destroy specific property situated within a foreign country and belonging to a foreign government or to any political subdivision thereof with which the United States is at peace, or any railroad, canal, bridge, or other public utility so situated, and if one or more of such persons commits an act within the jurisdiction of the United States to effect the object of the conspiracy, each of the parties to the conspiracy shall be fined not more than $5,000 or imprisoned not more than three years, or both. Any indictment or information under this section shall describe the specific property which it was the object of the conspiracy to injure or destroy.

"TITLE IX.

"PASSPORTS.

"SECTION 1. Before a passport is issued to any person by or under authority of the United States such person shall subscribe to and submit a written application duly verified by his oath before a person authorized and empowered to administer oaths, which said application shall contain a true recital of each and every matter of fact which may be required by law or by any rules authorized by law to be stated as a prerequisite to the issuance of any such passport. Clerks of United States courts, agents of the Department of State, or other Federal officials authorized, or who may be authorized, to take passport applications and administer oaths thereon, shall collect, for all services in connection therewith, a fee of $1, and no more, in lieu of all fees prescribed by any statute of the United States, whether the application is executed singly, in duplicate, or in triplicate.

"SEC. 2. Whoever shall willfully and knowingly make any false statement in an application for passport with intent to induce or secure the issuance of a passport under the authority of the United States, either for his own use or the use of another, contrary to the laws regulating the issuance of passports or the rules prescribed pursuant to such laws, or whoever shall willfully and knowingly use or attempt to use, or furnish to another for use, any passport the issue of which was secured in any way by reason of any false statement, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 3. Whoever shall willfully and knowingly use, or attempt to use, any passport issued or designed for the use of another than himself, or whoever shall willfully and knowingly use or attempt to use any passport in violation of the conditions or restrictions therein contained, or of the rules prescribed pursuant to the laws regulating the issuance of passports, which said rules shall be printed on the passport; or whoever shall willfully and knowingly furnish, dispose of, or deliver a passport to any person, for use by another than the person for whose use it was originally issued and designed, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 4. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be falsely made, forged, counterfeited, mutilated, or altered any passport or instrument purporting to be a passport, with intent to use the same, or with intent that the same may be used by another; or whoever shall willfully and knowingly use, or attempt to use, or furnish to another for use any such false, forged, counterfeited, mutilated, or altered passport or instrument purporting to be a passport, or any passport validly issued which has become void by the occurrence of any condition therein prescribed invalidating the same, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"TITLE X.

"COUNTERFEITING GOVERNMENT SEAL.

"SECTION 1. Whoever shall fraudulently or wrongfully affix or impress the seal of any executive department, or of any bureau, commission, or office of the United States, to or upon any certificate, instrument, commission, document, or paper of any description; or whoever, with knowledge of its fraudulent character, shall with wrongful or fraudulent intent use, buy, procure, sell, or transfer to another any such certificate, instrument, commission, document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be made, forged, counterfeited, mutilated, or altered, or shall willingly assist in falsely making, forging, counterfeiting, mutilating, or altering, the seal of any executive department, or any bureau, commission, or office of the United States, or whoever shall knowingly use, affix, or impress any such fraudulently made, forged, counterfeited, mutilated, or altered seal to or upon any certificate, instrument, commission, document, or paper, of any description, or whoever with wrongful or fraudulent intent shall have possession of any such falsely made, forged, counterfeited, mutilated, or altered seal, knowing the same to have been so falsely made, forged, counterfeited, mutilated, or altered, shall be fined not more than $5,000 or imprisoned not more than 10 years, or both.

"TITLE XI.

"SEARCH WARRANTS.

"SECTION 1. A search warrant authorized by this title may be issued by a judge of a United States district court, or by a judge of a State or Territorial court of record, or by a United States commissioner for the district wherein the property sought is located.

"SEC. 2. A search warrant may be issued under this title upon either of the following grounds:

"1. When the property was stolen or embezzled in violation of a law of the United States; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was stolen or embezzled, or from any person in whose possession it may be.

"2. When the property was used as the means of committing a felony; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was used in the commission of the offense, or from any person in whose possession it may be.

"3. When the property, or any paper, is possessed, controlled, or used in violation of section 22 of this title; in which case it may be taken on the warrant from the person violating said section, or from any person in whose possession it may be, or from any house or other place in which it is concealed.

"SEC. 3. A search warrant can not be issued but upon probable cause, supported by affidavit, naming or describing the person and particularly describing the property and the place to be searched.

"SEC. 4. The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witness he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

"SEC. 5. The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

"SEC. 6. If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he must issue a search warrant, signed by him with his name of office, to a civil officer of the United States duly authorized to enforce or assist in enforcing any law thereof, or to a person so duly authorized by the President of the United States, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the person or place named, for the property specified, and to bring it before the judge or commissioner.

"SEC. 7. A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

"SEC. 8. The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

"SEC. 9. He may break open any outer or inner door or window of a house for the purpose of liberating a person who, having entered to aid him in the execution of the warrant, is detained therein, or when necessary for his own liberation.

"SEC. 10. The judge or commissioner must insert a direction in the warrant that it be served in the daytime, unless the affidavits are positive that the property is on the person or in the place to be searched, in which case he may insert a direction that it be served at any time of the day or night.

"SEC. 11. A search warrant must be executed and returned to the judge or commissioner who issued it within 10 days after its date; after the expiration of this time the warrant, unless executed, is void.

"SEC. 12. When the officer takes property under the warrant he must give a copy of the warrant together with a receipt for the property taken (specifying it in detail) to the person from whom it was taken by him, or in whose possession it was found; or, in the absence of any person, he must leave it in the place where he found the property.

"SEC. 13. The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the following effect: 'I, R. S., the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant.'

"SEC. 14. The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose

possession the property was taken and to the applicant for the warrant.

"SEC. 15. If the grounds on which the warrant was issued be controverted, the judge or commissioner must proceed to take testimony in relation thereto, and the testimony of each witness must be reduced to writing and subscribed by each witness.

"SEC. 16. If it appears that the property or paper taken is not the same as that described in the warrant or that there is no probable cause for believing the existence of the grounds on which the warrant was issued, the judge or commissioner must cause it to be restored to the person from whom it was taken; but if it appears that the property or paper taken is the same as that described in the warrant and that there is probable cause for believing the existence of the grounds on which the warrant was issued, then the judge or commissioner shall order the same retained in the custody of the person seizing it or to be otherwise disposed of according to law.

"SEC. 17. The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and if he has not power to inquire into the offense in respect to which the warrant was issued he must at once file the same, together with a copy of the record of his proceedings, with the clerk of the court having power to so inquire.

"SEC. 18. Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than $1,000 or imprisoned not more than two years.

"SEC. 19. Sections 125 and 126 of the Criminal Code of the United States shall apply to and embrace all persons making oath or affirmation or procuring the same under the provisions of this title, and such persons shall be subject to all the pains and penalties of said sections.

"SEC. 20. A person who maliciously and without probable cause procures a search warrant to be issued and executed shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 21. An officer who in executing a search warrant willfully exceeds his authority, or exercises it with unnecessary severity, shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 22. Whoever, in aid of any foreign Government, shall knowingly and willfully have possession of or control over any property or papers designed or intended for use or which is used as the means of violating any penal statute, or any of the rights or obligations of the United States under any treaty or the law of nations, shall be fined not more than $1,000 or imprisoned not more than two years, or both.

"SEC. 23. Nothing contained in this title shall be held to repeal or impair any existing provisions of law regulating search and the issue of search warrants.

"TITLE XII.

"USE OF MAILS.

"SECTION 1. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing, of any kind, in violation of any of the provisions of this act, or intended or calculated to induce, promote, or further any of the acts or things by any provision of this act declared unlawful, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office, duly authorized thereto, or other person upon a search warrant authorized by law, to open any letter not addressed to himself.

"SEC. 2. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter or thing, of any kind, containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States, is hereby declared to be nonmailable.

"SEC. 3. Whoever shall use or attempt to use the mails or Postal Service of the United States for the transmission of any matter declared by this title to be nonmailable, shall be fined not more than $5,000 or imprisoned not more than five years, or both. Any person violating any provision of this title may be tried and punished either in the district in which the unlawful matter or publication was mailed, or to which it was carried by mail for delivery according to the direction thereon, or in which it was caused to be delivered by mail to the person to whom it was addressed.

"TITLE XIII.

"GENERAL PROVISIONS.

"SECTION 1. The term 'United States' as used in this act includes the Canal Zone and all territory and waters, continental or insular, subject to the jurisdiction of the United States.

"SEC. 2. The several courts of first instance in the Philippine Islands and the district court of the Canal Zone shall have jurisdiction of offenses under this act committed within their respective districts, and concurrent jurisdiction with the district courts of the United States of offenses under this act committed upon the high seas, and of conspiracies to commit such offenses, as defined by section 37 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, and the provisions of said section, for the purpose of this act, are hereby extended to the Philippine Islands, and to the Canal Zone. In such cases the district attorneys of the Philippine Islands and of the Canal Zone shall have the powers and perform the duties provided in this act for United States attorneys.

"SEC. 3. Offenses committed and penalties, forfeitures, or liabilities incurred prior to the taking effect hereof under any law embraced in or changed, modified, or repealed by any chapter of this act may be prosecuted and punished, and suits and proceedings for causes arising or acts done or committed prior to the taking effect hereof may be commenced and prosecuted, in the same manner and with the same effect as if this act had not been passed.

"SEC. 4. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered."

And the Senate agree to the same.

E. Y. WEBB,
C. C. CARLIN,
A. J. VOLSTEAD,
Managers on the part of the House.

LEE S. OVERMAN,
DUNCAN U. FLETCHER,
KNUTE NELSON,
Managers on the part of the Senate.

STATEMENT.

On May 4, 1917, when the House passed this bill and sent it to the Senate, the Senate was already considering a similar bill (S. 2) which had been introduced in the Senate. The Senate continued the consideration of its bill, and after perfecting and agreeing to it took up the House bill, and, without considering it in its detailed provisions, adopted the Senate bill, as it had been perfected, as an amendment for the House bill by striking out all of the House bill after the enacting clause and substituting the Senate bill as it had been agreed upon in the Senate. It therefore became the duty of the conferees to weld these two bills into one by adopting the provisions from one or the other with such amendments as seemed necessary to the conferees, within the limits of the conference, to perfect the bill and bring its various provisions into harmony.

In the main the two bills contained similar provisions, but expressed in different language. The conferees took up the Senate amendment and made it the basis of their final agreement. Some of the sections were agreed to as written, others were amended so as to embody provisions contained in the House bill, or sections from the House bill were substituted for them, and in a few instances sections were rewritten in conference in order to harmonize the views of the two Houses.

It would be very difficult to point out in minute detail the differences between the bill as it passed the House and that agreed upon in conference, and this would serve no very useful purpose, since they can be as easily ascertained by a comparison. The material changes made in the House bill are, however, pointed out below.

ARRANGEMENT.

Chapter 2 of the Senate amendment was brought forward and made chapter 1, thereby making the order of chapters conform to the order of titles in the House bill. The conferees adopted the House plan of designating the main subdivisions of the bill as "title" instead of "chapter." The several sections under each title were consecutively numbered, beginning in each title with section 1.

TITLE I.

ESPIONAGE.

The several provisions under this title in the conferees' report do not materially change the provisions of this title as passed by the House. Section 1 sets out the places connected with the national defense to which the prohibitions of the section apply while the similar provision of the House bill designates such places in general terms.

Section 2 of the House bill made the person guilty for doing the things enumerated therein "with intent or knowledge, or reason to believe that it is to be used to the injury of the United States." Under section 2 (a) as agreed upon, this provision is made to read, "with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation."

Section 3 is not materially changed from the provision contained in the bill as it passed the House, except by the addition thereto of the following provision: "or shall willfully obstruct the recruiting or enlistment service of the United States to the injury of the service or of the United States."

Section 4 as agreed to materially modifies this section as it passed the House. It describes specifically the character of information useful to the enemy which shall not be published and makes it unlawful to publish it. It leaves out the part that requires the President by proclamation to determine the character of information prohibited and the existence of the national emergency, but authorizes the President, by proclamation, to declare the character of such prohibited information which is not useful to the enemy and thereupon it makes it lawful to publish such information.

Section 7 was not in the House bill but was taken from the Senate amendment. It was adopted because of the changes made in section 1, and for the further reason that section 1202 of the House bill, which gave the words "national defense" a broad meaning, was stricken out.

TITLE II.

VESSELS IN PORTS OF THE UNITED STATES.

No material change was made in any of the sections under this title from those contained in the House bill.

TITLE III.

INJURING VESSELS ENGAGED IN FOREIGN COMMERCE.

The House provisions under this title were not materially changed.

TITLE IV.

INTERFERENCE WITH FOREIGN COMMERCE BY VIOLENT MEANS.

The provisions of the House bill under this title were changed in conference by striking out the clause which protected the places where the articles referred to were "produced or stored" and substituting similar protection to "the places where they may be while in such foreign commerce."

TITLE V.

ENFORCEMENT OF NEUTRALITY.

No material change was made in the provisions under this title. The power given to the Secretary of the Treasury under section 505 of the House bill was transferred in conference to the Secretary of Commerce. This amendment was adopted to make the bill conform to the policy adopted heretofore.

TITLE VI.

SEIZURE OF ARMS AND OTHER ARTICLES INTENDED FOR EXPORT.

Section 1 not only authorizes the seizure of arms and munitions of war about to be exported, shipped from, or taken out of the United States in violation of law, as provided by section 1 of the House bill, but adds "or other articles" so exported, etc.

Section 6 did not appear in the bill as it passed the House, but was taken from the Senate amendment. It makes no material change in the bill and adds no new matter. It is but a legislative declaration that the provisions of this title are not to be interpreted to extend by implication to articles in commerce other than those forbidden by the President's proclamation as expressly provided for.

Other sections under this title have not been materially changed.

TITLE VII.

CERTAIN EXPORTS IN TIME OF WAR UNLAWFUL.

None of the provisions of this title were contained in the bill as it passed the House. It was taken, after some modifications and amendments, from the Senate amendment.

The provisions of this title are limited to the period of the present war, and vest in the President the power to regulate exportations, etc., whenever he shall find that the public safety shall so require. These provisions were agreed to in conference because of the present necessity that this power should be vested in some responsible head in order that we may better conserve our resources and more efficiently use both our exports and our exporting facilities to aid in the prosecution of the war as well as to safeguard them from being used in such a way as to finally benefit the enemy.

TITLE VIII.

DISTRIBUTION OF FOREIGN RELATIONS.

Section 5 was so amended as to include, in addition to property situated within a foreign country and belonging to a foreign government or a political subdivision thereof with which the United States is at peace, also "any railroad, canal, bridge, or other public utility so situated," and the provision that "such injury or destruction would constitute a crime punished by imprisonment under the laws of the United States," was stricken out. The remaining provisions under this title were not materially changed in conference.

TITLE IX.

PASSPORTS.

No material change was made in conference of the provisions of this title.

TITLE X.

COUNTERFEITING GOVERNMENT SEAL.

No material change was made in conference of the provisions of this title.

TITLE XI.

SEARCH WARRANTS.

This title was entirely rewritten in conference. The new title as presented by the conferees was based upon the New York law on this subject, and follows generally the policy of that law. It has written into it many of the provisions of the title as passed by the House.

TITLE XII.

USE OF MAILS.

Section 1100 of the bill as it passed the House was rewritten into sections 1 and 2 of the bill reported by the conferees. The material additions made in section 1 to the provisions contained in section 1100 are:

(1) The things enumerated, in violation of any of the provisions of the act, are also made nonmailable if "intended or calculated to induce, promote, or further any of the acts or things by any provision of this act declared unlawful."

(2) The following proviso was added: "*Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office, duly authorized thereto, or other person upon a search warrant authorized by law, to open any letter not addressed to himself."

Section 2 of the title as reported by the conferees substitutes for "of a treasonable character, or of a character advocating the destruction of or injury to the Government by violence," the following: "containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States."

The other provisions under this title have not been materially changed.

TITLE XIII.

GENERAL PROVISIONS.

Sections 1200 and 1201 of the bill as it passed the House have not been changed. Section 1202 has been stricken out for the reason that the amendments in the several sections of the bill made this section unnecessary. Sections 3 and 4 as reported by the conferees are new sections added by the conferees.

Section 3 appeared at several different places in the Senate amendment. It was stricken out at these several places in the bill and added under this title and made applicable to the entire bill.

Section 4 was added, following the precedents in other legislation, as a declaration of the intent of Congress, to guide the courts in event the constitutionality of any of the numerous provisions contained in the bill are hereafter brought in question.

E. Y. WEBB,
C. C. CARLIN,
A. J. VOLSTEAD,
Managers on the part of the House.

During the reading of the report the following colloquy occurred:

Mr. DYER. Mr. Speaker, I ask unanimous consent that the further reading be dispensed with. No one is paying any attention, including the gentleman from California [Mr. RAKER].

Mr. RAKER. The gentleman is mistaken in that. The "gentleman from California" is here and listening.

Mr. WINGO. Mr. Speaker, I call for the regular order.

The SPEAKER. The regular order is proceeding with the reading of the report.

Mr. DYER. Mr. Speaker, I ask unanimous consent——

The SPEAKER. The gentleman from Missouri [Mr. DYER] asks unanimous consent that the further reading of the report be dispensed with. Is there objection?

Mr. RAKER. Mr. Speaker, I object.

The SPEAKER. The Clerk will proceed.

The Clerk concluded the reading of the report.

Mr. WEBB. Mr. Speaker, I would like to get some agreement as to the time we shall occupy in debate on this conference report from my friends on the other side, if I may.

Mr. MANN. How much time would the gentleman propose?

Mr. WEBB. I would like very much, if I could, to close it all in one hour.

Mr. MANN. We have requests over on this side for about two hours and a half, but I think we ought to get along with less time.

Mr. WEBB. I hope so.

Mr. MANN. I would be willing, so far as I am concerned, to make it 45 minutes on a side.

Mr. WEBB. That is entirely agreeable to us, Mr. Speaker.

Mr. MANN. The gentleman from North Carolina [Mr. WEBB] to control the time on that side and I to control it on this side.

Mr. WEBB. And at the end of that time it is understood the previous question shall be ordered.

Mr. MANN. There is a motion to recommit, which may be offered first, and the previous question may be considered as ordered on both the adoption of the report and the motion to recommit.

Mr. WEBB. That is entirely agreeable.

The SPEAKER. The gentleman from North Carolina [Mr. WEBB] asks unanimous consent that debate on this report be limited to an hour and a half, one half of the time to be controlled by himself and the other half by the gentleman from Illinois [Mr. MANN], and that at the end of that time it will be permissible to offer a motion to recommit, and that the previous question shall be considered as ordered both on the motion to recommit and the conference report. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Illinois [Mr. MANN] who under this agreement will control the time on this side if those who are in favor of this bill will receive any time?

Mr. MANN. I had not supposed any Republican would be in favor of it after the action of the Republican caucus. If there are any Republicans in favor of it, however, I will do the best I can to give them time.

Mr. DYER. As to that, Mr. Speaker, I want to state that I do not take my instructions as to my duty to my country or as to matters of this kind in time of war from the gentleman from Illinois [Mr. MANN] and the Republican caucus.

Mr. FOCHT. Reserving the right to object, Mr. Speaker, I would like to inquire whether this 45 minutes on this side will be, as usually the case, consumed by the members of the committee?

Mr. MANN. I can not say.

Mr. FOCHT. I would like to know. I have something to say on this question, and I would like to know whether I will have an opportunity.

Mr. MANN. I doubt very much whether the gentleman can get it in that time.

Mr. FOCHT. Then I object.

The SPEAKER. The gentleman objects, and the gentleman from North Carolina [Mr. WEBB] is recognized for an hour.

Mr. WEBB. I give notice that when the debate has run for an hour and a half, I will move the previous question.

The SPEAKER. You have an hour on that side, and the gentleman can move the previous question in his hour.

Mr. WEBB. Mr. Speaker, I think we are very close to an agreement here. If the gentleman from Pennsylvania [Mr. FOCHT] wants a little time, it may be that we can limit this discussion to an hour on a side. I do not think the House cares for a discussion, but if the gentleman wants to be heard I want to be agreeable, and if we can agree to an hour on a side, one hour to be controlled by the gentleman from Illinois and one hour by me——

Mr. MANN. I have requests for two hours and a half of time, not allowing time to the gentlemen who have now asked for it.

The SPEAKER. The gentleman lays before the House the following motion to recommit, and we will get rid of that part of it.

Motion to recommit, by Mr. GRAHAM of Pennsylvania: I move to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to agree to eliminate from the bill in conference both the letter and substance of section 4 of Title I in the bill as it passed the House or as contained in the pending conference report.

The SPEAKER. Has the gentleman from North Carolina made an agreement about the time?

Mr. WEBB. I have not, Mr. Speaker.

The SPEAKER. The gentleman from North Carolina is recognized for an hour.

Mr. WEBB. I would like, Mr. Speaker, to be notified when I have used 10 minutes.

The SPEAKER. Very well.

Mr. WEBB. Mr. Speaker, the managers of the conference on the part of the House have tried to perform their duty with respect to this difficult bill conscientiously and effectively, and, generally speaking, I may say that the bill presented to you today is practically the bill as it passed the House. The only changes that have been made worth mentioning are in the espionage section proper, and there we agreed as to the particular designation of what matters should not be entered upon or flown over, instead of the "national defense" as a general description.

We used the same language and require the same testimony to prove guilt, however, in all the espionage sections except section 4. That is known as the censorship section, and of course we had considerable difficulty in arriving at an agreement on this section 4 of Title I.

We knew how many Members of the House felt on the censorship question, and I will say to you, gentlemen, that we have presented to you here what is called a censorship section; but, as a matter of fact, there is no censorship about it. We have presented a section which is milder than anything that has been presented to the House so far—five times as mild as the amendment offered by the gentleman from Illinois [Mr. MCCORMICK] when the bill was under discussion originally, and milder even than the "compromise" amendment which the gentleman from Pennsylvania [Mr. GRAHAM] presented to me for presentation to the conference committee.

In fact, gentlemen, unless this House wants to put itself on record as favoring the right of the newspapers to furnish and publish information as to the movement, numbers, and disposition of the armed forces of this country in time of war in a naval or military operation, which information is useful to the enemy, I think the House ought to support the amendment. In other words, it seems to me that if you want the newspapers of the country to publish that kind of information, then you will vote to recommit this bill with instructions to strike out section 4.

Mr. JAMES. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Yes.

Mr. JAMES. Is there anything in the bill that would prohibit anybody from criticizing the quality of the food or clothing that might be furnished to the soldiers?

Mr. WEBB. Nothing whatever. It was proposed that we should include the words "or equipment." We struck it out. We use this language in the section:

When the United States is at war the publishing willfully of information with respect to the movement, numbers, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, is hereby prohibited.

Now, I appeal to the conscience and patriotism of every Member on that side of the House and on this side, too: Do you believe that that kind of information ought to be furnished by a newspaper simply because it stands back and says, "I want to enjoy the freedom of the press"?

Mr. SLAYDEN. Mr. Speaker, will the gentleman permit a question there?

The SPEAKER. Does the gentleman from North Carolina yield to the gentleman from Texas?

Mr. WEBB. In a moment. I will say to the House that we agreed to stop right there. That does not give anybody the power to censor anything. That is a congressional expression as to what kind of information ought not to be published, and it would keep the newspapers from letting the spies and the enemy know the movements of the armed forces and give protection to our country. I say we would have stopped there, but it was argued that if we made that rigid rule there might be times occasionally when certain information with regard to the movement and disposition of our troops would not be useful to the enemy, and therefore we added this clause—

And the President may from time to time by proclamation declare the character of such above-described information which in his opinion is not useful to the enemy, and thereupon it should be lawful to publish the same.

That refers to these movements and designations of troops that may not be useful to the enemy, and thereupon it may be lawful to publish such information. In other words, we make the law, and if in the opinion of the President certain information would not be useful to the enemy the newspapers can publish it.

Now, what could be fairer, gentlemen of the House, than that provision? We have written in the bill a provision that in case of trial the jury shall not only say whether the information was willfully published, but also that the published information was useful to the enemy. Tell me where a paper's liberty is threatened by that.

Mr. JAMES. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Yes.

Mr. JAMES. If a condition should arise where we would have embalmed-beef outrages or similar things, there is nothing in this bill to prohibit any soldier from writing to his newspaper or his folks and the newspaper exposing that fact?

Mr. WEBB. No. There is nothing in this to prohibit that, because this prohibition is confined to information regarding movements of the armed and naval forces of the United States, and expressly reserves to the public the right to criticize if their criticism does not make public information that would be useful to the enemy forbidden by the section.

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Yes.

Mr. CAMPBELL of Kansas. Why is it assumed that any newspaper in the United States would publish information of that character that would be useful to the enemy in time of war?

Mr. WEBB. Well, why is it that this country has men in it who would be delighted to give information that would be harmful to the United States? Why is it necessary to assume that men will commit murder or counterfeit, and yet we have laws against both?

Mr. CAMPBELL of Kansas. Is it not true that there have been movements of troops or vessels of the United States which have been kept secret by the press?

Mr. WEBB. Yes; that is very true; and I want to say that I am glad the gentleman mentioned it. The prohibition that we present here is a dozen times milder than the self-imposed censorship which the reputable newspapers of this country say they will be governed by.

Mr. CAMPBELL of Kansas. Is it not better that the press of a self-governed country should impose upon itself such restrictions and not invade their constitutional rights?

Mr. WEBB. I think in time of war there are many newspapers who would not keep that self-imposed censorship, and we are invading nobody's constitutional rights.

Mr. CAMPBELL of Kansas. They have been keeping it.

Mr. WEBB. Some may not keep it. The gentleman should remember that there are over 2,000 newspapers in the United States.

Mr. CAMPBELL of Kansas. The attention of the public has not yet been called to any information having been published that would be useful to the enemy.

Mr. WEBB. Not yet; but when something begins to "break" in this country, when men are striving for news, some of them, I fear, are not going to abide by these self-imposed restraints, which only a few papers have agreed to.

The vast body of newspapers in this country have never agreed to any such censorship, and some of them will not abide by it if they get a big piece of news that they want to publish.

Mr. MONDELL. Will the gentleman yield?

Mr. WEBB. I yield to the gentleman from Wyoming.

Mr. MONDELL. The gentleman refers to these provisions as being moderate. Is it not a fact that under the sections newspapers are prohibited from publishing anything lawfully that has to do with matters connected with the war unless the President has specifically authorized it?

Mr. WEBB. No.

Mr. MONDELL. Then what does this language mean?

And the President may from time to time by proclamation declare the character of such above-described information which, in his opinion, is not useful to the enemy, and thereupon it shall be lawful to publish the same.

Mr. WEBB. Exactly.

Mr. MONDELL. It is unlawful to publish anything relative to the war unless the President proclaims it as being lawful.

Mr. WEBB. I do not yield to my friend to make any such statement. It is not in the bill. We propose that Congress prohibit the publishing of the movement, disposition, or numbers of the armed forces of the United States in a military or naval operation.

Mr. SLAYDEN. Will the gentleman yield?

Mr. WEBB. I yield to my friend for a question, but I want to get on and say something about the bill if I can.

Mr. SLAYDEN. I will wait.

Mr. WEBB. No; go ahead.

Mr. SLAYDEN. I would like to know if the gentleman really believes the statement he made in the first part of his remarks, that a man who could not support this measure would be in favor of having information conveyed to the enemy?

Mr. WEBB. No; I did not say that.

Mr. SLAYDEN. The gentleman said what would be interpreted that way.

Mr. WEBB. Of course, I do not mean or say that. But I mean this, that what is prohibited here is the willful publication of information concerning the armed forces of the United States in military or naval operations which would be useful to the enemy. Now, if you vote that down, you can construe your act just as you please.

Mr. KNUTSON. Will the gentleman yield?

Mr. MONDELL. Will the gentleman yield for a question?

Mr. WEBB. No; I can not yield. I have only four minutes. In those four minutes I want to have read from the desk a recent editorial in the New York World, which shows that the honest newspapers of this country ought to advocate such censorship as this, and that worse times may come if the war gets a little fiercer than it is now.

Mr. GREENE of Vermont. Will the gentleman give the date of that editorial which he proposes to have read?

Mr. WEBB. I think it is May 26.

Mr. GREENE of Vermont. There have been several editorials in the World on that subject.

Mr. WEBB. Yes; I know there have—all of them sensible.

The SPEAKER pro tempore (Mr. HUMPHREYS). The Chair will inform the gentleman from North Carolina that he has consumed 10 minutes.

Mr. WEBB. I will take the time to have this editorial read.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

SPIES AND CENSORSHIP.

It is announced by the Navy Department that four days before the American destroyer fleet arrived abroad the German Government knew that the ships were on their way; it knew the British port to which they were going, and it was able to mine the entrance to the port the day before their arrival.

How this information reached Berlin nobody knows; but if the opponents of a sane censorship, in Congress and out of Congress, are to have their way, all such information may be put openly in the hands of every German spy in the United States. All German and pro-German newspapers, all German and pro-German news agencies, are to be privileged to spread it broadcast in order that no German agent shall be kept in ignorance. No matter how flagrant such publication, no matter what disasters may befall the country in consequence of it, it is all to be justified as a manifestation of the "freedom of the press."

In the opinion of our neighbor, the Tribune, the only object that the President could have in seeking to protect such military secrets as the sailing of the destroyer fleet would be to bring about a suppression of the newspapers in order that he "may hereafter dictate public policies without peril of domestic criticism." In the opinion of the amiable and benevolent * * * it is a "vicious" thing that the President should have power to define the character of military information that would be useful to the enemy. Evidently that is a matter which can be safely left to the German spies in the United States. They at least will know what information is likely to be useful, and all the agencies of publicity which wish to cooperate with them would have license and full immunity if * * * views were to prevail.

Such views will not prevail, however, no matter what the fate of the censorship bill may be. Unless the Government is authorized to employ moderate methods of safeguarding its military secrets it will inevitably resort to drastic methods under its war powers, and those war powers, if used to their fullest extent, are the most devastating weapon that can be turned against a free press. Why invite its use? Why insist upon its use? Why leave the newspapers exposed to the penalties of treason, however innocent their error may be? Why leave them at the mercy of army commanders, as they were in the Civil War? If that is "freedom of the press," then the World knows little about freedom of the press.

So far as the World is concerned, it is for the kind of freedom of the press that protects all the legitimate rights of the newspapers and the people, but it is not for the kind of freedom of the press that furthers the work of every German spy and aids him in obtaining military information that can be used against the American people. It is for a sane censorship and against a condition of news chaos which will inevitably drive the Government to processes of law that place the patriotic newspaper in the same class with every treasonable sheet that may be printed for the benefit of the enemies of the United States.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry?

Mr. STAFFORD. Will the gentleman yield for a question?

Mr. WEBB. I will yield for a question from the gentleman from Wisconsin—just a question.

Mr. STAFFORD. Mr. Speaker, the gentleman has not directed the attention of the House to what I regard as a very material change as to the use of the mails, not only as to letters but newspapers, in Title XII, which excludes from the mails matters that are intended or calculated to induce, promote, or further any of the acts or things by this act declared unlawful. I consider

that provision of such a drastic character that it could be utilized so as to exclude from the mails any newspaper that might even suggest a course of action that would be in a way consonant with public duty, and yet which, in the opinion of the Postmaster General, might be in opposition to the provisions of this bill. For instance, we have passed a conscription law. It is now the law of the land——

Mr. WEBB. I hope my friend will not make a speech in my time.

Mr. STAFFORD. It is now the law of the land. Supposing a newspaper should advocate that persons were not obliged under the circumstances to volunteer in the Regular Army or in the National Guard, but should advise them to wait until the conscription law took effect. That would be in contravention of section 3 of Title I, and the newspaper or letter by this provision would be nonmailable.

Mr. WEBB. It is a criminal offense now to conspire to violate the law.

Mr. STAFFORD. That is not conspiracy, but this provision would give the Postmaster General the power to make regulations to exclude from the mails newspapers that publish something in opposition to what the Postmaster General considered to be good public policy.

Mr. WEBB. In violation of the provisions of this act.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. WEBB. I yield to the gentleman from Minnesota.

Mr. MILLER of Minnesota. Can the gentleman inform the House if any newspaper published anything relative to the departure of our destroyers or the port to which they were bound?

Mr. WEBB. I do not know. Now, Mr. Speaker, if I can get an agreement with the other side——

Mr. MANN. The gentleman can reserve his time, and I will take the floor. We will have no trouble about that.

Mr. WEBB. All right. Then I reserve the remainder of my time, which I believe is 45 minutes.

Mr. MANN. Mr. Speaker, I yield one minute to the gentleman from Illinois [Mr. McKENZIE].

Mr. McKENZIE. Mr. Speaker, I am opposed to the provision in this bill known as the censorship section, and I trust the House will recommit the conference report to the committee of conference with instructions to strike out the same.

I am opposed to it, first, because the Constitution of our country specifically says in Article I that "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press," and so forth.

You will observe that this language is specific and mandatory. Congress shall make no law touching these subjects. I am unalterably opposed to setting the Constitution aside at this time for any such purpose. I feel that the fathers of our country, the men who won our liberty and independence and who wrote this Constitution, had in mind all the many arguments and reasons such as we have heard presented in support of this bill when they wrote the Constitution, and I am not at this time prepared to say they did not anticipate a condition such as we are now confronted with in our war with Germany.

I can conceive of no good reason why at this time we should enact a general law giving the President or his agents power to throttle the press of our country. I can not forget that this is the land of liberty. Yes; the land of freemen, where every man is a sovereign, so to speak, and to undertake to say that the President of our country or some one he may appoint shall have the power to say what shall and what shall not be published for the benefit of the people in relation to the present crisis is, to my mind, un-American and will result only in disaster. Have we come to the place in our history when such autocratic power is necessary to preserve our liberties? Do we need a legal guardian in the matter of publicity? God forbid that such is the truth.

I am for my country, as we all are. I have no time for traitors and conspirators against our country or our laws. I favor the severest punishment for treason, and I am glad that the same Constitution that stands as a bulwark of free speech and a free press also clearly defines treason as follows:

> Treason against the United States shall consist only in levying war against them or in adhering to their enemies, giving them aid and comfort.

Why not, if a newspaper man should so far forget his allegiance to our country as to give aid to the enemy by the publication of certain information that would be of value to the enemy, arrest him for treason and condemn him accordingly? Do the sponsors of this censorship provision contend this could not be done? In my humble judgment it could be and should be done; but if such is not the fact, far better to suffer the consequences of the damage done by the publication by some treasonable citizen of certain information beneficial to the enemy than to trample our Constitution under foot, create an autocratic censorship absolutely contrary to every ideal of American independence and liberty. Why undertake to throttle the press of our country as a whole rather than undertake to punish the few miserable, contemptible curs that might abuse this greatest of our privileges as American citizens?

There is another reason, in my judgment, why this provision in the conference report should be defeated. It is this: There seems to be a feeling of uncertainty in the country as to the real issue between our country and Germany, and this issue is being befogged as much as possible by every enemy of the country and everyone not in sympathy with the war, and now, if we are to undertake to muzzle the press, even though the motives of the men making the attempt are inspired by the loftiest patriotism, it will add to the discontent and will be taken advantage of by every agitator in an effort to disparage the lofty purpose of our country by alleging that the war is indefensible and that the administration knows that fact and desires to shut out the light of day as reflected from the public press as to the true condition and purpose of our country. Gentlemen of the House, we can not afford to take that position. Do not let us do anything that will strengthen the enemies of our country in our midst. Let the press have liberty—not treasonable license. Nothing will result in so much disaster, in my judgment, as to have the American people feel that they are being deceived by those in power. Let the truth be known at all times, so far as our own country is concerned. Nothing is so terrible in time of war as uncertainty and the feeling in the breasts of the people that they do not know what is going on. We are all citizens of a common country, why attempt to blind a part of the people as to the truth? Let the truth be spoken through the press, and, while some errors may be committed by a few unthinking or criminally inclined editors, the great mass of the publishers of our country will be patriotic and will guard the welfare of our country in the columns of their papers; and then the man who loves the red flag will not have as a slogan, "This is no longer the land of the free. The press is muzzled and free speech denied." To give anyone the advantage of such an argument at this time, in my judgment, would be the greatest folly. Let us have a care that we do not encourage revolution in our land by committing the errors and mistakes of autocracies and despotisms. Let us continue to uphold the flag of our country as the emblem of the free in deed and in truth and preserve our constitutional rights inviolate. [Applause.]

Mr. MANN. Mr. Speaker, I yield to the gentleman from California [Mr. OSBORNE].

Mr. OSBORNE. Mr. Speaker, as greatly as I desire to comply with the wishes of the administration in all matters pertaining to the conduct of the war, I am unable to see the justice or wisdom of this proposed censorship of the newspapers of the country. It presents itself to my mind as a most ungracious and ungenerous return for the conspicuous loyalty and incalculable service which the daily newspapers have been and are rendering the Government. These services are so far-reaching in their nature that they are beyond all mathematical conception. The newspapers are read by millions of our people every day, and without assuming that people believe everything that they read in the newspapers, it is an undoubted fact that the minds of even the most intelligent people are very greatly influenced by the statements of fact which they read in the newspapers and the manner in which those facts are stated.

As a rule the newspapers are highly patriotic. The writers of the daily press in the nature of their employment give great attention and much thought to public affairs. The result is that such writers are as a rule somewhat in advance of the ordinary citizen in reaching conclusions as to public policies. Having reached convictions, as the newspaper press of the country did reach convictions in regard to the necessity of the present war, their influence is naturally very great upon the reading and thinking public, and thus upon everybody.

In the way of preparing the public mind for the sacrifices that must be made, and are being made, during this war in the way of greatly increased taxation, in the demand for subscriptions to enormous public loans, and, greater than all, in the sacrifices which the country will be called upon to make in the lives of thousands of its young men, the service of the newspapers of the country in steadying public opinion and placing foremost in the public thought the ideal of patriotism, and the honor and dignity of our Nation and its flag, which symbolizes all that we love, is an inestimable service that is being rendered. [Applause.]

Is it not an ungracious and ungrateful thing to do to place a law upon the statute books which voices a suspicion as to the loyalty and intelligence of the newspaper press and the news-

paper writers of the country? I do not believe a law can be placed in such shape as to avoid this implied, if not direct, suspicion, which absolutely has nothing to rest upon. I believe the newspaper press of the country would cheerfully submit to the most rigorous self-imposed censorship and that that is the way in which this subject—the importance of which I do not minimize—should be handled. [Applause.]

Mr. MANN. Mr. Speaker, I yield to the gentleman from Kansas [Mr. CAMPBELL].

Mr. CAMPBELL of Kansas. Mr. Speaker, the objection that I have to section 4 of this bill is that it assumes that the newspapers are less patriotic than the rest of the people of the country. I do not believe that zeal for the welfare of the Republic and all the patriotism of the country rest in those who are temporarily in places of power. [Applause.] I believe that the newspapers of the country are as zealous for the welfare of the country, are as much interested to-day in the success of the United States in the war with Germany as anybody in any place of power in the Republic, nor do I believe that newspaper publishers are either less patriotic or less wise than public officials.

I resent the imputation that the people of the United States who are engaged in the publication and distribution of news are less zealous for the safety of the country than the rest of us. Nothing has been done since the war began to justify this assault on the newspaper publishers of the United States. They have carefully guarded every bit of information that would be of use to the enemy in any way whatever. Nothing has leaked out through the newspapers that could be of value to the enemy in this time of war. If any newspaper publisher publishes any matter that is of use to the enemy prohibited in section 4 he can be prosecuted under the laws that now exist against treason. [Applause.]

Mr. MANN. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Speaker, we have gone a long way in this controversy to further the desires of the President of the United States with reference to the prosecution of this war. There are many here who have voted for a number of measures under protest, but have reposed sufficient confidence in him to believe in his patriotism as well as his wisdom. But if this bill is predicated upon his desire I am amazed that he would undertake to so far suppress the popular expression within the limits of the present law as to strike at the alarm clock of the Nation, for that is what the press is, and I desire to say, Mr. Speaker and gentlemen of this House, that when the time comes that it is necessary to muzzle the press, when it is necessary to so far inveigh against the press as to denounce and characterize it as this bill does, by indirection at least, then I say that such a thing as the perpetuation of a free government is in danger.

It is a fundamental principle and the underlying doctrine of this free Government that there shall be free speech and a free press. [Applause.] I sincerely hope that gentlemen on the other side of the aisle will rise above all political bias, as we have on this side, and even individual importunity which at this time I feel unjust, in order that there may be no suspicion as to our patriotism on this side, no finger pointed at us as going beyond the limitations of the support of the President in some of these matters. But I warn you, my friends, if we hope to continue the liberties of our Republic, if we want to be assured that no man shall come "on horseback" to muzzle the press and gag free speech, let us sink to a bottomless sea such legislation as this. [Applause.]

Mr. MANN. Mr. Speaker, I yield five minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Speaker, when this House, after the able constitutional argument of the gentleman from Pennsylvania [Mr. GRAHAM], and the eloquent appeal for liberty from our beloved Speaker, voted by a large majority to condemn the attempt to deprive the American citizen of the priceless right of free speech and a free press, the friends of liberty everywhere rejoiced that the Congress still represented the people of the United States. [Applause.]

And yet, I regret to say it to our shame, on that same day of freedom's victory, a small minority of this House, taking advantage of empty seats, under the guise of an amendment passed on to the Senate this tyrannical measure. And now under the plausible argument of an infamous compromise the administration again demands that we crucify liberty and then, like Pilate of old, we are to wash our hands before the people and declare that we are innocent of this shameless crime.

After our Revolutionary fathers, at the close of a long seven-year war for freedom and liberty, severed and dissolved the political ties that bound them to the mother country, and established forever on the soil of a New World the first Republic, they adopted for their future guidance, in peace and in war, a written Constitution.

The first words of that charter of human rights declared and proclaimed human liberty in the language of a free people as follows:

> We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

In that immortal declaration they further proceeded to divide government into three departments—the legislative, judicial, and executive. The legislative power to consist of a Senate and House of Representatives, composing the Congress of the United States, whose exclusive duty it was to enact laws for the Republic in accordance with that Constitution.

The judicial power was placed in a bench of learned judges, whose sole duty it was to interpret and construe the laws thus passed by Congress and to fearlessly set aside all unconstitutional enactments.

The executive power was committed to the keeping of the President of the United States, whose supreme duty it was to faithfully enforce the laws so enacted by the Congress and approved by the Supreme Court. Each of these departments was to be kept forever separate and distinct. Neither was to encroach upon nor interfere with the work or duties of the other, and all were to work together in perfect harmony for the common good.

The fathers in their wisdom went further than this; they sought to effectually protect the United States against its internal enemies when they provided and proclaimed in that Constitution—

> Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort.

That there might never be a mistake made as to the perfect right of the people to criticize their own servants they placed in that Constitution a plain limitation upon a subservient Congress or a dictatorial Executive when they further said:

> Congress shall make no law abridging the freedom of speech or of the press.

And, finally, to insure to its fullest extent the liberties of all the people, and to prevent forever the Congress from any attempt to set aside the Constitution, they provided that this great charter of the people could only be amended by a two-thirds vote of both Houses of Congress, and that vote must be approved by three-fourths of the legislatures of the several States.

Hitherto this great Constitution of a free people has been equal and sufficient to guide the Ship of State through the breakers of a great civil war, when our foes were those of our own household. Under its beneficient provisions the private citizen has enjoyed the precious liberty of voice and pen, the country village has held unmolested its town meetings without fear or coercion.

Great cities have reviewed and criticized its public servants to the advantage of good government. Public opinion has expressed itself on every forum in every public hall, from pulpit and press, and courts of justice. A free press and free speech has been hitherto enjoyed by us as the priceless heritage of a free people. Under the protection of the Constitution the pen of the writer and the author has multiplied books on every subject of life action and government until intelligence has crowned and blessed the people of this Republic.

From a free press come millions of newspapers, magazines, and pamphlets that fall about us like the leaves of the forest, until it has become a national maxim that only an intelligent people can be a free people.

The great press of this Nation has recently aroused and awakened our people from a false sense of security, from "a life of ignoble ease," from a spirit of national decadence that was "too proud to fight" to a love of country and a holy patriotism that blazes now from every heart and assembles her sons and daughters to enter with enthusiasm upon a war for all mankind and "the democracy of the world."

And now in this hour of our greatest triumph—this birthday of a "new freedom"—we, the Congress of the United States, are urged and importuned by the executive department of the Government to enact unconstitutional laws, to place in the hands of the President unlawful powers, to grant to him the semblance of an authority to take away from the citizen the protection of the Constitution, to close the lips of the statesmen, to muzzle the press, to gag the Congress, to attempt to amend the Constitution by a mere majority of Congress and

without any submission to the people and without the consent of the legislatures of the several States.

These are days of destiny that try men's souls. We have already invested our President with supreme authority over the Army and the Navy; we have given him freely billions of money and millions of men to carry on the war, and we are yet to extend to him almost unlimited credit and confidence. We are walking in untried paths, surrounded by darkness and mystery. Even the poor protection and slight benefit of a committee appointed by the Congress to consult with and advise the President has been denied to the people.

How shall these billions of money be spent?

How shall these millions of men be marshaled?

Who shall be commissioned by the President to conduct to success this great war?

Who shall compose these Army and Navy committees and make up the boards of strategy?

What pilot will conduct the good ship amid the breakers of war?

Who will walk the deck and give command?

Who will be at the wheel in these days of storm and darkness?

God help us in this hour of peril and danger not to surrender to any one man more power than that given him by the Constitution or granted by the people we serve. In the name of the immortals who wrote the Declaration of Independence, of the murdered Lovejoy, of Garrison and Phillips, of Greeley and Beecher, I protest against this illegal and unlawful attempt to deprive our country in its hour of need of the voice of public opinion and the protection of the press. Standing here in this Capitol of the people, made sacred by the blood of Sumner, who was stricken down in his seat for words uttered on the floor of Congress, I appeal to the Members of this House to save to the people their Constitution. It is the last fond hope of the world. If we lose this, we have lost all. [Applause.]

Mr. MANN. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. GORDON].

Mr. GORDON. Mr. Speaker, the present crisis in the life of this Nation demands not only the physical support of its citizens of military age by enlistment in the Army and Navy, but a united effort by all citizens to coordinate and utilize the mental, moral, and physical resources of the country to defeat the enemy and vindicate the sovereignty of the Nation. It is not necessary, however, to abrogate the constitutional rights of our own citizens under the pretense of defending the country against Prussianism; that is not national defense, but national suicide.

In his great speech before the Supreme Court of the United States in Milligan's case, Jeremiah S. Black, in pressing upon the court the constitutional rights of his client, who had been sentenced to be hung by a military commission, although having no connection with the Army or Navy, said:

> It is precisely in time of war and civil commotion that we should double the guards upon the Constitution. If the sanitary regulations which defend the health of a city are ever to be relaxed, it ought certainly not to be done when pestilence is abroad.
>
> When the Mississippi shrinks within its natural channel and creeps lazily along the bottom the inhabitants of the adjoining shore have no need of a dike to save them from inundation, but when the booming flood comes down from above and swells into a volume which rises high above the plain on either side, then a crevasse in the levee becomes a most serious thing. So in peaceable and quiet times our legal rights are in little danger of being overborne, but when the wave of arbitrary power lashes itself into violence and rage and goes surging up against the barriers which were made to confine it, then we need the whole strength of an unbroken Constitution to save us from destruction.

The Supreme Court of the United States, in the most momentous and epoch-making decision in the history of this Nation, followed the reasoning and argument of Judge Black and discharged the prisoner, thereby putting an end to the reign of terror which had prevailed in this Capital and in the Northern States during almost the whole period of the Civil War.

Where do you get any authority for abridging the freedom of the press or the right of free speech? This conference report provides that certain things may be published whenever the President shall by proclamation choose to permit you to do so. We do not have to go to the President to get permission to publish our views. If any man communicates any information that is of advantage to the enemy for military purposes and is of disadvantage to this Nation in time of war, he can be punished under existing laws of the United States and other provisions of this bill for giving aid and comfort to the enemy.

This covers that proposition fully. The Constitution simply says thou shalt not pass any law abridging the freedom of speech or of the press. It does not say that you can enact legislation that may be satisfactory to this branch of the Government or the other branch of the Government, or even to the Congress itself. This inhibition was placed in the Constitution to protect the people against Congress as well as against every other branch of the Government, and all branches combined.

Mr. WEBB. Mr. Speaker, will the gentleman yield?

Mr. GORDON. Yes.

Mr. WEBB. Did not the gentleman vote for the Gard amendment?

Mr. GORDON. Yes, I did; and I have grave doubts about the correctness of that vote, I will say to the gentleman. I have studied this question somewhat since I cast that vote. I voted for Mr. GRAHAM's motion to strike out the original proposition which was reported here by the committee, which was infamous. The Gard amendment was reported out hurriedly to fill up the gap in the bill, and it was not given consideration by the committee. I got a copy of it and studied it for a few minutes, and then voted for it, but I have grave doubts about whether Congress had any power even to pass that, and that was much less objectionable than this, I will say to the gentleman. [Applause.]

By the proviso at the end of this section 4 of Title I, we are granted the gracious permission to discuss, comment on, and criticize the acts or policies of the Government or its representatives and to publish such comments and criticisms "if such discussion, comment, and criticism does not disclose information with respect to the movement, number, description, or disposition of the men in the Army or Navy." How can helpful discussion or criticism be indulged in without disclosing information relative to the subject discussed?

The way to prevent military information from reaching the enemy is to refuse to disclose such information to the newspapers or anyone else outside of the Military Establishment.

If we have to go to the Commander in Chief of the Army in order to exercise the rights which the framers of our Constitution undertook to guarantee by providing a prohibition against interference with that right, then I think we are coming upon evil days in this land of the free. It seems to me that you are undertaking to legislate on a proposition that you have no right to legislate upon—no right whatever. [Applause.]

Mr. MANN. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. GARD].

Mr. GARD. Mr. Speaker, I regret to find myself in disagreement with the very splendid chairman of the Committee on the Judiciary, but in all honesty to myself, as I have told him—and I think he appreciates it—I can not accept the language framed by the conferees in the new section 4 of this conference report. On the 4th of May this House adopted an amendment which had three controlling features. One was that the President of the United States might, in an emergency resulting from war or from the imminence of war, declare that emergency to exist and in that proclamation prescribe reasonable rules for the publication of matters affecting the national defense which might be useful to the enemy. It also provided that in the submission of the case the jury must find not alone that the publication was made, but that it was in fact useful to the enemy. It was the purpose of this amendment to safeguard the rights of all men, to give to newspapers and newspaper publishers no greater right of publication of matter than should be afforded to the most humble citizen in the fullest right of free speech. However, I differentiate very decidedly between the language of that amendment and the language written into this bill by the conferees. The particular language which I object to in the report of the conferees is that the President is not called upon to make a declaration of reasonable rules for the publication of matters affecting the national defense which may be useful to the enemy, but that the absolute power is given to the President to withhold all information concerning the movement, numbers, description, or distribution of the armed forces of the United States in naval or military operations or in respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, unless he shall first issue a proclamation and determine by that proclamation the character of such above-described information which in his opinion is not useful to the enemy, and thereupon it shall be lawful to publish the same.

I do not think the question of authority under the Constitution authorizing the President to make reasonable rules and regulations for the carrying on of war can be held to include every publication which a newspaper can make. As I read this language—and I try to read it intelligently; I have given a great deal of consideration to the matter—if it means anything at all it means that before any publication can be made of anything pertaining to the movement of troops or our fortifications the approval of the President must first be had. I assume that this is a provision which no man would want, and I am sure the present Chief Executive of the United States would not desire

this burden of being compelled every time a publication is to be made concerning the movement of troops to issue a proclamation saying whether or not in his opinion it is of such a character as is not useful to the enemy, and that thereupon the newspapers may publish it. Then, standing to the fullest for the freedom of speech and the freedom of the press, I yet realize that there may be newspapers—fortunately very few in number I believe they are—that might seek to transgress rules for the government of our national welfare and in that light such regulations restricting them or prohibiting them in a sense should be agreed to and should be in the law but certainly the time is not here—and I trust it never will be here—when it is necessary to have the authority of a proclamation of the President of the United States before a newspaper can print anything at all concerning matters which may be of the most vital public importance.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. GARD. Mr. Speaker, I will ask the gentleman to grant me five minutes more.

Mr. MANN. I yield five minutes more to the gentleman from Ohio.

Mr. GARD. The matter has now gotten into this condition. Section 4, as it appears in this conference report, is a compromise section which contains so many different ideas that I myself do not believe it presents a workable, legal conclusion. I do not go so far as to say that it contravenes the Constitution of the United States, because I believe the Constitution affords ample authority to pass any law which may be necessary to carry on successfully the warfare in which the United States is engaged, and I do not go so far as to attack the constitutionality of the basic principle of regulation, since I firmly believe in the basic principle of regulation, as I believe in the right of free speech and the freedom of the press. I believe in one as much as in the other, but we are now going far beyond that, and the gist of this amendment is to assume that everything is improper to be published unless the President of the United States shall say it is of such a character as is not useful to the enemy.

The newspapers of the United States perform a great function. Not alone in the large cities and crowded centers of the country but everywhere throughout the length and breadth of this Nation they bring the news to the people, and the people are entitled through them to a full and fair discussion of all governmental acts. The people are entitled to all the information which carries no danger to our national defense and which is not useful to the enemy, and we must adhere to this time-honored rule of the freedom of speech and the freedom of the press. We must first say that the freedom of the press be not abridged unless some reason, some military exigency exists why the matter should not be published, but we should not adopt the rule that nothing should be published until it is made public by proclamation that it should be published. [Applause.]

Mr. DYER. Will the gentleman yield for a question?

Mr. GARD. I will if I have the time.

Mr. DYER. The gentleman recognizes the fact that this inhibition is only to the movement of troops and the question of fortifications——

Mr. GARD. I do; I recognize that.

Mr. DYER. Nothing shall be published concerning that unless the President gives it out and says it is proper.

Mr. GARD. Yes; and that is what I object to. If it means anything else than that, it means nothing at all and should not be a part of the bill. If it means what I think it means, it means that nothing pertaining to the movement of troops, numbers, descriptions, or disposition of any of the armed forces shall be made public unless the President says that it is of such a character as will not be useful to the enemy.

Mr. DYER. The gentleman is mistaken about that. It is a question of determining——

Mr. GARD. No; I am not mistaken. The gentleman is now referring to the control. I am referring to the proclamation of the President, because I do not think the President of the United States desires to be burdened with the necessity of making proclamations every day or two to the newspaper men of the country and say that certain information is not of a character to be useful to the enemy.

Mr. DYER. But the gentleman will agree that the President is responsible to the people of the United States for the troops and the ships.

Mr. GARD. Certainly he is.

Mr. DYER. And for their safety, as far as possible.

Mr. GARD. The President is the Commander in Chief of the Army and the Navy and we should provide him with every reasonable and proper means to carry on this war to a successful and hasty conclusion, and I have stood and will stand for everything calculated to do that thing; but I do not think the President of the United States wants the burden of being compelled to say by his proclamation to any newspaper in Cleveland or in Chicago or in Cincinnati or elsewhere in these United States that you shall publish nothing at all of these matters unless he, as the President of the United States, issue a proclamation and says that it is not of a character to be useful to the enemy; otherwise punishment is the penalty.

Mr. WEBB. Will the gentleman yield for an interruption?

Mr. GARD. I will.

Mr. WEBB. The language of the amendment adopted by the House, called the Gard amendment, which the gentleman drew, says:

> And the President is hereby authorized to declare by a proclamation the existence of such national emergency and is hereby authorized from time to time by proclamation to declare the character of such information which is or may be useful to the enemy.

Mr. GARD. And I adhere to that.

Mr. WEBB. Is not a much bigger burden put upon the President by that?

Mr. GARD. No; the idea in my amendment was that the President in an emergency could do this. Now, this goes further and says that when the United States is at war then all this information shall not be published. My amendment says in any emergency, in time of war or imminence of war, which emergency shall first be declared by proclamation that a national emergency exists for the defense of the country. Then the President is to make regulation as to what should not be published. There is no criminal statute—and this is a criminal statute, and you must give it its full force and effect—which carries a provision that everything shall be prohibited—only that certain named things are prohibited.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GARD. The idea of this law or other similar law should be that a reasonable regulation should be made when the national emergency calls for it. I do not subscribe to the language of this amendment that the President shall issue a proclamation before any publication of public matters shall be lawful. [Applause.]

Mr. CROSSER. Mr. Speaker, I ask unanimous consent that the gentleman have a minute more.

Mr. MANN. I would like to yield the gentleman further time, but I can not do it, much to my regret. Will the gentleman from North Carolina [Mr. WEBB] yield some of his time?

Mr. WEBB. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. DYER], a member of the committee.

Mr. DYER. Mr. Speaker and gentlemen of the House, this morning when I asked if I or the Republican side would be able to get any time under the arrangement that was proposed, I was told that the Republicans had caucused or had some kind of a meeting or conference, and that no Republican ought to stand up and vote to support this measure. I said then, Mr. Speaker, and I say now, that it is a greater duty in this hour and at this time of distress to stand up and support your country as your conscience dictates than it is to take orders from any caucus or conference of any political party. [Applause.] I am in favor of this measure. I am in favor of it because it will enable the President to protect my fellow Americans who have to traverse the seas to France and fight for their country. And to say that the newspapers shall be permitted to publish the movements of ships, to say that the newspapers shall be permitted to publish the fact that a ship has sailed which is loaded with Americans for this foreign land, to say that the Navy has sent out its transports or its battleships carrying the precious blood burden of American citizenship is wrong. It is wrong to say that the President can not prohibit the publication of that.

Mr. GORDON. Will the gentleman yield?

Mr. DYER. I can not yield. He can permit it. He can say, in other words, that it can be given out.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. DYER. No; I can not yield to the gentleman now. I will yield in a minute if I have the time.

But, Mr. Speaker, there has been no crime committed if a newspaper goes ahead and publishes the movements of the troops, unless the jury finds that it was willfully committed. The President does not determine whether there has been a crime committed or not. Gentlemen, you will be mighty sorry if you allow your partisanship and desire to obtain a political advantage in a matter of this kind when your country's interests are at stake, where the lives of your fellow men are in the balance. If you are going to allow upon the one hand political exigencies to sweep aside your patriotic duty at this hour, you are unworthy to be in this House of Representatives.

We do not know how soon transports will be crossing the waters with soldiers. We do not know how soon information may be given out if this prohibition is not put in, and it may result

in the lives of thousands of American citizens being sacrificed. Talk about constitutional liberty, talk about the sacrifice of personal liberty, the right of free speech! Gentlemen, there is nothing in this about that. There is no attack upon it, and I do not believe that any great portion of the press of this country to-day is opposed to this simple provision in this bill contained in section 4. Read, section 3, right above it. Does that not prohibit the giving out of any information? It says that false reports or false statements given out with reference to the operation or success of the military or naval forces of the United States shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both. That is a more severe penalty, and yet none of you are rising up in your seats and speaking against that. No; because that does not take in the great press of the country. The press is great, and in the main it is a good press. I am standing here to-day and taking my position honestly, as I believe I ought to take it, for my country first, last, and all the time, and in defiance of the fact that in my district there are six great daily newspapers published that are as good as any in the land. They do not ask me to sacrifice my duty, as I see it, for my country in time of war. No; and no other newspapers are asking it. None of them are asking it. Of course they do not like any law passed that in any way or manner reflects upon them, and neither do citizens. But laws are passed, and they are passed for protection in war time of the men who must go to war.

Mr. MADDEN. Will the gentleman yield?

Mr. DYER. I yield to the gentleman.

Mr. MADDEN. Does not the gentleman mistake the fact that section 3 provides that no false statements shall be made, and the further fact that section 4, as reported by the conferees, provides that no statement whatever shall be published unless the President says so?

Mr. DYER. Only in reference to the operations of the troops, and then it must be useful to the enemy, and then there can be no conviction unless it is found to be both willful and false.

Mr. McCORMICK. Will the gentleman explain the meaning of the words "disposition" and "description"? Will he explain that they do not connote everything that relates to the armed forces of the United States, their health and their welfare, and so forth?

Mr. WEBB. That is the very language the gentleman offered on the floor of the House.

Mr. McCORMICK. The gentleman will bear in mind that I offered it tentatively, and that it must be subject to study and direction by war-trained minds.

Mr. WEBB. The gentleman offered it on the floor of the House, and it was beaten. The exact language is here in the CONGRESSIONAL RECORD.

Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman from North Carolina has 40 minutes remaining.

Mr. WEBB. I want to yield five minutes, or ten minutes, if he desires, to the gentleman from Minnesota [Mr. VOLSTEAD].

Mr. VOLSTEAD. Mr. Speaker, I would rather not speak on this subject, in view of what has taken place in a Republican conference. I hate very much to differ from my party associates. The House knows my views pretty well on this particular question, and a speech seems quite unnecessary. I believe we ought to have a section of this kind in the bill. I can not yield my judgment to that of my party associates or to the newspapers of this country.

The day will come when we begin to send our troops across the water. Then we shall be anxious about their safety. If they are sent to the bottom of the sea as a result of information obtained contrary to a provision like this, how shall we feel if we cut it out of this bill to-day? How will this country feel if they realize that we have been trifling with this matter? Indeed, it seems to me that is what we are doing. It is utterly ridiculous for anybody to contend that this provision is unconstitutional.

Read the second and third sections of this bill. Those sections prohibit free speech if this does. They prohibit giving certain information, telling your enemy certain things. This is only another way of telling the enemy. Have we any power to stop that? No one contends that the second and third sections are unconstitutional. There is no question about our right to enact this kind of legislation. We send men to jail in every State in the Union for libel. A libel is a written or printed statement published to the injury of some person. What is here forbidden is a published statement to the injury of our country; that is what we are trying to prohibit.

It seems to me we have limited this section in every way so as to absolutely protect anybody who wants to do the right thing. It can not affect the newspapers that are honest, those who have the public interests at heart. It can only reach those who are trying to do us an injury. And why should we not punish those? [Applause.]

Mr. Speaker, I feel that we can not afford for any outside consideration, no matter what it is, to neglect to provide for the safety of the boys whom we are going to send across the sea, and that is all this will do.

Mr. GORDON. Mr. Speaker, will the gentleman yield to me there?

Mr. VOLSTEAD. Yes.

Mr. GORDON. Why would it not be the best way to safeguard the boys who are sent across the sea for the Executive to withhold any information concerning it from the newspapers or anybody else?

Mr. VOLSTEAD. Well, there are the harbors, where embarkation will take place——

Mr. GORDON. But the Commander in Chief can prohibit anybody approaching the docks.

Mr. VOLSTEAD. The newspapers can gather up that kind of information, regardless of any Executive order, and print it. If that is a lawful print, as it would be if you leave this section out, the newspaper carrying it can go into a foreign ship and from the foreign ship by wireless across the ocean and thus reach the enemy long before it could be communicated in any other fashion. A newspaper published here containing that kind of information, may be sent abroad by way of Mexico. From there it can be sent by wireless to reach Germany, or to Austria, if Austria becomes our enemy. Why should we permit this to be done? You are permitting a thing that is dangerous to our safety.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. STAFFORD. As I understand it, the Dominion of Canada has no censorship law.

Mr. VOLSTEAD. I do not know whether they have any censorship law in the Dominion of Canada or not.

Mr. STAFFORD. And yet hundreds of thousands of troops have been shipped from Victoria across the continent, and no mention was made in the local papers. Does not the gentleman believe that the American press is just as loyal and can be trusted just as safely as the Canadian press?

Mr. CARLIN. That was before the submarines had charge of the sea.

Mr. STAFFORD. It was during the submarine warfare. In fact, I saw those troops in Victoria.

Mr. VOLSTEAD. It is claimed that the newspapers are so good that they need no law and ought not to be restrained. I do not take any stock in that; they are no better than the rest of us. The newspapers should be as much subject to the law as the individual. If they publish anything that endangers the safety of the country, or the safety of our soldiers when we send them across the sea, we ought to have a way to punish them.

Mr. GORDON. Mr. Speaker, will the gentleman yield again?

Mr. VOLSTEAD. Yes.

Mr. GORDON. Does not the existing law punish newspapers the same as anybody else that gives aid and comfort to the enemy?

Mr. VOLSTEAD. The newspapers are punished, not especially for publishing, which is their special method of endangering the public safety. If the editors do certain other things, they may be punished, but there is no law under which the publication of the things described in this section is made a crime.

Mr. REAVIS. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. REAVIS. The gentleman spoke of the liability of publications in American newspapers reaching our enemy. On the other hand, when the destroyer flotilla crossed the ocean America got the information not from our newspapers, but from Germany. They got it in Germany while our papers were silent about it.

Mr. DYER. This section applies to individuals as well as newspapers. Suppose a newspaper published the movement of a ship going out to sea, a transport, and by reason of that publication the enemy sinks the transport and drowns the men on board. Would there be any punishment unless this section were agreed to?

Mr. VOLSTEAD. No; not unless you could show that the editor had published it and put the publication into the hands of the enemy. It would then come under another section. This section is designed to prevent publications of a character that are likely to reach the enemy and that are likely to be injurious to the country.

Mr. CROSSER. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. CROSSER. I would like to call the gentleman's attention to the different matter in this bill, Title XII. This is the language of that title:

Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing, of any kind, in violation of any of the provisions of this act, or intended or calculated to induce, promote, or further any of the acts or things by any provision of this act declared unlawful, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office, duly authorized thereto, or other person upon a search warrant authorized by law, to open any letter not addressed to himself.

In the next section it says that—

Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing of any kind containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States, is hereby declared to be nonmailable.

Now, the Postmaster General could hold any man here delivering a speech against the war—a thing which I did not do—that prompted another man to write a letter urging resistance to the law.

Mr. VOLSTEAD. I am not going to discuss that feature at present.

Mr. CROSSER. If you could prevent a speech from going into the mails, could you not prevent a newspaper from carrying a report of the speech?

Mr. VOLSTEAD. We might, and in a proper case we ought to.

Mr. CROSSER. This is a vital matter here. It strikes at the root of free speech.

If the Postmaster General, for example, can sit in his office and say, "In my opinion this is calculated to make men urge resistance to the law," then he can bar the letter or newspaper from the mails, and it might be perfectly inoffensive and harmless.

Mr. VOLSTEAD. Pardon me, but I do not want to let the gentleman make a speech in my time.

Mr. CROSSER. No; but I am very much in earnest about this and believe that it is a serious matter.

Mr. ROSE. Suppose this bill becomes a law in its present shape, would it be possible for the public to be made acquainted with conditions as to the hospital ships of this country?

Mr. VOLSTEAD. There is nothing to interfere with that at all. I want to call attention to the nature of this prohibition. It is so limited that I fear it is not near as broad as it ought to be. For instance, we are sending ex-Secretary Root across the ocean to Russia. This section is not broad enough to protect Mr. Root on that mission. It is not broad enough, for instance, to have protected Gen. Joffre when he was coming over here and when he was returning. It does not cover the sailing of persons or ships in trade. It is simply the movement of armed forces in military or naval operations that are covered. It is confined exclusively to that, and to the defense of some particular place. It seems to me we ought to be willing to do at least that much. Instead of prohibiting the publication of information with reference to sickness or the equipment or character of troops, as the provision did which passed the House, we have cut all that out. We permit all sorts of criticism. Our chief and almost only aim is to prevent the publication of information as to the movement of troops in military or naval operations. We are anxious to prevent the publication of information in regard to the movement of ships carrying our troops across the ocean. Should we not do that to protect our boys? Can we afford to do less?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MANN. I yield five minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. BORLAND. Mr. Chairman, I voted for the provisions in the original bill and for the Gard amendment, but I am not willing at this time to vote for the present language brought in by the conferees. I agree with the gentleman from Ohio [Mr. GARD] in his criticism of that language, in that it requires the President to designate in advance what information shall be deemed lawful for the newspapers to publish. It does not appear to me that the President is going to exercise that power in person; and while I might be willing to commit such a power to the President if it could be personally exercised, I have no anticipation that it will be.

But I do not want to put my present opposition to this provision upon the technical ground of the wording of it, for after considerable study of the situation I am convinced that it would be difficult, if not impossible, to draw a satisfactory provision for a censorship of the press consistent with the provisions of the Constitution of the United States. [Applause.]

Men say that the enemy may get knowledge of the movement of troops or of the defenses of the Nation through publication in the press. I am inclined to believe that the enemy who get that knowledge will not get it in that way. Men who seem to think that the only knowledge of the movement of troops or of public defenses is what appears in the public press have not read since their school days the classic story of Paul Revere:

And lo! as he looks, on the belfry's height
A glimmer, and then a gleam of light!
He springs to the saddle, the bridle he turns,
But lingers and gazes, till full on his sight
A second lamp in the belfry burns!

A hurry of hoofs in a village street,
A shape in the moonlight, a bulk in the dark,
And beneath, from the pebbles, in passing, a spark
Struck out by a steed flying fearless and fleet;
That was all! And yet, through the gloom and the light,
The fate of a nation was riding that night;
And the spark struck out by that steed in his flight
Kindled the land into flame with its heat.

And that is the way of men who give military information about the movements of the enemy the world around. [Applause.] As soon as a movement is determined upon, the wireless, the Paul Revere of to-day, flashes it 3,000 miles. The legitimate press of this country, under the voluntary censorship which it placed upon itself, did not publish the movement of the American fleet of destroyers that went abroad, but the enemy had knowledge of that, although the American people had not. So I imagine it is going to be rather difficult to draw a provision which will reach the evils sought to be reached here.

But I have another objection, which has come to me in the study of this situation. We have passed a law to conscript a certain number of the sons of the families of this land, to put them into the Army and possibly to send many of them abroad. I can not think of a greater mistake, a thing which would militate more in certain emergencies against strong, valiant public confidence throughout this country, than a provision that no information should be given out except by the will of the Executive as to the movement or condition of these troops.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. GARRETT of Tennessee. Does not the gentleman know from his reading of history that effective results in all wars have been had by reason of the ability to conceal from the enemy the movement of troops?

Mr. BORLAND. Unquestionably.

Mr. GARRETT of Tennessee. Does the gentleman think it is wise strategy to permit the publication of information of the movement of troops in such a way as that that knowledge can reach the enemy?

Mr. BORLAND. Unquestionably not.

Mr. GARRETT of Tennessee. Is not that——

Mr. BORLAND. Let me answer the gentleman's question.

Mr. GARRETT of Tennessee. Is not that equivalent to saying, "We will be here at this point on a certain day. Come out and fight us there"?

Mr. BORLAND. If the gentleman will sit down in his seat and read section 2 he will find the most drastic penalties upon anybody who communicates or is instrumental in communicating that information to the enemy. But the information does not go to the enemy through the public press; never has since the existence of the press, and never will.

Mr. RUCKER. Then what harm can this do?

Mr. MONDELL. Did the gentleman ever hear of a commanding officer who gained his knowledge of the movements of the enemy from the newspapers?

Mr. BORLAND. I never heard of one.

Mr. WEBB. I have always heard that Admiral Semmes got his information from the newspapers as to the movement of merchant ships, and that he thereby destroyed more merchant ships than any other man who ever sailed on the ocean.

Mr. BORLAND. I never heard of but one commander who acted on newspaper information, and that was the American commander who attacked San Diego, Cal., in 1846, while it was still Mexican territory, on the supposition, gained from reading a Mexican newspaper, that we had declared war against Mexico. He found out that he was 60 days ahead of the declaration of war. That is the only man I ever heard of who based his military movements on information contained in the public press. I think it would be unwise at this time to discourage public confidence by refusing to allow information in regard to these movements to be published in the public press. [Applause.]

Mr. WEBB. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. RUCKER].

Mr. RUCKER. Mr. Speaker, the section now being considered reads:

When the United States is at war, the publishing willfully of information with respect to the movement, numbers, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, is hereby prohibited.

Then, anticipating and answering the concluding part of the speech of the gentleman from Missouri [Mr. BORLAND] who just preceded me, the section further provides:

Provided, That nothing in this section shall be construed to limit or restrict any discussion, comment, or criticism of the acts or policies of the Government or its representatives or the publication of the same, if such discussion, comment, or criticism does not disclose information herein prohibited.

I would like to ask some gentleman, Mr. Speaker, to give the House some good reason why we should not enact the provisions I have just read into law. Gentlemen draw finespun theories about the Constitution. Some are alarmed for fear the press of this country might be muzzled, so to speak. They have such a holy horror of muzzling the press that they are not willing to vote for a provision in this bill making it unlawful for the press to willfully betray the movements of our war forces to our enemy; and yet but recently every Member who has spoken here to-day in opposition to this section, by his vote, authorized the proclamation which will be enforced next Tuesday, when millions of our boys will register and from those who register a million or more of them will be drafted, many of them to cross the water and go into a foreign land to fight for that flag. Oh, gentlemen, some of you constitutional lawyers voted a few days ago for language quite as drastic as the language now before us, but to-day you have serious doubts about the constitutionality of such enactment. You constitutional lawyers seem to be afraid of the press. I do not own any part of the press, and I am not owned by the press, and never will be. [Applause.]

I say to you that when it comes to protecting those boys who will be dragged from the homes of the patriotic people of this country I would muzzle the press until doomsday, if necessary, rather than sacrifice the blood of one of those boys. [Applause.] The acts prohibited by this section are acts which might result in thousands of our patriotic boys, boys who are loyal to the flag, finding a burial place at the bottom of the Atlantic Ocean. Oh, gentlemen, give the press the right to publish these things if you will, but for myself I will vote to muzzle the press in my effort to save and protect the lives of American soldier boys.

Mr. MEEKER. Will the gentleman yield?

Mr. RUCKER. Yes; but the gentleman knows that I can not agree with him on anything involving either religion, politics, whisky, or legislation, but I will gladly yield to my colleague. [Laughter.]

Mr. MEEKER. Does the gentleman want to argue prohibition?

Mr. RUCKER. I will sometime, but we can not engage in that discussion now.

Mr. MEEKER. Can the gentleman name one single instance——

The SPEAKER. The time of the gentleman from Missouri [Mr. RUCKER] has expired.

Mr. RUCKER. Mr. Speaker, I regret I have not time to hear the gentleman's question and answer it.

Mr. WEBB. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Speaker, it has been urged that this section 4, under Title I, is already provided for otherwise by law. If that is true, it is mere repetition and can do no harm. If it attempts to reach something that is not provided for, it is a useful measure. In one sentence they assert section 4 is unconstitutional. In the next they declare to commit the offenses it enumerates would be treason, punishable with death. What sophistry is this? I do not know how the rest of you feel, gentlemen of the committee, but, as far as I am concerned, if I have got to choose between the friendship of the metropolitan press and the safety of the American soldier, so help me God, there is only one way for me to decide. [Applause.]

I had the honor to read law with John P. Usher, a stalwart Republican, Secretary of the Interior in Lincoln's Cabinet. On one occasion, when the old soldiers in our county bolted and nominated an Old Soldier Ticket—I never knew whether Usher bolted or not—but as he took his hat, an old man of 75, and went to the polls, he said, "Mr. Lincoln said we must always remember the men who went to the front." Gentlemen of the committee, we must quit thinking about what is going to happen to us at home and begin to think about what is going to happen to the boys that will soon be sent to Europe. If we fail to enact this legislation and thereby the Germans sink one transport, or we lose one company or one single, solitary soldier, no man that voted against it could ever rest easy in his bed again.

I am as much opposed as any man to a domineering censorship, to these continual grants of unlimited power, but this section is now down to a reasonable basis. These soldiers must be protected as they move. This is no time to quibble about technicalities. Where is the newspaper that arrogates to itself a constitutional right to willfully publish news of the number, movement, and disposition to be made of the men we send to war, that would be useful to the enemy? You might as well claim a constitutional right to libel. Before anyone could be convicted under this law you have to prove that the information he published was useful to the enemy. You have to prove that it was willfully published. I was among the first in this House to insist on a real jury trial under this section. Now we have it. These precautions are fair and just. Is there any man in this House that would wish to see a man acquitted who willfully published information that was useful to the enemy? No patriot would do that; no man in the House would say that. I voted with you against the Gard amendment. Now Mr. GARD himself opposes this section because the principle on which we opposed his plan no longer applies. Why continue to fight after the battle is won?

No; do not rise to interrupt me. I am allowed but three minutes to speak for the men who will go down to the sea in ships, as DYER and I did, to fight under the same flag my comrade and I fought under in 1898 and 1899. We are quibbling about technicalities. Abraham Lincoln sent men through the Confederate lines for offenses no greater than section 4 seeks to check, and the Constitution survived the shock. Under this measure the President can say certain things can be published, but he can not say what can not be published. His proclamation takes away no right. Indeed, a man might escape a willful utility to the enemy by some inadvertent phrase in the proclamation. That clumsy sentence in section 4 amounts to nothing, means nothing. They say to the press you can not tell what disposition will be made of our troops; you can not notify German spies here how the boys are armed and equipped, in what numbers they go to battle, and what movements they make. For the love of God, is there a newspaper so crazy that it wants to do anything of that kind? This section 4 specifically provides the papers may discuss and criticize the acts and policies of the Government. Its only restraint is on publishing harmful military news.

The newspapers of the country had enough to do with bringing on the war. What of its burdens are they carrying? Our loyal people are not clamoring for news that will be useful to those who fight our sons. Everybody else has to make some sacrifices, and it is time that the newspapers make some sacrifice. The abyss of time opens before us, and in it we shall bury many valued privileges, many garnered billions, and our splendid sons, the fondest hope of this mighty Republic. Let every patriot lay his offering on the altar. The drums beat and the bugles sound "Forward with The Flag." The time has come to

> Nail to the mast her holy flag,
> Set every threadbare sail,
> And give her to the god of storms,
> The lightning and the gale!

[Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. MANN. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Speaker and gentlemen of the House, I desire to present some views with respect to this fourth section, and I do so in the same spirit as that of the gentleman from North Carolina, our chairman of the Judiciary Committee, who having a conscientious regard for his duty, when he uttered the sentiments concerning this section which he holds, called upon everybody that was patriotic and who wanted to serve his country, to vote for this fourth section of Title I in this bill. I wish, with the same earnestness and the same sincerity, to ask every man who is a patriot, every man who loves his country and who wants to see the welfare of the country promoted, to vote to strike out this section as it is now worded. No man in this House will go further in upholding without regard to politics or any other consideration the hands of the President of the United States in prosecuting this war. Having voted for his proclamation of war, and having voted for the selective draft, I pledged myself thereby to do all that may be done by a man or a Member of Congress to promote the President's work in bringing this war to a successful issue, but I want to say to you, my friends, that this section is not calculated to help to influence or bring about that result. This section is a pernicious section and does not accomplish what I think perhaps the members of the conference committee hoped to accomplish by its adoption. One gentleman said a moment ago, "Why, I am told that other parts

of this bill would enable you to punish anybody that published information that was useful to the enemy." "Then," said he, "if that is so, why not pass section 4 also, for it can do no harm." Therein lies the vice of his reasoning, and when he reflects he will understand that this is so, and I am sure he will vote, for he is an honest man, to strike out this section. There are other sections of this title, the first and second, under which the obtaining of many things and any information connected with the national defense to benefit or aid the enemy is made a crime, and in the second section the publication of any information with reference to the national defense for the same purpose is made a crime for which the man who willfully and intentionally and with the purpose of aiding the enemy, which facts must be found by the jury, publishes the information, shall be punished under the severe penalties that are prescribed in those sections.

No man can sit down and sanely and fairly read these two sections without arriving at the conclusion that there is ample power for the punishment of any villainous newspaper that would attempt to publish anything for the benefit of the enemy; but I want to ask your attention, my friends, to this distinction. A publication might be alleged to be one that gave information to the enemy, and, in fact, to some degree might do so, and yet be a subject that the papers of the country as a free press and the men of the country in the exercise of their freedom of speech ought to discuss, and the question would be, Is it more harmful than beneficial? It may be something that would give information to the enemy, but at the same time if left without exposure it might bring a calamity upon one's own country. Under such circumstances, who is to muzzle the press or who is to leave it to the jury to say whether or not on the single and exclusive issue that it is helpful to the enemy, for that is what alone is left outside of "willful publication" to the jury to try? I say that the statement made by my colleague [Mr. GARD] is worthy of the serious attention of the Members of this House upon both sides of the aisle. His amendment passed by this House was infinitely superior to the one that this conference committee has brought forth. This is a mongrel production; it is neither one thing nor the other, and when you read it honestly and squarely as between man and man you must say that the condition of the press, the condition not alone of the press but of every individual Member of this House and of every citizen, will be tenfold worse under this conference report than it could possibly be under the amendment that the House adopted on the motion of the gentleman from Ohio [Mr. GARD]. Why do I say that? When you read the first paragraph of section 4 you find a prohibition upon giving information respecting the things enumerated which is of use to the enemy—that is clear—that will be useful to the enemy upon the certain enumerated topics; but the language that is used in describing those topics, namely, "description," and so forth, is so broad that it will cover everything connected with these particular subjects and make the publisher amenable to punishment.

Mr. WEBB. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Not until I have finished the analysis of that section. Then I shall be glad to yield. The next paragraph provides that the President shall from time to time—no; not shall, even, but may—that the President may from time to time designate what may be published. Ergo, whatever he does not designate is forbidden. Then think of the muzzle in the concluding section, which has been amended since it left the House, wherein it attempts to provide the constitutional right of criticism and free speech but winds up with the sting in the end, where it says provided it is not something that is "prohibited in this section." Suppose the President made no proclamation of what might be published; then, I ask you, what could a paper say? Would not everything be prohibited? Then, in an attempt to preserve the freedom of the press it provides that only those things may be criticized which are not within the prohibition of this section. The first paragraph of the section prohibits it all. The second paragraph says that the President may from time to time designate what may be published. All else remains prohibited. Then the concluding paragraph of the section provides that nothing in the section shall be construed to limit or restrict any discussion, comment, or criticism of the acts or policies of the Government or its representatives, or the publication of the same, and when you passed the bill you stopped there. They have added these words:

> If such discussion, comment, or criticism does not disclose information herein prohibited.

That paragraph has all of the strength taken out of it, and no lawyer will dare to argue otherwise. That eliminates the power to criticize, so far as this section goes, anything and everything that is prohibited, and when you start with the thought that the first portion of the section prohibits all publications with relation to the enumerated topics and then when you consider that the President, by refraining from ever saying that anything connected with those subjects is food for publication, you leave the whole matter prohibited, and then the press muzzler comes on, and no comment can be made upon it at all.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MANN. Mr. Speaker, I yield five minutes more to the gentleman.

Mr. GRAHAM of Pennsylvania. I said, my friends, that the press muzzler then comes on, but I am going one step further. This is not merely a question of a free press, however important that may be, but it involves also the sacred and inalienable right of an American citizen to free speech. Ase, if one of you obtained from the Department of War some information of value touching the question of the defenses or touching these matters prohibited in this bill, and you were to come to me and communicate what you had found, then unless the President had permitted that publication you would be guilty of a crime. Remember the word "publication" does not mean to print in type in a newspaper, but publication means to utter, and that which makes a thing known may be a publication just as much as a paragraph in a newspaper article.

Why you muzzle the individual who has acquired valuable knowledge the publication of which would benefit the people of the country and he would be unable to say a word upon that topic. I hold in my hand a paper, of which I presume every Member of the House has received a copy. It is a paper purporting to give a plan, the length and breadth of an amicable censorship of the press. I find on the last page that it purports to have been signed and recommended by Robert Lansing, Newton D. Baker, Josephus Daniels, and that the President of the United States, in pursuance of the plan therein set forth, has appointed the civilian member, and the heads of the departments are appointing or have appointed the other people who are to represent the Army, the Navy, and the State Departments, respectively, and they have agreed upon a plan with reference to the publication of information touching the questions of the war. They preface that paper with this remarkable quotation which I beg leave to read to you and ask from you your most earnest attention to them. On the outer cover there is this language:

> I can imagine no greater disservice to the country than to establish a system of censorship that would deny to the people of a free Republic like our own their indisputable rights to criticize their own public officials. While exercising the great powers of the office I hold I would regret in the crisis like the one through which we are now passing to lose the benefit of patriotic and intelligent criticisms.
>
> WOODROW WILSON.

And yet upon subjects that are vital to the issue of the war you would put into this act the power into the hands of one or two men to muzzle the speech of the press and to close the mouth of the individual critic of this Government. How can you criticize public officials, as you now propose, on the number and distribution of the troops, regarding matters of serious import, which if not exposed might bring disaster and destruction without explaining the circumstances under which that faulty distribution or treatment of the troops arose. You can not criticize without giving the facts which are the basis for your criticism. Then they quote again from President Monroe these golden words:

> The people being with us exclusively the sovereign, it is indispensable that full information be laid before them on all important subjects to enable them to exercise that high power with complete effect. (From President Monroe's message, Dec. 2, 1823.)

Let us remember, my fellow Members of Congress, that we are legislating upon a subject that is of vast and great importance. Friends will arise here and pathetically appeal about "the boys" who are going to the front, but I tell you if you close the lips of individuals to speech and criticism, if you close the power of the Argus-eyed press to disclose weaknesses or wrongs that are being perpetrated, you may inflict a thousandfold more injury and damage upon those devoted boys. I tell you the people are the sovereign, and in their war they have the right to know the facts, and the man who votes to keep the facts from them is committing a crime against the country and against those soldiers. [Applause.]

Mr. WEBB. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. CARLIN], a member of the committee.

Mr. CARLIN. Mr. Speaker, I have listened with some interest to the gentleman from Pennsylvania [Mr. GRAHAM], as well as the gentleman from Ohio [Mr. GARD], and it is amazing to me to note how the gentlemen can entertain such different opinions as those two gentlemen have in so short a length of time. The gentleman from Pennsylvania, as well as the gentleman from Ohio, voted in the Committee on the Judiciary for the

original proposition contained in this bill, and the gentleman from Pennsylvania spoke and voted against it here. Not content with that, Mr. Speaker, while your conferees were in session, the gentleman from Pennsylvania, together with the gentleman from Illinois [Mr. McCORMICK], sent to the conferees a censorship provision which I understood they would be willing to stand for, and I want the House, in all fairness and in truth, to see the difference between their attitude while the matter was in committee and conference and what seems to be their attitude here upon this floor.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield for a personal question?

Mr. CARLIN. I will yield to my colleague—if I can have additional time; I only have five minutes, the gentleman understands——

The SPEAKER. The question as to whether the gentleman yields is with the gentleman.

Mr. CARLIN. Mr. Speaker, I will not yield; I would love to do so; I will say to the gentleman from Pennsylvania that I have only five minutes.

Mr. GRAHAM of Pennsylvania. I simply desire to say to the gentleman that he ought to permit the correction of a statement that is unfair to me.

Mr. CARLIN. I will do that.

Mr. GRAHAM of Pennsylvania. I know the gentleman would not intentionally make a statement that is not correct.

Mr. CARLIN. Certainly not.

Mr. GRAHAM of Pennsylvania. I simply desire to say that in the endeavor to reach some harmonious result there was submitted to the chairman of the Committee on the Judiciary a suggestion, but the suggestion did not emanate from me, but I handed it to him and said I was not bound by it, but at the same time saying something might be dressed up out of that that would answer some objections——

Mr CARLIN. All right.

Mr. GRAHAM of Pennsylvania. And on reflection I afterwards sat down and wrote him a letter telling him under no circumstances would those who helped to frame that suggestion nor I myself could stand for the language that was in it.

Mr. CARLIN. I am trying to show you have changed your mind a half dozen times upon this same subject.

Mr. GRAHAM of Pennsylvania Then I say that you are wrong.

Mr. CARLIN I stated that in the Judiciary Committee you largely prepared, with your own hand, the provision which that committee reported to this House.

Mr. GRAHAM of Pennsylvania. I beg your pardon.

Mr. CARLIN Is not that true?

Mr. GRAHAM of Pennsylvania. No. I mean to say that I took the first and second sections, with a whole lot of mongrel matters you had in them, and helped you whip them into shape; and it would not have been fit to pass this House if it had not been done. You declined to hold a meeting on the day that I could be there, which was one day later than the day the committee met. The committee met and reported it without my knowledge, and I did not vote for it. [Applause.]

Mr. CARLIN. I do not wish to reflect upon the gentleman, but the gentleman is so seldom here that we usually have great difficulty in finding him.

Mr. GRAHAM of Pennsylvania. A man who takes refuge on a question of facts in personal remarks is not worthy of being noticed. [Applause.]

Mr. CARLIN. It is a common and simple thing for a man who has entertained a half dozen different views upon one subject to undertake to relieve himself in the way you have. I appeal to the chairman of the committee and ask him the question whether you did not vote upon the original proposition in the committee. Is that correct?

Mr. MANN. I make the point of order, Mr. Speaker, that all this is out of order, and the gentleman knows it is out of order. You can not refer to how men vote in a committee.

The SPEAKER. Of course, it is out of order——

Mr. MANN. Not only out of order, but not in good taste.

Mr. CARLIN. I am coming to the document that was sent to us while we were in conference. And what does it provide for? The House is entitled to know the views the gentleman entertained on these subjects at different times. His side is entitled to know, because it is largely there that his influence has been exercised. Let us see. Here is a provision that was handed to me in the conference by the chairman of the committee:

> In time of war it shall be, and is hereby declared to be, unlawful to disclose in advance to the public, and thereby to the enemy, any information with respect to the movements, numbers, description, * * * without the permission of the Secretary of the Navy or Secretary of War——

The SPEAKER. The time of the gentleman has expired.

Mr. WEBB. Mr. Speaker, I yield two minutes more to the gentleman.

Mr. CARLIN. Now, they complain of the provision in the proposed statute, which confines itself to three things—fortifications and the Army and Navy movements—and yet they suggested to us a censorship covering any matter that related to the national defense. And so, my colleagues, let me say that the Gard amendment is open to identically the same criticism. It contains the same language.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit a question?

Mr. CARLIN. I will, but you were very offensive when I yielded to you before.

Mr. GRAHAM of Pennsylvania. I thought you were offensive to me.

Mr. CARLIN. I have long ago forgiven you.

Mr. GRAHAM of Pennsylvania. Let us mutually be forgiving, then. This is no time for anything but seriousness. I wish to state this: In the paper which you read, which I have said was not mine, nowhere is there any reference to the President declaring what may be published or not published.

Mr. CARLIN. You leave that to the Secretary of War and to the Secretary of the Navy.

Mr. GRAHAM of Pennsylvania. Read it.

Mr. CARLIN. Will you yield me time to do it? I have only two minutes. I want to say to the side of the House that I am facing now—the Republican side—that the gentlemen whose lead you are following have on two occasions supported and sustained provisions far in excess of the power contained in the present bill, and if you want to follow that kind of leadership you are welcome to do it.

The SPEAKER. The time of the gentleman has expired.

Mr. WEBB. Mr. Speaker, I yield one more minute to the gentleman.

Mr. CARLIN. I want to say in reference to the Gard amendment, and I want to call the attention of this side of the House which I am facing, because it was from there the applause came, the difference between what this amendment is and what the gentleman from Ohio [Mr. GARD] himself proposed, remembering, gentlemen, that the amendment now proposed as a statute by the conferees provides simply for refusal of a permit to publish matters relating to three things—the Army, the Navy, and fortifications. And yet let us see what the Gard amendment is. The gentleman from Ohio says that he can not vote for the one now proposed. Let me see. It says that without proper authority no information shall be given that might be useful to the enemy, and——

The SPEAKER. The time of the gentleman has expired.

Mr. WEBB. Mr. Speaker, I yield four minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, I am not interested in what occurred in the Judiciary Committee nor in the different opinions that were there expressed. That which is of interest to me is the immediate matter that is now before us for consideration. I voted against the original proposition that was reported from the Committee on the Judiciary. I voted with some hesitation for what is commonly referred to as the Gard amendment. I do not wish to cast a vote for any proposition that would be in violation of the Constitution of the United States, and I never intend to do it if I so understand the question when the time comes to vote. But I confess, Mr. Speaker, that I am at an utter loss to understand why it is that gentlemen can possibly object to the provision that is contained in section 4 of this conference report. It seems to me that my distinguished and eloquent friend from Pennsylvania [Mr. GRAHAM], for whose legal ability I have profound respect, has raised before us a series of possibilities and has combated them without for a single moment giving the slightest attention to the probabilities.

If I understand the provisions of section 4 correctly, Mr. Speaker, it is intended simply to throw about the movement of our troops, military and naval, that measure of secrecy which is essential, which always has been essential, and which always will be essential in military and naval strategy.

Mr. KELLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. KELLEY of Michigan. I would like to inquire of the gentleman just what is the distinction between paragraph (b) of section 2 and section 4?

Mr. GARRETT of Tennessee. I think section 4 defines specifically and clearly in express terms information which ought not to be published.

Now, so far as the constitutional question is concerned, which my good friend from Ohio [Mr. GARD] argued at some length,

it does not seem to me that that is involved. That provision of the Constitution must be interpreted in the light of the conditions that prevailed at the time it was promulgated. That expression "or abridging the freedom of speech or of the press" does not have reference to the publication of facts. It has reference to expressions of opinions through publications. There were no daily papers at the time the Constitution was adopted, and few newspapers of any character. That which the Constitution meant to do was to prevent the suppression of publications such as had been done in various nations of the earth before that time, expressing opinions, not the publication of news. If the interpretation which my good friend from Ohio would place upon that provision is correct, then every libel law that you have upon the statute books is in violation of the Constitution.

Gentlemen of the House, this Nation is engaged in a struggle which I believe is likely to be greater and graver than many of our people have yet even dreamed. Before the war is ended millions of troops will be raised. They will be moved from place to place as military strategy may dictate. Surely we ought to prevent the publication of information whereby the enemy could learn of these movements, and by so learning be enabled to surprise and destroy our troops on land or on sea and defeat our strategy.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. MANN. Mr. Speaker, I have the greatest affection and respect for the gentleman from Virginia [Mr. CARLIN], whom I regard in every way as a perfect gentleman. But no one on the floor of this House has a right under the ethics of parliamentary law to undertake to discuss private conversations which he has had with other Members of the House, and no one ever safely does it. It has always been one of the sacred thoughts in this House that men on the two sides of the House might have the right to endeavor to get together on propositions, and, if they could not, to fight out the question or the proposition that was submitted. I was surprised beyond measure that the gentleman from Virginia should endeavor to gain sympathy for his proposition, now presented, by stating that men on this side of the House had agreed to compromise with him, and that the compromise had been rejected or withdrawn, no matter which. It is not in accordance with the ethics of this House to refer to such matters. If I should tell on the floor of this House all the things that have been told to me by Members on the other side of the House there would be an exodus from this Chamber on the majority side of the House. [Laughter.]

Mr. CARLIN. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Illinois yield to the gentleman from Virginia?

Mr. MANN. No; I do not yield. I did not cast any reflection upon the gentleman; only upon what he said. I yield five minutes to my colleague from Illinois [Mr. MCCORMICK].

The SPEAKER. The gentleman from Illinois is recognized for five minutes.

Mr. MCCORMICK. Mr. Speaker, I am sure that the distinguished gentleman from North Carolina [Mr. WEBB] will credit those who now differ with him with the same high purpose and patriotic intention that they credit him with, and I think that if it be within the conventions of the House I may ask him to bear me out in saying that the tentative proposal submitted to him was submitted at his instance, but Mr. GRAHAM of Pennsylvania and I informed him that we could not support the tentative proposal that was submitted.

Perhaps I bore a larger share than anyone else in suggesting to the gentleman from Pennsylvania that we essay in this crisis of the country to come to a common understanding, and I admit that while the language which we had drawn was better than the language which I had submitted 10 days before, upon reflection I could not support his draft any more than mine. I invited the experts of the British commission, civil and military, to consider the terms of our draft, and, indeed, of the later draft submitted to us, and they pronounced both of little or no value. "For you have included," they said, "things of no moment, and omitted that only thing which we consider essential."

Mr. FOCHT. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Illinois yield to the gentleman from Pennsylvania?

Mr. MCCORMICK. I yield for a moment.

Mr. FOCHT. I will ask what these British gentlemen, who were framing up this legislation that would be efficient——

Mr. MCCORMICK. The British gentlemen were not framing up this legislation.

Mr. FOCHT. I understood the gentleman to say so.

Mr. MCCORMICK. No; the gentleman did not understand anything of the kind. [Laughter.]

Mr. FOCHT. What did they suggest?

Mr. MCCORMICK. I will say, Mr. Speaker, when the time comes, apart from the spy bill, if you will sit down to study the problem of the censorship, then I will explain to the House the suggestion of the experts on the British commission.

Now, the difficulty with which we are to deal is that of drawing a censorship section which will meet the exigencies of the case, to find language that will protect without endangering the men enlisted in the Army and the Navy of the United States, because censorship, gentlemen, not merely prohibits publication but it prohibits misrepresentation, conscious or unconscious. A few days ago—I think last Monday—there appeared in some of the newspapers stories of which the titles gave the impression that our fleet was in splendid fighting trim. Now, I think I am not transgressing the bounds of discretion when I say that the fleet is far less ready for action to-day than when it came north from Guantanamo.

Mr. BUTLER. Mr. Speaker, it may be well for the gentleman to give his reasons for that conclusion.

Mr. MCCORMICK. No, sir. While I will touch upon some of the reasons, I do not think it is expedient to give them all now. But information came to me through two individuals, reliable persons and well informed, that, for example, sickness is rife among the recruits. That much has been published, and yet no action was taken until the publication of the facts was made. The sick bays are overflowing, the hospitals are crowded, so that men have been brought here. I am informed that at one point men were herded in sheds. At another point they had no bedding except such as was supplied by private charity. You might go on as regards the secondary batteries, as regards new recruits on the destroyers. You might go on at length. I think it not necessary to do so; but, gentlemen, those of us who now upon reflection are charged with having changed our minds are no less solicitous for the welfare of the enlisted men or for the success of our Army and our Navy than are those who support this section. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. MANN. I yield three minutes to the gentleman from Nebraska [Mr. REAVIS].

Mr. REAVIS. Mr. Speaker and gentlemen of the House, as a member of the Judiciary Committee, and in the light of what has occurred on the floor within the last few minutes, I may be pardoned for reminding you of the biblical quotation, "Behold how good and how pleasant it is for brethren to dwell together in unity." I hope I shall not subject myself to personal criticism because of my opposition to the censorship provision in this bill. The subject matter as contained in the provision comprehends practically everything connected with the Military and Naval Establishments. As stated and shown very clearly by the gentleman from Pennsylvania [Mr. GRAHAM], no criticism of those in authority which is of such nature as to reveal information concerning these subject matters, would be permissible if this provision should be enacted into law. As you very well know, gentlemen, this Congress has been giving to the administration in the last 60 days power greater than was ever before given a ruling authority in all the history of the world. I have voted for much of it, I am frank to say, with some misgiving. But I want to say to you, not in criticism of the President of the United States but fully cognizant of the frailties of mankind, that I am opposed to granting this tremendous power to any man, and then to permit him the exercise of it in absolute secrecy. [Applause.] I do not believe there is any man in the world good enough or wise enough to have given to him the powers which we have recently given to the administration, and then to even deny the right of criticism as to how he uses those powers. I do not share the fear that there will be any disposition on the part of the press to reveal secrets that would give aid and comfort to the enemy or that would operate to the disadvantage of the United States. Our fleet of destroyers went to Europe the other day. The press knew when they started; they knew of the contemplated journey, and yet we heard of it in America for the first time from the other side of the sea. Instead of the press of the United States giving this information to Germany, Germany gave it to us. Further than that this provision is useless and unnecessary, for if the section be stricken from the bill, I am satisfied that not only under other provisions of the measure but under existing law as well any newspaper publishing information regarding the departure of our troops upon the high seas which would result in the destruction of the transports carrying them, or the loss of the lives of troops, would be subject to prosecution for treason.

The parents of the Nation are entitled to have all reasonable information regarding the sons whom they give to the country. There are to be anxious hearts in America before the year has ended. I do not want to participate in accentuating that anxi-

city; rather would I relieve it so far as national interest will permit. I can not therefore support the section which would withhold all information from those who anxiously await tidings as to the welfare of the ones whom they have offered as a priceless sacrifice to the Nation's need. [Applause.]

Mr. WEBB. I yield one minute to the gentleman from Virginia [Mr. CARLIN].

Mr. CARLIN. Mr. Speaker, the gentleman from Illinois [Mr. MANN] a few minutes ago, after stating the very high regard he had for me, complained that I had not been ethical in the statement I made. I entertain for the gentleman from Illinois not only a high regard but a very strong affection. The statements which I made were not in violation of any confidence, for the gentleman from Pennsylvania [Mr. GRAHAM] never made any utterance to me on the subject of any sort or kind. I spoke from the records, from which it appears that he had not filed a minority report, and I had the right to draw the deduction therefore that as a member of the committee he had voted for it.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield for a question?

Mr. CARLIN. I have only one minute.

Mr. GRAHAM of Pennsylvania. Does not the gentleman know as a fact that the report of the committee was made up on the day that I notified the committee that I had to be away, and was filed in the House on that day?

Mr. CARLIN. I will accept the gentleman's statement for that, as I have already done; but I know the gentleman did not file any minority report. I also wish to say, Mr. Speaker, that the matter which I read was sent to the conferees of this House, and I did not regard the matter as confidential. It was not given to me by the gentleman from Pennsylvania [Mr. GRAHAM]. I never spoke to him on the subject. It was brought into the committee and read, and it was never stated, so far as I ever heard, that it was to be considered in any way as confidential, and——

The SPEAKER. The time of the gentleman has expired.

Mr. WEBB. We shall have only one more brief speech on this side, and I hope the gentleman from Illinois will use the remainder of his time.

Mr. MANN. I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The SPEAKER. The gentleman from Wyoming [Mr. MONDELL] is recognized for four minutes.

Mr. MONDELL. Mr. Speaker, the constitutional prohibition is against the abridgment of the freedom of the press. The provision contained in this bill is a complete and absolute abridgment of the freedom of the press, touching any matter relating to the movement or activities of our troops. In other words, the language contained in the provision we are asked to vote for would, by clear and definite and logical inference, make unlawful any statement made by any newspaper at any time relating to any matter directly, indirectly, remotely, or collaterally having to do with the prosecution of the war. And this is the spirit of a provision that the gentleman in charge of the bill would have us consider moderate, reasonable, inoccuous, harmless. It would be infinitely more harmful than either the original proposition contained in the bill or the so-called Gard amendment. Under the Gard amendment, unless the President by proclamation prohibited it, it would have been lawful to publish any facts in regard to our troops and military operations in regard to the prosecution of the war. Under the provision now before us it would be unlawful to publish anything relative to any movement of the troops or operation of war or bearing on the same, directly or indirectly, unless specifically authorized by the President to do so. I can think of no language that could be written, no language that could be conjured up, that is more directly in contravention of the prohibition of the Constitution against the abridgment of the freedom of the press than the language contained in the provision before us.

It would make the publication of any fact, however proper, harmless, innocuous, however helpful or useful such publication might be in connection with the progress and development of the war, liable to subject the writer or publisher to imprisonment and trial. Gentlemen may tell us that no one could be convicted unless it was proven that the information given was useful to the enemy. That might possibly be so. But, in any event, the publication of any information relating to anything having to do with the progress of the war, the publication of which had not, in the language of the act, been made lawful by proclamation of the President, would subject, under the provisions of this bill, the person giving that information to the liability of arrest and trial. Under this act our jails might be filled, if the administration was so disposed, with those who in the best of faith published the most ordinary and innocuous facts relative to the progress of the war. [Applause.]

We have and we shall confer upon the President the most extraordinary power. He will during this war be clothed with greater authority than any king or potentate on earth. He will direct the expenditure of greater sums than have ever been expended under a single authority in all time. In view of these facts, how tremendously important is it that the President shall have the protection and the people the assurance that attends the discharge of great responsibility under the white light of the publicity of a free and fearless press.

Mr. WEBB. Mr. Speaker and gentlemen of the House, it seems to me that a large number of gentlemen who have discussed this question have not touched the real language in the section. They have not stated what the section they oppose provides, and at the risk of being tiresome I will read it and draw your attention back to what we are going to vote upon instead of the matters that have been interjected and have nothing to do with it.

When the United States is at war, the publishing willfully of information with respect to the movement, numbers, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is useful to the enemy, is hereby prohibited.

As I said, I should have been willing to stop right there. I believe that every Member of the House agrees that no newspaper under the guise of "the liberty of the press" should be permitted to willfully publish information concerning the movement of troops which is useful to the enemy.

Mr. MONDELL. Will the gentleman yield?

Mr. WEBB. No; I can not. I want the Member to stand up and say that he favors that. Where is the newspaper that will say to-morrow morning that it wants the privilege, under the guise of license of free speech, to publish information useful to the enemy concerning the movements of our dear boys in this war? That is the question. It is not a question of censorship. Mr. Creel's committee has nothing to do with what we are voting on. We want to invoke the sovereign will of this Congress instead of that of a censor.

I want to say, as a man who loves his country above all other countries, that I regret that there was any effort to make a partisan matter of this censorship bill. I do not believe that you ought to be bound, especially the 26 Members who voted for the Gard amendment, ought to be bound by your Republican conference. I say it regretfully that our Republican friends for the first time since the declaration of war have undertaken to make a partisan question of these matters of vital importance to the national defense. [Applause on the Democratic side.] Oh, yes; we know that they wanted to coerce the 26 Republican Members who voted for the Gard amendment.

THE CENSORSHIP QUESTION.

If anybody has a right to object to censorship, it is surely the press and not Congressmen, and yet the opposition to any form of supervision is coming from the latter more than from the former. We have already expressed the decided opinion that the censorship provisions of the espionage bill as originally written were unnecessarily and indefensibly drastic, but as modified later the regulatory power touches no vital right and has been accepted by many newspapers as justified by war conditions. The action of the Republicans in the House is calculated to give a partisan color to a question that has no relation to politics and should be studiously separated from all such influences. If the administration proposed a policy which would gag the press, make criticism of public officials dangerous, or threaten essential freedom of speech, we might all wisely join in denouncing and opposing it. But, in point of fact, it is quite possible to frame a measure that will prevent any curtailment in information which the country ought to possess, or any repression of wholesome editorial comment on official acts, and yet permit the suppression of news that would help the enemy.

The really weak point in the administration program is the proposal to make Cabinet or other regular Government officials members of the board of censors. A great deal of the opposition to censorship arises from the conviction that such a proposal is wrong in principle and would be likely to work badly in practice. No man ought to be a judge in his own case, and few men are strong enough and fair enough to decide against themselves. The members of the President's official household will unquestionably make mistakes, more or less serious, before the war is over, and they naturally will be inclined to shield themselves as much as possible. It is quite as important to the national welfare that saving criticism should not be throttled as that information should not be given to the enemy. Great Britain owes its salvation to-day far more to an independent press than to the wisdom of the public officials under whom the war was inaugurated. Our censorship board should be composed exclusively of representative newspaper men of experience and national standing, entirely free from the dictation of officials who may be affected by the course of events.

Under such auspices and under the conditions provided in the House bill the country will not suffer either from lack of freedom of speech or from the suppression of legitimate information. Censorship is not directed, indeed, against any genuine American or loyal American newspaper. They do not need it, and they have shown in the last few weeks that they require no directing hand from Washington or anywhere else to induce them to observe what the President calls "a patriotic reticence." But it must not be forgotten that "there are some persons in a position to do mischief in this field who can not be relied upon, and whose interests or desires will lead to actions on their

part highly dangerous to the Nation in the midst of a war." It is against these that it is necessary to guard, and we believe it is imperative that the Government should be given power to deal with them firmly and promptly. But we believe also that the opposition to any and all censorship would be lessened greatly if the President would make it known that the board would be composed, as we have suggested above, of broad-minded newspaper men, perfectly able to comprehend the point of view of Army and Navy officials, and yet having full power of final decision.

Now, the Gard amendment, I submit, is a hundred times more drastic and more objectionable from the standpoint of gentlemen who oppose this amendment than the one presented now, because the Gard amendment provides that the President may prohibit the publishing willfully and without proper authority of any information relating to national defense.

Now listen:

And the President is hereby authorized to declare by proclamation the existence of such national emergency, and is authorized from time to time by proclamation to declare the character of such information which is or may be useful to the enemy.

And then the term "national defense" is defined as including any person, place, or thing in anywise having to do with the preparation for or the consideration or execution of any military or naval plans, expeditions, orders, supplies, or warfare for the advantage, defense, or security of the United States.

What can be broader than that? There was objection in some quarters to the Gard amendment, but we have restricted it so that any man can understand what he is voting for, and I do not believe that there is a man in this House that will want to tell his constituency that he released the newspapers so that they are now outside of all censorship. The Gard amendment was much more drastic than this provision that we present here. Surely no Member wants any newspapers to be given the privilege of willfully publishing any information useful to the enemy concerning the military operations of our own troops.

Tell me why we should not pass such a law as this? My friend from Chicago, Mr. MCCORMICK, when the bill was before the House, offered what he called a mild amendment, and voted for it, and I submit again that it is fifty times more drastic than the provision we present to you in the conference report, and here it is. He offered it and voted for it, and I presume other Republicans voted for it. His amendment was:

Page 36, section 4, strike out all of line 7 and all of line 8 up to and including the words "to the enemy," and substitute the following: "Movement, numbers, description, or disposition"—

That is the very language used in our section. It is practically the Cummins amendment, offered in the Senate, that is used here. We have not put in anything about the condition or the equipment of the troops, but it is something that is in action—the number, movement, description, or disposition. That is the language of Mr. MCCORMICK'S amendment also:

Movement, numbers, description, or disposition of any armed forces, ships, aircraft, or war materials—

He did not want you to discuss war materials. That is the amendment that he offered here and voted for, and now he balks and gags at the simple amendment which the conference committee has presented to the House.

Mr. RAGSDALE. Mr. Speaker, will the gentleman yield?

Mr. WEBB. Not now, not until I get through reading this amendment—

or with respect to the plans for the conduct of any naval or military operations—

He would not let you discuss the plans or the conduct of any supposed military operations. That is the amendment that he voted for on the floor of this House, and numbers of you gentlemen voted with him, and I submit that he is straining now at a gnat when he swallowed a camel two weeks ago, because his amendment which he asked you to vote for is far more drastic than the amendment we present to you now. He does not stop there—

or with respect to the plans for the conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with or intended for the fortification or defense of any place prior to the publication or communication of such facts by the Government directly or by his authority.

It turns out that practically all of our friends have voted heretofore for more drastic provisions than we present to you here. We ask you to say by your solemn enactment at a time like this that it shall be unlawful for any man to willfully publish the number, movement, disposition, or description of the armed forces of our country in a naval or military operation, if that information is useful to the enemy.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. WEBB. And all we do now, instead of giving the President the power to enlarge, is to say that certain information about the movement of our troops in naval or military operations, which information is useful to the enemy, shall not be published.

The President thinks something along this line is imperative for the safety and success of our Army and Navy, and hence for the success of our Nation. Here is what he writes me:

THE WHITE HOUSE,
Washington, May 22, 1917.

Hon. EDWIN Y. WEBB,
House of Representatives.

MY DEAR MR. WEBB: I have been very much surprised to find several of the public prints stating that the administration had abandoned the position which it so distinctly took, and still holds, that authority to exercise censorship over the press to the extent that that censorship is embodied in the recent action of the House of Representatives is absolutely necessary to the public safety. It of course, has not been abandoned, because the reasons still exist why such authority is necessary for the protection of the Nation.

I have every confidence that the great majority of the newspapers of the country will observe a patriotic reticence about everything whose publication could be of injury, but in every country there are some persons in a position to do mischief in this field who can not be relied upon, and whose interests or desires will lead to actions on their part highly dangerous to the Nation in the midst of a war. I want to say again that it seems to me imperative that powers of this sort should be granted.

Cordially and sincerely, yours,

WOODROW WILSON.

[Applause.]

The SPEAKER. The time of the gentleman from North Carolina has expired. All time has expired.

Mr. WEBB. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit with instructions.

The question was taken.

Mr. WEBB. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 184, nays 144, answered "present" 5, not voting 96, as follows:

YEAS—184.

Anderson	Fairchild, B. L.	Lenroot	Rouse
Anthony	Fairfield	London	Rowe
Ashbrook	Farr	Lundeen	Sanders, Ind.
Austin	Focht	McArthur	Schall
Bacharach	Foss	McCormick	Scott, Iowa
Bacon	Francis	McCulloch	Scott, Mich.
Bell	Freeman	McFadden	Scott, Pa.
Bland	French	McKenzie	Scully
Borland	Gallagher	McKinley	Sells
Bowers	Gard	McLaughlin, Mich	Sherwood
Brand	Glynn	McLaughlin, Pa.	Siegel
Britten	Good	Madden	Sinnott
Brodbeck	Goodall	Magee	Sisson
Browne	Gordon	Maher	Slayden
Burnett	Gould	Mann	Slemp
Butler	Graham, Pa.	Mapes	Smith, Idaho
Campbell, Kans.	Gray, N. J.	Martin, La.	Smith, C. B.
Carter, Mass.	Green, Iowa	Mecker	Stafford
Cary	Greene, Mass.	Miller, Minn.	Steenerson
Chandler, N. Y.	Greene, Vt.	Miller, Wash.	Sterling, Ill.
Church	Hadley	Mondell	Sweet
Clark, Pa.	Hamill	Moore, Pa.	Swift
Classon	Hamilton, Mich.	Mott	Switzer
Claypool	Haskell	Mudd	Thompson
Connelly, Kans.	Hawley	Nelson	Tilson
Cooper, Wis.	Heintz	Nichols, Mich.	Timberlake
Crago	Hersey	Nolan	Towner
Cramton	Hicks	Norton	Treadway
Crosser	Hilliard	Olney	Van Dyke
Currie, Mich.	Hollingsworth	Osborne	Vare
Curry, Cal.	Huddleston	Overmyer	Vestal
Darrow	Humphreys	Overstreet	Vinson
Davidson	Hutchinson	Parker, N. Y.	Voigt
Davis	Johnson, S. Dak.	Platt	Waldow
Dempsey	Juul	Powers	Ward
Denison	Keating	Pratt	Wason
Dill	Kelley, Mich.	Purnell	Watson, Pa.
Dillon	Kelly, Pa.	Ramsey	Wheeler
Dominick	Kinkaid	Ramseyer	White, Me.
Dowell	Knutson	Randall	White, Ohio
Drukker	Kraus	Rankin	Wilson, Ill.
Edmonds	La Follette	Reavis	Wood, Ind.
Ellsworth	LaGuardia	Reed	Woods, Iowa
Emerson	Langley	Roberts	Woodyard
Esch	Larsen	Rodenberg	Young, N. Dak.
Evans	Lehlbach	Rose	Zihlman

NAYS—144.

Adamson	Collier	Gandy	Houston
Alexander	Connally, Tex.	Garrett, Tenn.	Howard
Almon	Cox	Garrett, Tex.	Hulbert
Aswell	Crisp	Glass	Igoe
Ayres	Dale, N. Y.	Goodwin, Ark.	Jacoway
Bankhead	Dent	Gray, Ala.	James
Barnhart	Denton	Gregg	Johnson, Ky.
Bathrick	Dickinson	Griest	Jones, Tex.
Black	Dies	Hamlin	Jones, Va.
Blackmon	Dixon	Hardy	Kehoe
Blanton	Dooling	Harrison, Miss.	Kettner
Booher	Doolittle	Harrison, Va.	Key, Ohio
Bruckner	Drane	Hastings	King
Buchanan	Dupré	Hayden	Kitchin
Byrnes, S. C.	Dyer	Heflin	Lazaro
Byrns, Tenn.	Eagle	Helm	Lea, Cal.
Cantrill	Elston	Helvering	Lesher
Caraway	Flood	Hensley	Lever
Carew	Foster	Holland	Linthicum
Carlin	Fuller, Mass.	Hood	Little

Lonergan	Phelan	Saunders, Va.	Tillman
Lunn	Polk	Sears	Venable
McKeown	Pou	Shallenberger	Volstead
McLemore	Quin	Shouse	Walker
Mansfield	Ragsdale	Sims	Walton
Montague	Rainey	Small	Watkins
Moon	Raker	Smith, T. F.	Watson, Va.
Moores, Ind.	Rayburn	Steagall	Weaver
Morgan	Riordan	Stedman	Webb
Nicholls, S. C.	Robinson	Steele	Welty
Oldfield	Romjue	Stephens, Miss.	Whaley
Oliver, Ala.	Rubey	Stevenson	Wilson, La.
Oliver, N. Y.	Rucker	Sumners	Wilson, Tex.
Padgett	Russell	Taylor, Ark.	Wingo
Park	Sabath	Taylor, Colo.	Wise
Parker, N. J.	Sanders, La.	Thomas	Young, Tex.

ANSWERED "PRESENT"—5.

Browning	Hull, Tenn.	O'Shaunessy	Stephens, Nebr.
Ferris			

NOT VOTING—96.

Barkley	Fairchild, G. W.	Johnson, Wash.	Rogers
Brumbaugh	Fess	Kahn	Rowland
Caldwell	Fields	Kearns	Sanders, N. Y.
Campbell, Pa.	Fisher	Kennedy, Iowa.	Sanford
Candler, Miss.	Fitzgerald	Kennedy, R. I.	Shackleford
Cannon	Flynn	Kiess, Pa.	Sherley
Capstick	Fordney	Kincheloe	Sloan
Carter, Okla.	Frear	Kreider	Smith, Mich.
Chandler, Okla.	Fuller, Ill.	Lee, Ga.	Snell
Clark, Fla.	Gallivan	Littlepage	Snook
Coady	Garland	Lobeck	Snyder
Cooper, Ohio	Garner	Longworth	Sterling, Pa.
Cooper, W. Va.	Gillett	McAndrews	Stiness
Copley	Godwin, N. C.	McClintic	Strong
Costello	Graham, Ill.	Martin, Ill.	Sullivan
Dale, Vt.	Griffin	Mason	Tague
Dallinger	Hamilton, N. Y.	Mays	Talbott
Decker	Haugen	Morin	Temple
Dewalt	Hayes	Neely	Templeton
Doremus	Heaton	Paige	Tinkham
Doughton	Hill	Peters	Walsh
Dunn	Hull, Iowa	Porter	Welling
Eagan	Husted	Price	Williams
Estopinal	Ireland	Robbins	Winslow

So the motion to recommit was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. GALLIVAN (for) with Mr. SULLIVAN (against).

Mr. O'SHAUNESSY (for) with Mr. COADY (against).

Mr. TAGUE (for) with Mr. MCANDREWS (against).

Mr. GARLAND (for) with Mr. DEWALT (against).

Mr. COOPER of Ohio (for) with Mr. ESTIPONAL (against).

Mr. SNELL (for) with Mr. STERLING of Pennsylvania (against).

Mr. SNYDER (for) with Mr. LEE of Georgia (against).

Mr. DUNN (for) with Mr. CANDLER of Mississippi (against).

Mr. FREAR (for) with Mr. MCCLINTIC (against).

Mr. TINKHAM (for) with Mr. FIELDS (against).

Mr. KENNEDY of Rhode Island (for) with Mr. DECKER (against).

Mr. STINESS (for) with Mr. CARTER of Oklahoma (against).

Mr. WALSH (for) with Mr. NEELY (against).

Until further notice:

Mr. FERRIS with Mr. CHANDLER of Oklahoma.

Mr. DOUGHTON with Mr. WINSLOW.

Mr. BRUMBAUGH with Mr. DALE of Vermont.

Mr. DOREMUS with Mr. FORDNEY.

Mr. HAMILTON of New York with Mr. GARNER.

Mr. GODWIN of North Carolina with Mr. IRELAND.

Mr. CALDWELL with Mr. DALLINGER.

Mr. BARKLEY with Mr. GEORGE W. FAIRCHILD.

Mr. DRANE with Mr. FESS.

Mr. EAGAN with Mr. CANNON.

Mr. FITZGERALD with Mr. KAHN.

Mr. FLYNN with Mr. KIESS of Pennsylvania.

Mr. GRIFFIN with Mr. HEATON.

Mr. KINCHELOE with Mr. HUSTED.

Mr. LOBECK with Mr. KEARNS.

Mr. MARTIN with Mr. PETERS.

Mr. MAYS with Mr. PAIGE.

Mr. SHACKLEFORD with Mr. ROGERS

Mr. PRICE with Mr. ROWLAND.

Mr. SNOOK with Mr. SANDERS of New York.

Mr. WELLING with Mr. SANFORD.

Mr. STEPHENS of Nebraska with Mr. SLOAN.

Mr. HULL of Tennessee with Mr. HILL.

Mr. FISHER with Mr. LONGWORTH.

Mr. SHERLEY with Mr. GILLETT.

Mr. CLARK of Florida with Mr. FULLER of Illinois.

For one week, beginning May 29:

Mr. CAMPBELL of Pennsylvania with Mr. GRAHAM of Illinois.

Until June 3:

Mr. LITTLEPAGE with Mr. COOPER of West Virginia.

Mr. TALBOTT with Mr. BROWNING, commencing May 25, ending June 5.

Mr. BROWNING. Mr. Speaker, I voted "aye." I have a general pair with the gentleman from Maryland, Mr. TALBOTT. I wish to withdraw my vote and be recorded as "present."

The name of Mr. BROWNING was called, and he answered "Present."

Mr. O'SHAUNESSY. Mr. Speaker, I voted "aye." I desire to withdraw that vote and vote "present."

The name of Mr. O'SHAUNESSY was called, and he answered "Present."

Mr. HULL of Tennessee. Mr. Speaker, I am paired with the gentleman from Connecticut, Mr. HILL. I voted "no." I desire to withdraw that vote and vote "present."

The name of Mr. HULL of Tennessee was called, and he answered "Present."

The result of the vote was announced as above recorded. [Applause.]

On motion of Mr. MANN, a motion to reconsider the vote by which the motion to recommit was agreed to was laid on the table.

EXTENSION OF REMARKS.

Mr. WEBB. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this subject.

Mr. MANN. Mr. Speaker, I suggest to the gentleman, under the circumstances, that he ask unanimous consent for all Members to extend their remarks on this matter.

Mr. WEBB. Mr. Speaker, I ask unanimous consent that all those who spoke on this matter——

Mr. MANN. No; all Members; the time was very limited.

Mr. WEBB. Well, Mr. Speaker, all Members.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that all Members have five legislative days within which to extend their remarks in the RECORD. Is there objection?

Mr. HELVERING. Mr. Speaker, I object.

The SPEAKER. The gentleman from Kansas objects. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Illinois [Mr. MADDEN], the gentleman from Indiana [Mr. WOOD], the gentleman from Wisconsin [Mr. CARY], Mr. HAYES, Mr. KINKAID, Mr. FOCHT, Mr. LANGLEY, Mr. JUUL, Mr. SIEGEL, Mr. LAGUARDIA—all ask to extend their remarks. Is there objection?

Mr. HELVERING. Mr. Speaker, I object.

The SPEAKER. The gentleman from Kansas objects.

Mr. MANN. Will the gentleman from Kansas yield? There was very little debate on this subject, owing to the situation in the session. On every other subject of this kind we have given general leave of this kind. Does not the gentleman think we ought to give it in this case? I think nearly everybody on our side has already obtained leave.

The SPEAKER. Does the gentleman from Kansas stick to his objection?

Mr. HELVERING. Is not this the same bill we have discussed before?

Mr. MANN. Yes.

Mr. HELVERING. Was not time given for everybody to discuss it who wished to do so?

Mr. MANN. Oh, no; not at all. There were many gentlemen who did not have a chance.

The SPEAKER. Does the gentleman withdraw his objection?

Mr. HELVERING. I withdraw it.

The SPEAKER. Is there objection?

Mr. HOWARD. I object, Mr. Speaker, and I will stick to it.

Mr. MANN. The gentleman from Georgia gets the indulgence of the House very often.

Mr. BATHRICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

Mr. VINSON. Mr. Speaker, I make the same request.

Mr. MANN. I shall object to any more——

Mr. HOWARD. I object.

Mr. VINSON. Does the gentleman object to my request?

Mr. HOWARD. I shall have to be obliged to treat my beloved colleague in the same manner.

The SPEAKER. The gentleman from Georgia objects.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to extend my remarks on this subject. I only had three minutes.

The SPEAKER. The gentleman from Kansas asks unanimous consent to extend his remarks.

Mr. MANN. I call the attention of the gentleman from Georgia to the request.

Mr. HOWARD. I did not hear the request.

The SPEAKER. The gentleman from Illinois addressed the gentleman from Georgia.

Mr. HOWARD. I did not hear the gentleman.

Mr. LITTLE. I ask leave to extend my little three minutes on the subject of this bill.

Mr. HOWARD. Mr. Speaker, I object.

WAR INSURANCE.

Mr. ADAMSON. Mr. Speaker, I do not object to anything or anybody.

The SPEAKER. Why does the gentleman rise, then? [Laughter.]

Mr. ADAMSON. The gentleman from North Carolina [Mr. SMALL], chairman of the Committee on Rivers and Harbors, has an order making that bill privileged, and it would be in order, but he is willing on account of the urgency of the case that I should be recognized to ask consideration of the bill S. 2133, to amend the war insurance bill.

The SPEAKER. The gentleman from Georgia [Mr. ADAMSON] asks unanimous consent for the present consideration of the war insurance bill. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, so far as I am concerned, I am willing to take it up in the morning, so that Members have notice.

Mr. MOORE of Pennsylvania. Is this the war-risk bill? If so, I object. This is raising the amount of $50,000,000.

Mr. ADAMSON. You can move to amend it.

Mr. MOORE of Pennsylvania. Mr. Speaker, I object to it.

Mr. ADAMSON. Then I ask that it be given a privileged status.

Mr. MANN. Fix a time for it.

The SPEAKER. The gentleman asks unanimous consent that the bill be made privileged. Is there objection?

Mr. MANN. Reserving the right to object, what does the gentleman mean by that?

Mr. ADAMSON. Just as these other bills were made privileged—subject to conference reports and appropriation bills.

The SPEAKER. Nobody knows when it will come up.

Mr. ADAMSON. I am willing to have it come up to-morrow.

Mr. MANN. I am willing to make the arrangements and not have it float around here and nobody know when it will come up.

Mr. ADAMSON. I will say that the gentleman who is chairman of the Committee on Rivers and Harbors is willing to have it come next.

Mr. HEFLIN. How long will it take to pass it?

Mr. ADAMSON. It ought not to take more than a few minutes.

The SPEAKER. The gentleman from Georgia [Mr. ADAMSON] asks unanimous consent that the bill which he undertook to call up shall be made privileged for to-morrow, of course conference reports having the right of way. Is there objection to that?

Mr. MOORE of Pennsylvania. Reserving the right to object, this passes it over until to-morrow morning so that we can have a chance to see the bill?

Mr. ADAMSON. Yes.

Mr. MOORE of Pennsylvania. I shall not object to that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

RETIRED ENGINEER OFFICERS.

Mr. SMALL. Mr. Speaker, I desire to ask unanimous consent to take from the Speaker's table Senate joint resolution No. 70, and ask for its immediate consideration.

The SPEAKER. What is it about?

Mr. SMALL. It is in regard to retired officers in the Corps of Engineers. I ask that it be reported, pending the request.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table Senate joint resolution No. 70, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution No. 70, relating to the service of certain retired officers of the Army.

Resolved, etc., That when retired officers of the Army, any portion of whose active service was in the Corps of Engineers, are called back into active service they shall be eligible to fill any position required by law to be filled by an officer of the Corps of Engineers.

Mr. MANN. Mr. Speaker, reserving the right to object——

Mr. SMALL. Mr. Speaker, the urgency of this legislation is this: When officers of the Engineer Corps are retired they are not retired as Engineers, but as officers of the Army. During this period of war it has been necessary to utilize Engineer officers who have been heretofore detailed for river and harbor work. For instance, Col. Townsend, at the head of the Mississippi River Commission, has been relieved of that detail and placed in command of a regiment. We have a number of able officers retired from the Engineer Corps who are willing and who can be compelled to serve, but a good many of the positions to which it is desired to assign them under the law require Engineer officers. And this simply gives a retired Engineer officer when he is put into active duty the status of an officer of the Corps of Engineers as formerly, and only during the continuance of such active duty.

Mr. BORLAND. Will the gentleman yield for a question?

Mr. SMALL. Certainly.

Mr. MANN. Mr. Speaker, this is a bill that does not belong to the Committee on Rivers and Harbors, although I feel very much interested in it.

Mr. SMALL. I concede that.

Mr. MANN. But whatever may be the facts in the case—and I am sure I do not know the merits of the proposition—it ought to be reported from the Military Committee of the House. Therefore I object to it.

The SPEAKER. The gentleman from Illinois objects.

WITHDRAWAL OF PAPERS.

Mr. VAN DYKE, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of Emelia McNicol (H. R. 9308, 64th Cong., 1st sess.), no adverse report having been made thereon.

LEAVE OF ABSENCE.

The SPEAKER laid before the House the following communication:

Hon. CHAMP CLARK,
Speaker of the House, Washington, D. C.

MY DEAR MR. SPEAKER: I would respectfully ask for leave of absence for Thursday and Friday, to attend the funeral of the late ambassador to Japan, the Hon. George W. Guthrie.

Yours, very truly, BRUCE F. STERLING,
Twenty-third Pennsylvania District.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

RIVERS AND HARBORS.

Mr. SMALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4285) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the river and harbor bill.

Mr. SMALL. And pending that, Mr. Speaker, if the gentleman from Ohio [Mr. SWITZER] is in the Hall——

Mr. MANN. You can not agree upon any time to-night, I will say to the gentleman.

Mr. SMALL. If we can not agree upon time this evening, Mr. Speaker, we will do that at a later time.

The SPEAKER. The question is on the motion of the gentleman from North Carolina to go into the Committee of the Whole House on the state of the Union on the river and harbor bill.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. SMALL. Division, Mr. Speaker.

The House divided; and there were—ayes 102, noes 61.

Mr. MANN. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Illinois makes the point of no quorum. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees——

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until Friday, June 1, 1917, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War transmitting, with a letter from the Chief of Engineers, report on preliminary ex-

amination of Queens Creek, Va., with a view to securing increased depth of water at the mouth (H. Doc. No. 161); to the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the Secretary of the Treasury transmitting copy of communication of the acting president, Board of Commissioners of the District of Columbia, submitting estimates of deficiencies in appropriations for the District of Columbia for the fiscal year 1918, and for prior years (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury transmitting copy of a communication of the Secretary of Commerce, submitting an additional estimate of appropriation for protecting seal and salmon fisheries of Alaska, for the service of the fiscal year ending June 30, 1918 (H. Doc. No. 163); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII:

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (H. J. Res. 94) authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian Grounds, reported the same without amendment, accompanied by a report (No. 66), which said resolution and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. EVANS: A bill (H. R. 4821) providing for the purchase of a site and the erection thereon of a public building at Glasgow, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. SNYDER: A bill (H. R. 4822) fixing the compensation of rural free delivery carriers; to the Committee on the Post Office and Post Roads.

By Mr. JONES of Texas: A bill (H. R. 4823) to forbid the use of food materials in any way in the production of intoxicating liquors for beverage purposes during the war, and to prohibit the transportation interstate of intoxicating liquors for beverage purposes during the period of the war; to the Committee on the Judiciary.

By Mr. EMERSON: Resolution (H. Res. 94) authorizing the giving of a prize to the person or persons who discover a device for the destruction of submarines; to the Committee on Naval Affairs.

By Mr. HASTINGS: Concurrent resolution (H. Con. Res. 11) accepting the statue of Sequoyah, presented by the State of Oklahoma, to be placed in Statuary Hall; to the Committee on the Library.

By Mr. CARY: Memorial of the Legislature of the State of Wisconsin with relation to the control of commodities by the Federal Government; to the Committee on Agriculture.

By Mr. SABATH: Memorial of the Legislature of the State of Illinois, urging self-government and restoration of such rights to Ireland and Poland; to the Committee on Foreign Affairs.

By Mr. ESCH: Memorial of the Legislature of the State of Wisconsin, favoring the passage of laws in regard to food control; to the Committee on Agriculture.

By Mr. COOPER of Wisconsin: Memorial of the Legislature of the State of Wisconsin, relating to the control of commodities; to the Committee on Agriculture.

By Mr. DARROW: Memorial of the Legislature of the State of Pennsylvania, in support of daylight-saving legislation to advance standard time one hour during the summer months; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY of New Jersey: A bill (H. R. 4824) granting an increase of pension to Ellen Kivlon; to the Committee on Pensions.

By Mr. IRELAND: A bill (H. R. 4825) granting a pension to Harriet Botham; to the Committee on Invalid Pensions.

By Mr. LITTLE: A bill (H. R. 4826) to increase the pension of Samuel M. Lanham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4827) granting a pension to Myra Scranton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4828) granting an increase of pension to Richard Jefferson; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 4829) granting an increase of pension to Richard R. Jacobs; to the Committee on Invalid Pensions.

By Mr. REED: A bill (H. R. 4830) granting an increase of pension to James H. Hardisty; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of D. D. Hoagland and others, of Hyde Park, Mass., favoring the prohibition of the manufacture and sale of intoxicating liquors as a war measure; to the Committee on the Judiciary.

Also (by request), memorial of the common council of the city of Milwaukee, favoring laws to prohibit the hoarding of food during the war; to the Committee on Agriculture.

Also (by request), memorial of Worcester Branch, Friends of Irish Freedom, relative to freedom for Ireland; to the Committee on Foreign Affairs.

Also (by request), petition of American Federation of Labor relative to food control; to the Committee on Agriculture.

By Mr. BATHRICK: Petitions of sundry citizens of Medina, Fields, Barberton, Wadsworth, and Chatham, all in the State of Ohio, favoring national prohibition; to the Committee on the Judiciary.

By Mr. BRODBECK: Petition of 339 citizens of Fairfield, Iron Springs, and Orrtanna, all in the State of Pennsylvania, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CARY: Petition of William J. Callan, of Milwaukee, Wis., against the proposed zone system; to the Committee on Ways and Means.

By Mr. CONNALLY of Kansas: Petition of citizens of Northbranch, Lebanon, Ellsworth, Barnard, and Kanona, all in the State of Kansas, favoring prohibition as a war measure and opposing tax on same; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of J. M. Huber, of New York City, against proposed increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of the George H. Gibson Co., of New York City, against any increase in postage on first-class matter; to the Committee on Ways and Means.

By Mr. FOSS: Petitions of sundry citizens of Chicago and Lakeview, North Chicago, Ill., favoring national prohibition; to the Committee on the Judiciary.

By Mr. FREEMAN: Petitions of sundry churches and Sunday schools of the State of Connecticut, favoring the closing of breweries and distilleries during the war; to the Committee on the Judiciary.

By Mr. HAMILTON of New York: Petitions of sundry citizens of Allegany and Friendship, both in the State of New York, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HASTINGS: Petition of citizens of Okmulgee, Okla., favoring national prohibition; to the Committee on the Judiciary.

By Mr. KELLEY of Michigan: Petition of Rev. M. L. Fox and 195 members of Central Methodist Church, of Lansing, Mich., relative to prohibition of liquor traffic; to the Committee on the Judiciary.

By Mr. LONERGAN: Memorials of Quinebaug Pomona Grange, of Brooklyn, and Wapping Grange, No. 30, Patrons of Husbandry, of Wapping, both in the State of Connecticut, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. McFADDEN: Petition of 91 citizens of Jackson, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MAGEE: Petition of Brotherhood Centenary Methodist Episcopal Church, Syracuse, N. Y., against polygamy; to the Committee on the Judiciary.

Also, petition of the residents of Cardiff and Ontario, both in the State of New York, favoring national prohibition; to the Committee on the Judiciary.

By Mr. MAPES: Petition of 87 citizens of Grand Rapids, Mich., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation,

and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the H. J. Heinze Co., of Pittsburgh, Pa., urging that the executive branch of the Government be empowered to deal with the food supply; to the Committee on the Judiciary.

By Mr. MOTT: Memorials of Congregational Church of Munnsville, Baptist Churches of Barnes Corners and South Rutland, and Congregational Church of Morrisville, all in the State of New York, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. NOLAN: Petition of Wholesale Boot and Shoe Association of California, San Francisco, Cal., protesting against the passage of the so-called Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of Charles Peter Weeks, of San Francisco, Cal., protesting against the proposed method of raising revenue; to the Committee on Ways and Means.

Also, petition of Getz Bros. & Co., and Frank B. Peterson Co., of San Francisco, Cal., protesting against section 3 in House bill 4125; to the Committee on Agriculture.

Also, petition of Pacific Hardware & Steel Co., Tillman & Bendel, Hoover Spring Co., and the Simmons Co., all of San Francisco; Meyer & Talbott and the Los Angeles Ice and Cold Storage Co., of Los Angeles; and the California Corrugated Culvert Co, of West Berkeley, all in the State of California, protesting against any increase in first-class postage until the rates on second-class postage have been advanced to cost of service; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Memorial of the One hundred and twenty-seventh Annual Convention of the Diocese of Rhode Island, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Grand Lodge, Rhode Island Retail Dealers' Association, against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Rhode Island Mule Spinners' Association, favoring food control by the Government; to the Committee on Agriculture.

Also, memorial of Conanicut Grange, No. 21, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PRATT: Petition of Rev. Charles Purdy and Messrs. John Stuart, John Ferguson, Elwin Spencer, Jay Stuart, John Hooker, and Bert Sherman, all of Elmira, N. Y, favoring the Gronna-Randall bill for the preservation of the foodstuffs used in making intoxicating liquors; to the Committee on the Judiciary.

Also, petition of joint session of the Congregational and Methodist Churches of Berkshire, N. Y., Hon. D. P. Witter, presiding, favoring the prohibition of the use of foodstuffs during the period of war for the manufacture of intoxicating beverages and to limit liquors now on hand to nonbeverage purposes; to the Committee on the Judiciary.

Also, petition of Chauncer Shattuck, Dewey Beeman, R. C. Merames, James Jones, and sundry other voters and citizens of the second election district in the township of Cohocton, N. Y., favoring complete prohibition during the period of the war; to the Committee on the Judiciary.

Also, petition of Presbyterian Church of Hector, N. Y., by Rev. H. S. Beach, pastor, favoring national prohibition during the period of the war; to the Committee on the Judiciary.

Also, petition of Rev. H. C. Sears, Mrs. M. P. Roloson, Mr. A. H. Osgood, and sundry other citizens of Beaver Dams, N. Y., and vicinity, favoring certain prohibition measures during the war; to the Committee on the Judiciary.

Also, petition of union memorial service of the First Baptist, First Methodist Episcopal, and Presbyterian Union Churches, by their pastors, Rev. W. C. Taylor, Rev. Will H. Hilles, and Rev. A. W. Bloomfield, favoring the passage of a bill to effectively prohibit the use of any kind of foodstuffs during the war for the manufacture of intoxicating beverages of any kind whatever; to the Committee on the Judiciary.

By Mr. PURNELL: Petition of citizens of Waveland, Ind., and vicinity favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Noblesville, Ind., and vicinity, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Rossville, Ind., and vicinity, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Sharpsville, Ind., and vicinity, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Lebanon, Ind., and vicinity, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RAKER: Petition of James Stuart, of San Francisco, Cal., against increase in postal rates on second-class matter; to the Committee on Ways and Means.

Also, petitions of Get Bros. & Co. and Frank B. Peterson Co., of San Francisco, Cal., against section 3 in House bill 4125, and House joint resolution 75, which vary the food and drugs act; to the Committee on Agriculture.

Also, petitions of J. J. Pfister, of Berkeley, and Pacific Hardware & Steel Co., of San Francisco, Cal., against advance in first-class postage; to the Committee on Ways and Means.

By Mr. RAMSEYER: Petition of citizens of Kellogg, Iowa, and vicinity, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. REED: Petition of J. G. Jackson, B. M. Davisson, C. E. Phillips, O. C. Dawson, Walter Nelly, L. B. Gaston, Thomas F. Law, D. L. Bryan, W. A. Jackson, George B. Waggoner, J. P. Davisson, R. E. Jackson, S. P. Bishop, and J. E. Maxwell, citizens of Janelew, W. Va., urging the conservation of foodstuffs now used in the manufacture of intoxicating liquors, the limitation of the use of liquors on hand, and protesting against liquor taxing, which causes a barrier to prohibition; to the Committee on the Judiciary.

By Mr. ROSE: Petitions of the First Baptist Church of Hollidaysburg; Trinity Lutheran Church, of Johnstown; Oakland Methodist Episcopal Church, of Johnstown; Young Men's Christian Association board of directors, of Johnstown; Grace Methodist Episcopal Church, of Altoona; St. Luke's Evangelical Lutheran Church, of Roaring Spring; Christ Reformed Church, of Roaring Spring; Eighth Avenue Methodist Episcopal Church, of Altoona, all in the State of Pennsylvania, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of St. Luke's Lutheran Church, of Lilly, Pa., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Johnstown, Pa., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of sundry church organizations of the State of Pennsylvania, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ROWE: Petition of Peter A. Frasse & Co., of New York, against retroactive taxes; to the Committee on Ways and Means.

Also, petitions of sundry publishers of New York City, against proposed increase in postal rates on second-class matter; to the Committee on Ways and Means.

By Mr. ROWLAND: Petition of sundry citizens of Dubois, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCHALL: Petition of the Independent Order of Good Templars of Sandstone, Minn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCULLY: Memorial of the executive board of the New Jersey State Federation of Labor, signed by Henry F. Hilfers, secretary, praying that the Government take immediate control of production and distribution of foodstuffs and coal; to the Committee on Agriculture.

Also, memorial of the executive board of the New Jersey State Federation of Labor, protesting against any law forbidding the manufacturing and sale of beers and light wines; to the Committee on the Judiciary.

Also, memorial of the Merchants' Association of New York, relative to control of food supply; to the Committee on Agriculture.

Also, petitions of sundry citizens of Keansburg, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNYDER: Petition of sundry citizens of Ilion, N. Y., favoring passage of bill to conserve foodstuffs; to the Committee on the Judiciary.

Also, memorial of Men's Baraca Class of Mohawk, N. Y., favoring national prohibition during the period of the war; to the Committee on the Judiciary.

Also, memorial of Woman's Union of Oriskany Falls, N. Y., favoring amendment to abolish polygamy; to the Committee on the Judiciary.

By Mr. STEELE: Petition of citizens of Pen Argyl and members of Windgap (Pa.) Woman's Christian Temperance Union,

favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. STEENERSON: Memorials of Scandanavian Temperance Union of Fergus Falls, Young Men's Excelsior Bible Class and First Methodist Episcopal Church of Fosston, and citizens of Hawley, all in the State of Minnesota, favoring national prohibition as war measure; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: Petition of citizens of Fruita, Colo., favoring prohibition as war measure; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: Memorial of Denver Civic and Commercial Association, favoring legislation to establish minimum prices for all staple food crops; to the Committee on Agriculture.

By Mr. TREADWAY: Petition of sundry citizens of Heath, Mass., favoring national prohibition; to the Committee on the Judiciary.

Also, petition of employees of McAuslin & Wakelin Co. (Inc.), Holyoke, Mass., favoring the daylight-saving plan; to the Committee on Interstate and Foreign Commerce.

By Mr. VARE: Memorial of Manufacturers' Club of Philadelphia, Pa., relative to the pending revenue bill; to the Committee on Ways and Means.

By Mr. WARD: Petition of N. I. Terry and other citizens of Leeds, N. Y., in favor of the enactment of a law to prohibit the manufacture and sale of alcoholic liquors; to the Committee on the Judiciary.

Also, memorial adopted by Ulster Grange, No. 969, of Ulster Park, N. Y., in favor of prohibiting the use of grain for the manufacture of alcoholic liquors during the continuance of the war; to the Committee on the Judiciary.

Also, memorial adopted by the congregation of St. Paul's Evangelical Lutheran Church, of West Camp, N. Y., protesting against the use of cereals for the manufacture of alcoholic liquors; to the Committee on the Judiciary.

Also, memorial adopted by citizens of Seward, N. Y., favoring prohibition of the manufacture of intoxicants as a war measure; to the Committee on the Judiciary.

Also, petition of A. W. Dimock and other citizens of the village of Sundown, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Rev. George Farrar, indorsed by members of the Methodist Episcopal Church of Liberty, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Harvey W. Clancey and other citizens of Ashokan, N. Y., favoring the enactment of a law prohibiting the manufacture and sale of alcoholic liquors as a war measure; to the Committee on the Judiciary.

Also, petition of Rev. George E. Farrar, Daniel R. Sherwood, James Goodsir, William T. Denman, O. E. Keller, A. F. Armstrong, John L. Porter, James Doughty, Frank B. Johnson, William Sunderland, Luther C. Payne, N. C. Currey, F. M. Sears, B. F. Green, Francis S. Pelsang, S. B. Pierson, H. E. Weber, A. J. Brisco, Charles W. Dewhurst, Milton Gabriel, Harold O. Weyrauch, M. R. Sloan, H. L. Sarles, H. J. Sarles, J. W. Haggerty, Charles E. Hall, Osmer P. Davis, Charles S. Payne, F. E. Hardie, F. Brown, Harry T. Smith, J. Archie Barker, Henry M. Weyrauch, George H. Brehany, Wilbur Devendorf, William E. Ackroyd, R. A. Monroe, and C. A. Sprague, of Liberty, N. Y., favoring the enactment of a law prohibiting the manufacture and sale of alcoholic liquors as a war measure; to the Committee on the Judiciary.

Also, petition signed by George B. Smith and other citizens of Eureka, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WELTY: Petitions of citizens of Gettysburg, Laura, Lima, and Coletown Christian Sunday School, all in the State of Ohio, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WOOD of Indiana: Petitions of members of the Methodist Episcopal churches of Whiting and Williamsport, Ind., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota: Petition of Myron Sisson and 13 other citizens of Spiritwood, N. Dak., urging prohibition of liquor as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Mrs. H. W. Ganung and 23 other women of Edgeley, N. Dak., urging prohibition as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Mrs. Louise Steele and 23 other members of the Woman Maccabees of Denbigh, N. Dak., urging that full suffrage be granted to women; to the Committee on the Judiciary.

SENATE.

FRIDAY, *June 1, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we unite our hearts in fervent prayer to Thee. We bless Thee that in these times when there is so much uncertainty and unrest we are assured that there is a realm where truth abides in eternal fullness and that there are self-manifesting truths in this world which are eternal and changeless. We pray Thee to shine the light of Thy truth upon all the policies adopted in the Senate and all the laws which are passed for the government of the Nation. We pray that we may so act in the performance of the solemn duties of this place as that all may have the approval of the great God whose we are and whom we serve. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

PUNISHMENT OF ESPIONAGE—CONFERENCE REPORT.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives recommitting to the conferees the report of the committee of conference on the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, the foreign commerce of the United States, to punish espionage and to better enforce the criminal laws of the United States, and for other purposes.

Mr. OVERMAN. I ask unanimous consent that the Senate conferees be permitted to withdraw the report they submitted upon the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the conference report is withdrawn.

PETITIONS AND MEMORIALS.

Mr. HUSTING. I present a joint resolution of the Legislature of Wisconsin, which I ask may be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

Joint resolution memorializing the Congress of the United States to enact a law vesting power in an appointive commission to regulate and control the production, distribution, transportation, and price of foodstuffs, grains, fuel, and other basic commodities.

Whereas control of foodstuffs, grains, fuel, and other basic commodities is essential to the welfare of our country and people and the prompt enactment of appropriate legislation to accomplish this end is necessary for success in the present war and for the safety and preservation of our Nation: Therefore be it

Resolved by the senate (the assembly concurring), That the Congress of the United States be, and is hereby, respectfully memorialized to enact at once a thoroughgoing law that will vest in a commission to be appointed by the President appropriate power to regulate and control the production, distribution, transportation, and price of foodstuffs, grains, fuel, and other basic commodities; be it further

Resolved, That a copy of these resolutions be transmitted by the chief clerk of the senate to the President of the United States Senate and to the Speaker of the House of Representatives, and also to the Representatives from this State in the Congress of the United States.

EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. HUSTING. I present a joint resolution of the Legislature of Wisconsin, which I ask may be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

Joint resolution relating to the economical and conserving use of food supplies.

Whereas in the present world crisis the economical and conserving use of food supplies is a highly patriotic and broadly humanitarian duty; and

Whereas the present standard of milling wheat into white flour diverts more than a quarter of the wheat from use as human food; and

Whereas the adoption of a high standard for milling wheat would be equal to increasing the supply of wheat by nearly 100,000,000 bushels: Now, therefore be it

Resolved by the assembly (the senate concurring), That this legislature does urge upon the Congress of the United States that it take such action as may be necessary to conserve the supply of wheat by requiring a high milling standard.

That copies of this resolution, duly attested by the presiding officers and chief clerks of the assembly and senate, be transmitted to the President of the Senate of the United States, to the Speaker of the House of Representatives, and to each of the Senators and Representatives in Congress from the State of Wisconsin.

LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.

Mr. HUSTING presented a petition of Local Union No. 946, United Brotherhood of Carpenters and Joiners of America, of Oshkosh, Wis., praying for the enactment of legislation to prohibit speculation in foodstuffs, which was referred to the Committee on Agriculture and Forestry.

Mr. KNOX presented petitions of sundry citizens of Pennsylvania, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented a petition of the Board of Trade of Easton, Pa., praying for the enactment of legislation to provide for the saving of daylight, which was ordered to lie on the table.

He also presented a petition of the Chamber of Commerce of Du Bois, Pa., praying for the enactment of legislation providing for the conservation of food, which was referred to the Committee on Agriculture and Forestry.

Mr. NELSON presented petitions of sundry citizens of Minnesota, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. McKELLAR. I have received the following telegram from Memphis, which I desire to have read and printed in the RECORD.

The VICE PRESIDENT. The telegram will be read.

The Secretary read the telegram, as follows:

MEMPHIS, TENN., *May 30, 1917.*

Hon. KENNETH MCKELLAR,
Washington, D. C.:

Bank of Commerce & Trust Co. subscribed for $1,000,000 of liberty bonds.

F. O. VINTON, *President.*

Mr. McKELLAR. This is one of the largest, and I am informed is the largest, purchase of these bonds by any individual or corporation south of the Ohio River. I take great pleasure in congratulating the institution in my home city upon this splendid manifestation of its patriotism, and hope its example will be followed in the same liberal spirit by banks all over the country.

Mr. GALLINGER presented a memorial of the pupils of the seventh grade, Allen School, of Rochester, N. H., remonstrating against any increase in second-class postage rates, which was referred to the Committee on Finance.

He also presented petitions of the Strafford County Woman's Christian Temperance Union, of Farmington; of the Woman's Christian Temperance union of Henniker; of Morning Star Grange, No. 62, Patrons of Husbandry, of Lyme; of 15 members of the Congregational Christian Endeavor Society of Penacook; of 30 members of the Curtis Memorial Christian Endeavor Society, of Concord; of 36 members of the South Congregational Christian Endeavor Society of Concord; of 27 members of the North Congregational Christian Endeavor Society of Concord; of 15 members of the Congregational Christian Endeavor Society of East Concord; of 45 members of the Congregational Christian Endeavor Society and of 9 members of the Boy Scouts of America, of Pembroke; of 16 members of the Pleasant Street Baptist Christian Endeavor Society, of Concord; and of 44 members of the First Baptist Christian Endeavor Society of Penacook, all in the State of New Hampshire, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Harding	New	Smith, Ga.
Beckham	Hitchcock	Newlands	Smith, Md.
Brady	Hollis	Overman	Smoot
Brandegee	Husting	Owen	Sterling
Broussard	James	Page	Stone
Calder	Jones, Wash.	Penrose	Sutherland
Culberson	Kellogg	Phelan	Swanson
Cummins	Kenyon	Pittman	Thomas
Curtis	Kirby	Poindexter	Townsend
Fall	Knox	Pomerene	Trammell
Fletcher	La Follette	Ransdell	Underwood
France	McCumber	Reed	Vardaman
Frelinghuysen	McKellar	Saulsbury	Wadsworth
Gallinger	McLean	Shafroth	Walsh
Gerry	Martin	Sheppard	Weeks
Gore	Myers	Sherman	Williams
Hale	Nelson	Smith, Ariz.	Wolcott

Mr. TOWNSEND. I desire to announce the absence of my colleague [Mr. SMITH of Michigan] on important business. He is paired with the junior Senator from Missouri [Mr. REED].

Mr. SUTHERLAND. I wish to announce the absence of my colleague [Mr. GOFF] on account of illness. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I will let this announcement stand for the day.

Mr. GERRY. I wish to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Arizona [Mr. ASHURST], the Senator from Kansas [Mr. THOMPSON], the Senator from Utah [Mr. KING], and the Senator from Wyoming [Mr. KENDRICK] on official business. I also desire to announce the absence of the Senator from South Carolina [Mr. TILLMAN], on account of illness, and of the Senator from Illinois [Mr. LEWIS], on important business. I ask that this announcement may stand for the day.

Mr. SAULSBURY. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] is detained from the Senate on official business.

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present. The presentation of petitions and memorials is in order.

Mr. BECKHAM. I present petitions of citizens of Kentucky, praying for national prohibition, which I ask may be printed in the RECORD without the signatures.

There being no objection, the petitions were ordered to be printed in the RECORD, as follows:

DEAR SIR: The inclosed petition has been sent to us with the request that we forward it to you to be presented to the Senate for record.

Respectfully,

BOARD OF TEMPERANCE OF THE METHODIST EPISCOPAL CHURCH.

WASHINGTON, D. C.

To the Congress of the United States:

The undersigned earnestly petition for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people.

J. M. LITERAL
(And others).

—

To the President and the Congress of the United States:

We appeal to you for legislation prohibiting the consumption of food products in the manufacture of intoxicating liquors.

BEREA (KY.) COLLEGE FACULTY
(And others).

—

UNITED STATES SENATE,
Care of Senator J. C. W. Beckham, Washington, D. C.:

The undersigned members of the Twenty-second and Walnut Street Baptist Church, of Louisville, Ky., hereby petition your honorable body not to tax but prohibit the liquor business as a war measure

C. A. JENSON
(And others).

Mr. HOLLIS. I present a petition of the Anti-Saloon League, Department of New Hampshire, of Concord, N. H., which I ask may be printed in the RECORD.

There being no objection, the petition was ordered to be printed in the Record, as follows:

ANTI-SALOON LEAGUE OF AMERICA,
DEPARTMENT OF NEW HAMPSHIRE,
CONCORD, N. H., *May 29, 1917.*

To the SENATE OF THE UNITED STATES,
Washington, D. C.:

The Anti-Saloon League of New Hampshire, in annual meeting assembled, earnestly petitions your honorable body: (1) To pass as soon as possible the resolution submitting to the several States for their legislative consideration a constitutional amendment prohibiting the manufacture and sale of intoxicating liquor for beverage purposes.

(2) To enact all possible national legislation to prohibit the manufacture and sale of intoxicating liquor during the period of the war, to the end that: (a) Food products be saved from the waste involved in its manufacture into intoxicating liquor; and (b) to stop the enormous waste of man power employed in the manufacture and distribution of such liquor; and (c) to prevent the loss of manhood, in efficiency and honor, which so terribly results from the use of intoxicating liquor.

The State of New Hampshire has recently enacted a law prohibiting the manufacture and sale of intoxicating liquor for beverage use. We, therefore, are consistent in petitioning for and demanding prohibitory legislation of the National Congress.

We are giving our sons in sacrifice to protect essential and eternal rights and liberties for all peoples. We have the essential right to demand of the Government, in accepting these sons for such noble service, that they shall be protected as far as possible from preventable evils. The evils of the liquor traffic to masses of men assembled in great concentration training camps are enormous; but they are in a large measure preventable by proper prohibitory restrictions.

To fail in any measure to provide the fullest possible protection from these evils will be criminal neglect for which there can be no reason or excuse.

Therefore, for temporary war-measure prohibition and for permanent national prohibition by the submission of constitutional amendment, we humbly and earnestly pray.

J. S. LEWIS, *President.*
R. H. HUSE, *Secretary.*
J. H. ROBBINS, *Superintendent.*

Mr. PHELAN presented petitions of Local Union No. 78, Printing Pressmen's Union, of Los Angeles, and of the Marin County Building Trades Council, of San Rafael, in the State of California, praying that the war expenses be met by increased

income taxes, etc., which were referred to the Committee on Finance.

Mr. FRELINGHUYSEN presented a petition of the Rutherford (N. J.) Republican Club, praying that the payment of the war debt be extended over a number of years, which was referred to the Committee on Finance.

He also presented a petition of Hat Finishers Local Union No. 14, of Newark, N. J., praying for Government control of foodstuffs, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the State Organization for Public Health Nursing, of Long Branch, N. J., praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was referred to the Committee on Woman Suffrage.

He also presented memorials of sundry citizens of Newark, Trenton, Atlantic City, Allenwood, Perth Amboy, Paterson, and Hoboken, all in the State of New Jersey, remonstrating against the prohibition of the manufacture of beer and light wine, which were referred to the Committee on the Judiciary.

Mr. BRADY. I present a resolution passed by Lewiston Commercial Club, of Idaho, calling attention to the fact that the committee on transportation of the Council of National Defense is composed entirely of railroad men, and suggesting that a committee of men particularly acquainted with waterways transportation be appointed to develop the inland waterways and cooperate with the rail committee and coordinate the work. I move that the resolution be referred to the Committee on Commerce.

The motion was agreed to.

Mr. LA FOLLETTE presented petitions of sundry citizens of Lake Geneva, Cambria, Superior, Portage, Rewey, Madison, Weyauwega, Spring Valley, Boyceville, Belleville, Berlin, Gillett, Tomah, Larmartine, Merrimac, Durand, Minocqua, Oconomowoc, Elkhorn, and Maiden Rock, all in the State of Wisconsin, praying for the prohibition of the manufacture of foodstuffs into alcoholic liquor, which were referred to the Committee on Agriculture and Forestry.

He also presented memorials of sundry citizens of Wisconsin, remonstrating against the prohibition of the manufacture of foodstuffs into alcoholic liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. PAGE presented a memorial of the Chamber of Commerce of Fair Haven, Vt., remonstrating against the so-called excess profits law, which was referred to the Committee on Finance.

AMENDMENT OF ACT TO REGULATE COMMERCE.

Mr. NEWLANDS. I ask unanimous consent that the bill (S. 2356) to amend the act to regulate commerce, as amended, and for other purposes, reported from the Committee on Interstate Commerce without amendment, be considered.

The VICE PRESIDENT. Is there objection?

Mr. HOLLIS. Mr. President, I feel obliged to object to the present consideration of this bill. The bill is a very important one, and it is one that should be carefully considered when it is taken up.

If I understand the language of the bill correctly, it makes it a criminal offense for any body of men engaged in interstate-commerce transportation to strike. I do not believe that is the deliberate intention of the Senator from Nevada, because the Interstate Commerce Committee, I understand, has refused or, at least, has failed to report favorably a bill which would enforce upon railroad employees compulsory arbitration. If the Committee on Interstate Commerce is not willing to report favorably a bill to enforce compulsory arbitration on railroad employees, it certainly does not intend to report a bill which will make it a criminal offense to conduct the ordinary railroad strike.

I was consulted about this bill last Tuesday by the heads of the railroad brotherhood. At that time they did not know, and I did not know, that the bill had been favorably reported and was upon the calendar. I have telegraphed to the head of one of the railroad brotherhoods telling him that the bill has been favorably reported and that it is upon the calendar, and that the chairman of the Interstate Commerce Committee declines to have it amended so as to permit ordinary peaceful strikes.

I feel that the bill ought not to be considered on such short notice, and if it is considered I shall feel obliged to resist it and to argue the matter out so that the Senate may fully understand it. I therefore oppose the motion to take it up.

The VICE PRESIDENT. There is objection.

Mr. NEWLANDS. Mr. President, I wish to say with reference to the bill, the consideration of which I urge, that the committee concluded not to enter upon any phase of strike legislation at this session, and that the bill is not intended to prevent strikes, nor will it have that effect. It is simply an extension in the first section of the legislation which is now on the statute book regarding the mails and extends that legislation to trains operating in interstate commerce. It simply prevents the attempt by physical force, threats, or intimidation, to obstruct or retard, or aid in obstructing or retarding, the orderly conduct or movements in the United States of trains in interstate commerce.

The bill was very carefully considered by the committee. It is their opinion, and it is my opinion, that it will have no effect upon strikes. It has no relation to strikes and is not intended to interfere in any degree with the power of strikes.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New Hampshire?

Mr. NEWLANDS. Yes.

Mr. GALLINGER. In looking at the bill a day or two ago, I discovered that it only applied to the period covered by the war with Germany.

Mr. NEWLANDS. It applies only to the period covered by the war with Germany; that is all. Now, I ask the junior Senator from New Hampshire what amendment is it he wishes to offer?

Mr. HOLLIS. I have not yet stated to the Senate that I desire to offer an amendment to the bill; but I have stated that I do not want the matter considered at this time, until the brotherhoods, who are vitally interested in the legislation, have time to understand what the situation is and to prepare to meet it, if they can.

I will say, however, to the Senate, as I said to the chairman of the committee, that I believe the bill is framed to prevent the use of physical force to obstruct interstate commerce. If the Senator desires to prevent the use of physical force to obstruct interstate commerce, that can very easily be done by introducing, after the word "threats," in line 5, on page 1, the words "or physical force," and after the word "intimidation," in the same line, the words "through physical force." I believe that is what the committee intended, but that is what the committee does not say.

If a body of railroad men should threaten that they would inaugurate a peaceful strike, they would be liable to punishment criminally under the terms of the bill. If the Senator does not intend that, there is no reason at all why he should not consent to the insertion of the words "or physical force" and the words "through physical force" in the places I have indicated. I have privately asked the Senator to do that, but he says he can not, and must submit the matter to a vote of the Senate.

Mr. NEWLANDS. I have my instructions, of course, from the committee to report this bill, and can not, without their consent, accept the amendment. I will say, however, that there is no intention at all in this bill of affecting the power of strike or of making a strike itself a criminal offense.

Now, may I ask the junior Senator from New Hampshire if the amendments which he suggests are accepted, will he waive his objection to the present consideration of the bill?

Mr. REED. Mr. President, I shall object to the present consideration of this bill. It is entirely too important to be taken up in this way. I have not had an opportunity to read it; but I have read the opening paragraph, and I notice that it contains subject-matter which was before the Committee on the Judiciary, and which, as I think, is in part embraced in what is commonly known as the espionage bill, being one of the chapters of that bill that has nothing to do with espionage. I want to take time to examine the bill. It opens up a big field.

Mr. NEWLANDS. Well, Mr. President, I can see that I can not get the present consideration of this bill, but I wish to call the attention of Senators to the fact that it is exceedingly important to get soon upon the statute books the legislation contained in the second section of this bill, authorizing priorities in traffic to meet the emergencies of war. It has been urgently called for by the President in a communication addressed to the chairman of the committee. The subject has been very carefully considered, first, by the chairman of the Committee on Interstate Commerce of the other House and the leading minority member of that committee in conjunction with the chairman of the committee of the Senate and the leading minority member of that committee. We agreed upon a bill, and that bill was introduced in both Houses. It was afterwards considered by the Senate committee and referred to a subcommittee consisting of the Senator from Iowa [Mr. CUMMINS] and myself. We carefully considered it and reported a substitute to the full committee. The substitute, as a new and independent bill, has been reported by the committee, as I recollect, without a dissent;

it is part of the urgent emergency legislation called for by the President, and I hope there will be no unnecessary delay in its consideration. I of course yield to pressure now.

Mr. CUMMINS. Mr. President——

Mr. REED. I merely want to say a word.

The VICE PRESIDENT. What is the value of the rule that on an objection a bill may not be considered if it is going to be considered?

Mr. TOWNSEND. Mr. President, I call for the regular order.

The VICE PRESIDENT. The regular order is the reports of committees.

PRINTING OF PETITIONS AND MEMORIALS (S. REPT. NO. 49).

Mr. SMITH of Arizona, from the Committee on Printing, reported the following resolution (S. Res. 77):

Resolved, That only a brief statement of the contents, as provided for in Rule VII, paragraph 5, of such communications as are presented under the order of business "Presentation of petitions and memorials" shall be printed in the CONGRESSIONAL RECORD; and that no other portion of such communications shall be inserted in the RECORD unless specifically so ordered by vote of the Senate as provided for in Rule XXIX, paragraph 1, except that communications from the legislatures or conventions, lawfully called, of the respective States, Territories, and insular possessions shall be printed in full in the RECORD whenever presented, and the original copies of such communications shall be retained in the files of the Secretary of the Senate.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHAFROTH:

A bill (S. 2380) granting to the Legislature of the Territory of Hawaii additional powers relative to elections and qualification of electors; to the Committee on Pacific Islands and Porto Rico.

By Mr. FRELINGHUYSEN:

A bill (S. 2381) for the relief of sundry building and loan associations; to the Committee on Claims.

By Mr. PENROSE:

A bill (S. 2382) granting an increase of pension to Abraham Patterson; to the Committee on Pensions.

Mr. MYERS. At the request and in the name of the Senator from Arizona [Mr. ASHURST], who is necessarily absent on official business, I introduce a joint resolution, and ask that it be referred to the Committee on Indian Affairs.

The joint resolution (S. J. Res. 73) authorizing the Secretary of the Interior to invest Indian funds in Government bonds; to the Committee on Indian Affairs.

WAR REVENUE.

Mr. BROUSSARD submitted two amendments intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. WATSON submitted an amendment intended to be proposed by him to the bill (H. R. 4280) to provide revenue to defray war expenses, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

REPORT ON LOWER COLORADO RIVER.

Mr. PHELAN. Mr. President, I ask that a report recommended by the Secretary of the Interior on the Colorado River prepared by C. E. Grunsky, consulting engineer, be printed as a public document.

The VICE PRESIDENT. It will be referred to the Committee on Printing.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, insists upon its amendment to the amendment of the Senate numbered 2, further insists on its disagreement to the residue of the amendments of the Senate, asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. FITZGERALD, Mr. SHERLEY, and Mr. GILLETT managers at the further conference on the part of the House.

MILITARY AND NAVAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. MARTIN. I desire to call up the conference report which I submitted on yesterday on the bill H. R. 3971, known as the Military and Naval Establishment deficiency bill.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Secretary will read the conference report.

The Secretary read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 11, 13, 19, 20, 40, 41, 42, 44, 45, 50, 54, 55, 65, 66, 75, and 76.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 12, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 46, 47, 48, 49, 52, 53, 56, 58, 59, 60, 61, 62, 63, 64, 67, 71, 72, 73, 74, 77, 79, 81, and 84, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

"COUNCIL OF NATIONAL DEFENSE.

"For expenses of experimental work and investigations undertaken by the Council of National Defense, employment of experts, and at rates of compensation authorized by section 167 of the Revised Statutes of the United States, of clerical and other assistance, supplies, including books of reference and periodicals, and for necessary expenses of members of the council, of the advisory commission, or subordinate bodies going to and attending meetings of the commission or subordinate bodies, $500,000: *Provided*, That of the appropriations herein and heretofore made for the Council of National Defense there may be expended for rental of quarters in the District of Columbia not to exceed $25,000 in the aggregate for the fiscal year 1917 and not to exceed $50,000 for the fiscal year 1918: *Provided further*, That in the expenditure of said moneys the existence of a state of war shall not be construed as enlarging the powers or duties of the Council of National Defense, but that such powers and duties shall remain as prescribed by the act creating said council, approved August 29, 1916."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$500,000: *Provided*, That no part of this appropriation shall be expended for personal services"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment, strike out the following: "$50,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Hospital construction: For temporary hospital construction, $1,000,000; and for the establishment of naval medical supply depots at Brooklyn, N. Y., and Mare Island, Cal., by purchase or construction, $350,000; in all, $1,350,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out the word "that"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$20,408,161"; and the Senate agree to the same.

The committee of conference have been unable to agree on the amendments of the Senate numbered 2, 3, 4, 5, 6, 9, 43, 51, 68, 80, 82, 83, 85, 86, and 87.

THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.

JOHN J. FITZGERALD,
SWAGAR SHERLEY,
FREDK. H. GILLETT,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The report was agreed to.

Mr. MARTIN. I move that the Senate further insist upon its amendments, agree to the further conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. MARTIN, Mr. UNDERWOOD, and Mr. WARREN conferees at the further conference on the part of the Senate.

AGRICULTURAL PRODUCTS.

The VICE PRESIDENT. If there are no further concurrent or other resolutions, morning business is closed.

Mr. GORE. I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. PITTMAN. Mr. President, on yesterday evening at the time we adjourned, I had just offered an amendment. I should like now to withdraw that amendment and to substitute in place of it the amendment which I send to the desk.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PITTMAN. The amendment which I have offered is an amendment to the amendment which was offered by the Senator from Florida [Mr. FLETCHER] dealing with the stimulation of the production of fish and the marketing of fish. The amendment which I now offer changes the amendment of the Senator from Florida in this particular. It eliminates the provision which permitted the Government to engage in the fishing business. Instead of engaging in the fishing business, it allows the Government to purchase the fish; instead of having the fund go back into the Treasury, it provides that this fund shall be a revolving fund, and may be used continuously for the purpose of developing this industry.

I consider this amendment a very important one. I think that the Senator from Iowa [Mr. KENYON] yesterday, by the remark he made, had come to the conclusion that I was opposed to the principle of this amendment by reason of the question that I asked him concerning the Perkins committee.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New Hampshire?

Mr. PITTMAN. I do.

Mr. GALLINGER. I think the amendment which has been offered by the Senator from Nevada ought to be read for the information of the Senate; but pending that I will ask the Senator from Nevada what the Government is going to do with the fish after the Government purchases them?

Mr. PITTMAN. I will discuss that subject very briefly in a few moments.

Mr. GALLINGER. Then, for the present, I will ask that the amendment be read, so that we may better understand it.

The VICE PRESIDENT. The Secretary will read the amendment.

Mr. GALLINGER. Before that is done I want to say that I do not see that it takes the Government out of the fishing business by allowing the Government to purchase the fish, if the Government in turn sells the fish, which I should think it would have to do. However, we shall hear the amendment read.

The SECRETARY. It is proposed to add as a new section at the end of the bill the following:

SEC. 10. That the Secretary of Commerce be, and he is hereby, authorized and directed to conduct such operations in the United States, including Alaska, as may be necessary to develop new aquatic sources of food, to secure the utilization of sources now not utilized or inadequately utilized; to improve the methods employed in the catching, preparation, curing, transportation, and marketing of such aquatic foods; and to increase the consumption thereof; and to purchase, prepare, cure, pack, transport, and market such fishes and other aquatic food animals; and to do any and all things necessary and convenient for carrying out the purposes of this act.

That for the said purposes the Secretary of Commerce be, and he is hereby, authorized and directed to hire, charter, rent, or purchase buildings and lands, vessels, and fishing gear, and any and all equipment necessary or convenient for the purpose of carrying out the provisions of this act; to employ all persons necessary to carry out the purposes of this act, including clerical assistance in the District of Columbia and elsewhere; to purchase, either in the open market or in competitive bids, such supplies as may be necessary; and to buy and sell fishes and other aquatic food animals, either fresh or cured: *Provided*, That the proceeds of any sales may be used for the purpose of carrying out the provisions of this act.

That for the purpose of giving effect to the provisions of this act, including the cost of printing at the Government Printing Office, there shall be appropriated a sum not to exceed $250,000, to be immediately available.

Mr. PITTMAN. Mr. President, as I was saying, if the Senator from Iowa gained the idea that I was opposed to this legislation he was mistaken. I think the results of the Perkins committee caused legislation of this character to be suggested. There is no question that that committee was successful in purchasing smelt and distributing those smelt in New York City at one-third of the ordinary price without any loss to the committee. The reason of their success was not because the committee engaged in the fishing occupation; they did not engage in catching smelt. But they found this condition to exist: There was an abundance of smelt throughout the waters of this country; that there were numerous fishermen who would catch those smelt if there was a market provided for the fish, but there was no market provided. The facilities for refrigerating fish and transporting them to market were not in existence, but when this committee supplied those deficiencies of the trade, then there was an ample supply of fish caught and furnished to the market at one-third of the ordinary price. You will find on the Pacific coast this exact condition now.

They have salmon canneries on the Pacific coast; but those canneries do not want halibut, nor do they want smelt, nor do they want cod. Consequently when the fisherman goes to one of those great canneries with anything except salmon, such fish must be thrown away and constitute a waste. It is for the purpose of taking up that waste that this amendment is introduced.

The reason that the fish supply on the Pacific coast is not increasing is because there is no way to dispose of the fish. The only purchasers of fish on the Pacific coast are the canneries and packing houses, and the only canneries and packing houses are those using salmon and halibut. The halibut industry has not been developed to any extent, and yet on that coast there is one of the greatest fields for the production of halibut food in the world. It has proven a success. They are bringing halibut to-day from Alaskan waters to the city of Boston and selling it there at a profit.

I would not consider this subject for a moment except as a war emergency measure. If this food is not needed immediately, then there is no excuse for this provision at all, because in the course of time private enterprise will enter the field, and when private enterprise does enter that field it is going to develop those resources and probably will supply this foodstuff as cheaply as the Government would supply it; but at the present time the people of this country need this fish food, and it can only be supplied to them through the medium of the United States Government. I believe it is needed; I do not think any Senator here will deny that it is needed; and, if it is needed, we must get it. If there is any other means which may be suggested whereby private enterprise could supply these fish to the public, then I would be for that; but I do not believe that is possible.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Wisconsin?

Mr. PITTMAN. I do.

Mr. HUSTING. Suppose that the bill passes as proposed to be amended by the Senator from Nevada and that private enterprise will not go into the fishing business in Alaskan waters, what then?

Mr. PITTMAN. Mr. President, private enterprise will go wherever there is a market for their product. It is useless to ask a question with the premise, "Suppose a man does not desire to do business" or "suppose a man does not desire to make a profit." If the Government goes out there and enters upon the fishing business it will have to hire the very fishermen who would be willing to fish on their own account. If Mr. Redfield should go out and buy a lot of seine and start catching fish in Alaskan waters I do not assume that he would take anyone out there from his office to perform that particular labor. He would be likely to get the fishermen who understand this business; and if it was worth hiring fishermen to catch the fish, the fishermen themselves would catch the fish without being hired.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield further to the Senator from Wisconsin?

Mr. PITTMAN. Yes; I yield.

Mr. HUSTING. Can not the Senator conceive of a situation where it might not be an attractive business, that there might not be any great amount of profit in it, and at the same time enable those engaged in it to sell the product cheaply, whereas the Government, not desiring to make any profit, but merely desiring to add to the food supply, would approach it from an entirely different angle and standpoint than would private enterprise?

Mr. PITTMAN. I can, of course, conceive of that condition existing, but I can not conceive of that condition existing under the facts. As a matter of fact, the waters of the Pacific Ocean, particularly those of Alaska, are full of fish, and fishermen there

can catch a larger quantity of fish in a given time than in any other waters surrounding our country. It is not a question of catching the fish, it is a question of marketing the fish. That is the great defect. I have been so informed by those who have charge of matters of this kind in Alaskan waters. I desire to state that I discussed this question with Mr. Jones, of the Revenue Service, only yesterday, and he confirmed exactly what my private opinion was on the subject, namely, that it is not a question of catching the fish or of not catching a sufficient quantity of fish, but the problem is what to do with them after they are caught.

Mr. JONES of Washington. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Washington?

Mr. PITTMAN. Certainly.

Mr. JONES of Washington. The Senator from Nevada refers, I presume, to Dr. Jones, who was formerly the head of the Fisheries Bureau of the Government?

Mr. PITTMAN. Yes; he is the gentleman to whom I refer—Dr. Jones.

Mr. JONES of Washington. He is thoroughly acquainted with the fishing industry on the Alaskan coast.

Mr. PITTMAN. He is absolutely familiar with it; and the facts he presented gave me the view of the subject that I am now presenting. He said that there were hundreds of fishermen there ready to engage in the enterprise; that the waters were teeming with fish; but that men could not be induced to fish now because there was no market for the catch.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Wisconsin?

Mr. PITTMAN. I yield.

Mr. HUSTING. I dislike to disturb the Senator——

Mr. PITTMAN. It is no disturbance.

Mr. HUSTING. But is there any market that is available to the United States Government that is not available to the private fisherman?

Mr. PITTMAN. I do not know that there is, and yet private fishermen can not create a market, while I hope that the Government may be able to create a market. For instance, there was no market for the smelt of the Pacific Ocean, but the Perkins committee made a market for it. How did they make that market? They got cars to the places where they wanted to load the fish; they carried the fish to the market in New York and provided for the distribution of the fish at that point. That is the way it was done.

Mr. HUSTING. I want to suggest to the Senator that what Mr. Perkins and his associates said was that it was to furnish the facilities to get them to the market rather than to create the market itself. The market, I want to suggest to the Senator, appears to be here. The people want food, and they have not got it. There is a demand for food. Consequently the market is here. The market is here with our allies.

I should like to ask the Senator whether this is not really the situation: The fishermen fear that this demand or market will be only temporary—that is to say, during the war emergency—and they do not want to embark on this enterprise temporarily and mobilize the facilities for serving this temporary market, which would not be an attractive business proposition; and is not that also a good reason why the United States should go into this business and take care of this emergency? It is only an emergency.

Mr. PITTMAN. There is a market here, but there is not a market at the present time available to the men who fish. Of course, there is a market everywhere for foodstuffs, but what I mean by a market is an available market to the fisherman. The fisherman to-day can catch thousands of pounds of smelt in Alaskan waters, and he can not do anything with them. He would have to dump them out on the beach. It would be impossible to handle them. It would be necessary, in the first place, to have some refrigerating opportunity. You would have to have transportation to the market. Now, we know that the ordinary fisherman can not accomplish that. The Perkins committee did accomplish it. The United States Government may be able to accomplish what the Perkins committee accomplished. I hope so.

Then let me tell you another great source of loss there. There are tremendous pound nets in the waters of the Pacific Ocean. Into those pound nets go thousands upon thousands of salmon, and with those salmon go other fish. The canneries want only the salmon. Consequently the great catch of other fish is an entire waste. They are thrown out and wasted. Why? Because the canneries want salmon, and there is nobody to purchase the other fish.

Now, if the Secretary of Commerce had a purchasing agent there, all of these other kinds of fish, which, while probably inferior to salmon, are good foodstuff, would be accumulated by the Department of Commerce. They would have to have some refrigerating capacity at the point where they accumulated them, to keep them until they had an opportunity to ship them across the continent.

That is the situation. If this is an emergency, if it is essential to increase the food supply immediately, then this is the only way in which you can immediately do it. It is unnecessary to authorize the Government to engage in the fishing business, because it would have to engage the very same fishermen who are ready to fish to-day, if you will buy the fish.

The Senator from Wisconsin says that possibly these fishermen would not go out and catch the fish for fear there would not be a permanent market. Why, there is no great outfit to the ordinary fisherman's paraphernalia. He has his seines already if he is a fisherman. He has the outfit already. As poor as the market is, it is his only means of making a living. Consequently, when the Government comes to him and says: "We will purchase from you all kinds of fish that are fit to eat," then he will not throw them out of his nets when he is catching salmon, he will not throw them out of his nets when he is catching halibut, but he will bring them to the depository of the United States Government, where they can be sold, and the Government can distribute them through the country where they are needed.

I should object very much to seeing the Government engaged in the fishing business for three reasons: Because there are ample men engaged in that business to-day, because it is unnecessary to the production of this foodstuff, because it is not an emergency. For those reasons I should feel compelled to vote against this measure if instead of stimulating fishermen to continue in business it takes the business away from the fishermen.

Now, there is one other provision. I have amended it so as to provide that instead of this $250,000 going back into the Treasury, it shall be retained as a revolving fund. In other words, if they buy $250,000 worth of fish and sell them to the people of this country, I want them to use those proceeds to buy more fish and transport them to the people of the country so long as this war emergency exists. That is the object of the amendment.

Mr. JONES of Washington. Mr. President, I have refrained from discussing the provisions of this bill because I thought it was presented here as a war emergency measure, and I did not desire to take the time of the Senate to delay the passage of this bill. I have been almost forced to the conclusion that it is not being urged as a war measure, and that we are not very anxious to get it through. All sorts of propositions apparently are being proposed by way of additions to the bill, and its consideration is apparently being indefinitely prolonged.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Iowa?

Mr. JONES of Washington. I do.

Mr. KENYON. I should like to ask the Senator, if I may, whether he means that the committee is not making a serious effort to get the bill through. If so, I should like to have him please suggest what more the committee can do. There is no way of stopping the introduction of these amendments.

Mr. JONES of Washington. Well, I think if this is a war measure we ought not to have been adjourning from day to day, taking hours for the consideration of other matters in the morning hour, but we should have been pushing it at all times of the day. I have not seen very much insistence upon getting a vote upon the bill, except upon the part of the Senator from Iowa. I will do him the credit to say that he has made some special efforts, but otherwise I have not seen any special effort to secure the passage of this bill.

Now, Mr. President, I am only going to take a few minutes. I do not treat this proposition lightly, as some have intimated that some Senators are doing, but I do think it would be very unwise to adopt the amendment in the form proposed by the Senator from Florida [Mr. FLETCHER], without more careful consideration than can be given it in this fashion without investigation by a committee.

I want to call attention to the recommendation of the Secretary of Commerce. In the first place, this proposition is not presented as a war measure. It is not presented as an emergency measure. It is not presented as a bill to meet an emergency situation, and it is not urged on that ground by the Secretary of Commerce.

Reference has been made to the action of the Fisheries Committee. I am a member of the Fisheries Committee of the

Senate. I did not know of one meeting that was called to consider this measure until after it had been held or I probably would have been there, although I remember that I had another meeting of a special committee at that time. The committee was being polled for a favorable report upon the bill, and it was presented to me. Four or five members of the committee had signed, authorizing a favorable report. I looked over the bill and objected to its being reported, and refused to sign, and spoke to one or two of the other Senators who had signed to report it on a poll of the committee, and they said that they did not know that the bill contained what it did, and that they were not in favor of it. Then, I understand, immediately the committee was called to consider the bill further. It was impossible for me to be present at that meeting, and, as I understand, no action was taken by the Fisheries Committee.

So much for that. Now, what about the recommendation of the Secretary of Commerce? It is significant in its language. It was read into the RECORD yesterday, and the Senate had a right to consider that the Secretary of Commerce was in favor of this bill; but I want to read what he says about it as it appears in the RECORD:

> The two essential features of the bill are (1) that the Secretary of Commerce is authorized and directed to develop new aquatic sources of food and to bring about the fuller utilization of sources not now adequately utilized.

Now, that is the first purpose of the bill. What does the Secretary say about that? He says:

> In respect to the first-named feature of the bill, I wish to make a very hearty indorsement.

Then he goes on to set out some further reasons for it. I want to say that I am heartily in favor of action along that line, not as a war measure, not as an emergency measure, but as a permanent policy of the Government, as long as it may be necessary to do what is specified there, and that is the only basis upon which the Secretary of Commerce urges it. I would be glad to support a well-considered proposition carrying out that idea.

Without taking the time to read further about that, what is the second purpose of the bill? The second purpose is this:

> That the Secretary of Commerce is authorized and directed to engage in the business of catching, curing, transporting, and marketing such fishes and other aquatic food products.

What does the Secretary say about that proposition and the attitude of his department? He does not say that he is heartily in favor of that. He does not say that he enthusiastically urges that proposition, but he says this:

> A noteworthy departure in governmental activities is contemplated by that feature of the bill which provides that the Government itself shall engage in commercial fishing operations.

Then he goes on to express what is evidently to him the intention or desire of the Fisheries Committee of the Senate, and refers to a meeting and a hearing of the committee, at which, apparently, he got the impression that the committee wanted something of this sort done. Now, what does he say?

> The department is glad to undertake this work and believes that it can carry it on successfully without interfering with private enterprise. Certainly it will make every effort to that end.

Of course, the department is glad to have its activities extended and the field of its operations widened. You never saw a department of the Government yet that was not in favor of extending its operations just as much as possible, and of course they will try to carry out these propositions just as well as possible; but I do not construe that language as a very enthusiastic indorsement of that proposition by the Department of Commerce.

He says, of course, in conclusion, that he recommends the passage of the bill.

Mr. President, that expresses as nearly as the report does the attitude of the department. The department is heartily in favor of the two propositions in the bill to utilize new sources of aquatic food and to develop those that are not thoroughly developed, and with that I think almost everybody could agree.

We had a bill something along these lines in the last Congress. A bill was introduced in the last Congress by Senator Johnson, of Maine, which provided as follows:

> That the Commissioner of Fisheries be, and he is hereby, authorized and directed to conduct investigations and experiments for the purpose of ameliorating the damage wrought to the fisheries by dogfish and other predaceous fishes and aquatic animals.

Now, they had a provision in that bill that read as follows:

> That the said investigations and experiments shall be such as to develop the best and cheapest means of taking such fishes and aquatic animals, of utilizing them for economic purposes, especially for food, and to establish fisheries and markets for them; and for these purposes the Commissioner of Fisheries is authorized to employ such persons as may be necessary, and to catch, buy, or otherwise obtain, and to sell at cost or less, or distribute gratuitously, such quantities of the said aquatic products as may be necessary for tests or demonstrations of their qualities or the establishment of a demand among prospective customers: *Provided*, That the proceeds of any such sales shall be accounted for and covered into the Treasury as miscellaneous receipts.

The committee had hearings with reference to this bill. They had the representatives of the Department of Commerce there, and the committee was impressed with the importance of developing some way by which these predaceous fishes could be utilized in a beneficial sort of a way; but the committee was not in favor of authorizing the department to go into the market and buy fish and sell them, and so the committee changed this language. As it was in the original bill it read:

> And to establish fisheries and markets for them.

The committee amended that to read:

> And to encourage the establishment of fisheries and markets for them.

Then it struck out all the language of the bill reading as as follows:

> And for these purposes the Commissioner of Fisheries is authorized to employ such persons as may be necessary, and to catch, buy, or otherwise obtain, and to sell at cost or less, or distribute gratuitously—

And so forth.

It cut out all that part of the bill, and the bill as amended became a law, and we appropriated $25,000 for this activity on the part of the Department of Commerce, and I suppose that the department is at work along that line now. What they have accomplished I do not know. It seems to me we ought to know something of what they have done, and we ought to know something about the lack of utilization of the present food-fish supply, to see along what particular lines they are going to exercise their activities. But, without delaying for that purpose, I would not seriously object to a provision along the line of that suggested by the Senator from Nevada [Mr. PITTMAN], although I am inclined to think that a measure of this sort ought to have the careful consideration of the committee, and it ought not to be presented here as an amendment to a war-emergency bill. The Senator from Nevada says that he wants it confined to the period of the war. I do not know whether his amendment limits it to that or not. I do not think it does.

Mr. GALLINGER. It does not.

Mr. JONES of Washington. The amendment of the Senator from Florida does not limit it to the war. It is a permanent statute and a permanent policy.

Mr. PITTMAN, Mr. GORE, and Mr. FLETCHER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES of Washington. I yield first to the Senator from Nevada. Possibly he wants to throw some light o this matter.

Mr. PITTMAN. I agree with the Senator, although I thought the general amendment did limit it to the war. I am satisfied that it should be limited to the period of the war.

Mr. JONES of Washington. Of course, if inserted before the last section, and without any exception made in that section, then by the terms of the last section it would be limited to the period of the war.

Mr. FLETCHER. The general provision of the bill is limited to the war.

Mr. JONES of Washington. I do not know but that section 8 is made a permanent policy.

Mr. FLETCHER. Section 8 is the only exception.

Mr. JONES of Washington. It would be limited, then, to the period of the war, and that would make it practically unavailing.

Mr. GALLINGER rose.

Mr. JONES of Washington. I yield to the Senator from New Hampshire.

Mr. GALLINGER. Mr. President, the Senator from Washington is one of the Senators who is quite familiar with Alaskan conditions. I will ask the Senator whether he can inform us to what extent the halibut industry is being developed in Alaska? In this connection I will suggest that some 15 or 16 years ago I saw a halibut which weighed 80 pounds hooked by a lady from San Francisco and hauled to the deck of the ship by three or four stalwart men. I inquired as to the frequency of that fish in the waters of Alaska and was told that they were abundant, the suggestion being made, which is rather startling, that halibut have been caught in Alaskan waters that weighed 250 pounds. I was then told they were being sent to Boston in refrigerator cars from Seattle. I was profoundly impressed with the possibility of not only an added but perhaps an adequate food supply of fish from Alaskan waters if the industry was being pushed with any degree of vigor. Fifteen years have elapsed since then, as I recall the time. I will ask the Senator, as I have asked him, if he can tell us to what extent that industry is being carried on at the present time?

Mr. JONES of Washington. I have not looked up those figures for some little time, but my recollection now is that out of about 65,000,000 pounds of halibut consumed in the United States about 60,000,000 pounds come from the Pacific coast and Alaskan waters and only four or five million pounds from the Atlantic

waters. That industry does not need this legislation to develop it. What it needs, so far as American enterprise is concerned, is some legislation along the line which we tried to get here some time ago to meet the competition of the Canadian Government and Canadian fishermen and to meet the restrictions that they are imposing upon our people in order to compel this business to go to Canada. They are forcing it there, and our Government apparently does not do anything to meet those restrictions and the burdens that the Canadian Government imposes by its orders of council upon our fishermen, and especially upon our halibut-fishing industry. They want to get it concentrated there and transport these products over the Canadian Pacific into the United States, and they are doing it. There are not many carloads of fish coming from Seattle now simply because of those orders in council which are concentrating this business at Prince Rupert. That is a wise thing from their standpoint, and we ought to learn from them, but we do not; and it is not going to be long until that great industry, with all its accessories, will be carried on in Canada.

Mr. President, this bill as introduced would not increase the supply of food. In my judgment, it would decrease it, because if the Government goes into the catching, curing, and marketing of fish and all that sort of thing, people who are in that industry now will go out; they will quit, and we shall have a smaller supply than we have now.

The provisions along the lines of the amendment as it would read with the amendment of the Senator from Nevada I think may be good. It might be well to make some changes there, but, of course, it is difficult to frame an amendment of this sort on the floor of the Senate. The idea, I think, is good in the first part of it as limited by the amendment of the Senator from Nevada. I do not believe, however, and I think his amendment permits it, that we ought to authorize the Secretary of Commerce to purchase buildings and purchase land and purchase ships and all that sort of thing for this purpose now. I think if it is to be an emergency proposition it would be well to limit it to the renting or leasing or chartering of whatever vessels or buildings are necessary. So I would suggest to the Senator from Nevada, unless the amendment does provide for it, that he strike out the word "purchase." It seems to me we ought not to authorize the Secretary to purchase land and buildings and vessels for this temporary purpose. If he can get buildings, of course, he can rent or lease them. If he can find vessels that he can get, of course, he can lease those for the emergency. Especially do I not think that we ought to authorize him to buy land at any rate. I wish to make that suggestion to the Senator from Nevada.

Mr. PITTMAN. I do not think there is any doubt that the idea of the Senator is right that this matter is limited to the war and that it would be rather absurd to go to work and purchase land.

Mr. JONES of Washington. I just suggest to the Senator in that part of his amendment to strike out the word "purchase."

Mr. PITTMAN. I understand that if it became necessary for the Department of Commerce to establish a refrigerator plant on the Pacific coast, it would be necessary to have some land.

Mr. JONES of Washington. You can lease the land for temporary purposes. Surely the Senator does not think the Government will put in very much of a refrigerator plant with $250,000 and do much along the other lines proposed. I can not conceive that the war will last so long that it would warrant anything like the purchase of land and the erection of a refrigerator plant. We are going to be in a mighty bad way before it is over if that is the case.

Mr. PITTMAN. There are various kinds of fish in the Pacific waters to-day that are not caught for commercial purposes, but incidental to the catch of salmon. There is no available market for that kind of fish and there is no doubt the Government would stimulate the catch of those fish to a great extent if it purchased them. If it purchases them, it has to have some kind of a plant. Land is expensive and I think it is well enough to place in the amendment the word "lease" instead of "purchase."

Mr. JONES of Washington. I think that would be better.

Mr. President, I have taken more time than I intended. I do not want to delay this very important emergency legislation that is pressed with such vigor and is insisted upon with such precipitate haste. So I am not going to take any more time, but I do hope, at any rate, that the amendment suggested by the Senator from Nevada will be adopted if any provision of this sort is to go in the bill. The whole proposition ought to be left to the careful consideration of the Fisheries Committee and brought before the Senate and considered on its merits and with a view to the adoption of a permanent policy and one from which real good can be expected.

The SECRETARY. On page 2, line 3, of the amendment strike out the words "or purchase" before the word "buildings," and after the word "charter" at the end of the line insert the word "or," so as to read:

He is hereby authorized and directed to hire, charter, or rent buildings and land.

Mr. WALSH. It seems to me that we ought to insert "or lease" after the word "purchase." It is easily conceivable that there would be some fishing sheds, structures of very little value, and it would be very much more economical and desirable in every point of view to purchase rather than lease them.

Mr. JONES of Washington. I would see no objection to the purchase of buildings of that kind. The main purpose I had with reference to the purchase was to cut out the buying of land. I do not think we ought to go into the land-purchasing business in connection with this measure.

Mr. WALSH. I have the same idea with the Senator, but an inconsequential lot could be purchased. Of course, as the Senator from Washington has said, $250,000 will not permit any expensive purchase of land or buildings. I think we ought not to cut out the right to purchase the land, but give the right to lease the land as well.

I move accordingly to amend the amendment, if it is in order, by inserting the words "to lease" after the word "purchase" in line 3, page 2.

The SECRETARY. On page 2, line 3, before the word "buildings," insert the words "or lease."

Mr. GALLINGER. Let the word "or" be stricken out before the word "purchase."

The SECRETARY. Strike out the word "or" before the word "purchase," so as to read "to rent, purchase, or lease."

Mr. PITTMAN. I accept that amendment, as far as I am concerned.

Mr. WEEKS. Mr. President, assuming that this legislation is desirable and necessary for the moment, neither of which propositions do I agree to, I can not help calling the attention of Senators to the policy of the Government in the past, which has prevented developing resources of the kind which would be useful under such emergencies.

The Senator from Nevada—and I do not hold him at all responsible for it, because I know that he is in accord with the contention which I have made—will recall the construction of a cold-storage plant in Alaska on land which the owners of the plant believed they could obtain title to without trouble, and in endeavoring to obtain such title they have been prevented by the very narrow and I may say ridiculous policy of the Government. Undoubtedly if they had been encouraged to invest their money and extend their business a very large additional supply of fish would be available at this time; but not even being able to obtain title to a piece of property on which they had built a plant costing $250,000 they naturally refrained from investing any more money in any such business under such conditions.

I hope when the clouds roll by and we resume our normal condition the necessities which arise at such a time as this may be used as an example for a broader and a more liberal policy on the part of the Government, especially in relation to Alaskan affairs.

Mr. PITTMAN. Mr. President, the Senator from Massachusetts has fairly well stated the proposition in regard to the halibut plants in Alaska. I take it, however, that his statement is in error with regard to the attitude of the administration relative to that plant.

Mr. WEEKS. No; I did not say the administration; I said the Government; I am not holding the Democratic Party or any other party responsible.

Mr. PITTMAN. I misunderstood the Senator, then. I understood that he did not mean the administration, but that he meant the executive department of the Government.

Mr. WEEKS. The policy was just as bad under previous administrations as it has been under the present.

Mr. PITTMAN. The truth about the matter is that that portion of the Government known as the Congress of the United States is responsible. The bill granting title not only to this halibut company but to other companies in a similar position was recommended by the Committee on Territories to the Senate, and efforts have been made to pass such legislation through Congress. It has utterly failed. As a matter of fact, I agree with the Senator from Massachusetts that Congress has not stimulated private enterprise either in Alaska or anywhere throughout the West. Congress for years has pursued a policy of discouraging in every possible way private enter-

prise throughout that country, and it is doing it to-day through a sincere but erroneous theory with regard to conservation.

As far as this halibut plant is concerned in this matter, that company is responsible for its own troubles. It attempted to acquire land upon which to build its plant through fraudulent mining locations. It located mining claims when there was no ore or mineral of any kind or character on the ground. They attempted to acquire title to land on the water front of Alaska not only without the authority of law but by subterfuge and in violation of law. After it had built an extensive plant there it then came to the Government of the United States and said, "We attempted to acquire this land fraudulently, we can not do it, and now we ask you to give us title to it." The bill that the Committee on Territories considered was not for the purpose of giving title to this halibut company, but for the purpose of authorizing the Department of the Interior to sell to the halibut company the land upon which its plant was situated, and to sell to other similar companies throughout Alaska the land upon which their plants were situated.

As far as interfering with private industries is concerned this bill, in my opinion, does not do it. The concern which the Senator from Massachusetts referred to deals in nothing but halibut. The only other concerns on the Pacific coast deal solely in salmon. There are thousands of other fish, good food fish, on that coast which no one deals in and never will deal in until the United States demonstrates that it is a profitable business. The waters, as I said, are teeming with smelt; they are teeming with cod, with herring, and with other fine fish, and yet there is no one on the Pacific coast who will buy them and take them to the market. The United States Government can buy those fish, can create a market, can increase the production, and then when this war is over, it having been demonstrated to be a profitable business, you will find that private enterprise will go out there and take up the business where the Government left off.

Mr. GALLINGER. Will the Senator permit a question? The provision of the bill is that the Government shall buy and sell. Now, what will be the modus operandi of disposing of those fish? Suppose the Government buys a large quantity of smelt or herring, both of which I believe are very numerous in Alaskan waters. It transports them to Seattle and from Seattle by rail to Boston. Will the Government have warehouses through which to dispose of its fish to the people of Boston or New York or Philadelphia? What will be the process?

Mr. PITTMAN. I do not know, and of course it would only be a conjecture on my part; but the example of the Perkins committee shows that it can be done successfully even without owning warehouses. You can take the fish into an existing market, like you take them to the Center Market in the city of Washington, and place them there with a limitation of price and yet with a profitable result. I take it the only trouble with the smelt proposition was bringing them across the country and delivering them to people out here in the East. They successfully did that, and I take it the Government would follow the same course.

I do not want the Senator to understand that I favor this character of legislation. I do not favor it any more than I favor a whole lot of similar legislation. I am only moved by the necessity of the case. I do not know that the necessity exists, but I can not bring myself to contradict those who have given careful investigation to it and say the necessity does exist now; and as this matter is limited solely to the war and is going to deal in the development of a new industry, the purchase of fish that are not purchased to-day, the distribution of fish that are not distributed to-day in a large measure, I take it it can not injure private enterprise. It does not come in competition with anybody. It does not permit the Government to go into the fishing business, but it is going possibly to demonstrate to the people of this country that there is another large field of industry which private enterprise may enter and develop.

Mr. GALLINGER. Mr. President, just a word. It is undoubtedly a form of Government ownership and operation in competition with private enterprise. There is no question about that from my viewpoint. But I am troubled on another point. We are all hoping this war is not going to last forever. We are all hoping this war will not last more than one year, or two years at the outset.

Now, it is proposed in this bill that the Government shall lease or purchase or, I suppose, build ships for this trade. Those of us who have been on Alaskan waters know they have seagoing ships there to navigate those waters. The Government will have, in some way, to provide for the transportation both on land and sea of this product. I have given the subject only casual thought, but it occurs to me that the emergency may possibly pass soon after the Government gets ready to engage in this trade, and that whatever money is appropriated and spent—for we are going to have a lot of clerks in Washington and elsewhere; I do not know exactly what they are going to do in Washington, but that is the provision of the bill, the usual corps of clerks, a bureau to be built up month by month—the quarter of a million dollars or whatever the sum may be, will be dissipated before any practical result can be secured.

In saying that, I am not putting myself in direct antagonism to the bill. If I could be made to see that it would be a workable scheme and that the food supply could be conserved and added to by this method during the existence of the war—although I am not so much scared as a good many people are about the food supply—I do not know that I should antagonize it beyond possibly casting my vote against it, if I do not change my mind; but to me it looks like rather an Utopian scheme along a line of endeavor that does not appeal to the minds of many conservative people in this country. If the Government is going to buy and sell fish, the Government can buy and sell any other commodity which is produced in this country or, I think, in any other country. We can not wipe out the fact that it is trenching upon individual enterprise and individual initiative when the Government undertakes this scheme or any other similar scheme, and many such are being agitated at the present time.

I wanted simply to record my fear that the whole matter would simply result in the expenditure of money; and nowadays, when we are voting away billions of dollars in an hour, of course a quarter of a million dollars does not amount to much. There was a time when a quarter of a million dollar appropriation would be carefully scrutinized by the Congress of the United States; but it has become a matter of amusement rather than of serious concern, for there seems to be no end to our appropriations and very little concern on the part of public men as to where we are going to land in the matter of appropriations; but, Mr. President, there will be a day of accounting so far as our appropriations are concerned; there will be a day of liquidation in this country, when they who are being loaded down with enormous taxes and who will be compelled to pay interest on an enormous indebtedness will ask themselves the question whether or not the Sixty-fifth Congress was not rather overliberal in the matter of spending the people's money.

With that observation, I have nothing further to say in regard to the proposed amendment.

Mr. FLETCHER. Mr. President, I do not think this amendment quite meets the situation. I do not like it as well as I did the original amendment to the bill which I offered; but I appreciate the expressions from Senators favoring efforts to develop this industry rather than entering upon the business of the catching and marketing of fish by the Department of Commerce, as they put it. The Secretary of Commerce especially commends the first portion of the bill, as the Senator from Washington [Mr. JONES] has said, but in his letter he also at the conclusion has this to say:

> The enactment of this bill into law is recommended.

He recommends the provisions both of the first part of the bill and of the second part of the bill.

The bill as originally introduced and referred to the Committee on Fisheries, of which our deceased friend, the late Senator Lane, of Oregon, was chairman, was one in which he took great interest, and as to which he was determined, so far as he could, to report favorably—the bill which I have introduced as an amendment here—without reference to any great war emergency. He was heartily in favor of it as a general proposition. Still I do not wish to prolong the discussion, and I will say that I am willing to accept the amendment offered by the Senator from Nevada [Mr. PITTMAN], so far as I am concerned. I believe, having offered the amendment, I have a right to accept the proposed amendment to it.

Mr. HUSTING. Mr. President, may I make a suggestion to the Senator from Florida before he accepts the amendment? I should like to know whether the Senator from Nevada would not agree to a modification of his proposed amendment so as to authorize, but not to direct, the Department of Commerce to engage in fishing, so that in the event that the Secretary could not make proper arrangements he would still have the power to go ahead and catch the fish? I merely desire to know whether or not the Senator from Nevada would accept that modification of his amendment.

Mr. PITTMAN. Mr. President, I will state that I am sorry that I can not accept the suggestion. I should like to be in perfect harmony with the Senator from Wisconsin, but I should not be willing to vote for any amendment which would even authorize the Secretary of Commerce to engage in the fishing business.

Mr. FLETCHER. Very well.

Mr. PITTMAN. I believe that if he were authorized to do so he would engage in the fishing business, just as much as if he were directed to do so, for I believe it is the desire of that department to engage in business of that character. I would not vote for any amendment that would give the department that power or for any amendment that did not by its very language prohibit them from engaging in that kind of business.

Mr. FLETCHER. Mr. President, independently of any question of that sort, the purpose of this amendment extends very much beyond that, and that, I think, is a most important purpose. This development is needed now especially, but it would be needed under any conditions. It is "to develop new aquatic sources of food, to secure the utilization of sources now not utilized, or inadequately utilized; to improve the methods in the catching, preparation, curing, transportation, and marketing of such aquatic foods." That is an important work under any conditions; and that, I think, is the main thing to be accomplished by the amendment. Then, in addition to that, it will provide for a source of food which, under present conditions, is most desirable.

But, as I have said, without insisting upon the amendment as I originally introduced it, which might lead to very extensive discussion and debate on the whole bill, I am willing to accept the amendment offered by the Senator from Nevada.

Mr. WALSH. As I understand the matter now, the bill authorizes——

Mr. FLETCHER. May I ask the Senator to excuse me for a moment? Do I understand the amendment of the Senator from Montana has been agreed to?

The PRESIDING OFFICER (Mr. WATSON in the chair). It has not as yet been agreed to.

Mr. FLETCHER. I am supposing that amendment would be agreed to.

Mr. WALSH. Very well. If that is the case, I will offer the amendment.

Mr. FLETCHER. The pending question is on the amendment which has been offered by the Senator from Montana to insert the words "or lease."

The PRESIDING OFFICER. That amendment has been accepted by the mover of the amendment, as the Chair is informed.

Mr. FLETCHER. That was my question.

The PRESIDING OFFICER. The Chair understands that it has been accepted by the mover of the amendment, but that the amendment has not yet been agreed to.

Mr. PITTMAN. Mr. President, I think, as the mover of the amendment, that I had a right to perfect my own amendment by accepting the amendment.

The PRESIDING OFFICER. Undoubtedly.

Mr. PITTMAN. And consequently it became a part of my amendment, which amendment was accepted by the mover of the original amendment.

The PRESIDING OFFICER. Certainly.

Mr. PITTMAN. Therefore it is now a part of the amendment of the Senator from Florida.

The PRESIDING OFFICER. The present occupant of the chair understands that the Senator from Nevada offered to-day his amendment de novo, and therefore his is the pending amendment. The Senator from Montana now offers an amendment to that amendment.

Mr. FLETCHER. Mr. President, the amendment of the Senator from Nevada is an amendment to the amendment which I proposed on yesterday.

The PRESIDING OFFICER. The Chair is informed that it was withdrawn yesterday and offered anew to-day.

Mr. FLETCHER. The amendment of the Senator from Nevada was withdrawn, but the amendment which I offered yesterday was not withdrawn. The amendment which the Senator from Nevada offered yesterday to that amendment was withdrawn, and in lieu of that he offered another amendment this morning.

The PRESIDING OFFICER. The Chair understands that the Senator from Nevada offers an amendment to-day as an amendment to the proposition of the Senator from Florida.

Mr. PITTMAN. That was my intention. My intention was simply to offer an amendment to the amendment of the Senator from Florida.

The PRESIDING OFFICER. The Chair understands that it was not offered in that way, but was read in full as an original proposition, and not as an amendment.

Mr. PITTMAN. Mr. President, it was read in full at the request of the Senator from New Hampshire [Mr. GALLINGER], who asked to have it read as it would read when amended.

Mr. GALLINGER. That is right.

Mr. PITTMAN. However, it does not make any difference.

The PRESIDING OFFICER. It does not matter. The mover is entitled to place his own construction on the motion he makes.

Mr. PITTMAN. Undoubtedly; and that is the intention I had in offering the amendment.

The PRESIDING OFFICER. The Senator from Nevada offers his amendment as an amendment to the proposition of the Senator from Florida, and, of course, the Chair will so construe it.

Mr. FLETCHER. Then the "Senator from Florida" accepts the amendment of the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Florida accepts the amendment.

Mr. FLETCHER. So that my amendment, as modified, becomes the pending amendment.

The PRESIDING OFFICER. Now, the Senator from Montana offers an amendment to the proposition of the Senator from Florida as modified, which the Secretary will state.

The SECRETARY. On page 1, line 10, after the word "animals," it is proposed to insert the words "in the prosecution of such operations."

Mr. WALSH. Mr. President, I merely want to state the purport and significance of the amendment to the amendment. As the amendment now stands, the Secretary of Commerce is authorized "to purchase, prepare, cure, pack, transport, and market such fishes and other aquatic food animals" as an entirely separate and independent grant of power. My amendment would grant him authority to do these things as incidental to the operations which he is authorized to carry on by the first provision of the amendment; that is to say, in carrying on operations for the purpose of developing a new source of supply and in developing new methods of using the supply, he may "purchase, prepare, cure, pack, transport, market," and so on. It seems to me that that is all that is necessary.

Mr. FLETCHER. If it is in my power, I am perfectly willing to accept the amendment offered by the Senator from Montana.

The PRESIDING OFFICER. The Senator from Florida accepts the amendment of the Senator from Montana. The question recurs on the amendment offered by the Senator from Florida as modified.

Mr. GALLINGER. Now, Mr. President, I ask that the amendment as modified be read.

The PRESIDING OFFICER. The Senator from Florida has accepted two amendments, one offered by the Senator from Nevada [Mr. PITTMAN] and one offered by the Senator from Montana [Mr. WALSH].

Mr. GALLINGER. And I ask that the amendment be read in that form as modified.

The PRESIDING OFFICER. The Secretary will read the original proposition as it now stands modified.

The Secretary read as follows:

SEC. 9. That the Secretary of Commerce be, and he is hereby, authorized and directed to conduct such operations in the United States, including Alaska, as may be necessary to develop new aquatic sources of food, to secure the utilization of sources now not utilized or inadequately utilized; to improve the methods employed in the catching, preparation, curing, transportation, and marketing of such aquatic foods; and to increase the consumption thereof; and to purchase, prepare, cure, pack, transport, and market such fishes and other aquatic food animals in the prosecution of such operations; and to do any and all things necessary and convenient for carrying out the purposes of this act.

That for the said purposes the Secretary of Commerce be, and he is hereby, authorized and directed to hire, charter, rent, purchase, or lease buildings and lands, vessels, and fishing gear, and any and all equipment necessary or convenient for the purpose of carrying out the provisions of this act; to employ all persons necessary to carry out the purposes of this act, including clerical assistance in the District of Columbia and elsewhere; to purchase, either in the open market or in competitive bids, such supplies as may be necessary; and to buy and sell fishes and other aquatic food animals, either fresh or cured: *Provided*, That the proceeds of any sales may be used for the purpose of carrying out the provisions of this act.

That for the purpose of giving effect to the provisions of this act, including the cost of printing at the Government Printing Office, there shall be appropriated a sum not to exceed $250,000, to be immediately available.

Mr. FLETCHER. I think the Secretary failed to read the last amendment offered by the Senator from Montana.

Mr. LA FOLLETTE. The Secretary read it as part of the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Montana to the amendment of the Senator from Florida and accepted by him.

The SECRETARY. On page 1, line 10, after the word "animals," insert "in the prosecution of such operations," so that it will read:

Transport, and market such fishes and other aquatic food animals in the prosecution of such operations.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida as modified.

Mr. FRELINGHUYSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hollis	Overman	Smith, Ariz.
Beckham	Husting	Page	Smith, Md.
Brady	James	Penrose	Smoot
Curtis	Johnson, Cal.	Phelan	Sterling
Fall	Jones, N. Mex.	Pittman	Stone
Fletcher	Jones, Wash.	Poindexter	Sutherland
France	Kellogg	Pomerene	Thomas
Frelinghuysen	Kenyon	Ransdell	Vardaman
Gallinger	La Follette	Saulsbury	Wadsworth
Gerry	McCumber	Shafroth	Walsh
Gore	McKellar	Sheppard	Watson
Harding	McLean	Sherman	Williams
Hardwick	New	Shields	

Mr. SAULSBURY. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] is detained from the Senate on official business.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. There is a quorum present. The question is on the amendment offered by the Senator from Florida [Mr. FLETCHER] as modified.

Mr. GALLINGER and Mr. SMOOT called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. WEEKS (when Mr. LODGE's name was called). My colleague [Mr. LODGE] is absent on important business. He has a general pair with the senior Senator from Georgia [Mr. SMITH].

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. Not knowing how he would vote, I withhold my vote.

Mr. SAULSBURY (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. COLT], but I feel at liberty to vote on this proposition. I therefore vote "yea."

Mr. SMITH of Maryland (when his name was called). Owing to the absence of my general pair, the senior Senator from Vermont [Mr. DILLINGHAM], I withhold my vote.

Mr. STERLING (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH] and therefore withhold my vote.

The roll call was concluded.

Mr. REED. I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the senior Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. STERLING. I transfer my pair with the junior Senator from South Carolina [Mr. SMITH] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. HARDING (after having voted in the negative). I note that the junior Senator from Alabama [Mr. UNDERWOOD] has not voted. I transfer my general pair with that Senator to the junior Senator from Kansas [Mr. CURTIS] and will let my vote stand.

Mr. GALLINGER. I have been requested to announce the following pairs:

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN].

The result was announced—yeas 17, nays 40, as follows:

YEAS—17.

Fletcher	Johnson, Cal.	Pittman	Stone
Gerry	Kenyon	Pomerene	Walsh
Gore	La Follette	Ransdell	
Hollis	Myers	Saulsbury	
Husting	Newlands	Sheppard	

NAYS—40.

Bankhead	Hale	New	Smith, Ariz.
Beckham	Harding	Page	Smoot
Borah	Hardwick	Penrose	Sterling
Brady	James	Phelan	Sutherland
Calder	Jones, Wash.	Reed	Townsend
Cummins	Kellogg	Robinson	Vardaman
Fall	McCumber	Shafroth	Wadsworth
France	McKellar	Sherman	Watson
Frelinghuysen	McLean	Shields	Weeks
Gallinger	Nelson	Simmons	Williams

NOT VOTING—38.

Ashurst	Colt	Fernald	Hughes
Brandegee	Culberson	Goff	Johnson, S. Dak.
Broussard	Curtis	Gronna	Jones, N. Mex.
Chamberlain	Dillingham	Hitchcock	Kendrick
King	Norris	Smith, Mich.	Trammell
Kirby	Overman	Smith, S. C.	Underwood
Knox	Owen	Swanson	Warren
Lewis	Poindexter	Thomas	Wolcott
Lodge	Smith, Ga.	Thompson	
Martin	Smith, Md.	Tillman	

So Mr. FLETCHER's amendment as modified was rejected.

Mr. McCUMBER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from North Dakota offers an amendment, which will be stated.

The SECRETARY. On page 8, between lines 18 and 19, it is proposed to insert the following:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding of such article for future sale for such advanced price as might prevail in the ordinary course of business and in a free and unrestricted market.

Mr. McCUMBER. Mr. President, I want to say just one word in reference to this amendment.

An amendment somewhat similar, but more restricted than the present amendment, was presented yesterday, when there were but a few in the Senate, and without much consideration, I think, it was voted down. I have modified that amendment, added to it, made it a little broader, changed the wording and therefore the sense, and I want to analyze this section for just one moment for the purpose of showing the pertinency of the amendment I propose.

Stripped of any redundancy and epitomized, section 8 provides:

That any person * * * who * * * shall store, acquire, or hold * * * any such articles [suitable for food or fuel] for the purpose of limiting the supply thereof to the public or affecting the market price thereof * * *, whether temporarily or otherwise, shall be deemed guilty of a felony.

Mr. President, by the strict letter of this law the merchant who owns a cold-storage plant and buys fruit or eggs or anything of like character and preserves them for the purpose of selling them for a profit in the wintertime or in the fall is guilty of a felony, and upon conviction will be sent to the penitentiary. It does not make any difference how innocent his intent was, whether he intends simply to buy at one price and sell at a better price; he is held guilty if the effect of buying up any quantity of the product affects the prices, even though it affects them only temporarily.

A purchaser can not purchase in a large quantity without increasing the price of the product. Let me illustrate that. We will take a little town in my State, say, of three or five thousand people. There is a cold-storage plant there. The owner goes out into the country through the months of May, June, and July, when eggs are very plentiful and therefore quite cheap, and begins to buy up eggs, sending his wagons into the country for that purpose, for storing in his plant and holding them until the winter months, when there is a scarcity of eggs, for a better price. Now, the very fact that he sends his wagons out into the country to purchase eggs increases the price the farmer would receive for those eggs otherwise, and therefore it increases the price of those eggs to the consumers in that little town of 5,000 inhabitants. In other words, they would be cheaper in that town to the consumer if this owner had not sent out into the country and raised the price by purchasing what he desired for his business. He would be guilty of a felony for doing that, under the strict letter of this law.

Again, we all know that the hens begin laying quite prolifically during the months of April, May, and June. Therefore eggs are very much cheaper during that period than at any other period in the year, and they begin to decrease in supply gradually until the next March or April; and as they decrease in supply, the price naturally goes up in the winter months. Now, if this party who has purchased eggs at 20 cents a dozen during the summer months, when they were cheap, concludes by December that he could only get 25 cents a dozen, and that 5 cents a dozen will not pay him a reasonable profit after paying his expenses, he naturally withholds those eggs from the market until January or until February, when the price will rise to such an extent that he can profitably sell them. If he should put them on the market in that little town or in any other little town of like kind in November, he would check the advance. Therefore, if he withholds them, the very withholding tends to increase the price of eggs in that vicinity; and that legitimate business is, by this bill, denominated a crime.

Mr. President, that is not the intent of the bill. The Senator from Montana [Mr. WALSH] very candidly expressed his view as to how it should have been construed; but the trouble is that it will be construed according to the plain meaning of the words in the bill itself, and under those plain-meaning words there is but one conclusion, and that is that the purchasing, storing, or withholding for higher prices makes the party committing the act guilty of a felony. If the proponents in-

tended that this bill should simply cover cases of an attempt to corner the market—and that is really what it is—to buy in such quantities or to withhold the products, if they have them, for the very purpose of cornering the market and thereby committing an offense, they ought to have said so in the bill.

Inasmuch as that is the intent, I should like to ask any Senator why we should not make the bill read just exactly as we intend it to mean. If we do not intend it to cover those cases where a man purchases during a period in which the product is cheap and keeps it for an advanced price, if we do not intend to make that a crime, then let us insert something in the bill that will make it so read.

Reading this amendment again, it is as follows:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding of such article for future sale for such advanced price as might prevail in the ordinary course of business and in a free and unrestricted market.

That takes the classes of purchasers entirely without the intendment of this proposed penal statute, and it certainly should be inserted that they may know, and know when the bill passes, whether or not it is safe for them to purchase those products which are quickly destroyed by the elements, hold them in cold storage, and sell them at a higher price during the winter months.

Now, we ought to encourage cold storage just as much as possible, and especially upon eggs and fruits. We will take eggs, for instance. Often if we had no cold storage in this country, eggs during the months of May and June would be as low as from 8 to 10 cents a dozen. Then they would have to be practically consumed within a short period. The country would be glutted with them. That would be an injustice to the producer without any great benefit to the consumer. So, too, if we did not have the cold-storage places when eggs were extremely scarce in the wintertime there would be no method of supplying that deficiency and bringing them down to a reasonable price.

Mr. President, we want to encourage the storing for legitimate purposes, and we do not want to penalize any legitimate line of business. This will make the law mean what the proponents of it say they intend it should mean, and I ask that it may be adopted.

Mr. FRELINGHUYSEN. I ask the Senator from North Dakota if he will accept the following amendment to be added to his amendment? The Secretary will read it.

The SECRETARY. Add at the end of the proposed amendment the following:

It is further provided that farmers' cooperative and other exchanges or societies of a similar character shall not be included within the provisions of this act.

Mr. McCUMBER. That is in the bill now; it is in the section which follows, I think. Certainly I understand that to be in the bill.

Mr. FRELINGHUYSEN. Does the Senator refer to section 6?

Mr. McCUMBER. I think it is in a part of section 8.

Mr. FRELINGHUYSEN. There are cooperative selling societies as well as farmers' exchanges.

Mr. McCUMBER. It could be put in as a separate amendment, and as there might be some question about it I wish the Senator would allow us to vote upon it as an independent proposition. That will give us time to look up the bill and see the applicability of his proposed amendment.

Mr. FRELINGHUYSEN. I shall withdraw it, Mr. President, and offer it as a separate amendment.

Mr. REED. Mr. President, I think the trouble with the amendment offered to the section is that instead of clearing up an ambiguity it creates an ambiguity. The office of a proviso attached to a section is to remove from the body of the section a portion of what would otherwise be included within its language. When, therefore, you attach to the main section of this bill a provision to the effect that the section shall not be construed to prohibit the acquiring, storing, or holding of articles for future sale for such advanced prices as might prevail in the ordinary course of business and in a free and unrestricted market, you by implication say that the body of the section does and would reach that class of transactions unless you put in the excepting proviso, and a court in construing the language of the section itself would be largely influenced as to the purpose of Congress in passing the section by the language of the proviso.

We fought all this out yesterday, and the amendment offered by the distinguished Senator from North Dakota is not in principle different from the amendment which was submitted last night. It varies from it just enough to save it from a point of order, but does not vary from it in principle.

I am very much in earnest about the section that is offered, and I hope it will remain in the bill. I hope it will stand here unimpaired. I have no hesitancy in saying that I believe we are embarking upon very dangerous legislation at this session of Congress. We are proposing to substitute individual opinions for law and the decree of departments for the rule of the people crystallized into statutes. The excuse that is offered for this retroversion to despotic methods is that certain grave necessities now press upon the people. I have insisted heretofore and now insist that there is not an evil of such magnitude as to warrant the creation of a tribunal to deal with it that can not be defined and limited and reached by general law. I believe in the rule of law and not in the rule of men.

The proposition which comes here now is a rule of law. This amendment lays down a rule of law that, if it be enforced, will prevent the hoarding which is made for the purpose of forestalling the market. It will prevent the practice of gathering great quantities of foodstuffs together for the purpose of forcing a starvation price. It will apply to the backs of the wretches who engage in that practice the lash of the criminal law, and I want to see it enacted with all the vigor it can possess.

I maintain, as I maintained last evening when we were discussing a similar amendment, that the section without any proviso or exception is clear and plain, that it will reach evils and will not trespass upon the rights of those who are acting in accordance with the principles of fair dealing.

The section itself—I am repeating much of what I said last night, because the same question is being repeated here—simply provides that any person engaged in interstate commerce in articles of human food or necessaries who shall store, acquire, or hold such articles "for the purpose of limiting the supply" or affecting the price shall be guilty, and so forth. The intent, the purpose, is the controlling thing. The man before he can be convicted must be shown by his acts or by his words to have formed the purpose not of buying to gain the advantage of a natural advance in the market but of buying for the purpose of advancing the market, not of holding for the purpose of obtaining the natural advance of the market but of holding in order to force the market up. The distinction is perfectly obvious and is one which has been drawn in substance and effect in numerous cases construing the Sherman Act. It is held, as the Senator from Oklahoma has suggested in a remark to me, as the common law.

It never was against the law for a man who raises a crop of wheat to hold that wheat until he found a market suitable to him and then to sell it. It never was against the law for a man who believed that the wheat was lower than the price it might justly be, who believed that there would be an advance, to buy wheat in order to profit by that advance. It never was against the law for a man to go into the English market place and buy provisions that he might gain the advantage of a rise in price. But it has been against the law for a man to buy great quantities of wheat for the purpose of shutting off the natural supply and thus forcing the price up, and it has been against the law for a man to force all the market, namely, to be guilty of the act of going into the common and public markets of England and there purchasing the necessaries of life to such an extent as to force the product to an unnatural price. That kind of conduct was a crime under the Roman law. Always the controlling thing has been the intent, the purpose, the object of the individual, and no court has ever held under the Sherman Act, the language of which is very similar to this, that a man is guilty of a violation of that act who simply buys something hoping that it may rise in value. But if a man buys in order to force the value up, if he gathers to himself great quantities of provisions in order to force the price up—in other words, if he creates monopoly in order to practice extortion—that is the great touchstone; that is the controlling thing; that is the determining factor by which you ascertain whether he is guilty under this law.

Now, I beg that we may be permitted to pass this section in a form that is virile, strong, forcible. I want its terrors to hang over those who may be tempted to forestall the market. I want its drastic provisions to be visited upon those who may seek to monopolize or control the necessaries of life. And I want its provisions for the further purpose, that I prefer this rule of law which men may read and men may understand to the individual dictation of some food regulator or some other man authorized to substitute his personal opinion for the law of the land.

I hope the amendment of the Senator from North Dakota may be defeated, for the reason that I think it weakens the section. I think it places the whole section in a false light. I think it will endanger its proper construction in the courts of the country.

Mr. McCUMBER. Mr. President, the Senator from Missouri is again making the same argument that he made yesterday,

and his argument has no relation to the wording of the amendment itself. We all agree with the Senator that cornering the market for the purpose of exacting extortionate prices for any food product should be punishable. It is punishable to-day under the present law. We do not need another law for that purpose. If that is the only object, then we have a law upon our statute books to cover it at the present time.

I call attention to the fact that this amendment does not mention the word "extortion." The amendment does not refer in any way to the cornering of a market. It simply makes it an offense to go out and purchase any kind of a food product when the natural consequence of those purchases advance the price of that product to the consumer. I gave a simple example a short time ago which I think I am justified in repeating at the present time. If a man owning a cold-storage plant in a little town of 5,000 people should go out into the country with his teams and wagons to gather up the farmers' eggs during the months of May, June, and July, that act of itself does affect the price of those eggs to the purchasers and consumers in that little village, and that act is made a crime under the provisions of this law. Now, let us be perfectly fair with the law and construe it according to what it says. It says, and I use the first proposition of acquiring, "any person who shall acquire such product for the purpose of affecting the market price thereof." How can he go out and purchase without affecting the market price thereof? The greater the demand is upon the supply in his neighborhood the greater the price will be, and therefore the very act of going out and purchasing these products is known by him to be an element that will raise the price of that product, and he has committed a crime in doing that simple act.

Then, again, when it comes to selling, suppose he goes out here in the city of Washington to-day; I imagine he would have to pay about 35 cents a dozen for farmers' eggs. He stores them and when cold-storage eggs are worth 40 cents a dozen in December he thinks that 5 cents a dozen will not give him a sufficient profit upon his investment and therefore he holds them. He knows if he has a million eggs here in the city, that withholding them from the market will necessarily advance the price. If he puts them on the market, it will drive the price down.

Mr. REED. Mr. President——

Mr. McCUMBER. In just a minute. He is withholding them from the market, and he knows the very act of withholding them naturally increases the price of the product, and for that act he has committed a crime. I yield to the Senator now.

Mr. REED. I was just going to ask the Senator what he thought of the practice of a man in the city of Washington getting control of a million eggs and holding them? Does the Senator think that would be quite a proper thing?

Mr. McCUMBER. I will answer. I will say, if the man purchases those eggs in the country for 35 cents a dozen and it costs him 10 cents a dozen to gather them and store them, he has not committed a crime if he holds them until he can receive 5 cents more a dozen. That is what I think.

Mr. REED. No; but I understood the Senator's previous remark to be that the man would have a right to hold them in order to advance the market. I say the man has a right to hold what he obtains for the purpose of gaining a natural advance in the market; but he has no business to acquire a thing and hold it in order to force the market up. That is the distinction. But we are just going over the same ground we have been over. I do not desire to take the Senator off his feet, but I wish to ask as a parliamentary question whether this section was not adopted last night in the Committee of the Whole?

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Chair is advised by the Secretary that it was not.

Mr. McCUMBER. That is what I understood, of course, or I would not have attempted to amend it at the present time.

Mr. President, this proposed law reads "if he holds them for the purpose of affecting the market price thereof." He knows that withholding them will affect the market price. Any man who has that quantity of eggs must necessarily know that if he put them upon the market it would decrease the price. What I am insisting upon is that it ought not to be made a crime to hold an article just as long as it is necessary to hold it to get a resonable return upon the investment, even though withholding it for a month would affect the price of eggs to an extent that would advance their price.

Mr. REED. Does the Senator mean to say that in his opinion a man in this country has a right to acquire enough foodstuff so that withholding it from the market will advance the price and that he has a right to pursue that course until he has by gathering up the food of the country forced the price up beyond the point where it would have gone if he had not gathered up the food? If he does, then the Senator is occupying ground that every monopolist and every food hog in any country has ever known—and I use that term only because it has become a recent expression—has occupied. Surely I know the Senator from North Dakota does not occupy such ground as that intentionally. I know he would not consent that a man should get all the eggs of the country and hold them until he could get an arbitrary price, and all the butter, or all the beef, or a sufficient quantity of each product so that he could control the market of 100,000,000 people. The Senator can not be in favor of that.

Mr. McCUMBER. Certainly not, Mr. President, and I have stated twice that there is a law upon the statute books at the present time to cover that case. It is unlawful now and you could not make it any more unlawful if you should repeat the law which prohibits it. All that I am asking is that this law shall be so drafted that it will not punish people for engaging in a legitimate business, that of purchasing fruit or eggs during the summer months, and storing them and holding them for such advanced price as would be a reasonable profit when they were more scarce, even though the buying of the product necessarily makes the price a little higher where he buys, even though the withholding of the product necessarily may advance the price to some extent where he would sell.

The monopoly part, the general common law principle against the cornering of food products, is already taken care of in our present law, and if this is not to reach further than that then there is no need for it. If it is to go beyond that then I want it clear that it does not interfere with legitimate and innocent business.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Dakota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hollis	New	Stone
Borah	Husting	Overman	Sutherland
Calder	James	Page	Swanson
Culberson	Johnson, Cal.	Phelan	Thomas
Cummins	Jones, N. Mex.	Pittman	Townsend
Curtis	Jones, Wash.	Poindexter	Trammell
Fall	Kellogg	Reed	Vardaman
France	Kenyon	Robinson	Wadsworth
Frelinghuysen	Kirby	Saulsbury	Walsh
Gallinger	McCumber	Shafroth	Watson
Gerry	McKellar	Sheppard	Weeks
Gore	McLean	Sherman	Williams
Hale	Martin	Smoot	
Hitchcock	Nelson	Sterling	

Mr. CURTIS. I desire to announce the absence of the senior Senator from Vermont [Mr. DILLINGHAM] on account of illness in his family. I will let this announcement stand for the day.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present.

Mr. McCUMBER. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Dakota, on which the yeas and nays are demanded.

The yeas and nays were ordered.

Mr. HITCHCOCK. I ask for the reading of the amendment.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. On page 8, after the word "act," in line 18, it is proposed to insert the following:

Provided further, That the foregoing shall not be construed to prohibit the acquiring, storing, or holding of such article for future sale for such advanced price as might prevail in the ordinary course of business and in a free and unrestricted market.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Dakota.

Mr. REED. Mr. President, I make the point of order that the amendment is out of order. On yesterday we had under consideration the amendment of the committee, being section 8. An amendment was offered to that section substantially in the language of this amendment now proposed, and after that was defeated the amendment of the committee was adopted. I do not think that that situation is in any way changed or can be avoided by a Senator saying "I offer to insert at the end of the section the following," because it is in fact an amendment. If it is inserted, it must go in as an amendment whether it is called an amendment or not.

Mr. McCUMBER. Mr. President, if I may be heard upon the point of order a moment——

Mr. REED. If the Senator from North Dakota will pardon me, Senators suggest to me that in view of the fact that the amendment could be offered in the Senate we might as well vote on it now. I therefore withdraw the point of order.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. WEEKS (when Mr. LODGE's name was called). I wish to repeat the announcement which I previously made, that my colleague [Mr. LODGE] is absent to meet an important engagement. He has a general pair with the senior Senator from Georgia [Mr. SMITH].

Mr. GERRY (when Mr. OVERMAN's name was called). I desire to announce the unavoidable absence of the Senator from North Carolina [Mr. OVERMAN]. He has a general pair with the Senator from Wyoming [Mr. WARREN].

Mr. REED (when his name was called). I make the same transfer of my pair as on the last vote, and vote "nay."

Mr. SAULSBURY (when his name was called). With the same announcement which I made on the last vote as to my pair and its transfer, I vote "yea."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. WILLIAMS (when his name was called). I desire to inquire whether the Senator from Pennsylvania [Mr. PENROSE] has voted?

The PRESIDING OFFICER. He has not.

Mr. WILLIAMS. Then I transfer my pair with that Senator to the Senator from Kansas [Mr. THOMPSON] and vote "nay."

The roll call was concluded.

Mr. VARDAMAN (after having voted in the negative). I inquire if the Senator from Idaho [Mr. BRADY] has voted?

The PRESIDING OFFICER. He has not.

Mr. VARDAMAN. I have a pair with that Senator, but I transfer that pair to the Senator from Illinois [Mr. LEWIS] and will let my vote stand.

Mr. CURTIS (after having voted in the affirmative). I have a pair with the junior Senator from Georgia [Mr. HARDWICK], which I transfer to the junior Senator from Nebraska [Mr. NORRIS], and will let my vote stand.

Mr. HARDING. I inquire if the junior Senator from Alabama [Mr. UNDERWOOD] has voted?

The PRESIDING OFFICER. He has not.

Mr. HARDING. Having a pair with the Senator from Alabama, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. SMITH of Georgia. I have a general pair with the senior Senator from Massachusetts [Mr. LODGE], which I transfer to the senior Senator from Arizona [Mr. ASHURST], and vote "nay."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN].

The result was announced—yeas 35, nays 20, as follows:

YEAS—35.

Borah	Hitchcock	Nelson	Sutherland
Cummins	Johnson, Cal.	New	Swanson
Curtis	Jones, N. Mex.	Page	Townsend
Fall	Jones, Wash.	Phelan	Wadsworth
France	Kellogg	Pomerene	Walsh
Frelinghuysen	Kenyon	Saulsbury	Watson
Gallinger	McCumber	Sherman	Weeks
Gerry	McLean	Smoot	Wolcott
Hale	Martin	Sterling	

NAYS—20.

Bankhead	Husting	Poindexter	Smith, Ga.
Beckham	James	Reed	Thomas
Fletcher	Kirby	Robinson	Trammell
Gore	La Follette	Shafroth	Vardaman
Hollis	McKellar	Sheppard	Williams

NOT VOTING—40.

Ashurst	Goff	Lodge	Simmons
Brady	Gronna	Myers	Smith, Ariz.
Brandegee	Harding	Newlands	Smith, Md.
Broussard	Hardwick	Norris	Smith, Mich.
Calder	Hughes	Overman	Smith, S. C.
Chamberlain	Johnson, S. Dak.	Owen	Stone
Colt	Kendrick	Penrose	Thompson
Culberson	King	Pittman	Tillman
Dillingham	Knox	Ransdell	Underwood
Fernald	Lewis	Shields	Warren

So Mr. MCCUMBER's amendment was agreed to.

Mr. PHELAN. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from California will be stated.

The SECRETARY. It is proposed to add to the bill the following:

That to aid in the production of food and forage crops the Secretary of War is hereby authorized and empowered, in his discretion, to construct in the Colorado River, between the States of California and Arizona, such weir or weirs as may be necessary to divert water into the canals of the Imperial irrigation district for use in irrigating the lands thereunder in the county of Imperial, State of California: *Provided*, That such weir or weirs when so constructed shall be removed not later than January 1, 1918: *Provided further*, That the entire cost of such construction and removal shall be borne by the Imperial irrigation district: *And provided further*, That the Secretary of War shall require the said Imperial irrigation district to indemnify the United States and private property interests against loss or damage to public or private property resulting from such construction by such indemnity bond or other security as he may deem sufficient and necessary.

In case of damage the Secretary of War is directed to adjust the same and pay any damage actually incurred out of such indemnity.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from California.

Mr. REED. Mr. President, I do not think an amendment of that kind ought to pass without a word of explanation. I should like to know what the purpose of it is.

Mr. PHELAN. Mr. President, in order to save the time of the Senate I had agreed not to make any explanatory speech, but in answer to the request of the Senator from Missouri, I will say that this matter is not new to the Senate. For the last two years the same work has been done, a temporary weir having been constructed in the Colorado River between the States of California and Arizona for the purpose of conserving the crops of the great Imperial Valley. There are to-day in the Imperial Valley 450,000 acres under cultivation; and if assurance of the construction of this weir is given, to be done at the expense of the Imperial irrigation district, 30,000 more acres of crops will be available for the food supply.

I have here a letter from the Secretary of War, which is so brief that I will read it into the RECORD. It is as follows:

WAR DEPARTMENT,
Washington, May 21, 1917.

Hon. JAMES D. PHELAN,
United States Senate.

MY DEAR SENATOR PHELAN: In accordance with your request I take pleasure in saying that the Imperial irrigation district was authorized to construct and maintain a temporary weir in the Colorado River near Andrade, only after careful investigation had fully established the fact that there is no reason to believe that the material interests of the Yuma Water Users' Association could not be adequately protected from any reasonable probability of injury. It is understood that the Imperial district is ready to furnish the same security for the protection of the Yuma Water Users' Association that in past seasons has proved to be effective.

It is well known that there is a large area of very rich land under cultivation in the Imperial Valley, and in the present well-known circumstances of food stringency in this country I should regard it as a grave national misfortune were the water supply from the Colorado River, upon which these crops are known to be dependent, to be cut off. It would therefore gratify me to learn that the efforts now being made to induce the Yuma Water Users' Association to withdraw their threatened injunction proceedings had been successful.

Very respectfully,

NEWTON D. BAKER,
Secretary of War.

The only opposition that could possibly be made to this proposal would be from the Yuma district across the river, where there are about 30,000 acres under cultivation, and I do not know that there is any opposition even from that source. I have not heard of it, except indirectly. The Secretary of War under the amendment is given the authority, at no expense to the Government, to make this weir to save the Imperial lands and crops and to protect the Yuma Water Users' Association.

Mr. GORE. Mr. President, I merely wish to observe that I have no authority in behalf of the committee to accept this amendment, but I understand it is an emergency measure, and, as explained to me, I see no objection to its adoption.

Mr. REED. I desire to ask the Senator from California whether this irrigation project is a United States Government project throughout, or is it a private project?

Mr. PHELAN. It is a project of the Imperial irrigation district, which is a public corporation of the State of California. The Government has heretofore, through its engineers, done this work in order to better secure the Government project across the river, which is the Yuma reclamation project. The War Department has always been willing to act along this line and has taken such action for the last two seasons. These people will ask no further consideration of the War Department, because their permanent work is about to be completed, but will not be ready for use by July, when the danger season is at hand and when the river is so low that there may be no water for irrigation. Therefore it is proposed to put in a temporary weir, against which the water will back up to a depth of 3 feet to enable it to run into the intake of the Imperial irrigation district.

Mr. REED. Very well.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California.

The amendment was agreed to.

Mr. SMOOT. I offer an amendment, to come in as a new section.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Utah.

The SECRETARY. Before the last section in the bill, it is proposed to insert the following:

That the act of August 30, 1890, entitled "An act providing for an inspection of meats for exportation, prohibiting the importation of adulterated articles of food or drink, and authorizing the President to make proclamation in certain cases, and for other purposes" (26 Stats. L., p. 414), is hereby amended so as to authorize the Secretary of Agriculture, within his discretion and under such joint regulations as may be prescribed by the Secretary of Agriculture and the Secretary of the Treasury, to permit the admission of tick-infested cattle from Mexico, South and Central America, the islands of the Gulf of Mexico and the Caribbean Sea into those parts of the United States below the southern cattle quarantine line at such ports of entry as may be designated by said joint regulations and also subject to the provisions of sections 7, 8, 9, and 10 of said act of August 30, 1890.

Mr. SMOOT. Mr. President, just a word of explanation. This amendment is an exact copy of a bill introduced by the Senator from Louisiana [Mr. BROUSSARD], with the exception of two amendments which have been suggested by the Department of Agriculture. The first one is in line 9, to make the word "regulation" plural instead of singular, and the second is to strike out section 2 of the bill as introduced by the Senator from Louisiana, which reads as follows:

That all such cattle when entered shall be subject to the regulations governing the handling and transportation of cattle from the districts infected with the southern, Texas, or splenetic fever.

I have here a letter from the Secretary of Agriculture, addressed to the chairman of the committee, suggesting these two amendments. The provisions stricken out has reference to the transportation of tick-infested cattle in the United States; but, as the object of the amendment is to allow the entry of cattle particularly from Central America into the United States at this time, with no privilege whatever of transportation from the ports where they enter, the Secretary asked that that provision be stricken out, and that has been done in the amendment offered by me.

Mr. KENYON. Mr. President, is it not essential under the Senator's amendment that the cattle so imported be slaughtered at the port of entry?

Mr. SMOOT. Yes. I will say to the Senate that, under the amendment, the cattle must be slaughtered at the port of entry; in other words, they can not leave the port of entry for any other part of the United States.

The object of the amendment is this: In Central America—for instance, in Honduras—there are 30,000 beef cattle in good condition that can be purchased by the different organizations in this country desiring to purchase cattle for slaughter; but under the present law, being from a tick-infested region, they can not enter the ports of the United States; and the amendment simply allows, under regulations to be prescribed by the Secretary of Agriculture, such cattle to be brought to ports of the United States and slaughtered at the port where the cattle are allowed to enter.

Mr. President, we find now that the conditions are such that the meat-packing concerns of this country can not purchase cattle in sufficient quantities to furnish beef to our armies when they are assembled, and this will relieve the situation. I believe every Senator wants to relieve the conditions existing to-day and allow those cattle to come in here so that they can be slaughtered at the port of entry and furnish the beef that is so much needed, not only by the people of the United States but for the feeding of the Army, as I have already stated.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. Certainly.

Mr. KIRBY. Why can they not be slaughtered and the beef itself shipped here and thus avoid infection?

Mr. SMOOT. Does the Senator mean why can not the beef be shipped from Central America?

Mr. KIRBY. Yes.

Mr. SMOOT. I think that the most of this beef will go into the packing establishments for putting up in cans for Army purposes; and it is very much better to have the live animal there and slaughter him right at the place where they are going to put up the beef than it is to slaughter him away down in South America and have him shipped up here in a frozen state.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, on page 7, after the word "products," in line 5, I move to strike out the comma and insert a semicolon and the matter which I send to the desk.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated.

The SECRETARY. On page 7, line 5, after the word "products," it is proposed to strike out the comma and to insert a semicolon and the following:

For enabling the Secretary of Agriculture to investigate and certify to shippers the condition as to soundness of fruits, vegetables, and other food products when received at markets, under such rules and regulations as he may prescribe: *Provided*, That certificates issued by the authorized agents of the department shall be received in all courts as prima facie evidence of the truth of the statements therein contained.

Mr. JONES of Washington. Mr. President, I simply want to say that this is a provision that we put in the last Agricultural appropriation bill, and it was brought back a time or two and disagreed to by the House conferees. It simply enables the Secretary of Agriculture to use part of this money to have agents in the principal markets of the country to inspect products shipped in there and certify as to the condition in which they are received. I think it is a very important amendment and one which will result in very great good to the shippers of the country, and I hope it will be adopted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. FRELINGHUYSEN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of section 8 it is proposed to insert a colon and the following words:

And provided further, That farmers', fruit-growers', cooperative and other exchanges, or societies of a similar character, shall not be included within the provisions of this section.

Mr. FRELINGHUYSEN. Mr. President, do I understand that the chairman of the committee will accept this amendment?

Mr. GORE. Mr. President, I have no authority under the agreement of the committee to accept it. I have not had full opportunity to investigate it. From the reading, I see no serious objection to it. It certainly is not designed to apply to farmers either in a cooperative or in an individual capacity.

Mr. FRELINGHUYSEN. Mr. President, a word in explanation. There are in my State, and I think in Maryland, West Virginia, New York, and California, a number of farmers' exchanges or cooperative societies, which are a sort of a clearing house for the farmers. They do not hold the products. They are simply distributing agencies, and they would seem to come under the penalty of this act unless they are exempted by special provision.

Mr. CURTIS. Mr. President, I want to suggest that there are organizations of that kind in nearly every agricultural State in the Union.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

Mr. FALL. Mr. President, I send to the desk an amendment which I ask to have read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. It is proposed to insert a new section, as follows:

SEC. 10. That all public surveyed unreserved lands within the State of New Mexico are hereby designated, without further classification or action as subject to the provisions of the act of December 29, 1916, known as the 640-acre homestead act.

Also a new section, as follows:

SEC. 11. That all applications for entry under the provisions of said act heretofore or hereafter made in the State of New Mexico are hereby directed to be received by the respective land officials and approved by the proper officials of the Land Department, subject to individual contest.

Also a new section, as follows:

SEC. 12. That subject only to proof of residence and value of improvements, such as wells, waters, fences, corrals, and houses, and to proof of qualifications of entrymen as provided in said act, patent shall issue for each such entry.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. FALL. I do.

Mr. THOMAS. I will ask the Senator whether he will accept an amendment striking out the words "in the State of New Mexico," so that the amendment will apply to the public-land States generally?

Mr. FALL. I have no objection to such an amendment. In fact, if the Senators from the other public-land States desire it, I should be very glad to have it done. I have here a great

deal of data obtained from the Secretary's office and from the public records, with reference to New Mexico and the conditions with reference to the classification of lands in that State, and in order not to interfere in any way with the conditions in any other State I have confined the operation of this amendment to the State of New Mexico alone. The Senator from Colorado had spoken to me, as one or two other Senators have, with reference to making this general. The chairman of the Public Lands Committee of the House has just been in the Chamber and, in conference with some of us, has suggested that something should be done and that the law must be amended. I have no objection. I should like to get into the RECORD, however, the data that I have with relation to New Mexico particularly; and I shall only detain the Senate for a very short time.

Mr. President, the Congress of the United States passed the 640-acre homestead act in December. It was intended to provide homesteads for qualified entrymen where the remaining public lands generally are only fitted for grazing or for raising forage crops. Unfortunately, in my judgment, in the bill as it came from the committee the classes of land subject to its provisions were stated in the conjunctive. That is to say, the lands were designated as subject to this act which were suitable "for grazing and raising forage crops." Now, the Secretary of the Interior has been apparently unable to arrive at any conclusion whatsoever as to what lands could ever come under the provisions of this act. He has issued a circular; and I ask that in connection with my remarks the portions of that circular marked on the first, the third, the fifth, the sixth, the seventh, and the eighth pages may be printed. I shall refer very briefly to one or two of the provisions, and call attention to what must be shown in the petition accompanying the application.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The matter referred to is as follows:

The classification will be made, so far as practicable, so as to exclude lands that are not chiefly valuable for grazing and raising forage crops, either because too valuable for such use or too poor for such use. Lands which are capable of producing valuable crops of grain or other food cereal or fruit are not subject to designation, being, if otherwise subject to entry, disposable under the 160-acre or 320-acre homestead law, according to their character. Lands of such arid or poor character that they are worthless or fit only for occasional grazing in connection with large areas of other land are not subject to designation and entry under this act.

* * * * * * *

The entryman must show that he has actually used the land for raising stock and forage crops for not less than three years, and that he has made permanent improvements upon the land, having an aggregate value of not less than $1.25 per acre, and tending to increase the value of the land for stock-raising purposes; and at least one-half of the improvements must be placed upon the tract within three years after the date of the entry.

* * * * * * *

PETITIONS FOR DESIGNATION.

11. (a) The proviso to section 2 of the act confers a preference right of entry upon a person pursuant to whose petition land has been designated. Any person qualified to make an original or an additional entry under this act may file an application to enter a compact body of unappropriated, unreserved, surveyed public land of the character described, which has not already been designated under this act, accompanied by petition in duplicate for the designation of such land and of the tract included in any former entry.

* * * * * * *

12. (a) The petition must be in the form of an affidavit, executed in duplicate, and corroborated by at least two witnesses who are familiar with the character of the land. For convenience in filing it is desired that petitions be prepared on sheets not over 8½ by 11 inches in size with margins of an inch on the top and the left-hand side. The petition must contain the name and the post-office address of the applicant, a description by legal subdivisions of all the lands involved properly listed by entries with the serial number of each former entry. If the application contemplates the making of an original entry under this act or if the application relates to a contiguous original and additional entry, only one petition need be filed. If, however, the lands which it is desired to have designated are comprised in two noncontiguous tracts, an additional copy of petition should be filed for each such tract.

(b) The petition should set forth in detail the character of each legal subdivision included in an application to make entry under this act and in any former homestead entries made under other acts. The information called for may be shown by means of a map or diagram whenever the facts can be advantageously presented thereby. Photographs of the land, where available, are useful in indicating its character and topography and, when presented, should be located with reference to the land lines and to the direction in which they were taken. The location of corners of the public surveys by which the applicant has determined the situation or legal description of the land should be indicated on the map or stated in the petition. It is believed that the requirements of these regulations as to furnishing a description of the land can properly be met only by a careful examination of the lands by the applicant, preferably assisted by a competent surveyor. Petitions which are deficient will be returned to the applicant for correction, or he may be required to furnish supplemental affidavits concerning matters not discussed or which have not been described in sufficient detail. Care should be exercised in the preparation of petitions, as inaccuracies and omissions will tend to retard action, while false or misleading statements may lead to the rejection of the application.

(c) In the preparation of petitions attention should be given to the following considerations:

Surface-water supply: The relation of the lands to surface streams or springs rising on or flowing across or along them should be indicated, and the location of such water supplies should be accurately described with relation to the lines of the public surveys. If there is no surface water on the land, the location of such near-by sources of water supply upon which the applicant relies or which he proposes to use for stock-watering purposes should be described.

Underground-water supply: The location of any well or wells which may be present on the land should be described and information furnished in each instance concerning the depth of well, present depth to water, and yield. If there are no wells on the land, information should be furnished concerning any wells in the vicinity which may afford an indication of the probable depth to water on the lands applied for.

Irrigability: If any part or parts of the land is irrigated, the location and source of water supply of such areas should be stated and the area irrigated in each legal subdivision indicated. If any portion of the land is under constructed or proposed irrigation ditches or canals, is crossed thereby, or is adjacent thereto, the relation of the lands to such water conduits and the possibility of their irrigation therefrom should be explained. If the lands are situated near or are crossed by streams which might afford a water supply for their irrigation, full particulars should be given as to the quantity of water available for this purpose and as to whether or not it can be applied to the lands. If artesian wells exist on or near the land or underground water is found under any part of the land at depths of less than 50 feet, the practicability of irrigating the land from underground sources should be fully discussed.

* * * * * * *

Timber and vegetation: The character of the surface of the land in both the original and the additional entry as it is at the time of application under this act and of the tree and plant growth thereon should be described and the approximate area in each legal subdivision which is of such character that it is included in each of the following general classes should be shown: Lands containing merchantable timber; lands containing timber which is not merchantable; lands covered with mesquite or similar growth; lands covered with sagebrush; open grass lands; lands covered with greasewood and allied plants; rocky wastes; alkali flats; sand dunes; lands in agricultural crops or under cultivation. If none of the above terms are applicable to any portion of the land, details of its character should be furnished. Where timber occurs an estimate of the amount of such timber on each legal subdivision should be made.

Agricultural value: The acreage in each legal subdivision which is capable of producing agricultural or forage crops by cultivation should be stated by the applicant, as well as the number of acres which have actually been cultivated. If the applicant or his predecessors in interest have made agricultural use of the land in his original entry the area planted, the kind of crops raised, the yield, and the value should be stated for the last five seasons, or such part thereof as the land may have been under cultivation.

Grazing value: The applicant should indicate the grazing character of all the lands involved by describing them as winter, summer, spring, fall, or permanent range. If the land or any part thereof has been used for grazing, the nature and extent of such use should be stated. The applicant should also furnish an estimate of the number of head of cattle or other live stock which, in his opinion, can be maintained on the land throughout the year.

* * * * * * *

(f) If the Geological Survey advises this office that it is unable to classify the land, or some part thereof, as subject to designation, this office will, through the proper local land office, furnish the applicant with a copy of the survey's report and will allow him 30 days within which to file response. At the applicant's option, he may either appeal from the finding to the Secretary of the Interior, alleging errors of law, or he may present further showing as to the facts, accompanied by such evidence as is desired, tending to disprove the adverse conclusion reached by the survey.

Mr. FALL (reading):

The tree and plant growth thereon should be described and the approximate area in each legal subdivision which is of such character; * * * lands containing merchantable timber; lands containing timber which is not merchantable; lands covered with mesquite or similar growth; lands covered with sagebrush; open grass lands; lands covered with greasewood and allied plants; rocky wastes; alkali flats; sand dunes; lands in agricultural crops or under cultivation—

And so forth.

The applicant should indicate the grazing character of all the lands involved by describing them as winter, summer, spring, fall, or permanent range. If the land or any part thereof has been used for grazing, the nature and extent of such use should be stated.

The entire matter is by the Secretary, as set forth in the marked provisions of page 8, which I have asked to be printed, referred to the Geological Survey. In the first place, the Secretary has ruled that forage crops did not include grain crops. In our country we know no forage crop except feterita, kafir corn, and the milos, which are all cereal or grain crops. Therefore we would be entirely precluded from the use of any of these lands. Then he has ruled that lands that were fitted only for grazing can not be acquired under the provisions of this act, as will be shown on page 1 of this circular. The consequence is that never could the lands of New Mexico be classified under the provisions of the 640-acre act, and under no circumstances could the people of that State ever acquire any benefit from the passage of the law enacted by Congress.

About May 28, Mr. Tallman, the Commissioner of the General Land Office, wrote a letter on this subject to the State war committee of New Mexico, and I ask that a copy of his letter to this committee may be printed in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The letter is as follows:

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE.

STATE WAR COMMITTEE,
Santa Fe, N. Mex.

MY DEAR SIR: The Secretary of the Interior has referred to me your telegram of the 2d instant advising that the State land commissioner informs you that homesteaders are asking that steps be taken to allow the land applied for under the grazing homestead act to be used for farming purposes this season, and you join in the request that immediate action be taken to that end.

In reply will say that while the purpose sought to be accomplished is no doubt commendable, there are numerous obstacles in the way which are not easy to overcome. In the first place, applications under this act already aggregate over 50,000, covering more than 20,000,000 acres, scattered, as you know, throughout the entire West. In the next place, the land must be designated before applications can be allowed. In the next place, this matter of designation has been turned over to the Geological Survey, which bureau has not as yet been supplied with necessary funds to do any of this work at all, except such as they are probably able to do right here in Washington on the basis of their office records. In the next place, the law specifically provides that there shall be no right to occupy lands applied for until the lands have been designated as stock-raising lands. As the law stands now, therefore, it seems to me that the only solution of the problem presented is to proceed as rapidly as possible and get the lands designated, or to decide that they can not be designated, so that all these pending applications can be allowed or rejected. When we consider the tremendous number of such applications and the acreage involved, it is apparent that this can not be done in a minute.

Yours, very truly CLAY TALLMAN.

Mr. FALL. I will only say that in the letter of the commissioner, which was in answer to a petition that the people who had made 3,000 applications in New Mexico might be allowed now, in the present emergency, to go upon those lands and take possession of them and bring them up and plant feterita and bean crops this year, which they can yet do, Mr. Tallman writes that under the law it is absolutely impossible; that they can not go upon the lands; and then he says that in the public-land States, as shown by their records, 50,000 entries or applications for entry have been made, embracing 20,000,000 acres of the public domain yet remaining in the public-land States; but it has not been possible to designate an acre of it; that it has been turned over to the Geological Survey; that they can not even commence the work of designation until they secure other funds; and I am assured by the Geological Survey that even with the additional funds it will be practically one year before they can even commence to designate the lands subject to entry.

I also ask, in connection with my remarks and these papers, to print in the RECORD extracts from Farmers' Bulletin No. 388—the marked provisions printed on page 6, page 11, and page 12 of that bulletin. I also ask—I presume there is no objection to this, Mr. President, and that the order is made.

The PRESIDING OFFICER. The Chair will submit the request of the Senator from New Mexico. Without objection, the matter referred to will be printed in the RECORD. The Chair hears no objection.

The matter referred to is as follows:

Dry farming is also called dry-land farming or arid-land farming. It is generally defined as farming without irrigation in regions where the annual rainfall is between 8 and 20 inches. The fact that rainfall alone is not the only moisture condition which determines the crop production of a given locality is indicated by the investigations of the Office of Forage Crop Investigations of the Bureau of Plant Industry of this department, which states that for the production of such drought-resistant crops as alfalfa, slender-wheat grass, tall-oat grass, and brome grass the "investigations indicate that the minimum rainfall is approximately 16 inches in the Dakotas, 18 inches in Nebraska, 20 inches in Kansas * * * and up to 30 inches farther south." In other words, to produce a given crop the amount of rainfall necessary is much greater in the warmer regions, where evaporation removes so much moisture.

* * * * * * *

In western Nebraska good results have been obtained with winter wheat, spring wheat, oats, barley, emmer or spelt, corn, sorghum, Kafir, milo, brome grass, and in the valleys alfalfa has proved a most valuable forage crop, but its success on the table-land is more doubtful.

* * * * * * *

As pointed out in previous articles on this subject, too much emphasis can not be laid on the importance of supplementing dry farming with at least enough irrigated farming to insure garden products and forage for stock as a protection against possible failure on the dry land, because, whatever the methods adopted, there are likely to be seasons when total or partial failure will be inevitable. The meteorological records of the dry regions as a rule show that wet and dry years occur in cycles and that seasons of excessive drought occur when, except by means of irrigation, little or nothing in the way of cultivated crops can be grown.

The Office of Experiment Stations of this department has been investigating for several years the possibility and best methods of irrigating small areas in dry regions in connection with the farming of larger areas without irrigation. It has been found that although the greater part of the land lying between the one hundredth meridian on the east and the Rocky Mountains on the west is beyond the reach of canals from the streams of that section, and the water supply is not sufficient to irrigate any considerable part of it by means of wells with pumps and tanks; small storage reservoirs to catch storm waters coming down coulees, draws, and small stream beds; intercepting ditches across broad slopes directing the run-off to the orchards or fields below; and the use of the soil and subsoil to store the storm waters of spring freshets, a sufficient amount of water may generally be provided to carry at least a portion of the crops over a period of excessive drought and thus make the difference between partial success and total failure.

Mr. FALL. I also ask to have printed a memorandum from Bureau of Plant Industry Bulletin No. 188, "Dry Farming in Relation to Rainfall and Evaporation."

The PRESIDING OFFICER. Without objection, the matter referred to by the Senator from New Mexico will be printed in the RECORD. The Chair hears no objection, and it is so ordered.

The matter referred to is as follows:

[Memorandum from Bureau of Plant Industry Bulletin No. 188.]

"DRY FARMING IN RELATION TO RAINFALL AND EVAPORATION."

(Issued Nov. 5, 1910.)

Page 17: Contains a map of the United States, with the evaporation table shown by figures representing the inches of annual evaporation in various States of the Union; for instance—

In northeast Texas, southern New Mexico, and southern Arizona the evaporation per annum as shown is 52, 55, 54, 56 inches annually.

In Utah, lying northwest of New Mexico and north of Arizona, the evaporation as shown is 34, 40, 31, 42.

Page 20: Increase in evaporation marked, as we proceed southward, the evaporation in the Panhandle of Texas being 54 inches, as against about 27 inches in North Dakota. The influence upon agriculture is seen by comparing the agricultural operations along the line of 20-inch annual rainfall in the two States. This line in North Dakota passes through the head of the Red River Valley, where the rainfall has been ample for growing wheat upon the same land year after year.

In Texas the 20-inch line passes through a country largely grazing land, where agriculture is confined to the most drought-resistant crops, such as kafir and milo. "It is evident, then, that in dry-farming sections having equal rainfall the North has a decided advantage over the South, owing to the lower evaporation."

Quoting from Dr. H. L. Shantz, the bulletin says:

"That the distribution of a native grass is a good index of the rainfall required in different sections of the Great Plains. Short grass, consisting chiefly of buffalo grass and grama, crosses from Montana to Texas. Its growth on the west of the 20-inch line is as far as the opposing influences of rainfall and evaporation will permit. Its growth to the east is checked by competition with the prairie grasses. Thus we have a strip of short grass extending from Montana to Texas, limited on the west side by drought; therefore the increase in the annual rainfall as we go from north to south in the short-grass region represents the additional amount of rain needed to offset the increased evaporation.

"In Montana short grass unmixed with other grasses occurs in districts having an annual rainfall of approximately 14 inches; in Colorado, in regions having a rainfall of 17 inches, and in the Panhandle of Texas, in regions having a rainfall of 21 inches.

"The same type of native grass requires in Texas 7 inches more of rain a year than in Montana. This gives us at once a measure of the additional amount of rain required for a grain crop in Texas as compared with Montana. Furthermore, the evaporation in Texas during the six summer months exceeds that in Montana by about 20 inches. Therefore if the summer evaporation at one place in the Great Plains exceeds that at another by 3 inches a corresponding increase in the summer rainfall of approximately 1 inch at the first place is needed to offset the increased evaporation. A rainfall of 21 inches in the Panhandle of Texas is, therefore, really no better for growing crops than 15 inches in Montana or Dakota, owing to the greatly increased evaporation on the Texas plains."

REMARK.

The difference in evaporation between southern Arizona and New Mexico upon the one part and Utah upon the other would average about 13 inches per annum more in the two Southern States than in Utah. It would then require approximately 4 inches more rainfall in Arizona or New Mexico to raise the same crop than in Utah.

Therefore, assuming that a 12-inch rainfall in Utah might be sufficient for the raising of a certain crop, it would require a 16-inch rainfall in Arizona or New Mexico to raise the same crop, assuming that the soil was the same; that local conditions as to winds were the same; and that the precipitation was the same during the growing season of the crop.

Mr. FALL. I also ask to have printed in the RECORD a tabulation which I have prepared from the official records in the Weather Bureau and in the office of the Secretary of the Interior with relation to the classification already made by the Interior Department of the lands of each of the counties of the State showing the acreage of the lands, the elevation of the lands, and the annual rainfall, as shown by the Weather Bureau reports from 10 to 41 years past.

The PRESIDING OFFICER. In the absence of objection, the matter referred to will be printed in the RECORD. The Chair hears no objection, and it is so ordered.

The matter referred to is as follows:

Following is a list of counties, by districts, into which the Weather Bureau has divided the State of New Mexico for the purpose of compiling climatological data. This list also shows the character of the vacant public lands in such counties as set forth in Circular No. 149, issued by the General Land Office under date of July 1, 1912, entitled "Vacant public lands in the United States." Also Government Land Office districts in which Weather Bureau observation stations are located and place at which station is located, average precipitation at respective stations, average precipitation for counties and district; also elevations of respective stations and average elevation of stations in counties and district, together with term of years for which records were made at the respective stations, on which are based the tables made by the Weather Bureau as to precipitation:

County and character of vacant public lands.	Land district.	Years.	Station average precipitation.	County average.	Elevation.	Average.
NORTHWESTERN NEW MEXICO.						
Bernalillo—Mountainous, timber, and grazing:						
Albuquerque	Santa Fe	41	7.51	7.51	*Feet.* 5,200	*Feet.* 5,200
Sandoval—Mountainous and grazing:						
Bernalillo	do	11	8.45		5,260	
Sulphur Springs	do	7	14.35		10,006	
			22.80	11.40	15,266	7,633
San Juan—Grazing and agricultural:						
Bloomfield	do	17	8.26		5,500	
Fruitland	do	18	5.16		4,800	
			13.42	6.71	10,300	5,150
Rio Arriba—Mountainous and grazing:						
Chama	do	13	23.47		7,851	
Embudo	do	5	10.93		5,800	
Espanola	do	12	9.72		5,590	
Monero	do	11	17.06		7,356	
			61.18	15.29	26,597	6,649
Torrance—Timber, agricultural, grazing, and salt lands:						
Estancia	do	9	14.13		6,140	
Mountainair	do	7	17.58		6,547	
			31.71	15.85	12,687	6,343
McKinley—Mountainous and grazing:						
Fort Wingate	Santa Fe	45	14.53		6,997	
Manuelito	do	4	14.86		6,252	
			29.39	14.69	13,249	6,624
Taos—Mountainous and grazing:						
Red River	do	3	24.00		8,956	
Taos	do	17	12.81		6,983	
Tres Piedras	do	10	16.86		8,076	
			53.67	17.89	24,015	8,005
Santa Fe—Mountainous and grazing:						
Galisteo	do	10	12.61		6,074	
Santa Fe	do	57	14.72		7,013	
			27.33	13.66	13,087	6,543
Valencia—Grazing and agricultural:						
Los Lunas	do	20	9.39		4,900	
San Rafael	do	5	14.67		6,509	
			24.06	12.03	11,409	5,704
Averages for district				115.03		57,851
				12.78		6,428
NORTHEASTERN NEW MEXICO.						
Union—Grazing and broken:						
Albert	Clayton	19	16.00		4,700	
Clayton	do	5	17.31		5,178	
Valley	do	4	12.24		5,000	
Folsom	do	17	18.91		6,399	
			64.46	16.11	21,277	5,316
Colfax—Arid, broken, and grazing:						
Vermejo Park	Santa Fe	5	16.87		7,600	
Springer	do	21	13.34		5,857	
Cimarron	do	5	16.00		6,385	
Dorsey	do	7	15.60		6,000	
Elizabethtown	do	4	17.42		8,465	
Raton	do	13	12.69		6,660	
			91.92	15.32	49,967	6,828
Mora—Grazing and broken:						
Fort Union	do	57	18.49		6,835	
Ocate	do	6	19.41		7,500	
			37.90	18.95	14,335	7,167
San Miguel—Grazing:						
Windsor	do	14	23.20		8,200	
Bell Ranche	Tucumcari	10	15.74		4,500	
Gallinas Springs	Santa Fe	22	15.37		5,272	
Los Alamos	do	4	18.10		6,789	
Las Vegas	do	25	18.97		6,384	
Mineral Hill	do	5	21.22		7,050	
Raciado	do	5	24.32		8,200	
			136.92	19.56	46,395	6,628
Guadalupe—Broken and grazing:						
Fort Sumner	Fort Sumner	7	15.57		3,960	
Lagunita	do	4	18.66		4,500	
Santa Rosa	Santa Fe	9	14.85		4,624	
			49.08	16.36	13,084	4,361
Quay—Grazing:						
Nara Visa	Tucumcari	4	17.97		4,225	
Tucumcari	do	6	16.93		4,194	
			34.90	17.45	8,419	4,209
Averages for district				103.75		34,012
				17.29		5,669

County and character of vacant public lands.	Land district.	Years.	Station average precipitation.	County average.	Elevation.	Average.
SOUTHERN NEW MEXICO.						
					Feet.	*Feet.*
Eddy—Mostly prairie, some timber in mountains:						
Monument	Roswell	4	15.89		4,000	
Carlsbad	do	21	13.53		3,120	
Shattuck Ranch	do	6	21.93		6,000	
			51.35	17.12	13,120	4,373
Chaves—Grazing, rolling prairie:						
Roswell	do	21	14.00		3,578	
Elk	do	16	20.28		7,400	
			34.28	17.14	10,978	5,489
Lincoln—Grazing, timber in mountains:						
Arabella	do	5	20.17		5,800	
White Oaks	do	9	17.94		6,470	
Fort Stanton	do	54	16.35		6,231	
			54.46	18.15	18,501	6,167
Otero—Grazing land:						
Cloudcroft	Las Cruces	10	22.92		8,650	
Alamogordo	do	25	10.34		4,338	
Orange	Roswell	5	9.38		5,000	
			42.64	14.21	17,988	5,996
Socorro—Undulating prairie:						
Lava	Las Cruces	6	10.85		4,703	
San Marcial	do	60	9.19		4,439	
Rosedale	do	6	17.06		6,910	
Datil	do	4	14.14		7,000	
Estalina Springs	do	9	13.28		7,440	
Magdalena	do	6	14.49		6,557	
Patterson	do	7	18.85		6,900	
Socorro	do	23	10.50		4,600	
			108.36	13.54	48,549	6,068
Dona Ana—Grazing, mountainous:						
Rincon	do	20	10.42		4,030	
Strauss	do	12	8.49		4,080	
Mesilla Park	do	56	8.62		3,863	
			27.53	9.18	11,973	3,991
Sierra—Mountainous, grazing:						
Engle	do	29	10.18		4,265	
Hillsboro	do	21	12.34		5,224	
Lake Valley	do	6	13.07		5,412	
			35.59	11.86	14,901	4,967
Luna—Grazing land:						
Cambray	do	12	8.01		4,215	
Deming	do	36	9.54		4,335	
			17.55	8.77	8,550	4,275
Grant—Grazing, mountainous:						
Cliff	do	13	13.66		6,475	
Fort Bayard	do	39	15.12		6,152	
Silver City	do	8	19.28		5,860	
			48.06	16.02	18,487	6,162
Roosevelt—Broken and grazing:						
Lykins	Fort Sumner	4	16.70		5,000	
Portales	do	3	20.68		4,004	
			37.38	18.69	9,004	4,502
Curry—Grazing:						
Melrose	do	5	13.84		4,100	
Clovis	do	1	17.95	15.89	4,129	4,114
			31.79	160.60		56,104
Averages for district				14.59		5,100

Mr. FALL. Mr. President, I will state without reading that the average rainfall in one-half the area of New Mexico is 9 inches per annum; that in the balance of the State it will run approximately 15 inches per annum; that, as shown by these reports that I have asked to have printed in the RECORD, a rainfall of 15 inches in New Mexico is only equivalent to a rainfall of 7½ to 8 inches in the State of Montana or in the Dakotas; in other words, that in the rainfall area of 20 inches, while at the head of the Red River Valley you can raise annually good, remunerative wheat crops and count upon them every year, owing to the evaporation in the State of New Mexico it is impossible to raise winter or spring wheat or to raise any forage crops whatsoever except the most drought-resistant crops, such as feterita, and then you can only count upon a crop once in three years.

These statements are all contained in the official bulletin. I have prepared them for the purpose of showing to the Senators here the necessity for doing something with reference to the State of New Mexico. The peculiar conditions existing there are common also to Arizona, I will say, but I am not authorized to speak for Arizona. Those peculiar conditions do not pertain in Wyoming, nor even in Utah. I may interject here, in passing, that 12 inches of rainfall in Utah is in some cases sufficient with which to raise a dry-farming crop; that, as shown by the report of the Federal officials themselves, it will require 16 inches of rain on exactly the same land, with the water falling at the same time, to raise the same crop in New Mexico that can be raised with 12 inches rainfall even in Utah, which is adjoining at the north. The reason for it is that the average evaporation per annum in New Mexico, south of the central portion of the State at least, is 55 inches per annum, while in the same section of Utah, at the same elevation, the evaporation is only about 40 inches. In other words, there is a difference of 15 inches in evaporation, and 3 inches in evaporation means 1 inch of rainfall; so that the 5 to 12 inches of rainfall in Utah are equivalent to 17 inches during the same period of the year in New Mexico, in so far as the growth of any kind of product is concerned. In these remarks of mine I am not going to take the time to read the records. They are from the official records, and I have asked to have them printed in the RECORD.

Mr. President, I have no objection at all to the acceptance of the amendment of the Senator from Colorado, if it is acceptable to the Senators from the other public-land States.

Mr. THOMAS. Mr. President, I regard this amendment as much of an emergency measure as any other portion of pro-

vision of this bill can be. The so-called 640-acre homestead act was finally placed upon the statute books after a long and discouraging effort to secure its passage not only in the last but in preceding Congresses. Its purpose, as then explained, may not be fresh in the minds of Senators, and therefore I wish briefly to refer to the fact that it was designed to encourage the occupation of and the raising of live stock upon the arid regions of the country; and of course the bill would be inoperative unless the area of land subject to homestead entry was largely increased over the amount provided for in the original homestead act.

The necessity for this legislation, and its popularity as well, is graphically illustrated by the letter of the Commissioner of the General Land Office to the Senator from New Mexico. Indeed, in anticipation of the enactment of this law a great many actual occupations were effected, those going upon the lands taking the chance by doing so of their being classified as required by the statute, and being intent, of course, upon securing the advantages of the act by taking such chances.

I do not speak complainingly, Mr. President, of the Department of the Interior in referring to the delays that have attended the administration of this act, beyond emphasizing the fact that those delays seem to have become chronic not only in that but in other parts of the country, and are due very largely to those complications which spring from a multiplication of bureaus and bureau heads, and which therefore necessarily cause laws of this kind to encounter delays which, while subject to explanation, are nevertheless exasperating.

Mr. JONES of New Mexico. Mr. President——

Mr. THOMAS. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I desire to make the statement that since I came into this body the question now under consideration has been a very live one in my State, as presented to the Senate by my colleague, and I have been in rather close communication with the Department of the Interior for the purpose of ascertaining whether or not that department could give us some relief without legislation, and I find these to be the facts:

The original bill was passed in December of last year. Early in January, immediately following, the Interior Department prepared its regulations and promulgated them. The delay in carrying out the classification is due entirely to the fact that there have been no funds available. The funds for this purpose have been appropriated by the judiciary bill, which is now in conference. This bill failed of passage at the last regular session of Congress, and the money was not available. The bill is still in conference. I think it is only justice to the Interior Department for me to make this statement, so that it can not be said that the department is itself guilty of such negligence as has prevented anything being done under the act.

While I am on my feet, I will add this further suggestion:

Since the passage of the law the situation in the West has entirely changed. While the law does prohibit any of these intending settlers from going upon the land and maintaining exclusive possession, nevertheless the fact is that throughout the West there are thousands of people who have gone out upon these lands, and they are there; and Congress is now confronted with an actual condition which does require some enactment or change in the legislation at this time, in my judgment.

Mr. THOMAS. Mr. President, it is certainly far from my purpose and also from my desire to impute any misconduct or negligence to the action of the Interior Department. I am satisfied that its officials and representatives are doing the best they can; but the Senator, because of his long experience in the administration of the Assistant Secretaryship of that department, knows that even under the best of circumstances its progress is necessarily slow, due very largely to its complicated machinery, and, as I said, to the number of bureaus and subheads which have more or less jurisdiction over the same subject matter.

My purpose was to suggest the cutting of that Gordian knot for the reasons which the Senator himself has just outlined, and outlined so well. I believe that with the topographical maps, which are part of the official records of the Interior Department, and with the data which they possess concerning these lands and their character, and their knowledge of climatic conditions, it would be easy to make such a workable designation of these lands as would solve the problem; but, of course, that is too much to be expected from any of the Federal departments, in view of their modern methods of transacting business. In other words, they are not equipped for emergencies, and this is an emergency.

What the senior Senator from New Mexico [Mr. FALL] has said regarding climatic conditions in his State is substantially true of the other arid States. The average degree of evaporation is somewhat greater in New Mexico and Arizona than in Utah and Colorado; but all these States occupy what we call the arid region or semiarid region of the country. During the processes of settlement virtually all the lands which lie in a favorable position and which are susceptible of irrigation have already passed out of Government ownership and have been taken over by private parties, so that the lands subject to the operation of this law are virtually all the surplus unoccupied lands, and particularly so in view of the extent of our forest reservations.

Consequently, to enact by an amendment to this bill a provision whereby the 640-acre homestead act will be available to all these lands really carries out the purpose and object of the bill, does no injustice to anyone, and the Government by its enactment does not run the risk of any legislative inclusion of areas of land to which the law will be subject which should be excluded from it. So, in view of the prior occupation and ownership of all available lands which enjoy sufficient rainfall to justify the raising of the ordinary crops, inasmuch as all lands susceptible of actual irrigation have also been taken, and inasmuch as the reservations have been made so extensive as to comprise in some instances practically one-half of some of the States, the throwing open of the remainder by legislative enactment will bring into immediate occupation the lands which are designed to be covered by the act of December last, will relieve that part of the situation to which the junior Senator from New Mexico has referred, and I think it exists in all these States and relieves those who have taken advantage of the largess of the Government by going upon and actually beginning the work of the improvement of this land of the contingency which now hangs over them, and by means of which their work and their occupation may have all been in vain.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. THOMAS. Certainly.

Mr. ROBINSON. I desire to know of the Senator from Colorado whether he proposes to make the 640-acre homestead act applicable to all public-land States.

Mr. THOMAS. Yes; because all the remaining public-land States, or practically all of them, are within the arid region. There may be some public land in the Senator's State.

Mr. ROBINSON. Will the Senator yield for another question?

Mr. THOMAS. Certainly.

Mr. ROBINSON. Does the Senator care to make it applicable to lands within forest reservations?

Mr. THOMAS. No; we could not do that, because the so-called 640-acre homestead act does not do it.

Mr. ROBINSON. Neither is the 640-acre act applicable, as I understand it, solely to the semiarid region.

Mr. THOMAS. It is applicable to arid or semiarid land.

Mr. ROBINSON. Take, for instance, the State of Arkansas. Does the Senator propose to make the 640-acre homestead act applicable to the remaining public lands in that State?

Mr. THOMAS. I shall have to answer that question by asking the Senator from Arkansas another. Are there public lands in Arkansas which are subject to occupation under the old homestead act?

Mr. ROBINSON. There are.

Mr. THOMAS. Then, of course, the State of Arkansas should not be included within this designation, and the amendment which I propose is too broad.

Mr. ROBINSON. That was the very suggestion I was going to make to the Senator.

Mr. THOMAS. I am obliged to the Senator for making it.

Mr. ROBINSON. Upon the statement made by the Senator from New Mexico I do not know that I should object to its application to New Mexico, or even to the State of Colorado from the statement which the Senator from Colorado is making, but there are other States besides the State of Arkansas in which there are public lands, and the 640-acre homestead act ought not to be made applicable to them.

Mr. THOMAS. The suggestion of the Senator from Arkansas is both timely and appropriate, and I am obliged to him for calling my attention to it. Of course, I proposed this amendment upon the assumption that the arid-land States were practically all the States in which public lands are still to be found.

Mr. ROBINSON. The Senator's assumption in that particular is erroneous. There are nearly three-quarters——

Mr. THOMAS. The Senator has enlightened me in that respect, and I thank him for it.

Mr. ROBINSON. I will state further, for the purpose of informing the Senator, that in the State of Arkansas there are approximately three-quarters of a million acres of public lands, and under the law now no portion of that land can be entered under the 640-acre homestead act.

Mr. THOMAS. And never was designed to be.

Mr. ROBINSON. It would be a gross diversion to attempt to make it applicable anywhere except in the semiarid-land States.

Mr. THOMAS. There is no quarrel between the Senator and myself on that proposition.

Mr. ROBINSON. I understand that, but I suggest to the Senator that he modify his amendment so as to make it applicable to those States.

Mr. THOMAS. I have assured the Senator that I will so limit it. It ought to be so limited. I do not think there will be any objection to that whatever. Certainly there will not be from me. I fully agree with the Senator that public land in a State like his should not be subject to the act, because they are not appropriate to the operation of this law, nor could the law fulfill its function if it were carried into such States as the one the Senator so well represents.

Mr. STERLING. Mr. President, I think I can satisfy the Senator from Arkansas that none of the public lands within his State would come within the provisions of the 640-acre homestead act. In the first place——

Mr. ROBINSON. That is certainly true. Will the Senator from Colorado yield to me further?

Mr. THOMAS. Certainly.

Mr. ROBINSON. I understand that perfectly, but the proposition of the Senator from Colorado is in reference to the 640-acre homestead act. The original proposition was to make it applicable to all the remaining public lands wherever situated.

Mr. STERLING. But by the terms of the acts themselves they would not be applicable to a State like the State of Arkansas. The public lands are not of the character described in the 640-acre homestead act.

Mr. ROBINSON. If the Senator from South Dakota will pardon me, the Senator from Colorado originally tried to make it applicable to all the remaining public lands.

Mr. STERLING. I do not understand that that was quite the contention of the Senator from Colorado.

Mr. ROBINSON. That is the language of the amendment. The Senator from Colorado has indicated his purpose to modify his amendment, and when he submits it in a modified form we can readily determine whether or not it should be accepted.

Mr. SHAFROTH. If my colleague will yield to me for a moment——

Mr. THOMAS. I yield.

Mr. SHAFROTH. The act itself provides that all public surveys on reserved lands within the State of New Mexico, or if it be modified as my colleague has suggested applicable to all lands, are hereby designated without further classification or action subject to the provisions of the act of December 29, 1916, known as the 640-acre homestead act. That act would not be applicable to the lands of Arkansas, and consequently I do not think it is necessary to qualify it, although if the Senator thinks it necessary it might be well to do it.

Mr. ROBINSON. I think the Senator from Colorado is in error concerning that matter. I do not know that it is material to pursue the controversy further, since the Senator from Colorado has accepted my suggestion and is willing to modify his amendment. It does not matter what lands the original 640-acre homestead act was applicable to, if in this act we make it applicable to all public lands that constitutes an amendment of the original act.

Mr. FALL. Will the Senator yield for a moment?

Mr. THOMAS. Certainly.

Mr. FALL. Why not follow the precedent in the form of legislation upon similar subjects? It has been upon various occasions, at any rate, the custom to name the States to which a certain homestead or public-land law should apply. It has also been the custom within my experience in Congress at times to except certain States from the application of the law. The purpose has been to avoid any controversy of any kind or character. My colleague and myself being in accord as to the necessities in New Mexico, I confined the amendment to New Mexico. I am perfectly willing to agree to extend it to the State of Colorado, and to the State of Arizona, if the Senators from that State want it—I see neither of them here—and to the State of Nevada, or any other State. I think it would be better to extend it by name to certain States possibly rather than to make it general and except certain States.

Mr. THOMAS. I will change the form of the amendment in view of what the Senator from Arkansas [Mr. ROBINSON] has said, by asking to insert, after the words "New Mexico," on the second line of the first page, the words "Colorado, Wyoming, Utah, Nevada, Idaho, South Dakota, and North Dakota." I have not mentioned the State of Montana, because I was informed that the Senators from that State do not desire the extension of this proposed amendment so as to include that Commonwealth.

Mr. FALL. I am glad the Senator included the State of Wyoming, because the junior Senator from that State is absent on official business of the Senate, and he spoke to me about it some time ago and hoped that the provision of the act might be extended to his State.

Mr. THOMAS. I have named these States upon the assumption that if the Senators representing them were present they would desire their inclusion. Of course, if objection is made to the inclusion of any of them the bill can be very easily further amended so as to conform to their wishes.

Mr. MYERS. Mr. President——

Mr. THOMAS. I yield to the Senator from Montana.

Mr. MYERS. I am glad the Senator leaves out of the amendment the State of Montana, because I am absolutely opposed to applying it to the State of Montana. It would be of no benefit; it would be unjust and undesirable there, in my opinion. I am very glad he has left out the State of Montana, but I do not believe that any State ought to be included unless it is known that the Senators from those States desire to have it included.

Mr. THOMAS. The Senator is right about that, but I am unable to perceive any valid reason why the Senators from arid States would object to the extension of this amendment over their territory.

Mr. MYERS. I did not state why I am opposed to applying it to Montana, and as long as the Senator does not propose to include Montana there is no need to state it.

Mr. THOMAS. I would be incapable of including the Senator's State in any measure when he objected to it.

Mr. MYERS. I know that; but I see no reason for stating my reason.

Mr. THOMAS. There is none whatever, so far as I am concerned.

Mr. MYERS. I merely wish to say, however, it seems to me that no State should be included by name unless it is known that both the Senators from the State desire it.

Mr. THOMAS. I will take the chances on these other States and include them in my amendment.

Mr. MYERS. Does the Senator from New Mexico accept the amendment offered by the Senator from Colorado?

Mr. FALL. It is perfectly satisfactory to me. It exempts, I understand, such States as desire exemption.

Mr. STERLING. Mr. President, I have some interest in the pending amendment. I introduced a separate bill relative to the public lands in two of the Indian reservations in my State intended to accomplish the same purpose that the Senator from New Mexico has sought to accomplish by his amendment and now sought to be accomplished by the amendment of the Senator from Colorado.

I think that so far as the State of South Dakota is concerned, all the remaining public lands are subject to entry under the 640-acre homestead law. I simply wish to call the attention of the Senate to the description of these lands as given in the report of the Commissioner of the General Land Office, as a part of his last report to the Secretary of the Interior. The lands are divided by land districts. In what is known as the Bellefourche district the lands are described as prairie, grazing, farming; for Butte County, for Harding County, the same; for the counties of Lawrence and Meade they are described as mountainous, broken, and grazing; for the land district of Gregory, in which there are the three counties, Bennett, Gregory, and Mellette, the lands are described as grazing, sand hills, very rough and rolling.

Take the entire Lemmon land district in the northern part of the State in which is found the Standing Rock Reservation to which my bill applies and they are all described as prairie, rough, rolling, many buttes, and stony hills.

Take the Pierre land district and they are described generally as rough, hilly, and ridgy, and as low and wet, with sand bars, rough, hilly, and including what is known as the Bad Lands.

So in the Rapid City land district the land is described as follows: Partly mountainous, timbered, mineral, grazing, and agriculture.

Mr. President, since this report was made the 320-acre homestead law has been in force in South Dakota, and I think it is safe to say that all the lands that could be considered as agricultural and not grazing lands, or too rough for agricultural or grazing either, have been taken under the 320-acre homestead act. So I do not believe there is any land whatever left in South Dakota that would not be designated, if the Secretary of the Interior could proceed to designate it, as coming within the provisions of the 640-acre homestead law.

Mr. HUSTING. Mr. President——

Mr. STERLING. I yield to the Senator from Wisconsin.

Mr. HUSTING. I should like to ask the Senator if he has a copy of the law there which states the lands the law now applies to?

Mr. STERLING. I did not quite catch the Senator's question. Will he state it again?

Mr. HUSTING. I asked the Senator if he would be kind enough to state to which lands the law as it stands to-day is applicable?

Mr. STERLING. The law is now applicable to the classes of land described in the act itself; to lands which are, in the opinion of the Secretary of the Interior, chiefly valuable for grazing and raising forage crops and do not contain merchantable timber and are not susceptible of irrigation from any known water supply. That describes the lands subject to entry under the provisions of this 640-acre act.

Now, as to the need of this act and what the act will do now so far as the subject under discussion by the Senate for many days is concerned and that is the matter of food supply. I wish to quote briefly from a couple of letters I have received from men living in that region who have lived there for many years and who are thoroughly acquainted with the conditions there. The first is a letter which bears no date, but which was received within the last two weeks from Mr. O. J. Jacobson, of Eagle Butte, S. Dak. He says:

We earnestly urge immediate passage of bill directing Secretary of Interior that all lands applied or open to entry under the additional homestead laws in the Cheyenne Indian Reservation be immediately designated as stock-raising land without field investigation as this land has been open for seven years, and all farming land filed on leaving only rough stock-raising land to be filed on.

What is true of the Cheyenne Indian Reservation is, I think, just as true of the Standing Rock Reservation, north of it.

If this bill is not passed immediately designating these lands as stock-raising lands, stock raising and farming operations will be seriously curtailed, as many applicants under said homestead laws are unable to safely settle, stock, and farm lands.

Of course, under the provisions of the 640-acre homestead law the settler or the applicant for the designation goes on the land at his peril if he goes in advance of any actual designation by the Secretary that it is stock-raising land.

I call attention to an extract or two from another letter received from Mr. William M. Potts, who for many years lived at Mobridge, on the edge of the Standing Rock Reservation, and who has traveled again and again throughout the length and breadth of this reservation and understands the conditions thoroughly, and who is a thoroughly reliable man. He says:

As to designation of this land as stock-raising lands: Practically all of the vacant land—in fact, all of it left on these reservations—was designated by the Secretary of the Interior as land coming within the provisions of the enlarged homestead act; that is, the 320-acre act.

That is, when the 320-acre act was made to apply to South Dakota practically all the vacant land on these reservations was designated as coming under that act.

Certainly the land that has not been entered at this time under that act can be pretty generally considered as being stock-raising land purely and suited only for grazing and the raising of forage crops, using the words of the act.

He further says:

If an inspection of each individual tract for which application is now made shall be required by the Commissioner of the General Land Office, the delay in making the designations and the delay in making entries on this land for the coming spring, which is only three months distant, will cause a great deal of inconvenience. It does seem to me that the Secretary could properly and with much inconvenience saved to the department as well as to those who wish to put stock out here in the spring, designate all of the remaining vacant lands in this State as grazing land. They certainly are that.

* * * * * * *

I believe that this law is without doubt going to result in the importation of a number of cattle by the homesteaders this coming season, as they are reasonably sure to make sufficient to be able to keep them, and it will do much to cause the development of the western portion of this State.

I can speak partly from my own personal knowledge as to conditions there, and what these men say in these letters is, I think, absolutely true. Take it on the other Indian reservations in my State, not named in the bill which I introduced—and I did not name them for the reason that I had not had any correspondence in regard to them—those reservations have been open to settlement for many years. They were opened long before the Standing Rock and the Cheyenne River Indian Reservations were opened. All the lands fit for cultivation at all were taken on those reservations either under the 160-acre homestead law or subsequently under the 320-acre law, and all that is left is the very broken, hilly, mountainous land fit only for grazing or possibly for the raising here and there in small patches or coolies of what may be termed forage crops.

It seems to me that the development of the country is hindered, that the food products which we might have are much curtailed by the failure to designate these lands as stock-raising lands, allowing them to be taken by the settlers who will move there and will raise all the stock which the land is capable of raising.

I sincerely hope that this amendment will pass. It is germane to the very subject we are discussing here, namely, that of food production, and is one of the most important provisions, it seems to me, that could be enacted in this bill.

Mr. HUSTING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hollis	Page	Smoot
Borah	Husting	Penrose	Sterling
Brady	James	Pittman	Stone
Culberson	Jones, N. Mex.	Poindexter	Sutherland
Cummins	Kenyon	Ransdell	Thomas
Curtis	Kirby	Reed	Townsend
Fall	La Follette	Robinson	Trammell
France	McCumber	Saulsbury	Wadsworth
Gallinger	McKellar	Shafroth	Walsh
Gerry	Martin	Sheppard	Williams
Gore	Myers	Simmons	Wolcott
Hale	Nelson	Smith, Ga.	
Hardwick	New	Smith, Md.	

Mr. ROBINSON. I desire to announce that the Senator from North Carolina [Mr. OVERMAN] and the Senator from California [Mr. PHELAN] are detained from the Senate on official business.

The VICE PRESIDENT. Fifty Senators have answered to the roll call. There is a quorum present. The pending amendment is the amendment of the Senator from Colorado [Mr. THOMAS].

Mr. HUSTING. I ask that the Secretary report the amendment.

Mr. THOMAS. Will the Senator from Wisconsin yield to me?

Mr. HUSTING. I will yield for a question.

Mr. THOMAS. I wish to withdraw the amendment which I offered, and to amend it by inserting after the name "New Mexico" on page 1, line 2, and also after the name "New Mexico" in line 9, the names "Colorado, Utah, and South Dakota."

The VICE PRESIDENT. The amendment proposed by the Senator from Colorado will be stated.

The SECRETARY. It is proposed on page 1, line 2, after the words "within the," to change the word "State" to "States," and after the name "New Mexico" to insert "Colorado, Utah, and South Dakota"; also in line 9, before the words "of New Mexico," to strike out "State" and insert "States," and after the name "New Mexico" to insert "Colorado, Utah, and South Dakota."

Mr. GALLINGER. Let the amendment be stated as proposed to be amended.

Mr. LA FOLLETTE. I ask that the amendment as proposed to be amended be now stated.

Mr. HUSTING. The amendment proposes to change the homestead laws now obtaining, so that in the States mentioned homesteads may be taken up in areas of 640 acres. The 640-acre grazing homestead act of last session was before the Public Lands Committee and was very carefully considered. After the insistence of Senators from the public-land States the committee finally reported the present 640-acre homestead act, which provides as follows:

SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as stock-raising lands subject to entry under this act lands the surface of which is, in his opinion, chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, are not susceptible of irrigation from any known source of water supply, and are of such character that 640 acres are reasonably required for the support of a family.

That act was passed upon the reports and arguments of Senators that in certain States of the West 160 acres are not sufficient to sustain a family; that they desired to put in the hands of the Secretary of the Interior the power to select and designate certain areas of unproductive land, or lands of such character that 160 acres were not sufficient to invite anybody to take up and to make a homestead. That law was passed; but now it is proposed under the pending amendment:

SEC. 10. That all public surveyed unreserved lands within the States of New Mexico, Colorado, Utah, and South Dakota are hereby designated, without further classification or action, as subject to the provisions of the act of December 29, 1916, known as the 640-acre homestead act.

SEC. 11. That all applications for entry under the provisions of said act heretofore or hereafter made in the States of New Mexico, Colorado, Utah, and South Dakota are hereby directed to be received by the respective land officials and approved by the proper officials of the Land Department, subject to individual contest.

Therefore, it is now proposed that all public unsurveyed unreserved lands within the States named shall be opened unreservedly, without any further classification, to 640-acre home-

steads; in other words, it is a blanket provision which increases the homestead act from 160 acres, which has been the area provided by the homestead acts from time immemorial, and increases it to 640 acres. It means, of course, that it wipes out the provisions under which the Secretary of the Interior might designate those lands; in other words, lands chiefly valuable for farming purposes may be taken up in 640-acre tracts; lands containing merchantable timber may be taken up in 640-acre tracts; any sort of land, no matter for what it is useful, may be taken up in 640-acre tracts or lots. That is overturning the policy of the Government right here on the floor by means of a rider—a policy which has obtained in this country for a very long time.

I do not recollect that any Senator proposed any such thing as that or any such drastic measure as that before the Public Lands Committee, of which I am a member; at least, it has not been proposed during the time that I have sat there as a member. It was represented there that they only wanted the 160-acre tracts extended to 640-acre grazing tracts in these particular semiarid districts, where, it was said, 160 acres were not sufficient to attract homesteaders; but now, after that act has been passed, they come here, without having the matter considered in committee at all, and propose to attach this legislation as a rider to this bill, and to ask the Senate to overturn the policy of this Government in regard to the size of its homesteads, a policy which has existed ever since there have been any homestead acts, at least as to the maximum of the homestead.

I want to protest against the passage of such an amendment. The homestead laws of this country ought not to be radically amended, or practically all of the safeguards be wiped out after a few moments' discussion, when an Agricultural bill is under consideration and when the homestead act itself is not up for consideration.

If it is time to change the policy in those States, it ought to be done in the orderly and regular way and not by a rider attached to this bill at the eleventh hour of its consideration, when it does not deal with homesteads at all, but deals with an entirely different subject.

This is properly a public-land proposition. I have never heard an argument previously made upon this floor that all restrictions should be wiped out, and that hereafter the great public-land States of the West should parcel out these lands in 640-acre tracts without regard as to whether or not they contain merchantable timber, without regard as to whether they contain any water power, or have any irrigation rights, or anything of the kind. The amendment says without further classification all public lands shall be subject to this 640-acre homestead law. It does seem to me a very poor and bad policy to dispose of whatever good lands and timbered lands there are in those States in tracts of 640 acres.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. HUSTING. Certainly.

Mr. STERLING. If the lands are of a character that the Secretary of the Interior, when he comes to designate them, would most likely designate them as coming within the 640-acre homestead law, what harm is there in now designating them as coming within that law, so that they may be entered and occupied?

I will say to the Senator from Wisconsin that I am proceeding simply on the theory that the lands are lands of such character that when the Secretary came to investigate and examine them, he himself would find that they came within the provisions of the 640-acre homestead act.

Mr. HUSTING. Mr. President, the Senator from South Dakota has stated that as his judgment in the matter. This 640-acre homestead act is only four months old. The Senator from South Dakota had much to do with the passage of the act. Why was this provision placed in the law last December, stating that the Secretary of the Interior should select these lands if the fact was, as the Senator says, that all these lands come within that designation?

Mr. STERLING. I will say, Mr. President, in answer to the Senator, that meanwhile there has been in force a 320-acre homestead law; there has that time elapsed since the passage and approval of the 640-acre homestead act in which settlers could file on land under the 320-acre homestead act. The remaining lands are lands that hardly come within the provisions of the 320-acre homestead act because none of them are what might be termed agricultural lands, fit for raising crops. They are only fit for stock raising.

Mr. THOMAS. Mr. President——

Mr. HUSTING. I should like to reply to the statement of the Senator from South Dakota.

Mr. THOMAS. I want to answer the question of the Senator from South Dakota, if the Senator from Wisconsin will permit me.

Mr. HUSTING. I will yield to the Senator from Colorado for that purpose.

Mr. THOMAS. Of course this law applies to some States which are partly arid and partly humid, as well as to States that are entirely arid; hence the necessity of a classification of those States which are partly humid and partly arid.

Mr. HUSTING. Yes; that was the reason; but under the proposed amendment that distinction is entirely wiped out and the States having semiarid and humid areas all come within the terms of the amendment.

Mr. JONES of New Mexico. I think the amendment includes but very few of the Western States; and the conditions now being pictured by the Senator from Wisconsin do not obtain in the States named in the amendment.

Mr. HUSTING. Will the Secretary please read the names of the States embraced in the amendment? I have not a copy of the amendment here.

The SECRETARY. They are the States of New Mexico, Colorado, Utah, and South Dakota.

Mr. HUSTING. Mr. President, I merely want to repeat what I said a moment ago: That this 640-acre homestead act was passed last session, and that the Senator from South Dakota [Mr. STERLING] had much to do with the preparation and passage of that act. In that act it was not thought necessary to open up all the lands to entry under the 640-acre act, but it was especially provided in section 2 of that act—

> That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as stock-raising land subject to entry under this act lands the surface of which is, in his opinion, chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, are not susceptible of irrigation from any known source of water supply, and are of such character that 640 acres are reasonably required for the support of a family.

Mr. STERLING. Mr. President, it was believed by me at the time of the passage and approval of that act that nearly all the remaining land left in South Dakota would come under its provisions. It was further believed that the act having been passed there would be an early designation of lands, so that they could all be entered under the act.

Mr. HUSTING. I do not think the Senator will seriously claim that there has been a great change in the conditions since the 640-acre homestead act was passed last December. If the limitation was necessary last December, it is necessary now. I desire to state, further, that the 640-acre homestead act was primarily a grazing act. It was to provide sufficient land for grazing purposes. It was argued then that it was advisable for the reason that 160-acre homesteads would not afford sufficient grazing land, and therefore in order to encourage grazing—not agriculture, but grazing—the area should be extended to 640 acres. It is now sought completely to change the purpose of the act, and instead of being a grazing act, it is to be an act allowing 640-acre tracts to be acquired not only for grazing but for agriculture, for power, or irrigation purposes, or for anything else.

It was claimed that the limitations placed in the act of last December, the 640-acre homestead act, would exclude the possibility of there being taken any compact tract of land that was fit for agriculture or which contained merchantable timber or which was susceptible of irrigation so as to make it agricultural land; but the original purpose of the 640-acre homestead act is now sought to be changed so as to open the door wide for the taking up of tracts of 640 acres of timberland, of the finest agricultural land, and of land that may be irrigated.

Mr. JONES of New Mexico. Mr. President, I should like to ask the Senator if he has any idea that in the four States named there are remaining any public lands of the great value he is now indicating? Does he believe that there are any valuable timber lands remaining on the public domain of those States or any irrigable lands?

Mr. HUSTING. That have not been taken?

Mr. JONES of New Mexico. Yes.

Mr. HUSTING. I hope so. I hope the Senator is not concerned about homestead laws in deserts where nothing grows. I hope that there is some use to which this land can be put.

Mr. JONES of New Mexico. If the Senator will permit an observation, I should like to say that the very people who insisted upon a classification of these lands when the measure was before Congress were those who were afraid that lands would be taken up which were not valuable enough. They were not concerned about the other lands, but there are no other such lands of any consequence in the States mentioned.

The Senator is simply speaking upon a mere theory, not with reference to a fact.

The Senator also overlooks the fact that since last December over 50,000 entries have been made upon western lands under the 640-acre act; and those people are there clamoring for an opportunity to go upon those lands and establish homes; but the lands are not classified, and, under the law, the entrymen can acquire no rights whatever under those circumstances. Does not the Senator think that an emergency exists, therefore, and that something should be done?

Mr. HUSTING. I do not think any emergency in respect to the homestead act obtains now that did not obtain last December. I should like to ask the Senator, who has been connected with the Interior Department, whether he knows of any committee of Congress having to do with public lands that ever reported out a bill of this character? I do not know of any. I do not know that the Department of the Interior has ever recommended a homestead act of this kind, or that it has ever considered an act of this kind. The Senator, as I understand, has been Assistant Secretary of the Interior, and he can probably state whether, in his experience, the Secretary of the Interior has ever made a recommendation that all lands in the public-land States named should be opened under a 640-acre homestead act, thus completely revolutionizing the public-land laws of the United States?

Mr. JONES of New Mexico. No, Mr. President; and I do not know of anybody else who has favored any such thing. The people of the four Western States named are merely asking that this provision apply to those States only. We believe, knowing the conditions in our States—and speaking for my own State, I am quite sure—that no harm will come to the Government or to anybody else if this amendment is adopted.

Mr. HUSTING. Well, that is the Senator's judgment; and it is entitled, of course, to consideration, but that does not touch the point that I have been urging. We are asked here to change the law, to revolutionize the homestead laws of the United States, and to do it in the form of a rider on a bill under circumstances where the policy and the advisability of doing so can not be discussed or be considered in committee and an opportunity afforded to secure the help and advice of the Interior Department. The Senator from New Mexico suggests that there are no public lands of value left in New Mexico. I trust that is not so.

Mr. JONES of New Mexico. I said, Mr. President, not of such a value as the Senator has in mind, and not such a value as he is attempting to attach to the lands which he is describing.

Mr. HUSTING. I am only speaking of lands in the State of New Mexico, for instance, that are exempt from the operations of the 640-acre homestead law as it obtains to-day, namely, lands valuable because of merchantable timber on them and lands susceptible of irrigation. Now, if there are no lands valuable for these purposes, why extend the law? The law, then, so far as New Mexico is concerned, is applicable and nothing need be added to the scope of the statute, because if the public lands that are in that State have no merchantable timber upon them and are not valuable for agriculture because they are not susceptible of irrigation, then the Senator gains nothing by this proposed amendment if adopted.

Mr. JONES of New Mexico. I believe that the Senator misconceives the scope of this amendment. By this amendment it is the very purpose to designate the lands as of the character described in the 640-acre law. That is precisely what is claimed, that the remaining lands are of the character referred to in the section-homestead law, and therefore should be classified by blanket classification, because of the peculiar exigency which exists at the present time.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Nevada?

Mr. HUSTING. I yield to the Senator.

Mr. PITTMAN. If the Secretary of the Interior should designate all of the remaining public lands in New Mexico as lands of the character described in the 640-acre homestead act, would the Senator be satisfied?

Mr. HUSTING. I would not be satisfied unless he truly so characterized them.

Mr. PITTMAN. The Senator does not think the Secretary would do it untruly, does he?

Mr. HUSTING. I am not assuming that. The Senator is asking me whether I would be satisfied if the Secretary designated all of these lands in that way.

Mr. PITTMAN. Under the statute it is left to the discretion of the Secretary of the Interior. Now, if in the use of that discretion, he should declare that all of the remaining public lands in New Mexico came within that description, the Senator would have no grounds upon which to base a contest?

Mr. HUSTING. I am not speaking now of a legal proposition. I say that if the Secretary of the Interior should designate all the lands lying in New Mexico as not coming within these exceptions, and did it wrongfully and corruptly, he would be subject to impeachment.

Mr. PITTMAN. Yes.

Mr. HUSTING. I take it for granted, and I presume the Senator has taken it for granted, that under the present statute, although the discretion of the Secretary is broad, his functions are confined to the ascertaining certain specific facts, and those facts are named in the act, namely, that the lands designated for homestead entry in 640-acre tracts must be those that are "chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, are not susceptible of irrigation from any known source of water supply, and are of such character that 640 acres are reasonably required for the support of a family." If he finds those facts, and if facts they are, it is entirely satisfactory; but if he does not, then the Senators from the State of New Mexico or other western States have nothing to complain of if all their lands come within that description, because they will be so designated.

Mr. PITTMAN. This is what I am endeavoring to get at. The Senator voted to vest in the Secretary of the Interior the right to determine that fact; we delegated that authority to him. Now, have not the two Senators from New Mexico just as great ability for determining that question as has the Secretary of the Interior, and do they not possess just as deep sincerity?

Mr. HUSTING. They are not called upon to determine that question. The determination of that question is not within their province.

Mr. PITTMAN. They by this amendment say that all the lands in that State are of the character described in the statute.

Mr. HUSTING. Well, the Senators from the State, distinguished and able as they are, are not intrusted with the functions of the Department of the Interior, and it is no reflection upon the Senators from those States to say that we object to a policy which revolutionizes the homestead laws, and which wipes out whatever safeguards there were surrounding the 640-acre homestead law.

I will state to the Senator from Nevada that I refrained from objecting to the 640-acre homestead bill with a great deal of misgivings at the time it was under consideration, and I only did so because Senators serving on the Committee on Public Lands from public-land States said over and over again that they wanted these lands opened up for stock raising. They made no statement at that time—and that was only four months ago—that there were no public lands left in their States with merchantable timber on them, or which were susceptible of irrigation, or which were of such a character that 640 acres were not reasonably required for the support of a family. In the prospectuses that have been sent out from some of these States I have never seen anything to the effect that all the valuable lands in those States were taken up; that no lands were left in those States that were fit for agriculture, that were susceptible of irrigation, or that contained any timber. I have never heard that statement made before by anybody.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. HUSTING. I do.

Mr. STERLING. Does the Senator from Wisconsin think that there is now any appreciable quantity of merchantable timber left on any of the lands of the States named in the amendment that are not included within a forest reserve?

Mr. HUSTING. I do not want to pass upon the question of fact raised by the Senator. I do not want to pass upon that question of fact in opposition to the statements some Senators have made; but if that is true, and assuming it to be true, why is there need of any extension?

Mr. FALL. Mr. President, will the Senator yield to me for a moment?

Mr. HUSTING. Yes, sir.

Mr. FALL. We are not seeking to change the law at all; we are simply seeking to put the law into effect. I have read into the RECORD a document showing that it is impossible for the law to be placed in effect, not that it is impossible to designate the lands sooner or later, but simply that we can not get the benefit of the law.

Mr. HUSTING. I will say to the Senator that he can get the benefit of the law by attaching a small appropriation giv-

ing the Department of the Interior the money with which to do the work of designating.

Mr. FALL. I will answer the Senator. He can not get rid of the argument simply by throwing it off and saying, "If you do this or do that, or do the other thing." I presumed the Senator was making an argument based on an understanding of the proposition.

Mr. HUSTING. I am not trying to throw anything off. I am trying to meet the argument of the Senator from New Mexico. I say that if it is only a question of the inability of the Department of the Interior for want of money to designate these lands, a simple appropriaion put in this bill will enable the Secretary of the Interior to accomplish that task. On the other hand, if there are no lands to be designated other than lands incapable of irrigation and containing no timber, then this provision is not needed, because then everything can be so designated by the Secretary of the Interior. From the glowing accounts I have heard of the great West and the portions of the States of that region I myself have seen, I believe that there are many millions of acres of land in the West capable of irrigation and many other millions of acres on which there is some standing timber. I hope so, because I understand it is the ambition of Senators from these States to attract settlers and homesteaders there; but upon the statement made that there are no lands fit for agriculture, no lands left in all this great domain that can be put to the plow, seeded down, and made arable, no lands that can be irrigated, and no timber lands, I am afraid that the multitude of settlers looking for homes will not flock to those States. I prefer still to stick to my hope that these States contain many, many acres of land that will at some time bloom and be fruitful with the crops that we now grow in States farther east.

I just want to say, in conclusion, that if this is a meritorious measure, if the time has come when the homestead law should be changed in the West further than it was changed when the 640-acre homestead law was enacted, let it be considered as that law was considered, through a committee; let the matter go before a committee; let it be considered; let the bill be reported out; but do not go and overturn a policy which has obtained since men began to come here and seek homes and take up homesteads by a rider on a bill, with only a few hours' debate. I do not think long-standing policies of that kind ought to be thrown lightly aside in the manner that is being attempted.

If anyone is trying to throw aside things I want to shift that responsibility from my shoulders and say that the ones who are trying to throw aside things are the Senators who are attempting to overturn the laws and quadruple in size the areas of land which were obtainable under the old homestead act. I do not think it ought to be done. I do not think it is wise under any circumstances such as these, and if it is to be done at all it ought to be done so that the Congress of the United States knows what it is doing, and does not vote for a policy which may result disastrously because it is tacked on to a bill which has merit.

Mr. FALL and Mr. SHEPPARD addressed the Chair.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. SHEPPARD. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Texas?

Mr. SHEPPARD. The Senator has yielded the floor.

The VICE PRESIDENT. The Chair recognized the Senator from New Mexico.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Nevada?

Mr. FALL. I yield.

Mr. PITTMAN. I should like to ask the Senator a question for information.

Mr. FALL. I shall be glad to answer it, if I can.

Mr. PITTMAN. Section 10 of this bill makes provision for the reservation of certain lands from the scope of the act. It provides for the reservation.

Mr. FALL. That is, the unsurveyed and the reserved lands.

Mr. PITTMAN. I mean by that it also states that the Secretary of the Interior shall not designate water holes and springs, and he shall not designate land that is necessary for right-of-way purposes, for the travel of herds back and forth.

Mr. FALL. Those are reserved lands.

Mr. PITTMAN. They are not reserved until he designates them as——

Mr. FALL. As reserved.

Mr. PITTMAN. Well, it says that he may designate those lands.

Mr. FALL. Of course, if he does not, then they are subject to any homestead act. They are subject to-day to the 160-acre homestead act or to the 320-acre homestead act.

Mr. PITTMAN. Well, let me see, and see whether or not this language does reserve it:

That all public surveyed unreserved lands within the States of—

So and so—

are hereby designated, without further classification or action, as subject to the provisions of the act of December 29, 1916, known as the 640-acre homestead act.

That means all of the unreserved public lands of those States. Now, in that area there are certain springs and water holes, and certain land that is essential for right-of-way purposes in grazing stock.

Mr. FALL. Yes.

Mr. PITTMAN. Section 10 of the act reads as follows——

Mr. FALL. It reserves those.

Mr. PITTMAN (reading)—

That lands containing water holes or other bodies of water needed or used by the public for watering purposes shall not be designated under this act, but may be reserved under the provisions of the act of June 25, 1910; and such lands heretofore or hereafter reserved shall, while so reserved, be kept and held open to the public use for such purposes, under such general rules—

And so forth.

Mr. FALL. I understand, I think; and if the Senator will just allow me I can show him the situation in a second.

The first section of the pending amendment preserves the act in its entirety, except that in so far as the homesteads are concerned they are designated, and not left to be hereafter designated. The section to which the Senator refers, which says that such water holes shall not be subject to location under the 640-acre act, is preserved in the third section of this amendment. It is provided that the Secretary can reserve certain rights of way for stock driving. He can still do that; but those water holes, the Senator will understand, were not reserved from entry under the 160-acre or 320-acre or the 640-acre or any other homestead act; nor were these driveways reserved under any such act. They are still open, in so far as this act is concerned. They are exactly in the condition that they were left in the act of December 29, 1916.

Mr. PITTMAN. I am satisfied that that is the intention of the Senator.

Mr. FALL. Well, they are. I am confident of that.

Mr. PITTMAN. But, as I take it, under section 10 there is something to be done in the future by the Secretary of the Interior.

Mr. FALL. But, Mr. President——

Mr. PITTMAN. Wait a minute. Before he gets an opportunity to perform that act, by section 10 of the amendment you withdraw that power by stating that all of this land is subject to entry.

Mr. FALL. Under the terms of this act which the Senator is referring to, Mr. President, if it were attempted to put any further reservations or classifications in this amendment, I will be very frank to say that I would not insist upon the amendment at all. It is for the purpose of getting away from classifications that the amendment is offered. The amendment itself leaves the lands, the driveway, and the water holes under the terms of the act of December 29, 1916, but simply designates the homesteads, so that no further designation is necessary.

Mr. PITTMAN. If section 10 of the old act did not expressly use the word "designate," and did not impose upon the Secretary of the Interior the duty of designating the land that is exempt from the operation of the act, I would agree with the Senator from New Mexico.

Mr. FALL. Mr. President, I can say to the Senator that there is not an unoccupied water hole from the north to the south or from the east to the west or from the northeast corner to the southwest corner, transversely, obliquely, or in any other direction, in the State of New Mexico; and this amendment was drawn with reference to the State of New Mexico. However, the Secretary of the Interior has been proceeding to have filed in his office maps of all the driveways and runways in the State of New Mexico under the provisions of this act. Now, section 10 of the act does not designate lands which are not subject to designation or which are subject to withdrawal under the original act. There is no intention under heaven to secure a water hole or to stop a driveway. If I wanted to secure a water hole, I would go and locate a 160-acre homestead on it, or a 320-acre homestead, and there is no provision of law by which I could be prohibited from doing it in New Mexico. If I wanted to stop a roadway by locating a piece of land across the 1 or 2 mile limit, I would go and locate a 320-acre or 160-acre homestead, and that would not be prohibited.

Mr. PITTMAN. Oh, there is no doubt but that there are all kinds of ways of getting water holes and springs; but while there may not be any water holes and springs left open in the

State of New Mexico, there are to-day springs and water holes that are left open in our State. They are used in common by agreement.

Mr. FALL. I was simply stating as a fact one side of the proposition as to New Mexico and stating my intentions and my conclusions of law as to the condition in which the homestead act of December 29, 1916, would be if this amendment were adopted exactly as it reads. I have none of the fears which disturb the Senator as to the stopping-up of the roadway or the acquisition of water holes, because, as I say, that can be done anyhow if anybody wants to do it. Unfortunately, probably, for the State of the Senator, the act of December 29, 1916, does not suspend the 160-acre or 320-acre homestead act as to water holes in Nevada.

Mr. President, the Senator from Wisconsin [Mr. HUSTING] is apparently sincere in his belief that whenever one of us from the Western States mentions public lands, we are making a raid upon the heritage of the people of Wisconsin. I understand that some people who have had their pie and eaten it are inclined to think that those of us who are struggling with the development of the West are incompetents, or else we are worse than grafters. Of course we do not agree on that proposition to start with, and therefore we differ fundamentally when we attempt to consider any proposition affecting our lands.

Mr. President, the object of the 640-acre homestead act was to allow a man to have a homestead upon which he could make a living, and that is what the act says. The provision that it should be chiefly valuable for grazing and raising forage crops was simply a description. The intention was that if 640 acres of land were required for a man to make a living for his family, and there was that much public domain, that man, a citizen of the United States, had a right to take the 640 acres which was reasonably required for the support of a family.

That was the whole object of the law. Unfortunately, sir, my voice was not listened to in the Public Lands Committee. Had it been, there would have been designated in the State of New Mexico not less than eight sections for any homesteader engaged in the stock business. I have undertaken on more than one occasion to read into the RECORD here the official records from the Agricultural Department and the Department of the Interior with reference to conditions in New Mexico. I am familiar with them. The Senator from Wisconsin, of course, is not. I am somewhat familiar with land legislation. Of course he, so far, is not. He apparently has not paid much attention to it. I am familiar with public lands and the conditions existing in the greater portion of the West. Of course, he has evidenced that he is not.

Mr. President, I have undertaken to show by the records which I have introduced here just exactly the conditions with reference to the rainfall in New Mexico. I have explained them not from my own judgment, made up from living in New Mexico for several years and having had it rain on me very little, but from the official records of the Weather Bureau, from the old Army posts back 50 and 60 years, where the Weather Bureau has preserved its records up to the present day, and in recent years it has established measuring stations all over the entire State. I have collated here, from those official records, the annual rainfall of New Mexico. The Senator from Wisconsin knows nothing about it, and can not know anything about it so long as he pursues his present course.

We have had in the entire northwestern portion of the State of New Mexico an average of 5.76 inches of rainfall for 40 years back. The Senator from Wisconsin would starve to death; he would not know how to turn around; he would not know how to get his breath; he could not last to make a speech such as he has made here under those conditions in New Mexico.

Mr. KENYON. Mr. President, where is that?

Mr. FALL. That is in San Juan County—one of the finest, one of the most productive, counties in the State, and one of the greatest fruit regions on the face of the earth—San Juan County, N. Mex., where the average rainfall is 5.76 or 5.71 inches. In Arizona and all along the southern line of Arizona and New Mexico the annual rainfall is never more than 9 inches. Not once in 30 years has it been more than 9 inches. At El Paso, Tex., it is approximately 9 inches, while the evaporation there is 54 or 55 inches. The Senator from Wisconsin could not imagine anything to equal it. His imagination is not sufficiently vivid for him to grasp the propositions involved in a discussion of the public-land question of the great arid West. The Senator, as I said, knows nothing about the public-land legislation; and my reason for saying that is that he is appalled at the idea of overturning the policy of the Government in granting a man 640 acres. I might refer the Senator to the desert-land act of 1889-90-91. We had the 640 acres; and I want to read from that to show the learning of the Senator, as well as to inform the other Senators.

In New Mexico in the attempt of these people to get homes under the desert-land act allowing them 640 acres, from March 3, 1877, to June 30, 1915—within the last two or three years under the 320-acre provision rather than under the 640-acre provision—they have applied for 11,047 entries. The natural conditions to which I have just called attention are such that it has been impossible, from 1877 down to the present time, for the people in my State to acquire title to more than 1,426 out of 11,047 desert-land entries. The land laws have never been fitted to New Mexico. The trouble about New Mexico has been that it has been legislated for by just such gentlemen as the Senator from Wisconsin, who knew nothing about it. It has been a ward of the Government. It has not been a State in the Union until the last five years. It has been a football for the Department of the Interior and for every experiment which every $60 clerk desired to inaugurate and initiate and for the abuse and vituperation of Senators who are desirous of showing that they are the guardians of the people's wealth. New Mexico has not been a State; it has not had a voice here; it has not been able to insist upon its rights. Never has there been a land law passed which has been fitted for New Mexico. Had it not been for the fact that the old Spaniards, coming into New Mexico 340 years ago, had some common sense, we would not have been able to acquire homes for the 450,000 people of New Mexico at all. I will state for the Senator—and he can search the records for himself and verify the information if he has any desire to ascertain really the facts with reference to New Mexico—that with 75,000,000 acres of land within her confines, under all the laws that have been passed by the United States Government in its beneficence, the people of New Mexico have never yet been able to acquire title to more than 3,800,000 acres out of 75,000,000; and they are living now, sir, upon lands granted by the King of Spain, who understood something of the conditions of those who took the standards of civilization into New Mexico. The legislation of the United States has simply been tending always toward restricting further development, because those lands were taken from Spain, or from Mexico, its successor, and placed in the careful guardianship of such Senators as the Senator from Wisconsin.

Mr. President, the people of New Mexico who are asking for this legislation are whom? I undertook to put the records in here. I had no intention of making a speech. I assiduously avoided taking up any of the time except to put in the RECORD the official records to which I called the attention of intelligent Senators.

Mr. President, 3,000 homesteaders have gone with one horse and one wagon, or at times two horses, from the State of Texas, the State of Oklahoma, the State of Kansas, and other adjoining States since the passage of this act into the State of New Mexico, seeking homes for themselves and their families. Each of those applicants has placed in the Treasury of the United States $40 before he was allowed to file an application for those 640 acres. Estimating the number at only 3,000—and those were the last official figures that I had over two months ago—$120,000 has been taken from these poor people whom the Senator from Wisconsin is always so desirous of representing upon this floor. Some of these people hardly have money now to buy bacon to fry at their camp fires; and I can tell him that they are living in the open air, with their families camping under their wagons, and their teams subsisting on the short forage, with hardly money enough to live, waiting there and begging me to assist them in some way so that they may secure the benefit of the act which the Congress of the United States passed for them and their kind. They are the people who have made this great country. They are the people who made it possible for the Senator to come to the Senate from the State of Wisconsin—the same class of people—the pioneers, the people who built up the West, the people who made the State, that the Senator and his progenitors might take advantage of their work and of their energy and of their industry and of their hardship, and, by such appeals as he is making here to-day, secure a seat in the United States Senate.

My heart always goes out to the old pioneer, and it is with him in New Mexico now. It is his last stand. He has gone there to help us make homes. Some of us have been there attempting it now for 30 years. Every time we attempt to do a thing really to make two blades of grass grow where one grew before, or to make a home on the desert where a man can gather some measure of living for himself and his children, we are confronted with such speeches as we have just listened to here.

Mr. President, these are the people for whom I appeal. I am a cattleman in New Mexico as well as a farmer, and I own my land. I am not seeking a 640-acre homestead. If the Senate will pardon me a moment, I will say to you that this act, if passed, will cost me $10,000, because I am now using a part of the public range, and it is to my advantage personally to see that this act does not take effect and that no classification is made. I am sure that the Senators who know me at least will acquit me of any desire to pose personally, and will pardon me for being guilty of the lack of taste of projecting my personality into this argument; but it is done, sir, in refutation of the statements made and the constant charges emanating from such sources as that to which we have just listened.

Mr. GORE and Mr. HUSTING addressed the Chair.

The VICE PRESIDENT. The Senator from Oklahoma.

Mr. GORE. Mr. President, I ask unanimous consent that hereafter speeches shall be limited to 10 minutes on the pending bill and any amendment thereto, and that Senators shall be allowed to speak only once on the bill or on any one amendment.

Mr. HUSTING. I object to that at this time.

Mr. SHAFROTH. Mr. President——

Mr. KENYON. Mr. President, a parliamentary inquiry. Is there now a rule that no Senator shall speak more than twice on the same subject?

The VICE PRESIDENT. The Chair was about to look that up when the Senator from Oklahoma made the request. The rule passes from the mind of the Chair between times. It is never enforced except when the Senate gets ready to enforce it.

Mr. HUSTING. I will say to the Senator that I will occupy only about 10 or 15 minutes.

The VICE PRESIDENT. If the Senator from Wisconsin will pardon the Chair for just a moment, we will know what these rules are.

Mr. GORE. I think it is Rule XIX.

The VICE PRESIDENT. The five-minute rule is the rule that has to do with the consideration of the calendar, after the expiration of the morning hour, and before——

Mr. KENYON. Well, Mr. President, most of the calendar is put on this bill now.

The VICE PRESIDENT (continuing). Before the unfinished business is laid before the Senate. There is another rule that no Senator shall speak more than twice upon any one question in debate on the same day without leave of the Senate, which shall be determined without debate. It is a rule that the Senate enforces when it wants to, and refuses to enforce when it does not care anything about it.

Mr. HUSTING. Mr. President——

The VICE PRESIDENT. The Senator from Wisconsin.

Mr. HUSTING. The Senator from New Mexico stated that he did not intend to make a speech when he rose. I want to assure him that he has not. He has merely made a tirade, not a speech nor an argument.

The VICE PRESIDENT. The Chair will have to call the Senator from Wisconsin to order. He must not impute improper motives to a Senator.

Mr. HUSTING. Well, Mr. President, I felt that in stating the proposition as mildly as I have I did not anywhere near approach the abuse in which the Senator from New Mexico himself indulged with the acquiescence of the Chair.

The VICE PRESIDENT. No; the Chair has paid particular attention. The Senator from New Mexico spoke with reference to the speech of the Senator from Wisconsin and not with reference to the Senator himself.

Mr. HUSTING. Oh, I beg the Chair's pardon. The RECORD will show that the Senator from New Mexico did direct personal remarks against the Senator from Wisconsin.

The VICE PRESIDENT. The Chair did not catch it if there was.

Mr. HUSTING. The RECORD will show that. I just want to add, also, that the remarks of the Senator would have been more fitting to have been delivered to his constituents in New Mexico and to the legislature of his own State rather than to the Senate of the United States. The Senator from New Mexico is not the Senate of the United States. He is but one ninety-sixth part of the Senate, and has but 1 vote out of the 96. The force of the argument, if it can be dignified with the term "argument," used by the Senator was really to the effect that other Senators not living in New Mexico were incapable of casting an intelligent vote on this matter affecting the public lands of the United States unless perchance they were familiar with the boundary lines of New Mexico and possessed all the local geographical knowledge possessed by the Senator from New Mexico.

Mr. President, abuse is not argument. I know the Senate of the United States is recognized as the greatest deliberative body in the world. No one has brought that to the attention of the Senate more often than the Senator from New Mexico. Yet what would its deliberation amount to if Senators rise in their places and, instead of addressing themselves to the merits of the proposition, indulge in giving voice to their judgment and opinions of their fellow Senators instead of their judgment and knowledge of facts in a matter that is being discussed? I have not any doubt when we come to look over the history of legislation in the United States and see where the great domain has gone under the laws of the United States framed by the Congress of the United States it is not difficult to understand that the same kind of arguments, abusive arguments, were made in support of the squandering of the public domain that are always made when anyone dares to rise in his place and defend what he conceives at least to be the interest of the United States.

Why this excited resentment whenever any attempt is being made in a very, very mild degree to safeguard the public rights in the public domain? Why is it that representatives from States often seem to resent any law not drafted by themselves and sanctioned by themselves which in any way affects the public domain in their States and redounds to the benefit of the whole country? Why this snarling attitude, like the taking away of a bone from old Rover? I do not know, unless it is because Senators feel, and the Senator from New Mexico feels—and I will confine my remarks to him—that he alone is qualified and competent to draft a law regarding the public domain of the United States, and that he alone should be consulted as to whether a land policy is a good or bad thing for the United States; that no voice should be raised except his voice, and that no attempt should be made by the Senate or any member of the Public Lands Committee that does not coincide and harmonize with his idea of the conservation of the public lands.

I have heard these arguments before. These speeches or tirades are made only when there is a paucity of real argument. No one having a meritorious case needs to resort to the language of abuse. Only those whose argument is not based upon sound reason and sound judgment, in a frantic endeavor to win their point, resort to the only thing that is left, and that is abusing the opposition. It is an attorney's trick. I do not know but that the Senator as an attorney in New Mexico was accustomed to the rather profane but long ago outworn advice of the old pettifogger to the young lawyer when he said, "If the law is against you, give the jury hell on the facts; if the facts are against you, give the jury hell on the law; if both the law and the facts are against you, give the opposing lawyer hell!"

I wish again to restate why I am opposed to this proposed homestead law, and why it is not necessary to know the local geography of the country from which the Senator from New Mexico comes in order to pass intelligently upon the merits of this bill. We have had a homestead law and a definite homestead policy in this country since a time as long as men can remember. Homestead laws were enacted for a purpose. They were enacted for the purpose of preventing the land from getting into the hands of land speculators and mining speculators and all other speculators. The public domain was to be reserved for settlers because those who legislated on this subject well knew that unless the lands were properly conserved the land-grabbers would come in and instead of having a Nation of freeholders we would have a Nation of tenants, that we would have a Nation of slaves, landlord owned. That is why the homestead act was passed which has been upon the statute books I do not know how long.

Yet, notwithstanding all the safeguards put around it, even in those times the land did get into the hands of such speculators. The public domain was wasted and empires of land were given away to railroad builders for mining and timber purposes and it got into the hands of speculators.

But now it is proposed that even those small safeguards are simply to be thrown away and that the land should be absolutely turned over to whoever desires to acquire a homestead in lots of 640 acres. The extension was made last December. It was made upon the plea by Senators from various States that 160 acres were not enough for grazing land, and they persuaded the committee to stand by them on that presentation and argument.

Now, what is wanted? They come in now and ask the absolute wiping out of the restrictions surrounding the act of last December and desire to have land homesteaded in lots of 640 acres, irrespective of the nature of the land.

It is not necessary to argue with the Senator from New Mexico along the lines that have been argued for the last 75 years or more, to show why a homestead act is good for the

country. Long before the Senator from New Mexico came upon the scene here, or, for that matter, came upon the scene anywhere, the policy of the homestead law was adopted. Those lands were all there at that time, and that policy is at least entitled to sufficient respect so that before anyone is successful in changing it the burden of proof is on him to show why it should be changed. The policy of a century's standing ought not to be wiped out by a rider to a bill, without argument, without any showing made as to its necessity by the mere fiat and statement of a Senator himself. The statement made by the Senator, I think, simply is, in effect, that he wants this done and it should be done.

The burden of the proof is on the Senator desiring this change. The homestead laws were enacted for a good and sufficient reason, and before they are overturned any Senator desiring to overturn them should present arguments showing why they should be overturned and why should we turn our back on a policy that we have followed and maintained for so many years.

Abuse does not dispel that proposition. Talk will not do it. What are the reasons why some people are so insistent in wiping out all the safeguards that were put around the 640-acre law so that now all lands shall be put into the same category?

I wish to remark that the Senator from Nevada [Mr. PITTMAN] propounded a question to the Senator from New Mexico in regard to its effect upon the water holes, and the Senator from New Mexico made the statement that it did not in anywise affect the status of the water holes. Let us see. Section 10 of the act approved December 20, 1916, provides:

That lands containing water holes or other bodies of water needed or used by the public for watering purposes shall not be designated under this act, but may be reserved under the provisions of the act of June 25, 1910, and such lands heretofore or hereafter reserved shall, while so reserved, be kept and held open to the public use for such purposes under such general rules and regulations as the Secretary of the Interior may prescribe.

What is the legal effects of the pending amendment? The legal effect of this amendment is that until the Secretary of the Interior does reserve these water holes they may be brought into the 640-acre homesteads. It can not be done under the present law because it says the Secretary shall not even designate water holes to come within the 640-acre homestead law. So they wipe out the act itself and instead of prohibiting the taking of these water holes under the 640-acre homestead act they permit them to be taken, again showing that the purpose of this act is entirely overthrown.

I merely wish to say in conclusion that this bill proposes to change the homestead laws, and in my judgment it should be defeated as being contrary to long-established policy, clearly intended not in the interest of agriculture but, on the contrary, clearly shown to be in the interest of speculators and not of homesteaders. No man can work a 640-acre homestead himself. This is clearly intended to help the speculators, to help out men who are familiar with the lands down in New Mexico or some other State so that they can secure the land in tracts of 640 acres whenever they want to do so. It is absolutely subversive of the best interests of the country; it is absolutely subversive of the settlement of the country. If New Mexico is to be settled, it has to be done by more than one family on a section. If it is going to be settled as the Northern States, it will at some future time be divided into much smaller areas of ground than 640 acres.

So I dare to place my judgment against the judgment of the Senator from New Mexico. In doing so I have no apologies to make to the Senator. When the time ever comes, and I hope it will not, when he can cast my vote and direct my course it will mark the time when my usefulness in this body is ended. I do not propose to stand here and be lectured by any Senator as to my duty in the premises. I do not intend to have my judgment even impeached and attacked by any Senator except along the lines of legitimate argument. I never intend to impeach the judgment of another Senator except along the lines of legitimate argument. I assume that every Senator in this body was sent here to vote as a representative of his State and as a representative of the United States. As it was well said by one of the Senators some time ago, to paraphrase the statement, "I am not only a Senator from Wisconsin; I am a Senator of the United States," and I propose as long as I am in this body not to express somebody else's opinion or somebody else's judgment but to express my own and to vote according to my convictions. I want to tell the Senator from New Mexico that it is not within his province to call to account the Senator from Wisconsin, because he is not accountable to the Senator from New Mexico; he is accountable to his constituents in the State that sent him here. Let the Senator try to fulfill the duties of his office as a Senator from New Mexico. He will find plenty of opportunity to tax his powers to the limit without attempting to teach other Senators how to perform their duties in the premises.

Mr. MYERS obtained the floor.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. MYERS. I yield for a question.

Mr. GORE. I will state to the Senator that I wish to renew my request for unanimous consent.

Mr. MYERS. I am quite willing to have the request renewed now.

Mr. GORE. I renew the request which I preferred a few minutes ago.

The VICE PRESIDENT. Is there any objection to further discussion on this bill and amendments under the five-minute rule?

Mr. SHAFROTH. Under the 10-minute rule. I wish to be heard for 10 minutes, but I do not care to be heard any longer than that.

The VICE PRESIDENT. Is there any objection to proceeding under the 10-minute rule in the discussion of the amendments and the bill itself? The Chair hears none.

Mr. GORE. And no Senator to speak for more than once.

The unanimous-consent agreement was reduced to writing, as follows:

It is agreed by unanimous consent that in the further consideration of the bill (H. R. 4188) to provide further for the national security and defense, to conserve foods, feeds, and fuels, and to prevent monopolies, conspiracies, and other evil practices respecting the same, and for other purposes, no Senator shall speak more than once nor longer than 10 minutes upon the bill or any amendment offered thereto.

Mr. MYERS. Mr. President, both the Senators from New Mexico being present in the Chamber and hearing this discussion and having stated that they desired this amendment to apply to their State, and both the Senators from Colorado being present and having stated that they desired that this amendment should apply to their State, I have no objection to the amendment in so far as it applies to New Mexico and Colorado. I would be very willing to vote for it to that extent, because I am always willing to trust to the knowledge and judgment and good faith of the Senators from any State in matters of policy as to what laws should apply to their States if they do not contravene the welfare of the general public of the entire country.

However, I have very serious doubt if South Dakota should be included in the amendment, because, with all due respect to the Senator from South Dakota [Mr. STERLING], his colleague is not here, and it seems to me that this amendment, which does overturn the policy of the Government in regard to public lands to some extent, ought not to be extended to any State unless both the Senators from that State are present and will——

Mr. STERLING. Mr. President——

Mr. MYERS. In a minute—and will go on record as saying that they favor it for their States. If the Senator from South Dakota can assure me that he knows his colleague, who is absent, favors the application of this amendment to South Dakota, I would have no objection to its being applied to South Dakota. I yield to the Senator.

Mr. STERLING. I am glad the Senator from Montana is willing to concede that it is a case of fifty-fifty, anyhow, and that he will, so far as the Senator from South Dakota who is present goes, put him in the same category with the Senators from Colorado. As to my colleague, I can only state that my very strong belief and impression is that he would have the same view in regard to this matter that I have myself. I do not pretend to speak for him. It is simply my belief that his views would be in accord with my own.

Mr. MYERS. I think very likely he would, because I have all faith in the statement of facts which the Senator from South Dakota [Mr. STERLING] has made as to conditions in his State; I accept his word, and I believe that if his colleague were here he would quite likely agree with me. The Senator's statement that he believes that his colleague would quite likely do so goes quite a way to be convincing with me.

Mr. STERLING. I will say that I think the Senator from Montana agreed for the most part with the view of the Senator from South Dakota when the 640-acre act was under discussion before the Public Lands Committee.

Mr. MYERS. I did agree almost entirely with the views of the Senator from South Dakota, but I do not agree with the provisions of this amendment, except where the two Senators from a State assure the Senate that it is applicable to the conditions in that State, and that they desire it. In such case I am wholly willing to give them what they want.

Mr. STERLING. Mr. President, if the Senator from Montana will permit me, I should like simply to say that I believe, if

this amendment should go over until the convening again of the Senate, an amendment acceptable to the Senator could be prepared and presented.

Mr. FALL. I hope there will not be any attempt to delay action upon this matter. The Senator can reach the point which is desired by the Senator from Montana in another way. This matter will have to go to conference, and it is very easy to strike out some part of it in the event that we do not agree upon it. If the Senator will pardon me just one moment——

Mr. MYERS. I will say to the Senator that I am only allowed to speak for 10 minutes, and I am not going to take very long.

Mr. FALL. I desire to make only one or two observations.

Mr. MYERS. I will say to the Senator, go ahead, if he will only take one or two minutes.

Mr. FALL. The Senator from Montana is the chairman of the Committee on Public Lands——

Mr. MYERS. I have that honor.

Mr. FALL. And he knows, of course, what the general policy has been in New Mexico. We had a large donation in 1898, to aid us upon our coming in as a State, of the public lands of that State. Those were located by our land commission, which had been appointed under the act, and was then subject to the approval of the Secretary of the Interior, upon his designation. Five million acres, one-half of our entire donated lands, have never been designated up to date, although so many years have elapsed. It has been impossible to do so. It has not been the fault of the department. It has been simply because they have not the men; they have not the force to do the work. They should be given $2,500,000. It will take years and years to designate these lands.

Mr. MYERS. Mr. President, it is partially because I have the honor to be the chairman of the Senate Committee on Public Lands that I have felt impelled to say a few words. I shall not delay the Senate nor the bill very long, so far as my utterances are concerned. I merely want to express my opinion as to the various States which this amendment territorially covers.

I have no objection whatever, and I can see no objection to the provision being applied to New Mexico and Colorado, because both the Senators from each of those States are here and say they want it. I am perfectly willing to abide by their judgment. A doubt has occurred to me in the case of South Dakota, as to whether we ought to assume the responsibility of voting South Dakota into the amendment, because one of the Senators from that State is not here, although what the other Senator from South Dakota [Mr. STERLING] has said, as I believe about his colleague, is very persuasive to me. I have heard neither Senator from Utah go on record as to his views in any way whatever about the amendment. The junior Senator from Utah [Mr. KING] is not in the city, but is absent on official business. I have, therefore, very grave doubt of the justification of the Senate including a State in this amendment where at least one of the Senators from that State does not rise and go on record, saying that it is applicable to his State, that he desires it, and that he believes that his colleague, if present, would coincide with his opinion.

I say, stripped down to New Mexico and Colorado alone, there is no objection to their inclusion with me, but I am perfectly willing to abide by the decision of the Senators from those States.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. WALSH. Mr. President, I inquire of the Senator from Iowa if he wishes to continue the session?

Mr. KENYON. We thought it might be possible to vote on this amendment to-night.

Mr. WALSH. To vote on the amendment?

Mr. KENYON. We should like to do so.

Mr. WALSH. In that case I desire to address myself for a few moments to the pending amendment, and I only regret that at this late hour there is not a greater attendance to listen to a discussion of this rather important feature of the bill.

It is rather an ungracious thing in a Senator from one of the public-land States to be objecting to a measure of this character, which by its terms applies only to another State and not to his own. I am not, however, impressed with the wisdom of this amendment; I am unable to lend my support to it; and I am unable to lend my support to it by reason of the official facts and figures touching the disposition of the land of the States that are made subject to the amendment. As the amendment now stands, as I understand, it includes the States of New Mexico, Colorado, South Dakota, and Utah.

While I recognize the very thorough acquaintance with the conditions of those States of the Senators who represent them on this floor, the fact appears to be that there is only one State in the Union—the State of Montana—in which the number of homestead entries made exceed those that have been made in the last three or four years in the States of Colorado and New Mexico. I want the Senate to have the information.

Bear in mind, Mr. President, this is under the 320-acre homestead act. For the year ending June 30, 1916, there were made in the State of New Mexico 7,068 original homestead entries; that is to say, that during the year 1916, 7,068 people found tracts within the State of New Mexico which they felt they were justified in taking under the 320-acre homestead act. That represented an aggregate acreage of 1,660,524.37. Upward of a million and a half acres were taken in the State of New Mexico in the year 1916 under the regular homestead act.

The number of final entries—that is to say, cases in which the proof was made complete—was 3,071, the total acreage being 581,928; that is to say, that over a half million acres in the State of New Mexico passed out of the Government and into the hands of homesteaders during that year. That is a pretty good record, Mr. President—1,660,524 acres entered and over half a million upon which final proof was made. Evidently the lands in the State of New Mexico are taken up with some considerable degree of rapidity under existing laws.

Now, I want to submit a few more figures. In the year 1910 1,924,145.46 acres were entered in the State of New Mexico; in 1911, 1,377,000; in 1912, 1,050,000; in 1913, 2,324,000; in 1914, 1,870,000; in 1915, 3,266,000; and in 1916, 2,831,000. The public lands in that State are going pretty rapidly. Why, Mr. President, the total number of acres of unreserved land in that State is only 26,338,379, including both surveyed and unsurveyed land; the surveyed lands being 18,437,388 acres and only 7,900,991 acres being unsurveyed.

Of course there are immense reservations in that State, but they do not fall under the operation of the 640-acre homestead act at all.

Colorado was in practically the same situation. There is no trouble with Colorado at all, so far as public land entries are concerned. In the same year 1916——

Mr. SHAFROTH. Mr. President, will the Senator tell me the page from which he is reading? I presume that he is quoting from the report of the Secretary of the Interior.

Mr. WALSH. I am quoting from page 252 of the last report of the Secretary of the Interior.

Mr. SHAFROTH. I thank the Senator.

Mr. WALSH. There were 11,477 original homestead entries made in the State of Colorado in the fiscal year ending June 30, 1916, representing an acreage of 2,900,270.45. Of these entries 3,981 went to final proof, representing an acreage of 759,777.74. I may add that during 1916 the State of New Mexico selected out of the public lands of that State 436,616 acres, and the State of Colorado 960 acres.

Mr. FALL. Mr. President——

The PRESIDING OFFICER (Mr. HUSTING in the chair). Does the Senator from Montana yield to the Senator from New Mexico?

Mr. WALSH. I do; but the Senator will remember that I am limited to 10 minutes.

Mr. FALL. I presume the Senator will compare his figures with the total number of acres there are in the State; otherwise, I do not see where the pertinency of his figures comes in.

Mr. WALSH. Really, this is a very important matter, and I should be very glad to answer the question. Mr. President, I ask unanimous consent to be allowed 10 minutes more to put these figures in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and permission is granted.

Mr. WALSH. Now I will be very glad to answer the question of the Senator from New Mexico.

Mr. FALL. Mr. President, I was not asking the Senator a question. I supposed, of course, the Senator was putting his figures in for some reason. I do not see how figures as to the amount of selections in New Mexico have any bearing upon the question, unless they are compared with the total acreage from which selections might be made.

Mr. WALSH. I have endeavored to give that. I have said that 26,000,000 acres in the State of New Mexico are open to entry, and that 18,000,000 acres of those lands are surveyed; so only 18,000,000 acres of land in New Mexico are open to any kind of disposition—homestead, mineral, or any other.

Mr. FALL. Of course that is a mistake. The Senator does not mean that in the broad sense in which he states it. I do not wish to interrupt the Senator, but the Senator is incorrect.

Mr. WALSH. Well, the Senator from Montana has the official figures before him, and is giving them.

Mr. FALL. The squatter's homestead right constitutes an entry recognized by the Supreme Court; the desert land entry is admitted; one can make final proof on nonsurveyed lands in desert-land entries; the State of New Mexico can select or can withdraw and hold absolutely subject to its own disposition for survey any lands unsurveyed in the State.

Mr. WALSH. Those facts, Mr. President, are quite irrelevant. There are unreserved 26,000,000 acres in that State altogether, and there are 18,000,000 acres that are surveyed. The fact about the matter is, as I have indicated, that in the year 1916 there were more than 7,000 settlers who went to the State of New Mexico; and I understand that there was a large immigration into that State from Texas, Oklahoma, Kansas, and other States to the east; indeed, it ranks next to my own State—Montana—and Colorado in the number of entries made, 14,486 entries having been made in the State of Montana in the year 1916; 11,477 in the State of Colorado; and 7,068 in the State of New Mexico.

Now, my esteemed friend from South Dakota [Mr. STERLING], for whom I have the very highest regard, and whose judgment about this matter carries great weight with me, indeed, refers to the condition in his State, and leaves the impression, from his discussion of this matter, that there are not any more lands in the State of South Dakota that can be taken up under any act except the 640-acre homestead act. Senators will bear in mind that that act is not yet in operation. It was passed last December, but there has been no classification under it, so that no entries can be made. I give the figures for the fiscal year ending June 30, 1916. During that time there were in the State of South Dakota 3,932 homestead entries, representing an aggregate of 653,298 acres.

There were 11,477 people who went out to the State of Colorado during the year 1916, and found each of them a 320-acre tract to which he was desirous of getting title under the law.

Mr. STERLING. Mr. President——

Mr. WALSH. Just a moment. And there were 3,981 of those who completed their final proof, and patent is in process of issue.

Mr. STERLING. Mr. President, my belief is that those entries to which the Senator refers as having been made in South Dakota during the fiscal year 1916 exhausted the lands that were really fit for entry under the 320-acre homestead act, and that the remaining lands could be properly classified under the 640-acre homestead act.

Mr. WALSH. I have a great deal of confidence in any declaration which the Senator from South Dakota may make about this matter, but let me give the figures. In 1910 the aggregate acreage entered in the State of South Dakota was 2,946,000.

Mr. STERLING. Mr. President, if the Senator will permit me, that was long before the 320-acre homestead act was made to apply to South Dakota.

Mr. WALSH. Exactly; but I want to bring it down to the present time—in 1911, 1,711,000; in 1912, 696,000—getting down pretty low—in 1913, 468,000—still lower—in 1914, 378,000—still a fall—in 1915, 321,753; but in 1916, 1,045,854.96 acres. The 320-acre act, as my recollection is, was passed in the year 1912.

Mr. WALSH. I was not advised that it was not made ap- South Dakota was passed, I think, in 1915, and there was a rush to enter the lands to which that act was applicable. It has been since I came to the Senate.

Mr. WALSH. I was not advised that it was not made applicable to South Dakota from the start. In any case, there were over 1,000,000 acres of land appropriated under the provisions of that act the first year that it was in operation in South Dakota.

Mr. JONES of New Mexico and Mr. STERLING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield, and if so to whom?

Mr. WALSH. I yield first to the Senator from New Mexico.

Mr. JONES of New Mexico. I desire to state that in that section of the country where the section-homestead law would become applicable a number of people are making entries, and have been ever since the section-homestead law was first introduced in Congress, under the 320-acre law, with the expectation that they would be able to take additional land under the section-homestead law; and at the present time, although the lands are not classified——

Mr. WALSH. The Senator will remember that my time is limited.

Mr. JONES of New Mexico (continuing). They are making the entries under the other law.

Mr. STERLING. It is because the Senator's time is limited that I do not presume now to interject anything, although I should like to ask him a question.

Mr. WALSH. I should be glad to answer any question the Senator might ask.

Mr. President, there is another consideration that addresses itself to me, and that is one of fairness. I do not think it would be a wise public policy, considering either the interests of the people of the State of Montana or the interests of the people of the Nation, to throw open to entry under the 640-acre homestead law all public lands in the State of Montana. I think it would be a mistake. But if you did that, and did not make the same law applicable to all the other States or if you made it applicable, we will say to the States of Montana and Wyoming, as a matter of course we would absorb practically all the immigration. They would not go to another State where they could get only 320 acres, when they could come to Montana and get 640.

Mr. President, it will be observed that the States of Montana and New Mexico and Colorado are rivals in the matter of securing homestead entries. Colorado comes in with 11,000 entrymen, New Mexico with 7,000 entrymen, and Montana with 14,000. Evidently immigration is directed in those two channels. Why, as a matter of course, if you double the size of the entry down in those two States, a man who has a choice will be very largely guided by that fact; and I can not believe that the Senators from those States gave due consideration to that feature of the matter. I do not believe it would be just to the other States, not to speak of the unwisdom of it.

Mr. President, I myself had many misgivings—and I say so, and it may be weighed in connection with any comments I may make on the pending bill—about the wisdom of the enactment of the 640-acre act at all, at least as applied to the State of Montana; but I think we have gone far enough. I do not believe it would be the part of wisdom in the Senate at this time, without an opportunity for careful investigation and study of this subject by the appropriate committee, without any advice concerning the matter from the Department of the Interior, and without taking the precautions and the deliberation that ordinarily attend legislation of this character, to adopt this particular amendment. Therefore I feel obliged to oppose it.

Mr. FALL. Mr. President, I have no desire—and, in fact, it is a thing that I dislike very much to do—to take up any more time in the discussion; but some very, very misleading statements of figures have been referred to by the Senator. Of course, he is giving full credit to them, but I can not allow them to go entirely unchallenged without stating the facts.

The very people who, as my colleague has intimated, have undertaken to acquire homes in New Mexico under the 320-acre homestead law have found that it was impossible for them to make a living upon them, and great sections of the country have been entirely deserted. The proofs of cultivation upon those lands, the necessary rules, were very much relaxed under the ruling of the department a year or two ago, and a great many of the settlers were allowed, under the discretion of the department, to prove up with a minimum amount of cultivation, so that they might prove up and get away from the land and might go somewhere else, where they might make a living. Whole sections of the country, great sections, such as the Estancia Valley in central New Mexico, upon the Great Plains, have been absolutely deserted. Those people believe that with 640 acres, taking up 320 acres additional, with the 320 acres additional used for grazing, by raising beans, they can make a living. Those are the people for whom I am appealing right now, and for whom I have spoken half a dozen times in the Senate recently. It is a great country for raising beans. They can raise beans on the 320 acres that they have possibly once in two years, once in three years, or sometimes three years in succession. With the addition of some more grazing land—and it requires 25 acres there to a cow—it is possible for them to make a living. All in the world we are doing is to provide that instead of having to wait five years, if the Congress has any confidence in its 640-acre act, it will allow us to avail ourselves of it.

I have put into the RECORD from the Government reports, if the Senator will read them, the figures which will convince him, if he will believe that they are correct, that 1 acre of his land in the State of Montana, in so far as its productiveness is concerned, is equivalent to 2 acres in the State of New Mexico. These are the records. It is due to physical conditions which were beyond the control of the Senator from Montana or myself. It is due to the rainfall and evaporation and the aridness. One acre of your land is just twice as productive as 1 acre in New Mexico, except where we can irrigate. Where we have water for irrigation the land is as productive as any land in the world; but without that, where you depend on the rainfall, subject to the evaporation, 1 acre of your land is

just twice as productive as New Mexico land. Therefore, you need have no fear that if you do us the favor of extending the 640-acre homestead act we will take all your settlers away from you, and that you will not have any to take your homesteads.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New Mexico.

Mr. CURTIS. Mr. President, I understood that the Senator from New Mexico desired a quorum when the vote was to be taken on this amendment. It will be almost impossible to secure one at this time. I suggest——

Mr. KENYON. Mr. President, I hope the Senator will not suggest the absence of a quorum. I understand that the Senator from New Mexico desires a yea-and-nay vote, and it will be quite impossible to get a quorum to-night. I also understand that there is a rule now that debate is limited to 10 minutes, either on the bill or on amendments, and that no Senator shall speak more than once.

It does seem that the consideration of this bill ought to be concluded to-morrow. It will have been before the Senate a week then, and every conceivable kind of amendment seems to have been presented here. Probably more will be thought of during the night. Therefore, I desire to give notice that we are going to insist to-morrow that the unanimous-consent agreement that has been entered into by the Senate shall be enforced.

Mr. FLETCHER. Will the Senator from Iowa yield to me for a minute?

Mr. KENYON. Certainly.

CHAMPION COATED PAPER CO.

Mr. FLETCHER. Mr. President, I desire to state that there appears in the afternoon paper, the Evening Star, under the title "Paper company sues Members of Congress—proceedings in mandamus instituted against Joint Committee on Printing to force acceptance of bid," an article which I desire to have inserted in the RECORD; and also, following that, the reply of the Joint Committee on Printing to Mr. Frank E. Elder, the attorney for the Champion Coated Paper Co., when proceedings of this sort were threatened.

I desire to have the article inserted and the letter of the Joint Committee on Printing. I am taking this course because I think the Members of Congress ought to know what the facts are, as far as they are given here.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

PAPER COMPANY SUES MEMBERS OF CONGRESS—PROCEEDINGS IN MANDAMUS INSTITUTED AGAINST JOINT COMMITTEE ON PRINTING TO FORCE ACCEPTANCE OF BID.

Proceedings in mandamus were instituted to-day in the District Supreme Court by the Champion Coated Paper Co., of Hamilton, Ohio, against the Joint Committee on Printing of Congress. The company seeks to compel the committee to recede from its decision to buy paper in the open market for the use of the Government during the fiscal year 1918, and to accept its bid of $1,787,784 for furnishing all the paper needed. The company's bid is said to have been the lowest submitted, but the committee rejected all bids and announced its intention to purchase in the open market.

The Joint Committee on Printing comprises Senators DUNCAN U. FLETCHER, MARCUS A. SMITH, and REED SMOOT and Representatives HENRY A. BARNHART, HARRY L. GANDY, and EDGAR R. KIESS. Justice Siddons took under consideration the application of Attorney Frank E. Elder, representing the paper company, for a rule on the committee to show cause why a mandamus should not be issued.

A similar proceeding was instituted against this committee in February, 1910, by the Valley Paper Co.

Of the personnel of the committee only Senators FLETCHER and SMOOT were then serving. Former Justice Wright issued a rule on the Senate membership of the committee after it had declined to appear on the theory that being a coordinate branch of the Government it could not be summoned before the judicial tribunal. The House Members of the committee appeared voluntarily. On a final hearing Justice Wright held that the Valley Paper Co. had not made out a case calling for a mandamus and dismissed the proceeding.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON PRINTING,
May 26, 1917.

FRANK E. ELDER, Esq.,
Attorney Champion Coated Paper Co.,
Room 506, Bond Building, Washington, D. C.

DEAR SIR: The Joint Committee on Printing at its meeting to-day considered your letters of April 7 and May 21, 1917, in regard to the claim of the Champion Coated Paper Co., of Hamilton, Ohio, to a vested interest in a contract for furnishing certain paper to the Public Printer under bids opened by the committee on February 17.

I have been directed by the committee to make the following reply thereto:

The joint committee is unanimously of the opinion that it has a right to reject bids under the discretionary authority vested in it by section 5 of the act of January 12, 1895 (28 Stats. L., 601), providing for the award of contracts by the committee "to the lowest and best bidder for the interest of the Government." In accordance with this provision the following paragraph was included in and made a part of the proposal subscribed to by the Champion Coated Paper Co., which thereby gave its assent to such a reservation:

"No. 3. The awards of contracts will be made by the Joint Committee on Printing to the lowest and best bidder for the interest of the Government whose bids are in conformity with the requirements of the proposal. The committee reserves the right to waive technical defects, to reject any or all bids, or to accept any bid or any part and reject the other part if, in its opinion, such action would be in the interest of the Government."

That the committee's action in rejecting the bids of the Champion Co., along with many others, was in the interest of the Government, has been fully proved by the lower prices that the Public Printer has since paid for paper bought in the open market. In fact, the Champion Co. itself has sold large quantities of paper to the Public Printer in the open market at lower prices than quoted in its proposal of February 17, as admitted by your letter of May 21. Such reductions have not been made by the Champion Co. alone, but apply to substantially all of the paper that has been purchased in the open market since March 1. The decrease in open-market prices by the Champion Co. does not, therefore, indicate any self-sacrifice on its part to serve the Government, but simply reflects the general trade condition, and justifies the committee's action in rejecting the bids of February 17. During the first two and one-half months since March 1 a saving of nearly $70,000 has been effected in the open-market purchase of paper at prices less than those proposed to the committee on February 17. At this rate, the saving for the year will approximate $350,000, which clearly demonstrates that the acceptance of the proposals submitted by the Champion and other companies on February 17 would not have been for the best interest of the Government.

The committee does not believe that the Champion or any other company is furnishing paper to the Government on open-market purchases at less than the actual cost, as asserted by you. In connection with the bids submitted to it, the committee gave consideration to a report from the Federal Trade Commission showing that the cost of producing such paper as was bid upon by the Champion Co. had increased less than 1 cent a pound, while the price was jumped by your company more than 4 cents a pound, or 100 per cent over the preceding year. With this evidence as to cost of production before it, the committee decided that it could not in justice to the Government accept the proposal of February 17 as either fair or reasonable. In fact, the bids seemed so grossly excessive and so lacking in competition as to fully warrant their rejection without again inviting proposals for contracts under the existing conditions.

The committee is surprised that a company which some time ago offered to place its entire product at the disposal of the Government in the event of war should seek to force the Government to pay excessive prices for its product now that war actually exists. This attitude is in marked contrast with the patriotic action of some other manufacturers in offering and selling their products to the Government at very substantial reductions in price in order to show their good will and "do their bit" in this tremendous struggle. The committee does not like to believe that the officers of the Champion Coated Paper Co. are any less patriotic than other manufacturers of the country, but it can not regard the demand for exorbitant prices for paper, much of which is required for military purposes, as a manifestation of patriotism or willingness to serve the Government with the same unselfish spirit as that in which this war has been entered by the American people.

Aside from all these conditions the committee seriously doubts whether it has authority to reconsider its action as proposed by your company, even if it were so disposed. You surely would not contend that the Government has an enforcible right at this late day under the proposals submitted on February 17, since the rejection of which large quantities of paper covered by those proposals have been bid for and furnished by your company in the open market without any claim to a right of contract for such paper prior to your letter of April 7. This action on the part of your company seems to foreclose the making of any such claim at this time and constitutes a complete waiver to any right of contract that may have existed. If the committee could reconsider its action and award contracts to your company on the basis of its low bids of February 17, it should take similar action with regard to all the other low bidders at that time. No such claim of a right of contract has been made by any other bidder or by the Government, though a 10-day period was provided in the proposal bond for entering into a contract in event of the acceptance of a proposal on any or all of the lots. These bonds therefore appear to have become null and void. Consequently the committee has no means of enforcing at this time any award of contracts that may now be made under the proposals of February 17, and it certainly can not be claimed that the bidder has any greater right of enforcing a contract under such proposal than has the Government. The bonds accompanying the proposals could not, of course, be held in force for an indefinite period and without such a bond, which is required by law, a proposal can not be considered by the committee, as provided for in section 5 of the printing act of 1895. Therefore it does not appear that the committee has any legal or valid proposal from the Champion Co. before it upon which an award of contracts could be made as demanded by your company.

Even if the Champion Co. had a proposal properly pending before this committee for its consideration the committee would not be intimidated into awarding a contract to your company at an excessive price by the suggestion of "mandatory proceedings against it" or an effort "to impose additional burdens upon or inconvenience to the committee or any member of it." The committee does not admit that such proceedings can lawfully be instituted against it or its members for exercising a discretion vested in it by Congress, which the committee represents in certain relations with the Government Printing Office, an institution established and operated primarily for the use and convenience of Congress.

Furthermore, the committee is not inclined to continue to regard as in good faith and for the best interest of the Government the proposals of a bidder who seeks to enforce an unjust contract on it and who at the same time persists in the delivery of paper of an inferior quality under contracts already awarded to it.

Holding this view of the matter, the committee does not believe that a conference with the vice president of the Champion Co., as proposed by you, would result in an award of contract under its proposal opened February 17, and therefore declines to enter into any such negotiations or to recognize any right of contracts, as claimed by your company.

Respectfully,

DUNCAN U. FLETCHER,
Chairman.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 3932) to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, providing regulations for the safe manufacture, distribution, storage, use, and

possession of the same, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED.

H. R. 3932. An act to prohibit the manufacture, distribution, storage, use, and possession in time of war of explosives, providing regulations for the safe manufacture, distribution, storage, use, and possession of the same, and for other purposes, was read twice by its title and referred to the Committee on Mines and Mining.

RECESS.

Mr. KENYON. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate took a recess until to-morrow, Saturday, June 2, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *June 1, 1917.*

The House met at 12 o'clock noon.

Rev. Paul H. Youard, D. D., pastor of the United Presbyterian Church, Greeley, Colo., offered the following prayer:

Our Father in heaven, God of righteousness, justice, and love, we reverently worship Thee this day. May Thy blessing be upon the cause of liberty. May Thy spirit stir the hearts of all men. May this world speedily be freed from oppression and unjust rule. May brotherhood prevail.

Bless the President and Congress of the United States. Guide the deliberations of the House this day. Bless the Army and Navy of our Nation. And give us the victory in this war, we ask for the sake of humanity, in the name of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. DILLON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a poem entitled "America," by Rollin G. Wells, of Sioux Falls, S. Dak.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

Mr. FOSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the words of a recruiting song by a former Member of this House, Henry Sherman Boutell.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BORLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the schools of the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KELLY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing a series of patriotic resolutions adopted in a largely attended mass meeting held in the historic town of Lexington, Va., the county seat of the county of Rockbridge. This meeting was composed of citizens of Rockbridge County and the city of Buena Vista. Lexington is the burial place of the two great Confederate leaders, Robert E. Lee and Stonewall Jackson, and these resolutions breathe the spirit of these illustrious patriots.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Following are the resolutions referred to:

Whereas the Hon. Henry C. Stuart, governor of Virginia, has made a stirring and patriotic appeal to the people of Virginia, in which he says: "In this most solemn hour of our national history, when our destiny as a free people hangs in the balance, it is well that we as Virginians, before entering upon the serious work that lies just ahead of us should take counsel of the obligations that rest upon us as a people in order that we may better understand and more efficiently perform the duties to which we are called by the voice of the Nation"; and

Whereas the people of Rockbridge County, Va., and the city of Buena Vista, regardless of party creed or political affiliation, are assembled here to-day for the purpose of giving expression to the abiding faith that is in them and to assure the honored governor of this Commonwealth and those sharing with him the burden and responsibility which our entrance into the most titanic struggle of all time has imposed, that they shall have their cordial and hearty support in this grave crisis: Be it therefore

Resolved—

First. That the time for discussion has long since passed, and the hour for action has struck.

Second. That while deeply regretting the great sacrifice of valuable lives and the tremendous destruction of property which this war with Germany and her allies will certainly entail, we willingly and cheerfully submit to it all because we know that our cause is just, that liberty is at stake, and that civilization itself is imperiled.

Third. That we will practice economy in our home life; that we will, so far as in our power lies, increase the area of food production and conserve all our material resources; that we will be loyal in thought and temperate in speech; that we realize to the fullest extent the serious problems that have been thrust upon us for solution and must be solved; that, trying as it is, we will cheerfully furnish our quota of men and money to advance the cause of human freedom in order that when peace comes it will be concluded upon the enduring principles of liberty, equality, and fraternity.

Fourth. That in the imperishable words of an eminent Virginian, whose steady hand is now safely guiding the destinies of this Republic, "We must all speak, act, and serve together."

Fifth. That a copy of these resolutions be forwarded by the chairman of this meeting to the governor of Virginia, to our Senators, to our Representative in Congress, and to the chairman of the Virginia council of defense.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by my colleague, Hon. F. C. HICKS, of New York, at Port Washington on Decoration Day.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. EMERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a poem.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

THE ITALIAN MISSION.

The SPEAKER. The Chair lays before the House a communication from the Italian mission, which the Clerk will read.

The Clerk read as follows:

JUNE 1, 1917.

The Hon. CHAMP CLARK,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I am directed by His Royal Highness the Prince of Udine and by the members of the Italian mission to express to you and to ask you to be so good as to convey to the House of Representatives their cordial thanks for the kind invitation you have addressed to them. His royal highness and the members of the mission will have the honor to visit the House to-morrow, Saturday, June 2, at 11.45.

Believe me, Mr. Speaker,
Yours, very respectfully,

P. DE PARENTE,
Secretary of the Mission.

HOUR OF MEETING TO-MORROW—11.30 O'CLOCK A. M.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

Mr. MANN. Does the gentleman from North Carolina want to have the House meet at 11 or at 11.30?

Mr. KITCHIN. Make it 11.30. As I understand it, the Italian commission is coming at 11.45.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11.30 o'clock to-morrow. Is there objection?

There was no objection.

URGENT DEFICIENCIES FOR MILITARY AND NAVAL ESTABLISHMENTS.

Mr. FITZGERALD. Mr. Speaker, I call up the conference report on the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. The gentleman from New York asks unanimous consent that the statement be read in lieu of the report.

Mr. MILLER of Minnesota. Is not the statement much longer than the report? It appears to be.

Mr. FITZGERALD. It is; but it explains what the conferees have done.

The SPEAKER. The gentleman from New York asks unanimous consent to have the statement read in lieu of the report. Is there objection?

Mr. FERRIS. Reserving the right to object, Mr. Speaker—which I do not intend to do—I want to ask the chairman of the Committee on Appropriations when in all probability we will get the sundry civil bill, if he has any idea as to that? There is some very important work that is being held up, involving the food question and the development of the West on a very extended scale. I would like to have some information on that so as to base on it some prospective activities.

Mr. FITZGERALD. The managers of the two Houses have been at work within five minutes of the convening of the House, and with the exception of perhaps half a dozen items that seem to promise considerable difficulty they are pretty close to an agreement. I hope to have it out of the way before the end of the week.

Mr. MANN. I have no doubt it is interesting, but what is it?

The SPEAKER. Is there objection to the request of the gentleman from New York to have the statement read in lieu of the report?

Mr. FERRIS. I was making some inquiry about the sundry civil bill.

Mr. MANN. It was interesting, but we could not know what it was.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement was read.

CONFERENCE REPORT (NO. 67).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 11, 13, 19, 20, 40, 41, 42, 44, 45, 50, 54, 55, 65, 66, 75, and 76.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 12, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 46, 47, 48, 49, 52, 53, 56, 58, 59, 60, 61, 62, 63, 64, 67, 71, 72, 73, 74, 77, 79, 81, and 84, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"COUNCIL OF NATIONAL DEFENSE.

"For expenses of experimental work and investigations undertaken by the Council of National Defense, employment of experts, and at rates of compensation authorized by section 167 of the Revised Statutes of the United States of clerical and other assistance, supplies, including books of reference and periodicals, and for necessary expenses of members of the council, of the advisory commission, or subordinate bodies going to and attending meetings of the commission or subordinate bodies, $500,000: *Provided*, That of the appropriations herein and heretofore made for the Council of National Defense there may be expended for rental of quarters in the District of Columbia not to exceed $25,000 in the aggregate for the fiscal year 1917, and not to exceed $50,000 for the fiscal year 1918: *Provided further*, That in the expenditure of said moneys the existence of a state of war shall not be construed as enlarging the powers or duties of the Council of National Defense, but that such powers and duties shall remain as prescribed by the act creating said council, approved August 29, 1916."

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$500,000: *Provided*, That no part of this appropriation shall be expended for personal services"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment strike out the following: ", $50,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Hospital construction: For temporary hospital construction, $1,000,000; and for the establishment of naval medical supply depots at Brooklyn, N. Y., and Mare Island, Cal., by purchase or construction, $350,000; in all, $1,350,000.

And the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out the word "that"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$20,408,161"; and the Senate agree to the same.

The committee of conference have been unable to agree on the amendments of the Senate numbered 2, 3, 4, 5, 6, 9, 43, 51, 68, 80, 82, 83, 85, 86, and 87.

JOHN J. FITZGERALD,
SWAGAR SHERLEY,
FREDERICK H. GILLETT,
Managers on the part of the House.

THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN.
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of said amendments, namely:

On No. 1: Appropriates $500,000, as proposed by the Senate, for the Council of National Defense, modified so as to limit the amount which may be paid for rent of quarters in the District of Columbia to $25,000 for the fiscal year 1917, and $50,000 for the fiscal year 1918.

On No. 7: Requires, as proposed by the Senate, that the appropriation of $630,000 for printing and binding for the War Department shall be executed under the Public Printer.

On No. 8: Appropriates $400,000, as proposed by the Senate, for the repair of arsenals.

On Nos. 10 and 11: Provides, as proposed by the House, that the appropriation of $50,000 for contingencies of the Army shall not be available for personal services in the War Department.

On No. 12: Appropriates $2,658,413, as proposed by the Senate, for expenses of registration and selection of persons for military service.

On No. 13: Provides, as proposed by the House, that the appropriation for the Signal Service of the Army shall not include telephone-exchange service at mobile army posts.

On No. 14: Makes the appropriation for pay of enlisted men of the Army available for payment at the rate of $100 per month to men in training for officers of the Reserve Corps, as proposed by the Senate.

On No. 15: Authorizes, as proposed by the Senate, the enlistment of 1,200 cook instructors as sergeants of the Quartermaster Corps, first class, during the war.

On Nos. 16 and 17: Appropriates $72,000, as proposed by the Senate, for the employment of messengers, at $720 each per annum, at temporary Army headquarters.

On No. 18: Appropriates $15,131,752, as proposed by the Senate, instead of $12,000,000, as proposed by the House, for pay of officers of the Medical Department of the Army.

On No. 19: Strikes out the increase of $50,926,646, proposed by the Senate, in the appropriation for subsistence of the Army.

On No. 20: Strikes out the increase of $3,837,583.62, proposed by the Senate, in the appropriation for incidental expenses of the Quartermaster Corps.

On No. 21: Appropriates $221,963,745.42, as proposed by the Senate, instead of $160,000,000, as proposed by the House, for transportation of the Army.

On No. 22: Reduces the appropriation for horses for the Army from $73,582,250 to $25,000,000, as proposed by the Senate.

On Nos. 23, 24, and 25: Makes verbal corrections in the text of the appropriation for barracks and quarters for the Army.

On Nos. 26 and 27: Appropriates $500,000 instead of $150,000, as proposed by the House, and $650,000, as proposed by the

Senate, for military-post exchanges, including recreational purposes at training and mobilization camps, and provides that no part of that sum shall be expended for personal services.

On Nos. 28, 29, and 30: Appropriates $29,780,000, as proposed by the Senate, instead of $23,780,000, as proposed by the House, for expenses of the Medical Department of the Army, and inserts authority for the purchase of gas masks and for expenditures at the Army and Navy Hospital at Hot Springs, Ark.

On No. 31: Appropriates $131,048,000, as proposed by the Senate, instead of $130,078,000, as proposed by the House, for ammunition for small arms and hand use for reserve supply.

On No. 32: Appropriates $17,500,000, as proposed by the Senate, instead of $16,150,000, as proposed by the House, for small-arms target practice.

On No. 33: Appropriates $55,349,000, as proposed by the Senate, instead of $53,999,000, as proposed by the House, for the manufacture of arms.

On No. 34: Appropriates $106,550,000, as proposed by the Senate, instead of $130,550,000, as proposed by the House, for ordnance stores and supplies.

On No. 35: Appropriates $65,900,000, as proposed by the Senate, instead of $39,549,700, as proposed by the House, for automatic machine guns.

On No. 36: Appropriates $3,440,000, as proposed by the Senate, for expenses of maintaining civilian military training camps.

On Nos. 37 and 38: Appropriates $155,000,000, as proposed by the Senate, instead of $120,000,000, as proposed by the House, and authorizes contracts of $40,000,000, as proposed by the Senate, instead of $25,000,000, as proposed by the House, for the purchase, manufacture, and test of field artillery.

On No. 39: Appropriates $25,000,000, as proposed by the Senate, instead of $60,000,000, and contract authorizations of $15,000,000, as proposed by the House, for the alteration and maintenance of mobile artillery.

On Nos. 40, 41, and 42, relating to the Panama Canal: Appropriates $1,775,000, as proposed by the House, instead of $3,115,000, as proposed by the Senate, for seacoast cannon; and strikes out the appropriation of $428,900, proposed by the Senate, for extraordinary expenses in protecting the canal and canal structures.

On No. 44: Strikes out the provision inserted by the Senate to exempt certain employees from the operation of the law prohibiting changes in salaries paid from lump-sum appropriations.

On No. 45: Strikes out the provision, inserted by the Senate, relative to increased compensation to certain civilian employees in the Military Establishment.

On Nos. 46, 47, and 48: Increases the amount for personal services in the office of the Chief of Naval Operations from $27,000 to $100,000, as proposed by the Senate, and appropriates $11,500, as proposed by the Senate, for temporary clerks and others at Marine Corps headquarters.

On No. 49: Requires, as proposed by the Senate, that the appropriation of $100,000 for printing and binding for the Navy Department shall be executed under the Public Printer.

On No. 50: Strikes out the appropriation of $1,700, inserted by the Senate, for contingent and miscellaneous expenses of the Naval Observatory.

On Nos. 52, 53, and 56: Transfers the appropriation of $15,000 for transportation and shipping of civilian officers and crews of naval auxiliaries, from a separate paragraph in the bill, to the general paragraph for transportation of the Navy; distributes the appropriation for maintenance of naval auxiliaries in the naval appropriation act for the fiscal year 1918, to other items of appropriation, as proposed by the Senate.

On Nos. 54 and 55: Strikes out authority, proposed by the Senate, for payment of clothing and allowances to women of the Naval Reserve Force.

On No. 57: Appropriates $50,000, as proposed by the Senate, for the ship for the Illinois Naval Militia.

On No. 58: Appropriates $2,655,360 as proposed by the Senate, instead of $150,000 as proposed by the House, for schools and camps of instruction for the Naval Reserve Forces.

On Nos. 59, 60, 61, 62, 63, 64, and 65: Rearranges the amounts of the appropriations in the Bureau of Ordnance of the Navy Department, as proposed by the Senate, without increasing in the total the amounts proposed by the House, and strikes out the authority inserted by the Senate authorizing the President to reapportion the various sums appropriated.

On No. 66: Strikes out the increase of $200,000, proposed by the Senate, for quarters for marine guards at naval magazines.

On No. 67: Appropriates $3,000,000 as proposed by the Senate, instead of $1,500,000 as proposed by the House, for storage facilities for naval ammunition and other ordnance material.

On No. 69: Appropriates $1,000,000 as proposed by the House, instead of $3,200,000 as proposed by the Senate, for temporary hospital construction for the Navy, and appropriates $350,000 as proposed by the Senate for medical supply depots at Brooklyn, N. Y., and Mare Island, Cal.

On No. 70: Inserts the paragraph, proposed by the Senate, authorizing the Secretary of the Navy to expend money on the land to be added to the naval reservation at St. Juliens Creek, Va., without reference to section 355 of the Revised Statutes.

On No. 71: Inserts the language, proposed by the Senate, requiring members of the Female Nurse Corps of the Navy to be paid the same commutation allowed to members of the Nurse Corps of the Army.

On Nos. 72 and 73: Increases the appropriation for construction and repair of naval vessels from $54,327,340 to $57,327,340, as proposed by the Senate, and provides that the limitation imposed by existing law on amounts for the repair of naval vessels shall not apply to the expenditure of funds in this act.

On No. 74: Provides, as proposed by the Senate, that the appropriations for the Naval Establishment shall be available for similar expenses of the Coast Guard and Lighthouse Services while cooperating with the Navy, in so far as the regular appropriations for these services are insufficient therefor; and, when expenditures are thus made, naval appropriations need not be reimbursed from the appropriations of the Coast Guard and Lighthouse Services.

On No. 75: Strikes out the appropriation of $7,200, proposed by the Senate, for pay of employees at the Naval Academy.

On Nos. 76, 77, and 78, relating to the Marine Corps: Strikes out the appropriation of $2,500,000, proposed by the Senate, for the establishment of an east coast post, and appropriates $200,000, as proposed by the Senate, for additional land and facilities for the supply depot at Philadelphia.

On No. 79: Inserts the paragraph, proposed by the Senate, increasing the limit of cost of 46 submarines now under contract by the sum of $10,000 each.

On No. 81: Strikes out, as proposed by the Senate, the appropriation of $12,000, to make the third floor of the court of appeals building, District of Columbia, available to accommodate the office of the recorder of deeds.

On No. 84: Appropriates $1,000,000, as proposed by the Senate, for the detention of interned aliens.

The committee of conference have been unable to agree on amendments of the Senate as follows:

On No. 2: Relating to the emergency shipping fund.

On No. 3: Appropriating $5,000 for rent of quarters for the Bureau of Efficiency.

On No. 4: Appropriating $20,000 for additional employees and expenses of the Civil Service Commission.

On No. 5: Appropriating $136,140 for additional employees in the office of the Auditor for the War Department.

On No. 6. Appropriating $15,000 for the mint at Philadelphia, $1,000 for the mint at New Orleans, and $10,000 for the assay office at New York.

On No. 9: Authorizing the Secretary of War to transfer the sums under the Military Establishment from one appropriation to another.

On No. 43. Authorizing the Secretary of War to expend not exceeding $10,000,000 of the appropriations for the Military Establishment for such purposes as he may deem proper.

On No. 51: Increasing from $150,000 to $325,000 the amount which may be expended for the purchase of land for aviation purposes for the Navy.

On No. 68: Appropriating $1,400,000 for the purchase of land at, and $1,600,000 for equipment of, a naval operating base at Hampton Roads, Va.

On No. 80: Appropriating $13,940 for the remainder of the fiscal year 1917 for employees to care for the new Interior Department building.

On No. 82: Appropriating $250,000 to enable the Bureau of Standards to cooperate with the Navy and War Departments in testing and developing instruments, devices, and materials; $35,000 for additional equipment of the chemical laboratory; and $150,000 to enable the Bureau of Standards, the War Department, the Navy Department, and Council of National Defense to standardize gauges, screw threads, and standards required in manufacturing.

On No. 83: Appropriating $1,200 to enable the Commissioner of Lighthouses to increase the compensation of draftsmen employed on marine engineering.

On No. 85: Appropriating $7,500 to pay the widow of Henry T. Helgesen, late a Representative from the State of North Dakota, and $1,000 for stationery for committees and officers of the House of Representatives for the fiscal year 1917.

On No. 86: Relative to the period of the military service of persons selected by draft.

On No. 87: Relative to the submission of statements of expenditures under appropriations made for the Treasury, War, and Navy Departments and the taking of vouchers covering expenditures from appropriations made in the bill.

JOHN J. FITZGERALD,
SWAGAR SHERLEY,
F. H. GILLETT,
Managers on the part of the House.

Mr. FITZGERALD. Mr. Speaker, I ask for a vote on the adoption of the conference report.

The SPEAKER. The question is on the adoption of the conference report.

Mr. MANN. Mr. Speaker, did the gentleman yield the floor?

The SPEAKER. He has not.

Mr. MANN. He can not get a vote without yielding the floor.

The SPEAKER. The Chair supposes he has the floor, then.

Mr. FITZGERALD. No; I have not yielded the floor.

Mr. MANN. You can not get a vote without yielding the floor.

Mr. FITZGERALD. I will take it again.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. MOORE of Pennsylvania rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. MOORE of Pennsylvania. I want to interrogate the gentleman from New York, and I ask unanimous consent to do so.

A MEMBER. Too late!

The SPEAKER. Without objection, we will consider that vote off and the gentleman can begin catechizing. [Laughter.]

There was no objection.

Mr. MOORE of Pennsylvania. That is the idea, Mr. Speaker.

Mr. FITZGERALD. Does the gentleman wish to ask me a question?

Mr. MOORE of Pennsylvania. Yes. The gentleman from New York, when this report was previously before the House, promised to tell us something about the new appropriation for the Council of National Defense, but was shunted off by the discussion of the emergency shipping fund. I want to know, since the appropriation for the Council of National Defense was increased from $200,000 to $500,000 additional, just what the Council of National Defense has done in the matter of making contracts? So that the gentleman may understand, I will state that it is commonly reported that the Council of National Defense may have some sort of jurisdiction over the expenditure of as high a sum as $10,000,000 000 per annum for the United States and for the allies of the United States. The bill creating the Council of National Defense defined its power and indicated that it was to appoint advisory boards, which, I believe, it has since done. Public report now says these advisory boards are making contracts. Will the gentleman explain whether the advisory boards have the power to make contracts, or make such a statement as he cares to?

Mr. FITZGERALD. Mr. Speaker, answering the gentleman's specific question, the subordinate committees of the advisory commission appointed by the President in accordance with the law have no authority to make any contracts and have not been making any contracts for the Government of the United States.

Mr. MOORE of Pennsylvania. A bill will come up here in a very little while known as the war-risk insurance bill, which raises from $5,000,000 to an additional $50,000,000 the fund to pay war losses due to the sinking of ships and the carrying down of cargoes. That is recommended by one of these subordinate bodies of the Council of National Defense primarily.

Mr. FITZGERALD. That does not come within the purview of my activities. I have not been giving much attention to the War-Risk Insurance Bureau, and I assume that the gentleman from Missouri [Mr. ALEXANDER], if he has a bill to increase the war-risk insurance fund from $5,000,000 to $50,000,000, will furnish the House with complete and satisfactory reasons for the recommendation that will be submitted by the Committee on the Merchant Marine and Fisheries.

Mr. MOORE of Pennsylvania. No; it is taken away from the Committee on the Merchant Marine and Fisheries. It is in the hands of the Committee on Interstate and Foreign Commerce.

Mr. ADAMSON. I beg to correct the gentleman. It was never taken away from the Committee on the Merchant Marine and Fisheries. It has always been in the hands of the Committee on Interstate and Foreign Commerce.

Mr. MOORE of Pennsylvania. Prior to this time it was always brought in by the chairman of the Committee on the Merchant Marine and Fisheries.

Mr. ADAMSON. I beg the gentleman's pardon. The chairman of the Committee on the Merchant Marine and Fisheries, the gentleman from Missouri [Mr. ALEXANDER], was the author of the bill each time, but it was not considered by his committee. Any Member of the House may introduce a bill and have it referred to a committee of which he is not a member.

Mr. FITZGERALD. Mr. Speaker, I wish to express my regret that I should have inadvertently confused the gentleman from Missouri [Mr. ALEXANDER] with the gentleman from Georgia [Mr. ADAMSON]. I intended to state that the gentleman from Georgia [Mr. ADAMSON] would perform the service which I indicated would be performed by the gentleman from Missouri [Mr. ALEXANDER].

Mr. ADAMSON. I wish to say to the gentleman that I appreciate the personal compliment. I only desire to keep clear and distinct the question of jurisdiction.

Mr. MOORE of Pennsylvania. If the gentleman does not care to go into the contract question, I will ask him another question.

Mr. FITZGERALD. I have no disinclination to furnish information upon any matter as to which I am in a position to furnish information.

Mr. MOORE of Pennsylvania. I understand. I appreciate the gentleman's frankness.

Mr. FITZGERALD. The gentleman asked me a question, and I answered it specifically.

Mr. MOORE of Pennsylvania. The gentleman did, and I am satisfied with that particular answer. But this bill gives to the Council of National Defense $500,000, whereas in the original act it was given $200,000 for its own expenses. We are told that the members of the Council of National Defense are to serve without compensation, and important business men, experts in their lines, are coming in from all sections of the country, who, it is said, will serve in an advisory capacity without pay. Now, the Council of National Defense has about it a large body of men and women, some being compensated, but the leaders are acting without compensation, according to public report. Why are we making this additional appropriation of $500,000 to a voluntary body?

Mr. FITZGERALD. It is for the clerical services, rent, telephone, and telegraphic services, and to pay the traveling expenses of the members of the commission and other committees in coming to Washington and returning to their homes. Their services are voluntary. A large number of men engaged in various lines of industry have been selected by the advisory commission as subcommittees on various classes of material that are to be furnished for the Government. Those men are volunteering their services.

Mr. MOORE of Pennsylvania. Whereas $200,000 was appropriated and $500,000 additional is now to be appropriated. Is any of that $500,000 additional to be used for salaries?

Mr. FITZGERALD. Yes; some of it will be paid for clerical services. The provisions agreed upon by the conferees state what it is for—expenses of experimental work and investigations undertaken by the Council of National Defense. The Council of National Defense consists of six members of the Cabinet, and it may be that they may require to have conducted either experiments or investigations relative to the materials to be acquired on account of the war. They wish to be in a position to employ the proper services to make such investigations or experiments. And then for the employment of experts, if necessary, regarding any particular material or commodity. Then for clerical and other services at the rates of compensation provided in section 167 of the Revised Statutes, which fixes the compensation of the clerks in the various classes—messengers and other similar employees. Then for books of reference, supplies in the nature of stationery and office equipment, and expenses of the men going to and from their employment. Some of the members of the advisory commission have been in Washington several months, have paid their own expenses, have served without compensation, and they are paying the rent of the offices they occupy, as there were no offices available for them in which to perform their work, the amount authorized for the expenditure for rent was limited to $5,000.

Mr. MOORE of Pennsylvania. Will the gentleman answer this question? Does the gentleman know whether any aliens are employed by the Council of National Defense or any of its branches who will receive compensation out of the $500,000 plus the $200,000?

Mr. FITZGERALD. I have no information that aliens have been compensated out of that fund.

Mr. MOORE of Pennsylvania. It has been reported that the gentleman who is to be the food director of the United States has brought his English staff with him. It may be a good thing or it may not, but I think the Congress ought to be advised whether an alien staff brought into the country to do the work of the allies or of the United States is to be compensated out of an appropriation made by Congress.

Mr. FITZGERALD. I do not believe an appropriation for the Council of National Defense would be available for work done by Mr. Hoover. If any work is being done by him now for which there is any expense it would in all probability be paid for out of the $100,000,000 placed at the President's disposal to take care of unanticipated emergencies.

Mr. MOORE of Pennsylvania. Then, the gentleman has no knowledge of alien employees being compensated out of this fund?

Mr. FITZGERALD. No.

Mr. MOORE of Pennsylvania. May I ask whether these Council of National Defense employees come under the civil service?

Mr. FITZGERALD. My understanding is that they are all in the civil service.

Mr. MOORE of Pennsylvania. Does the Council of National Defense ask for them in the regular way under the civil-service regulations?

Mr. FITZGERALD. They did not request that they should be appointed without regard to the civil-service regulations, and under the law the classes of employees indicated, with the exception perhaps of experts, have all by Executive order prior to this time been included in the classified service.

Mr. MOORE of Pennsylvania. Is there anything to prevent the employment of these persons in an emergency and then afterwards have them covered into the service?

Mr. FITZGERALD. My opinion is that there is no authority for the employment of these clerks, telephone operators, and so forth, except through the classified service.

Mr. BANKHEAD. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. BANKHEAD. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. I want to ask if it is in order at this time to make a motion to recommit?

The SPEAKER. A motion to recommit will be in order.

Mr. BANKHEAD. Then, Mr. Speaker, I want to make a motion to recommit the conference report.

Mr. FITZGERALD. But, Mr. Speaker, I decline to yield for that purpose.

The SPEAKER. The gentleman from New York declines to yield.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. FITZGERALD. Yes.

Mr. MADDEN. Has the Committee on Appropriations been able to find out from investigation whether the Council of National Defense has control of the purchase of supplies for the Army and the Navy, and whether they have the power to let contracts for the construction of buildings and the purchase of equipment?

Mr. FITZGERALD. That matter was gone into quite thoroughly. There is a confusion in the minds of gentlemen in speaking about the Council of National Defense. The Council of National Defense consists of six members of the Cabinet, the chairman of which is the Secretary of War. The advisory commission consists of seven persons appointed by the President on the nomination of the Council of National Defense. The information furnished to the Committee on Appropriations is that the advisory commission and the subordinate committees organized——

Mr. MADDEN. Subordinate to the advisory commission.

Mr. FITZGERALD. Yes; have only advisory powers. They have no power to make a contract for any purpose. What they have attempted to do is to ascertain the available supplies of various materials required either for the Army or the Navy, to ascertain what would be a reasonable price, to ascertain the possibilities of transportation facilities for the materials from any particular point to any designated point, and to collate information which would be of use to the various departments and to furnish it to them.

Mr. MADDEN. Have they any directory powers over the heads of departments?

Mr. FITZGERALD. They have none, according to the Secretary of War.

Mr. MADDEN. Are they exercising any directory power notwithstanding they have none?

Mr. FITZGERALD. The information is that the various departments have the final and complete determination regarding the making of the contracts. What has happened has been that an immense volume of purchases have unexpectedly and unanticipatedly been precipitated on the Government. A volume of equipment and commodities to an extraordinary extent are required by the Government, and at this time they are required in a very short time. The Government requires about 2,000,000,000 feet of lumber. The statement has been made that it will take 90,000 men employed about 60 days to complete the cantonments required for the troops to be assembled. It is such an extraordinary situation, arising somewhat precipitately, without the great, comprehensive organization that would be required for the handling of bids on such a tremendous scale, that there has been some confusion and difficulty in working out the situation.

Mr. MADDEN. Are contracts being let by advertising for bids?

Mr. FITZGERALD. No; there is a law that provides that in an emergency or in a time of war the provisions of the Revised Statutes regarding the invitation for proposals in competitive bids may be suspended, and an order has been issued that such an emergency exists, and contracts are being let in most instances—I am not certain as to all—without competitive bids.

Mr. MADDEN. Are they letting contracts for the construction of buildings, and purchasing supplies on a basis of a percentage of profit on the total cost of the work.

Mr. FITZGERALD. The contracts thus far for the construction of cantonments have been of a tentative nature. The form of the contract has not been determined upon, but contracts have been let on an agreement that the contractor will accept the contract and conditions finally determined upon by the War Department.

Mr. MADDEN. On the basis of a percentage upon the total cost?

Mr. FITZGERALD. That has not been settled.

Mr. MADDEN. Does the gentleman know whether there is any truth in the statement that I have heard—a statement made upon reliable authority—to this effect: That the contractor who built the cantonments at Atlanta, Ga., for example, had worked upon the basis of a 10 per cent profit upon the total cost; that he went to Atlanta where carpenters were getting $3.25 a day and employed all carpenters at $7.50 a day; that he went to the lumber yards and purchased all of the lumber that was being sold at $37.50 a thousand at $60 a thousand, and so on? Is there any information in the possession of the committee to the effect that such things as that have been done?

Mr. FITZGERALD. Mr. Speaker, that matter was brought to the attention of the committee, and it was submitted to the Secretary of War, and we had printed in the hearings had in connection with the Council of National Defense a communication from the Secretary of War, which I shall have the Clerk read.

Mr. MADDEN. I am quite sure the Secretary of War would not submit to anything of that sort.

Mr. FITZGERALD. I shall have the statement read to show just what the situation is, because these contracts were made in the War Department.

Mr. MADDEN. I think it would be a real service to the Secretary of War to have such things as that exposed, if he does not know about it.

Mr. FITZGERALD. Mr. Speaker, I send the communication to the Clerk's desk and ask that it be read in my time.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

It was brought to my attention some days ago that a Member of Congress had been informed that in the building of cantonments at Fort McPherson a contract had been let for a price which was to be determined by the cost of material and labor plus a percentage of profit to the contractor; that thereupon the contractor had bought lumber at $60 per thousand feet, cord measure, which was then selling in the mill at $40 per thousand feet, and had employed labor at the rate of $7 per diem, while the current rate for labor in that market was $4 per diem, the obvious implication being that these excessive prices for material and labor were paid by the contractor in order to increase his profits, which would be based upon a percentage of the aggregate cost.

I at once inquired of the Quartermaster General with regard to this incident and was informed that all contracts for construction work at Fort McPherson had been let through the Southern Department and that as yet no record had been forwarded to the War Department. I then directed inquiry be made at the Southern Department, and have to-day received a telegram as follows:

"Reference your wire 19th. Prices of lumber when contract was made to build cantonments ran from $17 to $30 per thousand, according to grades and size, which price was paid. All low-grade lumber in local market was exhausted before any of higher grades was purchased. All prices have advanced several dollars per thousand. Carpenters were paid 40 cents per hour, which is the local rate for first-class carpenters."

This telegram is from the commanding officer at Fort McPherson. It clearly shows that proper prices and proper economies were used in this contract.

I have no doubt that the Member of Congress to whom this story was brought was imposed upon by some rumor circulated by persons without information as to the facts.

NEWTON D. BAKER.

Mr. MADDEN. Mr. Speaker, I am very glad the Secretary of War has gone into that question and cleared it up, for I am sure that he would not under any circumstances be a party to that. Another question that I desire to clear up is whether the Council of National Defense has any power to make purchases for the War Department or for the Navy Department or for any other department without the consent or knowledge of the Secretary of War or the Secretary of the Navy or the Secretary of any other department. I ask that question for this reason, and I shall be frank about it: I have understood that one man who manufactures cots, and who has manufactured cots for the Army and Navy for years, who has had no contract with the Government, but who has always sold his cots through jobbers who have always bid for the work, went to the Council of National Defense and offered to supply the Government with all of the cots it needed at the price that he sold them to the jobbers, and thereby do his share toward minimizing the cost of the war—in other words, to do away with the jobbers' profit and give the Government of the United States the advantage of the cots at cost. I have been informed that when the offer was made somebody connected with the Council of National Defense—not any person connected with the War Department or the Navy Department, but the Council of National Defense—refused it, and that they continued to direct the purchase of the cots to be used by the Army at the price at which the jobbers sell them, and not the price at which the manufacturer was willing to sell them. Has the Committee on Appropriations any information along that line that it is willing to give to the House?

Mr. FITZGERALD. Mr. Speaker, the committee investigated the question of cots and had printed a complete statement about them. I believe, in justice to all concerned, a statement should be made. The members of the advisory committee of the Council of National Defense have been doing a work of very great value to the Government.

Mr. MADDEN. I agree to that.

Mr. FITZGERALD. The information that has been furnished to the committee discloses that already they have saved the Government a very considerable sum of money. In the emergency that arose some things have happened that can be criticized, but the number of those instances is practically insignificant in comparison with the great volume of things that have been done. I believe this cot matter is one that is subject to criticism and perhaps was the result of a policy that should not have been adopted. It may be that it grew out of a misapprehension on the part of some officials in the War Department as to just what the powers of those subordinate bodies and the advisory committee were to be. There was a misapprehension at the outset that those bodies were to determine the types, prices, and persons to whom contracts were to be let. When that was called to the attention of the Secretary of War he cleared up that situation. The cot situation grew out of a certain peculiar combination of circumstances. For instance, to house in tents an army of a million men will require about 19,000,000 yards of cotton ducking.

The yearly output of cotton ducking in the United States is only 16,000,000 yards. In addition to the amount of cotton ducking that would be required for tents great quantities are required for cots and for various purposes in both the Army and the Navy; and one of the problems to be worked out is illustrated here—the necessity for ascertaining what other material might be substituted, or how the entire industry would not be demoralized or other industries demoralized by the United States taking the entire output of any one particular commodity. Suggestions were therefore made that perhaps a steel cot could be utilized. Those cots must be ready when the men are assembled at the various cantonments. I speak with some hesitation about the cot business, because I may not be unbiased. The information that came to me came in an attempt to help a constituent, but I shall try to state frankly and impartially what the facts are. A constituent of mine came here representing a concern that had been in the business of furnishing cots to certain persons who had from time to time bid to supply cots to the Army and Navy. He heard that a great number of cots were to be bought, and he was anxious to get a contract for a large number of them. I first telephoned to the Quartermaster General on the 14th of May, and was informed by him that the War Department had nothing to do with the making of contracts for cots; that that had been turned over to the advisory commission. On the 16th of May I had this constituent go to the advisory commission, and he was directed to a man who had charge of cots. He was informed that the committee was attempting to ascertain what could be done regarding cots; that specifications had been sent out on the 14th of May to the various manufacturers asking them to state the price at which they could furnish cots, the number they could furnish, and stating that time and speedy delivery was an important factor.

Later in the day I called myself with this gentleman upon a member of the advisory commission who had charge of this particular division in which cots came, and he stated that the information was in the possession of the gentleman who was seen first in the day. Subsequently as the result of certain developments the members of the committee in charge of cots appeared before the Committee on Appropriations and these facts were developed: At some time in May, prior, at least, to the 10th of May, the president of the Simmons Manufacturing Co., of Kenosha, Wis., manufacturers of cots, came to Washington and submitted specifications for a steel cot which he said he could manufacture. The specifications fitted peculiarly the plant that he maintained at Kenosha, Wis. On the 10th of May his representative, upon the letterhead of the Willard Hotel, wrote a letter to the Quartermaster General stating that pursuant to previous conferences he was offering to furnish the entire output of the factory, which then had a capacity of 2,500 daily and could be expanded to 5,000 daily, steel cots, in conformity with the specifications submitted at cost plus 10 per cent, which was equivalent to $3.10 a cot f. o. b. Kenosha, Wis. On the 11th of May a representative of the Quartermaster Department wrote to the advisory committee, directing them to make a contract with the Simmons Manufacturing Co. at a flat rate of $3.10 for as many cots as it was believed would be substituted for the cotton duck and wooden cots previously in use in the Army.

Some time about the 11th day of May an order was given to the Simmons Manufacturing Co. for 300,000 cots, at $3.10 apiece f. o. b., and 25,000 cots, at $3.10 f. o. b. San Francisco, where the concern had another plant. It was then determined 500,000 steel cots should be obtained. Three days later, or on the 14th of May, the specifications were sent out to all the other cot manufacturers in the United States, asking whether they could furnish these cots, asking what their capacity was, and what time they could be delivered in. Two days after that letter was sent out and five days after the Quartermaster General had directed the committee to make this contract I was informed that nothing had been determined upon either as to price, type, or contract. I simply wish to say, Mr. Speaker, that to have one manufacturer have advance information as to the number of any articles desired, to be permitted to prepare his own specifications, to be given a contract at a price named by him, without any inquiries as to whether anyone else with the same information and the same opportunity could meet or better that price, is not, from my viewpoint, the manner in which the business of the United States or a private individual should be conducted.

Mr. BORLAND. I would like to ask the gentleman at that point, in fairness to the Committee on National Defense, without commenting on the wisdom of their action, did it not turn out that they had changed the specifications so that the cot could be bid upon by any manufacturer who made a woven-wire cot?

Mr. FITZGERALD. The specifications were modified, it was stated, so that others could bid.

Mr. MADDEN. But this man had advance information under which he took the contract.

Mr. FITZGERALD. Before the specifications were sent out to the other contractors to ascertain what they could do it was stated some changes had been made in them that would not make them exclusively applicable to the Simmons Manufacturing Co., but before that was done 300,000 of the 500,000, or 325,000, had been ordered from the Simmons Co., a million-dollar contract.

Mr. MADDEN. Does the gentleman or the Committee on Appropriations know the difference in the weight of an ordinary canvas cot with a wooden frame and a steel cot, and the difference in the cost of transportation along with the difference in the price?

Mr. FITZGERALD. I think from what appeared before the committee a situation had arisen where it was necessary to substitute some steel cots for the cotton and wooden cots.

Mr. MADDEN. What is the average price for the wooden and canvas cot, the combination of wood and canvas?

Mr. FITZGERALD. I do not recall.

Mr. MADDEN. There is no canvas connected with the steel cot, is there?

Mr. FITZGERALD. There is not.

Mr. SABATH. Is it not a fact the Government used to pay between four and five dollars for the cots that they now purchase at $3.10?

Mr. FITZGERALD. I do not know the previous price.

Mr. SABATH. I glanced over this hearing, and I think we paid between four and five dollars formerly.

Mr. FITZGERALD. Cots bought in lots of 1,000 or 300,000 would command a very considerably different price.

Mr. MADDEN. Has the gentleman from New York any information as to the difference in price of canvas and steel cots?

Mr. FITZGERALD. If it was stated, I do not recall.

Mr. MADDEN. How much more canvas is there in a wooden canvas cot than in a steel canvas cot?

Mr. FITZGERALD. There is no canvas in the steel cot. There is canvas in the wooden cot.

Mr. SHERLEY. Touching the inquiry of the gentleman from Illinois, in the freight proposition there is a difference of 20 cents. Mr. Cloney was asked:

> Is not the difference in the price of a canvas cot and of a steel cot made up in the weight and the saving in transportation? Is not that difference in price made up to the Government in that way?
> Mr. CLONEY. No.
> Mr. HOWARD. It is not?
> Mr. CLONEY. No, sir. Probably 20 cents would be a high average for the freight on any kind of a steel cot to any probable point.

Mr. MONDELL. Does that give the cost of the canvas cot?

Mr. SHERLEY. It was stated that the cheapest canvas cot that could have been built in the last two years has been $3.52, and the cheapest steel cot—that is, the lowest bid they have had on a steel cot—is $3.10.

Mr. MADDEN. Who is letting the contract for these cots? It was not let by the Quartermaster General, was it?

Mr. FITZGERALD. Yes; it was. It was decided on by the advisory committee.

Mr. MADDEN. He simply did the clerical work in connection with it?

Mr. FITZFERALD. That may be.

Mr. MADDEN. Does the power exist in any committee of the Council of National Defense to direct the Quartermaster General or the general in charge of the Ordnance Department, or any of these departments, to let contracts without bids?

Mr. FITZGERALD. They have no power to let contracts to anyone. Their work is purely advisory. There was a misapprehension on the part of the Quartermaster General as to the power of the committees. The Secretary has issued an order which I believe remedies any question——

Mr. MADDEN. Is there any truth in the rumor that any person or any committee of the advisory council of the Council of National Defense refuses to accept the manufacturer's price on cots and continues to buy the cots from jobbers with the profits of the jobbers added?

Mr. FITZGERALD. So far as the committee has any information, I think the advisory commission in all instances has been endeavoring to eliminate the jobber in all lines and to have business done directly with the manufacturer or producer.

Mr. MADDEN. They are not in a position where they can embarrass the Secretary of War or Secretary of the Navy or any other heads of departments, are they, by directing things to be done contrary to the wishes of the department?

Mr. FITZGERALD. Oh, no. Their power is purely advisory. I think it is but fair to those men to say that complaints will be inevitable, and that some things may be done the wisdom of which will be questioned. But they have rendered services of a highly valuable character to the Government.

Mr. MADDEN. They will do that, of course. They are men of great ability.

Mr. FITZGERALD. It is inevitable that some complaints will arise.

Mr. MADDEN. It is just as well to keep before the public mind any irregularities, if any such there be, so that we can have them understand that the Congress of the United States is watching the proceedings of the Council of National Defense and expects of it not only the patriotic motives which they profess but the patriotic efforts which they have the power to give to the Government and the adoption of business policies which will not cost the Government more than it should pay, but which will save money for the Government, as men of their brains and ability have the power to do.

Mr. FITZGERALD. It may be said that a number of those men have been conscripted or requisitioned. They have been successful in various lines of business, and they are not very familiar with the methods of Government. In many instances it has been very difficult for them to ascertain just what is expected of them.

Mr. MANN. Will the gentleman yield for a question? I understand there is a law requiring all contracts to be let after bids are received, with the power on the part of the President, I believe, to suspend them. Do I understand now, as a matter of fact, the President at the request of the Council of National Defense has suspended the law requiring the different departments to advertise for bids or to receive bids before they let any contracts, and that they have adopted the policy of letting the Council of National Defense select whom it pleases to let a contract to, and that the Council of National Defense then furnishes to the different departments the name of the contractor and the substance of the contract, and that the contract is entered into without obtaining competitive bids?

Mr. FITZGERALD. The national defense act, section 120, provides:

> The President, in time of war or when war is imminent, is empowered, through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement, to place an order with any individual, firm, association, company, corporation, or organized manufacturing industry, for such product or material as may be required, and which is of the nature and kind usually produced or capable of being produced by such individual, firm, company, association, corporation, or organized manufacturing industry.

Mr. MANN. I am familiar with the law. I referred to it. What I want to know is whether the President at the request of the Council of National Defense has abolished in effect the law in reference to obtaining bids?

Mr. FITZGERALD. I can not state at whose instance such an order was issued, but I have been informed that an order has been issued providing for the purchase of supplies for the Army without competitive bids.

Mr. MANN. And that extends also to letting contracts for work done, does it not?

Mr. FITZGERALD. I mean for work and the purchase of supplies without competitive bidding.

Mr. MANN. That suspension of the usual law is not confined, as I understand, to the purchase of matériel for the Army, being ammunition or other supplies?

Mr. FITZGERALD. It has reference to the expenditure of money for supplies and work in connection with these cantonments. I have that information as to the Army, but I have no information about any other department.

Mr. SHERLEY. If the gentleman will yield, I think the statement should be qualified somewhat. I do not think it is the policy or the desire of the departments or of the advisory commission to dispense with competitive bidding everywhere and always, but at this present time, in the doing of certain classes of work, time was the essence of the matter, and was more important than any other factor. They undertook to ascertain, through these various committees, the amount of material of various kinds that could be furnished, and at what prices they were willing to furnish them, in many instances those prices being considerably under the market price. I think it has been true that, in regard to cantonments, they have taken certain contractors who they believed were prepared to do the work within the time necessary—that work really means the building of camps that in the aggregate constitutes a city larger than the city of Washington, so that the job is a gigantic one—and that these contractors have then been advised of the material that various people were prepared to furnish and the maximum price—not the minimum price, but the maximum price—that they had offered to furnish it at. The contractors then have gone to these men and frequently have invited bids; but I do not understand that it is the purpose, where the capacity of the country is very much greater than the quantity needed and time permits, to undertake to arbitrarily pick out Jones, Smith, or Brown to furnish the material. But in such instances it will be left, as it has been in the past, to competitive bidding.

Mr. MANN. I was told, for instance—I do not give the Secretary of War the chance of explaining or denying it—that they would let a contract to one man, who is not a contractor in the business, to construct all the roads in those encampments. I do not know who devised the word for us of "cantonments."

Mr. SHERLEY. I have no information on that. But while I am on my feet, if the gentleman will yield to me further, I think this is what we are going to need and should come to—it is a matter that will require further action and consideration by Congress—it is desirable that there should be created a body, small in size, composed of men who are officers of the Government—I do not mean necessarily existing officers, but that those who are appointed on it shall be made officers of the Government. This body should supervise and control all of the letting of these contracts, hear complaints, and be practically an appeal body.

Now, the theory of the law that created the National Defense Commission was that the National Defense Board, composed of six Cabinet officers, should be that sort of a body, but it is perfectly apparent to anybody who has looked into it that they can not perform that function and perform their other functions as members of the Cabinet, and that if they are really to perform the functions that have been placed upon them as members of the board they will have to neglect their functions as heads of their respective departments.

Mr. MANN. Well, we all knew that when the bill was passed. That is the reason why I was opposed to the item.

Mr. SHERLEY. That may be; but we are now face to face with a situation——

Mr. MANN. We are now faced with this situation: The law contemplated that the President should have the power in certain cases to suspend the operation of the law that required competitive bidding, but, at the instance of the Council of National Defense, he has suspended it generally as to a very large class of cases; and everyone here knows that if that law requiring competitive bidding were suspended and contracts are let favoritism will creep in, and corruption is inevitable, no matter who has charge of it.

Mr. SHERLEY. I think every man appreciates that danger; but another fact must be borne in mind, that in waiving competitive bidding at this time it has been done because of the absolute necessity of getting certain work done immediately.

Mr. MANN. Oh, no; competitive bidding can still be had without even advertising. But to let contracts simply to one man without even asking—and I do not know whether that has been done, although I am told it has been done—is outrageous and ought not to be permitted.

Mr. SHERLEY. If it was done it was done in such a situation: Take the cot situation—and I agree that the practice followed there was subject to censure—but the very fact that the contract was let to the Simmons people for a certain number of cots was because they were the only people in this country that could furnish them in that quantity and at a price less than the price paid heretofore. Now, I do not mean by that that should be the usual policy. I do not think it should be. But I do think that when it was done it was done because of what these men believed to be a compelling reason as to time and exigency.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. MONDELL. Inasmuch as time is exceedingly important, does it not strike the gentleman as remarkable that so large a contract should be given to one firm—a firm that might fall down and not be able to fulfill the contract?

Mr. SHERLEY. I do not think that follows at all. I believe if a firm has the power to perform a contract in a given time it would be better to award the contract to that firm than to undertake to parcel it out to little firms that might fall down on the little contracts.

Mr. MONDELL. I think it is remarkable that such a chance should have been taken.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. KNUTSON. Does not the gentleman from Kentucky think that there is a growing need for a joint committee of Congress on the conduct of the war?

Mr. SHERLEY. No; I do not think anything so unfortunate could be done.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. STAFFORD. I want to ask the gentleman with regard to amendment No. 36, to which the House conferees have agreed. It provides for civilian military training. I wish to inquire whether the purpose of that paragraph is something new or whether it provides for the training of reserve officers? As I scope the purpose of the paragraph, it is to provide for the training of civilians outside of the preparation of them for officers in the reserves.

Mr. FITZGERALD. It is for the conduct of the camps that are established for the training of citizens for commission.

Mr. STAFFORD. It is intended to train civilians for officers' commissions?

Mr. FITZGERALD. Yes. They enlist and go to the camps with the understanding that they will be commissioned if they pass the examination, or be discharged if they do not.

Mr. STAFFORD. Then those men are to receive, under another item of the bill, $100 a month from the time they enter the camp?

Mr. FITZGERALD. One hundred dollars a month. This is not available for compensation, but is for all the expenses incident to conducting the camp, and it is about one-half the required amount. The Army bill carries over $3,000,000 for the same purpose.

Mr. STAFFORD. I wish to inquire also as to amendment No. 12, providing more than $2,000,000 for the fees of registers in connection with the conscription law. Has the gentleman any information as to what fees are to be paid to the various officials for carrying out the conscription law?

Mr. FITZGERALD. We were unable to obtain any accurate information as to the compensation to be paid to the State, county, and municipal officers for this work. When the bill was before the House no provision had been made to compensate them, or to provide the expense of registration and draft. The Judge Advocate General estimated that it would cost approximately so much a man, and this sum was requested. They were unable to give any definite information, except that there will be a very considerable expense. The registration is to take place next Tuesday and the draft within a short time, and we had to give them ample funds.

Mr. STAFFORD. The registers are already at work in various localities throughout the country?

Mr. FITZGERALD. Yes; I understand so, and provision had to be made. We could not tell just what the expense would be.

Mr. KELLY of Pennsylvania. I should like to inquire regarding amendments 26 and 27, about which I asked the chairman of the committee a question or two the other day. I note that the conferees have agreed to $500,000 for recreational and educational purposes at training and mobilization camps. They have, however, put in a proviso that no part of the sum shall be expended for personal services. Now, from a cursory observation it seems to me that is an unfortunate provision, because it may prevent some services being rendered which are most necessary for these recreational and educational purposes at libraries, schools, gymnasiums, and so forth. I should like to ask what induced the conferees to put in that proviso?

Mr. FITZGERALD. Several things. The first was the desire not to have all the money eaten up by a lot of idealists who would have imaginary notions as to how to entertain the soldiers. Second, it was reported that plans were being prepared to employ most of the actors and actresses who will be out of employment during the summer and put them on a circuit, going from one camp to another. We provide recreation rooms and moving-picture shows and different things at present in the Army, and the necessary service is attended to by details of men, and it has worked out satisfactorily. The managers of the two Houses were anxious to give ample funds to provide proper recreational facilities, gymnasiums and reading rooms, and lunch and amusement rooms, and matters of such character, but did not wish a great army of employees fastened on this appropriation to defeat the object intended by it.

Mr. KELLY of Pennsylvania. Does the gentleman not think that proviso will interfere with the service that is desired, or with the efficiency of this work?

Mr. FITZGERALD. I do not think it should. There was no information furnished by the War Department relative to the matter. The item was put in on the floor of the Senate, on the statement of some Senator, and after the matter was discussed pretty carefully the managers agreed upon that limitation, the belief being that this would furnish what was desired and what was essential for the men.

Mr. KELLY of Pennsylvania. I am sure we all desire the same thing, Mr. Speaker. The only point is whether this additional provision may hinder the very purpose for which the appropriation is intended.

Mr. FITZGERALD. I think not. I do not believe Congress intends to hire a lot of shows.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FITZGERALD. I ask that my time may be extended.

Mr. MANN. I ask that the gentleman's time be extended 15 minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the time of the gentleman from New York be extended 15 minutes. Is there objection?

There was no objection.

Mr. MANN. Will the gentleman yield for a question in reference to amendment 14?

Mr. FITZGERALD. Certainly.

Mr. MANN. We have agreed to that amendment, under the pay of enlisted men in the Army, which provides for paying $100 a month to enlisted men in training for officers of the Reserve Corps. What was the purpose of putting that in here?

Mr. FITZGERALD. It is to pay the men who are being trained for commissions in these camps.

Mr. MANN. They are not enlisted men.

Mr. FITZGERALD. Yes; they enlist them with the understanding that if they qualify they will be commissioned, and if not they will be discharged.

Mr. MANN. If it is put in for that purpose, why did you not use the same language that is in the current law?

Mr. FITZGERALD. In the Army appropriation act?

Mr. MANN. Yes.

Mr. FITZGERALD. We endeavored to do that, but could not.

Mr. MANN. You missed it by a wide guess.

Mr. FITZGERALD. I say we endeavored to conform to the provisions of the Army act, but the Senate insisted on this language.

Mr. MANN. We carried in the Army appropriation law the item that the Secretary of War is hereby authorized out of this appropriation—that is, the civilian military training appropriation—to pay to persons designated by him for training as officers in the Army during the period of their training the sum of not to exceed $100 per month in addition to the allowances authorized by section 54. This makes an appropriation which will be carried in a different item on the books and provides possibly a different rate of pay.

Mr. FITZGERALD. This is a deficiency, and it was stated that it would accomplish the purpose.

Mr. MANN. The gentleman says this is a deficiency; this runs through the same time the Army appropriation bill runs.

Mr. FITZGERALD. My opinion is that it should have been put in the same form as the language in the Army bill.

Mr. MANN. My opinion is that the conferees did not know that there was any such item in the Army bill or they would have put it in that form.

Mr. FITZGERALD. The gentleman is mistaken, the provision in the Army bill is in the form of a proviso.

Mr. MANN. That is no information; I have just read it.

Mr. FITZGERALD. The question was discussed and still the Senate insisted on this particular form. There is a point, as the gentleman knows, when the argument with Senators reaches the quitting point.

Mr. MANN. I am glad it is in so as to make a sufficient sum of money to pay them.

Mr. SHALLENBERGER. This declares that it shall be $100 a month, while the House bill declared that it might be.

Mr. FITZGERALD. The War Department has determined that the pay shall be $100 a month.

Mr. MANN. Are all these men enlisted men?

Mr. SHALLENBERGER. I understand that they are.

Mr. MANN. Under what authority can they enlist a man over a certain age?

Mr. SHALLENBERGER. They do not take anybody in these camps above a certain age.

Mr. MANN. What is that age?

Mr. SHALLENBERGER. Thirty-five years.

Mr. MANN. Is there not anybody in these camps over the age of 35 years?

Mr. SHALLENBERGER. They would not be enlisted. They might take them in under some provision.

Mr. MANN. That is what I want to know, whether they are all enlisted or not. The difficulty is to know not so much what is the law but whether anybody is paying any attention to the law.

Mr. FITZGERALD. Oh, I would not undertake to volunteer that information.

Mr. MANN. It is something that we are entitled to know. The gentleman from New York knows perfectly well that there are a lot of people there over age for the Army.

Mr. SHALLENBERGER. Let me say to the gentleman from Illinois that, on reflection, I have been informed by The Adjutant General that they have some men who are above the age of enlistment, but whether they are enlisted or not I do not know.

Mr. MANN. I do not know whether they are enlisted or not, but I know the conferees have stated that they were all enlisted, and that is the sort of dope we are furnished.

Mr. FERRIS. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. FERRIS. Does the gentleman think that it is necessary for the Council for National Defense to keep on growing with the same speed that it has grown for the last year? Not to criticize, but its growth and expansion has been abnormal.

Mr. FITZGERALD. The advisory commission is authorized to organize subordinate boards, and it may be that it may. They anticipate an enlargement of their activities very much.

Mr. FERRIS. How much of the Government funds can they now spend during the fiscal year?

Mr. FITZGERALD. The bill carries $500,000, and there is an additional appropriation of $200,000, which makes $700,000. They have saved on copper and steel and some other materials at least $10,000,000. The testimony shows that.

Mr. FERRIS. I am glad to know that is true, but I should think the amount alleged to have been saved must be largely problematical.

Mr. FITZGERALD. There is no question about it. Copper is selling at about 38 cents, and all the Government pays under its contracts is 16 or 18 cents. All that information is in the testimony.

Mr. PARKER of New Jersey. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. PARKER of New Jersey. Is the gentleman from New York satisfied with the reduction of the appropriation for horses? It is a very large reduction.

Mr. FITZGERALD. The War Department said that it was all it needed.

Mr. FERRIS. How much does the bill carry for the purchase of land for cantonments, and so forth?

Mr. FITZGERALD. None for the purchase of cantonment sites. Some for the purchase of aviation sites and some for the purchase of other land that has not been agreed on. I can not state offhand the total.

Mr. FERRIS. I want to say that I think these items for the purchase of land ought to be looked into very carefully by the committee of the House. We have been abolishing forts, giving away land, and leaving land unused.

Mr. CANNON. Mr. Speaker, we folks in the back part of the meeting are entitled to know what is going on in the fore part of the meeting. [Laughter.]

The SPEAKER. The House will be in order.

Mr. FERRIS. Mr. Speaker, I will restate my question. I have just asked the gentleman from New York how much was being expended or appropriated for land for cantonment sites, naval sites, and aeroplane sites, and so forth. I ask for information without any idea of criticism. I then said I thought very close attention ought to be given to the appropriations asked for the purchase of land. We have spent considerable time in the last 10 years abandoning forts and giving away military reservations that belong to the Government. We have many forts and military reservations not now in use, and it is just a word of caution in time. I doubt if the War Department or the Navy Department will ultimately be upheld if it develops they are buying large areas of land when they have large areas equally as good and equally as available.

Mr. FITZGERALD. Out of the $3,300,000,000, about $3,000,000 is available for the purchase of land.

Mr. HOWARD. Will the gentleman let me answer one interrogation?

Mr. FITZGERALD. I yield to the gentleman.

Mr. HOWARD. As far as the sites for cantonments are concerned, it is a purely temporary lease, all of them. They are all predicated on leases on a three-year basis. Practically all the aviation projects have this clause in them—and I have some knowledge of that—they are leased on a three-year basis, 640 acres, and then within three years, if Congress should make any of these permanent, they take an option on the purchase of the 640 acres.

Mr. FERRIS. I have made some investigation of this matter also. I know the Government is put to severe tests these days. Everyone ought to be helpful; but there is no one way in which we can help so well as to point out errors or pitfalls before we fall into them—not afterwards.

Mr. WEBB. Mr. Speaker, I notice the gentleman has agreed on $500,000 for recreation in this bill. I congratulate the committee upon arriving at that conclusion, but I see that it is provided that none of it shall be paid for personal services or salaries. May I ask if that is satisfactory to the War Department?

Mr. FITZGERALD. I do not know; I have not inquired.

Mr. WEBB. Does the gentleman think that they can expend that much for recreation of the soldiers without some person being hired to assist in the recreation?

Mr. FITZGERALD. I do not know. The War Department furnished no information to the House of Representatives on the subject whatever.

Mr. SHALLENBERGER. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. SHALLENBERGER. I was interested in the statement of the gentleman from Kentucky [Mr. SHERLEY] that under this he thinks that sooner or later we must have a small body of experts to pass on these general contracts. Is it the judgment of the committee that the advisory members of the Council of National Defense are such a body?

Mr. FITZGERALD. The gentleman was expressing his own views. He was not speaking of any matter that had been determined by the committee.

Mr. SHALLENBERGER. There are seven advisory members, are there not?

Mr. FITZGERALD. Yes.

Mr. SHALLENBERGER. Is it the opinion of the committee that that body ought to be enlarged in numbers?

Mr. FITZGERALD. The committee has not considered the question. The gentleman from Kentucky was expressing his

own views. It is a matter that has not been considered by the committee. In fact, we have not jurisdiction over it.

Mr. DUPRÉ. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. DUPRÉ. The gentleman stated that the House of Representatives had no information in regard to the $500,000 appropriated in this bill for the purposes of recreation. Why did the committee agree to it?

Mr. FITZGERALD. From information furnished to the committee by the managers on the part of the Senate. I said the War Department had furnished the House no information upon it.

Mr. DUPRÉ. Has it furnished the Senate any information?

Mr. FITZGERALD. Yes. We are to have a million men in the field, and if we can keep them happy and in good humor for this amount of money it is cheap at the price.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. FITZGERALD. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

Mr. BANKHEAD. Mr. Speaker, I now offer a motion to recommit with instructions, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. BANKHEAD moves that the bill be recommitted to the committee on conference, and that the conferees on the part of the House be, and are hereby, instructed to insist on the following amendment:

On line 24, page 39, after the word "fund," insert the following language:

"*Provided further*, That no part of the money hereinbefore appropriated for the regular supplies, Quartermaster Corps; incidental supplies, Quartermaster Corps; transportation of the Army and its supplies; water and sewers at military posts; clothing and camp and garrison equipage; horses for Cavalry, Artillery, and Engineers; barracks and quarters; military-post exchanges and roads, wharves, and drainage shall be paid to any person, firm, agency, association, or corporation having any individual, member, representative, agent, or officer on any subordinate body or any committee of the National Council of Defense at the time the articles or supplies provided for in the sums so appropriated are purchased or contracted for, except such articles or supplies already bought or contracted for prior to the passage of this act."

Mr. FITZGERALD. Mr. Speaker, I make the point of order that there is no amendment at the point indicated and nothing in controversy between the Houses, and the gentleman can not instruct the managers to do something that would violate the rules of the House. The managers could not incorporate in this bill new matter at a point where there is nothing in controversy and no amendment of any character pending. The gentleman is instructing the managers to insist upon incorporating into this bill something that is not in controversy at a point where there is no modification or change.

Mr. MANN. Will the gentleman from Alabama yield for a question?

Mr. BANKHEAD. Yes.

Mr. MANN. The gentleman refers to the page and line. Does the gentleman refer in that to the House print with the Senate amendments numbered?

Mr. BANKHEAD. Yes; House bill 3971 with Senate amendments.

Mr. MANN. If it is the gentleman's intention to have it come in at the bottom of this particular page, then there is no amendment there which is in controversy.

Mr. BANKHEAD. Mr. Speaker, I do not know whether or not the motion is subject to a point of order.

Mr. MANN. Mr. Speaker, I would say to the gentleman that if the committee of conference had incorporated that provision in this conference report, it would have made the conference report subject to the point of order itself.

Mr. BANKHEAD. Mr. Speaker, I must confess that I am not an expert upon the interpretation of the rules of the House, but in conference with some gentlemen on the floor, in whose judgment I have confidence, I was advised that this motion would be in order. Of course I apprehend the situation to be, and it is true, that there is no difference between the two Houses upon this particular proposition, but I was under the impression that the House, while the legislation was still under its control, under the rules of the House would have the right to give instructions with reference to the ways and means by which the appropriation should be expended, and putting certain restrictions and regulations upon such expenditures.

Mr. MANN. Mr. Speaker, the gentleman, I think, knows that things in conference are Senate amendments, which the Senate has insisted upon and which the House has disagreed to. Nothing else is in conference. If this bill goes back to the Senate, the Senate would have no right to inject an amendment at some place in the bill where it had no amendment before, and the mere fact that the bill is before the House at this time, having been agreed to by the Senate, does not authorize the House to change the text of the bill, which has been agreed to by both bodies.

The SPEAKER. That is undoubtedly true. The point of order is sustained. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. FITZGERALD. Mr. Speaker, I move that the House further insist upon its amendment to Senate amendment No. 2 and upon its disagreement to the other Senate amendments and ask for a conference.

The SPEAKER. The question is on the motion of the gentleman from New York that the House do further insist upon its amendment to Senate amendment No. 2 and insist upon its disagreement to the other Senate amendments and ask for a conference.

The motion was agreed to.

The SPEAKER appointed the following conferees on the part of the House: Mr. FITZGERALD, Mr. SHERLEY, Mr. GILLETT.

BUREAU OF WAR-RISK INSURANCE.

Mr. ADAMSON. Mr. Speaker, yesterday afternoon the House by special order made Senate bill 2133, the war-risk insurance bill, in order for this morning, and I ask unanimous consent that it be considered in the House as in the Committee of the Whole.

Mr. MANN. Mr. Speaker, the gentleman can not call the bill up in that way. He has to move to go into the Committee of the Whole.

Mr. ADAMSON. I suppose so, if the gentleman objects. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, and pending that I desire to see if I can make some agreement with the other side with respect to general debate.

Mr. Speaker, pending that I will ask the other side, as the gentleman from Wisconsin is present, about limiting debate.

Mr. MANN. I hope we can get through the bill to-day, but I do not think we can agree now about the length of debate.

Mr. ESCH. I will state to the gentleman I have had two requests for time.

Mr. MANN. I have had several requests for time.

Mr. ADAMSON. What does the gentleman suggest?

Mr. MANN. I think we had better go on with debate.

Mr. ADAMSON. And make no agreement now?

Mr. MANN. If necessary we can rise after a while and limit debate.

The SPEAKER. The question is on resolving the House into the Committee of the Whole House on the state of the Union for the consideration of Senate bill 2133.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2133, with Mr. BYRNES of Tennessee in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2133, which the Clerk will report by title.

The Clerk read as follows:

A bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes.

Mr. ADAMSON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. ADAMSON. Mr. Chairman, I yield to the gentleman from Missouri [Mr. ALEXANDER], the author of the bill, to explain the bill.

Mr. ALEXANDER. Mr. Chairman, the bill now under consideration by the committee—S. 2133—is practically the same in its terms as the bill H. R. 4050, and is a bill "To amend an act entitled 'An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes."

It may be well at this time to give a brief summary of the provisions of the existing law to those who are not familiar with the terms of existing law, and then indicate the amendments proposed in the bill now under consideration by the committee. Shortly after the war in Europe began it was evident that it would be necessary for our Government to write war-risk insurance on our vessels under the American flag engaged in foreign trade. On September 2, 1914, the existing war-risk

insurance act became a law. It provides for the establishment in the Treasury Department of a bureau to be known as the Bureau of War-Risk Insurance, and for the appointment of a director at a salary of $5,000 a year. It provides that the Bureau of War-Risk Insurance, subject to the general direction of the Secretary of the Treasury, may make provisions for the insurance by the United States of American vessels, their fright and passage moneys, and cargoes shipped or to be shipped therein, against loss or damage by the risks of war whenever it should appear to the Secretary that American vessels, shippers, or importers in American vessels are unable in any trade to secure adequate war-risk insurance on reasonable terms.

The bureau is authorized, under existing law, with the approval of the Secretary of the Treasury, to adopt and publish a form of war-risk policy and to fix reasonable rates of premium for the insurance of American vessels, their freight and passage moneys and cargoes, against war risks, the rates to be subject to such change, to each port and for each class, as the Secretary shall find may be required by the circumstances. The law when passed provided that the proceeds of the premiums should be covered into the Treasury of the United States. The board is given power under the existing law to make reasonable rules and regulations to carry out the provisions of the act, and it also provides that an advisory board of three members might be appointed, skilled in the practices of war-risk insurance, for the purpose of assisting the Bureau of War-Risk Insurance in fixing rates of premiums and in adjustment of claims for losses, and generally in carrying out the purposes of the act. The compensation of this advisory board was fixed at not to exceed $25 per day for time actually employed in the service of the board. The Director of the Bureau of War-Risk Insurance, in the adjustment of any claims for losses in respect of which no action shall have been begun, should, on approval of the Secretary of the Treasury, promptly pay such claim for losses to the party in interest, and provision is made for the speedy adjustment and payment of claims. For the purposes of paying losses accruing under the provisions of the act the sum of $5,000,000 was appropriated and an additional sum of $100,000 was appropriated for the purpose of defraying the expenses of the establishment and maintenance of the Bureau of War-Risk Insurance, including the payment of salaries authorized and other personal services in the District of Columbia.

The act provides that the President may, whenever in his judgment the necessity of further war insurance by the United States shall have ceased to exist, suspend the operations of the act so far as it authorizes insurance by the United States against loss or damage by risks of war; the suspension in any event to be made within two years after the passage of the act—of course, not to affect any insurance then outstanding. For the purpose of the final adjustment of any such outstanding insurance or claim the Bureau of War-Risk Insurance, in the discretion of the President, might have been continued in existence for a further period not exceeding one year. The operations of the Bureau of War-Risk Insurance, so far as it authorized the board to write war-risk insurance, would have terminated two years after September 2, 1914.

On August 11, 1916, a bill which I had introduced was passed and became a law, extending the life of this bureau for another year, also contained a provision that all moneys received from premiums and from salvage should be covered into the Treasury to the credit of the appropriation made for the payment of losses.

On March 3, just before the adjournment of the Sixty-fourth Congress, another act was passed continuing the life of this bureau another year and increasing the appropriation to pay losses, from $5,000,000 to $15,000,000. Mr. Chairman, we should keep in mind that I have been speaking of the provisions of the existing law creating the Bureau of War-Risk Insurance. The losses up to and including May 2, 1917, have been $5,903,589.10.

I will insert in the RECORD a list of the vessels and the amount of loss on each, also the cargoes and the amount of loss.

Mr. COX. Mr. Chairman, will the gentleman yield for a question?

Mr. ALEXANDER. I yield.

Mr. COX. How does the balance stand now in the Treasury Department with reference to the amount of claims that have been paid out and the amount of premiums collected?

Mr. ALEXANDER. I will get to that in just a moment.

Mr. COX. All right.

Mr. HARDY. The gentleman just stated what the total loss was, but I did not catch it. I wish he would repeat it.

Mr. ALEXANDER. I said it was $5,903,589.10.

From the time the bureau was created, September 2, 1914, until the 1st of January, 1917, 1,791 policies were issued, $3,244,785.04 in premiums were collected, and the total losses were about $800,000, leaving a net balance of premiums collected, over and above the losses paid, in the neighborhood of over $8,500,000. I will put the exact figures in the RECORD. Since the 1st of January the losses have increased very rapidly, and the number of policies issued have also increased.

Mr. HAWLEY. Will the gentleman yield for a question?

Mr. ALEXANDER. I would prefer to make a continuous statement.

Mr. HAWLEY. I just wanted to know what the total amount of insurance was upon which those premiums were collected.

Mr. ALEXANDER. I will give you that in just a moment.

From September 2, 1914, to January 1, 1917, the amount insured was $182,203,080, and, as stated heretofore, the premiums collected were $3,244,785.04. Now, the number of policies from January 1, 1917, to May 23, 1917, was 2,793 as against 1,791 for the entire period from September 2, 1914, to January 1, 1917, showing a very marked increase. There was a total of policies issued from September 2, 1914, to May 23, 1917, of 4,584. The total amount insured was $504,003,016. The premiums collected were $10,300,355.20. The known losses were approximately about $6,000,000, leaving something over $4,300,000 in premiums collected in excess of losses up to May 24, 1917. The amount of the expenses of the bureau, including salaries, from September 2, 1914, to April 30, 1917, was $52,447.63. The original amount appropriated to pay expenses was $100,000, showing, I think, that the expenses of this bureau have been very small and that the work of the bureau has been economically performed. As far as I know, there never has been any criticism whatever of the efficiency of the work done by the bureau or its value to our commerce.

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. ALEXANDER. Yes.

Mr. GREEN of Iowa. Can the gentleman inform us how this ratio of expense would compare to the ordinary ratio of expense on marine insurance in this war, or has that been so different from times of peace that you can not make any comparison?

Mr. ALEXANDER. I can not. I will say this, however, that the effect of the operation of this bureau in writing war-risk insurance has been to keep the rate at the lowest possible average, and in that way it has resulted in great economies to our commerce on the high seas.

Mr. HARDY. Will the gentleman yield right there for a question? Just as a test, has the gentleman ascertained how our account stands as to insurance premiums against losses since the 1st of January this year?

Mr. ALEXANDER. The known losses were about $6,000,000 and a net premium of $10,300,355.20.

Mr. HARDY. That covers the whole period?

Mr. ALEXANDER. The whole period. I think before the 1st of January all premiums exceeded losses approximately by $2,500,000.

Mr. HARDY. We have now exceeded them by over $4,000,000?

Mr. ALEXANDER. Yes.

Mr. HARDY. So that since the 1st of January there is a little profit in that account?

Mr. ALEXANDER. The losses have increased. Before the 1st of January they were about $800,000; they now amount to $6,000,000.

Now, the purpose of this bill, S. 2133, and of the bill H. R. 4050 is to create an insurance, the premium to be carried by the shipowner, protecting the master, officers, and crews of American vessels engaged in sailing through dangerous waters against loss of life or personal injury caused by the risks of war, and to give them compensation should they be detained as prisoners by the enemy; to assist in the prosecution of the war by providing the fullest facilities for insurance against risk of war for vessels and their cargoes destined to countries at war with Germany; to supplement the existing insurance market, stabilize rates, and as a consequence assist the foreign commerce of the United States.

Mr. BORLAND. Mr. Chairman, will the gentleman yield there?

Mr. ALEXANDER. I would prefer to complete my statement before answering questions.

With these ends in view the bill, if enacted, would make it possible for the United States to enter into a reciprocal reinsurance arrangement with countries which are at war with Germany to mutual advantage. Increased appropriations are sought by the bill which are deemed very necessary, and some other slight changes in the law are sought which, in the light of experience and the increased scope of the bureau's operations are considered essential. All these matters will be dealt with separately and in some detail later.

Seamen sailing on American vessels to the war zone are at the present time exposed to loss of life and personal injury, and

it is manifestly necessary that these men on whose services so much depends at the present time should be encouraged to seek or continue in the employment of such vessels by being assured by the Government of proper and reasonable indemnity in event of loss of life or personal injury by war risks, and of compensation in the event of capture and detention by the enemy. The importance and necessity of such insurance through the war zone is so great that the bill provides that when it shall appear to the Secretary of the Treasury, desirable in the national interest, he may require vessel owners to effect such insurance at their expense. In the event of the owners failing to effect such insurance, the bill seeks to give the Secretary of the Treasury authority to effect such insurance at the owners' expense, and in addition a penalty is provided.

In preparing the provisions for indemnifying officers and crews, the effort has been to secure a simple, intelligible, and immediately available method of insurance against the consequences of war perils, recognizing that prompt action is the first requisite.

I may say that the provisions for compensation to officers and seamen in the event of injury or death are framed after the workingmen's compensation laws of two or three of the eastern States and are simple in form and will be very easy of administration.

It is considered desirable as a further encouragement to the men and for their protection that the bureau should have authority to insure their personal effects, which would make it possible for the men to obtain such insurance at a reasonable cost.

Under the bill, if enacted, the Secretary may make reciprocal reinsurance arrangements with other Governments, thus permitting the fullest cooperation on this important matter of war-risk insurance with the Governments of other nations engaged in war with the enemies of the United States. By this means it is hoped to arrive at arrangements with those other Governments allowing the sharing of business, in this way dividing the hazard accepted from a vastly increased number of units, which is manifestly a sounder business method and permits the spread of the hazard without increasing the total liability assumed.

This provision relating to return premiums is necessary for carrying out the ordinary operations of the bureau, as, for instance, where a voyage on which the premium has been paid is not made. In addition it seems desirable to make some provision whereby the profits, if any, of certain classes of business, particularly in the case of insurance against loss of life or personal injury, may, on the termination of the bureau, be divided pro rata between those taking out this insurance.

In other words, the law was not created and this service is not being performed with a view to profit to the Government, but as a service to vessels under the American flag engaged in foreign commerce.

The bureau will now be fulfilling its most important function in assisting in carrying on of the war or the commerce necessary to the prosecution of the war, and should not aim to make a profit from those operations. This is particularly true of the part of the bill relating to personal injury to the men, and it is proposed to fix premiums at rates so that as nearly as can be estimated these rates will represent the cost of doing the business. The provision seeks to make it possible that on the termination of the war any profits which have been accumulated from this source shall be returned to those paying premium on these policies.

Under the act in its original form, premiums and salvages were to be carried into the Treasury. Congress subsequently, in one of the amendments approved March 3, 1917—that is an amendment to the act of August 3, 1916, to which I have referred heretofore—altered this provision and directed that the premiums and salvages should be covered into the Treasury to the credit of the appropriations made in payment of losses and should be available for the purposes thereof. In the light of experience it is necessary, as already explained, to provide for the payment of return premiums, and hence necessary to broaden the purposes of the previous appropriation, both in the part of the law quoted and in that section of the same which appropriates $15,000,000.

In other words, we provide for the repayment of return premiums, also that moneys received from premiums and from salvage shall be covered into the Treasury and reappropriated for the purposes of this act.

The bill provides for an increase of the fund available to $50,000,000. As I stated, the amount appropriated in the act of March 3, 1917, was $15,000,000, and in the act of September 2, 1914 $5,000,000. The House bill, as reported from the Committee on Interstate and Foreign Commerce, carried an appropriation of $25,000,000. We are now considering the Senate bill. In the Senate bill the amount is increased to $50,000,000.

Now I will answer the gentleman from Missouri [Mr. BORLAND] if he has any questions.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman repeat the capitalization figures? The first bill of September, 1914, provided for a capital of $5,000,000?

Mr. ALEXANDER. Yes.

Mr. MOORE of Pennsylvania. Then the bill of March 3, 1917, increased it to $15,000,000. This bill proposes to increase it to $50,000,000?

Mr. ALEXANDER. Yes.

Mr. MOORE of Pennsylvania. Fifty million dollars is the sum total of all the capitalization as contemplated by this bill?

Mr. ALEXANDER. Yes; by the Senate bill, which we are now considering.

Mr. MOORE of Pennsylvania. It is not $50,000,000 plus $15,000,000 and plus $5,000,000?

Mr. ALEXANDER. No; $50,000,000 as the sum total.

Mr. MOORE of Pennsylvania. May I ask the gentleman as to the new insurance features in this bill, covering life, accidents, and personal effects of the masters, officers, and crews? Will that cover alien seamen and alien officers employed on merchant vessels of the United States?

Mr. ALEXANDER. It will cover all of the masters and watch officers and crews on vessels of the United States; that is, vessels under the American flag.

Now, under the act passed in August, 1914, it was provided that the President might suspend the provisions of existing law as regard the masters and watch officers on foreign vessels brought under American registry, and under the provisions of that law the vessels of the United Fruit Co. came in, and their officers with them. That act was only intended to cover a limited period of time and to meet an emergency. It grew out of the fact that at the time it was passed officers were not available. With the vast increase of tonnage provided for under the building program now pending, involving an expenditure of $750,000,000 in the next 18 months by the Government; with the vast increase of tonnage under private ownership under the American flag, it will be a very serious problem as to where we will get officers and crews to man our ships. Practically all the officers on merchant vessels under the American flag are American citizens; the law provides that they shall be American citizens except in the instance to which I have referred. We have no laws providing that the crews of vessels under American registry or enrollment shall be American citizens.

Mr. MOORE of Pennsylvania. The gentleman is familiar with the seamen's act, which he piloted through the House?

Mr. ALEXANDER. I had much to do in framing it.

Mr. MOORE of Pennsylvania. Does not that provide against the employment of a certain number of aliens on American ships?

Mr. ALEXANDER. No.

Mr. MOORE of Pennsylvania. It admits of the employment of a number of aliens?

Mr. ALEXANDER. It does not change the existing law at all in that regard.

Mr. MOORE of Pennsylvania. But it requires that the wage standard shall be that of the United States?

Mr. ALEXANDER. No; it does not provide that. In the seamen's law we repealed or abrogated so much of our treaties with foreign nations as authorized the arrest of seamen for violating their civil contracts of service. The seamen's act also provides that when a seaman's vessel arrives into port he may demand half his wages, and if the master of the vessel refuses to pay him one-half of his wages then due he may sue for them in our courts, and that provision applies to foreign seamen as well as seamen on vessels under the American flag. It was the opinion of those who framed the law, and especially of the labor organizations, the Seamen's Union particularly, that the effect would be to equalize the wage scale on vessels under the American flag and on vessels under foreign flags. There is no specific provision in the act of the kind the gentleman suggested.

Mr. MOORE of Pennsylvania. This bill is an insurance bill?

Mr. ALEXANDER. Yes; in part.

Mr. MOORE of Pennsylvania. But as I read it it is as much a seaman's bill as it is an insurance bill, in that it is clearly intended to permit the employment of officers and men for vessels engaged in the foreign trade and encourages them to take employment.

Mr. ALEXANDER. I would say yes to that. However, this legislation was not inspired by the Seamen's Union at all, so far as I know.

Mr. MOORE of Pennsylvania. I understand that to be the fact.

Mr. ALEXANDER. No; I will say that it was inspired by the Bureau of War-Risk Insurance and great commercial interests engaged in exporting and importing, and is intended to facilitate the movement of our over-seas commerce and cover the hazards of the sea, and for the vessel owners, who have found great difficulty in getting officers and men to serve on the vessels going into the war zone.

Mr. MOORE of Pennsylvania. Exactly; and in getting them even into the normal merchant marine.

Mr. ALEXANDER. Yes; on account of the war risks.

Mr. MOORE of Pennsylvania. There is great difficulty in obtaining seamen now.

Mr. ALEXANDER. Yes; notwithstanding wages have been very greatly increased, and bonuses are being paid.

Mr. MOORE of Pennsylvania. This bill comes from the Committee on Interstate and Foreign Commerce. It pertains to war-risk insurance. The gentleman having sponsored the two previous war-risk insurance bills, I was under the impression that they had come from the Committee on the Merchant Marine and Fisheries. But this bill steps beyond the ordinary bounds of war-risk insurance, and trenches upon the merchant marine and fisheries ground, in that it does to a certain extent relate to matters pertaining wholly to the merchant marine and fisheries, to wit, seamen, and their terms of employment.

Mr. ADAMSON. If the gentleman will yield, it merely extends over those engaged in running ships to transport our commerce the protection of the insurance scheme that already extends to other agencies of commerce; that is all.

Mr. ALEXANDER. I introduced the original bill creating this bureau.

Mr. MOORE of Pennsylvania. I am well aware of that fact.

Mr. ALEXANDER. I would say that it came within the jurisdiction of the Committee on the Merchant Marine and Fisheries, but it went to the Committee on Interstate and Foreign Commerce by direction of the Speaker. I do not suppose the matter was given serious consideration then, and it might well come within the jurisdiction of that committee. There are various bills that may well fall within the jurisdiction of one committee or the other. When I introduced the succeeding bills, including this one, I requested the parliamentary clerk to refer them to that committee, for the reason that it had had jurisdiction of the subject matter from the beginning.

Mr. MOORE of Pennsylvania. I have asked the gentleman these questions because it is possible, this being a war-emergency measure and pertaining to foreign trade, that these special inducements to officers and seamen engaged in the foreign trade may seriously interfere with the domestic trade and make additional trouble for the coastwise trade.

Mr. ALEXANDER. I think not. I do not think anyone engaged in the coastwise trade would object to these provisions. In fact, the American and Hawaiian Line, that was engaged in the coastwise trade, now has practically all its vessels engaged in the foreign trade.

Mr. MOORE of Pennsylvania. Yes; that 's true.

Mr. ALEXANDER. And quite a number of other vessels formerly engaged in our coastwise trade, those adapted to the overseas trade, have voluntarily gone into that trade, on account of the extraordinary demand for tonnage and the very high freight rates.

Mr. MOORE of Pennsylvania. That is true. They make more money in the foreign trade, perhaps, than in the coastwise trade.

Mr. ALEXANDER. Yes. It was only recently that many vessels belonging to lines engaged in the coastwise trade have been withdrawn because of the exigencies of the foreign trade and the need of tonnage to get food and munitions of war to our allies, and not alone for profit, but with a large measure of patriotism.

Mr. MOORE of Pennsylvania. It has a serious effect upon transportation in the coastwise trade, and particularly upon the transfer of those commodities which are now needed to support the American people. But I wanted to ask the gentleman this: This bill proposes to put insurance upon the life, limbs, and clothing of the men who will engage as seamen in the foreign trade, whether they be citizens of the United States or aliens. That being the fact—and I think the gentleman concedes that it is a fact—what will be the effect upon those engaged in the coastwise trade who have no such inducements to offer officers and seamen?

Mr. ALEXANDER. I do not know of any ill effect. I am in fairly close touch with those engaged in the coastwise trade, and I have never heard a suggestion from them that this would result in embarrassment to those engaged in the coastwise trade. In fact, officers and seamen are reluctant to engage in this foreign trade, because of the extraordinary hazard from the submarines at this time, and to meet the situation I am told that some of the companies are now voluntarily insuring their officers and men as an inducement for them to serve on vessels engaged in this trade.

Mr. MOORE of Pennsylvania. Is it not a fact that offering these special inducements now to seamen will interfere seriously with the business of private companies, not Government controlled, which are engaged in extending insurance?

Mr. ALEXANDER. This insurance is written on all vessels under the American flag.

Mr. SABATH. In the coastwise trade?

Mr. ALEXANDER. Whether they are Government controlled or not. There is no demand now for war-risk insurance in our coastwise trade, so far as I have any information on the subject. The provisions of the bill are broad enough to authorize such insurance to be written if there is demand for it.

Mr. MOORE of Pennsylvania. But it is competing with private companies.

Mr. ALEXANDER. There is no private company that I know of that is writing war-risk insurance. The foreign Governments were writing war risks on their nationals, and hence our shipping interests came to Congress and insisted that it was necessary for us to undertake this task in order to facilitate our commerce.

Mr. MOORE of Pennsylvania. The gentleman states that the losses up to date were about $6,000,000. Of course, that would exceed by a million dollars the original capital of the War-Risk Bureau. The statement by Mr. De Lanoy, who had charge of the War-Risk Bureau, speaking to the Committee on Interstate and Foreign Commerce, gives the known loss up to April 30, which would be the first four months of the present year, as $4,963,960, or virtually $5,000,000. If those figures are correct and the figures given by the gentleman from Missouri are correct, there must have been a dead loss of $1,000,000 during the month of May.

Mr. ALEXANDER. Up to May 24 the losses were $5,903,587.10.

Mr. MOORE of Pennsylvania. Then there must have been a million dollars' loss in 24 days.

Mr. ALEXANDER. Vessels and cargoes, $689,627.

Mr. MOORE of Pennsylvania. That would indicate that we have been losing more during the last 16 days than at any other period during the life of the War-Risk Bureau.

Mr. ALEXANDER. In April the loss was greater than during any other month.

Mr. MOORE of Pennsylvania. The gentleman's figures carry up to May 24 and show a loss of $1,000,000 additional during the 24 days of May, so many ships must have been sunk in the recent weeks.

Mr. ALEXANDER. I have an itemized statement of that. Only one vessel was sunk in May, so far as now known.

Mr. MOORE of Pennsylvania. Will the gentleman place it in the RECORD?

Mr. ALEXANDER. I will.

Mr. MOORE of Pennsylvania. Does the gentleman propose to put any data in the RECORD in regard to the character of the cargoes?

Mr. ALEXANDER. No; I have no such data. I understand up to the 1st of January, 1917—I think that statement was made before the Committee on Interstate and Foreign Commerce—that no contraband of war was carried.

Mr. MOORE of Pennsylvania. Prior to the declaration of war I had information from the Treasury Department that contraband was not carried. It is carried now, I presume?

Mr. ALEXANDER. I presume it is.

Mr. MOORE of Pennsylvania. And is insured by the Government?

Mr. ALEXANDER. I presume so; I can not say definitely.

Mr. MOORE of Pennsylvania. Has the gentleman considered the effect of American insurance on contraband in the matter of reinsurance by foreign countries as proposed by a paragraph in the bill? What risk will the foreign countries assume on contraband consigned to the allies?

Mr. ALEXANDER. American ships? This insurance is written on ships in favor of the owners of the ship and the cargo, and the rate is fixed according to the hazard. Prior to January 1, 1917, I think the war risk was as low as one-half of 1 per cent, but I think it is now 5 per cent, and it may go beyond that.

The only reason that we ask the increased appropriation is that there may come a time when many losses will occur in a short time, possibly while Congress is not in session, and provision should be made to pay them.

Mr. MOORE of Pennsylvania. You had $252,000,000 of risks up to the 30th of April.

Mr. ALEXANDER. The net amount of risks on May 24, 1917, was $150,000,000.

Mr. MOORE of Pennsylvania. The report of the bureau fixes the risks on April 30, 1917, at $252,738,946.

Mr. ALEXANDER. The net amount of the risks up to May 27, according to the statement I will put in the RECORD, is $150,090,252.

Mr. MOORE of Pennsylvania. These figures would have to be harmonized, because apparently there is a loss of risks amounting to $100,000,000 in 16 days.

Mr. ALEXANDER. The gentleman must remember that this amount is shifting from day to day. When a vessel gets into port the liability ceases. The amount fluctuates.

Mr. MOORE of Pennsylvania. If that is true, there might not be need for so large an appropriation as $50,000,000, because the risks seem to have been reduced $100,000,000 in 16 days.

Mr. ALEXANDER. There may not be a present need for it, but we ought to make a reasonable provision for what losses may occur before the next session of Congress.

Now, I want to call attention to this fact. We ask an increase of salary of the director of the bureau, Mr. De Lanoy, from $5,000 to $7,500. From September, 1914, to the 1st day of January, 1917, the work of the bureau did not require all of his time. He had some time to devote to his private business. He is an expert insurance man in New York—one of the best. Now, the work of the bureau has increased so much that it takes practically all of his time. So we are of the opinion that it would be wise to keep him in the employ of the department as director of the bureau. He has made a success in the past, and it would be poor economy to continue the salary at $5,000 and lose his services. So with reference to the advisory board. The existing law provides that members of that board shall receive $25 a day for the time actually employed. The Senate amended the existing law by making the compensation $20 a day instead of $25. I think that very poor economy, because we increase the responsibility of the director and of the advisory board, and the business of the bureau has increased so much that we ought to be willing to pay a reasonable price for their services, and if possible retain the present men in the employ of the bureau, because they are men of very high standing and experience.

Mr. MOORE of Pennsylvania. I have no doubt they are competent men. Has the gentleman any figures as to the losses since May 16?

Mr. ALEXANDER. I have not. The last one I have is the *Hilonian*, on May 16, $275,000, cargo $414,627, or a total of $689,627.

Mr. MOORE of Pennsylvania. Was that a cargo of oil?

Mr. ALEXANDER. I do not know.

Mr. BRUMBAUGH. Will the gentleman yield?

Mr. ALEXANDER. Yes.

Mr. BRUMBAUGH. Is an American vessel defined in exact terms at any particular place in this bill? What constitutes an American vessel?

Mr. ALEXANDER. An American vessel or a vessel of the United States is defined by our navigation laws.

Mr. BRUMBAUGH. What I am getting at is this, if the gentleman can inform me: Would a vessel floating the American flag be termed an American vessel, or must a vessel be owned bona fide by American citizens?

Mr. ALEXANDER. No vessel can be registered under the American flag unless it is owned by an American citizen and registered under our navigation laws.

Mr. BRUMBAUGH. That is covered under the general navigation laws?

Mr. ALEXANDER. Yes; under the general navigation laws, This bill applies only to vessels under the American flag.

Mr. BRUMBAUGH. Owned entirely by American citizens.

Mr. ALEXANDER. Yes; a corporation organized under the laws of the United States is an American citizen. All or part of the stock may be owned by American citizens.

Mr. BRUMBAUGH. We are not insuring——

Mr. ALEXANDER. We are not insuring German ships, I can assure the gentleman, and we are not insuring British ships or French ships, nor any of the ships of our allies. This bill provides that the board may provide for reinsurance. We are performing services for our allies. It provides that by a system of reinsurance the risk may be scattered, and the risk thereby diminished.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. Yes.

Mr. STAFFORD. The gentleman referred to the report of the committee in raising the salary of the director of the bureau from $5,000 a year to $7,500 a year.

Mr. ALEXANDER. Yes.

Mr. STAFFORD. The Senate bill under consideration as reported by the committee contains no such recommendation, but it leaves the salary as at present, $5,000. Do I understand it is the purpose of the committee to offer amendments to the Senate bill to harmonize with the House bill as reported?

Mr. ALEXANDER. Yes; in that regard.

Mr. STAFFORD. And not to try to have the Senate bill adopted just as reported from the committee?

Mr. ALEXANDER. No. The committee will offer an amendment increasing the salary from $5,000 to $7,500 and submit it to the judgment of the committee.

Mr. STAFFORD. Are there any other amendments that are purposed to be offered that are not contained in the Senate bill as reported by the committee?

Mr. ALEXANDER. There is only one verbal amendment. The word "so" is used at one place improperly. We will strike that out.

Mr. STAFFORD. As I understand, one provision of this bill compels owners to insure the lives and the services of the officers and sailors employed on American ships. Has the gentleman any estimate as to the total amount of insurance that will be required to cover all of the officers and sailors under the terms of this law?

Mr. ALEXANDER. I have not.

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question?

Mr. STAFFORD. I am not through yet. I wish to say that I certainly commend that feature.

Mr. ALEXANDER. It is extending the workmen's compensation law to officers and seamen. In case of death or total disability the liability of the owner is fixed at not more than $5,000 nor less than $1,500. The British workmen's compensation law, which applies to officers and seamen, limits the compensation for death or total disability to a minimum of £150 and a maximum of £300. I understand the provisions of this bill are very much more liberal than the British law.

Mr. STAFFORD. I do not wish to anticipate, but when we reached the item on page 6 I had intended to inquire why the committee limited the amount of insurance on the services of officers and members of the crew to those who will be designated by the assured rather than those dependent upon him. I would think the law is for the benefit of the dependent relatives, when the man happens to be captured, and not merely for the benefit of the detained sailor or officer. I direct attention to line 14, page 6, where the money in case the officer or member of the crew is detained could only be paid to the dependent relatives, in case they were designated by the assured. I would think it would be far better, as it is for the benefit of the dependents, regardless of the wish of the assured, that the money should be turned over to those dependents, even if the assured has not designated them.

Mr. ALEXANDER. To what does the gentleman refer?

Mr. STAFFORD. Page 6 of the Senate bill, lines 12 to 14—

> And payment on account of detention by an enemy following capture shall be made to dependents of the persons detained if designated by him.

Why should not the money be paid to the dependents regardless of whether they are designated by him or not?

Mr. ALEXANDER. As this insurance is for the benefit of the officer or sailor, it was thought best to give him the right to say to whom it shall be paid.

Mr. STAFFORD. But if he fails to exercise it and he leaves dependent relatives in this country who are subjects, perhaps, of the charity of the country, why should not that money for which the Government is insuring him be paid to the dependents, so that they may be provided for, and not go, perhaps, to the person detained in a detention camp in Germany or somewhere else, where he would not be able to get the money during the period of the insurance?

Mr. ALEXANDER. He might want the money himself.

Mr. STAFFORD. How are you going to get the money to him if he is detained in Germany?

Mr. ALEXANDER. The bill provides that the payment provided for in this section shall be made only to the master, officer, or members of the crew concerned, except that payment for loss of life shall be made to the estate of the insured. I think that is right.

Mr. STAFFORD. I have no objection to that.

Mr. ALEXANDER. And that payment on account of detention by an enemy following capture shall be made to dependents of the person detained, if designated by him. Otherwise it would be payable to him, and if he could not be reached it would be reserved for him when he is free.

Mr. STAFFORD. How does that improve the condition of his family, of his dependent wife and children who may need this money?

Mr. ALEXANDER. I would not care if it was limited and the law provide that it should be paid to his dependents.

Mr. STAFFORD. I was going to offer an amendment that it shall be paid as the Secretary of the Treasury may determine——

Mr. ALEXANDER. Well, if the bill is amended in that manner, I am frank to say I shall not feel much aggrieved.

Mr. STAFFORD. And in that way make provision for the dependents in case he does not.

Mr. RUSSELL. Who can tell better than the man himself?

Mr. STAFFORD. The Secretary of the Treasury in case he fails to designate them.

Mr. HARDY. Will the gentleman yield?

Mr. ALEXANDER. I will.

Mr. HARDY. I think it would be advisable if the gentleman would make a full explanation of section 2a on page 3, with reference to this reinsurance, so that we might more speedily understand that. That is the comity provision between us and our allies, as I understand, and I would like for the gentleman to get it a little more clearly before the committee.

Mr. ALEXANDER. What is it the gentleman wants to understand?

Mr. HARDY. A full explanation of section 2a, on page 3, with reference to making provision for reinsurance by the United States of vessels of foreign friendly flags. This is a new addition to this law.

Mr. ALEXANDER. That is that the Bureau of War-Risk Insurance, subject to the general direction of the Secretary of the Treasury, shall, as soon as practical, make provision for the reinsurance——

Mr. HARDY. The gentleman mentioned that incidentally.

Mr. MANN. Will the gentleman yield for a question?

Mr. ALEXANDER. Just a moment. This might be used as an illustration. We asked members of the advisory board to give us a statement of how that provision would operate, and they say:

Assuming that United States products to the value of $20,000,000 were to be shipped to Italy, one-half by five American steamers and one-half by five Italian steamers, under the existing arrangements our shipper would be able to protect himself against war risk for the full amount of these shipments by Italian vessels with the Italian Government and for the full amount of the shipments by American vessels with the United States bureau.

Assuming that the maximum value on any one vessel, either Italian or American, was $2,000,000, the effect would be that the United States Government would be granting insurance for $10,000,000, covering on five different vessels as a maximum liability of $2,000,000 each on one vessel, and the situation of the Italian Government would be exactly the same.

With the power which this section would grant to the Secretary, it is expected an arrangement could be made whereby there would be a pooling of interests. In this way the United States Government would still assume an insurance liability for $10,000,000, but it would be divided between 20 units, and the maximum amount for which they would ultimately be liable by one vessel would be $1,000,000, and the position of the Italian Government would be the same. Each would have reduced their maximum liability by any one vessel one-half. The arrangement would therefore be of mutual advantage.

Mr. HARDY. I think I understand it.

Mr. ALEXANDER. That is an illustration of how it would operate. I have consumed all the time I feel I should.

Mr. WHITE of Maine. Will the gentleman yield for one question?

Mr. ALEXANDER. Yes.

Mr. WHITE of Maine. Will the gentleman inform me how the rates of insurance and rates of premium paid here compare with those paid elsewhere?

Mr. ALEXANDER. What kind, war risk?

Mr. WHITE of Maine. Yes.

Mr. ALEXANDER. I could not.

The CHAIRMAN. The gentleman has consumed one hour.

Mr. ADAMSON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended a few minutes.

The CHAIRMAN. How much time?

Mr. ADAMSON. Fifteen minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the time of the gentleman from Missouri be extended 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN. One thing I wanted to ask the gentleman was, what is the purpose of section 1 of the bill?

Mr. ALEXANDER. If the salary of the director of the bureau is not increased I am going to ask to strike that out because in the form that it comes to us from the Senate it is identical with existing law.

Mr. MANN. That is what I knew and I could not see the purpose of having it in the bill,

Mr. ALEXANDER. The only purpose was to increase the salary.

Mr. MANN. It would accomplish nothing and rather grate on the nerves of a man who is not even overly sensitive by calling a preamble to the bill section 1 of the bill which everybody knows it is not.

Mr. ALEXANDER. I am going to move to strike it out if the salary of the director is not increased.

I will here insert the statement of the operations of the Bureau of War-Risk Insurance to which I have referred:

TREASURY DEPARTMENT,
BUREAU OF WAR-RISK INSURANCE,
Washington, May 24, 1917.

4,584 policies issued September 2, 1914–May 23, 1917.

Total amount insured		$504,003,016.00
Premium on same		10,300,355.20
Net amount at risk		150,090,952.00
Known losses	$5,903,587.10	
Salvage received	59,055.87	
Net losses		5,844,531.23

Expenses from September 2, 1914 to April 30, 1917, $52,477.63.

Statement showing losses sustained by Bureau of War Risk Insurance.

Vessel.	Hull.	Cargo.	Total.
1915.			
Steamer Evelyn	$100,000.00	$301,000.00	$401,000.00
Steamer Carib	22,253.00	235,850.00	258,103.00
Steamer Greenbrier	50,000.00		50,000.00
Schooner Wm. P. Frye	11,550.00		11,550.00
Steamer Navajo		58,368.34	58,368.34
Steamer Seguranca		235.73	235.73
Total for 1915			779,257.07
1916.			
Steamer Carolyn		$62,595.03	$62,595.03
1917.			
Steamer Healdton	$400,000.00	99,000.00	499,000.00
Steamer Illinois	250,000.00		250,000.00
Steamer Rockingham	800,000.00	498,108.00	1,298,108.00
Steamer Missourian	1,000,000.00		1,000,000.00
Schooner Edwin R. Hunt	50,000.00		50,000.00
Steamer New York (estimated)	100,000.00	150,000.00	250,000.00
Schooner Percy Birdsall	25,000.00		25,000.00
Steamer Vacuum	1,000,000.00		1,000,000.00
Steamer Hilonian	275,000.00	414,627.00	689,627.00
Total for 1917			5,061,735.00
Total losses			5,903,587.10

Statement showing increased activity of the Bureau of War-Risk Insurance for the first five months of 1917.

Period.	Number of policies.	Premium.
Sept. 2, 1914–Jan. 1, 1917[1]	1,791	$3,244,785.04
January, 1917	125	178,783.47
February, 1917	280	323,593.36
March, 1917	384	1,275,943.75
April, 1917	1,063	2,772,323.31
May 1–23, 1917	941	2,506,926.27
	4,584	10,300,355.20

	Amount insured.	Premium.
Sept. 2, 1914–Jan. 1, 1917	$182,203,080	$3,244,785.04
Jan. 1, 1917–May 23, 1917	321,799,936	7,055,570.16
	504,003,016	10,300,355.20

[1] Being monthly average of 64 policies and $115,885.18 premium.

Expenses Sept. 2, 1914–Apr. 30, 1917	$52,447.63
Net amount at risk	150,090,952.00
Known losses (approximately)	6,000,000.00

Mr. Chairman, I reserve the balance of my time.

Mr. ESCH. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. DILLON].

Mr. DILLON. Mr. Chairman and gentlemen of the committee, I am in sympathy with some of the provisions of this bill and shall vote for it, but I desire to present some criticism and make some comment in reference to it. First, I shall offer an amendment to strike out all the resolution portion of the bill. It has no place in this bill. We ought not to have a resolution portion of a bill and then follow it by legislative enactment. You will observe there are two enacting clauses in this bill. I think that is a bad practice and ought to be eliminated. Second, I think we should place a limitation upon the Secretary of

the Treasury or the War-Risk Insurance Bureau by providing that whenever the shipping companies are engaged in a conspiracy to fix ocean-rate prices that the insurance should be refused.

It is well known by everyone that these shipping companies all over the country have increased their rates and have doubled and redoubled them until they are about 100 per cent higher than they were before the war commenced.

Mr. ALEXANDER. I would suggest to the gentleman that they are several hundred per cent higher.

Mr. DILLON. Yes. But still, when the Government is insuring these companies for full value, we ought to look after the rights of our shippers in commerce.

I want to call the committee's attention specifically to section 2, and it is to this section that I desire mostly to confine my arguments. Under its provisions, if you enact it, we may reinsure the commerce of all the countries. It does not confine itself to the commerce of the United States. At the proper time I shall offer an amendment to confine the reinsurance to our own commerce. I see no good reason why we should reinsure the coastwise vessels of England. Do you? I see no reason why we should reinsure vessels sailing from the Spanish ports to the South American coast. Do you? We have undertaken an immense task in our alliance with the European powers. Why do we want to engage in a world-wide insurance or a reinsurance of their commerce, commerce that does not concern our people? We should look out for our own people, for our own commerce. If we would turn our attention to the commerce of South America and build it up, we would be legislating for the American people. But I want some Member who has studied this bill to tell us why we should reinsure foreign vessels that do not engage in American commerce.

Mr. ALEXANDER. I will say that I do not suppose anybody with average common sense in the administration of this law will do it.

Mr. DILLON. Why not put it into this bill, so that they can not do it?

Mr. ALEXANDER. The purpose of this bill is to limit our liability and not increase it.

Mr. DILLON. I suggested to the Committee on Interstate and Foreign Commerce that the reinsurance ought to be confined to American commerce.

Mr. ALEXANDER. Yes; but it did not get any sympathy with the committee.

Mr. DILLON. I know it did not, and I appeal to the House that this amendment ought to be adopted. If you will amend this bill so that it will be reasonable in its provisions, I will gladly support it.

Mr. SNOOK. If the risk of this insurance is so great at this time that all the insurance upon this class of business, upon American commerce, must be placed upon this War-Risk Insurance Bureau, I will ask the gentleman what opportunity there will be for that bureau to reinsure in any other way except through some other insurance company insuring the property of some other company?

Mr. DILLON. Under this provision in section 2a you are granting the express power to this board to reinsure, as you will see if you read it, the vessels of foreign friendly flags. It does not make any difference whether it is American commerce or European commerce, you propose to grant this power to reinsure, and it is that to which I am objecting.

Mr. SNOOK. Yes; but if the risk is so great at this time that insurance can be carried in no other way than by this bureau, they can not reinsure with themselves. I suggest to the gentleman. They have got to have somebody else with whom to reinsure.

Mr. DILLON. Yes; they reinsure with foreign governments. But why should we assume risks that do not concern our own commerce.

Mr. SNOOK. They can not reinsure with themselves. They have got to have somebody to reinsure with.

Mr. DILLON. Suppose England is carrying a risk on one of her vessels, and that vessel is engaged in the English coastwise trade, and it never comes to the United States for United States commerce, you are granting the power here to reinsure that.

Mr. SNOOK. The gentleman is proposing something that will never happen.

Mr. DILLON. Then why grant the power?

Mr. BRUMBAUGH. Will the gentleman yield?

Mr. DILLON. Certainly.

Mr. BRUMBAUGH. Take the case of American ships that England took charge of and that belonged to us, some six or eight months ago, and are still using. They are American ships by the terms of this bill, but the English Government is using them. Under the terms of this bill we would have to insure those ships, would we not?

Mr. DILLON. The bureau could reinsure the insurance of England upon those vessels.

Mr. BRUMBAUGH. They are American vessels, but are not manned by American sailors or carrying the American flag, under this bill.

Mr. DILLON. They could be reinsured under the policies of some of the foreign countries that are now our allies.

Mr. JAMES. Would it not also reinsure part with foreign governments, so as to divide the risk? If there is a risk of $2,000,000 on an American boat, we could carry half of that, with some foreign government insuring the other half, making our loss in case of accident $1,000,000; so that it would work both ways.

Mr. DILLON. I am not so sure about that.

Mr. JAMES. That is what the paragraph provides:

> And, further, to reinsure with the governments of any countries which are at war with an enemy of the United States and American vessels and their cargoes.

They may carry $2,000,000 and always cut it up with other insurance companies.

Mr. DILLON. Yes. I think the gentleman is correct. I will pass that point for the time being, but when we reach this question under the five-minute rule I shall refer to it again, because I think it is important that this provision should be modified.

In lines 8, 9, 10, and 11, on page 4, you will find these words:

> And in addition to all other appropriations under this act are hereby permanently appropriated for the purpose of paying losses and return premium accruing under this act.

And then another provision farther along in the bill provides for a revolving fund. The policy of Congress has been, as I understand it, against providing for a revolving fund, and it seems to me that provision should be eliminated.

On page 9 the bill fixes the amount of appropriation at $50,000,000. It seems to me that should be cut down, say, to $25,000,000.

Again, in section 8 you provide for $250,000 for expenses. I want to call your attention to the expenses of operating this bureau, and in that connection to show that there is no necessity for any such an amount of appropriation in this bill. This War-Risk Insurance Bureau has been operating now for two years and nine months. From September 2, 1914, to April 30, 1917, the expenses were $52,447.63.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. DILLON. Can I have five minutes more?

Mr. ESCH. I yield five minutes more to the gentleman.

The CHAIRMAN. The gentleman from South Dakota is recognized for five minutes more.

Mr. DILLON. Again, in the report Mr. De Lanoy says, on page 13:

> Up to the 1st of May, sir, out of the original $100,000 the exact expense has been $52,447.

Taking that as the basis, and admitting that there will be an increase in the insurance business, there is certainly no necessity of appropriating $250,000 for expenses.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. DILLON. Yes.

Mr. ESCH. The $250,000 appropriated for in that section is not an annual appropriation. We have appropriated for the life of this act, which will be four years more.

Mr. DILLON. Well, if that is true, you can even divide it by four, and then you will have three times the amount that has heretofore been used. The life and personal injuries insurance features of this bill, I think, are good, and I hope they will be retained.

I want to call attention to some figures. I think the gentleman from Missouri [Mr. ALEXANDER] was not quite accurate in his figures. Possibly I am mistaken, but I have examined the report of the Bureau of War Risk and also the testimony before our committee, and, according to my computation, I figure that the total premiums were $7,793,428.93 down to the last of April, and that the losses were $4,963,960.50, leaving a net to the good of $2,829,468.43.

Mr. HASTINGS. That is up to the last of April?

Mr. DILLON. Yes.

Mr. HASTINGS. This past April, a month ago?

Mr. DILLON. Yes, sir. During the year 1917 the total premiums amounted to $4,548,643.89. The losses were $4,122,108, leaving since January 1, 1917, a net to the good of $426,535.89.

Mr. HASTINGS. Is that up to April 30 of this year?

Mr. DILLON. Yes.

Now, taking the balance of the year 1914 and the years 1915 and 1916, the total amount of premiums up to January 1, 1917,

was $3,244,785.04, while the losses were $841,852.10, leaving $2,402,932.94 balance.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. DILLON. Yes.

Mr. STAFFORD. Did that statement of eight hundred and odd dollars of losses include everything that was in course of adjudication before the bureau, or merely that which was paid up to that time?

Mr. DILLON. That is according to the report of the Bureau on War-Insurance Risks.

Mr. STAFFORD. I wished to ascertain if there were any pending claims at that time.

Mr. DILLON. I can not answer that question.

I want to call attention to another fact. During the year 1916 the bureau had only one loss.

Mr. Chairman, I yield back the balance of my time.

Mr. MANN. I yield one hour to the gentleman from Connecticut [Mr. TILSON].

The CHAIRMAN. The gentleman from Connecticut is recognized for one hour.

Mr. ALEXANDER. Mr. Chairman, the gentleman from Rhode Island [Mr. O'SHAUNESSY] wanted 10 minutes. Could he get in before that?

Mr. TILSON. I have no objection. I will just be getting my arsenal ready.

Mr. ALEXANDER. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman has 13 minutes.

Mr. ALEXANDER. I ask that that time be extended to 30 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the time be extended to 30 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Rhode Island [Mr. O'SHAUNESSY] is recognized for 10 minutes.

Mr. O'SHAUNESSY. Mr. Chairman and gentlemen of the committee, I do not intend to discuss the bill that is now under consideration. I take the floor to engage the attention of the committee upon a very important topic, one that is of exceeding interest at the present moment, due to the fact that on next Tuesday the young men of this country from 21 to 31 years of age will register in order that they may form the Army of the United States in the pending struggle against the Imperial Government of Germany.

When the selective-draft bill was under consideration in the House I had the pleasure of offering an amendment so as to include within the provisions of the draft those whom I denominated and termed "alien slackers"; in other words, men who are eating the substance of the United States by virtue of their living here among us, getting good wages, employed in good fields of enterprise, and giving no allegiance to our flag or to any flag on earth.

I want this to sink into your minds fully, that perhaps, and probably, 10,000,000 young men will register next Tuesday between the ages of 21 and 31 years, including aliens, but that when the draft comes to be applied 25 per cent will automatically drop from that number. Two million men between the ages of 21 and 31 will automatically drop from the number of 10,000,000, leaving the task to 8,000,000 men between the ages of 21 and 31.

Mr. HASTINGS. Will the gentleman yield?

Mr. O'SHAUNESSY. Yes.

Mr. HASTINGS. Why does the gentleman estimate 25 per cent? Is not that too high a figure? Has the gentleman any figures upon that? How did he arrive at that figure?

Mr. O'SHAUNESSY. I arrived at that figure from the fact that in the United States there are 6,646,817 foreign-born white males over 21 years of age. That is from the census of 1910. Of that number, 3,034,117 are naturalized—not 50 per cent. So I calculate that between 21 and 31 years of age some 20 to 25 per cent will drop out automatically. Even if it were only 15 per cent, they would drop out, and I am trying to drive home the fact that these men who are eating our substance will do nothing for the flag under which they live and prosper.

Mr. STEPHENS of Mississippi. Since the census of 1910 have not about 4,000,000 more come in, and are they not nearly all about that age?

Mr. O'SHAUNESSY. Yes; about 4,000,000 men have come in since 1910. But the thought that came to me was that when our boys are doing the fighting these men left behind, and who will automatically drop out of this enrollment by virtue of their being aliens, will be slipping into the desirable occupations of those who will be fighting for our flag. It is my purpose to drive that thought home, in order that we may legislate in some way to conscript these men, or, failing in that, that we may put a tax upon them, say, of $200 apiece.

Mr. TREADWAY. Has the gentleman any way of estimating the number of the foreign born within the age limit of conscription who have been in this country over two years, the time required before they may file their first papers?

Mr. O'SHAUNESSY. I do not think I have those.

Mr. TREADWAY. I take it those are the ones whom the gentleman desires to reach.

Mr. O'SHAUNESSY. I want to reach those who have been here over five years.

Mr. TREADWAY. In two years they can file their first papers, can they not?

Mr. O'SHAUNESSY. I would rather, of course, get at those who have been here five years. They are more susceptible to what I am after than those who have been here only two years. Those who have been here two years and have taken out their first papers are subject to the draft.

Mr. TREADWAY. Is there any record of the number to whom that would apply?

Mr. O'SHAUNESSY. I do not think so. My records that I have here may disclose that fact.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. O'SHAUNESSY. No; because my time is limited.

Mr. MOORE of Pennsylvania. These men will all be liable to conscription, will they not?

Mr. O'SHAUNESSY. No. They will register, but they will not be drafted. Now, I wish to read in my time a letter received from a former Member of this body from the State of Massachusetts, Hon. John F. Fitzgerald, whose activities in this line I commend. He is thinking along the same lines enunciated by myself when I offered the amendment to the conscription bill to conscript alien slackers. This is his letter:

REPUBLIC PUBLISHING CO.,
Boston, Mass., May 29, 1917.

Representative O'SHAUNESSY,
House of Representatives, Washington, D. C.

MY DEAR SIR: I inclose copy of a speech which I delivered in Boston on Sunday last, which I wish you would do me the courtesy of reading. It treats with an issue which I think merits the closest attention of Congress, and it is with the object of asking you to give it some attention that I write this letter.

There are about 1,150,000 males of voting age in Massachusetts, with less than 800,000 legal voters. This means that there are 350,000 aliens in the Commonwealth not subject to military draft. From figures which I have gathered at the State house, 225,000 of these have lived in the United States five years or more, the length of time required for residence purposes for naturalization.

It does not seem fair that the best citizen blood of the Nation should go to the front and these aliens permitted to stay at home. Either they should be conscripted for service under our own flag or under the flag of the Nation from which they are sprung.

In the United States, I understand, there are more than 4,000,000 aliens. I do not know how many of these have been here five years or more, but if there is the same percentage as in Massachusetts there would be more than 2,000,000 aliens who have lived here five years or more. If these men can not be conscripted for service, which I think should be done, they should be made to pay a heavy supertax.

At the time of the Civil War $500 and more was paid by men who wished to escape service. If a supertax of $200 was placed upon 2,000,000 of these 4,000,000 aliens, it would mean $400,000,000. This tax would be but a percentage of the advance in wages these men would receive because of the withdrawal of the American citizens from the ranks of industry into the service of the United States.

Personally I believe that service rather than money should be required of these men, but if service can not be exacted of them, then financial return should be made. It seems a pity that hundreds of thousands of men who are registered on June 5 will automatically drop out of the list of those called upon to serve their country, because they are seemingly without a country.

Hoping that you will give this the attention it merits, I am,

Very truly, yours,

JOHN F. FITZGERALD.

[Applause.]

I also desire to place in the RECORD a tabulation of foreign-born white males 21 years of age and over, taken from the census of 1910, also a list of the figures of the immigration for the year ending June 30, 1917. These lists will contain the countries from which these men come.

Foreign-born white males 21 years of age and over, 1910.

	Total.	Naturalized.	Having first papers.	Aliens.	Citizenship not reported.
United States	6,646,817	3,034,117	570,772	2,266,535	775,393
26 Eastern States	4,839,434	2,102,920	409,931	1,823,314	503,269
22 Western States	1,807,383	931,197	160,781	443,221	272,184
New England	796,847	323,994	48,508	366,161	58,184
Massachusetts	453,601	189,126	30,016	212,033	22,425
Boston	103,160	47,791	10,438	40,516	4,415

Foreign-born white males 21 years of age and over, 1910—Continued.

PER CENT DISTRIBUTION BY CITIZENSHIP.

	Total.	Naturalized.	Having first papers.	Aliens.	Citizenship not reported.
United States	100.00	45.6	8.6	34.1	11.7
26 Eastern States	100.00	43.4	8.5	37.7	10.4
22 Western States	100.00	51.5	8.9	24.5	15.1
New England	100.00	40.7	6.1	46.0	7.3
Massachusetts	100.00	41.7	6.6	46.7	4.9
Boston	100.00	46.3	10.1	39.3	4.3

INCREASE FROM 1900.

United States	1,742,547	138,644	158,874	1,351,618	+43,411
26 Eastern States	1,294,491	110,138	138,301	1,067,054	−21,902
22 Western States	448,056	78,506	20,573	283,664	+65,316
New England	199,021	55,690	24,341	150,857	−31,864
Massachusetts	110,079	38,207	15,264	84,861	−28,253
Boston	22,102	4,621	6,833	17,190	− 6,545

PER CENT OF INCREASE.

United States	35.5	6.6	38.6	147.7	+ 5.9
26 Eastern States	36.5	5.5	50.9	141.4	− 4.2
22 Western States	33.0	9.2	14.7	177.8	+31.6
New England	33.3	20.8	100.7	70.1	−35.4
Massachusetts	32.0	25.3	103.5	66.7	−55.8
Boston	27.3	10.7	189.5	73.7	−59.7

Immigration, year ending June 30.

Year.	Immigrant aliens admitted.			Emigrant aliens departed.		
	Males.	Females.	Total.	Males.	Females.	Total.
1910	736,038	305,532	1,041,570	154,842	47,594	202,436
1911	570,057	308,530	878,587	238,922	56,744	295,666
1912	529,931	308,241	838,172	275,970	57,292	333,262
1913	808,144	389,748	1,197,892	251,808	56,382	308,190
1914	798,747	419,733	1,218,480	242,208	61,130	303,338
1915	187,021	139,679	326,700	168,072	36,002	204,074
1916	182,229	116,597	298,826	106,625	23,140	129,765

Foreign-born white males 21 years of age and over, 1910.

United States.	Total.	Per cent distribution by citizenship.			
		Naturalized.	Having first papers.	Aliens.	Citizenship not reported.
All countries	6,646,817	45.6	8.6	34.1	11.7
Ireland	597,860	67.8	5.8	13.8	12.7
Canada and Newfoundland	533,359	51.0	4.9	28.3	15.9
Russia	737,120	26.1	13.0	52.4	8.6
Italy	712,812	17.7	7.8	65.7	8.7
England	437,152	50.4	6.9	18.8	14.9
Germany	1,278,667	69.5	7.2	9.9	13.3
Sweden	349,022	62.8	11.5	14.9	10.8
Scotland	133,116	56.5	7.8	21.5	14.3

MASSACHUSETTS.

All countries	453,601	41.7	6.6	46.7	4.9
Ireland	91,232	67.5	5.5	21.7	5.3
Canada and Newfoundland	117,271	41.1	4.6	48.5	5.9
Russia	52,747	21.9	12.6	61.9	3.5
Italy	42,957	13.7	5.9	76.6	3.8
England	40,955	57.9	7.6	28.9	5.6
Germany	14,774	69.5	6.0	19.5	5.1
Sweden	17,758	54.9	11.2	29.6	4.3
Scotland	12,407	53.8	7.7	32.5	6.0

BOSTON.

All countries	103,160	46.3	10.1	39.3	4.3
Ireland	27,412	67.8	7.0	20.9	4.3
Canada and Newfoundland	18,799	48.2	8.1	37.8	5.9
Russia	17,376	30.5	19.1	47.1	3.3
Italy	15,341	16.6	7.4	73.0	3.0
England	6,210	55.6	8.2	31.0	5.2
Germany	4,336	73.8	7.4	14.8	4.0
Sweden	3,158	52.5	14.8	28.9	3.8
Scotland	2,364	50.6	9.3	34.7	5.4

Foreign-born white males 21 years of age and over, 1910—Continued.

NEW ENGLAND.

United States.	Total.	Per cent distribution by citizenship.			
		Naturalized.	Having first papers.	Aliens.	Citizenship not reported.
All countries	796,847	40.7	6.1	46.0	7.3
Ireland	137,458	67.4	4.9	20.6	7.1
Canada and Newfoundland	210,366	39.5	3.7	47.7	9.2
Russia	88,852	20.9	11.2	63.0	4.9
Italy	90,575	15.3	6.2	72.4	6.1
England	69,668	57.4	7.2	27.4	7.9
Germany	34,149	69.2	5.7	17.6	7.6
Sweden	32,410	56.8	10.0	26.8	6.4
Scotland	21,397	54.2	7.2	30.7	7.8

I wish also to place in the RECORD with these remarks of mine a newspaper clipping carrying the story of ex-Mayor Fitzgerald's eloquent and inspiring address, so that all of the facts and figures therein contained may be at the disposal of the Members of the House.

TAKES FLING AT ALIEN RESIDENT—EX-MAYOR SCORES 350,000 FOREIGN-BORN MALES OF STATE WHO HAVE NOT EVEN FIRST PAPERS.

Ex-Mayor John F. Fitzgerald took a fling at what he called men without a country last night in an address before the Boston Council, Knights of Columbus, at Cathedral Hall, when he declared that the 350,000 foreign-born males in Massachusetts, exempt from conscription because of their failure to become citizens, should be forced to take up arms for the country whose benefits they enjoy.

WITHOUT OBLIGATIONS.

"This certainly is not fair; neither is it honorable for those men to live in our midst, taking advantage of our civilization, developed through the patriotism and sacrifice of American citizenship, without allegiance or obligation of service to any flag or country," said Mr. Fitzgerald. "And the shame of it is that many of these very men who refuse to answer to the summons of American citizenship demand more pay because of conditions brought about by the withdrawal of their fellow workers who chance to be citizens, and therefore subject to their country's call.

"They do not hesitate to tie up commerce and impede the business of the country by striking at inopportune times, without regard to the consequence to the Nation.

"Why should the best blood of America be spilled in France for the advantage of the fellow who is here and seemingly wants to be a man without a country because to have a country means obligation to fight in humanity's service?

"Just think of it; 225,000 aliens have lived in this State for over five years without even taking out first papers."

At this point Mr. Fitzgerald submitted the following figures of men of every race living in Massachusetts who will be exempt from conscription because they have failed to take out naturalization papers during the last five years of residence:

Austria	2,000
Canada (English)	4,000
Canada (French)	26,000
England	10,000
Finland	3,000
France	1,000
Germany	2,600
Greece	4,500
Ireland	17,000
Italy	32,000
Lithuanian	3,500
New Brunswick	4,500
Newfoundland	2,000
Norway	1,000
Nova Scotia	13,000
Poland (Austria)	9,000
Poland (Russia)	11,000
Portugal	11,500
Prince Edward Island	2,500
Russia (except Finland)	18,000
Scotland	3,500
Sweden	5,000
Syria and Turkey	3,000
All others	30,000

Ending May 29, we took a census in Rhode Island, but I do not think it was as perfect or as much given to details as in Massachusetts. Up to the close of May 19, 1917, we registered there 115,554 aliens, male and female, of what ages I do not know. I trust, however—and this is what brought me to my feet to-day—that we are beginning a wholesome census of the slackers of America. I trust that we are about to take stock of our patriots. I trust that the day is arriving when those who eat our substance and give no allegiance to our flag shall be taxed or shall be conscripted. There is no question in the world that it brings about a feeling of disgust and of nausea in the breast of an American father, wishing Godspeed to his patriotic son sailing across the sea to defend the flag—and it is worth fighting for and worth dying for any place on earth [applause]—when he realizes that that boy of his, setting out upon such a perilous journey may never come back home again, and that some one else, gathering of the fruits of America, participating in its glories, its benefits, its privileges, does not know the obli-

gations of citizenship. Speed the day when this Congress shall awake to this menace, and shall right this inequality. [Applause.]

Mr. TILSON. Mr. Chairman, there is after all a certain appropriateness in discussing on a war-insurance bill the things I have here exhibited to your view. I have contended for a number of years that we ought to make reasonable preparation for war, as an insurance against war.

On a former occasion I brought before you a number of death-dealing instruments, being a collection of small arms, small-arms ammunition, and the smaller types of artillery projectiles. I called attention to the fact that these were types of arms and ammunition most commonly used and used in the largest quantities in modern land warfare. To-day I bring you another collection of war implements, a number of them new, for fighting in and from the air. Such engines of death and destruction are not altogether pleasant to contemplate. I am a man of peace, and look longingly for the day when peace will return to bless the earth. If my peaceful inclinations alone were considered, I should be fit to be a Sunday-school superintendent. My lot, however, is not that of a Sunday-school superintendent, but that of a Member of the House of Representatives.

A MEMBER. Are they incompatible?

Mr. TILSON. I fear they seldom go together. Instead of fiendish weapons of destruction I should prefer to have my thoughts dwell upon doves of peace, olive branches, and flagons of grape juice. Being, however, a member of one of the war committees of this House I feel it to be my duty not to shrink from the unpleasant, but by my efforts to aid if possible in giving the membership of this House a clearer understanding of the weapons with which we must win the war in which we are engaged.

I am going to speak to-day on the subject of weapons of war used in and from the air. With the development of the aeroplane it was inevitable that there should come the use of the aeroplane for fighting purposes. At first it was assumed that it would be largely used for reconnoissance work, such as scouting. In order to successfully use aircraft for this work it was necessary to keep the other fellow from getting there first, coming out over your position, and if possible keeping you from passing over his position. Very early in the present war there was fighting from aeroplanes. In fact, the officers who were the first fliers first began to use their revolvers, then they carried shoulder rifles in the aeroplanes, and when they got a good chance they would take a pot shot with them. With the larger use of the machine gun they came to use that. To-day in all aerial fighting they are using two types of machine guns. I have here two machine guns, because they are practically the only types we have now, though we shall soon have a number of others. This is the Vickers heavy type of gun. This one is the Benet-Mercier gun, which we have had for some time.

The larger gun is, as a rule, fastened to the aeroplane in the line of the axis of the machine so that the gun itself is not pointed, but the machine is aimed. Having aimed the machine, the string or trigger is pulled, and the gun is fired.

The lighter gun is used as a turret or revolving gun, sometimes on a revolving pedestal. The larger gun is now being synchronized with the propeller blades so that it is fired through or between the propeller blades. There was some difficulty in doing this at the outset, but it has been overcome. At first it was arranged to fire between the blades, protecting them with metal plates where the bullets hit, but it was not a success; then they discovered that there was a means of synchronizing the propeller blades to the firing of the rifle and this has been accomplished successfully.

Before I pass to the newer types of weapon used in aerial warfare I wish to revert for a moment to some remarks I made the other day in regard to the Springfield and Enfield rifles.

Since that time the Enfield rifle, chambered for American ammunition, has been decided upon for our use, so that point which was not settled at that time is now settled. I wish to say a few words I did not say then, but which are appropriate now. The disadvantages I spoke of the other day related mainly to the lack of uniformity of ammunition. That difficulty still exists and is of importance. However, what we gain by the use of the Enfield I will refer to for just a moment. In the first place, the English rifle that we make in this country is not the old Enfield rifle. It is unquestionably superior to the old British Enfield rifle. As a matter of fact, Great Britain had determined to remodel her rifle, adopt a rimless cartridge, the same type that the United States and most of the other nations are using, and planned to make it .285 caliber instead of .303. All the drawings and specifications were ready, but the gauges, jigs, special tools, and fixtures to manufacture the new rifle were not ready at the time the war broke out. All that they were prepared to manufacture at that time was the Enfield adapted to the rim cartridge of .303 caliber. So they turned to making that rifle with all their might and main. The design of the new gun was changed so as to shoot the .303 cartridge instead of the new one that it was originally intended to shoot. Armed with these modified drawings and specifications, British agents came to this country and made contracts with American manufacturers to produce what they called the improved Enfield rifle. It is decidedly improved. It borrows freely from our Springfield rifle a number of advantageous features which are embodied in the new rifle.

So when we chamber the Enfield rifle to shoot American ammunition we do not chamber the same rifle that they are using, or rather that they are making, in Great Britain. You understand that the Enfield rifles made in this country for Great Britain shoot the same ammunition, caliber .303, as the old rifle made at Enfield, but the rifles themselves are not the same. Chambered for our ammunition, they are shooting the same kind of ammunition that this particular rifle, the improved one, was designed to use, which is an advantage.

There are a few disadvantages in our own rifle, not so much in the rifle itself as in the sight. You notice in our rifle that the rear sight is almost in the middle of the barrel, which makes it very short between the front and the rear sight. You can see what that would mean. Our battle sight is set at 547 yards. That means that when we shoot at 200 and 300 yards, we have to aim not at the target but very much below it. Any of you gentlemen who have belonged to the Guard for four or five years last past and who have had to do target shooting know that when you come to rapid-fire shooting on the short ranges you do not aim at the target at all but aim away down in the bank several feet below the target. Our rifle should be sighted differently from what it is. The Enfield is long from the rear sight to the front sight, and the rifle itself is also longer, which has a certain advantage in the recoil. Then, the line of sight being longer, it is better for the ordinary marksman, who is not an expert or a sharp at the business. He ought to do better shooting with that rifle than he can with the other if all other things are equal.

Mr. HAWLEY. What is the point-blank range of that?

Mr. TILSON. This one I have here I think is set for about 300 yards. I have never fired this rifle myself.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. LENROOT. How does the Enfield rifle then compare, so far as removing the condition which you just spoke of in the case of the Springfield, in the short ranges? Does it make any difference?

Mr. TILSON. I think it is fired point blank, as the gentleman from Oregon [Mr. HAWLEY] asked, at a shorter range. There ought to be either a new sight adopted so that you aim where you hit at the shorter ranges, or a double sight, so that you could easily adjust it. There is another disadvantage in the sight of our rifle. Put that leaf up in that way [indicating], to 700 yards, we will say, and look through it and you will see that there are four different holes through which you can look in the rear sight. If you happen to be a little bit nervous in taking aim at an animate target, you are very apt to look through the wrong peep, and if you look through any one but the right one, of course, you miss. I do not at all approve of the sight for battle work. It is all right, it seems, for experts at target practice and rifle matches.

Since I came to the House this morning a gentleman from my State has put into my hands another rifle which I hold in my hands. It is the French rifle. I was not able to get hold of one when I made my talk on rifles the other day. See what a beautiful well-balanced piece it is. It is called the Lebel rifle. This rifle is made in Bridgeport under contract with the French Government. I am informed they have about 10,000 of these now on hand and are prepared to make a great many more. You see that it is provided with a very long, keen bayonet. That is another advantage which the Enfield rifle has over the Springfield. It is longer than the Springfield, and as the development of this war has been rather in the direction of cold-steel work than shooting, you can see how important it is to carry a good bayonet. Six inches on the end of a bayonet may help in a tight place.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. TREADWAY. Is the ammunition interchangeable with this also?

Mr. TILSON. Oh, no; I am coming to that in a moment. The ammunition differs in all the countries. The French ammunition is the largest of all, .315 caliber. The bullet, as you will see, is a copper bullet, with a rim cartridge, the same as

the British. I have brought here some British bullets sectionalized, to show you one of the deciding factors for American ammunition, and to show what I believe to be the superiority of the American cartridge. The gentleman from Vermont [Mr. GREENE] called attention to it the other day when directing an inquiry to me. I will speak of that for a moment before going on. Our bullet, the regular steel-jacket bullet, as you see here, has a solid lead core and is comparatively simple to make. Here on this board are all of the operations in making the cartridge. There are about 75 different operations, but it is an easy cartridge to make. The British cartridge is more difficult to make. Let me give you a little history of this cartridge. In the earlier days, when they used lead bullets, the point of the bullet was more nearly round. When they invented smokeless powder they had to get something else besides lead, because the explosive force of the smokeless powder was so great that it would strip the lead right through the rifling, instead of making it turn around, so that a solid lead bullet could not be used successfully with smokeless powder. They developed a steel jacket. They made it the same shape practically as the old lead bullet for a time. Then, I think it was the Germans who discovered first that if you made the bullet long and very sharp you could get a greater range with it, so they extended the bullet and made it with a long, sharp point.

When Great Britain attempted to do that with her bullet it made the point too heavy. Upon firing it from the rifle, the point being too heavy, it would drop down and soon somersault. Therefore they had to do something to lighten the point of the bullet. What they did was to use aluminum in the jacket ahead of the lead core, and so every British bullet has a little piece of aluminum in it. I have here some bullets sectionalized so that you can see the aluminum point in front of the lead core. The millions upon millions of these which we are manufacturing in this country all have to go through that separate operation of having the little piece of aluminum put into the core of every one. It makes it a slower and more expensive process to manufacture and requires one more additional material. I do not know exactly why the French use the solid copper bullet. It is a little more expensive, and I do not know just what the advantages are.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. ESCH. By the use of the copper-nosed bullets, are not the injuries caused more dangerous?

Mr. TILSON. I am not really prepared to speak on that side of it. I do not know. From the surgeon's standpoint, I do not know what the effect is.

Mr. ESCH. I understood the copper-nosed bullet was more dangerous and more infectious than the use of the aluminum point or the steel point.

Mr. TILSON. The gentleman understands that the aluminum is on the inside of the British bullet. It is not a copper point; it is a solid copper bullet in the French cartridge.

Mr. HAWLEY. Is that copper hard enough so as not to mushroom when it strikes a bone?

Mr. TILSON. I am not able to say as to that. I have not secured information as to the surgical side of these bullets. My work has been too much on the side of means for making the wounds rather than for healing them.

I come now to another form of fighting from the air, perhaps a little more spectacular, and that is the aerial bomb. I have three of these here to-day. This one weighs 100 pounds, this one weighs 30, and then there is a small one here suspended as if in operation. The development of bombing has been rather interesting. After The Hague Convention, to the effect that bombs should be used only against military works, troops, and warships and not against private property, private individuals, cities, or noncombatants of any kind, there was a dropping off in the interest of bomb development. After this war started, and there seemed to be no methods known to man that were not being resorted to, a new interest in the subject arose and work was started again along the line of the development of bombs. Great Britain developed a number. I speak of these because when the commission came over here they brought samples of the various bombs they used. They were largely tear-shaped bombs, all of them firing by contact with the ground. The difficulty is that striking the ground before firing they bury themselves to a certain extent and the explosive force is expended against the walls of the crater. In fact, it is estimated that fully 90 per cent of the force of a bomb dropped on ordinary earth is expended against the walls of the crater. An examination of the fragmentation has shown that a very large majority of the fragments are blown into the sides of the crater. The idea uppermost in mind was to develop a bomb that would explode above the earth. It was sought to secure a bomb that would explode head high. As soon as it burst the fragments driven outward by a terrific force would cover a wide circle before reaching the ground. No foreign Government, so far as I can learn, has accomplished that.

Under the direction of our Ordnance Department a bomb that does just that thing has been developed. A young man by the name of Lester P. Barlow is the inventor. His personal history is a very interesting one. Before he was 18 he enlisted in the Navy as a coal passer and served out his enlistment of four years. While in the Navy he was, in addition to his duties as coal passer, permitted to do something in connection with electrical work, and finally worked as an electrician. I believe he was discharged from the Navy with the rating of third-class electrician. Leaving the Navy, he went into automobile work and became acquainted with explosive engines. In the development of the business of the company in which he was engaged he got over into Mexico and finally made the acquaintance of Villa. For a year and a half he was in Gen. Villa's army, and a very important member of his staff. He was put in charge of the great Mexican Central Railway shops while Villa had control of them and was given carte blanche to go as far as he liked with his experiments. He manufactured there a great deal of the artillery ammunition that Villa used and at the same time experimented on aerial bombs. Villa had a few flying machines, with which he practiced with his bombs and secured some little success with them. He returned to this country after the turn of the wheel in Mexico brought Villa to a place where a young American did not care to remain with him any longer. Finally he came to Gen. Wood and told him what he had. The general looked at it and thought it was very promising. This appears from a letter, a copy of which I have in my hand, Gen. Wood sent him to the Ordnance Department. The ordnance officials looked at his design and sent him over to the Frankford Arsenal with instructions that he should be given every encouragement. It is greatly to the credit of the Ordnance Department that they did this. They gave him every encouragement, furnished him materials and funds to go on with the development of his aerial bomb. Last September he had two different bombs ready for testing. They were believed to be so destructive in character that the ordnance officials did not think it wise to attempt a test upon any ground available for the purpose. They did not dare drop them from an aeroplane, but they loaded some of the bombs of this largest type I have here with a small charge, weighted them with sand, and dropped them from different heights from an aeroplane on the Mineola grounds.

That was in September of last year. I have the official reports of the Ordnance Department which show that every one of them functioned perfectly. There was not a single failure. There was one that did not fire, but it was due to the air valve, and served to prove the safety element claimed for it. There is an air valve at this point [indicating] in the war head that is released when the bomb is dropped from the machine. In dropping it from the machine it was not properly released, and the air valve did not open.

Mr. COOPER of Wisconsin. The gentleman said it functioned perfectly. Does he mean that it exploded before it reached the ground?

Mr. TILSON. I did not say that. I said that this bomb explodes 6 feet above the ground.

Mr. COOPER of Wisconsin. That is what I wanted to know.

Mr. TILSON. If the gentleman will follow me, he will see that is a little bit different from the question he asked me.

This one to which I referred did not function at all under the official test, because the air valve did not work properly. The bomb fell to the earth and buried itself. Although it had this very deadly explosive, although it had the detonator which contains 200 grains of fulminate of mercury, it dropped into the earth and buried itself, and when they took it out the air valve was closed, but the bomb did not explode at all. It was absolutely safe. In other words, it is safe until the air valve is released, which is not done until it leaves the aeroplane in the air.

Mr. HEFLIN. Do you mean that thing will explode from 5 to 6 feet above the ground, no matter from what height it drops?

Mr. TILSON. It makes no difference. If they dropped it from 2,000 or 20,000 feet, it would make no difference. When it comes within a certain distance of the ground it explodes. There were no failures in the test. The failure to release the air valve proved one thing, namely, that the claim made for it that it was safe to handle was correct, because dropping from a tremendous

height like that, burying itself in the ground with all that explosive, it did not explode because the air valve failed to operate.

Mr. MOORE of Pennsylvania. Is it expected to use that kind of a bomb to drop, say, on submarines or small vessels?

Mr. TILSON. They are developing one like that to drop on the submarines. I have seen the drawings. It is on the same principle except its nose. The nose is made so as to operate if it strikes a hard substance and not to operate if it hits water. There is a timing device in this new one in the tail of the bomb that can be set to let it go any depth below the surface of the water before it explodes. If it hits any solid object on or below the top of the water it will explode instantly, but if it is simply going down through the water, when it reaches the depth for which it is set the machinery will set it off at whatever depth it is set for.

Mr. MOORE of Pennsylvania. How effective would that be if it was dropped in the vicinity of a regiment of men?

Mr. TILSON. Well, they exploded this war head at the Sandy Hook Proving Grounds. They were afraid to drop it from an aeroplane. It is dangerous to drop it within a mile of where anybody lives, and you can not be quite as accurate from an aeroplane as you desire. So they suspended it at the proper distance above the ground on the Sandy Hook Proving Grounds and detonated it by an electric spark. I have some photographs here of the effect.

Mr. MOORE of Pennsylvania. What area would the shot cover?

Mr. TILSON. They said in the official test that for 300 feet around it destroyed everything. The officials took refuge in a bomb proof half a mile from where it exploded and the bomb proof was struck by a number of fragments. Other fragments, the officials testified, went over the bomb proof, above their heads, at terrific velocity.

Mr. MOORE of Pennsylvania. Is the Government considering this favorably?

Mr. TILSON. They certainly are. They have made a favorable report. One thing they are waiting for is the actual test for accuracy and for destructiveness when actually dropped from the air, and for that they need two things: First, they need aeroplanes, and, in the next place, they need a broad, expansive territory in which to drop it.

Mr. MOORE of Pennsylvania. This is personal—but does the gentleman know how old young Barlow is?

Mr. TILSON. He is 30 years old.

Mr. MOORE of Pennsylvania. He was on Villa's staff in Mexico?

Mr. TILSON. He was on Villa's staff in Mexico up to 1915.

Mr. MOORE of Pennsylvania. He is an American, however?

Mr. TILSON. He is an American, and is now engaged in doing this work.

Mr. PARKER of New Jersey. Does it make its explosion downward, or is it sidewise?

Mr. TILSON. It explodes horizontally, and with a terrific force. The fragments go in every direction. As soon as the explosion takes place, of course, gravity begins to act on the fragments and they begin to fall slowly or rapidly, according to the force that is behind them. Where there is terrific force the trajectory is rather flat and they will spread in a very wide circumference.

Mr. KEARNS. Is there a core in that that governs it when it is dropped?

Mr. TILSON. Yes. I will explain this to you first. This is one [indicating] that was developed by the same inventor while he was working on that one. This one [indicating] works only on land. If it strikes in the water, it does not work. Here is a small type of the same bomb [indicating]. This is dropped from the aeroplane. When it falls to earth this part mushrooms, and the force striking the lower end of this hits the firing pin and discharges the little charge at the base here which blows this bomb out. Attached to the bomb is a piece of wire, as is shown here, which allows it to go up in the air. This small charge down here throws the bomb upward until it reaches the end of the wire. You can set the wire as long as you please. When it reaches the end of the wire, it gives a jerk that strikes against the firing pin and detonates the bomb. It explodes it as high in the air as your wire is long. That was pretty thoroughly tested out in Great Britain, and I am informed that Great Britain is negotiating for 100,000 of that particular type. It can be made large or smaller, as you please.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. AYRES. What is that loaded with—what kind of material?

Mr. TILSON. It is loaded with what is known as "T N T," or trinitrotoluol. Everybody calls it "T N T." I have not tried to pronounce the real name of it for a long time.

Mr. HEFLIN. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. HEFLIN. Does this thing drop from the aeroplane?

Mr. TILSON. Yes; it drops from the aeroplane. This part [indicating] is the stabilizer. The air rushes through that and steadies it. This end drops first because this end is very heavy.

Mr. HEFLIN. Are these stabilizers sufficient to keep that end pointed toward the ground?

Mr. TILSON. Yes. They have tested it, and it has gone through the actual official tests. It is of cheap construction. You can make this for very little money. This one [indicating] is a little more expensive. I hesitated for some little time about showing how it operates, but, after all, the secret is in the other end and is not revealed.

Mr. CANNON. It is not loaded, I trust? [Laughter.]

Mr. TILSON. No; I can assure the gentleman from Illinois that it is not loaded. When this large one is released from the aeroplane this air valve operates and permits this rod to protrude. Of course the principle of the protruding rod is old. Everybody knew that. That is not information to anybody. Everybody tried to make this explosion above the ground with a protruding rod, but they never found out how to make one that would work. I will not explain just how it operates, however.

The detonator, which is the important point, is concealed up here [indicating]. It rests up here when it is in repose, but after it drops out of the machine it takes this position [indicating]. This point is down, and there is also a little safety device that is put on here. Two little pieces fit in there [indicating], so that as soon as it emerges from the war head they drop out. This rod, you see, is about 6½ feet long, and that is exactly where it explodes. It has not been actually tested with the full charge of "T N T," because we have not many places in the Eastern States big enough to test it without killing somebody. They did test it at Orfordness testing grounds, on the east coast of England. I have some photographs showing its effects on steel plates set up near where it operated.

The destructive effect in water is also quite great, and we have high hopes of using it against submarines effectively. Before I leave this particular thing I shall be glad to answer any questions about it.

Mr. TAYLOR of Arkansas. How long is it expected to be before that is thoroughly tested out?

Mr. TILSON. They are going to test it out on the grounds at Hampton, Va. They have just recently secured the ground. They are expecting to do it soon.

Mr. OLIVER. How rapidly can you turn them out?

Mr. TILSON. That has not been tested yet, because they have not yet reached the stage of manufacture in quantities. They think, however, that they can turn them out as rapidly as may be needed. It is not difficult. It does not require a very large number of special tools, such as gauges and templets. It is of simple construction, and there is no reason why it should not be turned out in immense numbers and at a reasonable price.

Mr. DRANE. Mr. Chairman, will the gentleman permit a question?

Mr. TILSON. Yes.

Mr. DRANE. How many could be turned out in a given time, and what would be the price? That is the question I rose to ask.

Mr. TILSON. It would depend on the number you made. If you made one of these it would probably cost several thousand dollars to manufacture it, to get the material and fashion it by hand. If you had a large number to make, many thousands, you could get the pipe and everything else in large quantities and turn them out quite cheaply, at a cost, I should guess, of probably not over $50 apiece.

Mr. DRANE. Would they fall accurately within a given circle?

Mr. TILSON. Of course, it is a difficult thing always to drop a bomb or anything else accurately, but with this tailpiece here, the stabilizer, they believe from the tests that they have made that they can get a degree of accuracy that will be quite satisfactory.

Mr. HAWLEY. When they used the cloth yard shaft in the English Army in ancient times they placed along the haft of the arrow feathers, so that they did not run straight with the arrow but went around a little, which gave the arrow a circular motion in the air and increased its accuracy. That prin-

ciple was adopted when they made the rifled gun—to give the bullet a circular motion along the line of its trajectory.

Mr. TILSON. Yes.

Mr. HAWLEY. Why was not that principle adopted in placing the wing on the tail of the bomb, so that when it dropped it would have a circular motion along the line of its flight and increase its accuracy in descent upon the specified point?

Mr. TILSON. I am not an expert on that. It might be a good suggestion to make to the Ordnance Department.

Mr. LONERGAN. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. LONERGAN. What is the carrying weight of that, may I ask?

Mr. TILSON. The total weight of it is 100 pounds. I am not sure as to the amount of explosive that it contains. I had the impression that 40 pounds of explosive were carried; that is, 60 pounds of steel and 40 pounds of explosive in that head.

Mr. LONERGAN. Over what distance will that heavy bomb carry?

Mr. TILSON. It will not carry itself any distance at all, except when it is dropped. It has no motive power of its own. It will carry from any distance up in the sky from which they drop it. They have dropped it from a height of 7,000 feet.

Mr. FOCHT. The bombs which the Germans have been dropping from the Zeppelins over in England have not been very effective. How does the gentleman account for that?

Mr. TILSON. They have not proved very effective. The bombs that have been used by Great Britain have not been very effective, either. The British commission brought over here everything that they had used. I was permitted to see them. I doubt if any of them are particularly effective, although the use of them seems to be increasing.

Mr. FOCHT. I referred to what the Germans have been using.

Mr. PARKER of New Jersey. I can state about the German bombs, for I have seen their effect. The bomb strikes on the ground and digs a hole about 5 feet deep and 15 feet wide, and then all the explosive effect seems to go up in the air. If it falls in the middle of a road, with stone walls on each side, it does not tear down the stone walls on the side of the road, but the effect in the air is such that it shatters the glass in the windows for half a mile around.

Mr. TILSON. That has been the experience that they have had with the British bombs, as I said earlier in my remarks. The effect has been largely against the walls of the crater caused by the explosion, rather than destruction over a wider area. That is what they have been trying to obviate, and what we in this country think we have obviated by causing the bomb to explode above the surface of the ground, so that the effect of the fragmentation is not lost upon the walls of the crater.

Mr. FOCHT. Somehow or other I have not yet got an answer to my question. The only place where bombs have been used to any extent is in England, where bombs have been dropped by the Germans, in London and cities on the east coast of England. It seems, according to the reports, that they have not been very effective.

Mr. TILSON. The gentleman from New Jersey [Mr. PARKER] has just explained that.

Mr. FOCHT. I want just the gentleman's opinion.

Mr. TILSON. My information is that the bombs have not been very effective. If the German bombs are not superior to those that I have seen brought from the other side by the allies, I can easily understand how they are not effective.

Mr. FOCHT. I agree with the gentleman that if the bomb which the gentleman has exhibited here is as successful as is expected it means absolute annihilation, and the end of the war.

Mr. TILSON. They believe that they are going to make it effective.

Mr. SNOOK. Can the ordinary aeroplane that we use in our service carry more than one of these bombs?

Mr. TILSON. It is expected that they can carry two of them.

Mr. SNOOK. Not more than two?

Mr. TILSON. Not the ordinary type of aeroplane, although they are building larger and stronger aeroplanes. The aeroplanes that they have been using in France have been of two types, one of the high-speed type and one of the burden-carrying type. The idea is to use the rapid type to scour the air and make the coast clear, if possible, and then follow with the heavier burden-carrying machines, carrying these missiles.

Mr. SMITH of Idaho. What steps are being taken to keep the Germans from getting access to the plans of this bomb?

Mr. THLSON. The Germans know exactly what I have told you to-day. I have information that they knew everything that I have told you, before diplomatic relations between Germany and the United States were broken off.

Mr. SMITH of Idaho. Then it is safe to assume that they will do just the same as we do.

Mr. TILSON. Oh, they do not know how it is done, and you do not know after what I have said here to-day.

Mr. SMITH of Idaho. I am not an expert.

Mr. TILSON. I am not able to explain it to you in detail, and if I were I should not do so. There are certain points about it that the Germans do not know. At the time it was tested out at Mineola there were great numbers of people gathered all around outside of the grounds, newspaper men and others, but they did not get any information about that, and they are not going to get any information from this.

I can tell you something about the different types of aeroplanes that they use there. We are going to be called on for a large number of aeroplanes, and we are taking steps to produce those aeroplanes. The French are bringing over their engines that they have developed to a very high speed, and they are bringing over some of the German engines of aeroplanes that have been driven down inside the allied lines without being destroyed. They are bringing these, and we have access to all the engines that are used by all the people abroad. Probably the best machine that is being used to-day on the side of the allies is what is called the S. P. A. D., those letters being the initials of the Société Pour Aviatione Deperdussin. The French have gone up from the beginning of the war, when they were making something like 70 to 80 miles an hour, to 130 miles an hour. The S. P. A. D. will make 130 miles an hour. It is believed that the new Albatross that is now being used by the Germans will make 135 and probably 140 miles an hour straightaway. Although the French think they have machines which are as fast as those of the Germans, I have reasons for doubting it. Of course the machine that is able to make the greatest speed, to climb the fastest, get the upper berth and turn its machine guns loose on the other, has a great advantage. It can get above and then make a dive at the other machine and get under its wings. That is the only place where you can not shoot, under the planes of your own machine, and the faster machine can do that by climbing and getting the upper berth and then coming down at its enemy. It makes very dangerous business when you arm those aeroplanes with machine guns and two men, as the French planes are now doing, one man to run the machine itself and the heavy gun and the observer to use the two light guns as turret guns.

Now, just a word in regard to hand grenades and other grenades used in trench warfare. While it is not technically a part of my subject of fighting from the air it is closely connected with it. I have here two samples of the most common types. This in my right hand is the rifle grenade. You see these little marks around it; those are to graduate and determine the distance that you want to fire the bomb or grenade. The first one is 80 yards, and you put it in the barrel of the rifle up to there. Set the ring at the number of yards you wish to fire it, place the rod in the muzzle of the rifle, use the ordinary blank cartridge, and fire it. You point the rifle at an angle of 45° and let it go.

This is a hand grenade pure and simple. You pull out the safety pin, hold down the little lever with your fingers, and then throw it. As soon as you release your hand from the little lever, that flies back, and there is a spring which operates the firing pin, which strikes on a little fulminate and sets off the fuse. It is a five-second fuse, so that from the time you release it from your hand it explodes in five seconds in the other fellow's trench.

At first they threw bombs with a slow fuse dangling in the air. You gentlemen who have read "Mr. Britling Sees It Through" will remember how Hugh in one of his letters tells about the ingenuity of the British; how the slow-burning fuse had a red thread around it, and sometimes when the English would light them and throw them into the trenches they would not go off. The Germans would take them up, relight them, and throw them back into the English trenches, which was not so funny. At times when the fighting was not so active the British would take fine threads of red string and spend hours in wrapping some of the quick-burning mine fuse, a fuse which is very quick of action, and then throw them into the German trenches without lighting. The Germans thinking that it was the old kind that had not gone off, would pick them up and light them and start to return them to the English. Of course they exploded instantly in the German trenches. I do not give this information as official, but give it to you as Mr. Wells gives it in "Mr. Britling Sees It Through."

Mr. CRISP. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. CRISP. In this warfare I understand the charges by bayonet are an important factor. What is the difference in the reaching length of our guns with a bayonet and the guns used by the Germans?

Mr. TILSON. I have a German Mauser in that vault, but did not bring it out to-day. It is substantially the same length as the Enfield rifle. Our own service rifle is about 4 inches shorter than the Enfield. The Enfield bayonet is about the same length as ours, so that there would be about 4 inches difference in the reaching length. The French have a still longer reach of rifle and bayonet—8 inches longer than the English. When you take into account the fact that the bayonet is used so much, you can see that it becomes a very important weapon.

Now, gentlemen, there is one other thing that is more hellish than anything I have presented. I will just speak of it. It is something that everybody has been trying to do, but we feel that we are making progress. That is the flying torpedo, one that can be fired from a long distance, dropped at the right place, and exploded by the same methods used in this bomb. If it can be perfected, and I believe it is on the road to perfection, the horrible execution that a thing of that sort would do is too terrible for contemplation. If they succeed in operating this torpedo which weighs a thousand pounds, contains 640 pounds of steel for fragmentation, and 360 pounds of T N T, succeed in getting it to the point where it is to be exploded and exploding it at a proper distance above the earth, the destruction will be fearful.

You can only imagine what would be the result when directed against depots, against canals filled with vessels, or against ships in harbors, or against cities, if we are to use them in that way. Of course, everybody is trying to do that thing. We believe we are making progress and will soon be able to do it. I only hope it will never be necessary to use such horrible engines of war in that way.

Mr. SIMS. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. SIMS. Is that Barlow bomb lying on the table the actual size of the bomb?

Mr. TILSON. It is. I have photographs here showing the size of the bomb and pictures showing the effect of the bomb after exploding. These bombs are all completed ready for use. All that they are now waiting for is the final test of the accuracy with which they can be dropped, all the rest having been thoroughly tested. [Applause.]

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. ADAMSON. Mr. Chairman, can we read the bill?

The CHAIRMAN. If there is no further debate, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the first section of the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, is hereby amended to read as follows:

"Whereas the foreign commerce of the United States is now greatly impeded and endangered through the absence of adequate facilities for the insurance of American vessels and their cargoes against the risks of war; and

"Whereas it is deemed necessary and expedient that the United States shall temporarily provide for the export shipping trade of the United States adequate facilities for the insurance of its commerce against the risks of war: Therefore

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*——

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to amend by striking out, on page 1, lines 8 to 13, inclusive, and on page 2, lines 1 to 3, inclusive. This contains the preamble, which seems to me to be entirely unnecessary, as it expresses only the reason for the passage of the bill.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Strike out lines 8 to 13, inclusive, on page 1, and lines 1 to 3, inclusive, on page 2.

Mr. ADAMSON. Mr. Chairman, the committee has no objection to that amendment.

Mr. MANN. I suggest, Mr. Chairman, that the gentleman strike out the second enacting clause.

Mr. ADAMSON. That is correct.

Mr. MOORE of Pennsylvania. Then, Mr. Chairman, I ask unanimous consent to modify my amendment by including lines 4 and 5, on page 2.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Strike out lines 8 to 13, inclusive, page 1, and lines 1 to 5, inclusive, page 2.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

That there is established in the Treasury Department a bureau to be known as the Bureau of War-Risk Insurance, the director of which shall be entitled to a salary at the rate of $5,000 per annum.

Mr. ADAMSON. Mr. Chairman, the committee wishes to amend that by restoring the figures in the House bill, now on the calendar, and moves to amend by striking out the figures "$5,000," in line 9, page 2, and inserting in lieu thereof the figures "$7,500."

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 9, strike out "$5,000" and insert "$7,500."

Mr. STAFFORD. Mr. Chairman, I desire to offer a substitute for that, to strike out "$7,500" and make the amount "$6,000."

The CHAIRMAN. The Clerk will report the amendment to the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amend the amendment by striking out the figures "$7,500" and inserting in lieu thereof the figures "$6,000."

Mr. ADAMSON. Mr. Chairman, I would only say that the Secretary of the Treasury has urged upon us personally and by letter that this salary be fixed at $7,500, for the reason that the gentleman whose services he has secured commanded a great deal better salary than that in the private business in which he was engaged and can again be engaged. He is familiar with this business and valuable, and he is worth more than $7,500, and the Secretary thinks he will have to pay him that amount in order to retain his services. Of course it can be said that another man can be secured. That is true, and he might be satisfactory, but the experiment might be costly. This man is satisfactory and he is worth the money.

Mr. DILLON. Can the gentleman tell us who the man is?

Mr. ADAMSON. Mr. De Lanoy.

Mr. STAFFORD. Mr. Chairman, there is not an official at the head of any bureau in the Treasury Department who could not in private employment in these times command a greater salary than that which is being paid to him by law. It is not an exceptional condition to have the heads of departments come before the subcommittee framing the legislative, executive, and judicial appropriation bill and ask for increases in the salaries of the heads of the respective bureaus. For years there has been a persistent effort to increase the salary of the head of the Civil Service Commission from $4,500 to $7,500, and of the assistant commissioners correspondingly. There is this serious objection to increasing the salary of this official to $7,500. You should in no instance increase the salary of a bureau chief to an amount greater than that of the Assistant Secretaries of the Treasury. The Assistant Secretaries of the Treasury receive $6,000 a year, and no one can gainsay that the men who are filling those positions are not the equal and perhaps the superior of the man who is filling the position of Director of the Bureau of Insurance. The mere fact that he is going to do a greater amount of work does not necessarily mean that he should have this larger salary. I admit that he should be granted some additional salary, but I bottom my objection to this committee amendment upon the ground that we should not pay to a subordinate official at the head of a bureau a greater salary than that which is being paid to an Assistant Secretary of the Treasury under whose jurisdiction he is operating.

Assistant Secretary Newton has charge of all the public buildings of the country and the expenditure of hundreds of millions of dollars and only receives $6,000 a year. The assistant secretary of customs, having charge of the administration of hundreds of millions of dollars, only receives $6,000 a year. The head of the Bureau of Engraving and Printing, who has charge of thousands of employees and performs work of the highest character, who could in private employment command a salary of at least $10,000 a year, is receiving only $6,000 a year. We should go slow and not be carried away by this claim that the head of the department is asking for an increase. That is presented to us time and time again every year when we are going over the estimates with reference to the salaries of all departmental heads and their subordinates. I recognize that the work will be increased by extending his functions under this bill, but the increase here is too great. It is no argument at all that these men can go and gain higher salaries in private walks of life. There is rarely a man who is efficient at the

head of any of our departments to-day who can not get a higher salary in private life. I could name by the score men connected with the War Department, the Navy Department, the Assistant Secretary of the Navy, or the Assistant Secretary of War, who could all go out in private walks of life and obtain much higher salaries, but they feel there is a duty they owe to the Government to be performed, especially at this time, and they are willing to do their work at a less salary. Why, the Comptroller of the Currency only receives $5,000, and he is charged with the administration of all the national banks; and I could go on and state instance after instance. There is not an assistant head of a department who receives more than $6,000, and why should we single out this one man just because we are branching out in a way his activities. I do not wish to be resisting an increase of salary——

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I will ask for three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. STAFFORD. I am not resisting some increase of salary, but I say the committee should not establish a precedent by increasing the salary in that amount, when the committee on the legislative, judicial, and executive bill will be confronted next year with the effort to have all the other salaries moved up to that amount. We are doing well when we give him an additional $1,000, that much more than the organic act provided. I had no thought that the committee in asking to have this Senate bill considered would ask for any increase in salary, but that they would accept the bill as reported from the committee. They reported the Senate bill without any recommendation of increase of salary. True, the House bill provided for an increase in salary to $7,500. I submit that I think that the committee ought to adopt the substitute I have offered and increase the salary from $5,000 to $6,000.

Mr. PARKER of New Jersey. Mr. Chairman, I recognize the views of the gentleman who has just taken his seat, but I want to point out to him, as well as to the committee, that this is different from any other appointment. It is an appointment not permanently in the service of the Treasury, but it is an appointment only for the period of the war. At the expiration of the war this whole business will come to an end.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. PARKER of New Jersey. I would rather make my statement first; yes, I will yield; go ahead.

Mr. STAFFORD. The gentleman makes a misstatement.

Mr. PARKER of New Jersey. Is not my statement correct?

Mr. STAFFORD. The bill says that this position shall continue for four years.

Mr. PARKER of New Jersey. Well, for four years. It is a temporary thing to meet a temporary emergency. In the next place, he is not an assistant. He is the director of a complicated business involving hundreds of millions of dollars, in which he must assume the responsibility of insuring American ships or not insuring them and fixing rates so that the Government will not lose. It is an expert business, and he has to be trained and know how to take the responsibility. It is not an easy task to get the right man to manage this temporary department of war-risk insurance. It is not a Treasury Department bureau, but what we are really doing is adding a separate bureau of the Government as an agency of war. I do not think we can get a good man for less than $7,500, and the wonder is that we can get him for that.

Mr. ALEXANDER. Mr. Chairman, I only wish to call attention to the fact that this salary is not a charge on the Treasury of the United States. It is possible it may become so if the premiums for war-risk insurance business might not equal the losses, but I assume that those who are directly affected, the great commercial interests and steamship interests, want the very best man possible at the head of this bureau.

And in view of the experience of Mr. De Lanoy since this bureau was created, the entire satisfaction with which he has discharged his duties, the fact that now practically all of his time is required in this work, I question the wisdom of not increasing the salary. I am sure we want efficient work. We want the very best talent. We are paying the members of the tariff and other commissions $7,500 or more a year, and I do not know of anyone on these commissions who is charged with greater responsibility, or where it requires greater order of talent, than to direct the business of this bureau.

Mr. SIMS. Is it not a fact that the secretary of the reserve gets $9,000 a year salary?

Mr. ALEXANDER. I do not know.

Mr. MANN. Mr. Chairman, the gentleman from Missouri [Mr. ALEXANDER] suggests this is not a charge on the Treasury. I fail to understand, then, why it is necessary to increase the appropriation to $50,000,000 now out of the Treasury.

Mr. ALEXANDER. Will the gentleman yield?

Mr. MANN. I will.

Mr. ALEXANDER. I think if the gentleman had paid attention to my remarks, he would see that I said that it is not now a charge on the Treasury but may be.

Mr. MANN. He said it was not a charge on the Treasury.

Mr. ALEXANDER. It is not.

Mr. MANN. It is a charge on the Treasury. That is exactly what it is. But it does not make any difference whether it is or not—not a particle. Here is a man who went into the office when it was provided that the office should only exist for one year, at a salary of $5,000 and glad to get the job.

Mr. COX. He has never resigned, has he?

Mr. MANN. He is a good man. And we extended his term of office for two years, and he was glad to occupy it at $5,000. Then we extended his term of office another year, and he was glad to keep it at $5,000. He is a good man, and I think he has conducted the office very well. It is a small office and there is not much responsibility to it. There is not much labor about it and there are very few employees connected with it. You could not employ very many in this line of business. Now, it is proposed to extend the act another year with a possibility of extending it three years beyond that, and because of the shortness of the tenure of his office, suggested by the gentleman from New Jersey [Mr. PARKER], we ought to increase the salary now to $7,500 a year. He is sure of four years more if this bill passes, while before he was only sure of one year at a time.

Mr. SIMS. Let me say that this gentleman said that so far he had not had to bring his family to Washington and increase his expenses, but now that his duties are so large he had to bring them here and greatly increase expenses.

Mr. MANN. Before this he has maintained two establishments, but now he has to maintain but one, and he wants $7,500. That really does not quite appeal to me.

Mr. SIMS. Maybe it does not, but it appealed to the committee.

Mr. MANN. He is a good man. He does not have as much responsibility as a great many chiefs of bureaus because he does not have near as many people to deal with and not as many complicated questions to deal with.

It is a time when we have got to economize, gentlemen, publicly and privately. We ought to economize publicly as far as possible; we ought to make no expenditures that are not absolutely necessary except connected with war. We will waste lots of money in that way at the best. We will have to learn in our private lives to economize. We will have to learn before long that men who are now occupying positions which are not necessary shall cease to occupy those and go to work producing something. And when we have done all that we will have to draw on the women to do a large share of the work, which we never thought of women in connection with. And unless we lay down the policy and stick to it we will be lost. Every department of the Government, every head of every department of the Government, always wants to increase the salaries of the officials and the employees, and usually they can give a great deal better reason than is given in this case.

Now, just a word about this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent for two minutes more. Is there objection?

There was no objection.

Mr. MANN. The Committee on Interstate and Foreign Commerce reported the House bill carrying a salary for this official of $7,500 a year. It is on the calendar. Then they reported the Senate bill, which carries a salary of $5,000, and did not propose any amendment to it. Then they asked unanimous consent in the House to take up the Senate bill for consideration and obtained unanimous consent. I, for one, being familiar with both sides, supposed that the committee intended to consider the Senate bill as they reported it. Now we take up the Senate bill and propose to offer an amendment to make it conform to the House bill, which is under consideration, and I say, without meaning any undue criticism, I do not think it is quite fair to the House. I do not think the man's salary ought to be increased at all, and I do not think he will resign the office, but if he does there are lots of other marine-insurance men who will be very glad to get it, because there are very few of the marine-insurance men engaged in much business at present. There are plenty of opportunities to get marine-insurance

men, and good ones, to serve the Government at $5,000 a year or for a good deal less. [Applause.]

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. ADAMSON. Division, Mr. Chairman.

The committee divided; and there were—ayes 38, noes 20.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is now on the amendment as amended.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. ADAMSON. Division, Mr. Chairman.

The committee divided; and there were—ayes 16, noes 35.

So the amendment was rejected.

Mr. KELLEY of Michigan. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting an address delivered by my colleague, Mr. JAMES, at Arlington on Memorial Day.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That section 2 of such act is hereby amended to read as follows:

"SEC. 2. That the said Bureau of War-Risk Insurance, subject to the general direction of the Secretary of the Treasury, shall, as soon as practicable make provisions for the insurance by the United States of American vessels, their freight and passage moneys, cargoes shipped or to be shipped therein, and personal effects of the masters, officers, and crews thereof against loss or damage by the risks of war, whenever it shall appear to the Secretary that American vessels, shippers, or importers in American vessels, or the masters, officers, or crews of such vessels, are unable in any trade to secure adequate war-risk insurance on reasonable terms.

"The Bureau of War-Risk Insurance, subject to the general direction of the Secretary of the Treasury, shall, as soon as practicable, make provisions for the insurance by the United States, as further provided in section 3a, of masters, officers, and crews of American merchant vessels against loss of life or personal injury by the risks of war, and for compensation during detention following capture by enemies of the United States whenever it shall appear to the Secretary that in any trade the need for such insurance exists."

Mr. DILLON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DILLON offers the following amendment: Page 2, line 23, after the word "terms," strike out the period and insert a semicolon and the following words: "*Provided*, That when it shall appear to the Secretary of the Treasury that the ocean rates charged by the owners or operators of such vessels are unreasonable or confiscatory, or when such rates are fixed by an unlawful combination of owners or operators engaged in shipping, then it shall be the duty of the Bureau of War-Risk Insurance to refuse insurance on such vessels."

Mr. ALEXANDER. Mr. Chairman, I make the point of order that that amendment is not germane to the bill or to any section of the bill.

The CHAIRMAN. The gentleman from Missouri makes a point of order on the amendment.

Mr. ALEXANDER. It seems to me very clear.

Mr. MANN. Let us see about that. I do not think I am in favor of the amendment, but here is a section, Mr. Chairman, which makes provision for the insurance by the United States of American vessels, their freights and passage moneys, and so forth and so on, including officers and everything else. Now, that is the authority to make the insurance. A limitation upon that authority, of course, is germane to it.

The CHAIRMAN. The Chair thinks this amendment is in the nature of a limitation on the paragraph and overrules the point of order.

Mr. ALEXANDER. I call the attention of the Chair to the fact that this is not an appropriation bill.

The CHAIRMAN. The Chair thinks the amendment is clearly germane to the paragraph.

Mr. STAFFORD. Mr. Chairman, I question whether the amendment, unless the Chair has ruled——

Mr. COX. He has ruled.

Mr. STAFFORD. Very well.

The CHAIRMAN. The gentleman from South Dakota has the floor.

Mr. DILLON. Mr. Chairman, this amendment provides that in case there is a combination of shipping companies to fix rates, or where the prices are unreasonable, the Secretary shall decline the insurance. This amendment will place that power in the hands of the Secretary in order that he may compel reasonable rates on ocean shipping.

As many of you know, immediately after the European war commenced insurance rates increased over 100 per cent. They were beyond all reason. For instance, in 1916 the Bureau of Insurance had insurance upon but one ship that was lost. The ocean rates have been entirely too high, and it is evident that there has been a combination among the shippers to fix ocean rates. Why should not the shipper of commerce be entitled to protection? It leaves it all in the hands of the Secretary of the Treasury, and if he finds that the rates are too high he can decline the insurance. It seems to me that this is reasonable legislation, and that this committee ought to adopt it.

Mr. ESCH. Mr. Chairman, the amendment of the gentleman from South Dakota [Mr. DILLON] seeks to put into the hands of the Secretary of the Treasury a certain power with reference to ocean freight rates, a power that was not contemplated under any existing law; a power, however, which has been placed in the hands of the Shipping Board, an independent governmental instrumentality. The amendment provides that the Secretary of the Treasury shall refuse this insurance if in his opinion the rates charged by any vessel are discriminatory or confiscatory. What power is lodged in the Secretary of the Treasury to determine the question whether ocean rates are discriminatory or confiscatory? What standard has he, what method has he, of determining that question of fact? It seems to me if this is carried out and the amendment adopted it would lead to infinite confusion.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Dakota [Mr. DILLON].

The question was taken, and the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. MOORE of Pennsylvania offers the following amendment: Page 2, line 18, after the word "thereof," insert the words "who are citizens of the United States or who have declared their intention to become citizens."

Mr. MOORE of Pennsylvania. Mr. Chairman, this new paragraph provides an unusual inducement to men to engage in the merchant-marine service. We are now enlisting and will shortly conscript hundreds of thousands of young American citizens for the American Army and the Navy. They will have no insurance guaranteed them by the Government of the United States. In fact, their insurance rates are going to be raised, because the private insurance companies in which they now have policies have already indicated in many instances that they propose to charge higher premiums on all who take the war risk, whether voluntarily or otherwise. I believe in the upbuilding of the American merchant marine, but this is certainly a new way of doing it. It is an offer—a bid, in fact—by the United States to officers or masters and crews to come into the service of the merchant marine that does not apply to our soldiers and sailors. It says, "If you will come into this service, the Government of the United States will guarantee that your family shall be insured against your death; that you shall have insurance in the event of accident, and, even if your effects are destroyed or your clothing is damaged, you shall be paid for that." It is an unusual and a new proposition. I understand that it is done to obtain men to man the ships in a hazardous business. Just now they are hard to get. They have been scarce enough since the passage of the seamen's act; but are they so badly needed by the merchant marine that the Government is to create this insurance fund and extend it to aliens—men who are not citizens of the United States?

Mr. COX. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Indiana.

Mr. COX. I am for this provision to insure these men, but can the gentleman see any real justice in insuring this class of men on the ships and not insuring the men on the firing line in France?

Mr. MOORE of Pennsylvania. That is the very point I am making, that the man who goes into the service of the United States in the Army will have his insurance premiums raised, and that the man who goes into the merchant-marine service will have insurance guaranteed and no premiums to pay.

Mr. COX. Does not the gentleman think that if the men in the merchant-marine service have their lives and personal effects insured the men on the firing line ought likewise to have their lives insured?

Mr. MOORE of Pennsylvania. I should like to see them have their lives insured. They have to pay their own premiums, and many companies have given notice that they will increase the premium rates on those who take the war risks.

Mr. JAMES. That applies only on new policies, not on old ones.

Mr. MOORE of Pennsylvania. The effect is the same. If the man offers his life to the service of his country he has to pay a higher insurance premium.

Mr. JAMES. Not on his policies that he has already taken out.

Mr. MOORE of Pennsylvania. The gentleman knows very well that the average man who takes up the business of fighting for his country and runs the risk of laying down his life will have to pay a higher premium.

Mr. JAMES. Not on old policies.

Mr. MOORE of Pennsylvania. I assume the new rates are based on probable losses.

Mr. JAMES. It does not apply to any policy that has been in force a year.

Mr. MOORE of Pennsylvania. In the last week I have seen the answers of numerous presidents of insurance companies indicating that they propose to raise the rate on the men who go to war.

Mr. DILLON. Does not the gentleman overlook the fact that it is the shipping company that is required to issue the insurance, not the Government?

Mr. MOORE of Pennsylvania. The provision is that the Bureau of War-Risk Insurance shall make provision for the insurance by the United States of American vessels, and so forth. That is the commodity clause. Then it is to provide for the insurance of the personal effects of the masters, officers, and crews.

Mr. DILLON. If the gentleman will examine the bill——

Mr. MOORE of Pennsylvania. Oh, I know there is another paragraph, which provides that the Government will require the owners to insure the men if it is not done voluntarily, but that does not alter the alien question.

Mr. ALEXANDER. Mr. Chairman, this amendment if adopted would result in confusion. What is known as the seamen's law does not contain any provision that seamen on ships shall be American citizens. That has not been the law since 1882. We are having the greatest difficulty now in getting seamen on our merchant ships. At least 75 per cent of the seamen on vessels under the American flag are foreigners and have been for many years past. I can not imagine any better way to cripple this law, to handicap our merchant marine, and defeat the very purposes to be accomplished by this bill than to say that this insurance should only go in favor of officers and seamen on vessels under the American flag who are American citizens, or who have declared their intention to become such.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. ALEXANDER. Yes.

Mr. MOORE of Pennsylvania. I am fairly cognizant of the fact that the shipping interests are badly in need of men, and since the passage of the seamen's act the difficulty has perhaps been greater than ever before, with all due deference to the ability of the gentleman in getting that act through; but it is true, as the gentleman states, that we have to depend very largely on foreigners for such American merchant marine as we have now. We have to depend on the captain, the seamen, and others on shipboard who are aliens of the United States. We have to depend now on Germans, and I think there are perhaps a thousand Germans, not citizens of the United States, engaged in this very merchant marine service carrying commodities across the sea. We have to depend on Japanese and Chinese, and my question is whether we had not better in this bill undertake that men who expect to be paid for entering the service of the United States, with the insurance on lives, limbs, and accidents and their clothing, should be those who indicate their purpose to become citizens of the United States?

Mr. ALEXANDER. This is a charge against the shipowner. He is required to take out this insurance in favor of his crew, and in the event that he fails to do so the Shipping Board will do so and it will become a charge against the vessel, and the owner will be required to pay it. This is a poor time to restrict a policy and say that the benefits of legislation shall be confined to American citizens at a time when we find it difficult to get men of any nationality to go into the war zone. It would preclude the English, it would preclude the French, it would preclude the Italians, all our allies, from serving as seamen on American ships. There are very few Chinese and Japanese in the North Atlantic service, so far as I know.

Mr. COX. Will the gentleman yield?

Mr. ALEXANDER. Yes.

Mr. COX. I want some information. Did not Congress some time ago give the administration power to commandeer vessels and their crews for the merchant marine?

Mr. ALEXANDER. There is a bill pending, reported from the Committee on Naval Affairs, that would give the Naval Department the right to commandeer a certain class of vessels.

Mr. COX. At this time there is no general law in reference to giving the President power to commandeer vessels for the American merchant marine?

Mr. ALEXANDER. No.

Mr. COX. I know that the gentleman is stating the fact about the difficulty in getting seamen, and I thought if we had the power to commandeer the ships and crew that might alleviate it.

Mr. ADAMSON. Mr. Chairman, I want to call the attention of the gentleman from Missouri to the fact that it is not the purpose of this bill to interfere with the legal relations between the masters of the ships and the crews, but merely to compel the masters to see that the crews are insured and let their domestic relations on their ships remain as the law now fixes them.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word in order to make an inquiry. I wish to inquire whether it is the purpose to limit this insurance to shippers in American vessels, or whether the insurance may be extended to shippers in any character of vessel. I direct the gentleman's attention to the language of the bill as found in lines 19 to 23, page 2, which says:

> Against loss or damage by the risks of war, whenever it shall appear to the Secretary that American vessels, shippers, or importers in American vessels, or the masters, officers, or crews of such vessels, are unable in any trade to secure adequate war-risk insurance on reasonable terms.

Mr. ALEXANDER. Now, what is the question?

Mr. STAFFORD. Whether the insurance may be extended to shippers in other than American vessels, or whether only to those shippers who utilize vessels with an American register?

Mr. ALEXANDER (reading)—

> Whenever it shall appear to the Secretary that American vessels, shippers, or importers in American vessels are unable in any trade to secure adequate war-risk insurance on reasonable terms.

It is intended, of course, to apply to American vessels and cargoes shipped in American vessels.

Mr. STAFFORD. If that is the purpose, should not the comma after the word "shippers" be eliminated?

Mr. ALEXANDER. If the gentleman suggests that, I have no objection to it.

Mr. STAFFORD. As it is here, it would enable shippers in any character of vessels to obtain United States insurance. I move to strike out the comma after the word "shippers," in line 20, page 2.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Mr. STAFFORD moves to strike out the comma after the word "shippers," on page 2, line 20.

Mr. MANN. What is the difference?

Mr. STAFFORD. It is intended to extend this insurance only to shippers in American vessels, whereas with the comma there it would extend the insurance to any character of vessel, whether American or foreign.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

> SEC. 3. That there is hereby added to such act a new section, to be known as section 2a, to read as follows:
>
> "SEC. 2a. That the Bureau of War-Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make provisions for the reinsurance by the United States of vessels of foreign friendly flags or their cargoes, or both, when such vessels or their cargoes are insured by the Government of any country which is at war with an enemy of the United States; and, further, to reinsure with the Governments of any countries which are at war with an enemy of the United States American vessels and their cargoes."

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. O'SHAUNESSY having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, had further insisted upon its amendments, had agreed to the further conference asked for by the House, and had appointed Mr.

MARTIN, Mr. UNDERWOOD, and Mr. WARREN as the conferees on the part of the Senate.

BUREAU OF WAR-RISK INSURANCE.

The committee resumed its session.

Mr. DILLON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. DILLON: Page 3, line 17, after the semicolon, insert: "*Provided*, That no reinsurance shall be effected or permitted unless such vessels are engaged in foreign commerce of the United States or such cargoes constitute such commerce of the United States."

Mr. DILLON. Mr. Chairman, I think this amendment raises a very important point in this bill. It relates to the reinsurance clause. If you will observe the reading of section 2a you will see that the Bureau of War-Risk Insurance is authorized to make provision for the reinsurance by the United States of vessels of foreign friendly flags or their cargoes, or both, when such vessels or their cargoes are insured by the Government of any country which is at war with an enemy of the United States. Under my amendment you could not reinsure except it be on a vessel engaged in commerce of the United States. Under this bill as it is drawn you can reinsure, if you wish, coastwise vessels engaged in English traffic that may never reach American trade; you can reinsure all South American commerce that goes to England, to Italy, or to France, or to Russia. We are not interested in that kind of commerce; it does not concern us. Let us build up our own commerce. Why should we reinsure commerce running to the other countries that is not connected with our American commerce? For instance, England can insure its own vessels engaged in South American trade. Then they can come over here and ask us to reinsure. Do we want to engage in that enterprise? I submit to the members of this committee that we ought not to do so. There is no good reason why we should protect the commerce of the other countries. Let us look after our own commerce. I can see many reasons why we are interested in our own commerce, but why should we legislate for the allies in their commerce that is not connected with own own? That is what this bill means, and I hope that the chairman of the committee will accept this amendment so that it may be incorporated as a part of the bill.

Mr. MOORE of Pennsylvania. Mr. Chairman, as I heard the gentleman's amendment read, it seems to me that it rather prejudices the possibility of the insurance of the coastwise trade of the United States. Did the gentleman have that in mind?

Mr. DILLON. Oh, no; this feature is the reinsurance clause which my amendment seeks to amend. It has nothing to do with the other branch of insurance.

Mr. MOORE of Pennsylvania. But the amendment limits the advantages of the paragraph to such American commerce.

Mr. DILLON. On reinsurance only.

Mr. MOORE of Pennsylvania. Yes.

Mr. ADAMSON. I think it is the reciprocal insurance.

Mr. MOORE of Pennsylvania. But that would cut out the coastwise trade.

Mr. ADAMSON. We do not expect them to insure our coastwise trade anyway.

Mr. MOORE of Pennsylvania. But the gentleman from South Dakota is arguing that we ought to build up our own trade, and indicates that England is taking good care to build up her trade.

Mr. MANN. The coastwise trade is insured under another section.

Mr. DILLON. Yes.

Mr. SNOOK. Mr. Chairman, I want to call the attention of the committee briefly to the proposition contained in the amendment offered by the gentleman from South Dakota [Mr. DILLON]. This question was all thrashed out before the committee, and there can be no question about what the intention of this provision in this bill is. It is not a novel provision nor is it the intention, as the gentleman says, to build up the foreign commerce of this country. Now, the provisions of the amendment proposed by the gentleman would prevent us from doing the very thing the bureau wishes us to do under this provision of the bill; that is, reinsure with our allies, the people with whom we are as much interested as we are in ourselves. This is not a novel proposition, as shown before the committee. It is applying the simple method that the fire insurance companies, the life insurance companies of America apply every day in the year. For instance, if a fire insurance company would take a risk of $100,000 on a block it divides that insurance up among a half dozen companies, so if there should be a fire, a conflagration, the loss would not all bear upon any one company. The life insurance companies of this country do the same thing. If they take $100,000 risk upon one man they divide up among four, five, or six companies, so that when they come to pay that one company will not have the whole risk to assume, and that is what the Bureau of War-Risk Insurance wants to do in this case. They want to divide this insurance up with our allies.

Mr. DILLON. Will the gentleman yield?

Mr. SNOOK. I have not the time. They can not insure themselves. They are the only people practically writing this kind of insurance now. They can not reinsure with their own bureau, but we can reinsure with the allies with whom we are trading—the Italians, the British, and French people, who are carrying on this campaign. If we wrote this provision into the bill which the gentleman asks us to do at this time it would nullify the whole effect of this provision of the bill. As it is now we are simply doing what is done every day in the life and fire insurance business of America.

Mr. DILLON. The gentleman has not consumed his time. Will he now yield for a question?

Mr. SNOOK. Certainly.

Mr. DILLON. If the gentleman's position is correct, why would not it be a good thing to go over and reinsure on fire insurance?

Mr. SNOOK. It would probably be good for the companies, but we are not in that business now. We are in the business of writing war-risk insurance on vessels engaged in foreign trade and we are confining ourselves to that one subject, and the bill asks to apply this simple principle——

Mr. DILLON. Their commerce has nothing to do with our commerce.

Mr. SNOOK. Certainly, the commerce of the allies has everything to do with our commerce. We are just as much interested in the commerce of the allies at this time as in our commerce.

Mr. DILLON. Upon the same theory the gentleman would advocate the reinsurance in the allied countries on fire insurance?

Mr. SNOOK. Oh, no; we are not doing that. We are asking to take advantage of this reinsurance provision to help ourselves——

Mr. DILLON. To help ourselves is to build up our own commerce; not theirs.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. SNOOK. Yes.

Mr. STAFFORD. As I read this section, 2a, it is broad enough to permit reinsurance of commerce other than American; that is, it would permit our War-Risk Insurance Bureau to reinsure commerce between England and Italy, which had no relation whatsoever between the United States and any foreign country.

Mr. SNOOK. Oh, well, the bureau is not going to do anything of the kind.

Mr. STAFFORD. Whether it does or not, does not the amendment of the gentleman from South Dakota limit that commerce to that which is purely American between our country and any of the allied countries?

Mr. SNOOK. No; it does not; it limits it to American commerce pure and simple.

Mr. STAFFORD. I ask unanimous consent, Mr. Chairman, to have the amendment again reported.

Mr. SNOOK. Here is the amendment.

The CHAIRMAN. Without objection, the amendment will be again reported.

Mr. SNOOK. It limits it to American commerce purely.

Mr. STAFFORD. I give a different construction to the amendment offered by the gentleman.

The amendment was again reported.

Mr. SNOOK. Purely commerce of the United States.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that his time may be extended for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ALEXANDER. Will the gentleman from Ohio yield to me?

Mr. SNOOK. Yes.

Mr. ALEXANDER. This provision is broad enough to issue war-risk insurance on our vessels engaged in the coastwise trade, and I imagine if a German submarine would come to this side and menace our coastwise trade there would be a demand for this insurance, and it would be unfortunate if the amendment of the gentleman from South Dakota should be agreed to, assuming that it would do something that no reasonable man, I think, would do.

Mr. MANN. Where does the gentleman get his authority for the statement that this is broad enough to cover insurance in our coastwise trade?

Mr. ALEXANDER. There is no limitation in it at all as to any trade.

Mr. MANN. It provides for reinsurance of United States vessels flying foreign friendly flags or their cargoes. That is all this does. The latter part authorizes the foreign countries to insure.

Mr. SNOOK. That is what the gentleman is trying to cut out, the insurance under foreign friendly flags.

Mr. MANN. I understand what the amendment is. This has nothing to do with the coastwise trade.

Mr. KETTNER. Mr. Chairman, in answer to the gentleman from South Dakota [Mr. DILLON], in speaking of the fire insurance, I will state that the American fire insurance companies do reinsure with foreign companies. In San Francisco the American companies insured with the Trans-Atlantic, a German company, and they carried so much reinsurance from the American companies that they only paid 30 cents on the dollar at the time of the fire.

Mr. DILLON. Let me ask the gentleman a question. Do you favor allowing the United States to insure a vessel that is running from England to a South American country and engaged in South American commerce?

Mr. KETTNER. I do.

Mr. DILLON. To reinsure?

Mr. KETTNER. To reinsure.

Mr. DILLON. Then you believe in going into the reinsuring business the world over?

Mr. KETTNER. We always have.

Mr. DILLON. The Government has never done anything of the kind.

Mr. KETTNER. The Government should carry insurance business along business lines. Fire insurance business has always been conducted in that way.

Mr. DILLON. I am talking about the National Government. You would send agents over there to inspect these vessels engaged in a world-wide trade, whether it concerns their vessels or not?

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. DILLON].

The question was taken, and the amendment was rejected.

Mr. MANN. Mr. Chairman, I move to strike out the last word. It is now half past 5 o'clock. I understand from the agreement of yesterday, as it was stated by the Speaker, that this bill is only probably privileged to-day.

Mr. ADAMSON. Would not that have to be arranged in the House?

Mr. MANN. It would. But I suppose the gentleman would not want to rise if anybody here indicated he would not want to give the privilege in the House. If there is anybody that has such an opposition to the request, he might indicate it. Otherwise we might stay here. If he does not have any opposition, I suppose we will rise.

Mr. ADAMSON. It was definitely understood between us that it would remain privileged.

Mr. MANN. The Speaker stated the case the other way.

Mr. ADAMSON. The gentleman from Missouri [Mr. ALEXANDER] asks if the gentleman is willing to read the next section and then stop?

Mr. MANN. No. There is further controversy over this section.

Mr. ADAMSON. Then, Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. BYRNS of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, and had come to no resolution thereon.

Mr. ADAMSON. Mr. Speaker, I ask unanimous consent that this bill remain privileged to-morrow and until it is finally concluded.

The SPEAKER. The gentleman asks unanimous consent that this bill remain privileged to-morrow.

Mr. ADAMSON. And until disposed of.

The SPEAKER. And until disposed of. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT OVER MONDAY AND TUESDAY NEXT.

Mr. GARRETT of Tennessee. Mr. Speaker, I desire to submit a request for unanimous consent; and before doing so, I would like to make this statement.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, upon Monday next there is to begin in this city a reunion of the United Confederate Veterans.

It will be a very unique thing in the history of the world. There are those of us who desire very much on Monday to have the opportunity of meeting and greeting these gentlemen who will come here and of showing them such personal courtesies as we can; and I would like to know if it were possible to arrange now some agreement whereby it will be understood that the House will adjourn immediately after the reading of the Journal upon Monday.

Mr. MANN. Mr. Speaker, we have sent out two notices which have not yet reached the hands of Members on this side of the House, but will very soon, and I may be divulging some confidences to state to the gentlemen on the other side of the House what is in this notice, but we have very little to conceal. First, a conference of Republican Members will be held in the Hall of the House immediately after the adjournment of the House on Monday, June 4, 1917. The Republican Members of the House are requested to be in their seats when the House meets on Monday, June 4, 1917. Now, if the gentleman desires to ask unanimous consent that Tuesday be substituted for Monday, I will not make any objection, and we will send out notices accordingly.

Mr. HULBERT. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Certainly.

Mr. HULBERT. I merely want to suggest to the gentleman that Tuesday is registration day under the conscription act. It is going to be very generally observed as a holiday, at least up in my section of the country. I had been in hopes that there might be some agreement reached whereby there would not be any session of the House on that day. Does the gentleman know whether there is any such thing in contemplation?

Mr. GARRETT of Tennessee. I do not. I will say frankly that I am making this request without consulting anyone except the gentleman from Illinois [Mr. MANN], to whom I explained the circumstances.

Mr. MANN. If the gentleman will substitute Tuesday for Monday I shall not object. I would like to know, so as to send out notices. Monday is suspension day.

Mr. GARRETT of Tennessee. Yes; that is true. I did not intend to make my request so as to interfere in any way with the Republican caucus that has been called nor with the business of the House, except that those of us who desire to do these personal courtesies could feel free to do so without having the gentlemen here for business purposes in the House on that day. I hardly feel justified in making the request that Tuesday be substituted for Monday unless I can have a conference with some other gentlemen. I do not know what business will be anticipated on Tuesday.

Mr. MANN. I do not know that any visitors will come up on Monday under that provision, but we have not had a suspension House for some time or a Unanimous Consent Calendar for some time.

Mr. GARRETT of Tennessee. Well, Mr. Speaker, I think without a further conference I will not make the request. I will let it go over until to-morrow.

Mr. MANN. It will be too late for me to send out notices to-morrow, I will say to the gentleman.

Mr. GARRETT of Tennessee. Then, Mr. Speaker, I will ask unanimous consent that the business in order on Monday may be in order on Tuesday.

Mr. MANN. And that when the House adjourns to-morrow——

Mr. GARRETT of Tennessee. I will make that request later.

Mr. MANN. Put them together.

Mr. GARRETT of Tennessee. Well, I will ask unanimous consent, Mr. Speaker, that when the House adjourns to-morrow it adjourn to meet at 12 o'clock on Tuesday.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that when the House adjourns to-morrow it adjourn to meet on Tuesday at 12 o'clock——

Mr. ADAMSON. And that the business in order on Monday will be in order on Tuesday.

Mr. GARRETT of Tennessee. Yes; I make that a part of my request.

The SPEAKER. And that the business ordinarily in order on Monday will be in order on Tuesday. Is there objection?

Mr. HULBERT. Mr. Speaker, I would like to know the purpose. I came into the Hall after the gentleman from Tennessee began his remarks.

Mr. GARRETT of Tennessee. I stated that on Monday next there begins in this city a reunion of the Confederate veterans. There are those of us, as the gentleman can very well understand, who desire to have an opportunity of meeting these gentlemen on Monday. Many of them will be here for the first time, although they tried once before to get here. [Laughter.] We wish to show them whatever personal courtesies we can, and we desire to do that without feeling that we are neglecting our duties in the House on Monday. That is the reason I assign.

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. GREENE of Vermont. Is there a precedent for this most unusual undertaking?

Mr. GARRETT of Tennessee. No; there is not for this particular proposition. Of course, on Decoration Day we have had agreements to adjourn over during that day in advance. It has never been stated just why. I am not asking for any official action. I tried in my statement to prevent any sort of official appearance being given to the proposed adjournment.

Mr. MANN. It is for the personal convenience of various Members.

Mr. GARRETT of Tennessee. That is precisely the idea that I had in mind.

Mr. GREENE of Vermont. There is another organization of the same character which has met in this city——

Mr. MANN. I do not think while Congress was in session.

Mr. GREENE of Vermont. I am not informed as to that. I was wondering whether any official notice was taken of their presence by suspending public business.

Mr. GARRETT of Tennessee. What I wanted to avoid was putting my request in a shape that would indicate official action.

Mr. GREENE of Vermont. I appreciate the very apparent delicacy of the gentleman's position, but anything that is done on this floor by a Member of the House is anything but unofficial, and if we adjourn public business, from that very fact it must be official or it will be of no avail.

Mr. GARRETT of Tennessee. Mr. Speaker, I withdraw the request.

Mr. GREENE of Vermont. I did not object.

The SPEAKER. The gentleman from Tennessee withdraws his request.

Mr. ADAMSON. I think, Mr. Speaker, he will renew the request. If not, I will.

Mr. GARRETT of Tennessee. I do not wish to do any indelicate or embarrassing thing. I framed the request as delicately as I possibly could, and stated the reasons as clearly as I possibly could. If there is the slightest objection to it, I will withdraw the request.

Mr. GREENE of Vermont. I did not object.

Mr. GARRETT of Tennessee. Then I renew the request.

Mr. HULBERT. I will ask the gentleman to make the request for Wednesday. There are quite a number of Members of this House whose convenience would be greatly served by being permitted to be away on Tuesday, quite as many as there are who desire to be away on Monday.

Mr. GARRETT of Tennessee. So far as I am concerned, I shall not object to that, if the gentleman desires me to modify the request in that respect.

Mr. HULBERT. I will ask the gentleman to modify it.

Mr. GARRETT of Tennessee. Then I ask unanimous consent that the business in order on Monday shall be in order on Wednesday.

Mr. HULBERT. On Wednesday at 11 o'clock or any other hour, instead of Tuesday.

Mr. GARRETT of Tennessee. What does the gentleman from Illinois [Mr. MANN] say to that?

Mr. ADAMSON. That means an adjournment for two days.

Mr. MANN. I do not think I have any objection. I think, so far as the House is concerned, we have reached a point where it will not make any difference. It may be more convenient for Members, and we are pretty well up with the business. We shall be waiting on the Senate pretty soon, anyhow.

Mr. GARRETT of Tennessee. Mr. Speaker, I modify the request and put it in this form, that when the House adjourns to-morrow it adjourn to meet on Wednesday at 11 o'clock——

Mr. MANN. Twelve o'clock.

Mr. GARRETT of Tennessee. On Wednesday at 12 o'clock, and that the business in order on Monday shall be in order on Wednesday.

Mr. MANN. Notwithstanding Calendar Wednesday.

Mr. ADAMSON. And if we get through with that business we can take up Calendar Wednesday business afterwards.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that when the House adjourns to-morrow it adjourn to meet on Wednesday at 12 o'clock noon, and that the business ordinarily in order on the first Monday in the month shall be transferred to Wednesday——

Mr. FOSTER. Notwithstanding the rule for Calendar Wednesday.

The SPEAKER. Notwithstanding the Calendar Wednesday rule, with the understanding that if we get through with the business in order for the first Monday in the month, we can take up the business in order on Wednesday. Is there objection?

There was no objection.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

Joint resolution (S. J. Res. 70) relating to the service of certain retired officers of the Army; to the Committee on Military Affairs.

ADJOURNMENT.

Mr. ADAMSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until Saturday, June 2, 1917, at 11.30 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SLAYDEN, from the Committee on the Library, to which was referred the concurrent resolution (H. Con. Res. 11) accepting the statue of Sequoyah, presented by the State of Oklahoma, to be placed in Statuary Hall, reported the same without amendment, accompanied by a report (No. 68), which said resolution and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RANDALL: A bill (H. R.4831) granting compensatory time for holiday service to terminal railway mail clerks; to the Committee on the Post Office and Post Roads.

By Mr. CHURCH: Joint resolution (H. J. Res. 101) for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, for lessening the expenses of the war, and restoring the loss caused by the war; to the Committee on Patents.

By Mr. KALANIANAOLE: Resolution (H. Res. 95) to ascertain if the administration contemplates changing the present form of government in the Territory of Hawaii to that of military government; to the Committee on the Territories.

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin relating to the control of commodities; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWERS: A bill (H. R. 4832) granting a pension to Eddie V. Miller; to the Committee on Pensions.

By Mr. BRODBECK: A bill (H. R. 4833) granting an increase of pension to James Barton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4834) granting an increase of pension to Aaron Markle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4835) granting an increase of pension to Jacob Crist; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 4836) granting an increase of pension to Emanuel Mayberry; to the Committee on Invalid Pensions.

By Mr. GANDY: A bill (H. R. 4837) granting an increase of pension to Paul Beyer; to the Committee on Pensions.

By Mr. KRAUS: A bill (H. R. 4838) granting a pension to Joseph E. Sulkoski; to the Committee on Pensions.

Also, a bill (H. R. 4839) granting an increase of pension to Harry Olds; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 4840) granting an increase of pension to James O. Grant; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 4841) granting an increase of pension to William Row; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 4842) granting an increase of pension to W. L. Groves; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Connecticut Society of the Order of the Founders and Patriots of America, pledging the Government of the United States their patriotic and loyal support in the conduct of the war; to the Committee on Military Affairs.

Also (by request), petition of Local Union No. 221, United Mine Workers of America, against prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), memorial of Decatur District Conference Methodist Episcopal Church South, of Decatur, Ala., and sundry citizens of the United States, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), petition of Missouri Bankers' Association, favoring 1-cent letter postage; to the Committee on the Post Office and Post Roads.

By Mr. AYRES: Petition of sundry citizens of the State of Kansas, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. BRODBECK: Papers relating to bill for increase in pension of James Barton; to the Committee on Invalid Pensions.

Also, papers relating to bill for increase of pension for Aaron Markle; to the Committee on Invalid Pensions.

Also, papers relating to bill for increase of pension of Jacob Crist; to the Committee on Invalid Pensions.

By Mr. BROWNING: Petition of mass meeting assembled at Broadway Methodist Church, Camden, N. J., 1,800 persons, favoring national prohibition during the war, and that liquors now in bonded warehouses be redistilled into undrinkable alcohol and purchased by Government for war purposes, and opposing higher taxes on intoxicating liquors as a means for raising revenue; to the Committee on the Judiciary.

Also, petitions of citizens of Camden, N. J., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CONNELLY of Kansas: Petitions of citizens of Webber, Grainfield, and Grinnell, Kans., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. CURRIE of Michigan: Petitions of the Union Literary Club, Big Rapids, and the Rev. S. Howarth and 34 other residents of East Tawas, both in the State of Michigan, urging national prohibition; to the Committee on the Judiciary.

Also, petition of the members of the Union Literary Club, Big Rapids, Mich., requesting Congress to take action in protecting the boys from the vices and evils of Army camps; to the Committee on Military Affairs.

By Mr. DALE of New York: Petition of Adolf Gübel, of Brooklyn, N. Y., against prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DARROW: Petition of 105 residents of the sixth congressional district of Pennsylvania, favoring the prohibition of the liquor business as a war measure; to the Committee on the Judiciary.

Also, petition of 59 residents of Germantown, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of residents of the sixth congressional district of Pennsylvania, protesting against prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the faculty of the school of medicine of the University of Pennsylvania, in behalf of the abrogation of the patents on salvarsan; to the Committee on Patents.

By Mr. DRUKKER: Petition of Rev. William E. Palmer, pastor Trinity Methodist Episcopal Church, Paterson, N. J., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the New Jersey State Federation of Labor, favoring Government control of all foodstuffs and necessaries of life, including coal; to the Committee on Agriculture.

Also, petition of the New Jersey State Organization for Public Health Nursing, favoring the passage of the Susan B. Anthony amendment; to the Committee on the Judiciary.

Also, petition of the New Jersey Osteopathic Society, tendering their professional services to the Government, and pledging to enlist as large a number of registered osteopathic physicians as may be needed to form a hospital corps; to the Committee on Military Affairs.

Also, petitions of New Jersey State Federation of Labor, Amalgamated Meat Cutters and Butcher Workmen, No. 454, and United Trades and Labor Council of Paterson, N. J., protesting against prohibition; to the Committee on the Judiciary.

My Mr. DUNN: Petitions of George H. Warner and others, of Fairport, and Rev. W. W. Dailey and others of East Rochester, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DYER: Memorial of Missouri Bankers' Association, favoring 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, memorial of Second United Presbyterian Church of St. Louis, Mo., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ESCH: Petitions of sundry citizens of Thorp and Withee, Wis., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FOCHT: Petition signed by citizens of McClure, Pa., opposing the payment of tax on automobiles by owners; to the Committee on Ways and Means.

Also, petition of citizens of Chambersburg, Pa., favoring prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Lewistown, Pa., favoring an amendment to the Constitution of the United States to recognize Almighty God as the source of all authority in civil government and the Lord Jesus Christ as the Savior and ruler of nations; to the Committee on the Judiciary.

By Mr. FOSS: Petitions of sundry citizens of Chicago, Ill., favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FOSTER: Petition of Methodist Episcopal conference at Lawrenceville, Ill., urging laws prohibiting manufacture of liquors; to the Committee on the Judiciary.

By Mr. GALLIVAN: Memorial of Mayo Men's Benevolent Association relative to freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. GANDY: Petition of sundry citizens of South Dakota, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. GOOD: Petition of citizens of Stanwood, Iowa, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. GREENE of Vermont: Petition of residents of the first congressional district of Vermont, urging the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of alcoholic liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

By Mr. HAMILTON of Michigan: Petition of citizens of Decatur, Mich., in favor of prohibition; to the Committee on the Judiciary.

By Mr. HAMILTON of New York: Petition of sundry citizens of Mayville, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HERSEY: Petition of Rev. L. G. March and other citizens of Easton, Me., favoring prohibition of liquor business as a war measure; to the Committee on the Judiciary.

Also, petition of Rev. David N. Beach, president Bangor Theological Seminary, Bangor, Me., and other members of the faculty and students, favoring prohibition of intoxicating liquor as a war measure; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Memorial of Mrs. W. L. Taylor and 9 others, of East Liverpool, Ohio, favoring national prohibition as a temporary war measure; to the Committee on the Judiciary.

Also, memorial of Hon. James Ralston, mayor of Martins Ferry, Ohio, opposing national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HUTCHINSON: Petition of the Trenton Civics and Suffrage Club, of Trenton, N. J., favoring 5-mile zone around all military and training camps; to the Committee on Military Affairs.

Also, memorials of Brewers and Bottlers' Union, No. 26, and Coachmen and Chauffeurs' Union, No. 51, of Trenton, N. J., against prohibition as a war measure; to the Committee on the Judiciary.

By Mr. KELLY of Pennsylvania: Petition of Sheradan Presbyterian Church, of Pittsburgh, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Pittsburgh, Pa., favoring freedom of Ireland; to the Committee on Foreign Affairs.

By Mr. KING: Petitions of Rev. Sidney A. Guthrie and divers citizens of Woodhull, Ill., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LESHER: Petition of citizens of Orangeville, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Snydertown, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of Connecticut Federation of Women's Clubs, favoring a 5-mile zone free from liquor traffic and camp followers around every military camp; to the Committee on Military Affairs.

Also, petition of Windham (Conn.) Association of Congregational Churches and Ministers, favoring national prohibition; to the Committee on the Judiciary.

By Mr. LUNN: Petition of First Reformed Church, Amsterdam, N. Y., signed by Rev. J. R. Kyle and others, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MAGEE (by request): Memorial of Westminster Presbyterian Church, of Syracuse, N. Y., against polygamy; to the Committee on the Judiciary.

By Mr. MEEKER: Petition of Grand Lodge Knights of Pythias of Missouri, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of the Polish, Mechanics and Tradesman's and Artisans' Associations of St. Louis, Mo., favoring House resolution 41 relative to freeing Poland; to the Committee on Foreign Affairs.

Also, memorials of Christy Memorial Church, West End Young People's Branch of Woman's Christian Temperance Union, and 63 citizens, all of St. Louis, Mo., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of Painters and Decorators' Union, local 562; International Brotherhood of Foundry Employees, local No. 1; Typographical Union No. 8; Coopers' International Union, local No. 3; Pattern Makers' Association; and St. Louis Label Trades' Section, all of St. Louis, Mo., praying for an investigation by Congress into the controversy between the Chamber of Commerce at San Francisco, Cal., and organized labor; to the Committee on the Judiciary.

By Mr. MORIN: Petition of Republic Chemical Co., of Pittsburgh, Pa., urging that salt be included in the preferential list for transportation, as it is very essential in the manufacture of chlorine and caustic soda, both very important for war purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NOLAN: Petition of Golden Gate Aerie, No. 61, Fraternal Order of Eagles, of San Francisco, Cal., praying for the passage of House bill 152, known as the Nolan minimum-wage bill; to the Committee on Labor.

Also, petition of Local Union, No. 45, United Garment Workers of America, Oakland, Cal., and Local No. 85, Brotherhood of Teamsters, San Francisco, Cal., protesting against any amendment to the Chinese exclusion act to permit of the importation of Chinese into the United States; to the Committee on Immigration.

By Mr. O'SHAUNESSY: Petition of Swedish-American Good Templars of Rhode Island, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Trinity Baptist Church of Providence, R. I., favoring the prohibition of the manufacture and sale of intoxicating beverages in the United States; to the Committee on the Judiciary.

By Mr. RAMSEYER: Petitions of sundry citizens of Pulaski and Ewart, Iowa, favoring national prohibition; to the Committee on the Judiciary.

By Mr. REED: Memorial of D. F. Clayton, president, and C. D. Clemans, secretary, of the Clarksburg (W. Va.) Branch of the Railway Mail Association, relative to increase in pay of railway mail employees; to the Committee on the Post Office and Post Roads.

By Mr. ROSE: Petitions of members of various churches of the State of Pennsylvania, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCHALL: Petition of Rev. Justus Porist and others, of Clearwater, Minn., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SHALLENBERGER: Petition of Frank McCara, Curtis, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. L. M. Thompson, Franklin, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. W. M. Brooks, Clay Center, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. J. J. Christner, Wauneta, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. John G. Shick, Grand Island, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. F. H. Union, Garrison, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of E. C. Staley, Arapahoe, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Rev. O. T. Moore, Bladen, Nebr., favoring prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

By Mr. SHOUSE: Petitions of citizens of Burdett, Dighton, Great Bend, and Byers, Kans., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNELL: Petition of the Methodist Episcopal Church of Au Sable Forks, N. Y., for the passage of a bill to effectively prohibit the use of any kind of foodstuffs during the war for the manufacture of intoxicating beverages, and to limit liquors on hand to nonbeverage uses, and protesting against increasing the tax on liquors and thus raising a higher revenue barrier to the securing of national prohibition; to the Committee on the Judiciary.

By Mr. TILSON: Petition of members of Center Church, of New Haven, Conn., urging prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WASON: Petition of 84 residents of the town of Stark, N. H., and vicinity, for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation, and for the immediate prohibition of the sale of liquors for beverage purposes, in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

SENATE.

SATURDAY, *June 2, 1917.*

(Legislative day of Friday, June 1, 1917.)

The Senate reassembled at 12 o'clock m., on the expiration of the recess.

CONSTRUCTION OF VESSELS (S. DOC. NO. 41).

The VICE PRESIDENT laid before the Senate a communication from the vice chairman of the United States Shipping Board, transmitting, in response to a resolution of the 5th ultimo, the information that the total merchant construction in American shipyards, including completed and undelivered vessels under contract with all persons, corporations, or governments other than the Government of the United States, as of May 1, 1917, was, of steel, 537 ships, of a total gross tonnage of 2,039,261 tons; and of wood, 167 vessels, of 214,753 tons, which was referred to the Committee on Commerce and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented resolutions adopted by the Connecticut Society of the Order of the Founders and Patriots of America at the annual meeting held in Hartford, Conn., April 19, 1917, pledging to the President and Government of the United States their patriotic and loyal support in the active conduct of the war, which were referred to the Committee on Foreign Relations.

Mr. NELSON presented a petition of the Arbo (Minn.) Farmers' Club, praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

He also presented a telegram in the nature of a petition from Lodge No. 770, Benevolent and Protective Order of Elks, of Little Falls, Minn., pledging support to the President, which was ordered to lie on the table.

Mr. NELSON. I present two telegrams embodying resolutions of the Senate of the State of Minnesota, which I ask may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *April 3, 1917.*

Hon. KNUTE NELSON,
Senate, Washington, D. C.:

Mr. Sullivan, G. H., offers the following resolution:

"*Resolved*, That the senate of the State of Minnesota does hereby solemnly approve and indorse the President of the United States and his message to Congress given on Monday, April 2, in which he advises

the Congress of the United States to declare that a state of war exists between the Imperial Government of Germany and the United States; and be it further

"*Resolved*, That the senate of the State of Minnesota does hereby confidentially express the hope and does hereby request that every Senator and Representative of the Congress of the United States from the State of Minnesota will vote to sustain the President in the advice and request set forth in said message; and be it further

"*Resolved*, That the senate of the State of Minnesota does hereby solemnly pledge its support to the President and to Congress in the policy set forth in said message and in the measures necessary to carry out the declarations therein contained and to take such action during this legislative session, so that all of the resources of this great State in men and material, so far as may be necessary for the purpose of carrying out such war, be unreservedly placed at the disposal of the Government of the United States; and be it further

"*Resolved*, That the secretary of the senate is hereby instructed immediately to wire the President and to each of the Senators and Representatives in Congress from this State a copy of this resolution."

GEO. W. PEACHEY, *Secretary*.

—

ST. PAUL, MINN., *April 3, 1917*.

Senator KNUTE NELSON, *Washington, D. C.*:

Messrs. Nolan and Pratt offer the following resolution:

"*Resolved*, That the house of representatives of the State of Minnesota does hereby solemnly approve and indorse the President of the United States and his message to Congress given on April 2, in which he advises the Congress of the United States to declare that a state of war exists between the Imperial Government of Germany and the United States; and be it

"*Resolved*, That the house of representatives of the State of Minnesota does hereby confidently express the hope and does hereby request that every Senator and Representative in the Congress of the United States from the State of Minnesota will vote to sustain the President in the advice and request set forth in said message; and be it further

"*Resolved*, That the house of representatives of the State of Minnesota does hereby solemnly pledge its support to the President and to Congress in the policy set forth in said message and in the measures to carry out the declaration therein contained and to take action during this legislative session that all of the resources of this great State in men and material, so far as may be necessary for the purpose of carrying out such war be unreservedly placed at the disposal of the Government of the United States; and be it further

"*Resolved*, That the chief clerk of the house of representatives is hereby instructed immediately to wire to the President and to each of the Senators and Representatives in Congress from this State a copy of the resolution."

OSCAR ARNESON, *Chief Clerk*.

Mr. SMITH of Maryland presented petitions of sundry citizens of Baltimore, Chesapeake City, and Stockton, all in the State of Maryland, praying for the prohibition of the manufacture of foodstuffs into intoxicating liquor, which were referred to the Committee on Agriculture and Forestry.

Mr. WADSWORTH presented petitions of sundry citizens of Buffalo, Wilton, Hector, Newburgh, Fairport, and Mechanicville, all in the State of New York, praying for national prohibition, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented petitions of sundry citizens of New London and Warehouse Point, in the State of Connecticut, praying for national prohibition, which were referred to the Committee on the Judiciary.

He also presented a petition of the Connecticut State Medical Society, praying for the abolition by Congress of the patents on salvarsan and its closely related products, which was referred to the Committee on Patents.

He also presented petitions of the Connecticut Branch of the National League for Woman's Service and of the Housewives' Army of Hartford, Conn., and of the Connecticut State Housewives League, praying for Government control of food, which were referred to the Committee on Agriculture and Forestry.

He also presented a memorial of the Trades Council of New Haven, Conn., remonstrating against an increase in second-class postage rates, which was referred to the Committee on Finance.

Mr. PAGE presented a petition of the Vermont Branch of the National Woman's Party, praying for the adoption of an amendment to the Constitution granting the right of suffrage to women, which was referred to the Committee on Woman Suffrage.

Mr. HALE presented petitions of the faculty and students of Bangor Theological Seminary; of the congregation of the Universalist Church of Pittsfield; of Rev. Walter Canham and 27 other citizens of Sanford; of a civic mass meeting at New Sweden; of the congregation of the Congregational Church of Ashland; of the congregation of the Wesley Methodist Episcopal Church, of Bath; of the congregation of the Bremen Methodist Episcopal Church, of Bremen; of sundry churches of Houlton; of the public-safety committee and sundry citizens of Bowdoinham; of the congregation of the Main Street Baptist Church, of Saco; of the congregation of the Methodist Church of Bridgton; of the congregation of the First Congregational Church of Gray; of the congregation of the First Congregational Church of Waterville; of the congregation of the Hebron Baptist Church, of Hebron; of the congregation of the Methodist Episcopal Church of Bristol; of the congregation of the People's Methodist Episcopal Church, of Newport; of the congregation of the Methodist Episcopal Church of East Newport; of the congregation of the Porter Baptist Church, of Pittsfield; of the congregation of the Free Baptist Church of Limerick; of the congregation of the First Baptist Church of Stockholm; of the congregation of the Federated Churches of Atkinson; of the congregation of the Methodist Episcopal Church of North Jay; of the congregation of the First Baptist Church of Rumford; of the congregation of the Methodist Episcopal Church of East Corinth; of the congregation of the Methodist Episcopal Church of Smyrna Mills; of the congregation of the Methodist Episcopal Church of Bethel; of the congregation of the Methodist Episcopal Church of Fairfield; of the congregation of the Washington Street Baptist Church, of Eastport; of the congregation of the Methodist Episcopal Church of Guilford; of the congregation of the Baptist Church of Mapleton; of the congregation of the Free Baptist Church of Mars Hill; of the congregation of the Congregational Church of Steuben; of the congregation of the Universalist Church of Rumford; of the congregation of the Union Evangelical Church, of Greenville; of the congregation of the Congregational Church of Union; of the Federated Churches of Charleston; of the congregation of the Free Baptist Church of Littleton; of the congregation of the Baptist Church of Lamoine; of the Pastors' Union of Waterville; of the congregation of the First Parish Church of York; of the Congregational Church of Rockland; of the congregation of the Bodwell Street Methodist Episcopal Church, of Sanford; of the congregation of the First Universalist Church of Dexter; of the congregation of the Methodist Episcopal Church of Kezar Falls; of Alexander Hamilton and 41 other citizens of Old Orchard; of the congregation of the Methodist Episcopal Church of Cornish; of the congregation of the Highland Avenue Methodist Episcopal Church, of Gardiner; of the congregation of the Baptist Church of Kennebunkport; of the congregation of the Universalist Church of Old Town; of the congregation of the Methodist Episcopal Church of Kennebunkport; of the congregation of the Congregational Church of Orono; of the congregation of the First Methodist Episcopal Church of Old Town; of the congregation of the Methodist Episcopal Church of Strong; of the congregation of the Methodist Episcopal Church of Dover and Foxcroft; of the congregation of the School Street Methodist Episcopal Church, of Gorham; of the congregation of the First Baptist Church of Sanford; of the congregation of the Woodfords Congregational Church of Portland; of Sidney Cook and 123 other members of the congregation of the United Baptist Church of Presque Isle; of the congregation of the Berean Baptist Church, of Brunswick; of the congregation of the Methodist Episcopal Church of Yarmouth; of W. M. Thompson and 41 other members of the congregation of the Baptist Church of Rockport; of the congregation of the Baptist Church of Freeport; of the congregation of the First Baptist Church of Lewiston; of the congregation of the First Baptist Church of Rockland; of the congregation of the Columbia Street Baptist Church, of Bangor; of the Danforth class for men of the Columbia Street Baptist Church, of Bangor; of the Baraca class of the Columbia Street Baptist Church, of Bangor; of Rev. J. C. Gregory, of the Congregational Church of Presque Isle; of Local Union of the Christian Endeavor Society of Portland; of the committee on public safety of Waldo County; of sundry churches of Gray; of Rev. H. R. Sisson, of Island Falls; of sundry churches of Skowhegan; of the congregation of the Central Square Baptist Church, of Portland; of the congregation of the People's Methodist Episcopal Church of South Portland; of the congregation of the Pine Street Methodist Episcopal Church, of Portland; of the congregation of the Preble Chapel of Portland; of the congregation of the Chestnut Street Methodist Episcopal Church, of Portland; of the congregation of the Williston Congregational Church, of Portland; of the congregation of the Free Baptist Church of South Portland and Cape Elizabeth; of the congregation of the First Free Baptist Church of Portland; of the congregation of the Washington Avenue Methodist Episcopal Church, of Portland; of the congregation of the Advent Christian Church of Bangor; of the congregation of the Clark Memorial Methodist Episcopal Church, of Portland; of the congregation of the Forest Avenue Congregational Church, of Bangor; of the congregation of the Congress Square Universalist Church, of Portland; of the Friendly Adult Bible Class of the Virginia Methodist Episcopal Church, of Rumford; of George W. Edgerton and 17 other citizens of Thomaston; and of Rev. William C. Baker and 52 other citizens of West Scarboro, all in the State of Maine, praying for national prohibition as a war measure to conserve food and national efficiency, which were referred to the Committee on the Judiciary.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHAFROTH:

A bill (S. 2383) to place Gustaf Dahlman on the retired list of the Navy with the rank of chief boatswain; to the Committee on Naval Affairs.

A bill (S. 2384) granting an increase of pension to Alice F. Brutton;

A bill (S. 2385) granting an increase of pension to James Cummins;

A bill (S. 2386) granting an increase of pension to Thomas G. Higgins;

A bill (S. 2387) granting a pension to Frances M. Hilton;

A bill (S. 2388) granting an increase of pension to Elisha L. Hyatt;

A bill (S. 2389) granting a pension to Martha C. Jackson;

A bill (S. 2390) granting a pension to Josephine M. Buck;

A bill (S. 2391) granting a pension to Emmett Fitzsimmons;

A bill (S. 2392) granting an increase of pension to George G. Laughead;

A bill (S. 2393) granting an increase of pension to Mary E. Schofield;

A bill (S. 2394) granting a pension to Ella F. Stewart;

A bill (S. 2395) granting an increase of pension to Dolphus Tyler; and

A bill (S. 2396) granting an increase of pension to Alice A. Wormley; to the Committee on Pensions.

Mr. MARTIN submitted the following report:

MILITARY AND NAVAL APPROPRIATIONS—CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 3971) making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 43, 51, 80, 82, and 85.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, and 83, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter inserted by the amendment of the House to the amendment of the Senate insert the following:

"EMERGENCY SHIPPING FUND.

"The President is hereby authorized and empowered, within the limits of the amounts herein authorized—

"(a) To place an order with any person for such ships or material as the necessities of the Government, to be determined by the President, may require during the period of the war and which are of the nature, kind, and quantity usually produced or capable of being produced by such person.

"(b) to modify, suspend, cancel, or requisition any existing or future contract for the building, production, or purchase of ships or material.

"(c) To require the owner or occupier of any plant in which ships or materials are built or produced to place at the disposal of the United States the whole or any part of the output of such plant, to deliver such output or part thereof in such quantities and at such times as may be specified in the order.

"(d) To requisition and take over for use or operation by the United States any plant, or any part thereof without taking possession of the entire plant, whether the United States has or has not any contract or agreement with the owner or occupier of such plant.

"(e) To purchase, requisition, or take over the title to, or the possession of, for use or operation by the United States any ship now constructed or in the process of construction or hereafter constructed, or any part thereof, or charter of such ship.

"Compliance with all orders issued hereunder shall be obligatory on any person to whom such order is given, and such order shall take precedence over all other orders and contracts placed with such person. If any person owning any ship, charter, or material, or owning, leasing, or operating any plant equipped for the building or production of ships or material shall refuse or fail to comply therewith or to give to the United States such preference in the execution of such order, or shall refuse to build, supply, furnish, or manufacture the kind, quantities, or qualities of the ships or material so ordered, at such reasonable price as shall be determined by the President, the President may take immediate possession of any ship, charter, material, or plant of such person, or any part thereof without taking possession of the entire plant, and may use the same at such times and in such manner as he may consider necessary or expedient.

"Whenever the United States shall cancel, modify, suspend, or requisition any contract, make use of, assume, occupy, requisition, acquire, or take over any plant or part thereof, or any ship, charter, or material, in accordance with the provisions hereof, it shall make just compensation therefor, to be determined by the President; and if the amount thereof, so determined by the President, is unsatisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined by the President and shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code.

"The President may exercise the power and authority hereby vested in him and expend the money herein and hereafter appropriated through such agency or agencies as he shall determine from time to time: *Provided*, That all money turned over to the United States Shipping Board Emergency Fleet Corporation may be expended as other moneys of said corporation are now expended. All ships constructed, purchased, or requisitioned under authority herein, or heretofore or hereafter acquired by the United States, shall be managed, operated, and disposed of as the President may direct.

"The word 'person' as used herein shall include any individual, trustee, firm, association, company, corporation, or contractor.

"The word 'ship' shall include any boat, vessel, or submarine and the parts thereof.

"The word 'material' shall include stores, supplies, and equipment for ships, and everything required for or in connection with the production thereof.

"The word 'plant' shall include any factory, workshop, warehouse, engine works; buildings used for manufacture, assembling, construction, or any process; any shipyard or dockyard and discharging terminal or other facilities connected therewith.

"The words 'United States' shall include all lands and waters subject to the jurisdiction of the United States of America.

"All authority granted to the President herein, or by him delegated, shall cease six months after a final treaty of peace is proclaimed between this Government and the German Empire.

"The cost of purchasing, requisitioning or otherwise acquiring plants, material, charters, or ships now constructed or in the course of construction and the expediting of construction of ships thus under construction shall not exceed the sum of $250,000,000, exclusive of the cost of ships turned over to the Army and Navy, the expenditure of which is hereby authorized, and in executing the authority granted by this act for such purpose the President shall not expend or obligate the United States to expend more than the said sum; and there is hereby appropriated for said purpose, $150,000,000: *Provided*, That this appropriation shall be reimbursed from available funds under the War and Navy Departments for vessels turned over for the exclusive use of those departments or either of them.

"The cost of construction of ships authorized herein shall not exceed the sum of $500,000,000, the expenditure of which is hereby authorized, and in executing the authority granted herein for such purpose the President shall not expend or obligate the United States to expend more than said sum; and there is hereby appropriated for said purpose, $250,000,000.

"For the operation of the ships herein authorized or in any way acquired by the United States, except those acquired for the Army or Navy, and for every expenditure incident thereto, $5,000,000."

And the House agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Naval operating base, Hampton Roads, Va.: For the acquisition, by purchase or condemnation, including all easements, riparian and other rights appurtenant thereto, and including all the rights and properties of railway, electric light, power, telephone, telegraph, water, and sewer companies, of the tract of land known as the Jamestown Exposition site, on Hampton Roads, Va., and of such lands adjacent thereto as lie north of Ninety-ninth Street and Algonquin Street, the entire property being bounded on the north and west by Hampton Roads and Willoughby Bay, on the east by Boush Creek, and on the south by Ninety-ninth and Algonquin Streets, $1,400,000; and toward

the equipment of this property as a naval-operating base, including piers, storehouses, oil-fuel storage, training station, recreation grounds for the fleet, aviation, and other purposes, $1,600,000; in all, $3,000,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 4. That the service of all persons selected by draft and all enlistments under the provisions of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, shall be for the period of the war, unless sooner terminated by discharge or otherwise. Whenever said war shall cease by the conclusion of peace between the United States and its enemies in the present war, the President shall so declare by a public proclamation to that effect, and within four months after the date of said proclamation or as soon thereafter as it may be practicable to transport the forces then serving without the United States to their home station, the provisions of said act, in so far as they authorize compulsory service by selective draft or otherwise, shall cease to be of force and effect."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 5. That, in addition to the reports now required by law, the Secretaries of the Treasury, War, and Navy shall each on the first Monday in December, 1917, and annually thereafter, transmit to the Congress a detailed statement of all expenditures under this act."

And the Senate agree to the same.

THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.
JOHN J. FITZGERALD,
SWAGAR SHERLEY,
Managers on the part of the House.

The report was agreed to.

PRESIDENTIAL APPROVAL.

A message from the President of the United States by Mr. Sharkey, one of his secretaries, announced that the President had, on June 1, 1917, approved and signed the following joint resolution:

S. J. Res. 66. Joint resolution making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

REPORT OF THE COMMISSION OF FINE ARTS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers and illustrations, referred to the Joint Committee on Printing:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the report of the Commission of Fine Arts for the fiscal year ended June 30, 1916, with accompanying illustrations.

WOODROW WILSON.

THE WHITE HOUSE, *June 2, 1917.*

AGRICULTURAL PRODUCTS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 4188) to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hale	Martin	Shields
Beckham	Hardwick	Myers	Smith, Ga.
Brady	Hitchcock	Nelson	Smoot
Brandegee	Hollis	New	Sterling
Culberson	Husting	Newlands	Thomas
Cummins	Jones, N. Mex.	Overman	Townsend
Curtis	Jones, Wash.	Page	Trammell
Fall	Kellogg	Pittman	Vardaman
Fletcher	Kenyon	Ransdell	Wadsworth
France	Kirby	Reed	Walsh
Gallinger	McCumber	Shafroth	Watson
Gerry	McKellar	Sheppard	Weeks
Gore	McLean	Sherman	Williams

Mr. TOWNSEND. I announce the absence of my colleague [Mr. SMITH of Michigan] and his pair with the junior Senator from Missouri [Mr. REED]. This announcement may stand for the day.

Mr. CURTIS. I was requested to announce that the junior Senator from West Virginia [Mr. SUTHERLAND] is absent on official business. I will let this announcement stand for the day.

I also desire to announce that the Senator from New Jersey [Mr. FRELINGHUYSEN] is absent on the business of the Senate in committee meeting.

Mr. WADSWORTH. I desire to announce that my colleague, the junior Senator from New York [Mr. CALDER] is necessarily detained from the Senate to-day.

Mr. WEEKS. I wish to announce that my colleague [Mr. LODGE] is absent on important business for the day. He has a general pair with the senior Senator from Georgia [Mr. SMITH]. This announcement may stand for the day.

Mr. GERRY. I desire to announce the unavoidable absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Arizona [Mr. ASHURST], the Senator from Utah [Mr. KING], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Kansas [Mr. THOMPSON] on official business.

I also desire to announce the unavoidable absence of the Senator from Illinois [Mr. LEWIS] on important business and the absence of the Senator from South Carolina [Mr. TILLMAN] on account of illness.

I ask that this announcement may stand for the day.

Mr. HUSTING. I have been requested to announce that the Senator from Arkansas [Mr. ROBINSON] is detained on official business.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present.

Mr. SHAFROTH. Mr. President, the proposition that is before the Senate at the present time is an amendment offered by the Senator from New Mexico [Mr. FALL] which provides that the 640-acre homestead act which was passed in the Sixty-fourth Congress shall be so modified as to permit entries without reference to the designating provisions which were contained in that act. In other words, it permits the filing of homestead entries upon all the remaining grazing and agricultural lands in the State of New Mexico, the State of Colorado, the State of Utah, and the State of South Dakota.

There has been a dispute as to the wisdom of passing this amendment. The Senator from Wisconsin [Mr. HUSTING] has contended that it should not be passed, and he has stated certain objections which it seems to me are not well founded. He refers to the fact that there might be large areas of merchantable timberland which might be taken up. There is no occasion for alarm upon that score, because the Interior Department and the Department of Agriculture have taken every acre of land containing a stick of timber that is worth selling or putting in the market and reserved it, and the amendment which is proposed by the Senator from New Mexico only applies to "all public surveyed unreserved lands" within the States named. Consequently, it seems to me when you conjure up a theory that there may be taken large areas of lands that are valuable for timber, the contention can not be supported. For the last 20 years the department has been reserving every acre of land which could be subject to reservation because of its timber value. The amendment which is offered by the Senator from New Mexico does not and can not apply to those lands.

The Senator from Wisconsin says also that there might be some lands that would be susceptible of irrigation. There is no danger of any of these irrigable lands being wasted. In the first place, all the available lands for irrigation enterprises of a limited nature, which would apply to a man taking up 640 acres, have been entered and patented. Some large enterprises might be undertaken covering vast areas, but nearly all the waters of the streams of my State and, I am convinced, of New Mexico also, have been appropriated long since, and only some reservoir sites are left. That would be about the only available source that could be used in the irrigation of lands, and those would not be subject to be taken up by a homesteader, because they have been largely reserved for power purposes, and because it takes infinitely more money than the value of a homestead to construct such reservoir. So the points of danger that have been referred to, in my judgment, do not exist, especially not in the State of New Mexico or in the State of Colorado.

This whole evolution in homestead laws has grown out of the physical conditions resulting from the arid and semiarid nature of the lands of the West. One hundred and sixty acres of land in the humid regions that were available under the original homestead-entry laws were worth ten times the

amount of money in productivity as these unappropriated lands in the State of Colorado.

Of course we have reclaimed large areas of land by irrigation. There is no land in the world that is superior to that, but all the waters have been appropriated except those that might be used in newly constructed reservoirs.

The object and purpose of the homestead law has been to permit a person to avail himself of the public lands for the purpose of making and building a home. He can not ordinarily do it from the remaining public lands with any less acreage than 640 acres. It is true that under the 320-acre homestead act we have had a considerable number of entries, but only about 25 per cent of the entries are perfected to patent. They are relinquished largely and new entries made in lieu thereof. Notwithstanding liberal acts, including the act providing for preemptions which was availed of in our State very largely, notwithstanding the desert-land entry act, about half of the lands in the State of Colorado to-day are not in private ownership; they are in public ownership, either reserved or unreserved. Notwithstanding all these liberal laws 60 years have passed since settlement began in Colorado and yet not more than one-half of these lands have been taken for settlement.

Mr. President, we know that public ownership has been a hardship upon these States. We know that the payment of taxes upon land for 30 years with a reasonable interest upon each yearly payment is equal to the value of the land. That being the case it requires the State, as a matter of fact, in maintaining forms of government over those reserved areas, to pay for these lands indirectly every 30 years. Colorado has been organized as a Territory and a State for 60 years and has practically paid for the public lands twice, not to the Government but in the fact that we have not been able to avail ourselves of the taxing power for State, county, and school purposes.

Under those circumstances it seems to me that it is unfair for the National Government to hold these lands exempt from taxation forever and not permit them to be liberally taken up as homesteads in the various States of the West.

We have a situation as to this matter that is an emergency condition at the present time. There is a report here from the Commissioner of the General Land Office to the effect that there are 50,000 people who have made applications for homestead entries under the 640-acre act, and yet have not been permitted to file them because of the fact that the lands have not been classified. The Department of the Interior says it has no funds for that purpose. That may be; I am not blaming them; but there are 50,000 men, and I heard it recently stated because that report was a short time back that there are 60,000 homesteaders on the lands without the right to cultivate them, without the right to build a house upon them unless they take the chances of losing it entirely, living, as it were, on the ground and in wagons.

Mr. President, that is an emergency, and in view of the shortage in crops, in view of the high prices of everything that can be eaten by man or animals, it does seem to me there ought to be a most liberal opportunity given for the purpose of taking up these homesteads.

It is true that under the 640-acre act not much of it can probably be planted in the cereals, but it can to a large extent be used in the raising of live stock and resultant dairy products, and on that account we ought to have this liberal law, so that this great area in the West can be populated and homes made for the people who may live there.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. GALLINGER. I desire to ask the Senator a question. First, a parliamentary inquiry. I have been absent. Is the Senate now operating under a restricted rule?

The VICE PRESIDENT. One speech and 10 minutes.

Mr. GALLINGER. In my own time I desire to ask the Senator from Colorado a question.

Mr. SHAFROTH. Very well.

Mr. GALLINGER. I have not acquainted myself thoroughly with the amendment which is proposed. As the Senator knows, I have entertained liberal views as to the public lands.

Mr. SHAFROTH. Very liberal; and we have had great encouragement in the West from the Senator.

Mr. GALLINGER. Will the Senator object to explaining to me precisely in what respect the proposition now before the Senate changes the existing law? Did we not extend the homestead to 640 acres by somewhat recent legislation?

Mr. SHAFROTH. Yes. The amendment which has been offered by the Senator from New Mexico [Mr. FALL], as originally introduced by him, provided that the 640-acre homestead law which was passed in the Sixty-fourth Congress should apply to the lands of New Mexico without the designation required by the act; in other words, under the 640-acre homestead act it was provided that the Secretary of the Interior should classify the lands, and not have subject to the act lands which contain merchantable timber or lands that are susceptible of irrigation. It is now the contention of the Senator from New Mexico, and my contention also, that as to Colorado and New Mexico practically all of the land that is left is not that which contains any valuable timber or which can be irrigated without enormous expense.

Mr. GALLINGER. Mr. President, all that I shall require, so far as my vote is concerned on this proposition, is to be assured of the correctness of the statement which has just been made by the Senator from Colorado that the law will not apply to valuable timberland. If it be true that these lands have been practically denuded of timber, I shall be very glad, indeed, to give my vote for the amendment.

Mr. SHAFROTH. Mr. President, I will state to the Senator from New Hampshire that the act can not apply to timberlands, because the Government for the last 20 years has been reserving the timberlands. The Senator no doubt has heard our protest against it.

Mr. GALLINGER. I have.

Mr. SHAFROTH. There are over 14,000,000 acres of timberlands now reserved by the Government, and by reason of that fact there can be no question in my mind that there is not an acre of land growing a stick of timber which is merchantable which can be taken up under this 640-acre act.

Mr. GALLINGER. I hope that if this amendment is adopted it will add something to the agricultural productiveness of the country in this emergency, and I certainly trust that it may be agreed to by the Senate.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from Colorado [Mr. THOMAS] to the amendment of the Senator from New Mexico [Mr. FALL] to insert the names "Colorado, Utah, and South Dakota."

Mr. SHAFROTH. Mr. President, that amendment, I understood, was accepted by the Senator from New Mexico [Mr. FALL]; and, if agreeable to the Senator from New Mexico, I desire to offer an amendment to include the State of Arizona. I have had a talk over the telephone with the Senator from that State [Mr. SMITH], and he says that by all means he wants that State included. I therefore ask that it be included. If it requires a separate amendment to accomplish that object, I shall be glad to offer it, and I now offer the amendment.

Mr. FALL. Mr. President, the Senator from Colorado has asked whether an amendment including Arizona would be acceptable to me. I stated my position on yesterday. I know the conditions in New Mexico, and I undertook to speak for the conditions in New Mexico. Other Senators have referred to other States. I should have included Arizona with pleasure, for identical conditions exist there as in New Mexico, and I had discussed the matter with both Senators from Arizona; but those Senators being absent, I did not assume to include Arizona, and simply proposed to include New Mexico. It is now up to the Senators from the other States.

Mr. SHAFROTH. I feel, after having consulted the Senator from Arizona, and knowing the conditions of that State as I do, that I am justified in proposing to include it.

Mr. FALL. I accept the proposition, so far as I am concerned.

Mr. SHAFROTH. Very well. Then I move an amendment that Arizona be inserted.

The VICE PRESIDENT. The amendment to the amendment proposed by the Senator from Colorado will be stated.

The SECRETARY. On page 1, line 2, after the name "New Mexico," it is proposed to insert a comma and the name "Arizona," so that it will read:

> New Mexico, Arizona, Colorado, Utah, and South Dakota.

Also, in line 9, after the name "New Mexico," it is proposed to insert "Arizona," so that it will read:

> New Mexico, Arizona, Colorado, Utah, and South Dakota.

Mr. WALSH. Mr. President, I address myself to the amendment simply to say that I discovered by comparison of the report of the Secretary of the Interior for the year 1915 with the report for the year 1916 that we disposed of in that one fiscal year 2,327,987 acres of land in the State of Colorado; that is to say, if I may address myself to the Senator from New Hampshire [Mr. GALLINGER], that under existing law we are disposing of lands in the State of Colorado at the rate of nearly 2,500,000 acres per year, and as the Senator from New Hampshire interrogated the Senator from Colorado concerning the change in the law, I may say that, under the existing law, homesteads may be made to the extent of 320 acres; also under

an act recently passed, lands that are not valuable for agricultural purposes, that can not be cultivated for crops, but are valuable only for grazing purposes—the rocky, hilly lands—they have permitted lands of that kind to be appropriated in blocks of 540 acres. The purpose of this amendment is to permit all lands in those four States to be entered in blocks of 640 acres.

Mr. MYERS. In five States now.

Mr. WALSH. Yes; in five States now. The view taken by those of us who are unable to give our assent to the amendment is that it will not result in increased production, but will result in decreased production; that is to say, one man alone will take up 640 acres, should the amendment be adopted, that otherwise would give an opportunity to two families, provided the land is of such character as that one family can make a living on 320 acres.

Perhaps the Senator from New Hampshire was not in the Chamber yesterday when I disclosed that last year there were in the State of Montana 14,000 people who thus availed themselves of the 320-acre homestead act; there were 11,000 in the State of Colorado; and 7,000 in the State of New Mexico; that is to say, there are still lands in those States of such value which are open to appropriation under the 320-acre homestead act that 14,000 people went out and took lands in our State, 11,000 took lands in the State of Colorado, and 7,000 took lands in the State of New Mexico. Accordingly, it seems to me a necessary deduction from that that there is no occasion for now increasing the size of the homestead, which, as a matter of course, divides by two the number who will be able to avail themselves of the provisions of the proposed law.

Mr. GALLINGER. Mr. President, I will say to the Senator from Montana that it is a matter of regret to me that I did not hear his observations on yesterday. The Senator is doubtless aware of the fact that the Committee on Finance, of which I chance to be a member, has been kept very diligently at work on the revenue bill. The result has been that Senators so engaged have of necessity missed these most interesting discussions of public measures. That has been a matter of very deep regret to me, but I particularly am sorry that I did not hear the Senator from Montana discuss this very important question.

Mr. WALSH. We are all aware of the fact that whenever the Senator from New Hampshire is not here it is by reason of imperative duty that takes him elsewhere.

Mr. NELSON. Mr. President, will the Senator from Montana yield to me for a question?

Mr. WALSH. Yes, sir.

Mr. NELSON. Does not the Senator fear, as I do, that this proposed law will be made a vehicle for the cattlemen to secure a lot of grazing land and so to monopolize that class of land? We know how the stone and timber law was used by the lumbermen to accumulate large quantities of timberland. Is it not likely that under this proposed law the cattlemen will secure large tracts of land for grazing purposes that might ultimately be fit for cultivation?

Mr. WALSH. Mr. President, I will say to the Senator from Minnesota that when the 640-acre homestead law was under consideration I had a number of communications from Hon. Paris Gibson, who was long known to the Senator from Minnesota, and at one time a Senator from my State, and as well-informed a man on the subject of the public lands as there is in the Union. He took the view that it would simply be utilized as a means of securing great tracts of land by those who desired to acquire the public lands corruptly. I am not so apprehensive about that myself, although it must be admitted that the larger we make the unit the greater is the temptation to acquire lands corruptly.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. The Senator from South Dakota.

Mr. STERLING. I should like to say in answer to the inquiry of the Senator from Minnesota [Mr. NELSON] that the fact that the most vigorous opponents of the 640-acre homestead law in the first instance were the cattlemen ought to show that they are not favorable to this legislation. It will not suit their particular purpose. They were the ones who opposed the 640-acre homestead law when it was being considered by the Committee on Public Lands and were about the only ones who did oppose it.

Mr. WALSH. Mr. President, if the Senator will allow me, I should be very glad to contribute something along that same line. The Senator from South Dakota is quite right about that. The National Live Stock Association took the position that entries could be made under this act by people who really never intended to utilize the land, but would simply use it for the purpose of exacting something in the nature of blackmail from the cattlemen who had theretofore been utilizing the land.

Mr. STERLING. Mr. President, just a word or two more while I have the floor. The Senator from Montana has alluded to the number of entries that have been made under existing laws under the original 160-acre homestead law and under the 320-acre homestead law. Of course, the Senator realizes the desire of men to own and possess land. The prospect of getting a Government homestead, whether 160 acres under the original law or 320 acres under the enlarged-homestead act, was alluring to the settler; and, without just consideration of the conditions in the semiarid region and the poor prospect of successfully farming that kind of land, of course great numbers of entries were made in all the States in which there are semiarid lands. That largely accounts for the vast number of entries.

I know how it was in my own State of South Dakota. When the Standing Rock and the Cheyenne River Indian Reservations were opened up, there was, first, the Government to boom these lands by having them appraised at from $2.50 to $6 an acre; so that, instead of a free homestead, the homesteader was literally buying his land. I might say here, in passing, that the Government would have been performing a splendid service had it informed prospective settlers and homesteaders of the actual conditions, of the amount of rainfall there, and so forth—a service which the Government seemingly took no pains to render. Then, in addition to the Government, there were the railroads all the while carrying on an advertising campaign and, for the sake of business for the railroads, inviting settlement. And then, in addition to the railroads, there were the land agents, persistent and energetic, everywhere booming these lands. All this induced settlement under conditions and upon lands on which the settlers could not make a living, either on 160 acres or even on 320 acres. The land, although apparently fair to look upon, being generally level and appearing as if it might be made easily subject to the plow and cultivation, yet, after all, is grazing land, properly speaking. After the reservations of which I speak were opened up and had been settled, there were four successive absolute crop failures. That is the situation in western South Dakota, and it is the situation with reference to the remaining unreserved and unappropriated lands on other Indian reservations there. It simply demonstrates that good as many of these lands may be for grazing they are not adapted to successful crop raising.

The Senator from Utah [Mr. SMOOT] reminds me that a comparatively small percentage of these entries are ever taken to final patent. I know how it has been in South Dakota. After trying to make a living on 160 acres for a year, or two or three years, much of the land has been abandoned.

In this connection, Mr. President, I desire to call attention to one short paragraph in the report of the Commissioner of the General Land Office, which is quite applicable to this debate. He has been discussing the Kinkaid homestead act as it applies in Nebraska and adds this paragraph:

> The final deduction from the entire study of this subject is justified that the enlargement of the homestead was a timely recognition that the area of the entry should be measured by the earning capacity of the land. In operation the enlargement of the homestead entry to 320 acres may be recognized as a successful demonstration of this theory in that portion of the country where stock raising may be successfully united with dry farming, but not so in those communities where only cattle grazing is a profitable use of semiarid, non-irrigable land.

I think the Commissioner of the General Land Office has expressed the exact truth in that paragraph.

The unentered lands I have described, and which have not been designated, are not lands adaptable equally to grazing and to farming. They are lands that are adaptable to grazing only.

Mr. SHAFROTH and Mr. JONES of Washington addressed the Chair.

The VICE PRESIDENT. The Senator from Colorado.

Mr. SHAFROTH. Mr. President, there is an amendment pending on which I have not spoken, and I desire to say a few words in answer to suggestions which have been made.

Mr. KENYON. I make the point of order that the Senator has spoken once.

Mr. SHAFROTH. No; not on the pending amendment. I moved an amendment to include Arizona, and I have not said a word since that time.

The VICE PRESIDENT. The Chair was of the impression that the Senator from New Mexico [Mr. FALL] accepted the amendment.

Mr. SHAFROTH. No; he said that, so far as he was concerned, he was not opposed to it.

The VICE PRESIDENT. That is as far as he has to go, to say that he is satisfied with it. The Chair does not care

anything about this matter, but, if the unanimous-consent agreement amounts to anything, the Senator from New Mexico did accept the amendment, and Senators have been speaking this morning in violation of the unanimous-consent agreement.

Mr. SHAFROTH. Very well.

The VICE PRESIDENT. The question is on the amendment known as the Fall amendment, as modified.

Mr. HUSTING. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. REED (when his name was called). I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the senior Senator from New Jersey [Mr. HUGHES] and vote "yea."

Mr. SMITH of Maryland (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM]. In his absence I withhold my vote.

Mr. STERLING (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH]. I do not see the Senator in the Chamber, and therefore I withhold my vote.

The roll call was concluded.

Mr. GERRY (after having voted in the affirmative). I have a general pair with the junior Senator from New York [Mr. CALDER]. I am advised that the Senator from New York is absent, and I therefore withdraw my vote.

I also wish to announce the absence of the junior Senator from North Carolina [Mr. OVERMAN] on official business. He has a pair with the senior Senator from Wyoming [Mr. WARREN].

Mr. BECKHAM. Has the junior Senator from West Virginia [Mr. SUTHERLAND] voted?

The VICE PRESIDENT. He has not.

Mr. BECKHAM. I have a pair with that Senator and therefore withhold my vote.

Mr. STERLING. I transfer my pair with the junior Senator from South Carolina [Mr. SMITH] to the junior Senator from Nebraska [Mr. NORRIS] and vote "yea."

Mr. HARDING (after having voted in the affirmative). I wish to inquire whether the junior Senator from Alabama [Mr. UNDERWOOD] has voted?

The VICE PRESIDENT. He has not.

Mr. HARDING. I transfer my general pair with the Senator from Alabama to the junior Senator from California [Mr. JOHNSON] and will let my vote stand.

Mr. FRELINGHUYSEN. I wish to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I ask that this announcement may stand for the day.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN].

Mr. HUSTING. I have been requested to announce that the Senator from Arkansas [Mr. ROBINSON] is detained on official business.

The result was announced—yeas 41, nays 13, as follows:

YEAS—41.

Bankhead	Gore	McLean	Smoot
Borah	Hale	Martin	Sterling
Brady	Harding	New	Thomas
Brandegee	Hardwick	Page	Townsend
Cummins	James	Penrose	Vardaman
Curtis	Jones, N. Mex.	Ransdell	Wadsworth
Fall	Jones, Wash.	Reed	Weeks
Fletcher	Kenyon	Shafroth	Williams
France	Kirby	Sherman	
Frelinghuysen	McCumber	Shields	
Gallinger	McKellar	Smith, Ga.	

NAYS—13.

Culberson	Kellogg	Phelan	Walsh
Hitchcock	La Follette	Poindexter	
Hollis	Myers	Sheppard	
Husting	Nelson	Trammell	

NOT VOTING—41.

Ashurst	Hughes	Owen	Sutherland
Beckham	Johnson, Cal.	Pittman	Swanson
Broussard	Johnson, S. Dak.	Pomerene	Thompson
Calder	Kendrick	Robinson	Tillman
Chamberlain	King	Saulsbury	Underwood
Colt	Knox	Simmons	Warren
Dillingham	Lewis	Smith, Ariz.	Watson
Fernald	Lodge	Smith, Md.	Wolcott
Gerry	Newlands	Smith, Mich.	
Goff	Norris	Smith, S. C.	
Gronna	Overman	Stone	

So Mr. FALL's amendment as modified was agreed to.

Mr. THOMAS. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add to the bill as a new section the following:

SEC. —. Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress engaged in, or permitting through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended, and all agreements, wagers, and contracts for wagers regarding such food products now and hereafter made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations, by the members thereof, are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed $10,000: *Provided*, That nothing herein shall prevent the actual sale or purchase of commodities in good faith for actual future delivery and where the products are to be delivered instead of settled for as is usual in speculative trades.

Mr. THOMAS. Mr. President, the amendment just offered is the one which, in final shape, I offered to the espionage bill early in the month of May. Since that time the subject has been discussed at considerable length by Senators in connection with other proposed legislation. I had intended to make an attempt at reply to some of the arguments presented against this proposition when it should be introduced as an amendment to the pending bill; but in view of the action of the Senate yesterday, which limits discussion of all proposed amendments and of the bill itself to 10 minutes, it is impossible for me to do so, and therefore I shall not even make the attempt. I think, however, that the obvious importance of a measure of this sort in connection with this bill is such as to make it unnecessary to use any part of my time in referring to that feature of it.

Some time between the 5th and the 15th of May the subject to which I have referred was first presented to the attention of the Senate. Upon a yea-and-nay vote the amendment was overwhelmingly defeated; but it was known that the subject had not been disposed of, and that it would be considered in connection with this and similar schemes of legislation so long as it was a question of vital importance.

I want to call the attention of the Senate to the fact that very shortly after the vote to which I refer was taken the Chicago Board of Trade—which is the leading institution to be affected by this amendment if it should become the law—suspended the practice of dealing in futures and advised similar action on the part of similar organizations throughout the country. The Associated Press on May 15 gave the public this information:

CHICAGO, *May 15.*

Representatives of the leading grain exchanges of the country at a meeting here to-day recommended to their respective exchanges that they continue until further notice the restrictive regulations which were put in effect yesterday.

The directors of the Chicago Board of Trade to-day extended until further notice the regulations covering dealing in futures which were put into effect yesterday.

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CHICAGO, *May 15.*

A sentiment was manifest on the Chicago Board of Trade to-day that the action yesterday of the board of directors of the organization in forbidding further trading in May corn and oats and suspending for two days all purchases of wheat, except for the liquidation of existing contracts, was but the forerunner of more drastic steps to be undertaken to curb speculation in grains.

Delegates from the grain exchanges of St. Louis, Kansas City, Omaha, Minneapolis, Duluth, and Toledo are expected to meet here late to-day with the board of directors of the Chicago board to discuss the situation in an attempt to evolve a plan for concerted action by all the grain markets of the country. It was admitted that, with the high prices of grains, the runaway tendency of the market and the national emergency, some radical action is necessary.

MAY BAR ALL FUTURES.

A possibility that this might take the form of orders eliminating all speculation in futures, either stopping such trading entirely or by fixing maximum prices to be adjusted as the market requires, also was admitted. Other extraordinary steps which it was said unofficially the conference will be asked to consider are the advisability of establishing maximum prices on July and September corn and uniformity of action in demanding excessive margins to the end that the purely speculative elements can be eliminated from the market.

What was said to be an informal meeting of representatives of the various grain boards was held this forenoon. Those reported present included David Anderson and Frank I. King, Toledo; two representatives each from Kansas City and Duluth, five from St. Louis, three from Minneapolis, and President Griffin and directors of the Chicago Board of Trade.

There was no business in the wheat pit meanwhile, save that memberships were being hawked about. These sold at the height of the activity of the market last winter as high as $7,600. One man who had three for sale to-day for friends said that he had offered them at $4,000 without takers.

COOPERATING WITH GOVERNMENT.

Secretary Merrill, of the board of trade, asserted that the grain men have been cooperating with the Federal Government.

"We have a committee of six in Washington," he said, "who have opened headquarters and have tendered their offices to the Government.

"The committee consists of Julius Barnes, of New York and Duluth, the Nation's largest exporter; Robert McDougal, of Chicago; F. B. Wells, of Minneapolis; D. F. Piazzek, of Kansas City; Alfred Brandeis, of Louisville; and W. F. Hauser, of Portland, Oreg."

The curtailment of speculation ordered by the board of trade yesterday resulted in further price recessions in early grain trades to-day. July wheat sold off 11 cents to $2.48 and September 8 cents to $2.20. Corn dropped from 2½ to 3½ cents and oats from 1 to 1½ cents. The meeting here of delegations from leading grain exchanges was scheduled for 3 p. m. to-day.

Two days afterwards this telegram appeared in the newspapers:

CHICAGO, *May 17.*

Wheat continued to fall on the Chicago Board of Trade to-day, early losses being 8 to 10 cents. July opened 9 cents under yesterday's close, at $2.21, and half an hour later had lost another cent. September was down 7 cents, at $2, and later went to $1.99.

Flour prices were on the decline together with various other foodstuffs, and families that had stored away huge quantities of provisions in fear of a "famine" face the prospect of eating maximum priced food for the next several months while their neighbors enjoy cheaper commodities.

Flour, which soared to $17.60 wholesale only two days ago, has dropped to $16. One or two local millers, it was reported to-day, had even offered best grades as low as $15.50.

Dealers in all commodities said to-day that the outlook for lower prices is more optimistic than in months, while Mr. Ultimate Consumer began to lose a little of that worried look.

Various reasons were assigned for the marked decline in wheat prices, with the resultant drop in flour. The "trade" said it was due to farmers "loosening up" on their wheat holdings. The man on the street had an idea that the curbing of speculation had something to do with it.

It is quite probable, Mr. President, that both the causes there assigned had something to do with the fall; but the significant fact is that, through the apprehension consequent upon public discussion, these boards of trade, anticipating legislation and evidently desirous of avoiding it, assumed voluntarily to take the course which this legislation was designed to compel them to take, and that the immediate consequence of this voluntary action was a reduction in the price of the subject matter of these contracts, to the benefit of the public, thus emphasizing the soundness of the attitude which the advocates of this amendment assume, and which ascribes a part, at least, of the inordinate price of the necessities of life to the speculation so rife upon these exchanges in connection with futures.

Let me say, Mr. President, that this amendment does not in any wise interfere with the making of those contracts which Senators say are necessary for the protection of legitimate business, but the making of which is doubtless due to the existence of this gambling feature of the most of these exchanges; for without that feature the fluctuations to which I called attention the other day would be practically impossible. They would be confined to a smaller range and they would take place with much less frequency.

In this connection, Mr. President—my remarks, of course, are not and can not be systematic, in view of the shortness of my time—I want to read an article from a paper called the Censor, published, I think, in Chicago, and dealing with this identical question. The article is as follows:

Ostensibly the business of the Chicago Board of Trade is dealing in grain, provisions, and other commodities. In reality the business is all of the traditional "blue sky" variety—scarcely one whit different from the notorious "blue sky" trading of one sort and another that has been prohibited by law in many States. Of course, not once in a blue moon does a single bushel of wheat or other grain or a single pound of meat or other commodity figure in any of the so-called business deals. In fact, as I have heard it put, "not one in a thousand of those who put money into the bottomless bag of the Forty Thieves would know a grain of wheat if they should happen to meet it in the public road." There was a certain gentleman in St. Louis who got on the wrong side of the market in a deal and found himself several hundred dollars to the bad on his margins. It happened that he had a little capital and he backed himself up by refusing to sacrifice what he had ventured, but demanded that the actual wheat be delivered to him. He insisted that the actual wheat be produced and delivered and that he be given the opportunity of buying and paying for the actual grain instead of mere wind and chalk marks. The St. Louis agency had to get and deliver the wheat, and it was a matter of more trouble to them than anything against which they had bumped in all their business experience. It was the first time, the agent said, in all his experience that he ever had to actually buy and deliver grain. Think of that! Yet the books and the blackboards of this agent show purchases and sales of many, many thousands of bushels of wheat, corn, oats, and other grain; many, many barrels of pork, pounds of other meats, lard, etc. Then why does this Government license and tolerate such a gambling hell as the Chicago Board of Trade?

The PRESIDING OFFICER (Mr. JAMES in the chair). The time of the Senator from Colorado has expired.

Mr. WALSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WALSH. As the Senator from Colorado has stated, the proposition embodied in his amendment was heretofore submitted to the Senate and by the Senate rejected. It has all the features of a perfectly independent proposition. The rule seems to be quite well established that when a bill is formally brought before the Senate and is by the Senate rejected the introduction of another bill during that session of Congress covering identically the same subject is not in order. I inquire of the Chair whether the rule is applicable to amendments?

Mr. THOMAS. If there is such a rule, the sooner we repeal it the better. I never heard of such a proposition before.

Mr. WALSH. I may say——

Mr. THOMAS. I do not pretend to any knowledge of parliamentary procedure here, but it is very much like the application of the doctrine of res adjudicata, and it has no place here.

Mr. WALSH. I present the matter, I may say to the Chair, simply because it is not at all unlikely that many of the propositions, having been once considered by the Senate and having been disposed of and rejected, will come up again in connection with other measures. If the rule itself is sound I can see no reason why it should not apply to a proposition of this character. It is not in the nature of an amendment addressed to any existing feature of the bill, but endeavors to engraft on the bill what is substantially an independent proposition as though it were presented to the Senate as a totally separate measure.

Mr. THOMAS. Before the Senator takes his seat, will he cite the rule which he invokes?

Mr. WALSH. I find it difficult——

The PRESIDING OFFICER. The Chair would like the Senator from Montana to direct the attention of the Chair to a rule which provides that a bill once considered adversely by the Senate can not be again introduced and considered at the same session of Congress. Probably that is laid down in Jefferson's Manual, but it has not been adopted as a rule of the Senate. However, it appears to the Chair that this question does not present that issue. Here is an amendment introduced that has been heretofore introduced to a similar bill, and though there was a rule which provided that you could not consider a bill which had been once determined by the Senate adversely it would not apply to an amendment which had been likewise determined by the Senate on some other bill, because the Senate might refuse to adopt an amendment to a bill for the reason that it did not think it was germane when on another bill it might be considered that it was a proper place for the adoption of such an amendment.

The Chair will therefore hold that the amendment is in order.

Mr. WALSH. I have no other interest in the matter.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Colorado.

Mr. McKELLAR. Mr. President, just a moment before the vote is finally taken. I wish to call the attention of Senators to what, to my mind, is quite a remarkable article published in one of the food journals by the Secretary of Agriculture in April just passed, in which the Secretary reviews the food conditions in the country and tells what he knows about it. This article was placed by me in the CONGRESSIONAL RECORD on page 2913, and in view of the food legislation that we now have and that which is to come, I recommend that Senators look into the article. I have not time in the limited time I have this morning to discuss it at length. I can only say that the Secretary shows that we have a greater abundance of meats, of fish, of eggs, milk, cheese, o fcorn, of barley, of oats, and of every other food product, except alone wheat, and he goes on to show that we had a very large quantity of wheat brought over from the preceding year, which was the banner year in the history of this country in the production of wheat. It is to my mind a most enlightening article, and I commend it to the Senators.

I have this in mind on this amendment. The bill which is under discussion has some very good things. A food survey is all right, and we authorize the expenditure of a large sum of money for a food survey. A great many clerks are to be employed and others sent out to finish the survey, but, after all, a food survey does not amount to much. The Secretary of Agriculture has already given us that. It is about what the Secretary of Agriculture already has.

There are various other provisions which do not amount to much, except some that have been offered as amendments in this body. The amendment of the Senator from Montana about the storage of food is a very important amendment and the amendment of the Senator from New Mexico [Mr. FALL] opening up public lands for farming purposes is an important amendment, but these amendments are about all there is in the bill. The main body of the bill as reported here merely provides for large expenditures in the Department of Agriculture and puts on the pay rolls of the Government a large body of additional employees.

As it appears to me, there are two vitally necessary things for this Congress to do on the food question. One is to stop food gambling and the other is to see to it that the country has the necessary transportation, so that all farm products can be carried to the consumers of our country, and after they have had enough to give to our allies in Europe. Those are the two vital propositions in the food question as I see it.

I know when the question of stopping food gambling was up a short time ago on the espionage bill many excellent gentlemen, many men who have claimed that they were the farmers' friends and the friends of the people, said: "Oh, yes; we are in favor of stopping this gambling in food products; we are in favor of wiping it out; we despise food gamblers," and yet some of those very gentlemen who made speeches on that side, I recall one distinctly, voted to lay the amendment of my distinguished friend from Colorado on the table and thereby permit the food gambling to go on just the same as before. They claimed then that the food amendment ought not to be put into the bill because that was not the bill for it; that that was not the time; that it ought not to be in an espionage bill; it ought to be in a food bill. In the minds of some it seems that it is never the time and never the bill in which to do away with food gambling. But we have the food bill up now. What are these gentlemen going to say about it at this time? What excuse are these friends of the farmers, the producers, and the consumers going to get up now? How are they going to avoid a direct vote? This is just the simplest proposition in the world. Food gambling does not do the producer of foods any good. The great farming interests of the country are not benefited by the establishment of food gambling houses, and surely every consumer in the country, and all of us are consumers, are damaged by it.

There is just one thing it seems to me to do. It does look to me that it is such a plain proposition a blind man could see it. Every person in the whole country except Congressmen see it. There is hardly an individual in the whole country who does not want Congress to stop food gambling. The press wants us to stop it. The people want us to stop it. We ourselves want to stop it. We must know that it is our duty to stop it. Are we afraid of the food gamblers? Here is the opportunity to do our full duty by our country. The time is now. Everyone knows the issue. There is no way to misunderstand it. The chance, and perhaps our one chance, is in this bill. It is a food-regulation bill. All we have to do is to cast our votes to-day for this splendid amendment of the Senator from Colorado [Mr. THOMAS]. It has been gone over time and time again by various Senators here. It is an amendment that will stop food gambling, and it does not interfere in the slightest with the legitimate operations of exchanges in our country. As the distinguished Senator from Colorado said a while ago, one of the leading—I believe the leading—exchanges so recognized the merits of this bill that it put this proposed law into force itself. If gamblers themselves are seeing the merits of this legislation, is it not time the Senate shall see it? Is it not time we were seeing it? If we can not see it, I believe the American people ought to force us to see it. This amendment, carefully prepared, proposes to do the very work that we all say we want to do; and I do not want to put it off.

If this amendment was passed and we were to furnish necessary transportation to the country, we would not need any food dictator. The Secretary of Agriculture says that we do not need any food dictator. I do not think we would need any other food legislation if we just pass this amendment prohibiting food gambling, and then follow it up by a proper measure providing for transportation in this country, so that our farm products may be carried to the consumers throughout our entire country and then be carried abroad afterwards.

Those are the two ideas that are in my mind on this subject and which I want to impress, if I may, upon Senators here. Let us stop food gambling to-day. There is not a Senator in this Chamber, in my humble judgment, who down in his heart and in his mind does not know that it is his duty to vote against food gambling at this time in this serious crisis in the affairs of the Republic. I hope every Senator will see it that way and think about it as I do. If so, we will stop food gambling and we will take the longest step that has ever been taken by Congress in the interest of the producers and consumers of the United States. There never was such an opportunity to serve the just interests of the many as opposed to the selfish interests of the few food gamblers who are now, in this great crisis of our country's history, sapping the national life blood.

Mr. WADSWORTH. Mr. President, this subject has been discussed fairly often in the Senate, and it is not necessary for me to take time to go into it at length. In fact, the rule would prevent me from taking more than 10 minutes of time in any event. I wish to direct the attention of the Senate to the effect which I am confident would be felt by the farmers of the country if this amendment were adopted. I have not the slightest personal interest or concern in any exchange, grain exchange, stock exchange, or any other sort of exchange, but I have very great interest in the prosperity of the people who raise the food of the United States and who must be depended upon for some years to come to carry a very heavy burden with respect to the production of food for ourselves and for our allies.

As I read this amendment, even with the proviso which is now added at its end, it will be impossible or illegal in the future for a miller, we will say, who desires to purchase wheat for future delivery to hedge against that contract. The miller, through his broker upon a grain exchange, purchases for future delivery, we will say, 50,000 bushels of wheat. He may place that order in the month of June. Wheat is not then ripe, and really is not even in existence. The contract may call for the delivery of that wheat in October. The price is fixed in the contract. The miller who makes that contract to receive the wheat at a certain price must find some way to insure himself against the lowering of the price of that wheat in the interim; for if he purchases the wheat for future delivery, we will say, on October 1 at $2 a bushel and by the time October 1 comes around the wheat has gone down to $1.50 a bushel, his milling competitor can purchase wheat so much more cheaply that he can undersell the first miller in the market with his flour and put him out of business.

So through an evolution extending over many years, as I understand it, the miller who purchases wheat for future delivery insures himself against any drastic change in the price which would make it impossible for him to do successful business by hedging against that contract, the hedging being in the nature of a sale of future; so that, no matter which way the market has gone in the interim, when October 1 arrives the miller has insured himself. If the market price of wheat has gone down, his sale of the future compensates him for what he otherwise would have lost had he not insured himself.

As I read it, this amendment of the Senator from Colorado will make it illegal for any man who purchases wheat or any other food product in perfect good faith for future delivery to insure himself against loss by the selling of futures.

Mr. REED. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Missouri.

Mr. REED. Does not the amendment go further and prohibit a man buying anything in grain to be delivered in the future, whether it is a hedge or whether it is an actual purchase?

Mr. WADSWORTH. As I read the proviso at the end of the proposed amendment, there is nothing that would prohibit a man making a contract to purchase grain for future delivery, an actual bona fide transaction.

Mr. REED. My attention had not been called to the proviso.

Mr. WADSWORTH. But he is forbidden to insure himself in the ordinary economic method against loss on the day when he must accept that wheat. Now, what is going to be the result? The result will be that millers and other men who find it necessary for the successful conduct of their business to buy their supplies ahead of time will hesitate in doing it in the markets of the country, and you will find, as has been found on many another occasion where markets of this sort have been artificially interfered with and the right denied to a man to insure himself as I have described, the price of the article will go down and down to the farmer, who will be compelled in the very nature of the case to carry the entire risk of the business. Every other man engaged in the wheat business, as I look at it, if this amendment is adopted, will be forbidden to insure himself against the risks of the business, and it is impossible to get an insurance company to insure a miller against a fall in the price of the product. The result will be that the farmer who raises the wheat must carry all the risk of the business, and that means that he will be compelled to sell his product on the farm at such a low figure that there is not any risk left for any of the other people who operate in that business.

I remind the Senate that when the cotton exchanges were closed at about the beginning of the European war, and by that closing it was impossible for the manufacturers who purchased cotton to insure themselves by this hedging against their contracts, the burden of the entire cotton business was thrown back upon the shoulders of the cotton raiser and cotton went down to 6 cents a pound, a price at which it could not be raised with any degree of profit whatever.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arkansas?

Mr. WADSWORTH. I yield to the Senator from Arkansas.

Mr. KIRBY. Is it not a fact that the cotton exchange closed because it knew nothing about the cotton market, and was afraid to deal in cotton at all?

Mr. WADSWORTH. I am not commenting as to why the cotton exchange closed, but I am reciting one of the results of its closing. Probably for the moment it was a wise thing for it to close.

Mr. KIRBY. Is it not a fact, however, that the closing of the cotton exchange had nothing to do with the price of cotton, but that it was affected by war conditions?

Mr. WADSWORTH. I can not concede that much, Mr. President. I think the closing of the cotton exchange made the cotton market stagnant. You can not keep a staple article running through the channels of commerce unless you have an open market; and when the great exchanges close down of course the price of that article goes down, down, down, for every man engaged in the business is trying to shift the burden of the risk to the man who originally raised the product, whether it be cotton or wheat. I anticipate that, if this amendment of the Senator from Colorado becomes a part of the statutes of the United States, not only will wheat continue to go down in price, as it is going down now, but it will eventually go down to a point at which the farmer will not raise it for the year 1918. That is what I am looking forward to. If you cramp and stagnate the wheat market and throw the entire burden of the risk upon the man who raises the wheat, he will not plant it in the fall of 1917 or in the spring of 1918.

Mr. NELSON. Mr. President, theoretically the argument of the Senator from New York seems very plausible, but I want to call his attention to the cold facts to show how little help the farmers get from the system of dealing in futures. Our farmers, as a rule, are obliged shortly after they do their thrashing to sell most of the grain in order to pay their hired help and other expenses. The result is that most of their wheat is put into the market in the fall and in the early part of the winter. The Northwestern farmers, in the spring-wheat States, disposed of most of their wheat last fall and in the early part of the winter. I venture to say that over 80 per cent of it, perhaps 90 per cent of it, was then disposed of. The average price they received was only from $1.40 to $1.50 a bushel. But, now, what occurs? Let us look the cold facts in the face.

After the April report of the Agricultural Department came out, estimating an immense shortage in the winter-wheat belt, and after its report came out on the 1st of May, estimating still a great shortage, the speculators of the country made use of that in connection with the agitation which transpired in Congress to raise the price of wheat for which the farmers had only received from $1.40 to $1.50 a bushel up to $3.25 and $3.30 a bushel. The situation got so bad that it even shamed the members of the Chicago Stock Exchange so that they suspended operations. That is what brought the price of wheat down.

The seat of the speculation in wheat was in the grain exchanges. They have the power to regulate the price. That was illustrated in the recent act of the Chicago exchange, and I believe it is still in force. They have a right in their own midst to regulate this matter, as they have attempted to do at Chicago, and that has brought the price of wheat down.

I read from the Commercial West, a grain and milling paper, from its issue of May 26, the last issue that I have, the following:

Grain trading still continues under "martial law"—

Listen to that—

and thus far there appears no immediate prospect of resumption of free grain markets. The buying of wheat futures continues limited to liquidation of contracts, and selling is unrestricted, so long as it is below the maximum price reported in our issue of May 19. With grain exchanges on the restricted basis, wheat prices naturally have declined from the maximum levels.

The result of that action of the grain exchange was to reduce the price of wheat 50 to 60 cents a bushel, until wheat is now selling at a reasonable figure. What was the effect of that extraordinary rise? The millers, as soon as wheat rose to $3.25 a bushel, increased the price of their flour by $2 a barrel—from fourteen to sixteen dollars a barrel. All that increase inured to the benefit of the speculators and to the benefit of the millers; the farmers got none of it.

Mr. REED. Mr. President——

Mr. NELSON. I have only 10 minutes, or I would yield to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Minnesota declines to yield.

Mr. NELSON. The action of the Agricultural Department was founded on a misapprehension. Let me read further:

The eyes of all interested in grain are now turned toward the winter-wheat belt, where conditions have shown radical improvement in the past fortnight. There has been plenty of rain, and warm weather is now the need throughout the winter-wheat belt. The improvement in winter-wheat prospects has been so marked—

Now, listen to these figures—

as to bring out estimates of a probable winter-wheat crop in excess of 460,000,000 bushels, compared with the Government's estimate of 366,000,000 bushels, based on May 1 conditions.

In other words, we are likely now to have 100,000,000 bushels more of winter wheat than the Agricultural Department estimated on the 1st of May. I read again from this same paper:

CHICAGO, *May 22.*

Greater sanity prevailed in the grain markets last week, and La Salle Street—

That is the place—

became more composed as a result of the drastic action taken by the Chicago Board of Trade. A settling price for May wheat at $3.18, May corn at $1.61½, and May oats at 73½ cents checked the pyrotechnical display in foodstuffs. * * * Compared with a week ago, wheat is off 29 and 35 cents—

And so forth.

This shows two things, Mr. President: First, that the seat of the speculation is in the grain exchanges; second, that the grain exchanges can themselves, if they see fit to do so, regulate the matter and check it, as they have done in Chicago. We do not know that they will always do what they did in Chicago, and therefore the Government ought to compel them, when such occasions occur, to do just what was done in Chicago; that is, check overspeculation. There was no sense in running up the price of wheat, for which the farmer got only $1.40 and $1.50 a bushel, to $3.25 and $3.30 a bushel, and increasing the price of flour from $12 to $14 a barrel and from $15 to $16 a barrel, as was done at the last bulge.

I have prepared an amendment, Mr. President, which, I think, will cover this matter, but I do not desire to get in the way of the amendment of the Senator from Colorado. My amendment relates simply to grain exchanges, and is very simple and plain. It gives the grain exchanges themselves, in the first instance, an opportunity to right any wrong in this matter. The amendment I have prepared reads as follows:

SEC. —. Any building or room occupied or used by a board of trade, chamber of commerce, grain exchange, or otherwise, in which wheat or other food cereals are bought or sold for present or future delivery shall, for the purpose of this act, be known as a grain exchange.

All persons engaged in buying or selling, for present or future delivery, any wheat or other food cereal, in or about any such grain exchange, shall be known and designated as traders in grain.

All sales of wheat or other food cereals by such traders in such exchanges for future delivery, and not for present or immediate delivery, shall be known and designated as dealings in futures.

If at any time during the pendency of the existing war between the United States and the German Empire the President of the United States shall find that such dealings in futures, in or about any grain exchange, unduly, unreasonably, and in an unwarranted manner raise or enhance the price of wheat or other food cereals, to the injury of the people of the United States—

Now, listen to this—

he may at once request the traders in such exchange to discontinue for a time specified by him all dealings in futures.

If the President finds these conditions to exist he can request the grain exchanges to do what they ought to do voluntarily, and what they did do in Chicago recently:

In case such request of the President is not promptly complied with then he is hereby empowered to order such dealings in futures, as last aforesaid, to be entirely suspended and discontinued for such limited time as he may direct, and if such order is not promptly complied with he is hereby empowered to close such grain exchange for the purpose of enforcing such order.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired. The question is on the amendment offered by the Senator from Colorado.

Mr. REED. Mr. President, the Senator from Oklahoma [Mr. GORE] has remarked privately, and I think I will make the remark for him publicly, that this bill is being treated as if it were a Christmas tree, on which everybody is entitled to hang anything he wants to hang. The difficulty I find with that particular kind of legislation is that it brings to the Senate a lot of undigested matter which has never been considered by a committee and which can not be properly considered or investigated here. That difficulty is accentuated when the proposition comes forward under the 10-minute rule of debate.

Mr. President, I believe there is connected with the grain exchanges all over the country certain great evils that ought to be not only arrested but stopped permanently. I believe, on the other hand, that the grain exchanges perform great economic functions that ought not to be interfered with, and I think any bill that is drawn and brought forward should, before it is passed, be submitted to a committee, hearings had, the truth elicited, and the legislation should be then enacted in the light of the investigation and developments.

Mr. President, let me call the attention of the Senator from Minnesota [Mr. NELSON] to the fact that his argument this morning is that the grain exchanges having been closed the result was a reduction in the price of wheat. That would seem to argue, therefore, that when the grain exchanges are closed the tendency is to destroy or lower the price of wheat.

Mr. NELSON. Does the Senator desire me to answer?

Mr. REED. In a moment, when I have completed my statement. If that is true as a general rule, then, of course, the tendency of closing the exchanges would be very adverse to the farmer, because the determination of the market price of wheat in Chicago or in any other of the great centers fixes the price of wheat to the farmer on whatever wheat he then has. So that if the closing of these exchanges has any such effect as that, certainly we ought to go very carefully about the business of closing them. I have completed that statement, and, although my time is limited, I will yield to the Senator if he desires to reply briefly.

Mr. NELSON. I would be glad to answer the Senator, but I do not desire to take his time.

Mr. REED. Very well. Now, the Senator states that the great rise of recent date, which has been referred to, occurred after the farmer had parted with his wheat; and the Senator states, in substance, that the wheat was stored and that the same wheat the farmer got $1.40 for was sold for about $3. Mr. President, that is partly true, and partly it is a mistake. I showed the other day that the wheat that started at the farm at $1 a bushel went on through to the ultimate consumer at substantially the same price, and that the rise in the price of flour to the consumer and of wheat in the exchanges was carried right on back to the farmer.

Of course, the farmer did sell a large part of his wheat at $1.40 or less; but that wheat was disposed of and for the most part actually eaten up before the rise to $3 occurred in Chicago. Nine months of the wheat year had gone by; three-quarters of the time had elapsed; and three-quarters of the last year's grain crop was actually devoured and no longer existent. The probabilities are that much more than three-quarters of it had been eaten up. The rise in the price of the original crop of wheat occurred, therefore, when the wheat was neither in the granaries of the farmers nor in the elevators of the dealers. The rise occurred at a time when the wheat was largely gone, and it largely occurred because the wheat was gone; but whatever farmers there were in the United States who still had their wheat on hand obtained the benefit of that rise.

What was the occasion of that rise? I tried to go through that the other day, and I thought I found—and nobody challenged it—that the great cause of that rise, the principal cause of that rise, was two things: First, a world shortage, either actual or believed; and, second, not the dealing of speculators upon boards of trade, but the enormous purchases which were being made by the allies, which had forced the market up.

Mr. President, I very much more favor the provision the Senator from Minnesota read than the pending amendment; and in the moment that I have left I call attention to the fact that the language of this amendment does not even make sense. I challenge the Senators here to read the opening sentence and to see if they can make anything out of it. It reads as follows:

SEC. —. Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress engaged in, or permitting through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended.

I challenge anybody here to make any sense out of that statement. Surely there is a misprint. Surely there is something radically wrong with the language. It means nothing.

Mr. President, much could be said on this matter. I think the thing to do is to defeat this proposition, not to hang it onto this bill. Let this question go before a committee. Let them work out a proposition that will stop speculation, something along the line of the amendment the Senator from Minnesota read, if I grasped it correctly. I do not absolutely commit myself to it. Something along that line, I think, might be worked out. But this measure, if we adopt it and the President once puts it into effect, must remain in effect until the war is over. Even the President can not set it aside. Even the President can not lift the embargo if he has once declared it.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired. The question is on the amendment of the Senator from Colorado.

Mr. FRANCE. Mr. President, I suggest the absence of a quorum. This is a very important matter.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hitchcock	Myers	Sherman
Borah	Hollis	Nelson	Shields
Brady	Husting	Overman	Smoot
Brandegee	James	Page	Sterling
Curtis	Jones, N. Mex.	Penrose	Swanson
Fall	Jones, Wash.	Phelan	Thomas
France	Kellogg	Pittman	Trammell
Frelinghuysen	Kenyon	Poindexter	Underwood
Gallinger	Kirby	Ransdell	Vardaman
Hale	McCumber	Reed	Walsh
Harding	McKellar	Shafroth	Williams
Hardwick	Martin	Sheppard	

The PRESIDING OFFICER. Forty-seven Senators have answered to their names. There is not a quorum present.

Mr. GALLINGER. Let the names of the absentees be called.

The PRESIDING OFFICER. The Secretary will call the names of the absentees.

The Secretary called the names of absent Senators, and Mr. SMITH of Georgia, Mr. SMITH of Maryland, and Mr. WATSON answered to their names when called.

Mr. NEW entered the Chamber and answered to his name.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. A quorum is present.

Mr. KIRBY. Mr. President, in view of the fact that it takes two roll calls to develop a quorum here now, and that evidently we are not very much occupied with the things before the Senate, and as this is one of the most important matters—I regard it as the most important matter—that will come before the Senate in connection with food conservation, I move that the Senate adjourn until Monday morning.

Mr. KENYON. Mr. President, I appeal to the Senator to withdraw that motion. We have been on this bill for over a week, and it is now 10 minutes to 2. The bill can be finished this afternoon. There are as many Senators here as are usually together in this Chamber.

The PRESIDING OFFICER. Of course this discussion is proceeding by unanimous consent. A motion to adjourn is not debatable.

Mr. KENYON. I am appealing to the Senator from Arkansas to withdraw the motion.

Mr. KIRBY. Mr. President, I withdraw the motion.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Colorado [Mr. THOMAS].

Mr. REED. Mr. President, I move to amend the amendment offered by the Senator from Colorado by inserting, after the word "ended," in the tenth line, the phrase "unless the President shall sooner, by order, set aside such suspension."

Mr. THOMAS. I accept that amendment.

Mr. KELLOGG. Mr. President, I should like to ask the Senator from Colorado if he is willing to substitute in lieu of the proviso which I drew and offered to his amendment the other day sitting in the Senate the one I send to the desk and ask to have read. I will say in explanation that the one I drew the other day was drawn rather hastily, and, in my judgment, the one I now present accomplishes the same thing. I have already submitted it to the Senator and asked that he accept it.

The PRESIDING OFFICER. Let the Chair understand the situation. The Senator from Colorado accepted the amendment offered by the Senator from Missouri?

Mr. THOMAS. I did.

The PRESIDING OFFICER. Of course the Senator has a right to do that. The Secretary will state the amendment offered by the Senator from Minnesota to the amendment of the Senator from Colorado.

The SECRETARY. The Senator from Minnesota offers the following amendment, to be inserted in lieu of the proviso on page 2, line 7:

Provided, That nothing herein shall prevent the actual sale or purchase of commodities for future delivery where actual delivery is contemplated instead of settled for, as is usual in speculative trades.

Mr. THOMAS. Mr. President, the Senator submitted that amendment to the Senator from Tennessee and myself, and it is satisfactory. We will accept it.

The PRESIDING OFFICER. The Senator accepts the amendment?

Mr. THOMAS. Yes, sir. Now, Mr. President, before the vote is taken I want to perfect the amendment by inserting the word "is" before the word "engaged," in line 5.

The PRESIDING OFFICER. The Senator has a right to do that. The question now is on the amendment offered by the Senator from Colorado as modified.

Mr. FRANCE. I ask that the amendment be stated as it now reads.

The PRESIDING OFFICER. The amendment as modified will be stated.

The Secretary read as follows:

SEC. —. Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress is engaged in, or permitting through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended, unless the President shall sooner by order set aside such suspension; and all agreements, wagers, and contracts for wagers regarding such food products now and hereafter made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations, by the members thereof, are hereby prohibited pending such proclamation. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed $10,000; *Provided*, That nothing herein shall prevent the actual sale or purchase of commodities for future delivery where actual delivery is contemplated instead of settled for as is usual in speculative trades.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Colorado as modified.

Mr. KIRBY. On that I ask for the yeas and nays.

Mr. REED. Mr. President, a parliamentary inquiry. Are we now about to vote upon the amendment offered by the Senator from Minnesota?

The PRESIDING OFFICER. Oh, no; that has been accepted by the Senator from Colorado. He has perfected the amendment by accepting an amendment offered by the Senator from Missouri, one offered by the Senator from Minnesota, and an amendment made by himself. The question now is on the amendment as perfected.

Mr. REED. Mr. President——

The PRESIDING OFFICER. The Chair will have to rule that the Senator from Missouri, having spoken once, under the unanimous-consent agreement, can not do so again.

Mr. REED. Mr. President, I spoke upon the amendment offered by the Senator from Colorado.

The PRESIDING OFFICER. Yes; but since he has accepted these amendments, they become part of his amendment.

Mr. REED. I am about to offer another amendment. I have it in my hand, and I desire to make an inquiry from the Senator from Minnesota before offering it.

The PRESIDING OFFICER. Of course if the Senator offers an amendment, he will have a right to speak to the amendment. The Chair thought he was going to speak on the pending amendment, on which he had already spoken.

Mr. REED. I do not intend to speak at all. I intend to make an inquiry.

I simply wanted to say this: I very much prefer the amendment read by the Senator from Minnesota [Mr. NELSON], and I ask him to offer it. If he does not offer it, I ask permission to offer it as a substitute.

Mr. NELSON. I have no objection. I felt a delicacy in offering it myself as a substitute for the amendment of the Senator from Colorado. It would seem as though I would be discourteous to him; but if the Senator from Missouri wants to offer the amendment, I am quite well satisfied.

Mr. THOMAS. Mr. President, I want to assure the Senator from Minnesota that I would be perfectly willing, so far as I am personally concerned, to have him offer any amendment or substitute which he thinks would be an improvement upon this, and I shall not regard it as at all discourteous. In fact, I do not think the Senator could be discourteous to me if he wanted to be.

Mr. NELSON. Mr. President, under those conditions, with the leave of the Senator from Missouri, I offer the amendment which I send to the desk as a substitute for the entire amendment of the Senator from Colorado as amended.

The PRESIDING OFFICER. The Senator from Minnesota offers an amendment in the nature of a substitute, which will be stated by the Secretary.

The Secretary read as follows:

SEC. —. Any building or room occupied or used by a board of trade, chamber of commerce, grain exchange, or otherwise, in which wheat or other food cereals are bought or sold for present or future delivery shall, for the purpose of this act, be known as a grain exchange.

All persons engaged in buying or selling, for present or future delivery, any wheat or other food cereal, in or about any such grain exchange, shall be known and designated as traders in grain.

All sales of wheat or other food cereals by such traders in such exchanges for future delivery, and not for present or immediate delivery, shall be known and designated as dealings in futures.

If at any time during the pendency of the existing war between the United States and the German Empire the President of the United States shall find that such dealings in futures, in or about any grain exchange, unduly, unreasonably, and in an unwarranted manner raise or enhance the price of wheat or other food cereals, to the injury of the people of the United States, he may at once request the traders in such exchange to discontinue for a time specified by him all dealings in futures, where there is no actual delivery of the product sold. In case such request of the President is not promptly complied with then he is hereby empowered to order such dealings in futures, as last aforesaid, to be entirely suspended and discontinued for such limited time as he may direct, and if such order is not promptly complied with he is hereby empowered to close such grain exchange for the purpose of enforcing such order.

Mr. REED. Mr. President, first I wish to say to the Senator from Colorado and the Senator from Minnesota that they certainly both understand I did not mean any discourtesy.

Mr. THOMAS. The Senator from Colorado understands it perfectly well.

Mr. REED. I now ask the attention of the Senator from Colorado, and the Senator from Minnesota also. I think this amendment in order to be within the power of Congress ought to be limited to transactions in interstate commerce or to concerns at least engaged in interstate commerce. I think our power to legislate on this matter depends upon our right to regulate interstate commerce, and I think the words "in interstate commerce" should be inserted in line 6, after the word "selling," so that it would read, "all persons engaged in buying or selling in interstate commerce for present or future delivery."

Mr. NELSON. I do not think that is necessary. If the Senator will allow me to interrupt him, the last part of the bill puts it under the war power. It is only during the pendency of the war that this can be done, and it comes under the war power.

Mr. REED. I hope the Senator——

Mr. NELSON. If the Senator will allow me further, I hope he will let the amendment go in the bill, and then the conferees can elaborate and improve it.

Mr. REED. I would be forced to vote against the amendment unless those words are in, and for this reason: I hold that there is no such thing as war power in the sense that that term is now being employed. Congress has the power to declare war and to carry on war, but the power to declare war and to carry on war does not suspend the Constitution of the United States. It does not destroy the liberties of the American people. It does not annul the laws of the land. They all exist. I denounce as utterly un-American and abominable the doctrine declared in this Chamber a few days ago that in time of war Congress is not bound by the ordinary provisions of the Constitution. I declare that if such a doctrine be true, then the fathers wrought in vain and wrote upon the sand, instead of having inscribed upon the tablets of time and eternity the principles of human liberty.

The law in regard to this matter, I think, is reasonably plain. I have many authorities collated upon it. I have time only to state the conclusion which is this: That when war is declared every principle of the Constitution remains intact.

Mr. HARDWICK. Will the Senator permit me?

Mr. REED. I have only a moment.

The PRESIDING OFFICER. The Senator from Missouri declines to yield.

Mr. HARDWICK. In my own time I wish to call attention to the very authorities the Senator refers to.

Mr. REED. Very well. There may come a condition, however, where the emergency is so great, so immediate, so pressing that for the time being the Government is authorized in disregarding the ordinary processes that are to be employed, but that danger must be there, it must be immediate, it must be overmastering and overpowering; and the instant it is lifted all the usual civil processes and civil rights must be employed. We are not in any such condition in this country.

Mr. President, I shall speak at some length on this proposition at the proper time, but I embrace this opportunity to protest once more against the doctrine being announced in the United States Senate that the law of the land has ceased, that the Constitution is dead because war has been declared with Germany, or, rather, to state it accurately, because Germany has been making war on us without our even having declared war upon Germany or having even declared that we will make war against her.

Mr. HARDWICK. Mr. President, I did not intend to discuss this amendment, although I am opposed to both amendments. They are utterly beyond the power of Congress to enact. I desire to take issue here and now, as specifically as language can make it, with the statement just made by the distinguished Senator from Minnesota [Mr. NELSON]. Congress has no power except such as is conferred upon it by the Constitution of the United States or can be necessarily inferred from such express power.

The Supreme Court of the United States in decision after decision, cited on this floor by the distinguished and brilliant Senator from Idaho [Mr. BORAH] the other day, has laid down

the doctrine that Congress has no additional power and no different kind of power in time of war than it has in time of peace. The Milligan case, reported in Fourth Wallace, announced that doctrine as distinctly as human language can express it.

To contend that because, forsooth, we have declared war with another nation the organic law of this Republic has ceased to operate, that it no longer has binding force upon the Congress of the United States, is something that I never expected to hear made in this body. The power to make war is one of the express powers conferred upon Congress.

Mr. McKELLAR. Will the Senator yield to me?

Mr. HARDWICK. Certainly.

Mr. McKELLAR. I call the Senator's attention to the wording of the amendment. It specifically provides that business is to be interfered with only when such business is subject to the regulative power of Congress. It is directly constitutional under the very words of the amendment.

Mr. HARDWICK. In other words, this law is to be constitutional so far as it is constitutional.

Mr. McKELLAR. No; so far as it regulates trade between the States.

Mr. HARDWICK. Who is going to draw the line? The court?

Mr. McKELLAR. The court.

Mr. HARDWICK. Can not Congress do it? Has the time come when the Congress of the United States can no longer determine exactly how far it can go and how far it can not go? Has the time arrived when we can just say we will enact this law so far as it is constitutional and so far as it is not, it will not have any force and effect? Are we willing to commit ourselves to any such doctrine as that? I think not.

The power to regulate commerce between the States has been stretched outrageously within recent years. It has assumed proportions never dreamed of by the designers of the Constitution and that are destined, unless this movement is checked, to destroy the very form and structure of the Government and utterly abrogate the rights of the several States of the Union.

Under the power to regulate commerce between the several States of the Union we have no right to control production in all its processes before commerce in such products begins to move between the States. Under that power we have no right to say that we will control the anterior processes by which an article is produced because the article is ultimately destined to enter interstate commerce. To contend that that is what the interstate commerce clause means is to utterly subvert the very form of our Government and is utterly to deny to the several States and their people the blessings of local self-government and their right to control in their own way, in their own fashion, and according to their own will their several domestic and internal affairs.

It is impossible, as far as I am concerned, for me to support any proposition based either on a so-called war power of Congress or an indefinite, vague, impossible something which does not exist or that is based on a stretching of the interstate-commerce clause of the Constitution to such an extent that when the whole result is considered the rights and liberties of the several States and their people will be gone.

Therefore I can not support the proposition and shall vote against it.

Mr. WALSH. Mr. President, I invite the attention of the Senator from Minnesota, who tendered the amendment, to the fact that the amendment as he proposed it does not designate how the President is to close the exchanges if his order is not complied with. The draft says he shall close the exchanges, but how is he to close them? I think the draft ought to be supplemented in some form. I have drafted hurriedly here what seems to me to be necessary to make the amendment complete. I would strike out all of line 17 after the word "he" and line 18 and insert, so that the concluding part would read as follows:

> And if such order is not promptly complied with he may, by proclamation, declare such exchange closed, and thereafter it shall be unlawful to utilize or permit to be utilized such building or room as a grain exchange or for any person being a trader in grain on such exchange to engage in the business theretofore conducted on or at such closed exchange. Any person violating any of the provisions of this act shall be punished by a fine of not less than $500 and by imprisonment not more than one year, or by both such fine and imprisonment.

I offer that amendment to the amendment.

The PRESIDING OFFICER. The Chair will suggest to the Senator from Montana that the amendment is not in order because it would be in the third degree. The Senator from Minnesota if he desires may perfect his amendment.

Mr. NELSON. For the purpose of having the matter incorporated in the bill and go into conference I accept that amendment as a part of my amendment.

Mr. REED. In order that matters may not become mixed, I will state that I have tendered an amendment which has not been acted upon, that after the word "selling," in line 6, there should be inserted the word "in interstate commerce."

The PRESIDING OFFICER. The Chair desires to state to the Senator from Missouri that his amendment to the amendment of the Senator from Minnesota was not in order, because it was in the third degree, and the same ruling applies, of course, to the amendment offered by the Senator from Montana. It would not be in order unless the Senator from Minnesota accepted it in the way of perfecting his amendment.

Mr. HITCHCOCK. Mr. President, I make the point of order that the amendment of the Senator from Minnesota is not an amendment to the amendment of the Senator from Colorado, but is a substitute.

The PRESIDING OFFICER. It is in the nature of an amendment.

Mr. HITCHCOCK. It is absolutely a substitute and can be perfected by amendment before it is voted on.

The PRESIDING OFFICER. The Chair understands that it can be perfected. The Chair ruled that that could be done.

Mr. NELSON. I am willing to have the amendment suggested by the Senator from Montana treated as a part of my amendment. I modify my amendment to that extent. I did not understand what the Senator from Missouri was suggesting.

Mr. REED. I was suggesting, in order to make the bill, as I think, constitutional, so that it will stand in the courts, to put the words "in interstate commerce" after the word "selling," on the sixth line, so as to read "all persons engaged in buying or selling in interstate commerce, for present or future delivery, any wheat," and so forth. That would stop everything except local trading.

I want to suggest to the Presiding Officer, with all respect in the world for his ruling, that this is now offered as a complete substitute for the Thomas amendment. It seems to me we ought to be permitted to perfect it, as suggesed by the Senator from Nebraska [Mr. HITCHCOCK], and we can not do that unless we are permitted to offer amendments.

The PRESIDING OFFICER. The Chair understands that the Senator from Minnesota offered it as an amendment in the nature of a substitute.

Mr. REED. As a substitute.

Mr. NELSON. I do not exactly understand the Senator. Did he include foreign and interstate commerce?

Mr. REED. I admit that I did not.

Mr. NELSON. I wish the Senator would do that.

Mr. REED. Very well.

Mr. NELSON. Then I will accept the amendment of the Senator from Missouri as a part of my amendment to the amendment of the Senator from Colorado. Let it all be treated as a part of my amendment.

Mr. REED. Mr. President——

The PRESIDING OFFICER. The Chair understands that the Senator from Minnesota has accepted the amendment offered by the Senator from Missouri.

Mr. REED. Yes. I want to state that as accepted it reads "in interstate or foreign commerce."

Mr. KIRBY. Mr. President, I desire to oppose the proposed substitute and to favor the amendment as proposed by the Senator from Colorado [Mr. THOMAS]. I regard it as the most important legislation that has come before this Congress outside of that of providing immediately for raising an army and for raising revenue. We talk about food conservation and the people have almost been frightened to death about conditions that are liable to obtain because of the war. We talk about a food dictator, and there is no word more distasteful and despicable to a true American who has the right sort of a view of conditions here than the word "dictator." We ought not to have any dictator of any kind in the United States, and will need no food dictator if the farmers are allowed to attend to their business of farming and the gambler in farm products is put out of business.

So far as I am concerned, and I say here and now, if we shall prohibit gambling in futures, buying up the price of grain and selling it down to the injury of the producer and consumer, we will have done more for the conservation of food in this country and for the protection of our people than can be done by any other sort of law we can pass.

The amendment proposed by the Senator from Colorado is well considered. It obviates the objection that is raised as to unconstitutionality by the Senator from Missouri because it does not apply to intrastate commerce but only to grain that is bought, sold, and shipped in interstate commerce, the dealing in which only can be regulated by Congress, as we all understand. That is provided for here.

The amendment as proposed by the Senator from Montana [Mr. WALSH] does not correct the amendment altogether as offered by the Senator from Minnesota. Under the amendment as proposed by him all contracts whether to buy for future delivery—that is, where the grain is to be delivered at a future time—or for dealing in futures—where no delivery is contemplated—may be stopped. You can stop dealing in futures where it is an honest and perfectly good transaction. You will see in reading it over that dealing in futures whether there is to be an actual delivery or not is prohibited if the amendment as proposed is put into effect.

The amendment proposed by the Senator from Colorado only prohibits dealing in futures where there is no actual delivery contemplated at all, and where only gambling is indulged in for the benefit of speculators and which operates injuriously to the producer and the consumer.

The Senator from Missouri has said the intimation was made because the grain exchanges have abandoned this trading that the price has gone down somewhat. That was because that by gambling in futures they had created a fictitious value. They had bought up the price beyond where it ought to be, and it can be sold down below where it ought to be under the law of supply and demand. That was the trouble. They had created a fictitious price.

It seems to me the Congress of the United States ought to be able to realize that something should be done to prohibit gambling in futures when the grain exchanges themselves have recognized that fact and prohibited it for a time.

The time has come and the bill is here now and some of you avoided a vote on it the other day which would have placed it on another bill, the espionage bill, saying that it properly belonged on a bill for food conservation and regulation. Now the bill is here. Now the amendment is here, and if you are for it show down on it, and if you are not for it, say so, and do not evade or quibble about it longer.

Mr. THOMAS. Mr. President, I have read the substitute of the Senator from Minnesota several times, as it was called to my attention very shortly after it was offered to the previous bill. I am unwilling to accept it as a substitute for the amendment which I propose, although it goes very largely in the same direction. There are, however, some defects as I view the substitute which compel me to prefer my own amendment.

In the first place, the operation of the law is confined to the occupants of rooms or buildings occupied or used by boards of trade, and so forth. We have curb exchanges in America, one of which is among the most important of the trade exchanges in the country, and it would seem that this provision could be evaded, or if the President exercised the authority which it confers upon him to exercise it could be defeated by merely adjourning the transactions to the street. We know enough of the ingenuity of men to realize how easy it would be to carry on the business at which the amendment is aimed and at the same time comply with the strict requirement of the law. I do not want to vote therefore for an amendment which merely provides for the adjournment of an institution from a building into the open air, or, if you please, from the building generally occupied and designated as the building of a particular association to some other even for a temporary purpose.

Another criticism to which I think the substitute is subject is, that it is confined to wheat or other food cereals. Some of these exchanges, notably the Chicago Exchange, deal in futures, as I am informed, upon animal food—to be more specific, upon pork and lard. There have been corners I think in both with the result of a large increase in the price of the commodities.

I think, therefore, if we are to regulate or attempt to regulate the subject at all, our regulations should be sufficiently comprehensive to comprise all the subjects which are the basis of the transaction.

These are, of course, the principal objections which occur to me in my consideration of the subject; but I do not think, if these practices should manifest themselves, as they doubtless will, because they have done it and were doing it up to the time of the voluntary suspension of that method of dealing by the exchange, the President of the United States should be required to request that the practices be refrained from before exercising his power to close them. I think if we are to invest the President with this power at all it should be of an arbitrary character, and that whenever he is convinced that the evil exists he should apply the drastic remedy of immediate closure instead of going through the process of requesting abstinence from the practice. A failure to comply with it should be recognized to be a valid closure, because if there is room for an evasion, opportunity will be taken of it, and it will largely result in minimizing if not destroying the power itself.

The amendment which I offer relates to all transactions which are carried on in such a way as to be subject to the regulative power of Congress. I can conceive that in time of war the regulating power of Congress would not be limited by the commerce clause of the Constitution; it would be far broader than that; and it ought to be far broader than that upon such occasions as we have entered upon, and it may be indefinitely prolonged. Consequently, if we are to invest the President with this authority, let it be so broad in its character that it will be subject to the regulating power of Congress in reference to all such transactions.

The criticisms which I have made may not be well founded. I think they are; and for the reasons which I have given I hope the substitute will be defeated and the amendment which I have offered be ingrafted upon the bill as a part of it.

Mr. McCUMBER. Mr. President, I should dislike very much to vote for the substitute for the amendment offered by the Senator from Colorado for this reason: I think the substitute tends to validate what would be an illegal contract. Even in the State of Minnesota gambling, whether by futures or otherwise, if a gambling contract, is punished by the laws of the State of Minnesota exactly as it is punished by the laws of any other State, and if it has not been enforced as to purely gambling contracts effectuated upon boards of exchange it is simply because the State officials have not performed their duty.

I call attention to the second page, commencing with line 3 of the proposed substitute, which reads:

> If at any time during the pendency of the existing war between the United States and the German Empire the President of the United States shall find that such dealings in futures, in or about any grain exchange, unduly, unreasonably, and in an unwarranted manner raise or enhance the price of wheat or other food cereals, to the injury of the people of the United States, he may, etc.

It seems to me, Mr. President, that that is open clearly to the objection that it seeks to validate what would otherwise be an invalid contract. The legality or illegality of it is to be determined upon the extent to which it affects the values of commodities to the people. That is a question which it is almost impossible to prove unless there would be an immense cornering in the markets or something of that character. No jury could determine what was the influence clearly that affected the price of the commodity, and I do not think that anyone could be convicted. In fact, I think there is no intention to convict under this bill of any offense, if it went to a jury; and I think it is equally impossible for the President or anyone else to say whether or not that contract in futures has materially affected the value of any product in the United States.

I wish to say most candidly, Mr. President, as representing a grain State, that I have not been frightened by what a great many of the people of my State seriously object to; and that is what is called the "hedging process." I think it is often quite necessary in order to cover present purchases to hedge against them in the future, where the product is not to be delivered until the future. Very little, if any, damage can come of that, while it affords opportunities for those purchasing in country elevators, where they are not able to sell immediately, or might not be able, because of the shortage of cars, to get their product to market in a given length of time to hedge against it so that they will not lose; and they may be able to carry on their hedging from day to day. That does not injure any one; but the mere gambling contract, the mere contract to sell or to buy a million or three million or five million bushels of grain which you do not own, and then, in order to be able to pinch your opponent, that you buy up all the grain or sell short and thereby make a great profit, is detrimental to business and is injurious to the people of the country. We seek to eliminate that, and that ought to be the limit.

But, Mr. President, I want to call the attention of the Senator from Colorado to what I believe to be more or less of a serious objection to the amendment which he proposes, beginning with the very beginning of the section which reads:

> Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress engaged in, or permitting through facilities afforded by it, speculation in food products—

I confess I can get very little meaning out of the phrase "in such a way as to be subject to the regulative power of Congress." The regulative power of Congress is over interstate commerce and the products that enter into interstate commerce. I do not think we can extend it beyond that; and I am fearful that the language will be considered as having no force whatever, or if given any force that it will be considered by any court as bringing the subject within the constitutional prohibition.

Mr. THOMAS. Mr. President——

Mr. McCUMBER. Just one moment. Now, suppose that instead of the words "in such a way as to be subject to the regulative power of Congress" we insert the words "any products entering into interstate or foreign commerce," and then on the sixth line, instead of the language "through facilities afforded by it, speculation in food products" we should say "in such food products." Those would be products which enter into interstate commerce. Practically all of this wheat, or nearly all of it—90 per cent of it at least—that is sold on the speculative market is grain which enters into interstate commerce. I am certainly fearful that the amendment itself would be held to be unconstitutional without that change.

Mr. THOMAS. Mr. President, the phrase which the Senator from North Dakota [Mr. McCUMBER] quotes was suggested by the senior Senator from Idaho [Mr. BORAH] during the discussion of this amendment in connection with the espionage bill. It was designed to exclude from the operation of the proposed act such transactions as were strictly within the jurisdiction of the States. I accepted it because I then thought, and still think, that during times of war "the regulative power of Congress" may be more extensive in all probability than that conferred by the commerce clause of the Constitution. I am therefore inclined to prefer the language suggested by the Senator from Idaho to that suggested, although it may be subject to the criticism of ambiguity which the Senator from North Dakota makes. I prefer it because I think that the President should have full power, although it might not fall within the purview of the commerce clause.

Mr. McCUMBER. I can not now call to mind any other power under which we could obtain any regulative power other than through the constitutional provision governing interstate commerce.

Mr. THOMAS. If that is the case, then the language employed is ample.

The VICE PRESIDENT. The time of the Senator from North Dakota has expired.

Mr. JONES of New Mexico. Mr. President, I merely want to ask the Senator from North Dakota a question. I shall do it in my time, and the Senator can answer in my time if he chooses to do so.

The Senator has referred to the fact that it is necessary to put into the bill the language "buying or selling of wheat in interstate or foreign commerce" in order to make the bill constitutional. It has been suggested on the floor that it is not the actual buying of wheat at all which is at the bottom of all this trouble, but that it is the mere speculation in futures, the buying and selling of wheat on margin, where it is not expected that the wheat will be delivered at all, or, at any rate, not be delivered at the exchange or in the city where the exchange is located. How can you get at this thing if you limit the dealings to transactions in interstate or foreign commerce?

Mr. McCUMBER. Might I ask the Senator a question in his time?

Mr. JONES of New Mexico. I shall be pleased to answer the Senator's question, if I can.

Mr. McCUMBER. Is it not true that that kind of contract is already prohibited by State law and is made criminal? I refer to the contract of which the Senator speaks, where there is no intention to deliver. But, if I may call the Senator's attention to a fact, he will find that the exchanges in their printed regulations concerning trade strictly prescribe that there must be deliveries in all cases. They also provide for punishment and damages if there is a failure to comply with a contract. So upon the face of it they are dealing in real articles.

Mr. JONES of New Mexico. I understand that supposedly they are dealing in real articles; but that, like some other assumptions, I am quite convinced is a violent one in many of these transactions. Assuming, however, that every one of them is of that character, where they expect to get the wheat, they expect the wheat to be delivered at the place of purchase, if at all; they do not buy the wheat for delivery somewhere else, but it is to be delivered at the place of purchase. Therefore there is absolutely nothing in the transaction to indicate that the wheat is going into interstate commerce or foreign commerce after its purchase. So I wanted to inquire whether, even though the amendment were amended in the particular suggested by the Senator from North Dakota, it would accomplish the purpose which is sought to be accomplished by the amendment?

Mr. KELLOGG. Mr. President, I do not know that I exactly understand the objection which the Senator from North Dakota [Mr. McCUMBER] made to the substitute offered by the senior Senator from Minnesota, my colleague [Mr. NELSON]. I understood the Senator to say that he thought the substitute tended to make legal a previously illegal transaction. I do not so interpret the amendment. It simply provided that—

> If at any time during the pendency of the existing war between the United States and the German Empire the President of the United States shall find that such dealings in futures, in or about any grain exchange, unduly, unreasonably, and in an unwarranted manner raise or enhance the price of wheat or other food cereals, to the injury of the people of the United States, he may at once request the traders in such exchange to discontinue for a time specified by him all dealings in futures, where there is no actual delivery of the product sold. In case such request of the President is not promptly complied with, then he is hereby empowered to order such dealing in futures, as last aforesaid, to be entirely suspended and discontinued for such limited time as he may direct, and if such order is not promptly complied with he is hereby empowered to close such grain exchange for the purpose of enforcing such order.

There is nothing in that amendment which makes legal a purely gambling transaction in the event that the President does not take any action, or in the event the President should close the grain exchanges for dealing in futures, and then should remove his embargo, or whatever it may be called. This would not make valid a gambling transaction which would come within the inhibition of the laws of the States.

The amendment empowers the President, if in his opinion the dealing in futures—not only gambling transactions, but dealing in futures as it is handled upon these grain exchanges—should unduly enhance prices, to take steps to stop such transactions or dealings and to stop speculation on boards of trade; but when the order expires it does not make any transaction legal which would otherwise be illegal.

I am inclined to believe, after having given this subject a good deal of thought, that the only way to really eliminate injurious speculation upon boards of trade, which unduly enhance the price of grain and other food products, is to place the power in the hands of some official of the Government to compel the exchanges to censor their own trades and to eliminate illegal speculation. The grain exchanges and the other exchanges of this country to a very large extent know their customers, and can, when backed by authority, aid in stopping injurious speculation. It will not do to pass a law prohibiting all dealing in what are called futures. "Futures" mean, in ordinary transactions, the sale or purchase of commodities for future delivery; and to close the exchanges of this country would to a large extent close the markets of the country.

I believe that the amendment offered by my colleague places the power in the hands of the President to stop exactly what we wish to prevent, to wit, gambling, which unduly enhances the price of food products. I can not see how it validates any illegal transaction.

Mr. WALSH. Mr. President, I had intended to suggest to the Senator from Minnesota another correction which I think should be made in the draft. The paragraph at the bottom of the first page of the bill defines "futures" as follows:

> All sales of wheat or other food cereals by such traders in such exchanges for future delivery and not for present or immediate delivery shall be known and designated as dealings in futures.

When the President finds that such dealings have unduly enhanced prices, the amendment provides that—

> He may at once request the traders in such exchange to discontinue for a time specified by him all dealings in futures, where there is no actual delivery of the product sold.

Mr. NELSON. In the amendment that I have offered I have stricken out those words.

Mr. WALSH. Very good.

Mr. NELSON. I have omitted the words "where there is no actual delivery of the product sold" in the amendment as I have offered it.

Mr. WALSH. I am glad to be informed by the Senator. There is, however, one other suggestion I should like to make to the Senator. I think the words "unduly, unreasonably, and in an unwarranted manner" should be in the disjunctive. The three conditions should not combine; but when the President "shall find that such dealings * * * unduly or unreasonably raise or enhance the price," and so forth, his power to act shall attach. I suggest to the Senator that he strike out the words "and in an unwarranted manner" and insert the word "or" between the word "unduly" and the word "unreasonably," so that it shall read that whenever he shall find "that such dealings * * * unduly or unreasonably raise or enhance the price," and so forth.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Missouri?

Mr. WALSH. Yes.

Mr. REED. I suggest to both Senators that if we simply use the word "unreasonably" it will completely cover the case, and that we really weaken the sentence by putting in the other phrase.

Mr. NELSON. I accept the amendment suggested by the Senator from Montana, if I correctly understand it. It is to insert, in line 6, after the word "unduly," the word "or," and to strike out the word "and," in line 7, and insert the word "or" there also.

Mr. WALSH. I would strike out, I will suggest to the Senator from Minnesota, the words "and in an unwarranted manner," so as to read that when the President "shall find that such dealings * * * unduly or unreasonably raise or enhance the price."

Mr. NELSON. I have no objection to that. I will accept that amendment, Mr. President.

Mr. REED. Now, Mr. President, I renew my suggestion to the Senator. We know, to a large extent, what "unreasonably" means in the law; it has been defined; but there is uncertainty and ambiguity about the word "unduly" and the expression "in an unwarranted manner." One could hardly say a thing unduly raised the price unless it unreasonably raised the price.

The VICE PRESIDENT. The Chair will inquire if the Senator from Missouri has made a speech on this amendment?

Mr. REED. I think not—not on this suggested amendment, unless my interrogatory was treated as a speech.

The VICE PRESIDENT. On the suggested amendment? The Chair can not hold that Senators may discuss suggested amendments. They must discuss amendments.

Mr. REED. I hope the Vice President will not be too technical about enforcing that rule——

The VICE PRESIDENT. He has not been.

Mr. REED. Or too harsh about it. I suggest to the Senator that the law will be much stronger if he simply employs the word "unreasonably" and leaves out the expression "unduly and in an unwarranted manner," so that the law will apply whenever the President finds that the price of grain has been "unreasonably" raised. I am very much in earnest about it, although I think perhaps the other words do not destroy the effect of that language. I suggest that to the Senator, and will move to strike out the word "unduly" and the expression "and in an unwarranted manner," so that the language will stand "unreasonably raise or enhance the price of wheat," and so forth.

Mr. McKELLAR. Mr. President, before the Senator from Missouri takes his seat, will he answer two questions for me? I want to know if the amendment of the Senator from Minnesota applies to anything except grain?

Mr. REED. Well, it applies to "wheat or other food cereals" by its language.

Mr. McKELLAR. "Wheat or other food cereals" only. Then I want to ask another question. Is there any prohibition against gambling in grain contained in the amendment of the Senator from Minnesota? I can not find any such prohibition, and would be glad if the Senator can point out such a prohibition to me.

Mr. REED. It is not in those express terms. I am not the author of this amendment; but I think it is a very great improvement over others that have been offered.

Mr. FRANCE. Mr. President, while I do not expect that anything which I may say upon this amendment will influence the vote, nevertheless I can not sit silent and see such legislation as this pass the Senate without raising my voice in protest. I want to say for myself that I do not propose to be swept from my feet, nor do I propose to be influenced in my vote here upon measures by popular clamor. This legislation is unwise. It is founded upon a misapprehension of the functions of the grain exchanges, and upon a total misapprehension of the food problem in this country.

If this proposed legislation has any purpose whatever, the purpose is to reduce the price of foodstuffs. There is but one way to reduce the price of food in this country, and that is to produce more food. It seems almost ridiculous that anybody should be compelled to say that; but in a grave national emergency, where the very existence of this Nation depends upon an adequate food supply, we hear constant talk about "food regulation," "food control," and "food dictatorships," and but rarely one single word about the necessity of increasing the production of foodstuffs.

I hold no brief for the grain exchanges of this country; but I do want to speak for the producers of this country, whose interests have been so long neglected in our legislative halls, a neglect which has brought about the very serious condition which some hope will be cured by this single act of legislation.

Mr. President, the average annual value of the crops in the United States is about $9,000,000,000. If our farmers could secure the labor we could produce as much of a crop upon our acreage as the Germans produce—that is, as much per acre—and we would in that case produce in a year approximately $18,000,000,000 worth of foodstuffs; but less than one-third of our tillable land is now cultivated, and if we, while producing as much per acre as the Germans, should then double the acreage of land under cultivation, we could produce this year $36,000,000,000 worth of foodstuffs.

The condition in this country is totally different from the condition in Europe. There the acreage is absolutely circumscribed. The only thing which they can do under these circumstances is to take up the question of food control; but our acreage is almost unlimited, and the potential supplies of food in the soils of this country are almost beyond computation, and we should talk therefor not so much about food control but rather about how to stimulate food production.

If this legislation is designed to reduce the price of wheat, then it discourages the production of wheat; and the surest way now to destroy this country is to enact legislation which tends to discourage the production of foodstuffs. While such a policy as this may relieve an immediate situation, the dangers that will confront us next spring will be by such measures increased a thousand fold.

Mr. President, of course, in a 10-minute speech I can not go into the merits of the question. There are experts in Washington desiring to be heard upon this subject, experts representing the farmers and experts representing the grain exchanges; but they are not even to be given a hearing. I repeat, I can not in a brief period fully discuss the merits of this legislation; but I desire to say that at such a time as this it is a very dangerous undertaking to begin to interfere with the normal operation of economic laws, and particularly with the fundamental law of supply and demand, that great corrective law, which sooner or later, if allowed freely to operate, will bring about a proper balance of functions in the social body.

The present high price of food is a red flag of warning; and I hope that the Senate and the House of Representatives of the United States will not tear down that signal of warning without removing the imminent danger, for to do that means simply to leave this great Nation to plunge on, absolutely unwarned, to peril and perhaps to destruction.

It is a common fallacy to assume that free markets in which grains are bought and sold necessarily result in the enhancement of the prices of foodstuffs. He indeed is a reckless speculator who disregards the fundamental conditions which underlie and control the price. The market price for wheat, for instance, represents the best judgment of the most-informed minds as to the probable condition of the wheat supply. Free trading in wheat is as apt to depress the price as to enhance it, and a free market seems to be the only means by which the price of grain and the supply can be properly adjusted to one another. Political economists have for years paid all too much attention to the subject of distribution and have disregarded too long the fundamental problems of production. Only during recent years have they been inquiring into the profitableness of agricultural operations, and only recent investigations have brought to light the fact that farmers in this country have been for years selling their products below the cost of production under any permanent system of agriculture. The indications now are that if we do not disorder the mechanism which results in a normal movement of prices our agricultural activities will be considerably increased. If we do not disturb the confidence of our farmers that during the next year relatively high prices will prevail, if we take steps to inform our farmers of the necessity for larger crops, if we correct the maladjustments which result in shortages of seed, of fertilizer, of implements, and if we take the necessary steps to insure the farmer a reasonable supply of labor, the problem of our food supply will be very greatly simplified.

The problem before us is not chiefly a problem of the distribution of food and other supplies, but rather the proper distribution of the available labor, a distribution which must be made with due consideration for the relative importance of the various lines of activity which must be carried on in our prosecution of this war.

Personally I believe that our part in this war should be, for the present at least, the efficient adaptation of our man power to the production of those absolutely necessary supplies, and I refer particularly to the food supplies, without which, in a far greater abundance than they are now available, the allies can not continue to hold their lines in Europe. In some way we must put a premium upon the production of those articles which are most necessary.

Sir Alfred Booth, of England, the head of the Cunard Co., in speaking of some of the serious blunders made by England during this war, is reported to have said:

Alarmed by the rising tide, we have tried to stop it by fixing maximum prices, which diminish, or in some cases even stop, production, and at the same time remove the only check on consumption. Rising wages inevitably follow rising prices, and here again the immediate effect is less production and more consumption. So we whirl round and round in a vicious circle, or, rather, in a spiral, which carries us at ever-increasing speed farther and farther away from the point of safety. The fact that the food question is so serious to-day is due as much to our financial follies as to the German submarines.

We must avoid at all costs interfering with or impeding any of the processes which stimulate production. Legislation in the interest of the consumer without regard to the effect upon the producer will certainly cut the arteries of our national life and leave this giant Nation weak and prostrate at the feet of our enemy, an enemy which has shown such wisdom in food legislation as to be now almost invincible in strength for action.

The VICE PRESIDENT. The time of the Senator from Maryland has expired.

Mr. HITCHCOCK. Mr. President, I desire to support the substitute offered by the Senator from Minnesota [Mr. NELSON]. If there is any evil that needs to be cured now it is the speculation in foodstuffs, and his amendment, in my opinion, will come as near doing that as anything that can be devised.

I agree with much that the Senator from Maryland [Mr. FRANCE] has said, that the very efforts which have heretofore been made and the agitation which has heretofore been carried on against the price of food has had the very tendency which is objectionable; that is to say, to discourage the production of food. The only way in which this country can restrain an advance in the cost of food is to increase the production of food, and the high prices which now prevail will offer an inducement for a large production of food this year.

Every experiment that has ever been tried in the direction of abolishing produce and grain exchanges has been disastrous. Germany tried it 10 or 15 years ago and was compelled to restore trading in food and farm products on the exchanges, because without those exchanges there was no farm market, no food produce market, and there was no price that the farmers in any part of Germany could depend upon. Even at the time of the Civil War, when Congress, carried away by the evils of the speculation in gold, closed the gold exchange in New York, a panic resulted, and in 17 days Congress was compelled to reopen by law the market for gold in New York. So, I say, the agitation against farm markets, against produce markets, is likely to lead to a miscarriage and produce the very result which we desire to avoid. What we want to do is to put a stop to the speculation in food after the farmer has raised it, and not to discourage the raising of food by attempting to depress the price of food.

It seems to me, therefore, that the substitute which the Senator from Minnesota has offered, which is plainly directed to put a stop, through presidential action, to speculation in food when that speculation results in the undue inflation of the price of food, is the amendment which the Congress should adopt, if any is necessary. I therefore favor the substitute which the Senator from Minnesota has introduced, if anything is needed, and I am not entirely sure that there is. Mr. President, I think we are, in a hysterical frame of mind, crossing a good many bridges before we have come to them; but I am willing to take the substitute offered by the Senator from Minnesota, because it appears to give some hope of placing a safeguard in the hands of the President, which he can use if the emergency arises.

The VICE PRESIDENT. The question is on the substitute offered by the Senator from Minnesota.

Mr. FRANCE. Mr. President, I suggest the absence of a quorum. This is a very important matter.

The VICE PRESIDENT. The Chair rules that there has been no business transacted since the last roll call. There has been discussion, but no business has been transacted. The question is on the substitute offered by the Senator from Minnesota.

Mr. HITCHCOCK. I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. REED (when his name was called). I make the same transfer as on the last roll call and vote "yea."

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE] and therefore withhold my vote.

Mr. SMITH of Maryland (when his name was called). I transfer my pair with the senior Senator from Vermont [Mr. DILLINGHAM] to the senior Senator from Arkansas [Mr. ROBINSON] and vote "yea."

Mr. WATSON (when his name was called). I have a pair with the junior Senator from Delaware [Mr. WOLCOTT]. In his absence I withhold my vote.

The roll call was concluded.

Mr. WILLIAMS (after having voted in the affirmative). Has the senior Senator from Pennsylvania [Mr. PENROSE] voted?

The VICE PRESIDENT. He has not.

Mr. WILLIAMS. I transfer my pair with that Senator to the senior Senator from Kansas [Mr. THOMPSON] and will let my vote stand.

Mr. OVERMAN. I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. Not knowing how he would vote, I withhold my vote.

Mr. CURTIS (after having voted in the affirmative). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from California [Mr. JOHNSON] and will let my vote stand.

Mr. WATSON. I transfer my pair with the junior Senator from Delaware [Mr. WOLCOTT] to the junior Senator from Nebraska [Mr. NORRIS] and vote "yea."

Mr. STERLING. I have a pair with the junior Senator from South Carolina [Mr. SMITH] and therefore withhold my vote. If at liberty to vote, I would vote "yea."

Mr. BECKHAM. I have a pair with the junior Senator from West Virginia [Mr. SUTHERLAND]. I understand that he has not voted, so I withhold my vote.

Mr. WALSH. I have been requested to announce that the Senator from Rhode Island [Mr. GERRY], the Senator from Arkansas [Mr. ROBINSON], and the Senator from California [Mr. PHELAN] are detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New York [Mr. CALDER] with the Senator from Rhode Island [Mr. GERRY];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN].

The result was announced—yeas 37, nays 17—as follows:

YEAS—37.

Brandegee	Hitchcock	Newlands	Swanson
Culberson	Jones, N. Mex.	Page	Townsend
Cummins	Jones, Wash.	Poindexter	Wadsworth
Curtis	Kellogg	Ransdell	Walsh
Fletcher	Kenyon	Reed	Watson
Frelinghuysen	McKellar	Sheppard	Weeks
Gallinger	McLean	Sherman	Williams
Gore	Martin	Shields	
Hale	Nelson	Smith, Md.	
Harding	New	Smoot	

NAYS—17.

Bankhead	Hollis	McCumber	Underwood
Borah	Husting	Myers	Vardaman
Brady	James	Shafroth	
Broussard	Kirby	Thomas	
France	La Follette	Trammell	

NOT VOTING—41.

Ashurst	Hardwick	Owen	Smith, S. C.
Beckham	Hughes	Penrose	Sterling
Calder	Johnson, Cal.	Phelan	Stone
Chamberlain	Johnson, S. Dak.	Pittman	Sutherland
Colt	Kendrick	Pomerene	Thompson
Dillingham	King	Robinson	Tillman
Fall	Knox	Saulsbury	Warren
Fernald	Lewis	Simmons	Wolcott
Gerry	Lodge	Smith, Ariz.	
Goff	Norris	Smith, Ga.	
Gronna	Overman	Smith, Mich.	

So Mr. NELSON's amendment in the nature of a substitute was agreed to.

Mr. THOMAS. Mr. President, I give notice that I reserve the right to offer my amendment again when the bill comes into the Senate.

Mr. BORAH. Mr. President, if I can have for a moment the attention of the Senator who has the bill in charge, I desire to offer an amendment and a few words of explanation in order to show its relevancy, and with the explanation of its relevancy I shall be content to submit it.

In the dry-farm homestead act is found a clause which relates alone to the State of Idaho. It provides that those who may avail themselves of this law must reside within 20 miles of the dry-farm homestead. This relates, as I remember, alone to the State of Idaho. It was really inserted in conference, while the bill was on its passage through the Congress. I want to offer an amendment so as to eliminate that clause, which relates alone to my State. I need only say that it prevents the cultivation of many acres of these dry-farm lands. If the Idaho law can be placed upon the same basis as the law with reference to dry farms in other States it will result in increas-

ing the acreage of dry farms in the State of Idaho to a very large extent.

I have before me the report of the Secretary of the Interior favoring the change, which I will ask to have inserted in the RECORD without reading, unless some one desires to have it read.

The VICE PRESIDENT. In the absence of objection, the report will be printed in the RECORD.

The matter referred to is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, May 2, 1916.

Hon. SCOTT FERRIS,
Chairman Committee on Public Lands,
House of Representatives.

MY DEAR MR. FERRIS: I am in receipt of your letter of April 22, 1916, transmitting for report H. R. 14900, which proposes to amend the provisions of section 6 of the enlarged-homestead act of June 17, 1910 (36 Stat., 531), applicable to the State of Idaho.

The present law requires that persons who enter lands under said section shall reside within 20 miles of the land entered and "personally" prepare the soil, cultivate it, and harvest the crops. No such requirement is imposed by section 6 of the act of February 19, 1909 (35 Stat., 639), applicable to the State of Utah and other States, and this department knows of no reason why any different rule should be applied to enlarged homesteads for lands of the character described in the State of Idaho. The fixing of an arbitrary distance, like 20 miles, and the requirement that the entryman personally prepare the soil and harvest the crops is not necessary in order to accomplish the purpose and intent of the act.

The department agrees that the law should be modified as proposed in H. R. 14900. I have therefore to recommend that the same be enacted.

Cordially, yours,

FRANKLIN K. LANE, *Secretary.*

Mr. SHAFROTH. Mr. President, I should like to ask the Senator in what act it is provided that this shall be applicable only to the State of Idaho?

Mr. BORAH. If the Senator will recall, Idaho was brought in under the dry-farm law by a special act. It was not in the original dry-farm law.

Mr. SHAFROTH. That is, under the 320-acre act?

Mr. BORAH. Yes. Under this special act relating to Idaho, this clause was inserted, which is found with reference to no other State. That is, it does not pertain to the general law.

I ask, therefore, to insert before the last section the amendment which I send to the desk.

The VICE PRESIDENT. The Senator from Idaho offers an amendment, which will be stated.

The SECRETARY. Just before the last section in the bill, it is proposed to insert the following:

That section 6 of the act of Congress approved June 17, 1910, "An act to provide for an enlarged homestead," be, and the same is hereby, amended to read as follows:

"SEC. 6. That whenever the Secretary of the Interior shall find any tracts of land in the State of Idaho, subject to entry under this act, do not have upon them such a sufficient supply of water suitable for domestic purposes as would make continuous residence upon the lands possible he may, in his discretion, designate such tracts of land, not to exceed in the aggregate 1,000,000 acres, and thereafter they shall be subject to entry under this act without the necessity of residence upon the land entered: *Provided*, That the entryman shall in good faith cultivate not less than one-eighth of the entire area of the entry which is susceptible of cultivation during the first year of the entry, not less than one-fourth during the second year, and not less than one-half during the third year of the entry and until final proof: *Provided further*, That after six months from the date of entry and until final proof the entryman shall be a resident of the State of Idaho."

Mr. SMOOT. Mr. President, I should like to suggest to the Senator from Idaho that the law as it was originally drawn required one-eighth of cultivation during the first two years, one-quarter during the third and fourth years, and one-half during the fifth year, and at the end of the fifth year they could secure title. In a subsequent bill that was passed through Congress those amounts were reduced just one-half. That was the bill authorizing the issuing of patent in three years.

Mr. BORAH. I will ask, then, that those figures be reduced, changing the amount of cultivation each year to one-half what is provided there. Instead of one-eighth, it should be one-sixteenth, and so on.

Mr. GORE. Mr. President, I desire to ask the Senator from Idaho if this amendment carries an appropriation?

Mr. BORAH. No, sir.

Mr. GORE. I shall interpose no objection, then. I have no authority to accept it, however.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Idaho.

The amendment was agreed to.

Mr. GALLINGER. Mr. President, I wish to call the attention of the Senator from Oklahoma to line 12, on page 6. The paragraph reads:

For procuring, storing, and furnishing seeds, as authorized by section 3 of this act.

The sections have been changed, and it should be section 2.

Mr. GORE. I will say that that correction has been made.

Mr. GALLINGER. It has been made?

Mr. GORE. Yes, sir.

Mr. GALLINGER. Now, Mr. President, I desire to offer an amendment. I move to strike out, on lines 7 and 8, page 6, the words "the prevention, control, and eradication of the diseases and pests of live stock." We have been making very liberal appropriations along that line, and I want to call attention to what we have done in that respect.

Turning to the last Agricultural appropriation act, which provides money for the Department of Agriculture for the fiscal year ending June 30, 1918, we have appropriated under the head of "General expenses, Bureau of Animal Industry," something over $3,000,000, and there is designated in that appropriation act what the money shall be used for. First—

For the detection, prevention, treatment, or cure of diseases of domestic animals, to test the same, and to disseminate the results of said tests in such manner as he may deem best; to purchase and destroy diseased or exposed animals or quarantine the same whenever in his judgment essential to prevent the spread of pleuropneumonia, tuberculosis, or other diseases of animals from one State to another, as follows:

For inspection and quarantine work, including all necessary expenses for the eradication of scabies in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of live stock and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon; the inspection work relative to the existence of contagious diseases, and the tuberculin and mallein testing of animals, $628,280.

For all necessary expenses for the eradication of southern cattle ticks, $631,560.

* * * * * * *

For all necessary expenses for scientific investigations in diseases of animals, including the maintenance and improvement of the bureau experiment station at Bethesda, Md., * * * $134,600.

* * * * * * *

For investigating the disease of hog cholera and for its control or eradication by such means as may be necessary, including demonstrations, the formation of organizations, and other methods, either independently or in cooperation with farmers, associations, State, or county authorities, $413,100.

* * * * * * *

For all necessary expenses for the investigation, treatment, and eradication of dourine, $99,000.

The total which we have already appropriated for the next fiscal year for those specific purposes is $2,613,336.

Mr. President, we have heard a great deal about the duplication of appropriations, and we have been assured from time to time that earnest efforts would be made to prevent such duplication; and yet, after appropriating $2,613,336 to be expended for eradicating disease of live stock, we have in this bill a provision which precisely duplicates the language used in the annual appropriation act, namely:

For the prevention, control, and eradication of the diseases and pests of live stock, the enlargement of live-stock production, and the conservation and utilization of meat, poultry, dairy, and other animal products, $885,000.

It seems to me that we can well afford, if we are going to make an honest effort to prevent the duplication of appropriations—which have become a scandal in our legislation—to strike out those words in this bill:

The prevention, control, and eradication of the diseases and pests of live stock.

Leaving the appropriation to stand:

For the enlargement of live-stock production and the conservation and utilization of meat, poultry, dairy, and other animal products, $885,000.

I hope the amendment which I have offered—which I think is a proper one, and which simply prevents an unnecessary duplication of appropriations and the expenditure of money, as I think, unwisely—will be agreed to without serious opposition.

The VICE PRESIDENT. The question is on the amendment of the Senator from New Hampshire.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 7, line 13, after the word "labor," it is proposed to insert:

And labor necessary to conserve and preserve perishable products of the farm or garden.

Mr. GORE. I have no objection to the amendment.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I offer the amendment which I send to the desk, to be inserted just prior to the last section of the bill.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. Just before the last section in the bill it is proposed to insert:

Hereafter no forest reservation shall be created, nor shall any additions be made to one heretofore created, within the limits of the States of New Mexico and Arizona, except by act of Congress.

Mr. JONES of New Mexico. Mr. President, I will state that I first prepared the amendment so as to apply only to New Mexico, but at the request of the senior Senator from Arizona I have included that State in this amendment.

Mr. JONES of Washington. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Washington?

Mr. JONES of New Mexico. I yield to the Senator from Washington.

Mr. JONES of Washington. May I suggest to the Senator that, as I understand, we already have a law prohibiting the creation of any forest reserves or additions thereto in any State except by act of Congress.

Mr. JONES of New Mexico. I will state to the Senator that that law does not apply either to New Mexico or to Arizona. The law applies to the States of Oregon, Washington, Idaho, Montana, Colorado, and Wyoming. It was first passed in 1907, and afterwards it was amended so as to include the State of California. At that time New Mexico and Arizona were Territories, and for some reason they were not inserted in the provisions of the bill. I simply introduce this amendment so as to put New Mexico and Arizona on the same footing with these other States.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Mexico.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I desire to offer a new section, to be inserted before the last section of the bill, with reference to the date of taking effect of the act.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to insert in the bill, just prior to the last section of the bill, the following:

SEC. —. That the Secretary of the Interior is hereby authorized to suspend, during the continuance of this act, that provision of the act known as the reclamation act requiring residence upon lands in private ownership or within the neighborhood for securing water for the irrigation of the same, and he is authorized to permit the use of available water thereon upon such terms and conditions as he may deem proper.

Mr. JONES of Washington. Mr. President, I will just state briefly that those who are familiar with the reclamation act know that under its terms the Secretary of the Interior is authorized to sell water rights for lands in private ownership only to those who live upon the land or within the neighborhood. Now, the Secretary of the Interior has construed the words "within the neighborhood" to include anybody residing within 50 miles. The situation in some of these projects, I know in my own State, and probably in others, is that there are many private owners of lands who live quite a good way from the lands. They are unable to cultivate. They have been unable for some reason to get a water right, and I know in my State of some who would arrange for the cultivation of these lands if they could get water for them.

The only purpose of this amendment is to allow that to be done. It does not contemplate the acquirement of a permanent water right by the suspension of that provision of the reclamation act; but it does make it possible during this emergency and the continuance of this law for the Secretary to make arrangements so that if there is water available it can be furnished for these lands. I think it would be quite a source of increase of the food supply.

Mr. JONES of New Mexico. Mr. President, I have given a good deal of thought to the question embodied in the amendment offered by the Senator from Washington, and I think the amendment is quite timely and should be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. WALSH. Mr. President, section 2 of the bill has been much discussed. That is the section which authorizes the Secretary to buy seeds to sell for cash. I have not yet heard any good reason for that section, and I move that it be stricken from the bill.

Mr. GORE. Mr. President, I should like to say to the Senator that we are very anxious to finish this bill, and he doubtless shares that desire. A motion was made the other day to reduce the amount from $2,500,000 to $1,000,000, I believe, or to strike it out entirely, and it was defeated by a vote of 36 to 18. I thought probably the sense of the Senate expressed in that vote would satisfy the Senator on this proposition.

Mr. WALSH. Well, I make the motion because I said I would.

The VICE PRESIDENT. The question is on the amendment of the Senator from Montana.

The amendment was rejected.

Mr. JONES of New Mexico. Mr. President, referring to the paragraph in regard to the increase of live-stock production, where the appropriation is $885,000, I move to amend that by changing "$885,000" to "$880,000" for the purpose of getting it into conference. I have already made some observations against the language of the appropriation.

Mr. GORE. Mr. President, I have no objection to that amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 6, line 10, it is proposed to strike out "$885,000" and to insert in lieu thereof "$880,000."

Mr. JONES of New Mexico. Mr. President, I desire to say that my criticisms of the clause were based largely on the fact that the language was so general. It may be that the Department of Agriculture can show a proper use for very much more money. If it can, I am quite willing to have it appropriated; but I did not think we had sufficient information to justify the large appropriation which was inserted in the bill originally. By this means it can go into conference, and the necessities may be made to appear.

Mr. GORE. I will say that all that will be in conference is the territory between $80,000 and $85,000.

Mr. SMOOT. That is all.

The amendment was agreed to.

Mr. NEWLANDS. I offer the following amendment.

The VICE PRESIDENT. It will be stated.

The SECRETARY. Add prior to the last section in the bill the following:

SEC. —. Any person who has been, or may be, convicted of any offense against the United States may be released on parole for or during any time in which the Government of the United States is engaged in war under the provisions of an act entitled "An act to parole United States prisoners, and for other purposes," approved June 25, 1910, and the regulations prescribed thereunder: *Provided*, That he shall have served at least 90 days of the term for which he was sentenced: *And provided further*, That during the period of such parole he shall continuously be engaged under the charge of a first friend, or adviser, in civil employment beneficial to the Government while conducting the war, or in the production of foods or manufacture of supplies. The character of such employment shall be determined by the board of parole created by the provisions of said act, with the approval of the Attorney General of the United States.

Mr. GORE. I am not authorized, of course, to accept the amendment, but I shall interpose no objection to it.

Mr. NEWLANDS. I wish to say in reference to this amendment that it shortens the period of time provided for by the beneficent parole act and permits prisoners to be paroled provided they are employed in agriculture or in some method of production. The methods of test are just the same as in the parole act. It simply shortens the period of time during which the prisoner must be in jail. It will increase the number of people who are available for work, and it will also, I have no doubt, prove most beneficial to the morale of the prisoners who are now confined.

Mr. GALLINGER. Do I understand the Senator that the purpose is to conserve the food products of the country?

Mr. NEWLANDS. It is to employ these people in agriculture or some form of production under the constant supervision and control of the parole board.

Mr. GALLINGER. Is civil employment beneficial to the Government or the production or manufacture of supplies? The word "food" is in the amendment, and I presume it is all right.

Mr. BRANDEGEE. How does it extend the present parole law?

Mr. NEWLANDS. It simply shortens the time during which the prisoners shall be kept in jail.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. THOMAS. I desire to renew my amendment, which I send to the desk; and I ask that it be read.

The VICE PRESIDENT. There seems to be no necessity for reading the amendment.

Mr. THOMAS. No; it is the identical amendment I proposed before. Let it be printed in the RECORD.

Mr. THOMAS's amendment was to insert as an additional section the following:

SEC. —. Whenever hereafter during the present war the President shall find that any board of trade, chamber of commerce, stock exchange, or other body or association transacting business in such a way as to be subject to the regulative power of Congress is engaged in, or permitting through facilities afforded by it, speculation in food products of any character in the form of what are known as futures, or in any other form or character, it may be by order of the President suspended until he by proclamation shall declare the existing war to have ended, unless the President shall sooner by order set aside such suspension, and all agreements, wagers, and contracts for wagers regarding such food products now and hereafter made in or upon such exchanges, boards of trade, chambers of commerce, or other bodies or associations, by the members thereof, are hereby prohibited pending such proclama-

tion. Any person, board of trade, chamber of commerce, stock exchange, or other body or association willfully violating the provisions of this section, or any of them, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed $10,000: *Provided*, That nothing herein shall prevent the actual sale or purchase of commodities for future delivery where actual delivery is contemplated instead of settled for, as is usual in speculative trades.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Colorado [Mr. THOMAS].

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HITCHCOCK. Before the roll call begins I desire to say that the Senate has already adopted the amendment of the Senator from Minnesota [Mr. NELSON], and this amendment now offered by the Senator from Colorado is exactly in the same line as the amendment moved by the Senator from Minnesota.

Mr. GALLINGER. But the Senator undoubtedly has a right to offer the amendment now that the bill is in the Senate.

Mr. HITCHCOCK. He has. I suppose he is offering it as a substitute for the amendment which was adopted as in Committee of the Whole.

The VICE PRESIDENT. No; it is offered as a separate amendment and is clearly in order.

Mr. HITCHCOCK. It is an amendment in addition to the one offered by the Senator from Minnesota?

The VICE PRESIDENT. It is offered without regard to that amendment and is clearly in order.

Mr. BRANDEGEE. The idea being that we shall have two different and conflicting provisions on the same subject matter.

The VICE PRESIDENT. The Secretary will call the roll on agreeing to the amendment of the Senator from Colorado.

The Secretary proceeded to call the roll.

Mr. BECKHAM (when his name was called). I am paired with the junior Senator from West Virginia [Mr. SUTHERLAND], and in his absence I withhold my vote.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. As he is not present and I do not know how he would vote I withhold my vote.

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE] and withhold my vote.

Mr. SMITH of Maryland (when his name was called). I make the same transfer of my pair as on the last vote and vote "nay."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Nebraska [Mr. NORRIS] and vote. I vote "nay."

Mr. THOMAS (when his name was called). I transfer my pair with the senior Senator from North Dakota [Mr. MCCUMBER] to the junior Senator from Utah [Mr. KING] and vote "yea."

Mr. WATSON (when his name was called). In the absence of the senior Senator from Delaware [Mr. SAULSBURY], with whom I am paired, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my pair with the Senator from Pennsylvania [Mr. PENROSE] to the Senator from Kansas [Mr. THOMPSON] and vote "nay."

The roll call was concluded.

Mr. HARDING (after having voted in the negative). I transfer my pair with the junior Senator from Alabama [Mr. UNDERWOOD] to the junior Senator from California [Mr. JOHNSON] and let my vote stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New York [Mr. CALDER] with the Senator from Rhode Island [Mr. GERRY];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN];

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED]; and

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN].

The result was announced—yeas 15, nays 33, as follows:

YEAS—15.

Bankhead.	Husting	McKellar	Thomas
Borah	James	Myers	Trammell
Brady	Kirby	Shafroth	Vardaman
Hollis	La Follette	Sheppard	

NAYS—33.

Brandegee	Harding	Nelson	Sterling
Broussard	Hardwick	New	Swanson
Curtis	Hitchcock	Newlands	Wadsworth
Fletcher	Jones, N. Mex.	Page	Walsh
France	Jones, Wash.	Poindexter	Weeks
Frelinghuysen	Kellogg	Ransdell	Williams
Gallinger	Kenyon	Sherman	
Gore	McLean	Smith, Md.	
Hale	Martin	Smoot	

NOT VOTING—47.

Ashurst	Gronna	Owen	Smith, Mich.
Beckham	Hughes	Penrose	Smith, S. C.
Calder	Johnson, Cal.	Phelan	Stone
Chamberlain	Johnson, S. Dak.	Pittman	Sutherland
Colt	Kendrick	Pomerene	Thompson
Culberson	King	Reed	Tillman
Cummins	Knox	Robinson	Townsend
Dillingham	Lewis	Saulsbury	Underwood
Fall	Lodge	Shields	Warren
Fernald	McCumber	Simmons	Watson
Gerry	Norris	Smith, Ariz.	Wolcott
Goff	Overman	Smith, Ga.	

So Mr. THOMAS's amendment was rejected.

Mr. HUSTING. I desire to offer an amendment.

The VICE PRESIDENT. It will be read.

The SECRETARY. Add a new section prior to the last section, as follows:

SEC. —. That the Secretary of Commerce be, and he is hereby, authorized and directed to conduct such operations in the United States, including Alaska, as may be necessary to develop new aquatic sources of food, to secure the utilization of sources now not utilized or inadequately utilized; to improve the methods employed in the catching, preparation, curing, transportation, and marketing of such aquatic foods, and to increase the consumption thereof, and the Secretary of Commerce is hereby authorized to take, catch, prepare, cure, pack, and transport such fishes and other aquatic food animals in the waters of the Pacific Ocean and the waters adjacent thereto, in and adjacent to Alaskan waters, and to market such fishes and other aquatic food animals, and to do all things necessary and convenient for carrying out the purposes of this act.

That for the said purposes the Secretary of Commerce be, and he is hereby, authorized and directed to hire, charter, rent, or purchase buildings and lands, vessels, and fishing gear, and any and all equipment necessary or convenient for the purpose of carrying out the provisions of this act; to employ all persons necessary to carry out the purposes of this act, including clerical assistance in the District of Columbia and elsewhere; to purchase either in the open market or in competitive bids such supplies as may be necessary; and to buy and sell fishes and other aquatic food animals, either fresh or cured: *Provided*, That the proceeds of any sales may be used for the purpose of carrying out the provisions of this act.

That for the purpose of giving effect to the provisions of this act, including the cost of printing at the Government Printing Office or elsewhere, at the discretion of the Secretary of Commerce, there shall be appropriated a sum not to exceed $250,000, to be immediately available.

Mr. HUSTING. Mr. President, this is a very simple amendment. It is the same as the one introduced as in Committee of the Whole except that it confines the authority to fish only in waters of the Pacific or particularly in Alaskan waters, and only authorizes and does not direct the department to go into the business. It leaves it discretionary with the department.

I am not going to take up the time of the Senate in arguing the matter over again. Some Senators were disposed to make light of the question, but I want to say that it is a matter that ought to receive the attention of the Senate, and if the Senate does not pass it now we will pass it before the war is over.

Mr. JONES of Washington. I hope the matter will have the serious consideration of the Senate by and by, but I do not want it to apply to Pacific and Alaskan waters.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Wisconsin [Mr. HUSTING].

The amendment was rejected.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. GORE. I move that the Senate request a conference with the House of Representatives on the bill and amendments, and the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. GORE, Mr. SMITH of South Carolina, Mr. SMITH of Georgia, Mr. PAGE, and Mr. KENYON the conferees on the part of the Senate.

AMENDMENT OF INTERSTATE-COMMERCE ACT.

Mr. NEWLANDS. I move that the Senate take up for consideration the bill (S. 2356) to amend the act to regulate commerce, as amended, and for other purposes.

I will state that an effort was made to bring up the bill day before yesterday and an objection was interposed by the Senator from New Hampshire [Mr. HOLLIS] in reference to some contention upon the part of the railway brotherhoods. I will state that we have arrived at an understanding with the Senator from New Hampshire regarding the amendment of the bill, and I think it will require very little time for its consideration. It

is one of the important measures being urged by the administration as one of the urgency measures of the war.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada to proceed to the consideration of the bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read.

Mr. HOLLIS. Mr. President, I offer an amendment and ask that it be read.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. It is proposed to insert at the close of section 1, to come in on page 2, at the end of line 13:

Provided, That nothing in this section shall be construed to repeal, modify, or affect either section 6 or section 20 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.

Mr. NEWLANDS. I accept the amendment.

Mr. MCKELLAR. I should like to ask the chairman of the committee if he will not let the bill go over until another day. I have not had an opportunity to examine it, and I am really in ignorance about it. I would like to look into it before I vote for or against a measure as important as this seems to be. It is Saturday afternoon; we have had a rather strenuous week; and I hope the Senator will let the bill go over.

Mr. HITCHCOCK. I will say to the Senator from Nevada that it is quite important we should have an executive session this afternoon.

Mr. NEWLANDS. I should like to state that two amendments were accepted by the committee, one presented by the Senator from New Hampshire [Mr. HOLLIS] and the other presented by the Senator from Iowa [Mr. CUMMINS].

Mr. BRANDEGEE. Before the amendment offered by the Senator from New Hampshire is agreed to I wish to ask the Senator from Nevada in charge of the bill whether he accepts the proposed amendment by direction of the committee?

Mr. NEWLANDS. We have not had a meeting of the committee to consider it, but the bill was referred in the first instance by the committee to the Senator from Iowa and myself. We amended the original bill and submitted it to the committee, and it was approved without dissent, and if I recollect aright this amendment was presented by the Senator from New Hampshire looking to the interest of the brotherhood, who fear in some way that the language of section 1 will affect the power of strikes. The committee had no such purpose in view. The purpose is simply to protect the railroad itself against physical violence, threats, or intimidations that would prove an interruption in interstate commerce. Therefore the Senator from Iowa and myself have assented to the amendment which is offered by the Senator from New Hampshire to the effect that this act shall not in any way affect sections 6 and 20 of the Clayton Act, with which probably the Senator is familiar.

Mr. BRANDEGEE. Before the amendment is agreed to I would like to have sections 6 and 20 inserted in the RECORD.

Mr. CUMMINS rose.

Mr. BRANDEGEE. I shall be glad to hear anything the Senator from Iowa has to say.

Mr. CUMMINS. In the last Congress the Senator from Connecticut was a member of the Committee on Interstate Commerce. He will remember that this measure was a part of another bill which was considered, and that during the course of its consideration by the committee I offered the amendment which is now proposed by the Senator from New Hampshire, and it was adopted by the committee. To that extent I assume the Senator from Nevada will be justified in saying that it was the sense of the committee that this amendment should become a part of the section.

Mr. NEWLANDS. That is true. The committee was of the opinion that we should not at this session legislate at all on the subject of strikes.

Mr. BRANDEGEE. If the Senator from Iowa [Mr. CUMMINS] will allow me there, I desire to say that I remember the situation as it was last session when we prepared the bill. We then agreed, if my memory serves me, that the amendment now proposed by the Senator from New Hampshire [Mr. HOLLIS] was an appropriate amendment to the bill then pending. Inasmuch, however, as this bill in its first section limits the operation of that section to the period during the war with Germany only, whereas the previous bill was supposed to be a lasting statute, I simply wanted to see whether it was necessary to adopt this section at this time.

I am not stating that I am opposed to it at all; in fact, I favored it at the last session; but I supposed that this was a war measure, and that the amendment was not now necessary. I am not, however, at all certain about it, and I was simply seeking light on the subject.

Mr. NEWLANDS. I will suggest to the Senator from New Hampshire [Mr. HOLLIS] that the amendment be printed and taken up for consideration hereafter, unless there is general acquiescence in the amendment.

Mr. HOLLIS. If there is to be any contest on the matter, I shall want to address the Senate at length upon it; and I do not think the Senate is in a mood to hear long speeches this afternoon. The suggestion of the Senator from Nevada is entirely agreeable to me. I should like to have the amendment printed, and to be pending when the bill is again taken up.

Mr. BRANDEGEE. I should be very glad, in addition to that, to have printed in the RECORD, and to have the RECORD disclose, the reference to sections 6 and 20 of what is known as the Clayton Act in connection with the amendment, so that we may see the effect of the entire section.

Mr. NEWLANDS. I will ask that sections 6 and 20 of the Clayton Act be printed in the RECORD.

The VICE PRESIDENT. They will be printed, in the absence of objection.

Mr. HOLLIS's amendment is, at the end of section 1, to insert:

Provided, That nothing in this section shall be construed to repeal, modify, or affect either section 6 or section 20 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.

The sections of the Clayton Act referred to are as follows:

SEC. 6. That the labor of a human being is not a commodity or article of commerce. Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations instituted for the purposes of mutual help and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade under the antitrust laws.

* * * * * * *

SEC. 20. That no restraining order or injunction shall be granted by any court of the United States, or a judge or the judges thereof, in any case between an employer and employees, or between employers and employees, or between employees, or between persons employed and persons seeking employment, involving or growing out of a dispute concerning terms or conditions of employment, unless necessary to prevent irreparable injury to property or to a property right of the party making the application, for which injury there is no adequate remedy at law, and such property or property right must be described with particularity in the application, which must be in writing and sworn to by the applicant or by his agent or attorney.

And no such restraining order or injunction shall prohibit any person or persons, whether singly or in concert, from terminating any relation of employment or from ceasing to perform any work or labor, or from recommending, advising, or persuading others by peaceful means so to do; or from attending at any place where any such person or persons may lawfully be, for the purpose of peacefully obtaining or communicating information, or from peacefully persuading any person to work or to abstain from working; or from ceasing to patronize or to employ any party to such dispute or from recommending, advising, or persuading others by peaceful and lawful means so to do; or from paying or giving to or withholding from any person engaged in such dispute any strike benefits or other moneys or things of value; or from peaceably assembling in a lawful manner and for lawful purposes, or from doing any act or thing which might lawfully be done in the absence of such dispute by any party thereto; nor shall any of the acts specified in this paragraph be considered or held to be violations of any law of the United States.

Mr. NEWLANDS. I also ask for the printing of the bill itself in the RECORD.

The VICE PRESIDENT. In the absence of objection, it is so ordered.

The bill is as follows:

A bill (S. 2356) to amend the act to regulate commerce, as amended, and for other purposes.

Be it enacted, etc., That on and after the approval of this act any person or persons who shall, during the war with Germany, knowingly and willfully, by physical force, threats, or intimidation, obstruct or retard, or aid in obstructing or retarding, the orderly conduct or movement in the United States of interstate or foreign commerce, or the orderly make-up or movement or disposition of any train, or the movement or disposition of any locomotive, car, or other vehicle on any railroad in the United States engaged in interstate or foreign commerce shall be deemed guilty of a misdemeanor, and for every such offense shall be punishable by a fine of not exceeding $100, or by imprisonment for not exceeding six months, or by both such fine and imprisonment; and the President of the United States is hereby authorized, whenever in his judgment the public interest requires, to employ the armed forces of the United States to prevent any such obstruction or retardation of the passage of the mail, or of the orderly conduct or movement of interstate or foreign commerce in any part of the United States, or of any train, locomotive, car, or other vehicle upon any railroad in the United States engaged in interstate or foreign commerce.

SEC. 2. That during the continuance of the war in which the United States is now engaged the President is authorized, whenever in his judgment such action is necessary to the public security and defense, to direct that certain kinds of traffic or particular shipments, as may be determined by him, shall have preference or priority in transportation by any common carriers by railroad or water, under such arrangements, rules, and regulations as he may prescribe. He may give these directions at and for such times as he may determine, and may modify, change, suspend, or annul them, and for any such purpose he is hereby authorized to issue orders direct, or through such person or persons as he may designate for the purpose. Officials of the United States, when so designated, shall receive no compensation for their services rendered hereunder. Persons not in the employ of the United States

so designated shall receive such compensation as the President may fix. Suitable offices may be rented and all necessary expenses, including compensation of persons so designated, shall be paid as directed by the President out of funds which may have been or may be provided to meet expenditures for the national security and defense. All such common carriers are hereby directed and required to establish forthwith, and to maintain continuously in the city of Washington, during the period of the war, an agency by a committee of railroad officers or otherwise fully empowered by such carriers to receive on behalf of all the carriers notice and service of such orders and directions and to arrange for the prompt compliance therewith by such carriers. And it shall be the duty of any and all the officers, agents, or employees of such carriers by railroad or water to obey strictly and conform promptly to such orders, and failure knowingly and willfully to comply therewith, or to do or perform whatever is necessary to the prompt execution of such order, shall render such officers, agents, or employees guilty of a misdemeanor, and any such officer, agent, or employee shall, upon conviction, be fined not more than $5,000, or imprisoned not more than one year, or both, in the discretion of the court. The President is hereby authorized, whenever in his judgment it becomes necessary in order to expedite transportation and to do justice between carriers, to enter into agreements with two or more carriers looking to a proper division of earnings for a time to be specified and upon kinds of traffic to be prescribed. For the transportation of persons or property in carrying out the orders and directions of the President the lawfully established tariffs shall apply unless otherwise fixed by law; for the transportation of troops in carrying out the orders and directions of the President, reasonable rates shall be fixed by the Interstate Commerce Commission; and if the transportation be for the Government of the United States, it shall be paid for currently or monthly by the Secretary of the Treasury out of any funds not otherwise appropriated: *Provided*, That if by reason of giving preference or priority in transportation under an order or direction authorized hereunder, or by reason of disarrangement of traffic caused by giving such preference or priority, any carrier shall suffer injury or damage, the Interstate Commerce Commission shall, upon application by the carrier and upon notice to the Attorney General of the United States, and after due hearing, determine the amount thereof, which amount shall be paid by the Secretary of the Treasury out of any funds in his hands not otherwise appropriated: *Provided further*, That no application for any such damage or injury shall be presented to the commission after six months from the expiration of the order of preference or priority. In making such determination the commission shall have due regard for the terms of any acts of land grant or contract existing between any such carrier and the United States, and for the purpose of any such inquiry and determination the Interstate Commerce Commission is hereby vested with all the powers which it now has or may be authorized by law to exercise in investigating and ascertaining the justness and reasonableness of rates or charges. Any such findings of the commission shall be subject to review on the merits by a bill in equity, filed either by the Government or by the carrier in a court of competent jurisdiction, with right of appeal as in other equity cases. The final order or decree shall be certified by the court to the Interstate Commerce Commission, which shall enter the same as its own order. Any carrier complying with any such order or direction herein authorized shall be exempt from any and all provisions in existing law imposing civil or criminal pains, penalties, obligations, or liabilities upon carriers on account of any such action.

Mr. NEWLANDS. Mr. President, will the Senator from Iowa now offer the amendment which he proposes to section 2?

Mr. CUMMINS. Is it the purpose of the Senator from Nevada to then ask for the postponement of the further consideration of the bill?

Mr. NEWLANDS. Yes. I understand that a number of Senators desire to discuss the bill, and that may require some time.

Mr. CUMMINS. Mr. President, in order that the amendment may be before the Senate for information, I move, on page 5, line 20, after the word "direction," to insert the words "for preference or priority"; and on page 5, lines 22 and 23, to strike out the words "on account of any such action" and insert the words "by reason of giving preference or priority in compliance with such order or direction."

Mr. NEWLANDS. Mr. President, I will ask that the amendments which have been proposed be printed for the use of the Senate.

The VICE PRESIDENT. The amendments will lie on the table and be printed.

Mr. NEWLANDS. I ask that the bill be temporarily laid aside.

The VICE PRESIDENT. In the absence of objection it will be so ordered.

SUNDRY CIVIL APPROPRIATIONS—CONFERENCE REPORT.

Mr. OVERMAN. I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the sundry civil appropriation bill, and I ask for its adoption.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 6, 7, 8, 11, 12, 16, 18, 21, 22, 23, 28, 32, 38, 39, 48, 64, 66, 67, 75, 76, 77, 79, 88, 90, 91, 95, 97, 98, 99, 102, 104, 108, 109, 112, 120, 121, 122, 123, 124, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 139, 141, 142, 151, and 156.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 9, 10, 17, 24, 25, 26, 27, 30, 31, 33, 34, 35, 36, 37, 40, 41, 42, 43, 45, 46, 47, 50, 51, 52, 53, 54, 55, 57, 58, 59, 61, 62, 63, 65, 68, 69, 70, 71, 72, 73, 78, 81, 84, 86, 87, 89, 93, 94, 96, 100, 103, 116, 117, 118, 119, 125, 137, 138, 140, 144, 145, 146, 147, 150, 152, 153, 154, 155, 157, 158, and 159, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: Strike out all of the matter inserted by said amendment after the word "appropriated," in line 8, and in lieu of the matter thus stricken out insert the following: "*Provided*, That the foregoing buildings shall not be included among the buildings to be supplied with heat, light, and power, from the said power plant, if such inclusion shall interfere in any way with the completion of the said plant at the earliest date possible"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"To enable the Coast Guard to bring its present telephone system of coastal communication to a high state of efficiency, to extend such system to include all Coast Guard stations not now connected, and to include the most important light stations which have at present no means of rapid communication, including personal services and all other necessary expenses in connection therewith, $300,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,856,086"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For payment to the legal representatives of Napoleon B. Giddings, deceased, in accordance with private act No. 165, Sixty-fourth Congress, approved February 8, 1917, $1,950."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and the members of his immediate family"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$275,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"MILITARY PUBLICATIONS.

"In addition to any other appropriation available for this purpose there is hereby appropriated $150,000, or so much thereof as may be necessary, to be immediately available, to be expended in printing and binding publications and manuals necessary for the organization and instruction of the land forces of the United States or such other necessary printing as the Secretary of War may prescribe: *Provided*, That the printing and binding herein authorized may be executed under contract with private concerns if in the judgment of the Secretary of War the public interest requires, notwithstanding the provisions of law requiring such printing and binding to be done in the Government Printing Office."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$732,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$68,500"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For an additional

amount for ice-making plant, $7,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"San Antonio Arsenal, San Antonio, Tex.;

"For increasing facilities for the repair of ordnance matériel, including necessary buildings, etc., $50,000;

"For a magazine, $30,000;

"For adding two stories to storehouse, $45,000;

"For a building for storing artillery vehicles and machine-gun trucks, $3,000;

"In all, $128,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,021,100"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "$6,000,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "To provide for an increase of 15 per cent in the pay of park laborers, $15,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Aqueduct Bridge: For continuing the construction of the bridge authorized in section 1 of an act entitled 'An act to provide for the removal of what is now known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in place thereof,' approved May 18, 1916, $400,000, one half to be payable out of the Treasury of the United States, and the other half out of the revenues of the District of Columbia."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$329,600"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: Omit all of the matter inserted by said amendment after the word "Mines," in line 6; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "also not exceeding $60,000 for the completion of the installation of the hydroelectric-power plant authorized by the sundry civil act for the fiscal year 1917; in all, $235,000: *Provided*, That the unexpended balance of the appropriation of $150,000 for the fiscal year 1917 for the hydroelectric-power plant is made available for the fiscal year 1918"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended as follows: On page 124 of the bill, in line 8, after the word "parks," insert the following: ", except Hot Springs Reservation, Ark."; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Hot Springs Reservation, Ark.: for the employment of a landscape engineer and such other expenses as may be required for the preparation of a practical and comprehensive plan, together with an accurate estimate of the cost thereof, for improving the Hot Springs Reservation, there is authorized to be expended from the revenues received from the said reservation the sum of $10,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment as follows: Transpose the matter inserted by said amendment to follow line 18, on page 143, of the bill, amended to read as follows:

"DEPARTMENT OF AGRICULTURE.

"For contribution to the Forest Service for construction of a bridge across the Narrows over the waters between Cass Lake and Pike Bay, in the Minnesota National Forest, Minn., upon condition that the local authorities, State or county, contribute $10,000 toward the building of the same, $10,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"For the erection of shop buildings or factories and their appurtenances, $82,500."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"For the erection of shop buildings or factories and their appurtenances, $129,500."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "hire of motor-propelled or horse-drawn passenger-carrying vehicles when necessary"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$25,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$600,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"To pay M. I. Howell for services rendered the special committee appointed under Senate resolution No. 543, to secure certain information concerning interned ships in the ports of the United States and elsewhere, and what efforts have been made by certain parties or interests to prevent the passage of Senate bill No. 6856, commonly known as the ship-purchase bill, during the third session of the Sixty-third Congress, from February 16 to April 8, 1915, $115."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 148, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,275,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,024,720"; and the Senate agree to the same.

LEE S. OVERMAN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.

JOHN J. FITZGERALD,
SWAGAR SHERLEY,
Managers on the part of the House.

Mr. SMOOT. Is the report a complete agreement, I will ask the Senator from North Carolina?

Mr. OVERMAN. Yes.

Mr. BRANDEGEE. Mr. President, does the Senator from North Carolina intend to ask for action upon the conference report this afternoon?

Mr. OVERMAN. Yes; I have asked for the adoption of the conference report.

Mr. BRANDEGEE. Very well.

Mr. JONES of Washington. Mr. President, I desire to ask the Senator from North Carolina a question. Can the Senator tell me what was done with the amendment providing for additional vessels in the Coast and Geodetic Survey?

Mr. OVERMAN. That amendment was disagreed to.

Mr. JONES of Washington. The amendment was cut out?

Mr. UNDERWOOD. Mr. President, I will say to the Senator from Washington that the Senate conferees insisted for several days on that amendment, but the argument was made that we were providing for the building of a large number of new ships, and that as soon as the war was over there would be an ample supply of ships for this purpose.

Mr. JONES of Washington. I am sorry that the amendment was cut out; but I feel sure that the conferees on the part of the Senate have done the best they could; and I know the attitude of the other House.

Mr. UNDERWOOD. I will state to the Senator from Washington that I opposed the amendment on the floor, but I insisted as a conferee on the part of the Senate to the extent that I thought we could.

Mr. JONES of Washington. I am sure the Senator did so. There is one other amendment which I desire to inquire about. There was an amendment increasing the appropriation for the St. Elizabeth Hospital. Can the Senator tell me what was done as to that amendment?

Mr. OVERMAN. That amendment was disagreed to.

Mr. JONES of Washington. The Senator could not get the House conferees to agree to that amendment?

Mr. OVERMAN. We could not get an agreement to that amendment. This bill has been in conference a long time, I will say to the Senator.

Mr. JONES of Washington. I know it has been. I am sorry the Senator could not get that amendment retained, but I shall not oppose the adoption of the conference report, for I feel that it would not avail anything to do so.

Mr. ROBINSON. Mr. President, I desire to ask the Senator in charge of the conference report what action has been taken by the conferees with reference to the appropriation for flood control?

Mr. OVERMAN. We agreed on a compromise after contending for a long time in the conference committee. It was contended that $6,000,000 was about all that could be used this year, and we allowed $6,000,000 instead of $10,000,000.

Mr. ROBINSON. The conference report, then, represents a reduction in the amendment adopted by the Senate relating to flood control, which provided an appropriation of $10,500,000, to the sum of $6,000,000.

Mr. OVERMAN. The Senator from Arkansas is correct.

Mr. ROBINSON. Does the conference base its action upon the recommendation of the War Department with reference to the matter?

Mr. OVERMAN. The committee of conference contended about this matter for a long time. The Senator from Arkansas knows how that is.

Mr. ROBINSON. I do not know how it is until the Senator from North Carolina tells how it is.

Mr. OVERMAN. I will tell the Senator. The conferees on the part of the Senate contended for the whole amount, but the House conferees would not agree to a greater sum than $6,000,000.

Mr. ROBINSON. The War Department stated in its report to the Senate and to the other House that the sum of $10,500,000 was necessary to carry out the provisions of the act commonly known as the flood-control bill. The Senator from North Carolina now states that $6,000,000 is carried in this conference report. I ask the Senator whether that meets the approval of the War Department?

Mr. OVERMAN. We did not confer with the War Department as to their approval or disapproval. We thought that was a sufficient amount for this year's expenditure. Another appropriation bill will come in, as the Senator knows, in five or six months. We did not confer with the War Department about the matter, as I have said.

Mr. ROBINSON. The act providing for flood control contemplated an appropriation of $10,500,000 for the coming fiscal year. That is the amount that is required to effectuate the recommendations already made by the War Department. I ask the Senator from North Carolina if he conferred in any respect with the War Department as to the reduction that has been made in this conference report?

Mr. OVERMAN. I have just stated that we did not.

Mr. ROBINSON. You did not. Then, Mr. President, the Senate conferees have agreed to an appropriation $4,000,000 less than the amount which was contemplated by the flood-control act. The purpose of Congress in passing the act to provide for flood control was to place these appropriations upon a permanent and a continuing basis. The War Department has estimated that $10,500,000 is necessary to carry out the plans which have already been agreed upon. It now appears that, without consulting the War Department, the Senate conferees have agreed upon the sum of $6,000,000, which is a little more than half the amount that is necessary, according to the estimates which have already been made.

Nothing has been accomplished by the passing of the flood-control bill if the plans that have already been adopted by the War Department are not to be carried out. That is the purpose of the legislation.

I do not know that I care to insist upon a delay in the consideration or upon the defeat of this conference report; but it is an illustration, Mr. President, of the manner in which Congress deals with these subjects. We took up this question, we debated it fully, and Congress passed a law providing for improvements which would require an appropriation of $10,500,000 for the next fiscal year. Now, after the Senate has agreed to an appropriation to carry out the improvements which have already been approved by the War Department, requiring an appropriation of $10,500,000, we are confronted with a proposition to either resist the appropriation of a little more than half that amount or substantially to have no appropriation at all.

Mr. President, we are spending hundreds of millions and billions of dollars for the maintenance of the activities of our Government during the next year, and we are here cutting in two an appropriation of vital importance which represents an internal improvement which has been approved and recommended by the War Department in the sum of $10,500,000. I do not know that it would accomplish anything to make any further remarks concerning the subject.

Mr. BRANDEGEE. Mr. President——

Mr. UNDERWOOD. Will the Senator from Connecticut allow me to answer the argument that has just been made? I will occupy only a few moments.

Mr. BRANDEGEE. Certainly.

Mr. UNDERWOOD. Mr. President, I think my friend from Arkansas [Mr. ROBINSON] has a misconception of the facts under which the conferees were working. I think, instead of actually cutting down the estimate, we have given more than the department called for. The flood-control bill which was passed did not provide that the Congress of the United States should appropriate $10,500,000, but it provided that the appropriations for that purpose should not exceed $10,500,000, which was really an authorization for that amount, but did not call for that amount.

Mr. ROBINSON. Mr. President, I will ask the Senator from Alabama if he states that the War Department does not recommend the appropriation of $10,500,000 to carry out the improvements that have already been agreed upon?

Mr. UNDERWOOD. Yes; I say they did not recommend it immediately. They say, however, they will need it ultimately.

Mr. ROBINSON. No.

Mr. UNDERWOOD. Well, if the Senator will allow me, I will state the case.

Mr. ROBINSON. Of course, I will allow the Senator, when he is speaking in his own time; but the Senator from Alabama knows that the War Department has made an estimate that it will require $10,500,000 for the next fiscal year.

Mr. UNDERWOOD. To finish the whole work.

Mr. ROBINSON. No; not to finish the whole work. It will require $45,000,000 to finish the whole work. I ask the Senator from Alabama if the conference committee acted upon the theory that $10,500,000 would complete the whole work? If they did, then I shall have something further to say.

Mr. UNDERWOOD. No; but here is the proposition: I do not know who is responsible for bringing the estimates here; but the only estimate for this appropriation for this year that was sent to us by the War Department, and that bears on the subject, was dated March 3, 1917, which was in the closing days of the last Congress. They estimated $4,000,000 for the Mississippi River and $500,000 for the Sacramento River.

Mr. ROBINSON. Mr. President——

Mr. UNDERWOOD. Well, now, if the Senator will show me, I should like——

Mr. ROBINSON. Will the Senator yield?

Mr. UNDERWOOD. Surely; but I should like to finish my statement.

Mr. ROBINSON. If the Senator declines to yield, all right.

Mr. UNDERWOOD. I do not decline to yield, but I am just in the midst of my statement.

Mr. ROBINSON. Very well. When the Senator is ready to yield he may do so.

Mr. UNDERWOOD. I will yield to the Senator, if the Senator will allow me to make the statement.

What I have stated was the official estimate that came down here. On March 2 there was a letter sent here by Gen. Black, which reads as follows:

> The work proposed on the Mississippi River is in continuation of work of the same character as that which has been carried on for a number of years, so that it is well organized and can proceed at the maximum rate permitted. The pending river and harbor bill carries an item of $6,000,000 for this work, and the additional estimate submitted herewith calls for $4,000,000 for the Mississippi River.

Some doubt has been expressed concerning the passage of the river and harbor bill. If this does not pass, then the estimate for the Mississippi River should be increased from $4,000,000 to $10,000,000.

That is the only statement the committee had in reference to the matter. The river and harbor bill did fail, and of course the appropriation carried in the river and harbor bill went down with it. It is true there is another river and harbor bill pending, but I doubt whether this appropriation would properly come under that bill any longer. Probably it should be carried as an item in the sundry civil bill.

This matter was called to the attention of the House conferees. They insisted that that estimate was for $4,500,000, and that was as far as they were willing to go. The conferees on the part of the Senate insisted that the appropriation should be $10,500,000. We could not agree and finally settled the question by agreeing upon an appropriation of $6,000,000, which, under the present circumstances, I think is probably all that the War Department will actually use this year. That is the real situation as the case presented itself to the conferees. Now I am glad to yield to the Senator.

Mr. ROBINSON. I will wait until the Senator concludes his statement, if he has anything further to say.

Mr. UNDERWOOD. No.

Mr. ROBINSON. Then I take the floor in my own right, Mr. President.

The statement of the Senator from Alabama discloses the fact that when the estimate which he has read was made by the War Department there was pending in the House of Representatives the river and harbor appropriation bill, carrying an appropriation for flood control. It failed of passage. The Senator from Alabama in his statement has conceded that the failure of the passage of the river and harbor bill during the last session of Congress makes it necessary to appropriate the sum of $10,500,000 for flood control, in order to carry out the estimates that were made by the War Department. I ask the Senator from Alabama if that statement is not true?

Mr. UNDERWOOD. I have just made it; it is bound to be true.

Mr. ROBINSON. Then, the conferees on the part of the Senate in agreeing to this appropriation of $6,000,000 have cut substantially in two the appropriation which the War Department has estimated as necessary for flood control.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. Certainly.

Mr. OVERMAN. I presume the Senator realizes that it is impossible to get engineers this year to do this work. All available Army engineers are being sent to the Army to drill men, and the civil engineers of the country are also all employed. We can not spend $10,000,000 on the work this year. I hope that the department will be able to expend $6,000,000; but I doubt whether they can even expend that much; and, Mr. President, I want to say we had to take that or allow the bill to fail.

Mr. ROBINSON. The Senator from North Carolina is mistaken. When this bill was pending in the Senate I based the amendment which I offered upon reports and recommendations made upon surveys heretofore completed by the engineers of the War Department. The Senator from North Carolina is mistaken when he says that the engineers are now being withdrawn from work of this character to engage in military activities, and therefore it is not necessary to appropriate this full sum. The estimates have already been made; the surveys have been made; and the sum of $10,500,000 is the sum that the War Department, before the beginning of the war, recommended as necessary to carry out the improvements required to promote flood control. The fact of the matter is that the Senate conferees have surrendered to the House conferees.

Mr. OVERMAN. That is what we did.

Mr. ROBINSON. That is it exactly. The Senator from North Carolina says "that is what we did." Notwithstanding the fact that the law was already in existence when this bill passed the Congress contemplating an appropriation of $10,500,000, that body at the other end of the Capitol failed to appropriate one dollar for flood control.

Mr. OVERMAN. Would the Senator rather have $6,000,000 or nothing?

Mr. ROBINSON. Well, I will come to that in a moment. That is a proposition that is frequently made here. Not a dollar was appropriated in the bill as it came to the Senate for flood control, notwithstanding the fact that a statute had been enacted providing for a continuing appropriation of substantially $10,500,000 a year for the purposes of flood control. We put the amendment on in the Senate. The Senate conferees have agreed to a reduction of the amount required under the estimates that have already been made contemplating an appropriation of $10,500,000, to $6,000,000, and now they ask me whether I would rather have $6,000,000 or nothing. I submit to the Senator from North Carolina that his inquiry implies bad faith on his part as a conferee on the part of the Senate.

Mr. OVERMAN. How, Mr. President?

Mr. ROBINSON. The Senate voted an appropriation of $10,500,000, and now he has hurled into my face the inquiry whether I would rather have $6,000,000 or nothing.

Mr. OVERMAN. That is what I asked. I tell the Senator that we held out and tried to get the full amount appropriated by the Senate, but could not do so, and would the Senator not rather have that than nothing?

Mr. ROBINSON. Yes.

Mr. OVERMAN. The Senator understands the situation.

Mr. ROBINSON. Why, of course; but the question which the Senator from North Carolina asks me neither reflects credit upon my intelligence nor his appreciation of it.

Mr. OVERMAN. The Senator is raising a row here about nothing.

Mr. ROBINSON. No; I am not raising a row about nothing. Whenever an appropriation comes near to the interests of the State of the Senator from North Carolina he is vigilant in looking after it, but it so happens that the conferees on this bill do not come from the district that is affected by the improvement of the Mississippi River.

The VICE PRESIDENT. The Senator is getting pretty close to the line.

Mr. ROBINSON. Yes; I am approaching the line, and receding from it when I approach it. I know where the line is, Mr. President. I see the line. If the conferees on the part of the Senate had stood for the improvement that was contemplated and required by the solemn act of Congress providing for flood control, we would have had $10,500,000 instead of $6,000,000; but they laid down on it; they surrendered, in the language of the Senator from North Carolina, to the conferees on the part of the House of Representatives.

Mr. President, Congress fully thrashed this subject out just a few months ago. We agreed that $10,500,000 was necessary to carry on the improvements. I understand that when an appropriation does not go to a district or a State that is represented in the conference the issue may not be effectually represented there. Mr. President, I submit that during the last 10 years agitation has been going on throughout the United States concerning the subject of flood control; that one of the primary purposes of passing the flood-control bill was to put these improvements upon a permanent and a continuing basis; but now, after the Senate has passed upon the matter and agreed to carry out the provisions of the flood-control bill, the Senate conferees have come back here with a half loaf and ask me whether I would rather have that than nothing. Why, of course, Mr. President, I take the half loaf rather than nothing.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE SESSION.

Mr. HITCHCOCK. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, June 4, 1917, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate June 2 (legislative day of June 1), 1917.

ASSISTANT SECRETARY OF THE TREASURY.

Leo S. Rowe, of Philadelphia, Pa., to be Assistant Secretary of the Treasury.

SURVEYOR OF CUSTOMS.

A. Arnold Barksdale, of Ruston, La., to be surveyor of customs in customs collection district No. 20, with headquarters at New Orleans, La., in place of W. Burch Lee, resigned.

RECEIVER OF PUBLIC MONEYS.

Luke Voorhees, of Wyoming, to be receiver of public moneys at Cheyenne, Wyo., his present term expiring June 5, 1917. (Reappointment.)

REGISTER OF LAND OFFICE.

Ralph R. Read, of Wyoming, to be register of the land office at Buffalo, Wyo. (Reappointment.)

ASSISTANT SURGEON, PUBLIC HEALTH SERVICE.

Dr. Edwin Howard Settle to be assistant surgeon in the Public Health Service, to take effect from date of oath.

APPOINTMENT IN THE ARMY.

VETERINARY CORPS.

Veterinarian Sherman R. Ingram, Quartermaster Corps, to be assistant veterinarian from June 3, 1916, to fill an original vacancy.

PROVISIONAL APPOINTMENTS AS SECOND LIEUTENANTS IN THE ARMY.

INFANTRY ARM.

Second Lieut. Edward Sandford Pegram, jr., Cavalry section, Officers' Reserve Corps.

Second Lieut. Roger Sturgis, Infantry section, Officers' Reserve Corps.

Second Lieut. Stanley Gloninger Saulnier, Infantry section, Officers' Reserve Corps.

First Lieut. Mark Richards Muckle Gwilliam, Infantry section, Officers' Reserve Corps.

Second Lieut. Will Hughes Gordon, Infantry section, Officers' Reserve Corps.

Second Lieut. Walter Tracey, Infantry section, Officers' Reserve Corps.

First Lieut. Joseph Jack Johnston, First Battalion, Field Artillery, Ohio National Guard.

Capt. Wilton Lynn Rutan, Company I, Third Infantry, Texas National Guard.

First Lieut. Ward Currey Goessling, First Field Artillery, Texas National Guard.

Second Lieut. Curley Pharr Duson, First Infantry, New Mexico National Guard.

Second Lieut. Richard David Daugherity, First Infantry, New Mexico National Guard.

Second Lieut. Walter Raymond Graham, First Infantry, Minnesota National Guard.

Second Lieut. Albert Hovey Peyton, Second Infantry, West Virginia National Guard.

Second Lieut. Patrick Houstoun, Second Infantry, Florida National Guard.

Second Lieut. Miron James Rockwell, Fourth Infantry, Missouri National Guard.

First Lieut. Peter Wirtz, Second Infantry, Wisconsin National Guard.

Second Lieut. Allen Wainfield Stradling, Second Infantry, Indiana National Guard.

Second Lieut. Robert Valentine Tackabury, Fourth Infantry, South Dakota National Guard.

Second Lieut. James Patrick Murphy, Fourth Infantry, South Dakota National Guard.

Capt. Gustav Adolph Mellanchton Anderson, First Infantry, North Dakota National Guard.

Second Lieut. William Chapman Peters, Second Infantry, Missouri National Guard.

Second Lieut. Francis Lenoir Hill, First Infantry, Virginia National Guard.

Second Lieut. Charles McDonald Parkin, Eighteenth Infantry, Pennsylvania National Guard.

Second Lieut. Richard Babcock Porter, Battery A, Field Artillery, Kansas National Guard.

Second Lieut. Jacob Edward Bechtold, Second Infantry, Massachusetts National Guard.

Second Lieut. Harry Adamson, Second Infantry, Massachusetts National Guard.

Second Lieut. Neal Creighton Johnson, Seventh Infantry, California National Guard.

Second Lieut. John Edward McCarthy, Second Infantry, Montana National Guard.

Second Lieut. Steele Wotkyns, First Field Artillery, New York National Guard.

Second Lieut. John Clarence Lane, First Infantry, Maryland National Guard.

Second Lieut. Norman Pyle Groff, First Infantry, Pennsylvania National Guard.

Second Lieut. Glenn Adelbert Ross, Second Infantry, Washington National Guard.

First Lieut. Donald John Myers, First Squadron, Cavalry, Colorado National Guard.

First Lieut. Vic Kingsley Burriss, Third Infantry, Missouri National Guard.

Second Lieut. Francis Augustus Woolfley, First Infantry, Louisiana National Guard.

Second Lieut. Carl Bernhardt Schmidt, Second Infantry, Kansas National Guard.

First Lieut. Leslie Leonard Connett, Fourth Infantry, Missouri National Guard.

Sergt. Owen R. Rhoads, Company G, First Infantry.

Corpl. Joe L. Ostrander, Twenty-fourth Company, General Service, Infantry.

Sergt. Elmer F. Wallender, Company L, Eighth Infantry.

Sergt. Carl E. Driggers, Fifth Recruit Company, General Service, Infantry.

First Sergt. Allan Floyd House, Company C, Twenty-eighth Infantry.

Sergt. Harry Pearl Merchant, Company C, Tenth Infantry.

Corpl. Carl Grady Lewis, Twenty-sixth Company, General Service, Infantry.

Pvt. John D. Burris, Coast Artillery Corps.

Sergt. (First Class) Harry Vincent Hand, First Aero Squadron, Signal Corps.

Pvt. Frederick V. Edgerton, Company G, Thirteenth Infantry.

Sergt. Anthony Oliver Adams, Company M, Eleventh Infantry.

Pvt. George Alva Stockton, Troop K, First Cavalry, Illinois National Guard.

Battalion Sergt. Maj. Charles W. Neues, Twelfth Infantry.

Pvt. George Rowland Brown, jr., Company B, Second Infantry, North Carolina National Guard.

First Class Pvt. Oscar A. Burton, First Company, Second Aero Squadron, Signal Corps.

Corpl. Edward Leon Feeney, Company L, Twenty-ninth Infantry.

Musician (Third Class) Harold W. Kelty, Coast Artillery Corps, Regular Army Reserve.

Corpl. William Henry Valentine, Company A, Thirty-second Infantry.

Corpl. George Norman Munro, Company D, Second Engineers.

Sergt. Herbert Boyer, Quartermaster Corps.

Pvt. Myron Wood Sherman, Company A, Second Engineers.

Pvt. Woodworth Bowman Allen, Company L, Third Infantry, Iowa National Guard.

Corpl. Robert Ferris, Company G, Seventeenth Infantry.

Corpl. John Sylvester Sulima, Company E, First Engineers.

Pvt. Charles Edmund DeLeuw, Machine Gun Troop, First Cavalry, Illinois National Guard.

Sergt. Dallas R. Alfonte, Company H, Twelfth Infantry.

Pvt. (First Class) William E. Shaw, general service, Infantry.

Battalion Sergt. Maj. Lee Burton Woolford, First Infantry, Arkansas National Guard.

Corpl. Ned Blair, general recruiting service.

First Class Pvt. Ernest Alvin Kindervater, Coast Artillery Corps.

Sergt. Oscar Merton McDole, Company M, Second Infantry.

Sergt. Jared Irwin Wood, Troop A, Cavalry, Georgia National Guard.

Corpl. Henry Harrison Ranson, fifteenth recruit company, general service, Infantry.

Sergt. Gordon C. Irwin, Medical Department.

First Sergt. Elbridge Gerry Chapman, jr., Troop D, Cavalry, Colorado National Guard.

Pvt. Jacob Herschel Lawrence, Coast Artillery Corps.

Regimental Supply Sergt. Everett Marion Yon, Second Infantry, Florida National Guard.

Sergt. Grady H. Pendergrast, Company C, Fourth Infantry.

Corpl. Robert E. Frye, Company L, Fourth Infantry.

Corpl. Cornelius F. Dineen, Company G, Nineteenth Infantry.

Corpl. Joseph Edward Villasenor, Company E, First Telegraph Battalion, Signal Corps.

Mechanic John C. Haynes, Company A, Twenty-seventh Infantry.

Sergt. George Lawrence Hopkins, Company E, Thirty-third Infantry, Michigan National Guard.

Sergt. Maj. George Mood MacMullin, First Infantry, Pennsylvania National Guard.

Pvt. Harold Krebs Coulter, Company I, Third Infantry, Ohio National Guard.

Corpl. Hugh Campbell Hodge Jones, Machine Gun Company, First Infantry, Missouri National Guard.

Sergt. Otto Emil Pentz, Company E, First Infantry.

Corpl. Williston Lockwood Warren, Company F, Thirty-second Infantry.

Sergt. James A. Wade, ninth recruit company.

First Sergt. Nicholas Szilagyi, Company G, Nineteenth Infantry.

Sergt. Frederick Weston Hyde, Machine Gun Company, First Infantry, Maryland National Guard.

First Class Pvt. Gilbert Good, Coast Artilery Corps.

Corpl. Theodore Rayburn, Coast Artillery Corps.
Sergt. Leland S. Hatfield, Medical Department, Seventh Infantry, California National Guard.
Pvt. Rosser Lee Hunter, Troop A, Cavalry, District of Columbia National Guard.
First-class Pvt. John Stanley Hopper, Company C, Third Engineers.
Corpl. John P. Utinsky, Company A, Third Engineers.
Sergt. James Lester Allbright, Company I, Thirtieth Infantry.
First Class Pvt. Feodor Otto Schmidt, Company G, Fourth Infantry, Ohio National Guard.
Pvt. John Garth Goodlett, Battery B, First Field Artillery, Missouri National Guard.
Corpl. George Seymour McCullough, Company A, Engineers, Illinois National Guard.
Sergt. Roderick Alexander Stamey, machine gun company, First Infantry, North Carolina National Guard.
Pvt. Leo Willard Glaze, Troop A, District of Columbia National Guard.
First Sergt. Walter Ernest Duvendeck, Company K, Fourth Infantry, Ohio National Guard.
Pvt. Abraham Cohen, Company D, Third Engineers.
Sergt. William Frederick Gent, Quartermaster Corps.
First-class Sergt. Clarence Harvey Maranville, First Aero Squadron, Signal Corps.
Sergt. Roy Sparks, Company E, Fifth Infantry.
First Class Pvt. William B. Smith, Company F, Third Engineers.
First Class Pvt. Carl F. Cooper, Company D, Fourth Telegraph Battalion, Signal Corps.
Sergt. John Frank Gleaves, Company D, Second Telegraph Battalion, Signal Corps.
Corpl. Sterling Clifton Robertson, Company F, Eleventh Infantry.
Corpl. Allen Flood Kirk, Company F, Twenty-sixth Infantry.
Sergt. Thomas G. Jenkins, Coast Artillery Corps.
Pvt. Francis Samuel Bayard Cauthorn, Company A, Second Infantry, Washington National Guard.
Corpl. Lowery Langford Cocke, Coast Artillery Corps.
Pvt. Madison E. Walker, Coast Artillery Corps.
Corpl. Richard Smith Duncan, Company M, Fourth Infantry, Missouri National Guard.
Pvt. Alexander Payson Knapp, jr., Battery A, Field Artillery, Maryland National Guard.
Color Sergt. Winthrop Ausley Hollyer, Second Engineers.
Pvt. Leslie Caryle Wheat, Company F, Fourth Infantry, Missouri National Guard.
Sergt. Lawrence Harold Bixby, Company I, First Infantry, Kansas National Guard.
Pvt. Frank Daniel Grantham, Company I, First Infantry, Tennessee National Guard.
Sergt. Robert W. Norton, Medical Department.
Quartermaster Sergt. Frederic Griffin Dorwart, Seventh Division, Pennsylvania National Guard.
Corpl. William Dominick Kerns, Company I, Thirtieth Infantry.
Corpl. Oliver Lee Garrett, Company F, Third Engineers.
Corpl. Thomas Eugene Bourke, Machine Gun Company, First Infantry, Maryland National Guard.
Corpl. Hastings Couse Scholl, Coast Artillery Corps.
Corpl. Claire A. Whitesell, Company A, Twenty-ninth Infantry.
Sergt. Reinhold August Ferdinand Endling, Battery C, First Field Artillery, Minnesota National Guard.
Corpl. William Valentine McCreight, Company G, First Infantry, Wisconsin National Guard.
Sergt. John Henry Ringe, Quartermaster Corps.
Sergt. Virgil Bell, Company D, Third Infantry, Texas National Guard.
Corpl. William Granville Purdy, Company H, Third Infantry, Texas National Guard.
Corpl. Chesley Ray Miller, Company K, Fourth Infantry, Missouri National Guard.
Pvt. Charles Edward Robinson, Troop A, First Cavalry, District of Columbia National Guard.
Pvt. William Cloud Robinson, First Cavalry, Pennsylvania National Guard.
Corpl. Walter Lee Mitchell, Coast Artillery Corps.
Pvt. Robert F. Dark, Coast Artillery Corps.
Sergt. Mimucan D. Cannon, Company L, Twelfth Infantry.
First Class Pvt. Samuel Marshall, Troop A, Cavalry, Wisconsin National Guard.
Sergt. Ralph Slate, Company H, Twelfth Infantry.
Corpl. Lee Samuel Eads, Company F, Fourth Infantry, Missouri National Guard.
Sergt. Ernest John, Infantry, unassigned.
Corpl. Charles Hugh McKnight, First Aero Squadron, Signal Corps.
Corpl. Floyd H. Banta, Sixth Aero Squadron, Signal Corps.
Pvt. Ralph Marshal Caulkins, Company A, Third Infantry, Minnesota National Guard.
Stable Sergt. Charles Leslie Moon, Thirty-third Infantry, Michigan National Guard.
Pvt. Claudius Leo Lloyd, Company A, Fifth Infantry, Maryland National Guard.
First Sergt. Francis G. Bishop, Coast Artillery Corps.
Color Sergt. Henry Drue Patterson, Second Infantry, Washington National Guard.
Sergt. Bartlett M. Egeland, Company G, Fourth Infantry, South Dakota National Guard.
Pvt. Stuart Baldwin Taylor, Battery A, Field Artillery, Maryland National Guard.
Sergt. Joseph P. Kiley, Company F, Thirty-third Infantry.
Pvt. Joseph Lester Brooks, Troop A, Cavalry, District of Columbia National Guard.
Pvt. Madefrey Alethes Odhner, Machine Gun Company, Sixth Infantry, Pennsylvania National Guard.
Pvt. Jacob Myers Pearce, jr., Machine Gun Company, First Infantry, Maryland National Guard.
First Sergt. Ora C. Coffey, Coast Artillery Corps.
First Class Pvt. George Dawson Lehmann, Coast Artillery Corps.
Pvt. Jesse J. Hudson, Quartermaster Corps.
First Class Pvt. Robert Hill, Quartermaster Corps.
First Class Pvt. Robert Claude Gregory, Medical Corps.
Battalion Sergt. Maj. Laird Astor Richards, First Infantry, Kansas National Guard.
First Class Pvt. John James Finnessy, Company K, Third Infantry, New York National Guard.
Mess Sergt. Carl Cooper Helm, Quartermaster Corps, First Infantry, Indiana National Guard.
Sergt. Wayne Horton, Company C, First Infantry, Oklahoma National Guard.
Pvt. Leo E. Bennett, jr., Company H, Second Separate Battalion of Infantry, Colorado National Guard.
Pvt. Ross Snyder, Troop D, First Cavalry, California National Guard.
Corpl. Arthur Chifton Boren, Medical Department.
Pvt. Frederick William Schonhard, Seventh Infantry, New York National Guard.
Pvt. Arthur Reinert Jernberg, Quartermaster Corps.
Second Lieut. William Francis Stromeyer, First Infantry, Maryland National Guard.
First Lieut. Dudley Blanchard Howard, Fourteenth Infantry, New York National Guard.
Second Lieut. Henry Walcott Farnham, jr., Tenth Field Artillery, Connecticut National Guard.
Second Lieut. Arthur C. Kinsley, Engineers, Colorado National Guard.
Pvt. Henry Ely Kyburg, Battery D, Tenth Field Artillery, Connecticut National Guard.
William Benjamin Tuttle, of Texas.
Charles Henry Parker, jr., of Pennsylvania.
Ashley Spencer Le Gette, of Virginia.
Stalker Elijah Reed, of New Hampshire.
John Leonard Riddell, of California.
Joseph Baxter Wiener, of Wisconsin.
Wallace Heyser Gillett, of Michigan.
Benjamin Walter Wood, of South Dakota.
Courtney Parker Young, of Rhode Island.
Allyn Fillmore Stetson, of New York.
Corpl. Chester Valentine Newton, Company G, Thirty-fifth Infantry.
Frank Leon Philbrook, of Massachusetts.
John Allen Whitson, of Mississippi.
George Raymond Owens, of Virginia.
Andrew Davis Bruce, of Texas.
Second Lieut. Richard Marshall Winfield, First Infantry, West Virginia National Guard.
Charles Edward Hathaway, jr., of Massachusetts.
Pvt. Dallas Lloyd Knoll, Battery A, First Field Artillery, Colorado National Guard.
Kenneth Seymour Olivier, of Massachusetts.
Philip Armour Helmbold, of Ohio.
Frederick Collins Wheeler, of Pennsylvania.
Floyd Emerson Galloway, of Kentucky.
William Creveling Trumbower, of Indiana.
Pvt. Gerald Arthur Shannon, First Company, Coast Artillery Corps, Washington National Guard.
Henry Yost Lyon, of Tennessee.

Pvt. Joseph Anthony Cistero, Battery A, Tenth Field Artillery, Connecticut National Guard.
Thomas William Freeman, of Rhode Island.
Lawrence Fulton Braine, jr., of New York.
Paxton Sterrett Campbell, of Virginia.
Maxwell Miller, of Virginia.
Roy Leo Schuyler, of Texas.
Louis DeLaussure Hutson, of Georgia.
Gustav Ludwig Karow, of Georgia.
Harold David Sites, of Ohio.
Loren Prescot Stewart, of Maine.
Nathaniel L. Simmonds, of Virginia.
John Charles Colwell, jr., of Missouri.
Harlan Davies Kimball, of New York.
James Tillinghast Moore, of South Carolina.
John Wesley Bell Thompson, of Virginia.
William Florance O'Donoghue, of Maine.
Thomas Joseph Moroney, of Texas.
William Clark Luth, of New York.
William Carlton Williams, of Washington.
Alan Walter Jones, of Washington.
Francis Leavell Johnson, of West Virginia.
William Webb Sanders, of Massachusetts.
Charles S. Brodbent, jr., of Texas.
Arthur Ranken Rockwood, of New York.
Wayne Ben Cave, of Arizona.
Stanley Allan Thomson, of California.
Emery Williamson, of Oklahoma.
Charles Reid Russell, of North Carolina.
Ira Norman Downer, of New Jersey.
William Byron Wilson, of Virginia.
Lloyd Wesley Mason, of Michigan.
Carroll Leonard Ellis, of Indiana.
Stanley Young Kennedy, of Ohio.
David Preston McCalib, of Oklahoma.
Henry Arthur Montgomery, of Oregon.
Dudley Southworth Brown, of Arizona.
Thomas Henry Shea, jr., of Massachusetts.
Franklyn Thatcher Lord, of Connecticut.
Corpl. William Winter Dean, Battery B, Tenth Field Artillery, Connecticut National Guard.
John Wolcott Stewart, of Colorado.
Augustus George Schroeder, of Missouri.
Royden Kenner Fisher, of Texas.
Marlin Clack Martin, of Arkansas.
David Lee Hooper, of Virginia.
D'Arcy David Tinsley, of South Carolina.
First Lieut. William Louis Morrison, Troop D, Colorado National Guard.
Sergt. Oliver Edward George Trechter, Company F, First Infantry, Ohio National Guard.
Elmer Frost Farnham, of Connecticut.
Charles Stone Reily, of Louisiana.
David Walker Barton, of Maryland.
James Terrill Brazelton, of Alabama.
Pvt. John Lee Autrey, Ninth Company, Coast Artillery Corps.
Corpl. Edwin Henry Haskins, Field Company, Aviation Signal School, Hawaii National Guard.
Robert Lewis Nelson, of Kentucky.

CAVALRY ARM.

Second Lieut. James Ellis Slack, Philippine Scouts.
Second Lieut. Culver Satterlee Mitcham, Third Infantry, Ohio National Guard.
Capt. William Ogden Johnson, First Infantry, Minnesota National Guard.
First Lieut. Harold Burton Gibson, Fourth Infantry, Missouri National Guard.
First Lieut. John Derby Hood, Fifth Infantry, Maryland National Guard.
Second Lieut. William E. Kepner, Second Infantry, Indiana National Guard.
First Lieut. Melvin Selmer Williamson, Second Infantry, Minnesota National Guard.
First Lieut. Evarts Walton Opie, First Infantry, Virginia National Guard.
Second Lieut. Euston Fletcher Edmunds, Twenty-third Infantry, New York National Guard.
Second Lieut. Frank Peter Stretton, First Cavalry, Illinois National Guard.
Second Lieut. Paul Hurlburt, First Infantry, New Hampshire National Guard.
Second Lieut. Aaron Y. Hardy, First Cavalry, Utah National Guard.
Capt. Earl Boden Wilson, First Infantry, New Mexico National Guard.
Sergt. Edmund John Engel, Ambulance Company A, Medical Department.
First Sergt. Paul Wodarsky, Supply Troop, Fifth Cavalry.
Pvt. John E. Grant, Troop A, Eleventh Cavalry.
Pvt. Jack McCorkle Reardon, Army Service Schools Detachment.
Sergt. George David Coleman, Medical Department.
First Sergt. Lewis Mesherry, Machine Gun Company, Twenty-seventh Infantry.
Corpl. Lewis Allen Weiss, Supply Troop, Fourth Cavalry.
Pvt. Francis E. Cheney, Troop E, Third Cavalry.
Pvt. Robert Perry Mortimer, Troop A, First Squadron, Cavalry, Ohio National Guard.
First Class Pvt. Lee Tuchocki Victor, Medical Department.
Corpl. Henry Cook Caron, Troop C, Sixth Cavalry.
Corpl. William Warren Powell, Supply Troop, Eighth Cavalry.
Sergt. Thomas Pope Cheatham, Machine Gun Company, First Infantry, South Carolina National Guard.
Sergt. Robert F. Merkel, Quartermaster Corps.
Corpl. George Fridjhof Bloomquist, Company H, Second Infantry, Washington National Guard.
First Class Pvt. Carroll Arthur Powell, Troop C, Cavalry, Ohio National Guard.
First Sergt. Frank C. De Langton, Troop D, Fourteenth Cavalry.
Regimental Supply Sergt. Oscar B. Abbott, Second Infantry, Texas National Guard.
Corpl. Carter Roderick McLennan, Troop D, First Cavalry, New York National Guard.
Sergt. Frederick Gearing, Cavalry, unassigned.
Pvt. Geoffrey Galwey, Troop L, First Cavalry, New York National Guard.
Pvt. Louis Garland Gibney, Company E, Second Infantry, Delaware National Guard.
Musician (Third Class) William Durward Adkins, band, Thirteenth Cavalry.
Supply Sergt. John Barber Hartman, Troop G, Fourth Cavalry.
Pvt. Harry Columbus Jones, Company F, Second Infantry, Texas National Guard.
Corpl. James E. Simpson, Troop I, Second Cavalry.
Pvt. Aaron Taylor Bates, jr., machine-gun troop, Squadron A Cavalry, New York National Guard.
Pvt. Charles James Booth, Company E, Second Infantry, Texas National Guard.
Sergt. William Tuttle Hamilton, Company H, Second Infantry, Kansas National Guard.
Corpl. Richard Charles Boyan, Troop G, Sixteenth Cavalry.
First Class Pvt. Edward Kirby Jones, First Aero Squadron, Signal Corps.
Sergt. Maj. Harry Phillips Shaw, First Infantry, Vermont National Guard.
Sergt. Frederick F. Duggan, Troop D, First Cavalry, Colorado National Guard.
Pvt. Merl John Flatt, Troop L, Second Cavalry.
Sergt. Harry Howard Baird, Company H, First Infantry, Minnesota National Guard.
Pvt. Francis Hutchins Waters, Troop A, First Cavalry, Maryland National Guard.
Sergt. William Taylor Bauskett, jr., Company B, Signal Corps, District of Columbia National Guard.
Corpl. Carlisle Barksdale Cox, Troop L, Cavalry, Georgia National Guard.
First Sergt. Walter Leroy Bishop, Troop L, Sixth Cavalry.
Pvt. Donald Richard McComas, Troop C, First Cavalry, Ohio National Guard.
Pvt. Lilburn Bennett Chambers, First Aero Squadron, Signal Corps.
First Class Pvt. John Wesley Burke, Company A, First Battalion Mounted Engineers.
Pvt. Charles Wells Jacobson, Troop A, Cavalry, District of Columbia National Guard.
Pvt. Edgar Rutherford Garlick, Troop C, First Squadron, Cavalry, Ohio National Guard.
Pvt. Henry Peck Ames, Troop A, Cavalry, District of Columbia National Guard.
Pvt. Richard Fairfax Leahy, Troop B, Cavalry, Washington National Guard.
Pvt. Howard Cheseborough Okie, Battery F, Tenth Field Artillery, Connecticut National Guard.
Pvt. William Lynch Gibson, Machine Gun Troop, First Cavalry, Illinois National Guard.

Sergt. Maj. James Lindsay Franciscus, First Infantry, Missouri National Guard.
First Class Pvt. Eddie James Lee, Provisional Ambulance Company C, Medical Department.
Elmer Parks Gosnell, of the District of Columbia.
Raymond Daniel Adolph, of New York.
Donald Armpriester Stroh, of Michigan.
Russell Thomas George, of Massachusetts.
Ensign Thomas Clyde McCormick, Washington Naval Militia.
Erskine Ashby Franklin, of Missouri.
Pvt. Robert Davis Thompson, jr., Battery D, Tenth Field Artillery, Connecticut National Guard.
John Edward Maher, of Arizona.
John E. Selby, of Maryland.
Arthur Louis Marek, of Texas.
Herbert Everett Watkins, of Maine.
Raymond Lovejoy Newton, of Massachusetts.
William Ross Irvin, of Texas.
Sergt. Alfred Lyons Baylies, Machine Gun Company, First Infantry, Vermont National Guard.
Lathan Hunter Collins, of Illinois.
First Lieut. Ralph Burgess Skinner, Coast Artillery Corps, Maine National Guard.
Candler Asbury Wilkinson, of Georgia.
Sergt. Milton A. Lowenberg, Company K, Third Infantry, Missouri National Guard.
Sergt. John Adams Hettinger, Headquarters Company, Second Infantry, Kansas National Guard.
George Atalbert Goodyear, of Virginia.
Paul Houston Morris, of Maryland.
Francis Edwin Stafford Turner, of the District of Columbia.
Guy Douglas Thompson, of Maryland.
First Class Pvt. George Albert Parsons, Machine Gun Company, Second Infantry, West Virginia National Guard.

FIELD ARTILLERY ARM.

Capt. Arthur Oscar Walsh, quartermaster section, Officers' Reserve Corps.
First Lieut. Marcus Aurelius Smith Ming, First Infantry, Arizona National Guard.
Second Lieut. Lewis Elmer Goodrich, Second Infantry, Florida National Guard.
Second Lieut. Victor Roland Woodruff, Fourth Infantry, South Dakota National Guard.
Second Lieut. Robert William Yates, First Field Artillery, California National Guard.
Second Lieut. Dana Caswell Schmahl, First Field Artillery, Minnesota National Guard.
First Lieut. Wilbur Granville Dockum, First Field Artillery, Massachusetts National Guard.
Second Lieut. Clinton Mansfield Lucas, First Field Artillery, New York National Guard.
Capt. Samuel Gilbert Fairchild, Kansas National Guard Reserve.
First Class Sergt. Ray S. Perrin, Company F, Second Engineers.
Regimental Supply Sergt. Ben Menadue Sawbridge, Second Infantry, Washington National Guard.
First Class Pvt. Warren D. Davis, Battery F, Fourth Field Artillery.
Sergt. Dominic Joseph Sabini, Medical Department, Regular Army Reserve.
Sergt. Herman Feldman, Headquarters Company, Second Field Artillery.
First Class Pvt. Charles Meriwether Stephens, Company E, Third Engineers.
Sergt. Oscar Townsend Yates, Machine Gun Company, Second Infantry, Idaho National Guard.
Battalion Sergt. Maj. Aubrey Charles Stanhope, casual detachment, First Infantry, Missouri National Guard.
Sergt. Maj. John Harvey Fye, Battery D, First Field Artillery, New York National Guard.
Pvt. Julius Tyler Andrews Doolittle, Troop B, Squadron A, Cavalry, New York National Guard.
Supply Sergt. Charles R. Lehner, Battery A, Eighth Field Artillery.
Second Lieut. Harry Burden Berry, Cavalry, Iowa National Guard.
First Class Pvt. James V. Palmer, Battery D, Sixth Field Artillery.
Sergt. James Francis Brittingham, Troop A, Cavalry, District of Columbia National Guard.
First Class Pvt. Gordon Grant, headquarters company, First Field Artillery, Massachusetts National Guard.
Corpl. Ernest A. McGovern, Battery D, Sixth Field Artillery.
Sergt. David Seth Doggett, Company A, Engineers, Virginia National Guard.
Sergt. Arthur Daniel Ruppel, Battery F, Second Field Artillery, Illinois National Guard.
Pvt. (First Class) Ralph Maslin Balliette, Coast Artillery Corps.
Corpl. David Haldane Trevor, Company E, telegraph battalion, Signal Corps.
Corpl. William Edward Pfeiffer, Wire Company B, Third Field Battalion, Signal Corps.
First Sergt. Walter Compere Lattimore, Battery A, Field Artillery, Texas National Guard.
Corpl. Albert A. Fleming, Coast Artillery Corps.
Pvt. Russell H. Dixon, Battery A, Field Artillery, California National Guard.
Sergt. Everett Marshall Graves, Troop K, First Cavalry, Illinois National Guard.
First Class Pvt. William W. Thomas, First Company, Second Areo Squadron, Signal Corps.
Sergt. Leo M. Daly, Quartermaster Corps.
Corpl. Francis Ray Manu, Coast Artillery Corps.
Battalion Sergt. Maj. Stephen H. Cordill, Fourth Field Artillery.
Corpl. Nathan Eugene McCluer, Battery B, First Field Artillery, Missouri National Guard.
Corpl. Tom Wiley Stewart, Company E, Second Telegraph Battalion, Signal Corps.
Sergt. Fred E. Sternberger, Quartermaster Corps.
Pvt. Harry Edwin Webber, Troop B, First Cavalry, Illinois National Guard.
Corpl. Moe Neufeld, Quartermaster Corps.
Sergt. Carlos Watkins Bonham, Battery A, Field Artillery, Indiana National Guard.
Sergt. Sidney James Cutler, Coast Artillery Corps, Regular Army Reserve.
First Class Pvt. William Ray Holcomb, Medical Department, Regular Army Reserve.
Sergt. Harry Hollander, First Field Artillery, New York National Guard.
First Lieut. John Bridger Thornhill, First Infantry, Louisiana National Guard.
Second Lieut. Edmond Cecil Fleming, Field Artillery, Illinois National Guard.
Corpl. Virgil Luther Minear, Company H, First Infantry, Utah National Guard.
Charles Emerson Boyle, of California.
Karl John Howe, of Georgia.
Corpl. Edwin Adolph Henn, Battalion C, Field Artillery, Connecticut National Guard.
Homer Hartline Dodd, of Illinois.
Sergt. Lawrence Hill Wadsworth, First Field Artillery, Minnesota National Guard.
John William Lee Sutherland, of Texas.
Pvt. Alfred Mynderse Goldman, Troop B, First Cavalry, New York National Guard.
Arthur Allen Dearing, of Vermont.
Color Sergt. James Wright Stewart, Tenth Field Artillery, Connecticut National Guard.
Francis Clinton LeGette, of South Carolina.
Pvt. Benjamin Simeon Dowd, Battery C, Tenth Field Artillery, Connecticut National Guard.
John Miller Peirce, of North Carolina.
Miles Maron Elder, of California.
Frederick Carlisle Austin, of Washington.
Corpl. George Fredrick Kite, Aviation Company A, Signal Corps.
Herbert S. Herbine, at large.
Charles Torrance McAleer, of California.
Walter Allen Noyes, of Massachusetts.
Paul Reuben Wing, of Washington.
Edward Jedd Roe, of California.
Capt. Myron Weldon Tupper, Coast Artillery Corps, Washington National Guard.
Harry Leslie Calvin, of Michigan.
Charles Richard Doran, of Louisiana.
William Wilson Belcher, of Connecticut.
John Richard Williams, of Washington.
George Ralston Middleton, of Indiana.
Wilbur Haile Hayes, of South Carolina.
Robert Fuller Blodgett, of Massachusetts.
Pvt. John Francis Lynch, Battery A, Tenth Field Artillery, Connecticut National Guard.
Carl Cladius Carney, of West Virginia.
Richard Allen Gordon, of Virginia.

COAST ARTILLERY CORPS.

Second Lieut. Nelson Dingley, 3d, Second Infantry, New York National Guard.
Second Class Electrician Sergt. Carl Russell Adams, Coast Artillery Corps.
Pvt. Edward Carl Lohr, Coast Artillery Corps.
Sergt. Byron Tully Ipock, Coast Artillery Corps.
Pvt. George Walter Hovey, Coast Artillery Corps.
Sergt. Ernest L. Bigham, Coast Artillery Corps.
Corpl. Raymond Herman Schutte, Coast Artillery Corps.
First Class Pvt. Carl R. Crosby, Coast Artillery Corps.
Pvt. Charles Thomas Halbert, Company I, First Infantry, Kansas National Guard.
Corpl. Claude Gilbert Benham, Battery B, Field Artillery, Virginia National Guard.
Corpl. Henry Bradley Frost, Company G, Third Infantry, Iowa National Guard.
Sergt. Roy Dayton Burdick, Company B, Engineers, Ohio National Guard.
Corpl. Franklin A. Green, Coast Artillery Corps.
Corpl. Harrie J. Rechtsteiner, Coast Artillery Corps.
Capt. Willard Wadsworth Irvine, Quartermaster Corps, Georgia National Guard.
William Doughty Evans, of Georgia.
William Carl Byrd, of South Carolina.
Clarence Noble Winston, of Michigan.
Albert Miller Jackson, of Nevada.
Lyle Bishop Chapman, of New York.
Joseph Philip Kohn, of New York.
Robert Justin Van Buskirk, of Florida.
Frederick Linwood Topping, of Virginia.
Sergt. Thomas Raphael Phillips, Fourth Company, Coast Artillery Corps, Washington National Guard.
First Lieut. Charles S. Erswell, jr., Coast Artillery Corps, Maine National Guard.
Pvt. Lewis Merriam, jr., Coast Artillery Corps.

PROMOTIONS IN THE NAVY.

Lieut. Commander Arthur St. C. Smith to be a commander in the Navy from the 29th day of August, 1916.
Lieut. Arthur K. Atkins to be a lieutenant commander in the Navy from the 29th day of August, 1916.
Lieut. Albert Norris to be a lieutenant commander in the Navy from the 1st day of January, 1917.
The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 29th day of August, 1916:
Henry R. Keller, and
Henry G. Shonerd.
Ensign Solon E. Rose to be a lieutenant (junior grade) in the Navy from the 7th day of March, 1915.
The following-named ensigns to be lieutenants (junior grade) in the Navy from the 7th day of June, 1916:
James R. Webb, and
David R. Lee.
Pay Inspector William J. Littell to be a pay director in the Navy from the 29th day of August, 1916.
Pay Inspector Martin McM. Ramsay to be a pay director in the Navy from the 25th day of April, 1917.
The following-named paymasters to be pay inspectors in the Navy from the 29th day of August, 1916:
Charles Conrad, and
Robert H. Woods.
Capt. Lee B. Purcell to be a major in the Marine Corps from the 29th day of August, 1916.
The following-named first lieutenants to be captains in the Marine Corps from the 29th day of August, 1916:
Robert W. Voeth,
Marion B. Humphrey,
John A. Gray,
William C. MacCrone, and
Norman C. Bates.
First Lieut. John B. Sebree to be a captain in the Marine Corps the 23d day of September, 1916:
Second Lieut. Archibald Yound to be first lieutenant in the Marine Corps from the 29th day of August, 1916.
Pay Clerk Henry E. Brown to be a chief pay clerk in the Navy from the 21st day of July, 1916.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 2 (legislative day of June 1), 1917.

UNITED STATES MARSHALS.

J. M. Tanner to be United States marshal for the first division of Alaska.
Andrew H. Hudspeth to be United States marshal, district of New Mexico.

COAST AND GEODETIC SURVEY.

The following-named assistants of the Coast and Geodetic Survey to be hydrographic and geodetic engineers:
Robert Lee Faris.
William Bowie.
Philip Albert Welker.
Herbert Cornelius Graves.
Richard Barnett Derickson.
Fremont Morse.
Hugh Cowan Denson.
Dallas Bache Wainwright.
Isaac Winston.
John Francis Pratt.
Edmund Finlay Dickins.
John Edward McGrath.
William Candler Hodgkins.
William Edward Parker.
Nicholas Hunter Heck.
John Thomas Watkins.
Clifford Gordon Quillian.
Paul Clinton Whitney.
Edward Herbert Pagenhart.
Ector Brooks Latham.
John Jacob Gilbert.
Francis Hathaway Hardy.
Raymond Stanton Patton.
Gilbert Thomas Rude.
Carey Vandervort Hodgson.
Homer Peter Ritter.
Walter Browne Fairfield.
Oscar Wood Ferguson.
Cephas Hempstone Sinclair.
Andrew Braid.
Robert Francis Luce.
Thomas James Maher.
John Warwick Daniel Maupin.
Francis George Engle.
Leo Otis Colbert.
John Bartlett Boutelle.
Ferdinand Westdahl.
James Bowen Baylor.
The following-named assistants of the Coast and Geodetic Survey to be junior hydrographic and geodetic engineers:
Harry A. Seran.
Clem Leinster Garner.
John Henry Peters.
Jean Hopkins Hawley.
Eoline Richmond Hand.
Paul McGeorge Trueblood.
Frederick Bernhard Theodore Siems.
Alfred Modesto Sobieralski.
Arthur John Ela.
Richard Russell Lukens.
Edgar English Smith.
Roscoe Perrin Strough.
John Dalrymple Powell.
Arthur Joachims.
Isaiah Morris Dailey.
Alfred Lewis Giacomini.
Otis William Swainson.
George Durno Cowie.
Ernest Eugene Reese.
Harold Alonzo Cotton.
Frank Spaulding Borden.
John Albert Daniels.
George Carl Mattison.
Leon Archie Potter.
Max Steinberg.
Harry Leypoldt.
Eustace Samuel Walker.
Harry Thomas Kelsh, jr.
Harrison Rae Bartlett.
William Valley Hagar.
Henry Bowers Campbell.
Kenneth Tress Adams.
Ernest Werner Eickelberg.
Frederic Lockwood Peacock.
Walter Draper Sutcliffe.
Ray Longfellow Schoppe.
Raymond Vernon Miller.
The following-named aids of the Coast and Geodetic Survey to be aids:
Arthur Sidney Hallberg.

Maurice Eli Levy.
Robert James Auld.
William Harold Clark.
Jack Senior.
Sylvanus Davis Winship.
Raymond Pugh Eyman.
Leo Cuthbert Dyke.
Chester Howard Ober.
Douglas Karr.
Conrad Turner Bussell.
William Henry Kearns.
Leonard Harold Zeman.
George Clay Jones.
Charles Shaw.
Reuben Arey.
Carl Alexander Egner.
Oliver Scott Reading.
Gardiner Luce.
Bert Clinton Freeman.
Lyman Davis Graham.
Stanley Truman Barker.
Raymond Alonzo Wheeler.
Leo Clark Wilder.
Andrew Carothers Witherspoon.
Herbert Richard Grummann.
Rowland King Bennett.
Max Orville Witherbee.
Payson Austin Perrin.

PROVISIONAL APPOINTMENTS BY TRANSFER.

Second Lieut. George R. Barker, Fourteenth Cavalry, to be second lieutenant of Infantry.

Second Lieut. George Sawtelle, Twentieth Infantry, to be second lieutenant of Cavalry.

PROMOTIONS IN THE ARMY.

JUDGE ADVOCATE GENERAL'S DEPARTMENT.

To be judge advocates.

Lieut. Col. Frank L. Dodds.
Lieut. Col. Lewis E. Goodier.

To be judge advocates with the rank of lieutenant colonel.

Maj. Blanton Winship.
Maj. Beverly A. Read.
Maj. Edward A. Kreger.
Maj. Samuel T. Ansell.
Maj. Herbert A. White.

QUARTERMASTER CORPS.

To be colonels.

Lieut. Col. Chauncey B. Baker.
Lieut. Col. George McK. Williamson.
Lieut. Col. Thomas H. Slavens.
Lieut. Col. David S. Stanley.
Lieut. Col. Thomas C. Goodman.
Lieut. Col. James B. Houston.
Lieut. Col. William H. Hart.
Maj. Frank H. Lawton.

CORPS OF ENGINEERS.

To be colonels.

Lieut. Col. Henry Jervey.
Lieut. Col. Charles H. McKinstry.
Lieut. Col. William V. Judson.
Lieut. Col. E. Eveleth Winslow.
Lieut. Col. Clement A. F. Flagler.
Lieut. Col. Chester Harding.

To be lieutenant colonels.

Maj. William D. Connor.
Maj. John C. Oakes.
Maj. Sherwood A. Cheney.
Maj. Frederick W. Altstaetter.
Maj. Harley B. Ferguson.
Maj. Frank C. Boggs.
Maj. Clarke S. Smith.
Maj. William P. Wooten.
Maj. Lytle Brown.
Maj. Earl I. Brown.
Maj. Amos A. Fries.
Maj. James A. Woodruff.

To be majors.

Capt. Roger D. Black.
Capt. Theodore H. Dillon.
Capt. De Witt C. Jones.
Capt. Ernest Graves.
Capt. Francis B. Wilby.
Capt. Clarence S. Ridley.
Capt. Alvin B. Barber.
Capt. Jarvis J. Bain.
Capt. Thomas H. Emerson.
Capt. Robert S. Thomas.
Capt. Roger G. Powell.
Capt. John N. Hodges.
Capt. Arthur R. Ehrnbeck.
Capt. Harold S. Hetrick.
Capt. William A. Johnson.
Capt. James J. Loving.
Capt. Frederick B. Downing.
Capt. Edmund L. Daley.
Capt. Henry A. Finch.
Capt. Edward D. Ardery.
Capt. James G. Steese.
Capt. Roger G. Alexander.
Capt. James A. O'Connor.
Capt. Lewis H. Watkins.
Capt. Gilbert E. Humphrey.
Capt. Richard Park.
Capt. Daniel I. Sultan.
Capt. Glen E. Edgerton.
Capt. Charles L. Hall.

To be captains.

First Lieut. Richard U. Nicholas.
First Lieut. Myron Bertman.
First Lieut. Leo J. Dillow.
First Lieut. James A. Dorst.
First Lieut. Rufus W. Putnam.
First Lieut. Lunsford E. Oliver.
First Lieut. William H. Holcombe.
First Lieut. James B. Cress.
First Lieut. Charles P. Gross.
First Lieut. Bernard A. Miller.
First Lieut. Peter C. Bullard.
First Lieut. Brehon B. Somervell.
First Lieut. Xenophon H. Price.
First Lieut. Robert W. Crawford.
First Lieut. Frederick S. Skinner.
First Lieut. Dabney O. Elliott.
First Lieut. Allen P. Cowgill.
First Lieut. George F. Lewis.
First Lieut. Harrison Brand, jr.
First Lieut. Frederick W. Herman.
First Lieut. John H. Carruth.
First Lieut. Oscar O. Kuentz.
First Lieut. William E. R. Covell.
First Lieut. Edwin R. Kimble.
First Lieut. Joseph D. Arthur, jr.
First Lieut. Ernest F. Miller.
First Lieut. John S. Bragdon.
First Lieut. George J. Richards.
First Lieut. Alexander P. Cronkhite.
First Lieut. John S. Smylie.
First Lieut. Lehman W. Miller.
First Lieut. Douglas L. Weart.
First Lieut. Earl E. Gesler.
First Lieut. Edwin A. Bethel.
First Lieut. John F. Conklin.
First Lieut. Alfred L. Ganahl.
First Lieut. John E. Harris.
First Lieut. William F. Tompkins.
First Lieut. Douglas H. Gillette.
First Lieut. Paul A. Hodgson.
First Lieut. Donald A. Davison.
First Lieut. Thomas B. Larkin.
First Lieut. Edwin C. Kelton.
First Lieut. Mason J. Young.
First Lieut. Layson E. Atkins.

ORDNANCE DEPARTMENT.

To be colonels.

Lieut. Col. Colden L'H. Ruggles.
Lieut. Col. George Montgomery.
Lieut. Col. John W. Joyes.

To be lieutenant colonels.

Maj. Thales L. Ames.
Maj. Edward P. O'Hern.
Maj. Edwin D. Bricker.

SIGNAL CORPS.

To be colonel.

Lieut. Col. Charles McK. Saltzman.

To be lieutenant colonels.

Maj. Leonard D. Wildman.
Maj. Walter L. Clarke.
Maj. Basil O. Lenoir.
Maj. William Mitchell.
Maj. Charles S. Wallace.
Maj. George S. Gibbs.
Maj. Charles de F. Chandler.

To be major.

Capt. Arthur S. Cowan.

INFANTRY ARM.

To be majors.

Capt. G. Maury Crallé.
Capt. Joseph F. Gohn.

To be captain.

First Lieut. Carl C. Oakes.

PROVISIONAL APPOINTMENTS BY PROMOTION.

COAST ARTILLERY CORPS.

Second Lieut. Kenneth S. Purdie.

CORPS OF ENGINEERS.

To be first lieutenants.

Second Lieut. Harold W. Sibert.
Second Lieut. Howard G. Borden.
Second Lieut. Thomas F. Farrell.
Second Lieut. Kenneth S. Jones.

PROVISIONAL APPOINTMENTS AS SECOND LIEUTENANTS IN THE ARMY.

CORPS OF ENGINEERS.

Lenox Riley Lohr.
Truman Minor Curry, jr.
Frank Melvin S. Johnson.
Simes Thurston Hoyt.
Clarence Malcolm Fuller.
Harry Allen Skerry.
John Francis McSweeney.
Giovanni Battista LaGuardia.
Fred Craig Albert.
Don Russell Cather.
Sylvester Emery Nortner.
John Riley Donaldson.
Julian George Guiteras.
Marion Den Herder Kolyn.
Walter Pierron Burn.
David Leonard Neuman.

INFANTRY ARM.

Augustus Brown O'Connell.
Charles Carroll Fitzhugh.
Thomas Leroy McMurray.
Hiram Gilbert Fry.
Paul Edward Jackson.
John M. Boon.
Roger Hilsman.
Holmes Ely Dager.
James Everett Allison.
Harry Elmer Fischer.
Thomas Loryea Alexander.
Charles Erwin Rayens.
Charles Hudson Jones.
Roger Williams, jr.
Harry Brandley Hildebrand.
William Hones, jr.
John Jacob Bethurum.
John Lawrence Cootey.
Albert Charles Anderson.
William H. Joiner.
Hugh Pitcairn Schively.
John Demetre Joanidy.
Gilmer Meriwether Bell.
Manley Lawton.
Roy Sloan.
Bryce Farren Martin.
Harold Clinton Hoopes.
Henley Schuck.
Glenn Dewitt Hufford.
Paul Revere Hudson.
William Richard Dwyer.
Hanon Fields Combs.
William E. Fentress.
Ralph Hall.
Maj. Mahlon Gerhard Frost.
Benjamin Harrison Hensley.
Hawthorne C. Gray.
Donald James Neumüller.
Orland Sylvester O'Neal.
Otto Kramer.
George D. Ramsey.
Jerome Pickett.
Lebbeus Morrison Cornish.
Leon F. Stevens.
William Samuel Rumbough.
George Alexander Murray.
Joseph E. Young.
Henry Theophil John Weishaar.
Charles S. Lawrence.
Cyrus Alaric Hay.
Benjamin Joseph Holt, jr.
Newton Dousman Hathaway.
Byron W. Fuller.
John Erwin Stullken.
Herman Henry Meyer.
Carleton More.
Edward P. Sheppard.
Clyde McClain Strosnider.
Henry Jeffrey Matchett.
John Henry Strickland.
Vincent Staub Burton.
Griffith Wight.
Curtis P. Miller.
William Ernst.
John William Bulger.
Roy Wright Voege.
Taylor Milton Uhler.
Roy George Gordon.
Vernon Lee Burge.
Simon Fostiak.
Edwin Louis Dittmar.
Crosby N. Elliott.
Ernest Ray Marvel.
Frank Moore Child.
Raymond Lester Price.
Frederic Montgomery Lee.
Hurley Edward Fuller.
Larry McHale.
Arthur Maxwell O'Connor.
John Paul Horan.
James Hadden Sloan Wells.
Richard Wilmer Cooksey.
Homer Smith Youngs.
Edwin Wolsey Grimmer.
William Harold Clark.
Frank Eugene Haskell.
Lloyd Davidson Brown.
Roy Carter Hilton.
Raymond Edward O'Neill.
Justin Stanley Hemenway.
William Almond Shely.
Corwin Crittenden Smith.
John Eliot McKenney.
John Urban Ayotte.
Charles Heyward Barnwell, jr.
Henry Alfred Schwarz.
Edward George Herlihy.
Arnold John Funk.
George Marvin Ferris.
Edwin Lockwood MacLean.
Norman Minus.
Ernest Newman Stanton.
Thomas Gerald O'Malley.
Newell Rodney Fiske.
Philip Braham Harrigan.
John Downing Hill.
Frank Wiltshire Gano.
John Leonard Pierce.
Donald Kent Mason.
Lowell Warde Rooks.
Claude Jacques Hayden.
Samuel Davies Bedinger.
Alpheus Evans Willson Harrison.
Malcolm Vaughn Fortier.
Outram Willett Sherman.
Ivan Neal Waldron.
John Joseph Atkinson.
Edward Christopher Allworth.
Roland Winfred Wittman.

Julian Rockwood Orton.
Reginald Nichols Hamilton.
John Walter Nicholson.
Thomas Allan Young.
Charles Haines Lee.
Ray Bradford Conner.
James Stanley Moore, jr.
Franklyn Hayes Woody.
Herbert Louis Landolt.
Samuel Walter Sowerbutts.
Will Van Sycle Parks.
Charles Bernard Kelly.
Malcolm McGregor Maner.
John Lloyd McKee.
Glenn Luman Allen.
Charles Rouse Jones.
Willard Stewart Paul.
Moritz Augustus Rust Loth.
Robert Henry Chance.
Claude Wallace Shelton.
Harry Grant Hodgkins, jr.
Samuel Rufus Ward.
Vincent Paul Rousseau.
March Hugo Houser.
Lamont Davis.
James Brown Golden.
Edwin Blair Banister.
Willfred Rowell Higgins.
Eldon Paul King.
Frederick Stone Matthews.
Arthur Pleasant Sibold.
Francis Maynard Lasseigne.
Walter Hellmers.
Jesse Plez Green.
Howard Winthrop Turner.
William Audley Taber.
Philip Barbour Peyton, jr.
Henry Garner Sebastian.
Aaron Joseph Becker.
Lindsay P. Johns.
Charles Arthur Shamotulski.
Frederick R. Baker.
William Powell Scobey.
Robert Donald Horton.
Carl Joshua Lambeth.
William F. Donnelly.
George Lignori Pepin.
Lloyd Neff Keesling.
Lawrence Burdette Glasgow.
Wesley Crowell Brigham.
William Major Goldston.
Cyrus Higginson Searcy.
Theodore Kelly.
Leon Edward Norris.
David McAllister Hunter.
J. Harlod Fleischhauer.
Tasso Wadsworth Swartz.
Edward William McCaskey, jr.

CAVALRY ARM.

Guy Hudson Dosher.
Cecil Rutherford Neal.
Myer Samuel Silven.
William Harris Symington.
Philip B. Fryer.
Donald Coe Hawley.
Vernon Lhrean Padgett.
Jay Ward MacKelvie.
Francis Truman Bonsteel.
William Edwin Barott.
Wallace Francis Hamilton.
Frank Nelson.
William E. McMinn.
Edmund Michaux Crump.
Herman Frederick Rathjen.
Daniel Joseph Keane.
Milo Joseph Warner.
Le Roy Davis.
Anthony John Tittinger.
Max Donald Holmes.
Charles Allen Ellis.
Demas Lindley Sears.
Bankston E. Mattox, jr.
Frank Henry Barnhart.
John August Moschner.
George Edward Harrison.
Wesley J. White.
Alton Wright Howard.
Nolan Ferguson.
Richard Whitney Carter.
Kenneth Rowntree.
George Archibald King.
Ion Carl Holm.
Carl Clifton Krueger.
Arthur E. Pickard.
Robert McClean Carswell.
Arthur Vollmer.
Otto Blaine Trigg.
George William Lyman Prettyman.
James Booth Lockwood.
Lionel Leopold Meyer.
Frederick Harold Leroy Ryder.
Myron Winston Hackney.
Wallace William Crawford.
Theodore Besson Apgar.
Jefferson Bartow Osborn.
Mortimer Heth Christian.
Marcus Roger Monsarratt.
Fabius Busbee Shipp.
James Jay Cecil.
James Madison Shelton.
Albert Russell Kuschke.
George Albert Moore.
George William Gay.
Forsyth Bacon.
Ralph Leslie Joyner.
Roscoe Stewart Parker.
Heywood Shallus Dodd.
Kent Craig Lambert.
George Edward Huthsteiner.
Richard Bennett Lloyd.
Maurice Morgan.
Gilbert Edwin Bixby.
Eugene Burnet.
Charles Frederick Houghton.

FIELD ARTILLERY ARM.

Frank Langham.
William F. Maher.
Walter Franklin Wright.
Sidney Feagin Dunn.
Louis Whorley Hasslock.
Breckinridge Atwater Day.
Paul Church Harper.
Joseph Kennedy.
George D. Shea.
John Van Derlip Hume.
Woodrow Wilson Woodbridge.
Gervas Storrs Taylor.
John Griffen Pennypacker.
Richard Henry Schubert.
Edward John Fox Marx.
John Waring Weeks.
Wilbur Clynton Carlan.
George Ross Rede.
Gilbert Paul Kearns.
Van Rensselaer Vestal.
John Homer Carriker.
Peter P. Michalek.
William Griswold Gough.
Joseph Aloysius Mulherrin.
Azel Wingert McNeal.
William Benjamin Wright, jr.
Victor Horace Bridgman, jr.
Wendell Lowell Bevan.
William Brooke Dunwoody.
Henry Joseph Macpeake.
Frank Warren Lykes.
Richard Terrell Guthrie.
Ittai Albert Luke.
Roger Griswold.
Henry Lockwood, jr.
Alan Lockhart Campbell.
Oscar Blount Ralls, jr.
John Harman Larkin.
Douglas Rubison Coleman.
George Peterson Winton.
Robert Nelson Getty, jr.

George Jackson Downing.
Christiancy Pickett.
Rush Hawkins Rogers.
John Cooper Adams.
Arthur Carroll Waters.
Ernest Terrill Barco.
Lester Amiel Daugherty.
Walter Gordon Witt.
Joseph Earle Takken.
Raymond Jerome Watrous.
Jerome Jackson Waters, jr.
Thomas Grafton Hanson, jr.
Bertram Neumann Rock.
Alexander Shepherd Quintard.

COAST ARTILLERY CORPS.

Henry Fred Grimm, jr.
Henry Linsert.
Herman Augustine Brandt.
Donald Langley Dutton.
Leland Adrian Miller.
Arthur Nolan Harrigan.
Percy Clayton Hamilton.
Robert Alexander Laird.
Porter Prescott Lowry.
Stuart W. Griffin.
Joseph William Hazell.
John Briggs Day.
James Louis Keane.
John Albert Messerschmidt.
Otis Alexander Wallace.
Benjamin Bowering.

PORTO RICO REGIMENT OF INFANTRY.

Luis Felipe Cianchini.
Victor Emanuel Domenech.
Antonio Andrés Vasquez.
Juan Eugenio Guzman.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named lieutenant commanders to be commanders:

Amon Bronson, jr., and
Louis C. Richardson.

Lieut. John H. Newton to be a lieutenant commander.

Lieut. Andrew F. Carter to be a lieutenant commander.

Midshipman Benjamin F. Staud to be an ensign.

James E. Slack, a citizen of Minnesota, to be a second lieutenant in the Marine Corps.

The following-named first lieutenants to be captains in the Marine Corps:

Thomas E. Thrasher, jr.,
Ernest C. Williams, and
John L. Doxey.

The following-named second lieutenants to be first lieutenants in the Marine Corps:

Robert O. B. Burwell,
Rupert M. Burstan, and
Owen E. O'Neill.

First Lieut. Paul C. Marmion to be a first lieutenant in the Marine Corps.

Arthur H. Turner to be a second lieutenant in the Marine Corps.

The following-named citizens to be dental surgeons:

Lloyd C. McDonald,
Albert Knox,
Irvin G. Kohlmeier,
Weeden E. Osborne,
Everett, K. Patton,
Cedric T. Lynes, and
Richard C. Green.

The following-named citizens to be assistant dental surgeons in the Dental Reserve Corps.

William J. Rogers,
Edward D. Ralph, and
Charles O. Sandstrom.

The following-named second lieutenants to be first lieutenants in the Marine Corps:

Vincent E. Stack,
Henry P. Torrey,
Bryan C. Murchison, and
Allen H. Turnage.

Leonard G. Hoffman to be an assistant paymaster.

HOUSE OF REPRESENTATIVES.

SATURDAY, *June 2, 1917.*

The House met at 11.30 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O that men would love the Lord, our God and our Father, for His goodness and for His wonderful works to the children of men; that they may praise and worship Thee from the heart; that Thy will may be done and their work be worthy of Thy praise; that Thy kingdom may come in an everlasting peace through Him who taught us to do unto others as we would be done by; to the honor and glory of Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

ERECTION OF TEMPORARY BUILDINGS ON SMITHSONIAN GROUNDS.

Mr. CLARK of Florida rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. CLARK of Florida. To ask unanimous consent for the present consideration of House joint resolution 94, authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian grounds.

The SPEAKER. The gentleman from Florida asks unanimous consent for the present consideration of House joint resolution 94, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That authority be, and is hereby, given to the Board of Regents of the Smithsonian Institution to grant permission, under such conditions and restrictions as they may deem necessary, to the Secretary of War to erect for the use of the War Department a temporary structure or structures in the Smithsonian grounds in the city of Washington: *Provided*, That the Secretary of War shall have such building or buildings removed from the said grounds and the site or sites thereof placed in as good condition as at present within three years from the date of the approval of this resolution.

The SPEAKER. Is there objection?

Mr. MANN. Reserving the right to object, will the gentleman from Florida make a statement in regard to the bill?

Mr. CLARK of Florida. Mr. Speaker, I will state that the War Department has been extremely anxious for some time to construct some buildings for the use of the Aviation Service. The Secretary of War advises the committee that the plans have been drawn, arrangements have already been made, and that these buildings must be constructed somewhere. There is really no other place to put them, and, for the benefit of the House, I will read the letter from the Secretary of War under date of May 29:

WAR DEPARTMENT,
Washington, May 29, 1917.

Hon. FRANK CLARK,
House of Representatives, Washington, D. C.

MY DEAR MR. CLARK: In response to your recent request in regard to the necessity for the passage of H. J. Res. 94 at the present session of Congress, to authorize the erection of temporary buildings in the Smithsonian Grounds for the use of the War Department, I beg to advise you that the act of August 24, 1912 (37 Stats., pt. 1, p. 444), provides that no building or structure shall be erected upon public grounds in the District of Columbia except by express authorization of Congress.

The Chief Signal Officer of the Army, in conjunction with the officials of the Smithsonian, has arranged with the Board of Regents of the latter institution to erect a temporary building for the Aviation Service. This building is urgently needed, the plans have been completed and approved, the contract for its erection has been arranged, and the material is ready for use as soon as the proper authorization by Congress shall be given. The War Department is not able to secure any other building adequate for this purpose, and must build somewhere. It will greatly promote the efficiency of the service to have this additional space in the same locality with the Smithsonian Institution, which will cooperate in the study of the problems involved.

May I ask you to bring the resolution to the early attention of the House, in order that the erection of this building may be proceeded with as promptly as possible?

Sincerely, yours,

NEWTON D. BAKER,
Secretary of War.

Now, Mr. Speaker, that explains the resolution as fully as it can be explained. There is no doubt as to the urgency of the matter. It ought to have been built some time ago, but they are all in readiness now, contracts have been arranged, materials have been purchased, plans have been provided, and the money is in readiness to erect these buildings, and I trust that there will be no objection to its present consideration.

Mr. MANN. Will the gentleman yield for a question?

Mr. CLARK of Florida. Yes.

Mr. MANN. My understanding is, from statements which have been made, that it is the desire to construct a temporary building south of the main Smithsonian buildings, south of the taxidermist building, right on B Street, and that it is not con-

templated putting any building between the Smithsonian Building and the New National Museum.

Mr. CLARK of Florida. No; not at all.

Mr. MANN. One of the purposes of this is to permit the Aviation Service of the War Department to have the benefit of close contact with the Smithsonian, which has given considerable study to aviation.

Mr. CLARK of Florida. So the Secretary of War states in his letter.

Mr. MANN. The gentleman will recall that it was the secretary of the Smithsonian Institution who brought out the plans for flying machines, and that the Smithsonian Institution has always been interested in the problem of aviation.

Mr. CLARK of Florida. Yes; and it strikes me that it is very proper that the building should be put in close proximity to that institution for the reason which the gentleman states.

Mr. MANN. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed.

On motion of Mr. CLARK of Florida, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

ACCEPTANCE OF STATUE OF SEQUOYAH.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent for the present consideration of House concurrent resolution 11.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent for the consideration of House concurrent resolution 11, which the Clerk will report.

The Clerk read the resolution, as follows:

House concurrent resolution 11.

Resolved by the House of Representatives (the Senate concurring), That the statue of Sequoyah, presented by the State of Oklahoma, to be placed in Statuary Hall, is accepted in the name of the United States, and that the thanks of Congress be tendered to the State for the contribution of the statue of one of its most eminent citizens, illustrious for his distinguished civic services.

Second. That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the governor of Oklahoma.

The report (by Mr. SLAYDEN) is as follows:

The Committee on the Library, having had under consideration the resolution (H. Con. Res. 11) accepting the statue of Sequoyah from the State of Oklahoma, report it back with the recommendation that it do pass.

SEQUOYAH.

Sequoyah, whose statue it is proposed to accept from the State of Oklahoma, was born in the State of Georgia about 1770. He was the son of a full-blooded Cherokee woman and a German trader by the name of George Gist, who dealt in contraband articles, and who abandoned his wife before Sequoyah was born.

Sequoyah grew up to young manhood among the Cherokees in Georgia and became a leader in the affairs of his tribe. He not only took an active part in hunting and fishing, as well as sports, but became a trader, silversmith, blacksmith, and philosopher, and later the inventor of the Cherokee alphabet, upon which his chief claim to fame rests. This invention is most remarkable when it is known that he never attended school and could neither read nor write the English language.

Following the invention of the Cherokee alphabet, consisting of 85 characters, in 1821, it was accepted by the tribe and he was voted a silver medal in 1824 as a mark of distinction. In 1828 an iron printing press was purchased by the Cherokees with Cherokee and English type, from which the Cherokee Phœnix was published at New Echota, Ga. It was the first newspaper printed in the Indian language. The paper was discontinued about 1835 and another, the Cherokee Advocate, was established in the Indian Territory west, now a part of Oklahoma, in 1845. It ceased publication during the Civil War and was reestablished in 1870 and published until 1905, both in English and Cherokee.

The effect of this alphabet upon the future advancement of the Cherokee Indians and all other Indian tribes is difficult to fully appreciate. Immediately after its invention not only were newspapers published in the Indian language which could be read by all, but the New Testament, hymns, tracts, and books of various kinds were published, resulting, no doubt, in the adoption of the first written Indian constitution in 1827, modeled after that of the United States and the several States, and the formation of a government with three distinct branches—legislative, executive, and judicial—similar to the government of the surrounding States.

Sequoyah came to Washington as one of the representatives of the western tribes of Indians in 1828, when his invention was recognized by Congress and an appropriation of $500 was made for his benefit. Additional appropriations were made by Congress for the education of the children of the tribe.

In 1823 he moved from Georgia with other members of the Cherokee Tribe west, first into the Territory of Arkansas and later to the Indian Territory, now a part of Oklahoma.

While in Washington he conceived the idea of inventing another alphabet by means of which all Indians upon the American Continent speaking different languages could communicate with each other. In the early forties he started out on a western tour to visit the western Indian tribes and further this plan, but he never lived to accomplish the end sought. He died in the far West about 1845, near San Bernardino, the exact spot being unknown.

Sequoyah's English name was George Guess, a corruption of Gist, and the word Sequoyah means "guessed it." The Cherokee Tribe in the Indian Territory west further recognized his great services by voting him a pension and naming one of its counties for him, and this honor was continued by the State of Oklahoma. Under the act of Congress authorizing each State to place two statues representing distinguished men in Statuary Hall, the first to be presented on behalf of the State of Oklahoma is that of Sequoyah, the Cherokee Cadmus.

The SPEAKER. Is there objection?

Mr. MANN. Reserving the right to object, there are always exercises connected with the ceremonies accepting these statues. When are the exercises to take place?

Mr. HASTINGS. I will say that the exercises will take place in Statuary Hall at 10.30 o'clock Wednesday morning, June 6.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

On motion of Mr. HASTINGS, a motion to reconsider the vote by which the concurrent resolution was passed was laid on the table.

RECEPTION OF ITALIAN MISSION.

The SPEAKER. The Chair appoints as the committee to escort the Italian mission to the floor of the House Mr. FLOOD, Mr. LINTHICUM, Mr. GOODWIN of Arkansas, Mr. COOPER of Wisconsin, Mr. PORTER, and Mr. LAGUARDIA, and, in accordance with the order heretofore made, the House will stand in recess for 30 minutes.

Accordingly (at 11 o'clock and 45 minutes a. m.) the House stood in recess.

At 11 o'clock and 55 minutes a. m. the commissioners of the Italian Government to the Government of the United States, his Royal Highness Ferdinando di' Savoia, Prince of Udine; Tenente de Zara, aid to the prince; His Excellency the Hon. Enrico Arlotta, minister of transportation; His Excellency Marquis Luigi Borsarelli di Rifreddo, undersecretary of state for foreign affairs; Hon. Guglielmo Marconi, senator of the Kingdom; Hon. Francesco Saverio Nitti, member of the Chamber of Deputies; Hon. Augusto Ciuffelli, member of the Chamber of Deputies; Cavaliere de Parente, secretary of legation and secretary of the mission; Duke of Sangro, aid to Senator Marconi; Cavaliere Pietra, of the commercial mission; Gen. Guglielnotti, military attaché; and Commander Vannutelli, naval attaché, accompanied by Count V. Macchi di Cellere, ambassador extraordinary and plenipotentiary, accredited to the United States; Mr. Breckenridge Long, Assistant Secretary of State; and Lieut. Col. J. C. Gilmore, United States Army.

The distinguished visitors were escorted to the Speaker's rostrum amid prolonged applause and cheers, and the Prince of Udine was seated on the right of the Speaker.

The SPEAKER. Gentlemen of the House of Representatives, I present to you his royal highness, the Prince of Udine. [Applause.]

ADDRESS OF THE PRINCE OF UDINE.

The PRINCE OF UDINE. Mr. Speaker and Members of the House, no one could appreciate the honor of your invitation more than myself and my colleagues.

To address the Representatives of the greatest among new democracies at a time when the destinies of humanity are awaiting decision, at a time when our destiny and yours depend on the issue of the war, to bring you the greeting of distant brothers who are fighting for the same ideals at the foot of the snowy Alps or in the deadly trenches, to express to you our feelings and our sympathy for your feelings—all those are for me so many reasons for legitimate pride. [Applause.]

During our brief stay among you we have found everywhere the most joyous welcome and the most friendly cordiality. Everywhere it was not only friendly words that greeted us but also friendly souls who welcomed us.

We have felt deeply moved by this.

We know, gentlemen, that such cordial sentiments, such hearty friendship, are meant not so much for our persons as for our beautiful and distant country; our country, of which every foot is sacred to us because of its century-old greatness and sufferings and because of the noble share which it has always had in human thought and history. [Applause.]

But your great Republic, when it grants us such courteous hospitality, honors still more that which at the present moment is dearest to us—the efforts of Italy's soldiers, the noble sacrifice of so many young lives freely given for their country and for civilization and in defense of ideals which you have made your own and which we all love.

In the name of the soldiers of Italy, one of whom I am proud to be; in the name of all those who are fighting on the mountains, on the plains, and on the treacherous seas; in the name of those to whom your words of friendship have brought a message of hope and faith across the ocean, I thank you from the bottom of my heart. [Applause.]

The aims of the war for the allied nations were pointed out by President Wilson in his magnificent message, which will not

only remain in the minds of our descendants as a historic event, but which has already aroused, because of its moral force, intense admiration among all civilized peoples. We shall be satisfied, whatever sacrifices we may be called upon to make, when the rights of humanity are assured, when the guaranties of peace are effectual, and when free nations are able to work for their own prosperity and elevation.

President Wilson has proclaimed that to the Americans right is more precious than peace and that the people of the United States are ready to shed their blood in defense of those principles in the name of which they became a nation.

For the sake of the same principles we are ready to face every sacrifice and every sorrow.

We are fighting a terrible war. Our enemies were long since prepared for it, while we were content to live, trusting in peace, and only sought to contribute to the development of our people and to the progress of our country, almost unconscious of the clouds which so suddenly grew dark over our heads.

We came into the war when we realized that there was no room for neutrals and that neutrality was neither possible nor desirable, when the freedom of all democratic nations was threatened and the very existence of free peoples was at stake.

Ever since that day we have not hesitated before any danger or any suffering. Our wide fighting front presents conditions of exceptional difficulty. The enemy is, or has been until now, in possession of the best positions. He has dug deep trenches; he has concealed his guns among the mountains. We are even compelled to fight at altitudes of eight and ten thousand feet, in spots where it seemed impossible that any fighting should ever take place. We are alone on our wide and treacherous front, and every step forward that we take, every progress that we accomplish, costs us great efforts and many lives. The enthusiasm of our soldiers has often helped them among the glaciers of the Alps and the many snares of the Carso to triumph over difficulties which seemed to defy every human effort. But the deep faith which burns in them kept their strength alive. [Applause.]

We must, we will, triumph over other difficulties and other insidious devices.

Nature, which gave us our pure skies, our mild climate, has denied us almost entirely the two great necessities of modern industry—coal and iron. Therefore, with industries still in course of formation, Italy has had ever since their inception to overcome obstacles which appeared insuperable. Italy occupies one of the first places in Europe as regards the number and power of her waterfalls; but this wealth, which constitutes the great reserve of the future, has only been partly exploited until now. The treacherous enemy, who has long since prepared the weapons of aggression, not having obtained victory on the field, is now trying by means of submarine warfare to endanger our existence, to cause a scarcity of food, and, above all, a scarcity of the coal which Italy needs for her ammunition factories, for her railways, and for her industries.

We have reduced our consumption of all necessities, and we are ready to reduce it still further within the limits of possibility. We do not complain of the privations that we have to endure. Wealth itself has no value if life and liberty are endangered. And when millions of soldiers offer their young lives for their country there is not one among the civil population who is not ready to make any sacrifice.

But to overcome the dangers of the submarines, which, in defiance of every law of humanity, are not only destroying wealth but endangering the lives of peaceful travelers, sinking hospital ships, and murdering women and children, we must all make a great effort.

We must unite all our forces to oppose the strongest resistance to the insidious devices of the enemy. You possess a great and magnificent industrial organization. You, more than anyone, are in a position to put an end to the enemy's barbarous dream and to create with your energy much more than he can destroy. [Applause.]

This great and terrible trial can only make us better men. They who know how to offer to the fatherland their wealth and their lives; they who give themselves unto death and, more than themselves, that which is sweetest and most sacred, their children; they who are ready to suffer and to die; they will know when the morrow dawns how to contribute to civilization new elements of moral nobility and of strength. [Applause.]

We must not grieve over our sorrows. When we fight for the rights of humanity we are conscious that we are elevating ourselves morally.

When America proclaimed herself one with us a great joy ran through every city and every little village of Italy. We knew the full value of your cooperation, and at the same time we appreciated the nobility of your sentiments.

The families of 3,000,000 Italians who dwell in the United States under the protection of your hospitable and just laws felt a deep sense of joy.

Mr. Speaker and Members of the House, the words which His Majesty the King of Italy, first among our soldiers, wrote to your President expressed his feelings and those of all his people.

To-morrow when the news reaches Italy that this Congress, which represents the will of the American Nation, has desired to give to our mission the supreme honor of welcoming it in its midst your friendly words will reach the farthermost points where men are fighting and suffering. And in the trenches, at the foot of the majestic Alps, there where the struggle is bitterest and where death is ever present, a thrill of joy and of hope will be felt—the joy of a sincere union, the hope of certain victory. [Prolonged applause and cheers.]

The SPEAKER. I am certain that every Member of the House of Representatives will be delighted to see and hear the man who invented wireless telegraphy, Signor Marconi. [Prolonged applause.]

ADDRESS OF SIGNOR MARCONI.

SIGNOR MARCONI. Mr. Speaker and Members of the House, I appreciate very highly the honor and the privilege of being allowed to say a word to you in this assembly. Up to two minutes ago I did not know that I would have the honor of being called upon to say a few words here, and I sincerely thank the Speaker for the privilege. I have had the pleasure of listening to the words spoken by the chief of our mission, his royal highness the Prince of Udine, and there is very little that I could add to his expressions or to his feelings, which are the feelings of the whole of Italy, which are feelings of friendship for this country and of appreciation for the great step which it has taken in joining us and our allies in Europe in this great war. [Applause.] There is one thing that I can add, however. It is that it was my privilege to live for many years in America [applause] and I think I know America and Americans fairly well. I flatter myself that I know them very well. No one more than myself rejoices in the fact that we in Italy have America with us. I have worked in America and America has always been, in a large way, in my plans, for without America my work could not have succeeded.

I have learned to appreciate in America two things that I can express in two words—justice and fair play. [Applause.] You are ready to back anything that you think may be of good to the world, and you are ready to encourage any honest endeavor to advance science or the applications of science; and although you are the greatest industrial Nation in the world, although there is healthy competition—and it is only by that healthy competition there can be such progress—what you do here is always fair. I can say that with absolute conviction from the bottom of my heart.

Mr. Speaker, and gentlemen of the House, I thank you very much for the way in which you have received this mission, for the way in which you have received the utterances of His Royal Highness, the president of our mission, and for the way in which you have received the very few remarks I have been able to improvise. [Prolonged applause and cheers.]

The members of the Italian mission then took their places at the right of the Speaker's rostrum, and the Members of the House of Representatives were presented to them.

The distinguished visitors were then escorted from the Hall of the House.

BUREAU OF WAR-RISK INSURANCE.

The recess having expired, the House was called to order by the Speaker.

Mr. ADAMSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 2133), the war-risk insurance bill.

The motion was agreed to; accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 2133), with Mr. BYRNES of Tennessee in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 2133), the title of which the Clerk will report.

The Clerk read as follows:

An act (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out section 3.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MOORE of Pennsylvania: Amend by striking out all of section 3.

Mr. MOORE of Pennsylvania. Mr. Chairman, it may be that the committee has some good reason for introducing section 3, which is a new piece of legislation, but it ought not to be passed, in my judgment, without some further discussion or explanation. A careful reading of section 3 shows that it proposes to put the United States Government, through its Bureau of War-Risk Insurance, in the business of guaranteeing foreign ships and foreign cargoes. Now, I question whether we want to go that far, if the business is to become permanent. It provides a reinsurance plan in cooperation with foreign nations with whom we happen to be on friendly terms during the war, but there is no limitation upon the responsibility that we are to assume, and we may enter into reinsurance agreements to protect vessels of foreign friendly flags or their cargoes. Whether that means we shall go so far as to protect their crews and provide remuneration for loss of their clothing is not clear, although that is provided for in a previous section of the bill.

Mr. ALEXANDER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. ALEXANDER. It says:

That the Bureau of War-Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make provision for reinsurance by the United States of vessels of foreign friendly flags or their cargoes.

That does not include insurance of the officers or crews or their clothing——

Mr. MOORE of Pennsylvania. Well, I take the statement of the gentleman for that, but the preceding paragraph does provide for loss of life or limb or personal effects.

Mr. ALEXANDER. This does not include anything but the vessels and cargoes.

Mr. MOORE of Pennsylvania. That removes that question. However, the question of our entering into this foreign business with the money of the United States still stands. We may insure in cooperation with other nations vessels of foreign friendly flags or we may reinsure with the Governments of other countries vessels of the United States. It is a cooperative scheme, a reinsurance plan which means that this Government may be putting us in a permanent business of competing with private or independent insurance companies for this foreign trade, and the complications resulting from it may bring confusion ultimately to the Government of the United States. This paragraph ought to be more thoroughly explained than it has been, or there should at least be a time limitation placed upon it for such reinsurance agreements as are provided. I have nothing further to say, Mr. Chairman.

Mr. ADAMSON. Mr. Chairman, the origin of this bill, like other bills which have been brought in here in the last two months, is in the fact that we are in a state of war. In order to win that war we must have supplies for our own men and our allies. We have to insure the crews of ships engaged in our merchant marine in order to induce those crews to go abroad with our commerce. This proposition is to help insure the ships of our allies who are on the first battle line, and between us at present and the enemy, and they may whip the enemy before the enemy reaches us with the greatest severity of the war. We propose in line with other insurance practices to reinsure the ships or the cargoes, or both, of our allies. In fact, they are waging war against the same enemy and they have insured the ships and the cargoes partly and the proposition is reciprocal, as I understand it. We propose to insure their ships which are engaged in carrying supplies from us to them just as well as our own ships which are engaged in doing so.

Mr. NORTON. Will the gentleman yield?

Mr. ADAMSON. We expect them to reinsure our ships, if necessary, on the same basis. Certainly; I yield.

Mr. NORTON. That is just the question I was going to ask, whether the English Government or the French Government or the Italian Government and other governments in war against the central European powers have legislated to provide reinsurance for American ships and cargoes?

Mr. ADAMSON. The understanding is that there will be a reciprocal arrangement, that the English and French Governments will reinsure American ships engaged in the same line of business just as we reinsure their ships engaged in commerce between us and them. Those ships are engaged in supplying the sinews of war. Whether they be English or French ships or American ships they are all engaged in the same business of carrying supplies from us to them. It is only permissive; it is not compulsory. The authorities of the Government are authorized to make this arrangement which we ask.

Mr. NORTON. Mr. Chairman, I would like to be heard for just a moment. Mr. Chairman and gentlemen of the committee, I think this character of legislation is right along the line that we have been pursuing for some time and making the great mistakes of this war. It seems to me that in legislating in this way we are taking in too much territory; we are taking altogether too much upon ourselves. It reminds me of a story I heard when I was a young boy out in North Dakota. There was a French Canadian in the town of Pembina who imbibed somewhat freely one evening, and as a result became noisy and pugnaciously inclined. Looking around the crowd in the barroom, he announced in quiet tones, "I can whip anybody in Pembina." Nobody paid any attention to him, and then after taking another glass, he declared in louder tones, "I can whip anybody in Cavalier County." Nobody paid any attention to this declaration. Then he took another glass, and said in a loud voice, "I can whip anybody in North Dakota." Nobody paid any attention even to this statement. Then finally he took another glass, and throwing out his chest he shouted at the crowd in the room, "I can whip anybody in the United States."

At this a little New York salesman who had been quietly listening to the French Canadian's boasting, walked up to him and planted a blow square on his chin which knocked him out completely for two or three minutes. When he came to he staggered to his feet, rubbed his head, looked sheepishly at the laughing crowd, and said, "Last time a'tank a'took in too much ter-tori."

That is exactly what we are doing by this character of legislation—taking on too much responsibility. We are unnecessarily taking in too much territory in this war. It will not be very long until our allies, so called, will be saying that they will condescend to help us to carry on this war. Unless we are more mindful of our own purposes and interests in this war the chief burden of all the war against the central European powers will be shifted upon the people of this Nation. I do not find from anything that the chairman of this committee has said that England in the last two or three years has passed any legislation providing for the reinsurance of American ships or that France has done so. The gentleman says there is going to be a reciprocal agreement. That is the position in which we find ourselves.

Mr. ADAMSON. If the gentleman will permit, I would like to remind him that it was only lately that we were in this war, and it was not necessary for us to indulge in war legislation until the war came on.

Mr. NORTON. I will say, in reply to the reminder of the gentleman, that England, France, Russia, and Japan have been in this war now for nearly three years, and they have not seen fit since this Nation has declared war against Germany to pass any legislation to assist the United States through reinsuring our ships and shipping. The reciprocal part of this affair seems to me to consist of this Nation giving and the other nations taking what we give.

Mr. ADAMSON. It was not necessary for them to pass any legislation in regard to us until the alliance came into existence.

Mr. BORLAND. Does the gentleman from North Dakota realize that the acute situation now is the danger from the U boats?

Mr. NORTON. That is nothing new. I realize all of that. Everybody that knows anything about the war situation realizes that.

Mr. BORLAND. Does he not realize it will encourage the sending of merchant ships to sea if ample provision is made for insurance?

Mr. NORTON. Yes; and I realize that England would be perfectly willing that this Nation should take the entire burden of this tremendous war off her hands. That is what we are drifting to in legislation of this kind. It is about time that we stopped and considered the interest of our own people in this war and our proper position in the war and proceeded on a program to fight our own part in this war, without taking upon ourselves all the burdens of our so-called allies.

Mr. MOORE of Pennsylvania. Will the gentleman yield before he takes his seat?

Mr. NORTON. Certainly.

Mr. MOORE of Pennsylvania. The gentleman from Georgia [Mr. ADAMSON] stated that a reciprocal arrangement was contemplated. I call the gentleman's attention to the fact that nowhere in the testimony and nowhere in the report is there any reference to a reciprocal arrangement. The report indicates that only two men ask for this legislation, Mr. W. M. Davey and Mr. Herndon Chubb, of the advisory board. We have no information from the Secretary of the Treasury on this question of reciprocal arrangement at all. All the Secretary of the Treasury has indicated was that we ought to provide insurance

for the men, whether native or alien, needed to man the merchant marine. There is nothing in the report here coming from any official source whatever, except from those two members of the advisory board.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. HEFLIN. Mr. Chairman, it is very necessary that some money should be appropriated for this purpose. I note that there are some gentlemen here who are not willing for the Government even in war times, to go into any kind of business when it touches institutions near their home, and they can not defend the interests in their particular territory without referring in a sneering way to the part that we are taking in this war.

Gentlemen, men are dying in Europe for liberty and human rights, without which no decent government can last, and this Government has been drawn into the war, and it has joined hands with the allies. It has gone in heart and soul with them, and we are sincerely doing everything that we can to bring victory to our cause. When I hear gentlemen on the other side, or on this side, it makes no difference with me which, making such allusions as we have heard from one gentleman here this morning, I am going to enter my protest. The gentleman who has just taken his seat [Mr. NORTON] referred to our allies in this war as our "so-called" allies? Gentlemen, that is wrong! I do not care on which side you sit or to what political party you belong, you are not speaking the American spirit of loyalty to our flag since we have joined forces with the allies in a common cause when you refer to them as our "so-called" allies. [Loud applause.]

Mr. MANN. Mr. Chairman, of course everyone recognizes the fact that an insurance company has to spread its risks and that no insurance business would be safe where the risk is not spread out over a considerable number. It is true even with a little farmers' cooperative insurance society. But when you spread the risk over a certain amount you gain nothing by increasing the amount of this spread, as a rule. The theory of this bill is that the United States insurance branch will be conducted more safely and at less risk if it is permitted to partake in the insurance of all the foreign shipping owned by the countries or the citizens of the countries at war with Germany.

I am not deluded myself by this theory. The Government of the United States carries no insurance itself on its buildings. Why not? Because it has so many buildings and has a sufficient spread to self-insure them. A great railroad company carries no insurance. Why not? Because its spread of ownership is so great that it itself meets the law of probabilities and is able to carry its own insurance at a less rate than it could insure, probably. Now, we have a sufficient amount of insurance, probably, on American ships to carry a sufficient spread to protect this Government. I do not know, no one can predict, just what will take place in the future; but, of course, that has been the case up to date. This bill, while it professes to safeguard the interests of the Government and makes our risk less by letting the foreign governments reinsure our risks, still increases the liability of the Government in the way of an appropriation from $15,000,000 to $50,000,000. If, in fact, it was to lessen the liability of the Government, lessen the risk of the Government, there is no occasion for increasing the appropriation.

Mr. ESCH. Will the gentleman yield?

Mr. MANN. Yes.

Mr. ESCH. The gentleman does not take into consideration that this bill will insure the lives of the crews.

Mr. MANN. Oh, yes. I know it very well. But the insurance on the lives of the crews does not make up the difference between $15,000,000 and $50,000,000, and neither the gentleman nor anyone else will claim it for a moment.

Mr. SNOOK. Does the gentleman take into account the fact that one month after the war was declared the number of risks sprang from 300 to almost 1,100?

Mr. MANN. Well, that shows that we do not need this reinsurance business.

Mr. SNOOK. The gentleman is talking about the amount of the appropriation we are carrying.

Mr. MANN. Oh, we did increase the amount heretofore from $5,000,000, where it was originally, to $15,000,000, and now the claim of the committee—I will not say that, but the claim of the gentlemen presenting this bill, and I presume the committee agrees with them—is that this reinsurance lessens the liability of the Government; that that is the purpose of it; and yet it increases the appropriation from $15,000,000 to $50,000,000. Why? For a very good reason, because it increases the liability of the Government; the bill itself does.

Mr. SNOOK. The theory of the War-Risk Insurance Department is——

Mr. MANN. Oh, I know what the theory is——

Mr. SNOOK. The theory is that the increased amount is due to the increased amount of business.

Mr. MANN. I will explain it again.

Mr. SNOOK. I understand what the gentleman says. He does not need to explain it to me.

Mr. MANN. Evidently the gentleman does not understand it. I do not think he understands it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MANN. If we insured only American vessels we would not have to greatly increase the amount of the appropriation, and we have a sufficient number of vessels to insure to make a reasonable spread of insurance, so that we would not be subjected to any great risk.

Mr. SNOOK. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. SNOOK. I want to call the gentleman's attention to the fact, especially in view of the statement that the gentleman from Pennsylvania [Mr. MOORE] made, that there was one hearing that was not reported, and that was when we were discussing this subject. The bureau claims that this is absolutely necessary to spread the risk and help our Government.

Mr. MANN. I said that is what the bureau claimed. If the gentleman would pay me the respect of listening to my remarks—which he has not done—and then try to appreciate them, he would understand. I have stated that that is the claim of the bureau, but that is not the fact. Notwithstanding the claim of the bureau, we now have a sufficient spread of insurance in effect on American vessels, and the truth—and it is an absolute truth—that this is not for the purpose of lessening the liability of the Government is apparent in the fact that they have increased the appropriaion by more than 300 per cent. If we now have a liability in insuring American vessels and the real purpose of this bill is the one which was claimed by the Bureau of War-Risk Insurance, that they wanted to decrease the liability of the Government, they ought to decrease the appropriation instead of increase it.

Now what are the facts? The facts are that if we insured by this bureau a thousand American vessels and the English Government insured a thousand English vessels of the same value with the same rate of insurance, we would not lose, I think, probably by reinsuring their insurance and having them reinsure our insurance. There would probably be no change. But what are the real facts? Where we would have a thousand vessels to insure, they will have 10,000 to insure. They want us to carry their insurance. That is the truth about it. You might as well be truthful about these things.

Mr. SNOOK. Mr. Chairman, will the gentleman yield?

Mr. MANN. If the gentleman has any information about it, I will be glad to have it. I do not care for his interpretation.

Mr. SNOOK. According to the information we had before the committee the bureau does not wish that additional sum for the purpose of going into the business of insurance.

Mr. MANN. That is what they said, but it is not true.

Mr. SNOOK. If we have a risk of $2,000,000 on one ship, they want to reinsure one-half of that ship, so that if the ship is sunk we will not have that whole risk to pay. It is the same as in the case of fire insurance.

Mr. MANN. Surely, you have got to have a spread of insurance. Here is the fact: We now insure the American vessels, a small number in proportion to the number to be insured. The English insurers insure the English vessels, a very large number in proportion to ours. Now, what do they want us to do? They want us to carry half of the insurance of their vessels, and in return they will carry half of the insurance of our vessels; and no man who can reason can fail to see that we are increasing our liability, and not decreasing it. With an equal number of vessels, there would be no practical change in the liability; but we propose to reinsure the English vessels, the French vessels, and the Italian vessels; and if Switzerland gets into the war, according to one of the naval experts here on the floor some time ago, we might insure the Swiss vessels. [Laughter.] Now, the only justification for this bill——

Mr. RAGSDALE. Is that the same navy that they were going to invite to send ships to the San Francisco exposition? [Laughter.]

Mr. MANN. I believe we invited them to send their vessels to San Francisco. The only justification—and it may be that that is the justification—is that we are loaning England large sums of money; we are sending our ships and supplies abroad to help England. It is to our interest to have our supplies reach the other side. It may be that, as a matter of war necessity, we can afford to help England in this way. But to hide behind a subterfuge and say that it is to reduce our liability is what makes me a little hot under the collar.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. BORLAND. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last word.

Mr. ADAMSON. Mr. Chairman, I wish to ask time in which to allow the gentleman from Illinois [Mr. MANN] to answer me a question. I call the attention of the gentleman to the fact that I stressed the proposition that we ought to try to induce additional vessels to come in and help us in this carrying trade. I will ask the gentleman if he does not think there is some wisdom in it?

Mr. MANN. I do not catch the point of the gentleman's question.

Mr. ADAMSON. If our vessels are too few to render the necessary service, and by insuring the French and English vessels we can induce the necessary vessels to come in and help us transport American supplies to our allies, does not the gentleman think there is some justification in that?

Mr. MANN. I just said there might be some justification on that ground.

Mr. ADAMSON. That is where I stand.

Mr. MANN. That may be. But I do not like to have the War-Risk Bureau people come to me and try to delude me into believing something that I know is not so.

Mr. BORLAND. Mr. Chairman, the last suggestion of the chairman of the Committee on Interstate and Foreign Commerce [Mr. ADAMSON] is the one that appeals most strongly to me. I do not think it is necessary in a governmental insurance company of this kind, formed purely as a war-risk measure, to conduct it entirely upon the lines of a commercial insurance company, and yet this plan has been remarkably successful and sound, tested by every test that would be applied to a company that had to preserve its capital and maintain the expenses of its business. This whole insurance business has been a complete and unqualified success. It has been a success measured by the earnings of the War-Risk Bureau, but it has been a bigger success when measured by relief given to American commerce. The gentleman must remember that when we passed this law cotton was rotting on the wharves and great cargoes were waiting at the seaboards that could not be moved because the commerce of the world was tied up by this sudden world-wide war. What was it that started the stream of commerce across the ocean? What was it that lifted the great cotton market from the "buy-a-bale" proposition to the present independent and prosperous condition it occupies? What was it that sent wheat and lumber across the ocean? Why it was relieving the stagnation of business caused by the lack of war-risk insurance. If we measure this War-Risk Bureau by either test—by the test of its own earnings or by the test of the remarkable advantage it has given to American commerce—then it has well justified its existence.

Here is a proposition which can be supported on broader grounds than that it will lessen the ultimate risk of each insurance. That is purely a technical and actuary standpoint. I have no doubt that it is sound, because the board having been sound on the other propositions I have no doubt they are sound on this. But it is desirable for a wider reason. The great help that we need to contribute now is to get supplies promptly to the Army in the field. We can not put men and guns on the front immediately in a number sufficient to influence the conduct of the war, but we can put men and supplies in the field. Everything that will encourage the sailing of a merchant vessel, that will render it more safe and certain, will add to the success of this war. If we can assume a part of the risk of the sailing of vessels under a friendly flag engaged in the same project that we are, if that will put more vessels on the ocean and send them abroad more promptly and with more confidence it is worthy of the risk it entails. I am not deceived any more than the gentleman from Illinois that we are lessening our risk. When insurance embarks in a larger measure it means a larger capital and a larger responsibility.

That is not the utlimate test. The ultimate test is whether the losses exceed the income, and that is not the case with this War-Risk Bureau. The losses are less than the income, and this enlarged work will be conducted in the same way. This is the most important project in the bill. We can with our unimpaired credit, the one great Nation of the world who has put her shoulder under the burden, assuming the risk and responsibility of merchant vessels going to sea. Every friendly vessel in the world is benefited, and so to-day we increase the scope of American commerce and increase the possibility of a successful end of the war.

Mr. NORTON. Will the gentleman yield?

Mr. BORLAND. I will yield to the gentleman from North Dakota.

Mr. NORTON. The gentleman talks very fluently about the subject of war. Does the gentleman hold that causes for war of our Nation against the Imperial German Government are different or the same as those of the entente allies?

Mr. BORLAND. Our cause for war is peculiar to ourselves—the fact that they have been attempting to prevent us from the use of the oceans of the world. One of the fundamental features of the bill is that we are attempting to give freedom of the seas not only to American commerce but to the whole world.

Mr. NORTON. If the Imperial German Government to-morrow declared that she would not destroy any of our vessels on the high seas without notice, and would conform to the established rules of international law as they relate to the high seas, and would conform to the rights of notice and of search and seizure, and would make reparation for losses she has inflicted on our commerce, does the gentleman think that this Nation should then longer continue in the war?

Mr. BORLAND. The gentleman's question is purely hypothetical. The gentleman knows as well as I do that American rights are American rights, and that we are here to defend them.

Mr. NORTON. Is the gentleman afraid to answer the question?

Mr. BORLAND. No. I say that when American rights are safeguarded and the war is over, the gentleman's question is hypothetical, and he knows it.

The CHAIRMAN. The time of the gentleman from Missouri has expired

Mr. ADAMSON. Mr. Chairman, I ask that the gentleman may have one minute more in order to ask a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ADAMSON. Does the gentleman anticipate the possibility of such a state of affairs as has been suggested by the gentleman from North Dakota until somebody whips Germany?

Mr. BORLAND. I do not assume that the gentleman from North Dakota is in the confidence of Germany. His question is purely hypothetical.

Mr. NORTON. Purely hypothetical, of course anybody knows that; but the gentleman is afraid to answer it.

Mr. BORLAND. No; I am not.

Mr. ALEXANDER. Mr. Chairman, this discussion has taken a wide range, and much has been said that is not relevant to this amendment. This provision for reinsurance presents a purely business proposition. In the Committee on Interstate Commerce Mr. DILLON asked Mr. Davey, member of the advisory board, this question:

> Mr. DILLON. I would like to ask one question, calling attention to section 3, on page 3, where there is a provision, beginning at line 18, which reads as follows: "insured by the Government of any country which is at war with an enemy of the United States." This provision relates to reinsurance, and I would like to know if England and Italy and Russia and France insure through governmental activities the same as we are doing?
>
> Mr. DAVEY. Yes, sir; they all do. I can not speak for Russia.
>
> Mr. DILLON. The Government itself insures?
>
> Mr. DAVEY. Yes, sir; France, Italy, Great Britain, and several of the neutral countries do, but I can not speak for Russia.

You will note from Mr. Davey's answer that the governments of Great Britain, France, and Italy carry war-risk insurance on their vessels like we do on vessels under the American flag.

The agencies through which this cooperative insurance may be effective are already in existence.

I can not imagine that if the War-Risk Bureau should engage in this reciprocal arrangement of reinsurance of foreign vessels and cargoes in return for a like insurance of vessels and cargoes under the American flag, that it would increase our liability. It would divide it, and it would not in any event increase it.

The purpose of this provision is not to help our allies any more than to help ourselves. The morning papers state that Italy will require a million tons of coal a month. She has not the ships in which to carry that coal to Italy. I am told coal costs as much as $100 a ton in Italy. Italy is our ally. Her aims and ours are the same in this war. If we can furnish five ships and she can furnish five ships, and those ships combined carry the coal from this country to Italy, and they

reinsure our ships and we theirs, dividing the liability, is not that a sound business proposition? Is not that the principle invoked by the life and fire insurance companies? I confess I can not understand the attitude of the gentlemen who oppose this provision. This is purely a business proposition. We have not consulted our allies as regards this proposition; but recognizing conditions as they exist, and in the hope that by cooperation we can increase the tonnage, and can serve ourselves and our allies alike, and diminish the risk to ourselves, this provision has been written into the bill.

Mr. NORTON. Will the gentleman yield?

Mr. ALEXANDER. Yes; I yield.

Mr. NORTON. Does not the gentleman think there ought to be some line where there may be an end——

Mr. ALEXANDER. I should like to have the gentleman hurry up with his question.

Mr. NORTON. Where there may be an end to the call of our allies for help from the United States? We are loaning them money, we are sending troops over there; now they desire us to carry their insurance——

Mr. ALEXANDER. Our allies have not requested this provision. I want to disabuse the gentleman's mind on that.

Mr. NORTON. We are thrusting this on them, are we?

Mr. ALEXANDER. No; we are not thrusting this on them. We are simply undertaking to give this board the power of exercising what is a sound economic principle in conducting our commerce, the business of this bureau, and promoting the interests of and at the same time be of service to our allies.

Mr. NORTON. Does the gentleman think we can not carry on our part of the war without this legislation?

Mr. ALEXANDER. I am not in sympathy with the gentleman's notions as revealed on this floor. I am entirely in sympathy with the great purposes of this war, and I want to go in to win, and I want to go in in entire good faith with our allies, and I have no sympathy with any man who does not. [Applause.]

Mr. JAMES. Mr. Chairman, this is only a business proposition. We want to protect American commerce, and we want to protect all the commerce carried on by American merchants. We want to protect not only the commerce carried on by American merchants in American ships, but we also want to protect all the commerce carried on by American merchants on the ships of other nations as well. This is what this section of the bill does. Suppose we say that our merchants were going to send a million tons of coal to Italy, and if we can carry only 200,000 tons on our American boats and 800,000 tons are carried on Italian, French, and British boats, in what way would the American merchant have the protection of insurance on any but the 200,000 tons unless this section is carried in the bill? There is no fire insurance company that would think of carrying a $10,000,000 risk in one policy and not reinsure at least nine-tenths of it. It is just exactly the same proposition here. If American merchants have a cargo worth $2,000,000, the United States might not want to carry a policy of $2,000,000 on the cargo in that one boat. The result would be that the United States would take only $1,000,000, and the American merchants who owned the cargo would have one-half of it uninsured, whereas if this section goes in the bill it allows us to carry $500,000 reinsurance with Great Britain, $500,000 reinsurance with France, $250,000, we will say, with Italy, and to carry $750,000 of the risk ourselves. In that way we are protecting the American merchants for $2,000,000, but are carrying only $750,000 of the risk ourselves. The same conditions might be necessary in order to protect adequately goods imported by our American merchants. Anyone who votes to strike out this section is not voting to help his own people. He is voting to do something that is absolutely going to hurt American commerce. [Applause.]

Mr. AUSTIN. Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of the committee having this bill in charge what will be the premium or rate charged for insurance?

Mr. ADAMSON. It will be commensurate with the estimated losses. It will be readjusted at various times, and an effort will be made to have it high enough to meet the losses.

Mr. AUSTIN. Has the gentleman any recent estimate?

Mr. ADAMSON. I have not. The gentleman from Missouri [Mr. ALEXANDER] may have.

Mr. ALEXANDER. I will say to the gentleman that up to May 31, 1917, the expenses were $56,756.33, the known losses $5,693,587.10, and the total amount of premiums collected $11,398,092.28.

Mr. AUSTIN. What I wish to know is this, What is it going to cost a seaman to insure his life under the provisions of this bill?

Mr. ALEXANDER. We are talking with reference to this reinsurance feature now.

Mr. AUSTIN. I am asking about the life insurance feature.

Mr. ALEXANDER. It will not cost the seaman anything. The vessel owner is required to insure the officers and seamen; that is, their clothing, and also to take out insurance on their lives.

Mr. AUSTIN. Naval officers are up against this proposition: The insurance companies of the United States have announced a rate of $100 per thousand on additional insurance during the period of the war, or $500 for carrying $5,000, which is a hardship on many of the younger naval officers; and if we can report legislation which will relieve the common sailor on a merchant vessel, why is it that we can not do something for the relief of the naval officers?

Mr. ALEXANDER. We are trying to do this now as regards the officers and men on merchant ships. I can well understand why the gentleman is in sympathy with the efforts to apply the same principle to officers and men on naval ships, as far as that is concerned, but that proposition is not before us in this bill.

Mr. ESCH. This fact would also enter with reference to naval officers, that if they are injured or crippled they are retired on retirement pay, and that does not apply to the officers and crews of merchant ships.

Mr. AUSTIN. And if a naval officer is killed and leaves a family the only relief for his widow under the law is a small pension.

Mr. ADAMSON. As the gentleman has asked me the question, I will remind him that a question in respect to naval officers would not come within the jurisdiction of our committee, and I think we are doing pretty well to consider the question that is now before us.

Mr. AUSTIN. I am in sympathy with the gentleman, but I am asking him why should we not take a further step in the interest of naval officers who are held up—there is no other term that expresses it—by a combination of insurance companies which says they must pay $100 for every additional thousand dollars carried on their lives?

Mr. ADAMSON. This will prevent that combination as against officers and crews on merchant vessels.

Mr. AUSTIN. I have a son in the Navy who is carrying an insurance policy and who now is confronted with the statement—although he made an application for an increase before the declaration of war—that he must pay an additional hundred dollars premium upon every thousand dollars. A young naval officer can not afford to do that. He can not furnish $500 over and above his expenses and the expenses of his family, if he is a man of family, to meet this demand, and therefore he must go into this war unable financially to protect the interests of his wife and children, and I think Congress ought to find a remedy to meet a situation of that kind and stand for the Army and the Navy Officers and men as against a combination of insurance companies.

Mr. JAMES. Mr. Chairman, will the gentleman yield?

Mr. AUSTIN. Yes.

Mr. JAMES. How long has he had the policy in effect?

Mr. AUSTIN. He has been carrying a policy for some time, and he asked for an increase and filed his application three days before the declaration of war, and the Travelers' Insurance Co.——

Mr. JAMES. They can not collect on an old policy.

Mr. AUSTIN. The Travelers' Insurance Co. refused to give him an increase unless he paid an additional hundred dollars on the thousand.

Mr. RAGSDALE. Does not the gentleman think also, while we are writing legislation of this kind that we ought to do something that will have in view the protection of the hundreds of thousands—nay, millions—of boys we are going to take by force from homes and transport across the sea, when they are getting only $30 a month and without receiving any insurance of any kind?

Mr. AUSTIN. We certainly should. We are now providing a proper, legitimate, and commendable piece of legislation protecting the men who are engaged in commerce in the merchant-marine service, and we should not stop there. It is not a question of personal interest with me, it is a question affecting every American Army and naval officer, sailor, and soldier.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. ADAMSON. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania to strike out the section.

The amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. MOORE of Pennsylvania offers the following amendment: Page 3, line 20, after the word "cargoes," insert the following: *"Provided,* That no such reinsurance shall be authorized for a period exceeding one year."

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield there?

Mr. MOORE of Pennsylvania. Yes.

Mr. ALEXANDER. I would like to call the gentleman's attention to the fact that they do not reinsure for a year. Insurance is just for the voyage, not for a year or a month.

Mr. ADAMSON. Mr. Chairman, will the gentleman permit me to ask unanimous consent to close debate?

Mr. MOORE of Pennsylvania. I have no objection. I merely want five minutes upon this amendment.

Mr. ADAMSON. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto shall close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Mr. Chairman, the gentleman from Missouri [Mr. ALEXANDER], who has made a specialty of this War-Risk Bureau legislation and who has operated very successfully and skillfully through the powerful Committee on Interstate and Foreign Commerce, and who has brought in measures twice for increasing the capitalization of the War-Risk Bureau, first from $5,000,000 to $15,000,000, and then from $15,000,000 to $50,000,000, has indicated twice in the speech just made by him that this foreign reinsurance proposition is a business proposition. He made this statement twice, and it was picked up and reiterated by the gentleman from Michigan [Mr. JAMES], who speaks with some authority as an insurance man.

Mr. ADAMSON. Mr. Chairman, I will ask the gentleman if he does not think it pretty good business to clear 100 per cent in that bureau in the time it has been running?

Mr. MOORE of Pennsylvania. Yes; that is very good. But the gentleman will observe that this bill is brought in now because the losses are very heavy and we must have more capitalization.

Mr. ADAMSON. And the premiums will be made higher, too.

Mr. MOORE of Pennsylvania. The gentleman observed from what was said yesterday and what is in the RECORD this morning that whereas this War-Risk Bureau was formed with a capital of $5,000,000 the losses up to date have been $6,000,000. That does not look much like making money, if you set your original capital up against your present loss. The real fact is that the losses are getting very heavy. We are losing our ships; Great Britain is losing her ships; and each day brings news that somehow or other escapes the censor that the submarines are playing havoc with shipping; and therefore the gentleman comes in under suggestion from the Secretary of the Treasury and the War-Risk Bureau, which never yet has published details as to the cargoes carried upon these ships, and proposes now that we shall appropriate $50,000,000 to prepare to make good our losses.

Mr. ADAMSON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. ADAMSON. Recognizing the inedaquate number of our own ships for the purpose, and recognizing that we might secure the services of ships of other friendly nations to augment the United States service, if we can secure them as an original proposition by assisting in the insurance to carry our commerce, does not the gentleman think that is a sufficient reason for this?

Mr. MOORE of Pennsylvania. I will answer the gentleman by quoting the gentleman from Illinois [Mr. MANN], who a moment ago indicated that if we raised this insurance fund to $50,000,000 to insure foreign ships as well as our own we may insure 1,000 American ships and 10,000 foreign ships. Therefore our losses will be greater.

Mr. ADAMSON. That is not the question. If we need the ships to carry commerce and we have not got them ourselves and can induce others to carry our commerce by insuring them, is it not wise for us to do it?

Mr. MOORE of Pennsylvania. I would ask the gentleman if we have so legislated, especially since this administration has been in power, to increase the merchant marine of the United States?

Mr. ADAMSON. The purpose of this commerce is to carry our products to the allies. That is the purpose of it; there is no disguising it. We have not got ships enough to do it. There is not any more danger of their sinking the other ships in that commerce than our own. The danger is exactly the same. If we can augment the number of our ships and secure ships of friendly nations to help us carry it by aiding in their insurance, are not we serving ourselves by doing it?

Mr. MOORE of Pennsylvania. That would be if it pertained solely to American ships, but if the losses are going to be greater on foreign ships than on American ships we are going to pay the bill.

Mr. ADAMSON. Why would it be greater? There is exactly the same risk and danger.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I will have to ask for more time, inasmuch as the gentleman from Georgia consumed some of my time.

Mr. ADAMSON. Mr. Chairman, I ask that the gentleman have as much time as I took—about two minutes.

Mr. MOORE of Pennsylvania. I think about three minutes. The gentleman was so eloquent I hated to stop him.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that his time be extended for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. The gentleman's question is always an argument, learned and brilliant, and I hesitated to impede his query, but the gentleman from Georgia——

Mr. ADAMSON. I have to bear that character to fit well in the gentleman's speech.

Mr. MOORE of Pennsylvania. I put it in my speech in order that it may be made a matter of record. I think very highly of the gentleman from Georgia and of his power and influence in this House. That is the reason I want to put him in juxtaposition just now with the gentleman from Missouri.

Mr. SAUNDERS of Virginia. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Mr. Chairman, can I get two more minutes, making it five, because the gentleman may want five minutes to answer?

Mr. ADAMSON. If the gentleman admits his speech needs no answer I will get him all the time.

Mr. SAUNDERS of Virginia. I desire to ask the gentleman a question in reference to the facts. Are not the ships proposed to be insured by us, so far as they are foreign ships, to carry American commerce? That is a fact, is it not?

Mr. MOORE of Pennsylvania. Such commerce as is going to the allies for their purposes or for ours.

Mr. SAUNDERS of Virginia. From our shores?

Mr. MOORE of Pennsylvania. Yes.

Mr. SAUNDERS of Virginia. These ships ply over exactly the same route that American ships ply over—that would be true?

Mr. MOORE of Pennsylvania. I do not think so, because this paragraph states that the bureau now is to have authority to reinsure vessels of foreign, friendly flags and their cargoes. There is no limitation upon that, I believe. They could insure ships in the South American trade from England or they could be insured in the African trade from Italy. They could be insured generally, that is the idea.

Mr. SAUNDERS of Virginia. But they are to be utilized for American purposes?

Mr. MOORE of Pennsylvania. They ought to be, that is my judgment.

Mr. SAUNDERS of Virginia. And they are to carry these cargoes that American ships would carry if we had the American ships.

Mr. MOORE of Pennsylvania. If we are going to use governmental insurance they ought to be ships doing American business.

Mr. SAUNDERS of Virginia. They are carrying these cargoes that American ships would carry if we had them. Is not that part of the proposition?

Mr. MOORE of Pennsylvania. That is not the purpose of this paragraph.

Mr. SAUNDERS of Virginia. That is what I gathered from the gentleman from Georgia, and that is the reason I have been asking these questions.

Mr. MOORE of Pennsylvania. I will simply say to the gentleman the section provides that the War-Risk Insurance Bureau may reinsure vessels of foreign friendly flags. There is no limitation on that.

Mr. SAUNDERS of Virginia. May I ask the gentleman from Georgia a question in the gentleman's time?

Mr. MOORE of Pennsylvania. I would have to get more time.

Mr. SAUNDERS of Virginia. I will ask that the gentleman have more time. These ships are to carry the cargoes that American ships would carry if we had the American ships?

Mr. ADAMSON. Supplemental to our work.

Mr. SAUNDERS of Virginia. And they would travel virtually the sea routes which our ships would travel if we had the ships?

Mr. ADAMSON. Exactly; and be subject to the same danger.

Mr. SAUNDERS of Virginia. If that is true, why should the foreign ships be subject to more risk than our own ships?

Mr. MOORE of Pennsylvania. Our own loss would be greater.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SAUNDERS of Virginia. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended five minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the time of the gentleman from Pennsylvania [Mr. MOORE] be extended for five minutes. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. The gentleman from Georgia says this is a war proposition; that we want to go into this reinsurance business—I think I understand reinsurance, and I understand it is not settled in a day, but that it involves contracts and complications that extend over a series of years. I think I am familiar with the facts as to that. The gentleman from Georgia insists that we should, as a Nation, go into this war-risk insurance business with foreign ships on foreign business because of the war emergency. The gentleman from Missouri [Mr. ALEXANDER], a little more frank, indicated twice, as I have stated, that this is a business proposition pure and simple.

Mr. ADAMSON. I do not think the gentleman thinks that I suffer in frankness. We want this insurance in order to help whip Germany.

Mr. MOORE of Pennsylvania. And I am in favor of whipping Germany as quickly as the gentleman is, and a lot quicker.

Mr. ADAMSON. I doubt it.

Mr. MOORE of Pennsylvania. We disagree as to this section. I would put a limitation on it so that these foreign contracts will cease sometime.

Mr. ADAMSON. Both grounds are good.

Mr. MOORE of Pennsylvania. Now, the trouble with the gentlemen who are advocating this bill, and doing it patriotically from their point of view, is that they are in favor of a Government-ownership proposition wherein the United States shall furnish the capital to do business with foreign nations as well as ours. They say it is necessary to build up this war-risk insurance from $5,000,000 original capital to $50,000,000 proposed capital, in order that we shall do "business pure and simple" on the one hand and attend to the war emergency on the other. My fear is that unless we put a limitation on this foreign war business we will put the Government permanently in the insurance business and that we can not, by reason of the foreign complications that will ensue, extricate ourselves from that condition.

The gentlemen seem to think there are no independent insurance companies capable of doing this business. The fact is that there are plenty of insurance companies that could conduct this business and would take it. The fact is that there has not been a contract made by any company following the proceedings of the Council of National Defense in any of our preparedness measures that has not been insured by independent insurance companies. It has been a great year for independent insurance companies. Now, what do the gentlemen propose? They propose, first, to help our allies, which, I suppose, is popular, even though we are already helping them with our money and our life and blood. Are we to go on helping them permanently in their business losses? My point is that unless the limitation of a year or some other period is put upon the operation of this paragraph we will put out of business through a Government agency independent insurance companies in the United States and will do it solely for the benefit of independent insurance companies of other countries. In other words, it will establish now by the appropriation of this $50,000,000, to go largely into foreign business, a permanent Government agency which has been growing strongly upon us during the last two years. We will establish it in such a way that it will be practically impossible to dislodge it. Whether we want to do that or not is a question.

Mr. ALEXANDER. Will the gentleman name one American insurance company that writes war-risk insurance?

Mr. MOORE of Pennsylvania. I could name several of them.

Mr. ALEXANDER. Name one of them.

Mr. MOORE of Pennsylvania. I have not the names at my fingers' ends now, but I have communications from several of them indicating there was no necessity for this War-Risk Insurance Bureau at all. I have in my hand a report from one of the large surety companies which has been doing an American war-risk insurance business; and it has had the most profitable business of its existence, and it speaks of the prosperity of all other insurance companies in this land.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. MOORE].

The question was taken, and the amendment was rejected.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. HELVERING having taken the chair as Speaker pro tempore, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills and a joint resolution of the following titles:

On May 29, 1917:

H. R. 14. An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1918, and for other purposes; and

H. R. 328. An act to amend an act entitled "An act to regulate commerce," as amended, in respect to car service, and for other purposes.

On June 1, 1917:

S. J. Res. 66. Joint resolution making immediately available moneys appropriated for the investigation of the pneumatic mail-tube service in the act approved March 3, 1917.

BUREAU OF WAR-RISK INSURANCE.

The committee resumed its session.

Clerk read as follows:

SEC. 5. That there is hereby added to such act a new section, to be known as section 3a, to read as follows:

"SEC. 3a. That whenever it shall appear to the Secretary of the Treasury that the effecting of such insurance is desirable in the national interest in the case of vessels engaged in any trade, the owner of every American merchant vessel engaged in such trade shall insure the master, officers, and crew of such vessel against loss of life or personal injury from war risks as well as for compensation during detention by an enemy of the United States following capture.

"Such insurance shall be effected either with the Bureau of War Risk Insurance or in insurance companies, and on terms satisfactory to the Secretary of the Treasury.

"Such insurance shall provide, and the Bureau of War-Risk Insurance is authorized to write policies so providing—

"(a) In case of death, permanent disability which prevents the person injured from performing any and every kind of duty pertaining to his occupation, or the loss of both hands, both arms, both feet, both legs, or both eyes, for the payment of an amount equivalent to one year's earnings, or to twelve times the monthly earnings of the insured, as fixed in the articles for the voyage (hereinafter referred to as the principal sum), but in no case shall such amount be more than $5,000 or less than $1,500.

"(b) In case of any of the following losses, for the payment of the percentage of the principal sum indicated in the following tables:

"One hand, 50 per cent;
"One arm, 65 per cent;
"One foot, 50 per cent;
"One leg, 65 per cent;
"One eye, 45 per cent;
"Total destruction of hearing, 50 per cent;

"That the Bureau of War-Risk Insurance may include in its policy undertakings to pay specified percentages of the principal sum for other losses or disabilities; and

"(c) In case of detention by an enemy of the United States, following capture, for the payment during the continuance of such detention of compensation at the same rate as the earnings of the insured immediately preceding such detention, to be determined in substantially the same manner as provided in subdivision (a) of this section.

"The aggregate payments under this section in respect to any one person shall not exceed the amount of the principal sum.

"Payments provided for in this section shall be made only to the master, officer, or member of the crew concerned, except that a payment for loss of life shall be made to the estate of the insured for distribution to his family free from liability of debt, and payment on account of detention by an enemy following capture shall be made to dependents of the person detained, if designated by him.

"No claim under this section shall be valid unless made by the master, officer, or member of the crew concerned, or his estate, or a person designated under this section, within two years after the date on which the President suspends the operations of this act in so far as it authorizes insurance by the United States."

Mr. SNOOK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SNOOK offers the following amendment: Page 5, line 6, after the word "eyes," insert the words "or any two thereof."

Mr. SNOOK. The intention of this is to make it so that the combination of any two of the disabilities—the loss of an arm, the loss of a foot, or the loss of an eye, or the loss of a leg—shall be a loss of the two. It is practically the same as in the Ohio compensation law.

Mr. MANN. I suppose we might accept the dictum of the Ohio Legislature as to the meaning of the act, but certainly it takes a wild imagination to give it the meaning which the gentleman proposes.

Mr. SNOOK. If the gentleman can better the language, I would be very glad to have him do it.

Mr. MANN. I know I could, but I am not prepared to do it.
Mr. SNOOK. The gentleman understands the intention?
Mr. MANN. I understand the purpose of it.
Mr. SNOOK. It can be cleared up in conference.
Mr. ESCH. Will it not be better, at the end of line 5, after the word "hands," to say "one arm and one leg"?
Mr. SNOOK. But then, you see, it would not cover the whole combination. It means the combination of any two of these.
Mr. JAMES. Practically every workingman's compensation act takes care of one arm and one leg.
Mr. SNOOK. That is what I am trying to do.
The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. SNOOK].
The amendment was agreed to.
Mr. RAGSDALE. Mr. Chairman, I offer an amendment.
The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.
The Clerk read as follows:

Amendment offered by Mr. RAGSDALE:
Page 4, line 22, after the word "capture," insert: "That the commanding officer of each company of soldiers in the service of the United States Government while being transported on the sea shall insure his officers and soldiers on the same terms and in like amount as the officers and crews of vessels."

Mr. ADAMSON. Mr. Chairman, I reserve a point of order on that. It is not germane to this bill at all.
Mr. MANN. Make the point of order.
Mr. ADAMSON. I will make it.
Mr. ADAMSON. Mr. Chairman, I make a point of order against the amendment.
The CHAIRMAN. The gentleman from Georgia makes a point of order against the amendment. The bill among other things authorizes insurance against loss of life and personal injury on account of war risks and so forth on American merchant vessels. The amendment offered by the gentleman from South Carolina [Mr. RAGSDALE] proposes to include insurance for officers and soldiers of the Army in like amount as the officers and crews of merchant vessels. The Chair thinks it is clear that the amendment offered by the gentleman from South Carolina is not germane to the provision now under consideration. While the two propositions may be related to some extent, they are in different classes. This is an individual proposition to insure the lives of certain persons upon merchant vessels. It has been held a number of times and there are a number of precedents to the effect that it is not in order to amend one individual proposition by another individual proposition, even though the two may belong to the same class. The Chair, therefore, sustains the point of order.
Mr. RAGSDALE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.
The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?
There was no objection.
The CHAIRMAN. The Clerk will read.
The Clerk resumed and concluded the reading of the bill.
Mr. ADAMSON. Mr. Chairman, I move that the committee do now rise and report the bill favorably to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.
The motion was agreed to.
Accordingly the committee rose; and Mr. CRISP, as Speaker pro tempore, having assumed the chair, Mr. BYRNS of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.
Mr. ADAMSON. Mr. Speaker, I move the previous question on the bill and amendments to final passage.
The SPEAKER pro tempore. The gentleman from Georgia moves the previous question on the bill and amendments to final passage.
The previous question was ordered.
The SPEAKER pro tempore. Is a separate vote demanded on any of the amendments? If not, the amendments will be put in gross.
The question is on agreeing to the amendments reported by the committee.
The amendments were agreed to.
The SPEAKER pro tempore. The question is on the third reading of the Senate bill.
The Senate bill was ordered to be read a third time, was read the third time, and passed.
On motion of Mr. ADAMSON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE ITALIAN MISSION.

Mr. MANN. Mr. Speaker, I ask unanimous consent that the proceedings during the recess to-day may be printed in the RECORD in the appropriate place.
The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the proceedings that took place during the recent recess of the House be printed in the appropriate place in the RECORD. Is there objection?
There was no objection.

ORDER OF BUSINESS.

Mr. SMALL. Mr. Speaker, a parliamentary inquiry.
The SPEAKER pro tempore. The gentleman will state it.
Mr. SMALL. When the House adjourned yesterday evening by unanimous consent it was agreed that when it adjourned to-day it should adjourn until next Wednesday at noon, and that what would have been in order on Monday should be in order on Wednesday. Now, the inquiry I wish to make is this: If on Wednesday, after the Unanimous Consent Calendar has been exhausted, with all that that calendar includes, would that which would be in order on Calendar Wednesday follow?
Mr. ADAMSON. It was decided yesterday.
Mr. MANN. The Speaker yesterday put the request that the proceedings of Calendar Wednesday should follow the proceedings in order on Monday.
The SPEAKER pro tempore. That is the case.
Mr. SMALL. That answers my inquiry.
Mr. MANN. There is no question about that. If the gentleman wants to dispense with Calendar Wednesday following, I have no objection.
Mr. BORLAND. Mr. Speaker, a parliamentary inquiry.
The SPEAKER pro tempore. The gentleman will state it.
Mr. BORLAND. If any other legislation is called up at that time proper to be called up, it would come up automatically on Thursday morning following the special order made by the former action of the House?
The SPEAKER pro tempore. It would depend largely on the kind of legislation and the condition existing when the House adjourned.

ADJOURNMENT.

Mr. ADAMSON. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p. m.) the House adjourned, pursuant to the previous order, until Wednesday, June 6, 1917, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Newton Creek, Camden County, N. J., from the Delaware River to Mount Ephraim Turnpike on the north and south branches, respectively, and to Cuthbert Avenue, Collingswood, on the main stream (H. Doc. No. 164); to the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Trinity River near Liberty, Tex. (H. Doc. No. 165); to the Committee on Rivers and Harbors and ordered to be printed.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Miakka River, Fla. (H. Doc. No. 166); to the Committee on Rivers and Harbors and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CHANDLER of New York: A bill (H. R. 4843) granting an extension of patent to Walter D. Johnston; to the Committee on Patents.

By Mr. BORLAND: A bill (H. R. 4844) to regulate the time for opening and closing for courts of the United States; to the Committee on the Judiciary.

By Mr. SMITH of Idaho: A bill (H. R. 4845) authorizing the clerks of State or Federal courts to transmit free through the mail letters or packages addressed to the Department of Labor, Bureau of Naturalization, or to any official thereof, in connection with naturalization matters; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4846) to amend section 6 of the act of June 17, 1910, providing for enlarged homestead entries in the State of Idaho; to the Committee on the Public Lands.

Also, a bill (H. R. 4847) providing for the disposition of lands restored to the public domain which have been segregated under the provisions of the act approved August 18, 1894 (28 Stat. L., pp. 372–422), and acts amendatory thereof and supplemental thereto; to the Committee on the Public Lands.

By Mr. AYRES: A bill (H. R. 4848) to amend section 914 chapter 18, of the Revised Statutes of the United States of 1878, relating to the judiciary; to the Committee on the Judiciary.

Also, a bill (H. R. 4849) providing for service of subpœnas for witnesses in the district courts of the United States in addition to the methods now provided by law; to the Committee on the Judiciary.

Also, a bill (H. R. 4850) to provide for a site and building for the entomological station at Wellington, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4851) to acquire additional site, enlarge, extend, remodel, and modernize the post office and Federal building at Wichita, Kans.; to the Committee on Public Buildings and Grounds.

By Mr. BURNETT: A bill (H. R. 4852) to repeal the ninth proviso of section 3 of the immigration act of February 5, 1917; to the Committee on Immigration and Naturalization.

By Mr. NOLAN: A bill (H. R. 4853) to prevent the use of the mails for the purpose of securing false witnesses, suborning perjury, and procuring false testimony in civil or criminal cases; to the Committee on the Post Office and Post Roads.

By Mr. HASTINGS: A bill (H. R. 4854) to provide for the construction of a military road at the United States cemetery at Fort Gibson, Okla.; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 4855) granting an increase of pension to Albert J. Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4856) granting an increase of pension to John T. Gregory; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4857) granting an increase of pension to Andrew M. Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4858) granting a pension to Keziah Zink; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4859) granting a pension to Sanna Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4860) granting a pension to Sarah A. Eddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4861) granting a pension to Harriet J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4862) for the relief of Lewis K. Marshall; to the Committee on Military Affairs.

Also, a bill (H. R. 4863) for the relief of the estate of John McQuiddy, deceased; to the Committee on War Claims.

Also, a bill (H. R. 4864) for the relief of Stewart Logan; to the Committee on Military Affairs.

By Mr. IGOE: A bill (H. R. 4865) granting a pension to James R. Milbee; to the Committee on Pensions.

Also, a bill (H. R. 4866) granting a pension to Julia M. Anderson and minor child, Wilbert T. Anderson; to the Committee on Pensions.

Also, a bill (H. R. 4867) granting a pension to Melissa A. Coulson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4868) granting a pension to Esther C. Vernell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4869) granting a pension to Mrs. Theresa Dietz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4870) granting an increase of pension to John R. See; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4871) granting an increase of pension to Charles F. Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4872) for the relief of Henry Hirschberg; to the Committee on Claims.

Also, a bill (H. R. 4873) for the relief of Edward Flanagan; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BYRNS of Tennessee: Petition of Woman's Missionary Council Board of Missions of Methodist Episcopal Church South, of Tennessee, favoring national prohibition; to the Committee on the Judiciary.

By Mr. DIXON: Petition of 16 citizens of Osgood, Ind., in favor of national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of 125 citizens of Jefferson County, Ind., in favor of national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of congregation of Liberty Baptist Church, of Whiteland; congregation of Rykers Ridge Baptist Church, of Jefferson County; congregation of Second Presbyterian Church, of Madison; congregation of Trinity Methodist Church, of Madison; congregation of First Presbyterian Church, of Madison, all in the State of Indiana, in favor of prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DRUKKER: Petition of Rev. M. L. Andariese and other citizens of Hawthorne, N. J., urging prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ELSTON: Petition of citizens of Oakland, Cal., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. ESCH: Memorial of members of the second-hour European history class of the Milwaukee State Normal School, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of students of modern history, State Normal School, Milwaukee, Wis., against any increase in postage on second-class matter; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of the Boston Alumni Association of Syracuse University, Boston, Mass., pledging its support and loyalty to the Government in the war; to the Committee on Military Affairs.

By Mr. GANDY: Petition of numerous citizens of Hot Springs, S. Dak., favoring the prohibition of the liquor business as a war measure; to the Committee on the Judiciary.

By Mr. GRIFFIN: Memorial of National Woman's Party, favoring passage of suffrage amendment; to the Committee on the Judiciary.

Also, petition of sundry citizens of the eighth congressional district of New York against national prohibition; to the Committee on the Judiciary.

Also, petition of First American Conference for Democracy and Terms of Peace, asking Congress to amend the conscription act; to the Committee on the Judiciary.

Also, petition of Columbia Smelting & Refining Works, of New York, relative to investigating the price of lead; to the Committee on the Judiciary.

Also, petition of Edwin P. Gleason's Son and John S. Sills & Sons, of New York, opposing any advance in letter postage; to the Committee on Ways and Means.

Also, memorial of the Long Island Diocese of the Episcopal Church, favoring national prohibition; to the Committee on the Judiciary.

By Mr. KINKAID: Petition of citizens of Garden County, Nebr., relative to repeal of the conscription law; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petitions of sundry citizens of Baltimore, Md., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Mary H. Abel, of Baltimore, Md., relative to funds for increased production, etc., of food products; to the Committee on Agriculture.

Also, petition of Colston Boyce & Co., of Baltimore, Md., against excess profits tax; to the Committee on Ways and Means.

Also, petition of Mercantile Trust & Deposit Co., Baltimore, Md., against Hardwick amendment to the Federal reserve act; to the Committee on Banking and Currency.

Also, petition of the Henry B. Gilpin Co., of Baltimore, Md., against stamp tax on perfumes, etc.; to the Committee on Ways and Means.

Also, petitions of sundry citizens of Baltimore, Md., favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. LUNDEEN: Petition of members of Simpson Methodist Episcopal Church, Minneapolis, Minn., Rev. Reese Bowman Kester, pastor, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, resolutions of county board of the Ancient Order of Hibernians of Hennepin County, Minn., M. O'Brien, chairman, J. J. Fitzgerald, secretary, pledging loyalty to the Stars and Stripes, and urging upon President Wilson and Congress to insist that England give justice to Ireland; to the Committee on Foreign Affairs.

Also, petition of adult members of Walker Methodist Episcopal Church, Minneapolis, Minn., Rev. J. C. Craig, pastor, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, resolutions of a mass meeting of citizens of Minneapolis, Minn., D. J. Reynolds, secretary, recommending that all so-called church property now held for accretion, gain, and speculation be placed on the same taxable footing as other property; to the Committee on Ways and Means.

Also, petition of the Parent-Teachers' Association of the Prescott School, Minneapolis, Minn., John F. Ferguson, president, Mrs. H. P. Annis, secretary, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Prof. E. Dana Durand, University of Minnesota, Director of the Thirteenth Census, favoring the prohibition of the manufacture and sale of intoxicating liquors during the war; to the Committee on the Judiciary.

Also, resolutions of the Sunday school of the First Presbyterian Church of Minneapolis, Minn., Alexander McCune, superintendent, favoring national prohibition during the war; to the Committee on the Judiciary.

Also, petition of the Northeast Joint School and Civic Association, Minneapolis, Minn., A. L. Nutting, secretary, favoring a "bone-dry" Nation during the war; to the Committee on the Judiciary.

Also, telegram of Prof. H. E. Robertson, University of Minnesota, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of Folkets Vel Temperance Society, Minneapolis, Minn., L. T. Sviggin, secretary, favoring national prohibition as a war-time measure; to the Committee on the Judiciary.

Also, resolutions adopted by the Calvary Presbyterian Church, Minneapolis, Minn., Rev. D. Edward Evans, pastor, favoring national prohibition; to the Committee on the Judiciary.

Also, resolutions of Hennepin County Woman Suffrage Association, Mrs. Josephine S. Simpson, president, favoring the prohibition of the use of foodstuffs in the manufacture of liquor; to the Committee on the Judiciary.

Also, resolution of Minneapolis Baraca and Philathea City Union, Lester S. Norris, president, favoring nation-wide prohibition; to the Committee on the Judiciary.

Also, resolutions of Methodist Ministers' Association of Minneapolis and Vicinity, favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of 17 citizens of Minneapolis, forwarded by Rev. G. E. Silloway, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MAGEE: Petition of Charles W. Clark, Syracuse, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MORIN: Petition of John C. Dilworth, of Pittsburgh, Pa., urging that salt may be included among the commodities that shall have preferential movement by freight in the shipping bill now under discussion; to the Committee on Interstate and Foreign Commerce.

By Mr. PARKER of New York: Petitions of citizens of Lake George; Thurman Baptist Church, of Thurman; Baptist Church of South Glens Falls; and Methodist Episcopal Church of Wilton, all in the State of New York, favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petitions of sundry citizens of South Glens Falls, Luzerne, Ballston Spa, Glens Falls, Rensselaer, Cambridge, Coila, and Nassau, all in the State of New York, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. PHELAN: Memorial of League of the Greek Liberals, of Haverhill, Mass., pledging loyalty and support to President of the United States; to the Committee on Military Affairs.

By Mr. PRATT: Petition of Andrew White, W. E. Lambert, Rev. J. H. Dickerson, and sundry other citizens of Apalachin, N. Y., favoring the prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

Also, petition of Acme Grange, No. 498, Patrons of Husbandry, of Lockwood, N. Y., by Miss Lula M. Myers, lecturer, opposing the use for distilling purposes of any grains they produce; to the Committee on the Judiciary.

Also, petition of Mrs. O. O. Laine, Clyde Ingalls, and Mrs. A. B. Laine, of Canisteo, N. Y., favoring the Gronna-Randall bill to conserve foodstuffs used in making intoxicating liquors; to the Committee on the Judiciary.

Also, petition of Rev. L. C. Bockes, C. W. Rose, George S. Hart, and sundry other citizens of Freeville, N. Y., favoring certain prohibitory measures; to the Committee on the Judiciary.

Also, petition of D. A. Sterling, J. A. Beers, Rev. K. F. Richardson, and sundry others of the congregation of the Methodist Episcopal Church of Watkins, N. Y., favoring the prohibition of the manufacture of alcoholic liquors as a measure of food conservation; to the Committee on the Judiciary.

By Mr. REED: Petition of Mary E. Costello, commander; Byrdie Kennedy, record keeper, of the Womans' Benefit Association of the Maccabees, of Clarksburg, W. Va., and other members of that organization, urging the submission of the Federal amendment for woman suffrage; to the Committee on the Judiciary.

By Mr. ROWE: Petition of Westchester County (N. Y.) Commission of General Safety, relative to prices for additional crops raised; to the Committee on Agriculture.

Also, petition of Retail Liquor Dealers' Association of the State of New York, against any kind of prohibition; to the Committee on the Judiciary.

Also, petition of the Pineoleum Co., of New York, against any advance in letter postage; to the Committee on Ways and Means.

Also, petition of Alumni Association of the Polytechnic Institute of Brooklyn, N. Y., pledging loyalty and support to the Government; to the Committee on Military Affairs.

Also, petitions of sundry citizens of Brooklyn, N. Y., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. RUBEY: Petition of the First Methodist Episcopal Church, Rolla; the Missouri Intercollegiate Prohibition Association; Methodist Episcopal Church of Seymour; Methodist Episcopal Church, Conway; Methodist Episcopal Church, Richland; Methodist Episcopal Church, Salem; and the Men's Bible Class of the Methodist Episcopal Church South, Marshfield, all in the State of Missouri, favoring national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SNOOK: Memorial of the Woman's Civic League of Montpelier, Ohio, relative to 5-mile zone around military training camps; to the Committee on Military Affairs.

By Mr. TOWNER: Petition of S. Payton and 132 others, of Clarinda, Iowa, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. WALDOW: Petition of the Presbyterian Church, 178 members, of Blasdell, N. Y., favoring the prohibition of the use of any kind of foodstuffs for intoxicating beverages; to the Committee on the Judiciary.

Also, petition of Woodlawn Beach Woman's Christian Temperance Union, New York, favoring the prohibition of the use of any kind of foodstuffs for intoxicating beverages; to the Committee on the Judiciary.

Also, petition of the residents of East Aurora, N. Y., and vicinity, favoring the prohibition of the liquor business as a war measure and opposing war tax on the same; to the Committee on the Judiciary.

Also, petition of the officers of the Woman's Christian Temperance Union, Mrs. Laura Dean, president; Mrs. H. W. Cline, treasurer; and Mrs. L. M. Schutts, recording secretary, of Blasdell, N. Y., favoring the prohibition of the liquor business as a war measure and opposing war tax on the same; to the Committee on the Judiciary.

SENATE.

MONDAY, *June 4, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we bless Thee for the assurance that above us, where all power is lodged, there is a gentle hand and a loving heart. The attitude of God toward us is that of fatherly care and pity and compassion. We bless Thee that Thou dost work through men against fate and force and death; that Thou dost establish through men Thy kingdom in the earth.

We pray Thy blessing upon us this day, O God of light and life and power. We remember to-day those who are coming into our city bringing with them the glorious traditions of the past, coming with a friendly spirit and with loyalty to a common country, coming with inspiration and with power to cheer those who stand in the front rank of the conflict of this our day.

God bless the men of the past who have borne their part in struggle and strife, and in their eventide may it be light. Guide us this day in the discharge of our duties. We ask for Christ's sake. Amen.

The Journal of the proceedings of the legislative day of Friday, June 1, 1917, was read and approved.

Mr. LEWIS. Mr. President, I have risen to suggest the absence of a quorum, and I ask for a roll call.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hardwick	McLean	Sherman
Beckham	Hitchcock	Martin	Smith, Ariz.
Brady	Hollis	Myers	Smith, Ga.
Brandegee	Husting	New	Smoot
Broussard	James	Newlands	Stone
Curtis	Jones, N. Mex.	Page	Sutherland
Dillingham	Kellogg	Penrose	Swanson
Fletcher	Kirby	Pittman	Townsend
Frelinghuysen	Knox	Pomerene	Underwood
Gallinger	La Follette	Ransdell	Vardaman
Gerry	Lewis	Robinson	Wadsworth
Gore	Lodge	Saulsbury	Weeks
Hale	McCumber	Shafroth	Williams
Harding	McKellar	Sheppard	

Mr. SUTHERLAND. I desire to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absence of my colleague [Mr. HUGHES] on account of illness. I ask that this announcement may stand for the day.

Mr. CURTIS. I was requested to announce that the senior Senator from Washington [Mr. JONES] is absent on account of illness. I ask that this announcement may stand for the day.

I wish also to announce that the Senator from Maryland [Mr. FRANCE] is absent on important business. I wish this announcement to stand for the day.

Mr. McKELLAR. I wish to announce that the senior Senator from Tennessee [Mr. SHIELDS] is at home and ill. I should like to have this announcement stand for the day.

Mr. BROUSSARD. I desire to announce the absence of the following Senators on official business:

The Senator from Texas [Mr. CULBERSON], the Senator from North Carolina [Mr. OVERMAN], the Senator from Missouri [Mr. REED], the Senator from Montana [Mr. WALSH], the Senator from Utah [Mr. KING], the Senator from Delaware [Mr. WOLCOTT], the Senator from Minnesota [Mr. NELSON], the Senator from Idaho [Mr. BORAH], and the Senator from Washington [Mr. POINDEXTER].

Mr. LEWIS. Permit me to announce the absence on official business of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Arizona [Mr. ASHURST], the Senator from Kansas [Mr. THOMPSON], and the Senator from Wyoming [Mr. KENDRICK]; and also I beg to announce the absence, owing to illness, of the Senator from South Carolina [Mr. TILLMAN].

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 2133) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 11) accepting the statue of Sequoyah, presented by the State of Oklahoma, to be placed in Statuary Hall, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a joint resolution (H. J. Res. 94) authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian grounds, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. SHERMAN. I present a copy of a resolution passed at a peace meeting held in the city of Chicago, Ill., one week ago yesterday, which I ask may be printed in the RECORD without reading.

The VICE PRESIDENT. In the absence of objection, it is so ordered.

The resolution is as follows:

CHICAGO PERMANENT CONFERENCE ON TERMS OF PEACE,
Chicago, Ill., May 31, 1917.

HON. LAWRENCE Y. SHERMAN,
Washington, D. C.

SIR: I am directed to send you a copy of the following resolutions, passed at a citizens' mass meeting held in the Auditorium Sunday afternoon, May 27. This meeting was attended by 4,500 persons, and more than 5,000 were turned away at the doors.

Respectfully,

ARTHUR FISHER, *Secretary.*

Resolutions unanimously adopted at mass meeting in Auditorium Theater, Chicago, Sunday, May 27, under the auspices of the Chicago Permanent Conference on Terms of Peace.

Whereas the critical position of the new Russian democracy of the revision of Russia's war aims requires an immediate reexamination of the peace terms of the entire entente; and

Whereas a democracy can not continue a war free from the burden of responsibility therefor without declaring its own peace terms definite enough for all the world to understand and fair enough for all the world to accept and without securing corresponding declarations from those nations with which it finds itself in fact allied: Therefore be it

Resolved, That this gathering of citizens of Chicago, moved by devotion to their country and the principle of world democracy, urge their Government to make a clear and definite statement of the terms of peace proposed by the United States and by its European allies; and be it further

Resolved, That these terms be in accord with the principles of international conduct expressed in President Wilson's utterances, that "every people should be left free to determine its own policy, its own way of development, unhindered, unthreatened"; that "peace, if it is to come with healing in its wings and come to stay," must, first of all, be "a peace between equals," a peace "based upon a common participation in a common benefit"; and be it further

Resolved, That a copy of these resolutions be sent to the President and to the Members of the Congress of the United States.

Mr. SHERMAN. Mr. President, if I may be permitted a moment, I wish to say that I am not in sympathy with the resolution. It asks for terms of peace to be stated by the Government at this time. Peace will be concluded by the United States in this war through the Department of State and the President. I think war can be waged and peace concluded only by organized government, and not by such meetings as this held in the city of Chicago.

I regard peace meetings held in this way as obstacles to the prosecution of the war and as impediments in the way of the President and his constitutional advisers in effectively conducting the war. I regard the war entered into by the United States as a righteous war. I believe that it should be prosecuted, and ought to be supported, by the people through the constituted authorities; that this peace meeting in the city of Chicago will not help the conclusion of a just peace; that so far as it seeks to secure a declaration of terms on which peace may be concluded it is an erroneous and misguided effort. It will encourage the public enemy and delay peace rather than hasten it. I appeal to my countrymen to unite our forces to protect and defend our country against a powerful and aggressive enemy instead of giving them strength by promoting divisions among our people.

Mr. SAULSBURY presented a petition of sundry citizens of Cheswold, Kent County, Del., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. WADSWORTH presented a petition of the congregation of the Grace Lutheran Church of North Tonawanda, N. Y., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. McLEAN presented a petition of the Manufacturers' Association of the State of Connecticut, praying for the enactment of legislation to provide for the saving of daylight, which was ordered to lie on the table.

He also presented a petition of the Motherhood Club, of Hartford, Conn., praying for Federal control of food, which was referred to the Committee on Agriculture and Forestry.

Mr. NELSON presented petitions of the congregation of the Knox Presbyterian Church of St. Paul and of sundry citizens of Deer River and Paynesville, all in the State of Minnesota, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

He also presented a telegram in the nature of a memorial from the Surety Fund Life Co., of Minneapolis, Minn., remonstrating against the proposed gross-production tax, which was referred to the Committee on Finance.

Mr. WATSON presented petitions of the congregations of the Irvington Methodist Church, of Indianapolis; the Evansville Pastors' Association, of Evansville; the Mothers' Correspondence Club of Indianapolis; the Methodist Episcopal Church of Patricksburg; the Methodist Episcopal Church of Whiting; the Methodist Church of Boswell; the Women's Sunday School Bible Class of Fort Wayne; the Methodist Episcopal Church of Sway-

zee; the First Methodist Church of Noblesville; the King Avenue Methodist Church, of Indianapolis; the Friends Memorial Church of Muncie; the Indiana Methodist Episcopal Church of Akron; the Woman's Christian Temperance Union of Richmond; the Methodist Episcopal Church of North Judson; the First Christian Church of Richmond; the Woman's Christian Temperance Union of Muncie; the Central Christian Temperance Union of Indianapolis; the Methodist Episcopal Church of Yorktown; the Sutherland Presbyterian Sunday School of Indianapolis; the Connersville District Conference, of Arlington; the Methodist Episcopal Church of Zionsville; the Men's Bible Class of the Christian Church of Atlanta; the St. Josephs County Woman's Christian Temperance Union, of South Bend; the Woman's Christian Temperance Union of Muncie; the First Baptist Church of Linton; the First Christian Church of Richmond; the Methodist Episcopal Church of North Judson; the Mary F. Thomas Woman's Christian Temperance Union, of Richmond; of sundry citizens of Hymera, Knox, Woodburn, Attica, Akron, Shelburn, Garrett, Carthage, Hammond, Richmond, Ligonier, Monroeville, Sedalia, Spiceland, Hope, Rockville, Wheatland, Cynthiana, Greencastle, Washington, West Terre Haute, Rossville, Fremont, North Liberty, Knightstown, and Jonesboro, all in the State of Indiana, praying for national prohibition as a war measure, which were referred to the Committee on the Judiciary.

ADDRESS OF HON. ELIHU ROOT (S. DOC. NO. 43).

Mr. SMITH of Arizona, from the Committee on Printing, reported the following resolution (S. Res. 78), which was read, considered by unanimous consent, and agreed to:

Resolved, That the manuscript submitted by the Senator from Massachusetts [Mr. LODGE] on May 29, 1917, entitled "Public Service by the Bar," an address by Hon. Elihu Root, be printed as a Senate document.

THE GRAND CANYON OF THE COLORADO (S. DOC. NO. 42).

Mr. SMITH of Arizona, from the Committee on Printing, reported the following resolution (S. Res. 79), which was read, considered by unanimous consent, and agreed to:

Resolved, That the manuscript submitted by the Senator from Colorado [Mr. SHAFROTH] on May 25, 1917, entitled "First Through the Grand Canyon, the credit claimed for James White, a Colorado gold prospector," by Thomas F. Dawson, be printed as a Senate document, with illustration.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SUTHERLAND:

A bill (S. 2397) granting an increase of pension to Abner A. Ellis; and

A bill (S. 2398) granting a pension to Dora Broom; to the Committee on Pensions.

TEMPORARY BUILDINGS IN SMITHSONIAN GROUNDS.

H. J. Res. 94. Joint resolution authorizing the Board of Regents of the Smithsonian Institution to permit the Secretary of War to erect temporary buildings in the Smithsonian grounds was read twice by its title.

Mr. SWANSON. I ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to the consideration of the joint resolution, which was read, as follows:

Resolved, etc., That authority be, and is hereby, given to the Board of Regents of the Smithsonian Institution to grant permission, under such conditions and restrictions as they may deem necessary, to the Secretary of War to erect for the use of the War Department a temporary structure or structures in the Smithsonian grounds in the city of Washington: *Provided*, That the Secretary of War shall have such building or buildings removed from the said grounds and the site or sites thereof placed in as good condition as at present within three years from the date of the approval of this resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ACCEPTANCE OF STATUE OF SEQUOYAH.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution of the House of Representatives, which will be read.

The Secretary read the concurrent resolution (H. Con. Res. 11), as follows:

Resolved by the House of Representatives (the Senate concurring), That the statue of Sequoyah, presented by the State of Oklahoma, to be placed in Statuary Hall, is accepted in the name of the United States, and that the thanks of Congress be tendered to the State for the contribution of the statue of one of its most eminent citizens, illustrious for his distinguished civic services.

Second. That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the governor of Oklahoma.

Mr. GORE. I desire to ask immediate consideration by the Senate of the concurrent resolution.

The resolution was concurred in.

SPEECH OF SENATOR JAS. HAMILTON LEWIS.

Mr. HARDING. Mr. President, I hold in my hand an authentic copy of an extract from an address delivered recently in Manchester, N. H., by the distinguished Senator from Illinois [Mr. LEWIS]. I desire unanimous consent to have it printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. LEWIS. Mr. President, pardon me. There was just enough rumble around me that I did not catch the observation of the able Senator from Ohio. The request of the Senator from Ohio I did not catch.

The VICE PRESIDENT. It was to print your speech in the RECORD.

Mr. LEWIS. I have no objection to compliment the RECORD in that manner.

The VICE PRESIDENT. It is so ordered.

Mr. HARDING. I am sending the manuscript to the desk, and I have not a word to tender or any thought to make in reply to the speech at this time nor even to call attention to the unfortunate contretemps, inferentially, in the result of the election following the speech. I only wanted to state that I think in making the world safe for democracy we ought to make a contribution in our own country by making democracy safe for the American people by putting patriotism above partisanship in times like these. I desire to offer no further comment.

Mr. LEWIS. Mr. President, I have not seen the excerpt which the able Senator from Ohio tenders. It is true that I spoke in New Hampshire. It was at a congressional election. I spoke for the candidate designated as the Democratic candidate. I regret he was not elected.

I do not know what particular element in this particular speech the able Senator from Ohio would have accentuated. However, this much I am pleased to add, that following my speech in New Hampshire in behalf of the Democratic candidate the able Senator from Ohio addressed the same constituency in behalf of the candidate for the Republicans; and if the candidate called Democratic was defeated it is but a natural inference that the result was due to the speech of the eminent Senator from Ohio. [Laughter.]

I could not allow this compliment which he does me at this time of putting my speech in the RECORD to go without a due recognition that whatever weight it may have had in my favor seems to have been wholly offset by the splendid and evident value of the speech made by the eminent Senator from Ohio now tendering my speech.

Mr. HARDING. Mr. President, I can not allow the courteous Senator from Illinois to outdo me in generosity. I will accept the responsibility for the result in New Hampshire. [Laughter.]

But since the matter has come up for discussion, I will call the attention of the Senate and the distinguished Senator from Illinois to one paragraph of his speech which has particularly impelled me to place it in the RECORD as an indication of the tendency of popular government even in a difficult time like this. The eloquent and forceful Senator from Illinois spoke as follows:

The question for you, then, is, Which way? Are you for America or for Germany? Are you for the President or for the Kaiser? Are you for your country or for its enemies? Your ballot is the only answer you can give.

My comment, Mr. President, on the paragraph is that, after the administration has been so cordially and so effectively supported in both branches of Congress by Members, without any regard to their political affiliations, the answer of the people of the first district of New Hampshire, after this succinct statement of the Senator from Illinois, is rather a misfortune than a matter of congratulation.

Mr. LEWIS. Mr. President, the Senator from Ohio has now made clear that his purpose in presenting this resolution was to show that a challenge had been made to the first district of New Hampshire to set forth by their ballot whether they represented this country in standing by the President or whether they would be considered as being opposed to the President by electing a gentleman who is opposed to those who were in favor of the President. The Senator, I take it, has for his purpose to present to the Senate that, notwithstanding there was a petition made to the people of the first New Hampshire district to stand by the President, and that, as an inducement to them, it was represented that to send a Representative to the House of Representatives who could be construed as representing an adverse sentiment to the President, would be treated abroad as being favorable to the enemies of America.

Mr. President, it was my intention when I made that speech to present very clearly to the country that which I now repeat, that in an hour like this, when the President of the United States, as the Commander in Chief of the armies, is waging a war against the enemies of America, the man who presents himself as representing the President stands for the things for which the President is fighting, and that the man who stands against the President stands against the things for which America is fighting. I made the issue.

I deplore, sir, that that constituency could not accept it as such; and I regret all the more that my eminent friend from Ohio, by calling attention to the specific issue which I raised, and now inviting the attention of the Senate to the result of the election, could accentuate before the country, when the issue was directly put before this American constituency as to whether their ballots should be free from partisanship sufficient to be for the President or against the President, that they chose to be against the President and for the Kaiser, or that they chose to be against America and for Germany.

Mr. HARDING. Mr. President——

Mr. LEWIS. If, on the other hand, Mr. President, such was not their idea and such was not their ideal, and if it be not true, sir, that the eminent Senator desired to present such as his object, then it must be that he wishes to show that fact, notwithstanding the plea is made upon the ground I did make it, this constituency answered me by denying the plea and deciding against the plea, and deciding for the things which I said they should decide against—if that be not the object of the able Senator, I am unable to see, then, what his object could be.

Mr. HARDING. Mr. President——

Mr. LEWIS. I will yield to the Senator in a moment. If, Mr. President, my eminent friend from Ohio finds a satisfaction in recording upon the RECORD that any constituency of this country chose to accept the challenge, and then decided in the challenge against their country or for a conclusion which can be construed to be against the President and against America—if my honorable friend from Ohio can find consolation in such a victory, I must congratulate his capacity to find joy wherein I only can find grief. I now yield to the Senator from Ohio.

Mr. HARDING. Mr. President, I should like the Senator from Illinois to illumine the Senate on his process of reasoning, whereby he concludes that a Democratic nominee for Congress is for the President while the nominee of the party to which I belong is against the President, in view of the course of legislation in this body and in the other House during the last few months?

Mr. LEWIS. Mr. President, if the premises of my able friend were well founded I should be glad to say that I could not justify them. I have not charged that the party called Republican in this body or in another body of Congress was against America; I have not charged that any Republican, because of being such, was against the country; I have not charged anywhere, nor could I, that a great body of them have not lent splendid aid and noble encouragement to the undertakings of the administration in carrying out this unfortunate, but necessary, conflict.

If my able friend had paused to have read my speech and have understood its purpose, he would have observed that I called the attention of that constituency to what Europe would say on the result, which was that one of those candidates being a Democrat, representing the administration for which President Wilson stood, and the other gentleman being a Republican and opposing the Democracy, the result would be construed abroad to mean encouragement of those who were opposed to the President, those who were opposing his policy, and would be construed to mean a victory for Germany against the President, a victory for the Kaiser against the country, in this, that as it was the very first election since war had been declared, and that, if the result was to be against one who was supposed to be a member of the President's party, it would receive the very construction that I put upon it in that address.

I say now that whatever construction may be put upon it in any land, there can be but one—and I deplore it—and that is that the splendid and patriotic constituency of the great State of New Hampshire decided against a follower and a supporter of the President; and, as the only issues before the country at this time are and were whether they were with the President in the great conflict, the verdict must be, so far as Europe is concerned, that they were not.

Therefore, Mr. President, if the able Senator will read the address complete, he will realize that the assault to which he alludes was never made; also, the Senator will observe that the very conclusion which I drew then is capable now of the same conclusion to be drawn.

I, in conclusion, say, regretting that the time of the Senate should be taken upon the matter, I still deplore that in contests such as there were in New Hampshire there could not have been a line drawn by that discriminating constituency as to what the effect of an election of that kind would be in the land of our enemies. It was that I sought to accentuate, and it is that which again I emphasize——

Mr. WEEKS. Mr. President, I rise to ask the Senator from Ohio if he would not be willing to have included in the RECORD the entire extract which the Senator from Illinois sent to the Boston papers; at least that which the Boston papers printed of his speech? I think it would be fair to the Senator from Illinois and would give a complete understanding to those who read it of the words and evidently of the intention of that Senator.

Mr. LEWIS. The suggestion meets with my approval, Mr. President.

Mr. HARDING. The premise to which the Senator from Illinois makes allusion is contained in the reported copy of his speech, and I shall be very glad to have it included, and so intended. My purpose has been very largely inspired by the thought that perhaps, while we are elevating the world, as I hope we may, we shall contribute something to the good fortune of our own land if, as partisans in our political contests, we are a little more considerate of one another and a little more frank and sincere in addressing our appeals to the constituencies of this land.

The extract from the speech of Mr. LEWIS is as follows:

There is no issue of Republican or Democratic Party in this contest. The issue is, Will the citizens of the Manchester, N. H., district stand by the President of the United States in his effort to maintain a war for democracy and justice, and give him a supporter in Congress who will support his policies and hold up his hands? Or will this district select a gentleman of whom it could be said he was an opponent of the policies of the President and of whom hereafter throughout the whole world, it will be said, was elected upon the issue of dishonoring the President and defeating America? If the candidate representing the cause of the President is defeated, it will not matter what reasons may be given here at home. Through all the world it will be said that in the first election—in the first contest—where the issue was raised in all America as to whether the people of the country were with the President, were with the war, and were supporting the cause, that the New Hampshire district was the first to answer, and that the Manchester, N. H., district replied "No," and by its verdict told the civilized world that it was against the war, against the President, against America—was for Prussianism and was for the defeat of the United States by her enemies, and that loyal New Hampshire voted disloyalty to the American Government for the first time in its life.

The question for you, then, is, Which way? Are you for America or for Germany? Are you for the President or for the Kaiser? Are you for your country or for its enemies? Your ballot is the only answer you can give.

The support of the war and the issues of the war is to the honor of New Hampshire. To do otherwise is to dishonor your State and to hold yourselves up before the country as citizens disloyal to the cause and deserters from your flag.

Mr. REED. Mr. President, of course I do not intend to object to putting this controversy of the stump into the CONGRESSIONAL RECORD, but I submit that it ought not to be taken as a precedent to be followed. If every time two doughty champions encountering each other in the political forum proceed to hurl the harmless javelins of satire, to strike with the bloodless swords of sound, or to attack with fire of unconsuming eloquence, all they have said is to be laboriously recited and solemnly preserved of record, our sessions will be endless, and the poor old CONGRESSIONAL RECORD will become long beyond reading and stupid beyond endurance.

I have always understood that a Senator, once he has reached the headwaters of the creek, or arrived at the crossroads, is permitted to shed his dignity along with his toga, and to "go to" any political controversy in the old-fashioned style of the hustings. I was particularly impressed with that fact when the Senator from Ohio [Mr. HARDING], who has just filed the bill of complaint against the Senator from Illinois [Mr. LEWIS], hied him to the State of Missouri last fall and paid his respects to me. I never thought it was necessary to bring the controversy into this forum in order to try out the question as to the truth of the charges he then and there made. I really think the Senator from Ohio is so much of a free lance and goes so much up and down the earth and into the territory of other Senators seeking scalps that he ought not to be supersensitive about a little speech that was made over in New Hamphsire, a domain that is foreign to him, as it is to the Senator from Illinois.

Mr. WEEKS. Mr. President, I desire to ask the Senator from Missouri if he does not think it would make a difference if the recognized representative and spokesman of the administration went into a State after having carefully prepared and sent to the press the remarks which he intended to make, thus indicating that their purport had been reached after deliberation?

Mr. REED. Well, possibly so; but a similar argument might be advanced for preserving in the RECORD all that is said when some distinguished Senator running for the Presidency visits the various States and there delivers himself of wise or otherwise statements. There have been numerous examples of that

kind, yet we have not generally been willing to embalm their remarks at the expense of cumbering the RECORD.

Mr. GALLINGER. Mr. President, I call for the regular order. New Hampshire did her duty and is satisfied.

The VICE PRESIDENT. The regular order is demanded.

PROPOSED ADJOURNMENT OVER.

Mr. MARTIN. Mr. President, I believe there is a very general wish in the Senate to adjourn over until Friday. It is impossible to do so, as we can not adjourn for more than three days at a time. So I am going to submit a motion to adjourn until to-morrow; and then to-morrow I shall submit a motion that the Senate adjourn until Friday.

I will say, Mr. President, in explanation of this proposed course, that a great many Senators desire to give the time to a study of the revenue bill which is now being considered by the Finance Committee. They want time to consider and study that measure, and have requested me to make this motion so as to give them that opportunity.

In addition, Mr. President, the Confederate Veterans are having a reunion in the city, and a great many of us desire to have an opportunity to show some honor to them. The most important day of the reunion will be Thursday. For these reasons I felt that it would be well for the Senate to adjourn over until Friday, but as we can not do so I now move that the Senate adjourn, and to-morrow I shall move that the Senate adjourn until Friday. I submit the motion, Mr. President, that the Senate do now adjourn.

Mr. NEWLANDS. Mr. President, will the Senator withhold the motion to enable me to make a statement?

Mr. MARTIN. I will withhold the motion for the Senator to make his statement.

Mr. NEWLANDS. Mr. President, I have been exceedingly solicitous to bring to a conclusion the unfinished business; which is the bill for the allowance of priorities and preferences in traffic as a matter of war emergency. I should like to dispose of the bill to-day, unless I am led to understand there is such opposition to it as would prevent the conclusion of its consideration to-day. I will ask the Senator from Georgia [Mr. SMITH], who has indicated that he wishes time for the consideration of the measure, whether he does not think that we can consider this matter to-day and conclude our action regarding it?

Mr. SMITH of Georgia. Mr. President, I can speak only for myself. I think this bill embraces an astounding proposition. It is inconceivable to me that the Senate would pass it.

I think it ought to have the most serious consideration and the fullest deliberation. It transfers to the President the entire control of the transportation system of the country. As I read it, he can direct what shall be hauled and what shall not be hauled. He can practically control the prices of the hauls. A body of railroad men are required to be here to obey his orders, subject to criminal prosecution.

Existing rules and charges for transportation are subject to suspension. The consequent injuries to the railroads from inability to discharge their normal liabilities to the public seem to be subject to adjustment, and are to be made the subject of compensation, probably, by the National Government.

The bill is so far-reaching that I have not been quite able yet to grasp it. I have not had an opportunity to take it off by myself quietly and study it to find out what it does mean. I see enough upon the surface to feel that it should receive the most careful consideration of the Senate, and I should think there would be many Senators who would hesitate greatly before they would support it.

I do not know just what it is, but it seems to be a bill to place heretofore unknown powers of apparently complete transportation control in the President.

I do not understand that the President has had any special railroad training for the management of all the railroads in the United States. To be sure, the bill authorizes him to select somebody else, but I do not know that he has had any experience in selecting capable railroad men. He is also to fix the compensation for the men he selects. The whole matter of compensation and selection seems to be in his hands.

As I said, I may be inaccurate in my suggestion of the scope of this measure, and I hope I am. I hope my mind has been unduly excited as I read it, and that it does not mean nearly as much to me, upon not too careful a study, as it seems to mean.

If we are to transfer the railroads entirely into Government control, it occurs to me that we ought ourselves to consider the men who are to manage them, and to go somewhat more into detail as to compensation and as to the possible losses. I see no occasion now to subject the transportation system of the country to complete operation by the Government.

Surely, if the railroads are to be operated under Government control, we should settle in detail some of the policies and manner of operation.

The Senator really, however, asked me whether I thought we could vote upon this measure to-day. I can only speak for myself. I would only be ready to vote against it to-day and to urge every Senator to vote against it also.

Mr. NEWLANDS. Mr. President——

Mr. MARTIN. I renew my motion that the Senate adjourn.

The motion was agreed to; and (at 12 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 5, 1917, at 12 o'clock meridian.

SENATE.

TUESDAY, *June 5, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, in all of our work we acknowledge Thee. We come before Thee with reverent hearts, and asking Thy blessing upon us. Thy name has made us great. Under the guidance of the revealed will of God we look out upon the fate of a Nation under the inspiration of truth, and with the courage that comes from a conscience void of offense. We have been speaking to the nations with a voice of moral sympathy and helpfulness and pence.

To-day the great Nation calls to the colors millions of men to look upon the uncertain fate of the morrow. We bless Thee that, as we call them to the service of the Nation, they can come following the flag with a clear conscience, with a devotion to the truth, with the light of a blessed ideal before them. Guard, O God our Father, these men who serve in the trying fields that lie just before us. Grant that about them there may ever be the protecting arm of the God of our fathers. As Thou hast brought us through the uncertain paths of the past to this glorious day, lead us on to the accomplishment of Thy great purpose in us as a Nation. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PETITIONS.

Mr. SAULSBURY presented a petition of sundry citizens of Townsend, Del., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

Mr. JAMES. I present resolutions unanimously adopted by the Southern Society of Washington, D. C., at a regular meeting, which I ask to have printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

The following resolutions were unanimously adopted by the Southern Society of Washington, D. C., United States of America, at a regular meeting:

"Whereas at a regular meeting of the Southern Society of Washington, representing a full one-third of the area and population of the United States, on this the 3d day of May, 1917, upon an invitation from the society, the members have heard with deep and appreciative interest Dr. William O. McDowell's stirring account of the struggles of the people of Russia for liberty and the cause of democracy, which resulted in the greatest and most remarkable revolution of the world's history; and

"Whereas the members of the society desire to express their sympathy for and admiration of the people of the great Russian nation in their marvelous work: Therefore be it

"*Resolved*, That the members of the Southern Society of Washington extend their most cordial greetings to the people of all the Russias, and express and record their profoundest sympathy for their brothers and sisters of that vast country in their great struggle for liberty and self-government, and bid them Godspeed in the successful culmination of their memorable efforts in the establishment of a 'government of the people, by the people, for the people.'"

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

A bill (S. 2399) to provide for development of water power and the use of public lands in relation thereto, and for other purposes; to the Committee on Public Lands.

By Mr. SHAFROTH:

A bill (S. 2400) to provide for the erection of a public building at Monte Vista, Colo., upon a site heretofore acquired by the United States; to the Committee on Public Buildings and Grounds.

A joint resolution (S. J. Res. 74) proposing an amendment to the Constitution prohibiting the sale, gift, manufacture, transportation, importation, and exportation of intoxicating liquor,

except for mechanical, scientific, sacramental, and medicinal purposes, under proper regulation by Congress; to the Committee on the Judiciary.

PUNISHMENT OF ESPIONAGE—CONFERENCE REPORT (S. DOC. NO. 44).

Mr. OVERMAN. I submit the conference report on the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, which I ask may be printed and lie on the table.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 291) to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"TITLE I.

"ESPIONAGE.

"SECTION 1. That (a) whoever, for the purpose of obtaining information respecting the national defense with intent or reason to believe that the information to be obtained is to be used to the injury of the United States, or to the advantage of any foreign nation, goes upon, enters, flies over, or otherwise obtains information concerning any vessel, aircraft, work of defense, navy yard, naval station, submarine base, coaling station, fort, battery, torpedo station, dockyard, canal, railroad, arsenal, camp, factory, mine, telegraph, telephone, wireless, or signal station, building, office, or other place connected with the national defense, owned or constructed, or in progress of construction by the United States or under the control of the United States, or of any of its officers or agents, or within the exclusive jurisdiction of the United States, or any place in which any vessel, aircraft, arms, munitions, or other materials or instruments for use in time of war are being made, prepared, repaired, or stored, under any contract or agreement with the United States, or with any person on behalf of the United States, or otherwise on behalf of the United States, or any prohibited place within the meaning of section 6 of this title; or (b) whoever for the purpose aforesaid, and with like intent or reason to believe, copies, takes, makes, or obtains, or attempts, or induces or aids another to copy, take, make, or obtain, any sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, document, writing, or note of anything connected with the national defense; or (c) whoever, for the purpose aforesaid, receives or obtains or agrees or attempts or induces or aids another to receive or obtain from any person, or from any source whatever, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, may, model, instrument, appliance, or note, of anything connected with the national defense, knowing or having reason to believe, at the time he receives or obtains, or agrees or attempts or induces or aids another to receive or obtain it, that it has been or will be obtained, taken, made or disposed of by any person contrary to the provisions of this title; or (d) whoever, lawfully or unlawfully having possession of, access to, control over, or being intrusted with any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, instrument, appliance, or note relating to the national defense, willfully communicates or transmits or attempts to communicate or transmit the same to any person not entitled to receive it, or willfully retains the same and fails to deliver it on demand to the officer or employee of the United States entitled to receive it; or (e) whoever, being intrusted with or having lawful possession or control of any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, or information, relating to the national defense, through gross negligence permits the same to be removed from its proper place of custody or delivered to anyone in violation of his trust, or to be lost, stolen, abstracted, or destroyed, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or both.

"SEC. 2. (a) Whoever, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to, or aids or induces another to, communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by imprisonment for not more than 20 years: *Provided*, That whoever shall violate the provisions of subsection (a) of this section in time of war shall be punished by death or by imprisonment for not more than 30 years; and (b) whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or by imprisonment for not more than 30 years.

"SEC. 3. Whoever, when the United States is at war, shall willfully make or convey false reports or false statements with intent to interfere with the operation or success of the military or naval forces of the United States or to promote the success of its enemies and whoever, when the United States is at war, shall willfully cause or attempt to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or shall willfully obstruct the recruiting or enlistment service of the United States, to the injury of the service or of the United States, shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both.

"SEC. 4. If two or more persons conspire to violate the provisions of sections 2 or 3 of this title, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as in said sections provided in the case of the doing of the act the accomplishment of which is the object of such conspiracy. Except as above provided conspiracies to commit offenses under this title shall be punished as provided by section 37 of the act to codify, revise, and amend the penal laws of the United States approved March 4, 1909.

"SEC. 5. Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe or suspect, has committed, or is about to commit, an offense under this title shall be punished by a fine of not more than $10,000 or by imprisonment for not more than two years, or both.

"SEC. 6. The President in time of war or in case of national emergency may by proclamation designate any place other than those set forth in subsection (a) of section 1 hereof in which anything for the use of the Army or Navy is being prepared or constructed or stored as a prohibited place for the purposes of this title: *Provided*, That he shall determine that information with respect thereto would be prejudicial to the national defense.

"SEC. 7. Nothing contained in this title shall be deemed to limit the jurisdiction of the general courts-martial, military commissions, or naval courts-martial under sections 1342, 1343, and 1624 of the Revised Statutes as amended.

"SEC. 8. The provisions of this title shall extend to all territories, possessions, and places subject to the jurisdiction of the United States whether or not contiguous thereto, and offenses under this title when committed upon the high seas or elsewhere within the admiralty and maritime jurisdiction of the United States and outside the territorial limits thereof shall be punishable hereunder.

"SEC. 9. The act entitled 'An act to prevent the disclosure of national-defense secrets,' approved March 3, 1911, is hereby repealed.

"TITLE II.

"VESSELS IN PORTS OF THE UNITED STATES.

"SECTION 1. Whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance or threatened disturbance of the international relations of the United States, the Secretary of the Treasury may make, subject to the approval of the President, rules and regulations governing the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States, may

inspect such vessel at any time, place guards thereon, and, if necessary in his opinion in order to secure such vessels from damage or injury, or to prevent damage or injury to any harbor or waters of the United States, or to secure the observance of the rights and obligations of the United States, may take, by and with the consent of the President, for such purposes, full possession and control of such vessel and remove therefrom the officers and crew thereof and all other persons not specially authorized by him to go or remain on board thereof.

"Within the territory and waters of the Canal Zone the Governor of the Panama Canal, with the approval of the President, shall exercise all the powers conferred by this section on the Secretary of the Treasury.

"SEC. 2. If any owner, agent, master, officer, or person in charge, or any member of the crew of any such vessel fails to comply with any regulation or rule issued or order given by the Secretary of the Treasury or the Governor of the Panama Canal under the provisions of this title, or obstructs or interferes with the exercise of any power conferred by this title, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and the person guilty of such failure, obstruction, or interference shall be fined not more than $10,000, or imprisoned not more than two years, or both.

"SEC. 3. It shall be unlawful for the owner or master or any other person in charge or command of any private vessel, foreign or domestic, or for any member of the crew or other person, within the territorial waters of the United States, willfully to cause or permit the destruction or injury of such vessel or knowingly to permit said vessel to be used as a place of resort for any person conspiring with another or preparing to commit any offense against the United States, or in violation of the treaties of the United States or of the obligations of the United States under the law of nations, or to defraud the United States, or knowingly to permit such vessels to be used in violation of the rights and obligations of the United States under the law of nations; and in case such vessel shall be so used, with the knowledge of the owner or master or other person in charge or command thereof, the vessel together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and whoever violates this section shall be fined not more than $10,000 or imprisoned not more than two years, or both.

"SEC. 4. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purpose of this title.

"TITLE III.

"INJURING VESSELS ENGAGED IN FOREIGN COMMERCE.

"SECTION 1. Whoever shall set fire to any vessel of foreign registry, or any vessel of American registry entitled to engage in commerce with foreign nations, or to any vessel of the United States as defined in section 310 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' or to the cargo of the same, or shall tamper with the motive power or instrumentalities of navigation of such vessel, or shall place bombs or explosives in or upon such vessel, or shall do any other act to or upon such vessel while within the jurisdiction of the United States, or, if such vessel is of American registry, while she is on the high sea, with intent to injure or endanger the safety of the vessel or of her cargo, or of persons on board, whether the injury or danger is so intended to take place within the jurisdiction of the United States, or after the vessel shall have departed therefrom; or whoever shall attempt or conspire to do any such acts with such intent, shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"TITLE IV.

"INTERFERENCE WITH FOREIGN COMMERCE BY VIOLENT MEANS.

"SECTION 1. Whoever, with intent to prevent, interfere with, or obstruct or attempt to prevent, interfere with, or obstruct the exportation to foreign countries of articles from the United States shall injure or destroy, by fire or explosives, such articles or the places where they may be while in such foreign commerce, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both.

"TITLE V.

"ENFORCEMENT OF NEUTRALITY.

"SECTION 1. During a war in which the United States is a neutral Nation, the President, or any person thereunto authorized by him, may withhold clearance from or to any vessel, domestic or foreign, which is required by law to secure clearance before departing from port or from the jurisdiction of the United States, or, by service of formal notice upon the owner, master, or person in command or having charge of any domestic vessel not required by law to secure clearances before so departing, to forbid its departure from port or from the jurisdiction of the United States, whenever there is reasonable cause to believe that any such vessel, domestic or foreign, whether requiring clearance or not, is about to carry fuel, arms, ammunition, men, supplies, dispatches, or information to any warship, tender, or supply ship of a foreign belligerent nation in violation of the laws, treaties, or obligations of the United States under the law of nations; and it shall thereupon be unlawful for such vessel to depart.

"SEC. 2. During a war in which the United States is a neutral nation, the President, or any person thereunto authorized by him, may detain any armed vessel owned wholly or in part by American citizens, or any vessel, domestic or foreign (other than one which has entered the ports of the United States as a public vessel), which is manifestly built for warlike purposes or has been converted or adapted from a private vessel to one suitable for warlike use, until the owner or master, or person having charge of such vessel, shall furnish proof satisfactory to the President, or to the person duly authorized by him, that the vessel will not be employed by the said owners, or master, or person having charge thereof, to cruise against or commit or attempt to commit hostilities upon the subjects, citizens, or property of any foreign prince or State, or of any colony, district, or people with which the United States is at peace, and that the said vessel will not be sold or delivered to any belligerent nation, or to an agent, officer, or citizen of such nation, by them or any of them, within the jurisdiction of the United States, or, having left that jurisdiction, upon the high seas.

"SEC. 3. During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States.

"SEC. 4. During a war in which the United States is a neutral nation, in addition to the facts required by sections 4197, 4198, and 4200 of the Revised Statutes to be set out in the masters' and shippers' manifests before clearance will be issued to vessels bound to foreign ports, each of which sections of the Revised Statutes is hereby declared to be and is continued in full force and effect, every master or person having charge or command of any vessel, domestic or foreign, whether requiring clearance or not, before departure of such vessel from port shall deliver to the collector of customs for the district wherein such vessel is then located a statement duly verified by oath, that the cargo or any part of the cargo is or is not to be delivered to other vessels in port or to be transshipped on the high seas and, if it is to be so delivered or transshipped, stating the kind and quantities and the value of the total quantity of each kind of article so to be delivered or transshipped, and the name of the person, corporation, vessel, or Government, to whom the delivery or transshipment is to be made; and the owners, shippers, or consignors of the cargo of such vessel shall in the same manner and under the same conditions deliver to the collector like statements under oath as to the cargo or the parts thereof laden or shipped by them, respectively.

"SEC. 5. Whenever it appears that the vessel is not entitled to clearance or whenever there is reasonable cause to believe that the additional statements under oath required in the foregoing section are false, the collector of customs for the district in which the vessel is located may, subject to review by the Secretary of Commerce, refuse clearance to any vessel, domestic or foreign, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, forbid the departure of the vessel from the port or from the jurisdiction of the United States; and it shall thereupon be unlawful for the vessel to depart.

"SEC. 6. Whoever, in violation of any of the provisions of this title, shall take, or attempt or conspire to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than five years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States.

"SEC. 7. Whoever, being a person belonging to the armed land or naval forces of a belligerent nation or belligerent faction of

any nation and being interned in the United States, in accordance with the law of nations, shall leave or attempt to leave said jurisdiction, or shall leave or attempt to leave the limits of internment in which freedom of movement has been allowed, without permission from the proper official of the United States in charge, or shall willfully overstay a leave of absence granted by such official, shall be subject to arrest by any marshal or deputy marshal of the United States, or by the military or naval authorities thereof, and shall be returned to the place of internment and there confined and safely kept for such period of time as the official of the United States in charge shall direct; and whoever, within the jurisdiction of the United States and subject thereto, shall aid or entice any interned person to escape or attempt to escape from the jurisdiction of the United States, or from the limits of internment prescribed, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 8. Section 13 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 13. Whoever, within the territory or jurisdiction of the United States or of any of its possessions, knowingly begins or sets on foot or provides or prepares a means for or furnishes the money for, or who takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or State, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than three years, or both.'

"SEC. 9. That the President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"SEC. 10. Section 15 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is hereby amended so as to read as follows:

"'SEC. 15. It shall be lawful for the President to employ such part of the land or naval forces of the United States, or of the militia thereof, as he may deem necessary to compel any foreign vessel to depart from the United States or any of its possessions in all cases in which, by the law of nations or the treaties of the United States, it ought not to remain, and to detain or prevent any foreign vessel from so departing in all cases in which, by the law of nations or the treaties of the United States, it is not entitled to depart.'

"SEC. 11. The joint resolution approved March 4, 1915, 'To empower the President to better enforce and maintain the neutrality of the United States,' and any act or parts of acts in conflict with the provisions of this title are hereby repealed.

"TITLE VI.

"SEIZURE OF ARMS AND OTHER ARTICLES INTENDED FOR EXPORT.

"SECTION 1. Whenever an attempt is made to export or ship from or take out of the United States, any arms or munitions of war, or other articles, in violation of law, or whenever there shall be known or probable cause to believe that any such arms or munitions of war, or other articles, are being or are intended to be exported, or shipped from, or taken out of the United States, in violation of law, the several collectors, naval officers, surveyors, inspectors of customs, and marshals, and deputy marshals of the United States, and every other person duly authorized for the purpose by the President, may seize and detain any articles or munitions of war about to be exported or shipped from, or taken out of the United States, in violation of law, and the vessels or vehicles containing the same, and retain possession thereof until released or disposed of as hereinafter directed. If upon due inquiry as hereinafter provided, the property seized shall appear to have been about to be so unlawfully exported, shipped from, or taken out of the United States, the same shall be forfeited to the United States.

"SEC. 2. It shall be the duty of the person making any seizure under this title to apply, with due diligence, to the judge of the district court of the United States, or to the judge of the United States district court of the Canal Zone, or to the judge of a court of first instance in the Philippine Islands, having jurisdiction over the place within which the seizure is made, for a warrant to justify the further detention of the property so seized, which warrant shall be granted only on oath or affirmation showing that there is known or probable cause to believe that the property seized is being or is intended to be exported or shipped from or taken out of the United States in violation of law; and if the judge refuses to issue the warrant, or application therefor is not made by the person making the seizure within a reasonable time, not exceeding 10 days after the seizure, the property shall forthwith be restored to the owner or person from whom seized. If the judge is satisfied that the seizure was justified under the provisions of this title and issues his warrant accordingly, then the property shall be detained by the person seizing it until the President, who is hereby expressly authorized so to do, orders it to be restored to the owner or claimant, or until it is discharged in due course of law on petition of the claimant, or on trial of condemnation proceedings, as hereinafter provided.

"SEC. 3. The owner or claimant of any property seized under this title may, at any time before condemnation proceedings have been instituted, as hereinafter provided, file his petition for its restoration in the district court of the United States, or the district court of the Canal Zone, or the court of first instance in the Philippine Islands, having jurisdiction over the place in which the seizure was made, whereupon the court shall advance the cause for hearing and determination with all possible dispatch, and, after causing notice to be given to the United States attorney for the district and to the person making the seizure, shall proceed to hear and decide whether the property seized shall be restored to the petitioner or forfeited to the United States.

"SEC. 4. Whenever the person making any seizure under this title applies for and obtains a warrant for the detention of the property, and (a) upon the hearing and determination of the petition of the owner or claimant restoration is denied, or (b) the owner or claimant fails to file a petition for restoration within 30 days after the seizure, the United States attorney for the district wherein it was seized, upon direction of the Attorney General, shall institute libel proceedings in the United States district court or the district court of the Canal Zone or the court of first instance of the Philippine Islands having jurisdiction over the place wherein the seizure was made, against the property for condemnation; and if, after trial and hearing of the issues involved, the property is condemned, it shall be disposed of by sale, and the proceeds thereof, less the legal costs and charges, paid into the Treasury.

"SEC. 5. The proceedings in such summary trials upon the petition of the owner or claimant of the property seized, as well as in the libel cases herein provided for, shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in such libel cases, and all such proceedings shall be at the suit of and in the name of the United States: *Provided*, That upon the payment of the costs and legal expenses of both the summary trials and the libel proceedings herein provided for, and the execution and delivery of a good and sufficient bond in an amount double the value of the property seized, conditioned that it will not be exported or used or employed contrary to the provisions of this title, the court, in its discretion, may direct that it be delivered to the owners thereof or to the claimants thereof.

"SEC. 6. Except in those cases in which the exportation of arms and munitions of war or other articles is forbidden by proclamation or otherwise by the President, as provided in section 1 of this title, nothing herein contained shall be construed to extend to, or interfere with any trade in such commodities, conducted with any foreign port or place whatsoever, or with any other trade which might have been lawfully carried on before the passage of this title, under the law of nations, or under the treaties or conventions entered into by the United States, or under the laws thereof.

"SEC. 7. Upon payment of the costs and legal expenses incurred in any such summary trial for possession or libel proceedings, the President is hereby authorized, in his discretion, to order the release and restoration to the owner or claimant, as the case may be, of any property seized or condemned under the provisions of this title.

"SEC. 8. The President may employ such part of the land or naval forces of the United States as he may deem necessary to carry out the purposes of this title.

"TITLE VII.

"CERTAIN EXPORTS IN TIME OF WAR UNLAWFUL.

"SECTION 1. Whenever during the present war the President shall find that the public safety shall so require, and shall make proclamation thereof, it shall be unlawful to export from or ship from or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however*, That no preference shall be given to the ports of one State over those of another.

"SEC. 2. Any person who shall export, ship, or take out, or deliver or attempt to deliver for export, shipment, or taking out, any article in violation of this title, or of any regulation or order made hereunder, shall be fined not more than $10,000, or, if a natural person, imprisoned for not more than two years, or

both; and any article so delivered or exported, shipped, or taken out, or so attempted to be delivered or exported, shipped, or taken out, shall be seized and forfeited to the United States; and any officer, director, or agent of a corporation who participates in any such violation shall be liable to like fine or imprisonment, or both.

"SEC. 3. Whenever there is reasonable cause to believe that any vessel, domestic or foreign, is about to carry out of the United States any article or articles in violation of the provisions of this title, the collector of customs for the district in which such vessel is located is hereby authorized and empowered, subject to review by the Secretary of Commerce, to refuse clearance to any such vessel, domestic or foreign, for which clearance is required by law, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, to forbid the departure of such vessel from the port, and it shall thereupon be unlawful for such vessel to depart. Whoever, in violation of any of the provisions of this section, shall take, or attempt to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than two years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her forbidden cargo shall be forfeited to the United States.

"TITLE VIII.

"DISTURBANCE OF FOREIGN RELATIONS.

"SECTION 1. Whoever, in relation to any dispute or controversy between a foreign Government and the United States, shall willfully and knowingly make any untrue statement, either orally or in writing, under oath before any person authorized and empowered to administer oaths, which the affiant has knowledge or reason to believe will, or may be used to influence the measures or conduct of any foreign Government, or of any officer or agent of any foreign Government, to the injury of the United States, or with a view or intent to influence any measures of or action by the Government of the United States, or any branch thereof, to the injury of the United States, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever within the jurisdiction of the United States shall falsely assume or pretend to be a diplomatic or consular, or other official of a foreign Government duly accredited as such to the Government of the United States with intent to defraud such foreign Government or any person, and shall take upon himself to act as such, or in such pretended character shall demand or obtain, or attempt to obtain from any person or from said foreign Government, or from any officer thereof, any money, paper, document, or other thing of value, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 3. Whoever, other than a diplomatic or consular officer or attaché, shall act in the United States as an agent of a foreign Government without prior notification to the Secretary of State shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"SEC. 4. The words 'foreign government,' as used in this act and in sections 156, 157, 161, 170, 171, 172, 173, and 220 of the act of March 4, 1909, entitled 'An act to codify, revise, and amend the penal laws of the United States,' shall be deemed to include any government, faction, or body of insurgents within a country with which the United States is at peace, which government, faction, or body of insurgents may or may not have been recognized by the United States as a government.

"SEC. 5. If two or more persons within the jurisdiction of the United States conspire to injure or destroy specific property situated within a foreign country and belonging to a foreign government or to any political subdivision thereof with which the United States is at peace, or any railroad, canal, bridge, or other public utility so situated, and if one or more of such persons commits an act within the jurisdiction of the United States to effect the object of the conspiracy, each of the parties to the conspiracy shall be fined not more than $5,000, or imprisoned not more than three years, or both. Any indictment or information under this section shall describe the specific property which it was the object of the conspiracy to injure or destroy.

"TITLE IX.

"PASSPORTS.

"SECTION 1. Before a passport is issued to any person by or under authority of the United States such person shall subscribe to and submit a written application duly verified by his oath before a person authorized and empowered to administer oaths, which said application shall contain a true recital of each and every matter of fact which may be required by law or by any rules authorized by law to be stated as a prerequisite to the issuance of any such passport. Clerks of United States courts, agents of the Department of State, or other Federal officials authorized, or who may be authorized, to take passport applications and administer oaths thereon, shall collect, for all services in connection therewith, a fee of $1, and no more, in lieu of all fees prescribed by any statute of the United States, whether the application is executed singly, in duplicate, or in triplicate.

"SEC. 2. Whoever shall willfully and knowingly make any false statement in an application for passport with intent to induce or secure the issuance of a passport under the authority of the United States, either for his own or the use of another, contrary to the laws regulating the issuance of passports or the rules prescribed, pursuant to such laws, or whoever shall willfully and knowingly use or attempt to use, or furnish to another for use, any passport the issue of which was secured in any way by reason of any false statement, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 3. Whoever shall willfully and knowingly use, or attempt to use, any passport issued or designed for the use of another than himself, or whoever shall willfully and knowingly use or attempt to use any passport in violation of the conditions or restrictions therein contained, or of the rules prescribed pursuant to the laws regulating the issuance of passports, which said rules shall be printed on the passport; or whoever shall willfully and knowingly furnish, dispose of, or deliver a passport to any person, for use by another than the person for whose use it was originally issued and designed, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"SEC. 4. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be falsely made, forged, counterfeited, mutilated, or altered any passport or instrument purporting to be a passport, with intent to use the same, or with intent that the same may be used by another; or whoever shall willfully and knowingly use, or attempt to use, or furnish to another for use any such false, forged, counterfeited, mutilated, or altered passport or instrument purporting to be a passport, or any passport validly issued which has become void by the occurrence of any condition therein prescribed invalidating the same, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"TITLE X.

"COUNTERFEITING GOVERNMENT SEAL.

"SECTION 1. Whoever shall fraudulently or wrongfully affix or impress the seal of any executive department, or of any bureau, commission, or office of the United States, to or upon any certificate, instrument, commission, document, or paper of any description; or whoever, with knowledge of its fraudulent character, shall with wrongful or fraudulent intent use, buy, procure, sell, or transfer to another any such certificate, instrument, commission, document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 2. Whoever shall falsely make, forge, counterfeit, mutilate, or alter, or cause or procure to be made, forged, counterfeited, mutilated, or altered, or shall willingly assist in falsely making, forging, counterfeiting, mutilating, or altering, the seal of any executive department, or any bureau, commission, or office of the United States, or whoever shall knowingly use, affix, or impress any such fraudulently made, forged, counterfeited, mutilated, or altered seal to or upon any certificate, instrument, commission, document, or paper, of any description, or whoever with wrongful or fraudulent intent shall have possession of any such falsely made, forged, counterfeited, mutilated, or altered seal, knowing the same to have been so falsely made, forged, counterfeited, mutilated, or altered, shall be fined not more than $5,000 or imprisoned not more than 10 years, or both.

"SEC. 3. Whoever shall falsely make, forge, counterfeit, alter, or tamper with any naval, military, or official pass or permit, issued by or under the authority of the United States, or with wrongful or fraudulent intent shall use or have in his possession any such pass or permit, or shall personate or falsely represent himself to be or not to be a person to whom such pass or permit has been duly issued, or shall willfully allow any other person to have or use any such pass or permit, issued for his use alone, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

"TITLE XI.

"SEARCH WARRANTS.

"SECTION 1. A search warrant authorized by this title may be issued by a judge of a United States district court, or by a judge of a State or Territorial court of record, or by a United States commissioner for the district wherein the property sought is located.

"SEC. 2. A search warrant may be issued under this title upon either of the following grounds:

"1. When the property was stolen or embezzled in violation of a law of the United States; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was stolen or embezzled, or from any person in whose possession it may be.

"2. When the property was used as the means of committing a felony; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was used in the commission of the offense, or from any person in whose possession it may be.

"3. When the property, or any paper, is possessed, controlled, or used in violation of section 22 of this title; in which case it may be taken on the warrant from the person violating said section, or from any person in whose possession it may be, or from any house or other place in which it is concealed.

"SEC. 3. A search warrant can not be issued but upon probable cause, supported by affidavit, naming or describing the person and particularly describing the property and the place to be searched.

"SEC. 4. The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witness he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

"SEC. 5. The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

"SEC. 6. If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he must issue a search warrant, signed by him with his name of office, to a civil officer of the United States duly authorized to enforce or assist in enforcing any law thereof, or to a person so duly authorized by the President of the United States, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the person or place named, for the property specified, and to bring it before the judge or commissioner.

"SEC. 7. A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

"SEC. 8. The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

"SEC. 9. He may break open any outer or inner door or window of a house, for the purpose of liberating a person who, having entered to aid him in the execution of the warrant, is detained therein, or when necessary for his own liberation.

"SEC. 10. The judge or commissioner must insert a direction in the warrant that it be served in the daytime, unless the affidavits are positive that the property is on the person or in the place to be searched, in which case he may insert a direction that it be served at any time of the day or night.

"SEC. 11. A search warrant must be executed and returned to the judge or commissioner who issued it within 10 days after its date; after the expiration of this time the warrant, unless executed, is void.

"SEC. 12. When the officer takes property under the warrant, he must give a copy of the warrant together with a receipt for the property taken (specifying it in detail) to the person from whom it was taken by him, or in whose possession it was found; or, in the absence of any person, he must leave it in the place where he found the property.

"SEC. 13. The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the following effect: 'I, R. S., the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant.'

"SEC. 14. The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose possession the property was taken and to the applicant for the warrant.

"SEC. 15. If the grounds on which the warrant was issued be controverted, the judge or commissioner must proceed to take testimony in relation thereto, and the testimony of each witness must be reduced to writing and subscribed by each witness.

"SEC. 16. If it appears that the property or paper taken is not the same as that described in the warrant or that there is no probable cause for believing the existence of the grounds on which the warrant was issued, the judge or commissioner must cause it to be restored to the person from whom it was taken; but if it appears that the property or paper taken is the same as that described in the warrant and that there is probable cause for believing the existence of the grounds on which the warrant was issued, then the judge or commissioner shall order the same retained in the custody of the person seizing it or to be otherwise disposed of according to law.

"SEC. 17. The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and if he has not power to inquire into the offense in respect to which the warrant was issued he must at once file the same, together with a copy of the record of his proceedings, with the clerk of the court having power to so inquire.

"SEC. 18. Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than $1,000 or imprisoned not more than two years.

"SEC. 19. Sections 125 and 126 of the Criminal Code of the United States shall apply to and embrace all persons making oath or affirmation or procuring the same under the provisions of this title, and such persons shall be subject to all the pains and penalties of said sections.

"SEC. 20. A person who maliciously and without probable cause procures a search warrant to be issued and executed shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 21. An officer who in executing a search warrant willfully exceeds his authority, or exceeds it with unnecessary severity, shall be fined not more than $1,000 or imprisoned not more than one year.

"SEC. 22. Whoever, in aid of any foreign government, shall knowingly and willfully have possession of or control over any property or papers designed or intended for use or which is used as a means of violating any penal statute, or any of the rights or obligations of the United States under any treaty or the law of nations, shall be fined not more than $1,000 or imprisoned not more than two years, or both.

"SEC. 23. Nothing contained in this title shall be held to repeal or impair any existing provisions of law regulating search and the issue of search warrants.

"TITLE XII.

"USE OF MAILS.

"SECTION 1. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing, of any kind, in violation of any of the provisions of this act, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office, duly authorized thereto, or other person upon a search warrant authorized by law, to open any letter not addressed to himself.

"SEC. 2. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing, of any kind, containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States, is hereby declared to be nonmailable.

"SEC. 3. Whoever shall use or attempt to use the mails or Postal Service of the United States for the transmission of any matter declared by this title to be nonmailable, shall be fined not more than $5,000 or imprisoned not more than five years, or both. Any person, violating any provision of this title may be tried and punished either in the district in which the unlawful matter or publication was mailed, or to which it was carried by mail for delivery according to the direction thereon, or in which it was caused to be delivered by mail to the person to whom it was addressed.

"TITLE XIII.

"GENERAL PROVISIONS.

"SECTION 1. The term 'United States' as used in this act includes the Canal Zone and all territory and waters, continental or insular, subject to the jurisdiction of the United States.

"SEC. 2. The several courts of first instance in the Philippine Islands and the district court of the Canal Zone shall have jurisdiction of offenses under this act committed within their respective districts, and concurrent jurisdiction with the district courts of the United States of offenses under this act committed upon the high seas, and of conspiracies to commit such offenses, as defined by section 37 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, and the provisions of said section, for the purpose of this act, are hereby extended to the Philippine Islands, and to the Canal Zone. In such cases the district attorneys of the Philippine Islands and of the Canal Zone shall have the powers and perform the duties provided in this act for United States attorneys.

"SEC. 3. Offenses committed and penalties, forfeitures, or liabilities incurred prior to the taking effect hereof under any law embraced in or changed, modified, or repealed by any chapter of this act may be prosecuted and punished, and suits and proceedings for causes arising or acts done or committed prior to the taking effect hereof may be commenced and prosecuted, in the same manner and with the same effect as if this act had not been passed.

"SEC. 4. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered."

And the Senate agree to the same.

LEE S. OVERMAN,
DUNCAN U. FLETCHER,
KNUTE NELSON,
Managers on the part of the Senate.

E. Y. WEBB,
C. C. CARLIN,
A. J. VOLSTEAD,
Managers on the part of the House.

ADJOURNMENT TO FRIDAY.

Mr. BANKHEAD. Mr. President, in submitting the motion I intend to make I trust no Senator will feel that it is an imposition upon the time or the business of the Senate or that its purpose implies any motive of disloyalty to the flag of our country. On the contrary, it is intended as a tribute to the patriotism of the Confederate veteran and his son, who stand ready and willing to offer their lives and their means for the perpetuation of the Union which they so desperately and at such great sacrifice attempted to dissolve. I take the liberty of offering this motion since I am the only remaining Senator who served four full years as a Confederate soldier.

The local post of the Grand Army of the Republic and the civic organizations of the city of Washington have extended the Confederate veterans a most generous and pressing invitation to hold their twenty-seventh annual reunion in the Capital City of the Nation, and in the same generous and gracious spirit the invitation was accepted. To-day the shattered remnants of the armies of Lee and Jackson, Johnston and Bragg, and of the navies of the Confederacy, who are physically and financially able, are in Washington and on Thursday will march with their sons down Pennsylvania Avenue in review before the President of the United States. Think, Senators, of the significance of a spectacle like this! A little more than half a century ago these same men in arms were hammering at the gates of Washington in an effort to sever their relations with the National Government. Thursday, marching with broken body and faltering step, on a mission of peace and love, not of hatred and bloodshed, but in a spirit of resolute reconciliation and absolute loyalty to our flag, they will voice in vibrant tones to all the world an indissoluble Union of the United States. I am grateful that God has spared me to see this day, when my old comrades in arms of the Confederacy are here in the Capital of that Nation which for four years they struggled desperately to destroy but which none in all this great Republic are now more anxious to preserve.

For four years I marched and fought under the Stars and Bars. Five immediate members of my family are now enlisted under the Stars and Stripes, a son, two grandsons, and two nephews. They will even up our records.

Now, Mr. President, as a mark of honor and respect to the Confederate veterans assembled in reunion in the city of Washington, the Capital of the United States of America, I move that the Senate adjourn until 12 o'clock noon on Friday next.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to; and (at 12 o'clock and 10 minutes p. m.) the Senate adjourned until Friday, June 8, 1917, at 12 o'clock m.

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